

Trioworld

Sustainability Report

2020



Trioworld

Sustainability Report 2020

At Trioworld we are convinced plastic can make the world safer and healthier for everybody. We are committed to making plastic a part of a sustainable society, and continuously work on strengthening our sustainable product portfolio, specifically focusing on increased use of recycled material, and reduced consumption of raw material. Sustainability is a top priority and integral part of everything we do.

Transparent communication in relation to our sustainability work is important and the following report contains information about sustainability progress and activities in Trioworld.

Significant sustainability events in 2020

- ☒ Reviewed and upgraded sustainability strategy with an enhanced ambition: To be the number one in sustainability in our industry
- ☒ High speed ramp up of production of PPE (Personal Protective Equipment) supporting hospitals and care providers during the COVID-19 outbreak. The PPE product portfolio, consisting of disposable aprons and gowns, can have a content of up to 50% recycled material
- ☒ Launched several new Trioloop products with PCR (Post Consumer Recyclates) – stretch hood, cast extruded hand stretch film, blown extruded machine film and silage bale wrap film
- ☒ Obtained "Blue Angel" certification for silage film (Trioblack) from Ombree d'Anjou and parts of the refuse bag portfolio in Smålandsstenar
- ☒ Implemented Trioworld's new Code of Conduct: "We are responsible", as well as a system for anonymous whistleblowing

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Statement from the CEO

Following the COVID-19 pandemic outbreak in early 2020, the year has in many ways been challenging. Substantial effort has been put in to safeguard our employees, keep production running and thereby securing timely deliveries to customers and stakeholders. Occasional outbreaks in our factories were identified and contained quickly and there were no recorded fatalities during the year. Despite these challenges, Trioworld has continued to deliver on its long-term sustainability targets and strategy.

In early 2021, after months of preparation, we upgraded our name and tag line to Trioworld, Re-Thinking Plastic. This name upgrade acknowledges our responsibility for a more sustainable business and take the next step

towards circular leadership in our industry. Circular leadership is a bold statement that requires us to take responsibility not only for ourselves, but also for our customers by challenging them on what products they buy from us. But even though it might be a bold statement, it is not a revolution to us. Throughout the company we already work relentlessly with our stakeholders towards a clear target – to make products and solutions even more environmentally friendly today, than they were yesterday. This is done by, for example, using recycled or bio-based material, or making our products thinner to save material. For many years, our winning formula has been to deliver ingenious products together with unrivalled service, support and competencies. And it's always been in close



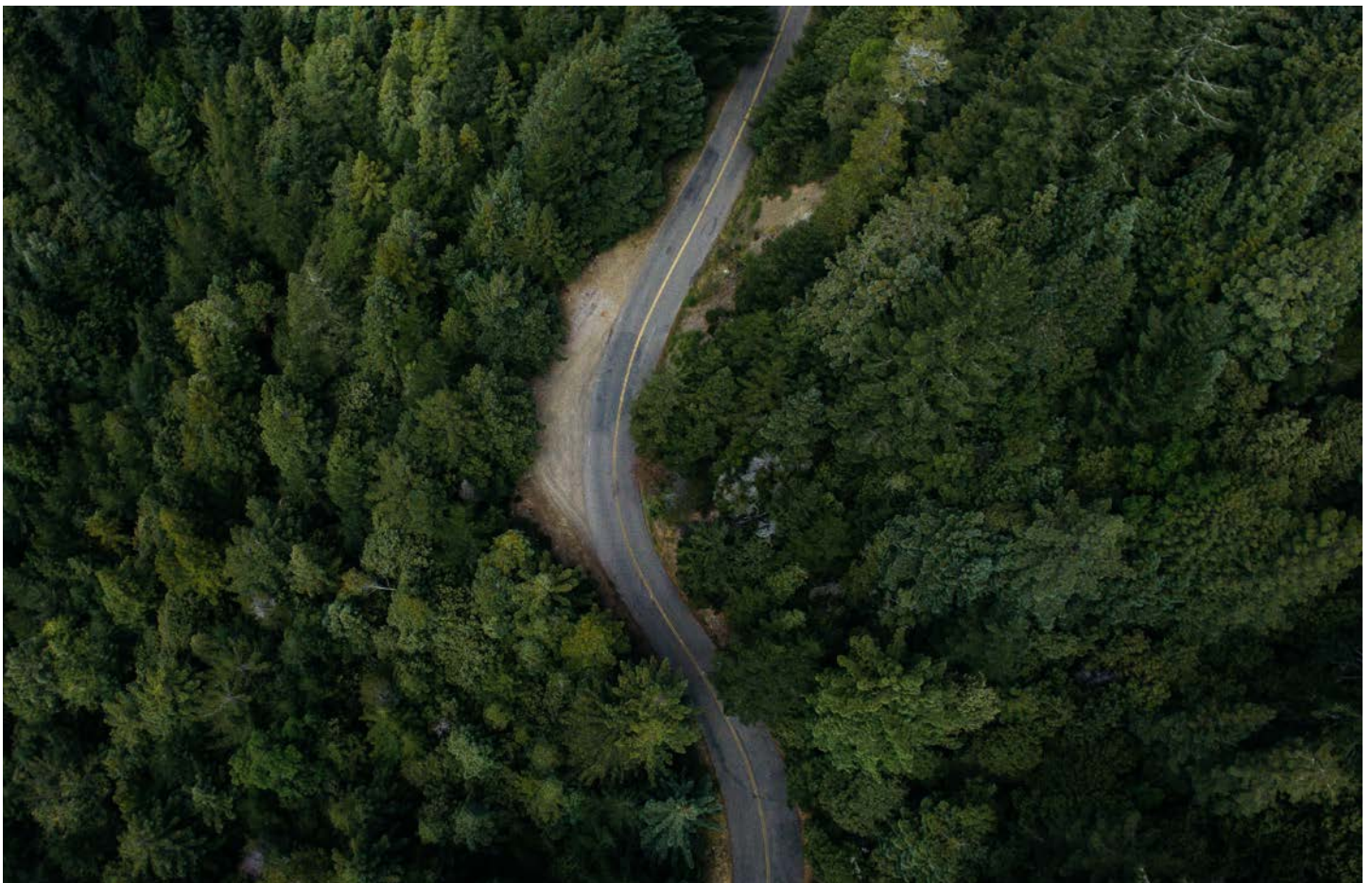
cooperation with our customers. This continues to be the benchmark for all our work. But now – more than ever – we need to listen to the demand to make plastic sustainable. It comes from customers, organizations, regulators, and society in general. The demand for change is everywhere. And it is not a game for followers. If we want to be successful, we must lead the journey into circularity for our industry. In practice, this has meant that we have put a number of sustainable product solutions on the market in 2020, ranging from solutions for load security, industrial packaging to food and other consumer packaging, many times based on recycled or bio-based feed stock.

Business results

Like many other companies we were faced with challenges in the business climate, following the pandemic outbreak. However, our exposure to product segments needed to sustain vital functions in our societies, as food, hygiene, agriculture, construction and transport, made us

resilient throughout 2020. Over all volumes were at comparable levels to 2019 and profitability strengthened in the year compared to the year before. Also, outside of normal business, Trioworld was quick to identify and adapt operations to supplying the hygiene-, and hospital sector with much-needed protective clothing in the form of aprons and gowns. In less than a month from the initial outbreak in the Nordics, we successfully rebuilt machines and on-boarded personnel to enable production to start. Since then we have continued to invest in equipment and R&D, with the aim to develop a unique and complete product offering. Notable is that the forward-looking portfolio, to a large extent, is based on the use of recycled material.

During the year, we integrated AFP (Apeldoorn Flexible Packaging), which was acquired at the end of 2019, into the Trioworld group of companies. Initially AFP remained a separate division, but as of January 1st, 2021, AFP was fully integrated and is now a shared site between Stretch Film Division and



Consumer Packaging Division. Trioworld produces its wide portfolio of products in ten factories, whereof six are in Sweden, one in Denmark, one in the Netherlands, and two in France.

Sustainability results

Our sustainability work has been successful during the year, despite the limitations coming from the COVID-19 situation, which restricted physical meetings. An important milestone was the yearly Trioworld strategic review. At this event, the foundation for increased focus on sustainability was laid by combining our overall long-term goals on revenue and profitability, with a third goal: To be the number one in sustainability in our industry. Existing and new strategies and actions were discussed and agreed to accelerate our journey in the sustainability area.

During the year, we identified and started to follow new Key Performance Indicators (KPIs), both at product and company level. In addition, the group improved its reporting system on sustainability-related matters, aiming to become even more transparent.

Based on a broad product portfolio and extensive knowledge in the sustainability area, Trioworld is in position to create tangible impact.

Although we see our Trioloop solutions (recycled PE (polyethylene)) to be the main driver for the imminent change, we continue developing our other sustainable solutions Triogreen (bio-based feedstock) and Triolean (ultra-thin films).

Our consultancy service, Triogreenway, has also developed in a good way, and in the beginning of the year we expanded our team with a Life Cycle Assessment expert.

In August we launched an updated Code of Conduct and a system for anonymous Whistleblowing. The Trioworld sourcing department is now cascading Trioworld's upgraded Code of Conduct to our supplier base.

Support of UN Global Compact

Since 2017, Trioworld has been committed to alignment with the UN (United Nations) Global Compact and continues to support this important and voluntary initiative. In this Sustainability Report, you will find more information about Trioworld's status and progress in the UN Global Compact's ten principles.

We are determined to use our leading position to make a positive difference, but we cannot do it alone. Trioworld invites everyone in our value chain to join us and play their part. We already have great support for our sustainability journey from employees, customers and other stakeholders. I would like to thank you all for your contribution during 2020. In 2021, we will continue our sustainability journey and **re-think plastic** and responsibly lead our industry into circularity, together with you.



Andreas Malmberg
CEO Trioworld Industrier AB

About Trioworld

Trioworld (formerly Trioplast) was founded in 1965 and is one of Europe's leading players in innovative, sustainable, and cost-efficient packaging solutions based on PE film. The production sites and sales companies are subsidiaries of Trioworld Industrier AB, with its head office in Smålandsstenar, Sweden. The production sites are located in Sweden, Denmark, France and the Netherlands, with customers on the global market. At the end of 2020, Trioworld Industrier AB had ten subsidiary companies (production/sales sites) and in addition five sales companies located in Denmark, Norway, Finland, United Kingdom and Germany.

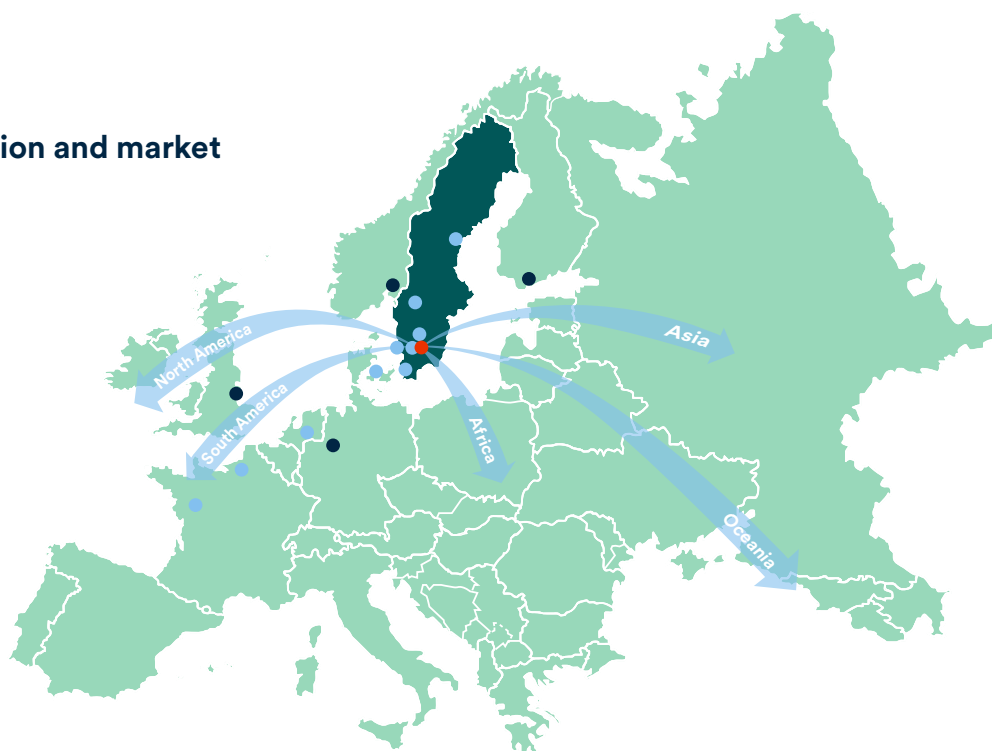
Trioworld Industrier AB's parent company is Trioworld Holding AB, owned by Altor Fund IV.

This Sustainability Report refers to Trioworld Industrier AB and its subsidiaries, as well as the group parent company Trioworld Holding AB. For more information on the legal structure of the group, please see the financial annual report of Trioworld Holding AB.

In 2020, Trioworld produced about 243,000 tons of PE film to customers all over the world. Approximately 20% of the volume is delivered to customers in Sweden and over 70% to customers in the rest of Europe.

Geographical distribution and market

- Head office
- Production/sales company
- Sales company



Key figures

1 200

Employees

15

Companies

1965

Year founded

540

Turnover of EUR Million

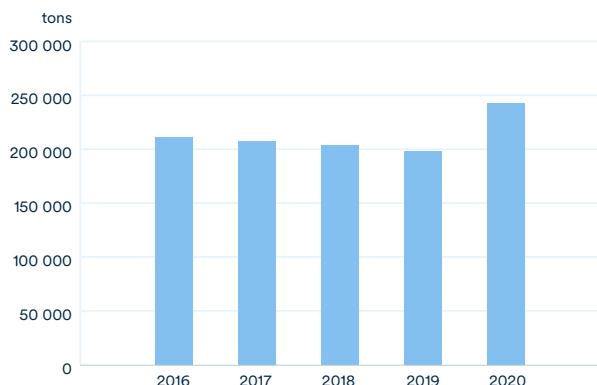
The increase of 20% in approved production volume in 2020 is mainly driven by the acquisition and integration of AFP into the Trioworld group of companies.

The slight decrease in volumes from 2016 to 2019 is coming from a strategic decision to focus

the business on premium products and exit non-strategic segments. This has resulted in the closure/sale of parts of the business. In addition, the successful work of down-gauging products, producing a product with the same performance but with less material, naturally also reduces the volumes sold, measured in tons.

Approved production

= products produced, approved for delivery to customers



Trioworld Divisions

During 2020 Trioworld operated through the following business entities: AFP Division, Carrier Bags Division, Consumer Packaging Division, Industrial Film Division and Stretch Film Division.

To improve support to customers and pave the way for further growth, the organisational structure was changed as of 1 January 2021 and the Trioworld group now operates through the five entities listed below.

	Stretch film	Industrial film	Consumer packaging	Health care	Carrier bags
Divisions					
Units	<ul style="list-style-type: none"> • Trioworld Smålandsstenar, Sweden • Trioworld Ombrée D'Anjou, France • Trioworld Apeldoorn, Netherlands 	<ul style="list-style-type: none"> • Trioworld Nyborg, Denmark • Trioworld Varberg, Sweden • Trioworld Bottnaryd, Sweden • Trioworld Sundsvall, Sweden 	<ul style="list-style-type: none"> • Trioworld Apeldoorn, Netherlands • Trioworld Landskrona, Sweden 	<ul style="list-style-type: none"> • Trioworld Saint-Ouen, France 	<ul style="list-style-type: none"> • Trioworld Lundin Arvika, Sweden
Product solutions	<ul style="list-style-type: none"> • Load stability film • Agricultural film • Refuse sacks • Building and covering film • Waste wrap film 	<ul style="list-style-type: none"> • FFS (Form Fill Seal) film • Stretch hoods • Shrink film • Forest industry film • Refuse sacks • Industrial sacks and bags • Stand Alone bags • Compression film • Top sheet and top sheet film • Covering film • Tailored solutions 	<ul style="list-style-type: none"> • Packaging film for food, bread and cheese (individual packed slices) • Film for sustainable tissue packagings • Bags for hygiene and packaging market 	<ul style="list-style-type: none"> • Breathable film • Embossed film • Medical laminated film • Specialty films/laminates • Film with high-quality printing • Aprons and gowns • Cast breathable film <ul style="list-style-type: none"> – Medical laminated film – Specialty films/laminates 	<ul style="list-style-type: none"> • Plastic carrier bags for food retailers • Bin bag on-roll

Each division has its own unique conditions and strategy to accomplish profitable growth and stay financially sustainable, but gathers around certain critical synergies, which are commonly exploited.

Carrier Bags Division

Trioworld Lundin AB, with its production site in Sweden, is a leading supplier of carrier bags and household bin bags to the Nordic market. The strong, sustainable and climate-smart carrier bags, primarily produced for food retailers, are also supplied to companies that sell consumer durables.

Consumer Packaging Division

Consumer Packaging Division has production sites in Sweden and the Netherlands. The division delivers solutions to ensure that everyday products stay fresh and safe until unpacked; for example food, bread and cheese packaging, as well as tissue packaging and bags for hygiene/packaging material. A nice design helps to elevate the experience for the consumer.

Industrial Film Division

The Industrial Film Division, with production sites in Denmark and Sweden, supplies products,

solutions and support for applications in industrial manufacturing and processing, the forest industry, construction and retailing of meat, fish and other food products. Examples of products include FFS (Form Fill Seal) film, stretch hoods, shrink film, forest industry film, refuse sacks, industrial sacks and bags, stand-alone bags, compression films, top sheet and top sheet films.

Health Care Film Division

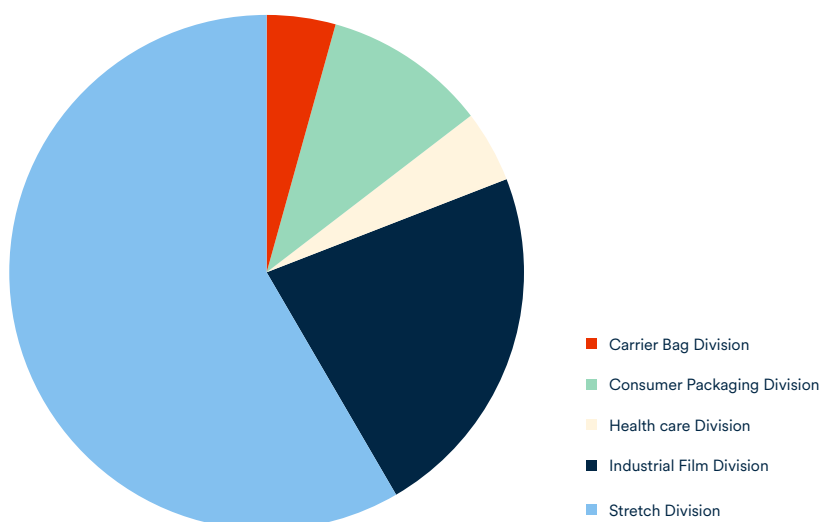
Health Care Film was formerly part of Consumer Packaging Division but since the organisation review in January 2021, it is now a standalone division. With one production site in France, the division develops and produces films and laminates for baby diapers, incontinence diapers, surgical drapes and packaging materials for hygienic purposes.

Stretch Film Division

The Stretch Film Division supplies products, solutions and support for applications in agriculture, the transport of goods, construction and industrial marketing. Production sites are located in Sweden, the Netherlands and France. Examples of products include load stability film, agricultural film, refuse sacks, building and cover film and waste wrap film.

Approved production 2020 per division

Total ~243 000 ton



Governance

Trioworld GMT (Group Management Team) is responsible for the governance of the Trioworld group of companies. Trioworld is run based on the principle of a decentralised organisation structure where each division is fully accountable for its respective profit & loss and balance sheets. Divisional presidents are members of GMT, together with CEO, CFO, HR Director, VP Business Development and CPO.

Synergies identified across divisional boundaries are captured and exploited through coordination work in councils, in which divisions are represented.

GMT is responsible for setting the Trioworld Vision, Mission, Core Values, strategy, targets and any other common policies. Each division is thereafter responsible for incorporating them in their operations and to align other divisional and local policies.



Trioworld Vision, Mission, Strategy and Core values

In February 2021, Trioplast changed its name to Trioworld. Trioworld acknowledges the responsibility for a more sustainable business and is taking the next step in circular leadership in the industry, in a competitive world where performance of products and level of service are still key.

The company tagline **Re-thinking plastic** signals the forward-looking commitment to sustainable leadership, but also promotes and honours the innovative spirit that the company is built on.

The demand to make plastic sustainable comes from customers, organisations, regulators and society in general. The demand for change is everywhere. Trioworld will not follow this change – Trioworld wants to lead the journey into circularity for the industry.

Trioworld **Vision** is long term, while the **Mission** describes how the vision will be achieved, by defining cornerstones: what will be done, how will it be done and who it will be done for?

Trioworld Vision

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

Trioworld Mission

- We focus on our selected core markets with our core products
- We are a natural part of our customers' competitiveness
- We offer sustainable premium products and solutions with the highest possible service level
- We lead our industry's journey into circular plastics

Trioworld is transitioning into the role of a global, responsible and leading partner with innovative and sustainable solutions based on PE film. The desire is to move from equally good (market-based price levels and delivery reliability) to being unique. This means being experts on the customer's developing needs, fast and accessible service, keeping promises and innovative solutions based on carefully selected materials.

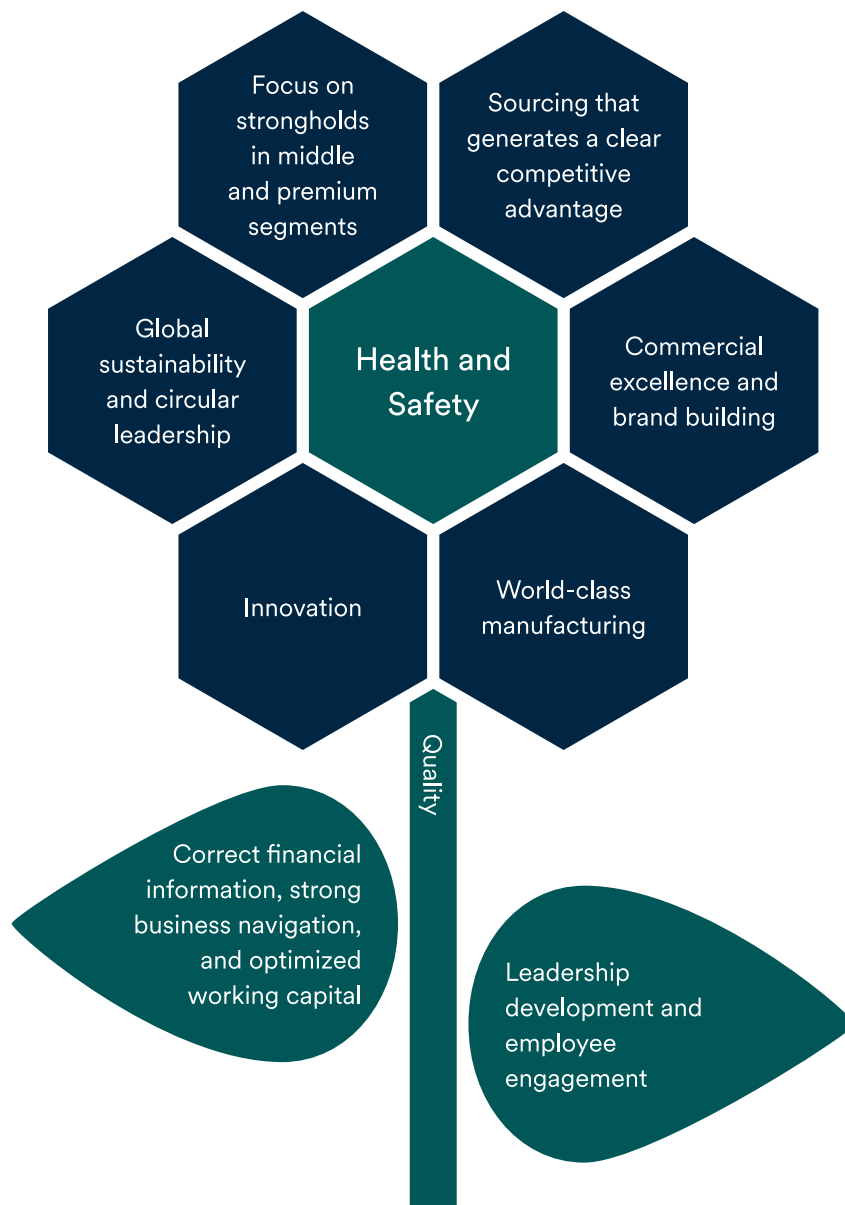
Trioworld Strategy

The strategy of Trioworld is represented below with a flower, as a reminder to keep nurturing the business, keeping each leaf healthy and strong for the benefit of all.

The base of Trioworld is its employees. Without the engagement of the employees and leadership de-

velopment, the rest of the strategy will not work. Trioworld is committed to having strong business navigation, submitting correct financial information and optimising working capital. The quality of Trioworld's products is always in focus, for everyone.

The centre of the flower is health and safety. This is always a top priority of Trioworld's operations, and no compromises are allowed here. Part of Trioworld's strategy is its focus on strongholds in the middle and premium segments. The operation runs with world class manufacturing, innovation, global sustainability and circular leadership and with commercial excellence and brand building. In addition, Trioworld will have a sourcing strategy that generates a clear competitive advantage.



Trioworld Core values

The Core values of Trioworld describe the company's culture and give guidance about how to act and interact with colleagues, customers and partners.

Responsible

- We lead our industry's journey into circular plastics – for the good of our customers, the industry and the planet
- We live up to our promises and are dedicated to getting things done
- We take pride in supplying full solutions – premium sustainable products with unrivalled service and support, to give our customers peace of mind

Leading

- In close cooperation with our customers, we are constantly innovating the industry's best packaging solutions based on circular plastics
- We aim to use our strong position as a leader to make the world safer and healthier by acting courageously and boldly
- We proactively develop innovative sustainable solutions, ahead of the needs of our customers and in anticipation of the market
- We actively communicate and want to be seen as the authority and leader in the development of circular and recycled plastics
- We motivate and inspire others to join us

Together

- We drive our customers' sustainable performance by working closely together with them. Our innovation is always customer-driven
- True circularity in plastics will only be achieved by working with all stakeholders in the value chain
- We build sustainable and long-term relationships – preferably lifelong
- We are an attractive employer that seeks to future proof our employees by maintaining and improving their skills
- We connect with the world around us

With the base in our superior products and unrivalled service, we lead our industry responsibly into circularity, together with you.

The people of Trioworld

We are professionals with a genuine passion for what we do – always open to the world around us and keen to share our knowledge. This is who we are and how we operate, expressed in our **Brand Statement.**

We are listeners – we hear the calls for a new, circular era.

We are parents – we want the world to be safer and healthier.

We are experts – we've got the minds and tools to create real change and push the boundaries of what is possible.

We are there – for colleagues, customers – and generations to come.

We are Trioworld
Re-thinking plastic

External initiatives and Membership of associations

Trioworld supports the UN Global Compact as well as the SDGs (Global Sustainable Development Goals), see [page 30](#). These initiatives are both voluntary and used as the basis for Trioworld's Code of Conduct. Many of Trioworld's sustainability targets aligns with SDGs.

Working together is a key component for becoming circular. Hence Trioworld invests and supports its sustainable journey through engagement in selected strategically important associations. Each membership and devoted hour of participation is seen as an investment in the future for Trioworld. A selection of associations is presented below. In addition, Trioworld is engaged in Industry and employer's organisations, connected in a European network. Some examples are listed on the following pages.

- **IKEM, Sweden**

IKEM (Innovations- och Kemiindustrierna i Sverige, translated as Innovation and Chemical industries in Sweden) is the Industry and employer's organisation in Sweden. IKEM provides support in specific areas of interest, such as facilitating discussions on plastics, sustainable contribution to society, monitoring of political proposals concerning plastics and promoting plastic and recycling research and development projects. The CEO of Trioworld is a Board member of IKEM. In addition, Trioworld is engaged in IKEM's Research and Innovation Committee.

- **EuPC (European Plastics Converters), Europe**

EuPC represents plastic converters in Europe, covering 1.6 million employees working in



around 50,000 companies in the converting sector, creating a turnover of MEUR 260,000 annually. Trioworld is supported in its regulatory work by EuPC and receives regular updates on relevant areas of interests, e.g., eco modulation schemes, taxes, market statistics and chemicals. EuPC also develops tools for the industry to collect data and adapt to potential new requirements and demands. The reporting platform MORE (Monitoring Recyclates for Europe) is aimed at collecting data regarding volumes of plastic materials and products places on the European inner market. Trioworld Ombrée d'Anjou has adopted MORE to enable reporting of the recycling activity at the site. Trioworld is engaged in EuPC through the Raw material committee, but also locally in countries where Trioworld has production units.

- **PRE (Plastic Recyclers Europe), Europe**

PRE is an organisation representing European plastic recyclers which reprocess plastic waste into high-quality material designated for the manufacture of new articles. Plastic recycling in

Europe is a rapidly growing sector, representing MEUR 3,000 turnover annually, with a recycling capacity of 8.5 million tons by 600 companies and over 20,000 employees. PRE has developed the RecyClass system, a methodology and guidelines for recyclability and certification of recycled content regarding plastic products. PRE regularly provides regulatory updates and information on request. Trioworld is engaged in PRE through the LDPE (Low Density PE) raw material group. In addition, PRE and Trioworld cooperate in the development of standards regarding plastics recycling, mainly in the CEN TC 249 Plastics/WG 11 Recycling working group, but also in relevant standardisation groups. PRE has developed the certification scheme EuCert-Plast for recyclers, which is a strong requirement in the market. Trioworld Ombrée d'Anjou has an EuCertPlast certificate for its recycling facility.

- **Edana**

This is the leading global association for non-woven and related industries. For Trioworld, this applies to the medical and hygiene segments.



Several working groups of Edana are of interest for Trioworld, for example, sustainability for absorbent hygiene products and regulatory and chemical management. The latter has been led by Trioworld for several years. Trioworld has participated as a member in the board of governors to contribute in the journey to circularity for the hygiene industry.

Besides the associations above, Trioworld has chosen to engage in several other organisations and initiatives, sometimes after being invited to the organisations as an expert with good knowledge and experience in the plastic industry, regulatory and standardisation.

Regulatory related organisations

- **Sweden – Reference group public procurement**

The Swedish authority for public procurement was commissioned to develop guidelines for plastic-related procurement for Swedish municipalities and health care. The three areas covered by the project were food packaging, health care packaging and construction packaging. Trioworld was invited to participate as expert

in the reference groups and provided essential input regarding definitions, standards and realistic demands for circular products.

- **Sweden – Reference group Sustainable plastics**

The Swedish Environmental Protection Agency was asked by the government to coordinate the transformation into a circular plastic economy. Trioworld is heavily involved in the activities related to this assignment, mainly as a member of the international regulatory group, in the reference group for developing plastics guidelines and as expert in the standardisation of circular plastics.

- **Sweden – Expert group Delegation for circular economy**

In 2018, the Swedish government installed the Delegation for a circular economy to support the transformation from a linear to circular economy. Trioworld joined the group of experts during 2020 and will participate in the future projects currently under development. See more about the Delegation for circular economy and its work on www.delegationcirkularekonomi.se



Standardisation

In the Plastic strategy, the European Green Deal and the Circular Economy Action Plan, the European Commission has identified standardisation as an important tool for achieving a circular economy for plastics. When moving from a linear to a circular economy, it is abundantly clear that new standards are needed for a common understanding as well as a platform with which the industry can work. It is also crucial that, as far as possible, standardisation is one step ahead of regulatory initiatives, to be clear in the intentions of the implemented regulations.

Trioworld has been engaged in product-related standardisations for several years and has decided to take a leading role in standardisation related to plastic recycling to support the transformation to a circular economy. Accordingly, both the European and the international groups for standardisation regarding plastics recycling are led by Trioworld's Director of Regulatory Affairs and Strategic Innovation. A strategy for forthcoming standardisation in Europe has been developed and is being adopted.

Circular Plastics Alliance (CPA)

In January 2018, the European Commission invited stakeholders to submit voluntary pledges to use or produce recycled plastics. Based on this pledge, the CPA was created in 2019. CPA aims to boost the EU market for recycled plastics to 10 million tons by 2025 and covers the entire plastics value chain and includes 277 organisations representing industry, academia and public authorities. The goal and purpose of the CPA is in line with Trioworld's strategy and sustainability targets. Trioworld joined the CPA in November 2019 with the ambition to actively participate in areas relevant to Trioworld.

CPA is divided into five sectors: Agriculture, Packaging, Building & Construction, Automotive, WEEE (Waste of Electrical and Electronical

Equipment). In addition, one group is developing a monitoring system. A working plan has been developed with the following theme groups:

- Design for recycling
- Research and Development
- Collection and sorting
- Recycled content

Trioworld has actively participated in the sectors of Agriculture, Packaging and Monitoring and with focus on the theme groups for Design for Recycling and Recycled content. Trioworld's representative is also leading the Standardisation Request Ad Hoc Group (SRAHG), which is managing the standardisation requests. For Trioworld, this is the foundation for the plastic industry in Europe going forward.

Standardisation has been clearly identified as a common factor in the theme groups. Based on this, voluntary experts gathered in the Dedicated Product Teams (DPT) have compiled the sectorial needs in a list of prioritised products. The listed products are based on supporting work performed by Joint Research Center (JRC) to collect the largest potential products to provide recycled plastics and/or to adopt recycled plastics. The standardisation need was divided into four scopes that each DPT should cover in their listing: Design for recycling, Quality of plastic waste, Quality of recyclates and Integration of recycled plastics.

In the coming years, the development of standards related to plastic recycling in Europe will be requested by the European Commission through a Standardisation Request (SR). The SR is currently under development in a partnership between CPA, relevant Technical Committees in CEN/CENELEC (Comité Européen de Normalisation / Comité Européen de Normalisation Électrotechnique) and the European Commission. It is expected to be filed by the European Commission to CEN/CENELEC in October 2021.

In addition, Trioworld has several local involvements and memberships linked to specific production sites.

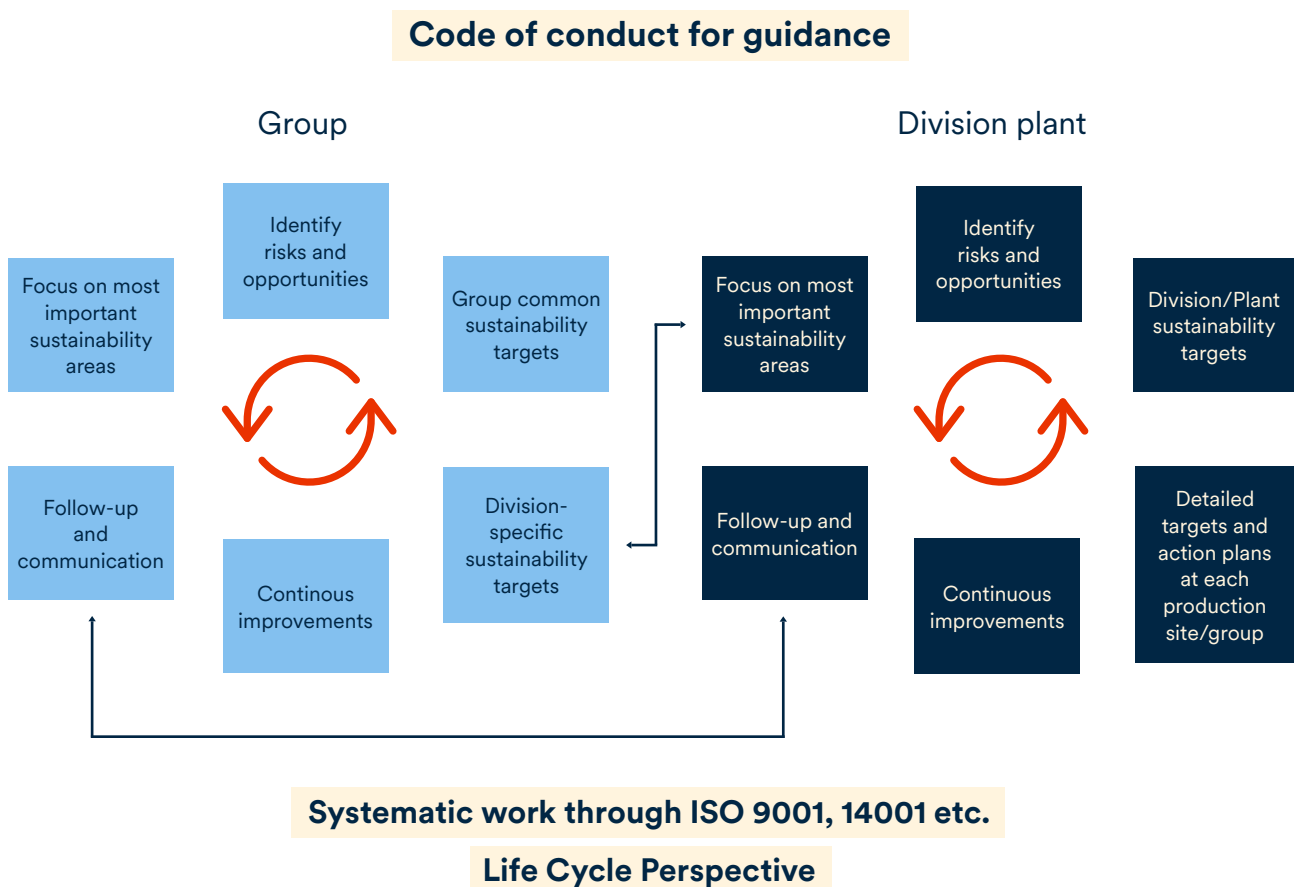
Management approach

In the 2020 business strategy review, special attention was given to sustainability and the sustainability strategy was updated. Besides the two overall business targets, a third target for sustainability was introduced – to be the number one in sustainability in our industry.

Stakeholders, i.e. owners, banks, customers, suppliers, research institutes and universities, business associations, standardisation bodies, authorities and sustainability initiatives were interviewed to map the current position and stakeholders' expectations with respect to Trioworld. The conclusions from the interviews

were summarised in the stakeholder analysis and provided important input for the sustainability strategy work. Materiality analysis and Risk analysis for the group was performed in 2020 and was reviewed by representatives from GMT.

Based on the materiality analysis, stakeholder analysis and risk analysis, group sustainability targets and KPIs were put in place and follow-up procedures established in 2020. These are used in the business strategy review of 2021, so that the divisions can align division-specific targets. The sustainability KPIs are followed by the Sustainability Development Director.



In addition to the sustainability targets, GMT sets group policies, which are reviewed as needed. This is always aligned with the Vision, Mission and Core Values of Trioworld, described on [page 11ff](#). Some examples are described below and further examples are presented later in this Sustainability Report.

- Trioworld **Code of Conduct** describes the basis of how Trioworld acts to ensure sustainable business, see [page 27](#).
- **Policy for equal opportunities** to support diversity and equality for all and prevent harassment and discrimination of any kind
- **Policy for personal data** to ensure correct and legal processing of personal information
- To avoid corruption and ensure sound business ethics, Trioworld has a **Competition Compliance Policy** and clarifying documents to be signed by employees, where relevant, [see page 28](#)

- **Authorisation manual**, describing the authorisation structure and limits to be used in Trioworld, for example; sales agreements, personal costs, investments, etc.

- **Sourcing guideline**, see [page 28](#).

Some group policies are published on www.trioworld.com while others are for internal use only. Policies, target, and other guidelines are applied in each division, via for example applicable management systems.

Trioworld aims to communicate openly with respect to its sustainability work and progress, this Sustainability Report being a part of that strategy.

Trioworld's sustainability is also aligned with SDG, which is shown at the end of this section of the Sustainability Report, see [page 30](#).



Stakeholder analysis

Trioworld frequently reviews and updates its stakeholder analysis. Selected participants, covering different aspects and interests of Trioworld, are invited to a workshop to share their experience, knowledge and understanding about Trioworld's

stakeholders. Interviews with different stakeholders conducted during the sustainability strategy review 2020 confirmed the stakeholder analysis performed and provided some valuable additional expectations and requirements.

Stakeholder	Expectations and requirements	Value created by Trioworld
Authorities	<p>Compliance with applicable legislation.</p> <p>Expert input for new legislation and related questions.</p>	<p>Compliance with applicable legislation is a basic requirement for Trioworld. In 2020, no material breaches in environment or working environment legislation were reported.</p> <p>Supporting applicable authorities by giving expert input and knowledge in questions related to Trioworld broadens the authorities' understanding. It will also give Trioworld better understanding of the authorities' priorities and how to work with for example new legislation.</p>
Customers, agents and distributors	<p>High-quality products and on-time delivery, in addition to proactivity and innovation of Trioworld's products.</p> <p>Support in questions arising when using Trioworld's products.</p> <p>Increasing interest in sustainability, asking Trioworld to provide support in this.</p>	<p>For customer satisfaction (as well as agents and distributors), Trioworld has an active and supportive sales organisation in each division, to ensure timely and correct delivery to customers as well as any support needed.</p> <p>To meet the increasing interest in sustainability, Trioworld has launched the sustainable product portfolio, and continuously develops new sustainable products, as described on page 37ff.</p>
Employees and trade unions	<p>Employee satisfaction, including health and safety, well-being, financial compensation for work, personal development.</p> <p>Fair treatment and possibility to influence.</p>	<p>Trioworld value creation for employees is described under Social responsibility, see page 43ff.</p> <p>Group HR conducts employee satisfaction surveys. For results 2020, see Employees page 46.</p> <p>Health and safety are always in focus. Trioworld is committed to ensuring that the workplaces are healthy and safe, because the employees and their competence are vital to the company's production and future.</p> <p>Close cooperation with trade unions at the production sites is maintained.</p>

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Financial institutions and banks	<p>Earn interest and security of the investment.</p> <p>Long-term sustainable business model, especially for companies they consider to be high risks companies.</p> <p>Targets anchored in UN SDGs and with focus on CO₂-eq. emissions.</p>	<p>Frequent reports and meetings as needed to show status and progress of the company.</p> <p>Financial stable performer in 2020, with a well anchored sustainable strategy and business model.</p>
Owner	<p>Maximise enterprise value by execution of the agreed strategy.</p> <p>Having basics in sustainability in place. Excel in sustainability areas, making a difference and doing so better and faster than competitors.</p>	<p>Strong focus on long-term sustainable growth, profitability and cash-flow, achieved by:</p> <ul style="list-style-type: none"> – Continuous follow-up and sustainability KPIs. – Business conducted in an ethical and fair manner. – Knowledge in applicable and coming legislation. – Sustainability basics in place. – Sustainable product development, to meet future demands of customers.
Partners, Industry/Standardisation organisations	<p>Experience, expertise and knowledge.</p>	<p>Trioworld supports, participates and in some cases leads several associations, where Trioworld's knowledge, expertise and experience has been requested and is needed. A list of such associations can be found on page 15ff.</p>
Society	<p>Contribution to national and global sustainable goals and to supporting initiatives, such as charity.</p> <p>Long-term employment possibilities.</p>	<p>Examples of Trioworld's work with society is described on page 52.</p>

Stakeholder chart

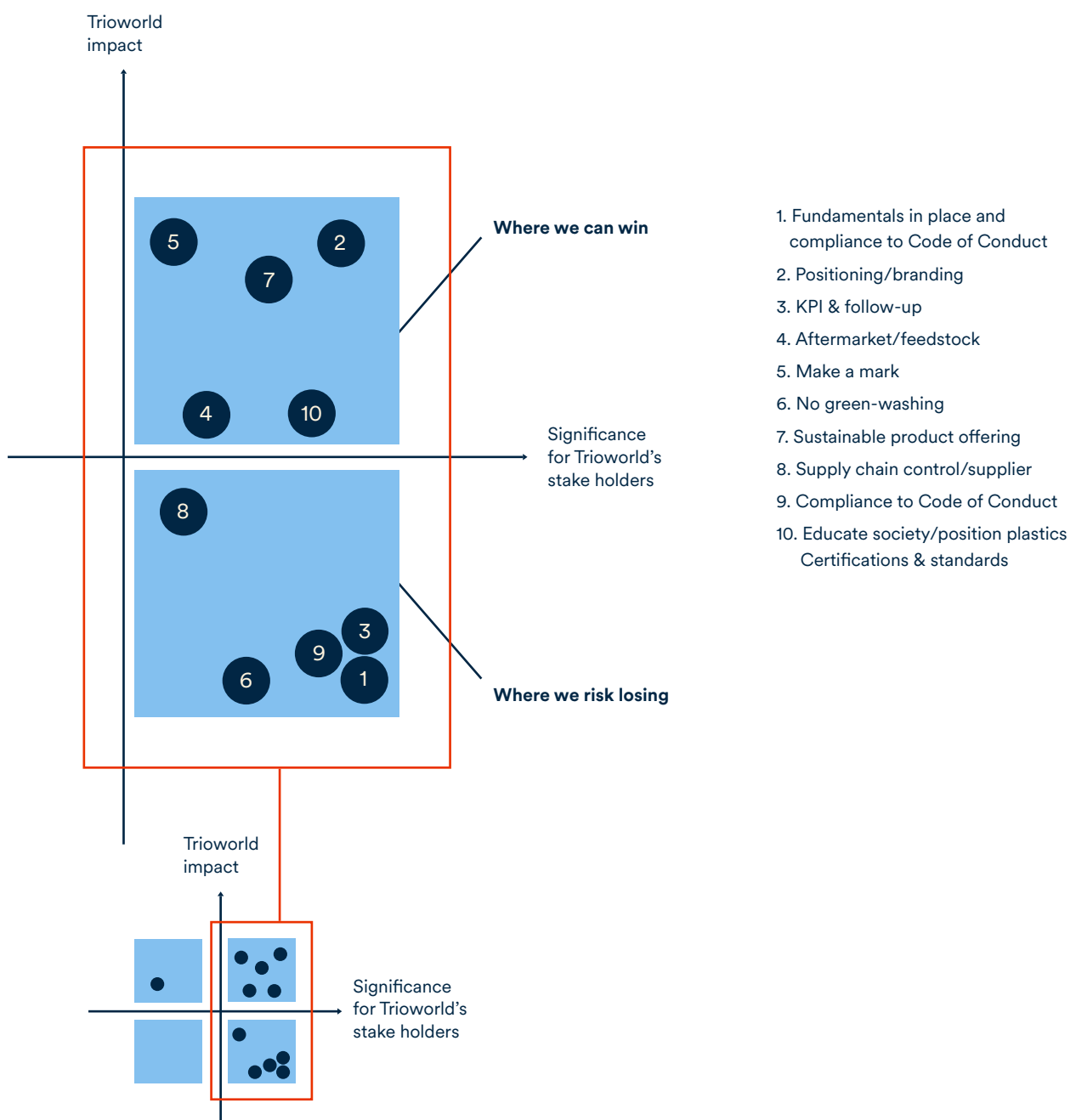
The stakeholder analysis performed in 2020 is summarised in a chart by the sustainability team.

Results are divided into two groups:

- **Basic:** Several sustainability areas, where failure to deliver could cause risk for Trioworld in the long term, e.g., compliance with a Code of Conduct, KPI & follow-up, educating society and position plastics and ensuring there is no greenwashing

- **Differentiators:** Several sustainability areas where Trioworld can differentiate from its competitors, e.g., positioning/branding, sustainable product offering, making a mark, etc.

The outcome was considered when making the sustainability strategy and in the creation of the sustainability KPIs. It also contributed to further developing the company strategy and had important input in the rebranding of the company name.



Risk analysis

The sustainability risk analysis from 2019 remains and is based on the possible impact and probability of risks occurring. In 2020, Trioworld faced a new and challenging situation that was not directly described in the risk analysis, COVID-19. The full effect of the global pandemic is not fully understood and possibly not yet seen. The risks identified were production limitations, partly due to lack of personnel and partly due to the possible lack of raw material, either directly (no raw material available) or indirectly (lack of transportation). Trioworld took immediate action to avoid contamination in its production sites and with the support of employees, production avoided major disruption during 2020.

Close cooperation with the raw material suppliers ensured a good raw material supply.

Lack of raw material, whatever the reason (pandemic, force majeure, etc.) is already included in the risk analysis. Employees' health was assessed from the employee point of view. Risk of production loss due to a pandemic was previously considered to be remote and excluded from the risk assessment. The learnings from COVID-19 are that this must also be included in the risk analysis. Trioworld has chosen to do this in the next update of the risk analysis.

The risk analysis presented here focuses on sustainability risks.

Risk	Risk management
Injured/sick employees The production process can be dangerous for production employees if instructions and procedures are not complied with. Also, work-related risks exist for all employees, for example related to travel, well-being, etc.	Health and safety are top priority for Trioworld and is first on the agenda at internal meetings. Action to improve the working environment is ongoing at the production sites and knowledge can be shared within Trioworld WCM (World Class Manufacturing)-group. Annual health and safety week is performed to raise awareness of health and safety. Trioworld's concern for its employees to improve their well-being is described in this Sustainability Report, page 49 .
Increasing environmental/regulatory demands Due to the on-going discussions in society about plastics and chemicals, there is a risk that regulatory requirements will increase in the future. Changes in regulatory and/or legal demands in different countries may cause an unfavourable market situation for Trioworld compared with competitors and/or competing products.	Trioworld closely monitors changes and updates in legislation at an early stage and responds accordingly. In addition, Trioworld has increased capacity on regulatory knowledge over the years, to stay well informed about upcoming changes and to participate in selected associations. Trioworld also proactively adapts its production and products, for example increasing the use of PCR in the products, as described in this Sustainability Report, page 37ff .
Loss of sales volume Customer demands and/or regulatory changes may cause declining sales volumes for Trioworld.	Trioworld has long-term relationships with many customers and good market and regulatory knowledge. This enables product development in accordance with customer and/or regulatory expectations.

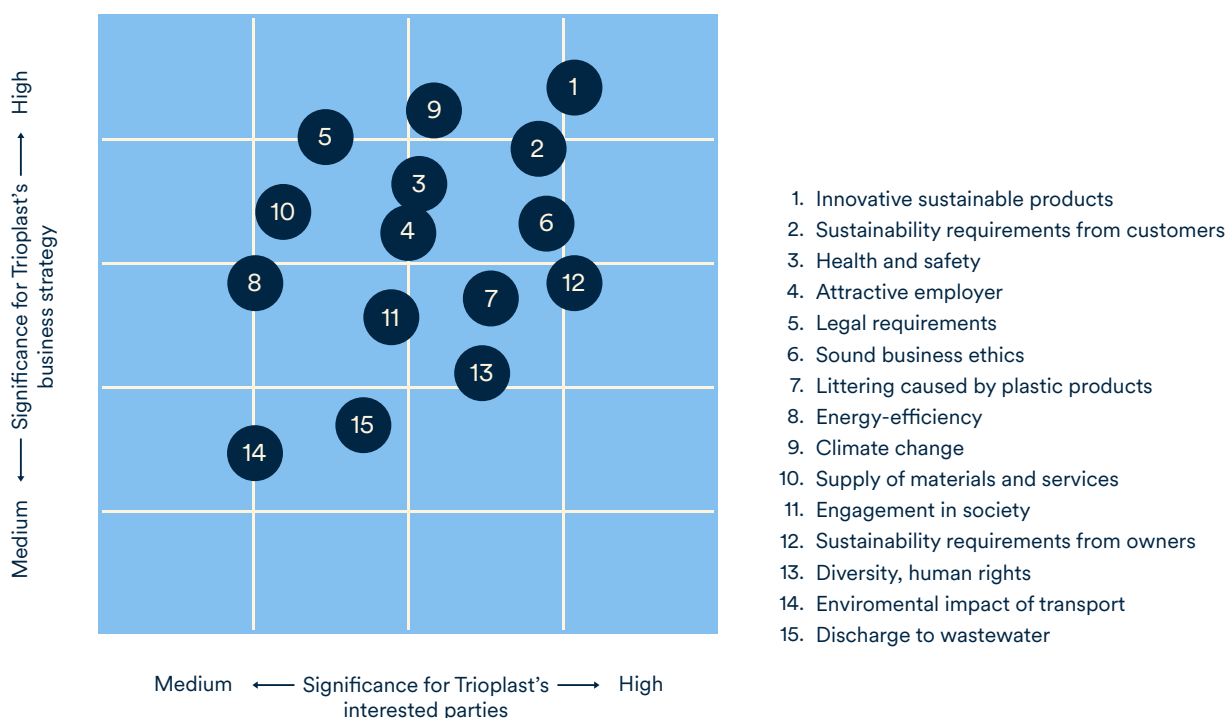
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Raw material price increases Increasing prices of the raw material has a huge impact on Trioworld's profitability. The price of the raw material depends on world market prices, which can vary greatly.	Trioworld has created a sourcing and business model that is neutral to market price variations.
Raw material supply Trioworld depends on timely and correct delivery of raw material. Delays in delivery of material, or lack of material, causes production limitations.	Group sourcing has a group-wide strategy for raw material sourcing and close cooperation with the supplier has kept the supply chain stable. Material planners at the production sites continuously monitor the supply chain to avoid and/or limit any effect of delayed (and/or missing) material in time.
Unethical business behaviour In business, there is always a risk of unethical, unfair or even corrupt situations arising. This would harm the reputation of Trioworld and have a major financial impact.	<p>The Core Values, Code of Conduct and the Competition Compliance Policy all work to avoid any unethical behaviour in Trioworld's business. They are all described in this Sustainability Report.</p> <p>A Whistleblowing function was implemented in 2020 to enable anonymous reporting of unethical behaviour.</p>

Materiality analysis

In the materiality analysis, Innovative sustainable products, sustainability requirements from customers and climate change were identified as topics of highest importance, similar to previous years.

The materiality analysis is performed by GMT, based on sustainability reporting standards (GRI, Global Reporting Initiative) as well as stakeholder and divisional input.



Sustainability targets and KPIs

Three sustainability focus areas were identified for the sustainability strategy:

Preferred partner

Actions to be taken to stay, or become, the preferred partner to the stakeholders of Trioworld. Such actions include having fundamentals in place and working in compliance with a code of conduct, having a clear positioning and branding, ensuring no greenwashing, having a sustainable product offering, supplier code of conduct compliance.

Sustainable product offering

Three sustainability KPIs were identified to measure progress in sustainability product offering:

- **Recyclable products** – by 2022, 100% of Trioworld's product should be recyclable, excluding products with the purpose of use that will make the product contaminated in such way that mechanical recycling is not possible, i.e. medical applications and hygiene laminations.

Trioworld's definition of a recyclable product is a product that Trioworld considers to be recyclable in PE-fraction after it has been used for its purpose (as PCR).

Non-recyclable products according to Trioworld are e.g., products with PET/PE or PET/PP lamination.

KPI for recyclable products is measured quarterly.

- **Circular solution** – by 2025, 100% of Trioworld's products will have a sustainable alternative that can be offered to customers. A sustainable

alternative is defined as either Trioloop or Triogreen, or a combination of the two.

The labels Trioloop and Triogreen are described on [page 38](#) of this Sustainability Report.

KPI for Circular solution is measured quarterly.

- **Recycled content** – by 2025, the recycled content will be at least 30%

The recycled content is defined as the combined share of Post Industrial Recyclates (PIR) and Post Consumer Recyclates (PCR) versus approved production.

Trioworld's definition of PIR and PCR, see Definitions on [page 62ff](#) of this Sustainability Report.

KPI for recycled content is measured monthly.

We are sustainable

Trioworld as a company must be sustainable, not only its products. This is assessed by a third party called Ecovadis, that assesses sustainability in the areas of environment, ethics, labour and human rights and sustainable procurement. Trioworld's target is to have a gold medal by 2022.

Ecovadis' assessment is performed once a year. For monthly reporting of progress, several KPIs in this area were chosen: LTAR (Lost Time Accident Rate), Energy consumption (kWh/kg approved production), Non-compliances (reported in the whistleblowing tool) and share of suppliers signing compliance to Trioworld's Code of Conduct. Also, CO₂-eq. will be reported, but baseline calculations and model creation must take place first. Actions for this were prepared during 2020, by collection of data from the sites to use in the calculations.

Code of Conduct

Based on the Core Values, UN Global Compact, the Global Sustainable Development targets and Agenda 2030 as well as other international agreements and guidelines, Trioworld has developed a Code of Conduct called “We are responsible”. The Code of Conduct was launched in August 2020 and is the fundamental base policy document for Trioworld from which all other policies are assigned. The purpose of the Code of Conduct is to show employees, suppliers, customers and other interested parties how Trioworld contributes to sustainable development. “We are responsible” is available at www.trioworld.com in several different languages.

The new Code of Conduct “We are responsible” is a guide for working at Trioworld as well as giving guidance to the work on strategy. The message of the code is that Trioworld is responsible and works in accordance with sound business principles. The Code of Conduct states Trioworld’s approach to environment, anti-corruption, labour and human rights, right to freedom of association and collective bargaining, elimination of forced/ compulsory and child labour and discrimination, as well as emphasising the precautionary principle in the case of environmental and health risks.

All employees were given a training on the Code of Conduct during 2020, including a test to be completed as the final element of the training. For new employees, the Code of Conduct is included in the introduction plan. By the end of 2020, 98% of all employees had passed the test. Some employees remain, due to long-term absence from work. Besides Trioworld employees, Trioworld suppliers are asked to comply with “We are responsible”. By the end of 2020, suppliers corresponding to approximately 70% of Trioworld’s spend had signed compliance to Trioworld Code of Conduct (alternatively Trioworld had approved the suppliers’ own code of conduct or similar). The long-term target is to have all suppliers sign compliance to Trioworld Code of Conduct (or alternatives as described below).

In conjunction with the launch of “We are responsible”, a whistleblowing system was implemented. Here employees and others can report irregularities anonymously, without fear of personal consequences. Access to the whistleblowing system is made available on www.trioworld.com.



Competition Compliance Policy

To further ensure anti-corruption, anti-competitive behaviour and sound business ethics, Trioworld has a Competition Compliance Policy, informing employees about a zero-tolerance approach to bribery, corruption and other irregularities. These documents provide guidance about how to behave around business partners, such as suppliers and customers, but also competitors, etc. Trioworld's

Competition Compliance Policy and its clarifying documents are signed by employees involved in purchasing and sales activities and those in the company's executive positions. This also applies to other staff members who have regular external contacts. The managing directors of each Trioworld legal entity are responsible for the process and obtaining signed documents.

Sourcing guidelines

A global sourcing organisation, together with a local operative purchasing department in the divisions, work to supply the Trioworld production sites with raw material, products and services. The global sourcing organisation is responsible for direct raw material as well as category management of the larger indirect categories, such as energy, transport, additives, machinery, etc. These suppliers are normally global suppliers. In addition, local operative purchasing departments in the divisions and at the production sites complete the sites' needs, mostly using local suppliers for office material, services, etc. In total, Trioworld has around 3,500 suppliers of materials and services.

Securing supplies for production sites is the main task of sourcing, including finding alternative suppliers, qualifying, evaluating and auditing suppliers. Changing suppliers is therefore not unusual. One supplier cooperation contract was terminated during 2020 due to non-compliance with Trioworld requirements. In this case, the

quality delivered by the supplier did not meet Trioworld standards.

In 2020, a Sourcing Guideline was implemented, which describes the responsibilities, sourcing authorities and processes of sourcing. The Sourcing Guideline is a Trioworld internal document to be reviewed at least annually and applies to all employees and for all purchases across Trioworld. Site purchasing instructions should follow the sourcing guideline and may include more requirements and demands, depending on local applicability.

In its general terms & conditions, that can be found at www.trioworld.com, Trioworld has included conditions for compliance, i.e. compliance with applicable laws, employment and labour rights (including employment discrimination, health and safety, freedom of association and collective bargaining), personal data, money laundering, laws on anti-corruption including facilitation payments, etc. In addition, suppliers are asked to sign compliance to Trioworld code of conduct.

Management systems

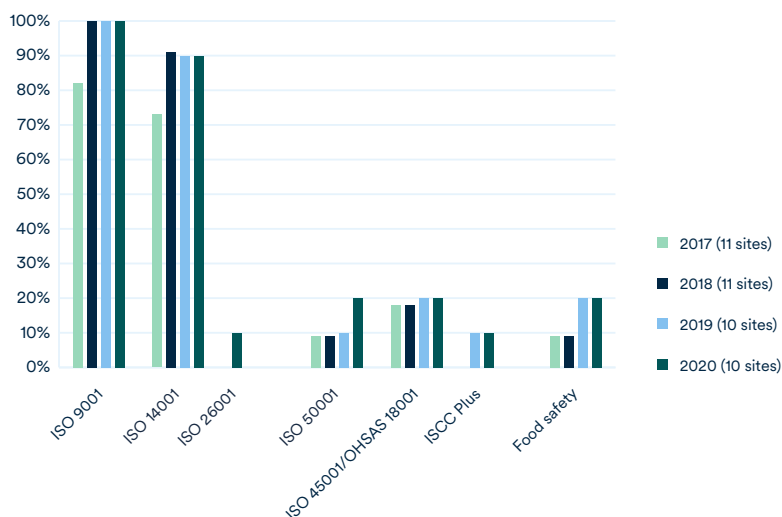
Management system for quality (ISO 9001) is applied at all production sites. ISO 14001 (environment) is applied at all production sites but one, which is planning to get this certification during 2021. Some production sites have also chosen to be certified according to ISO 50001 (energy), OHSAS 18001/ISO 45001 (work environment), food safety (one site for ISO 22000 and one site for BRC Packaging) and ISCC Plus (sustainability). Additionally, one site has plans to get certified for ISO 45001 and another site for food safety (FSCC 22000) during 2021. Several sites are looking into getting the ISCC PLUS certificate for mass-balanced material.

In 2020, Trioworld had almost 30 internal auditors trained in ISO 14001 and a total of 30 internal audits were performed during the year. In addition, 11 external audits for ISO 14001 were performed.

The certificates can be found at www.trioworld.com/en/about-trioworld/certificates

The standard for social responsibility (ISO 26000) provided guidance for the Trioworld Code of Conduct and one site is also certified for this. In addition, one of Trioworld's recycling plants holds an EuCertPlast certificate.

% of production sites holding certificates



Open communication

Trioworld aims to provide stakeholders with relevant and correct information on its work on sustainability and progress. The purpose is to share the knowledge as well as strengthen confidence in Trioworld, internally and externally. Trioworld's website www.trioworld.com is the basis for most of Trioworld's external communication.

Financial reporting is performed in accordance with the Swedish Annual Accounts Act. The report includes the statutory reporting requirements

for sustainability for the parent company of the Trioworld group of companies. The Sustainability Report is available at www.trioworld.com and with:

- UN Global Compact, see Communication On Progress (COP) [page 61](#).
- Ecovadis
- SEDEX

In 2021 Trioworld will start disclosing sustainability with CDP.


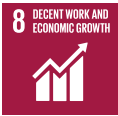



UN Sustainable Development Goals

In September 2015, all 193 Member States of the United Nations adopted a plan for the next fifteen years to end extreme poverty, fight inequality and injustice and protect our planet. At the heart of “Agenda 2030” are the seventeen SDGs (Sustainable

Development Goals). The SDGs provide a clear and useful framework for meeting global challenges and have made a considerable impact in society. At the same time, they serve to inspire innovation and business opportunities in the area of sustainability.



Trioworld has a particular impact on several of the SDGs and has chosen to focus on the following:

	Objectives	Trioworld status and comments
	Energy consumption (kWh/approved production of PE) will be reduced continuously.	Trioworld's production is fairly energy intensive. Energy consumption is reported by each site and followed up at group level. This is shown on page 39 .
	Trioworld employees are covered by a collective agreement (or similar). This, together with cooperation with trade unions/work councils, ensures employees' rights. Trioworld promotes a safe working environment. The vision is always zero accidents.	All production sites work continuously to improve the working environment, as well as prevent accidents. LTA (Lost Time Accident) is monitored at every site, so that preventive measures can be taken. LTAR is a group KPI and is shown on page 47 .
	Trioworld works to reduce raw material consumption, increase use of recycled material and bio-based polymer.	In 2019, Trioworld launched its sustainable product portfolio, described on page 37ff . KPIs for following the sustainable product offering were established in 2020, namely Recyclability, Circular solution and Recycled content. These are described on page 26 .
	Trioworld will improve the climate by helping customers select feedstock and product alternatives with lower carbon footprints.	During 2020, Trioworld collected data for making Scope 1 and Scope 2 CO ₂ -eq. emissions (carbon dioxide equivalents), see page 40 . Model for Scope 3 will be made in 2021. Target is to make CO ₂ -eq. KPI for Trioworld. Greatest impact is origin of raw material, see comments on SDG number 12 above. Responsible consumption and production above.
	Trioworld supports reducing/deleting the littering of pellets during production and operation of the plastic industry.	In 2017, Trioworld decided to participate in Operation Clean Sweep, aimed at having Zero pellets loss, see page 41 . The focus is now on action and implementation on the production sites and across divisions.

Trioworld also actively works on several other UN Sustainable Goals:

	Equality, not only gender based, is one of the cornerstones for Trioworld. Everyone is considered equal, regardless of gender, age, political options, background, ethnicity, etc.	Trioworld does not accept discrimination of any kind. This is stated in the "We are responsible", Trioworld's Code of Conduct. An update of the policy for equal treatment was implemented in 2020 and will cover all kinds of equality, not just gender based. This group policy is available at www.trioworld.com .
		
	Trioworld does not accept corruption, bribery or any kind of business-related misconduct.	Whistleblowing system was implemented with Trioworld's new Code of Conduct in 2020. For employees with frequent external contacts, a Competition compliance policy also applies.

Economic responsibility

Trioworld's ambition is to produce transparent and correct reporting, in accordance with applicable legislations. Trioworld Holding AB's financial annual report is reviewed by external auditors.

During 2020, no confirmed incidents of corruption were reported, no employees were dismissed or dis-

ciplined for such an event and no public legal cases corruption were brought to Trioworld or its employees. No contracts were terminated, or not renewed, with business partners due to violations related to corruption. Also, no legal actions were pending or completed with respect to anti-competitive behavior or violations of anti-trust and monopoly legislation.

Financial value for stakeholders

Economic value added increased 19.2% in the year of which 25.5% was derived from a full year contribution from the acquisition of Trioworld Apeldoorn. Movements in commodity prices added 2.7% and currency translations -0.2%. The impact from the global virus pandemic reduced both volume and average sales with -8.7%.

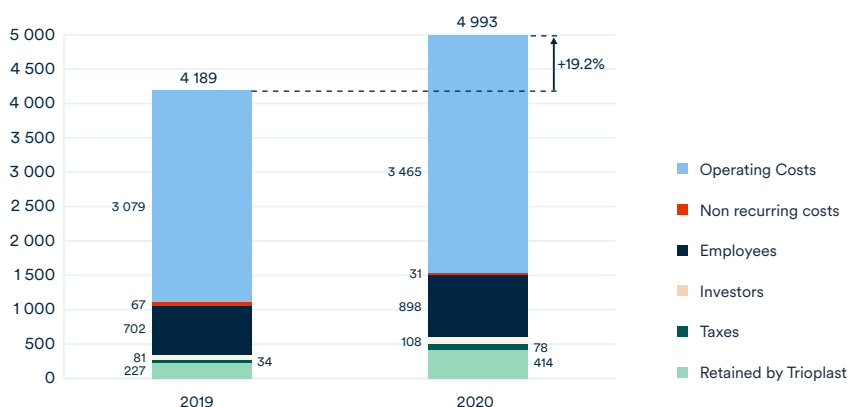
Global supply restrictions started to cause price increases in commodity materials in Q4 2020 even if the average for the full year was negative. This trend has continued into Q1 2021. However, Trioworld passes on these costs to its customers via contractual ratchets at regular intervals so impacts from changes in material costs are short lived. Supply restrictions have also incentivized the use of post consumer waste as an alternative

material, increasing the percentage of our revenue derived from circularity. The group is well placed to benefit from this development. Trioworld has internal capability to manufacture re-granulated materials from waste and has established an external supply network.

Ultimately there was a significant increase in profitability before goodwill amortization which was up 83% over 2019 and shown by the retained economic added area of the diagram.

Five-year proforma performance is presented showing the consolidated group results of the entire group. The chart shows revenue and adjusted EBITA as a percentage of revenue. Adjustments are made for non-recurring costs such as restructuring projects and acquisitions.

Economic Value Added



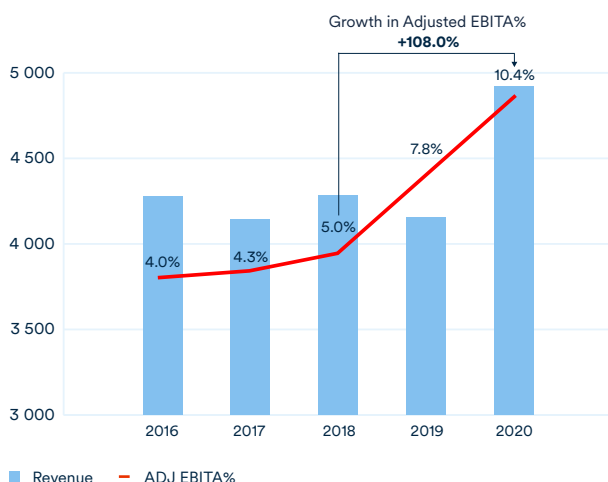
There has been a significant growth in Adjusted EBITA since the group was acquired by Altor. Adjusted EBITA has grown by 108% in two years as the result of a program of activities called the “100D program” which has focused on improvements in product formulations, revisions to the portfolio of products and the development of products designed for the circular economy. Financial performance is expected to continue to improve into 2021.

The volume of the business grew significantly in 2020 as the result of the acquisition of Apeldoorn Flexible Packaging.

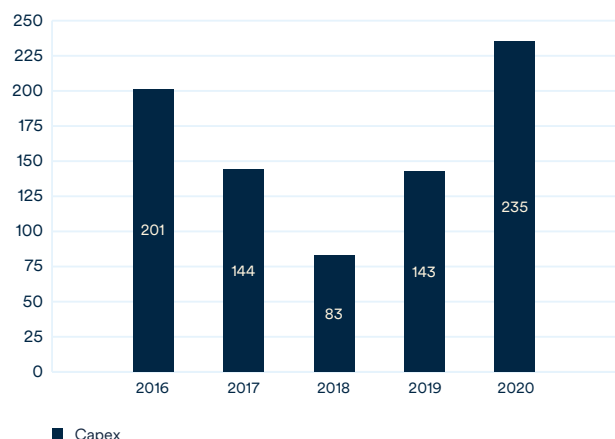
Equipment spend was at an all-time high with an annual spend of 235 MSEK invested.

Trioworld has multiple growth opportunities in existing product lines where capacity constraints are present. New equipment is sourced with the express intention of expanding the ability to increase recycled plastic content. Around 20 MSEK was also invested in serving the needs of care providers with protective clothing. In other areas, Trioworld continued to expand its recycling operations in France with additional R&D and equipment and optimisations designed to deliver high-quality PCR re-granulate to the wider business.

Five Year Performance



Capex Spend



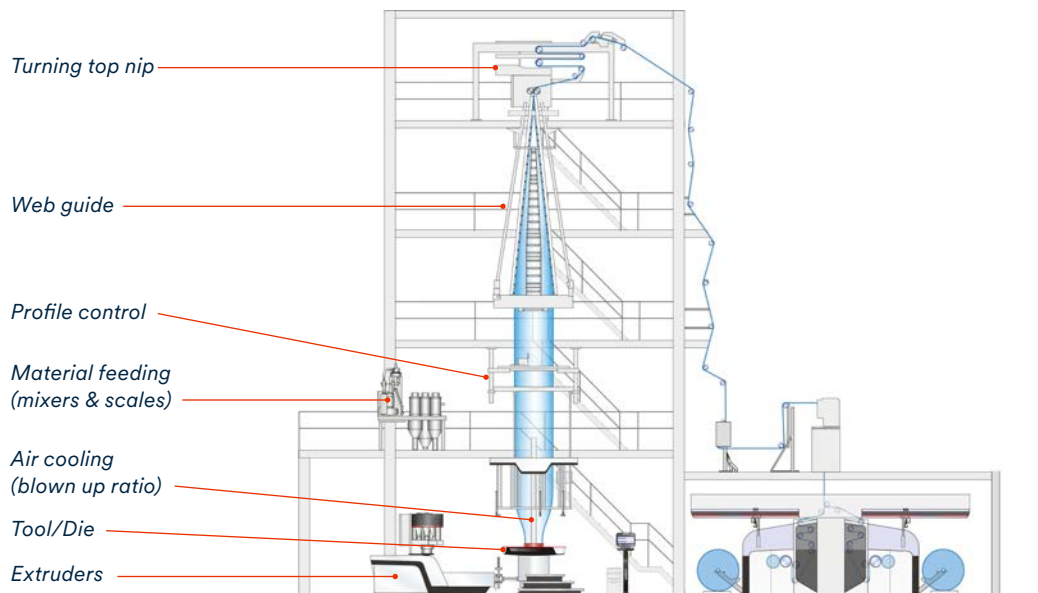
Tax

In 2020, an updated tax policy was implemented in Trioworld. This is available on www.trioworld.com.

For more information, please see Trioworld Holding AB’s financial annual report 2020.

Environmental responsibility

Trioworld produces polymer film products, with both blown and cast technology. The film products can also be printed by Trioworld, depending on customer demands and requirements.



Example of process for polymer production (blown). Raw materials (polymer pellets and additives necessary for the final product) are put into silos and “melted” in extrusion machines. The melted polymer is blown into a bubble of polymer film. Once cooled off, shaped to a film and rolled for further processes such as printing, etc.

Each production site and every employee help to minimise the environmental impact.
These are the keywords that serve as reminders for the daily environmental work.

Remove

Reduce

Recycle

Raw material

The main raw material used to make Trioworld products is polymers, mostly PE (and minor parts of PP (polypropylene)). Additives, compounds and masterbatches are also added as raw material to the products. They too mainly consist of polymers.

Polymers are purchased directly from producers of either virgin or recycled material. However, Trioworld also granulates waste as a feedstock in its own recycling plants in Trioworld Nyborg and Trioworld Ombrée d'Anjou. Virgin polymers are traditionally fossil based, even if bio-based feedstock is available. The bio-based feedstock may originate from sugar cane, palm oil or second-generation raw material. An alternative is mass-balanced ISCC PLUS compliant material, supporting sustainable feedstock.

In 2020, an increase in the demand for bio-based material is shown compared to 2019.

Besides the polymers purchased, Trioworld recycles its own production waste. The purpose is to use any waste from the production site, which is favourable from both an economic and environmental point of view. The internally recycled material is recycled directly on the production line, or via a separate regranulation

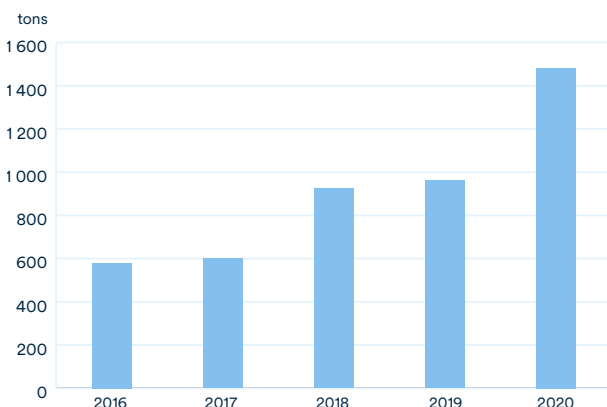
process. In some cases, the material is used at another Trioworld production site.

The share of virgin polymers used varies according to the material specification and for the individual production sites and divisions of Trioworld. Some sites, divisions and products have been very successful in reducing the share of virgin polymers. For example, a carrier bag can be produced with > 90% recycled material. On average during 2020, the total recycled content (share of PCR and PIR compared to total volume produced) was about 25%.

During 2020, Trioworld Apeldoorn could not be included in the calculations of recycled content. With Trioworld's increasing focus on recycled material, an improved way to follow PCR, PIR and recycled content was developed and implemented in January 2021. Sites will report the actual use of such material per product line, meaning that Trioworld Apeldoorn may also be included in this reporting from 2021.

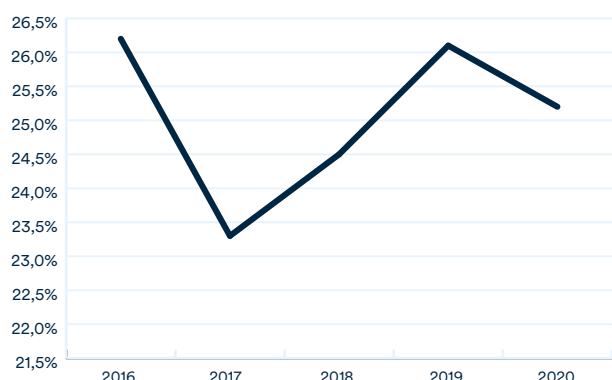
As described on [page 26](#), recycled content has been identified as a sustainability KPI for Trioworld. The target is to achieve 30% recycled content by 2025.

Volume of bio-based polymer purchased



■ Bio-based

Recycled content



Excluding production at Ekmans (which was closed in 2016) and Trioworld Apeldoorn (2020).

Recyclable material

By collecting and cleaning the material produced by Trioworld, the majority of Trioworld's products can technically be recycled. However, the recycled material must be of high quality, so its recyclability depends on the use of the product as well as the collection and cleaning system of the waste after use. There are many different polymers on the market which need to be sorted and segregated correctly to achieve a high and consistent quality.

In the sustainability strategy review of 2020, recyclability was introduced as a sustainability KPI for Trioworld. By the end of 2020, almost 100% of total volume produced was technically recyclable according to Trioworld's definitions and exceptions, see [page 26](#). There are still some volumes of non-recyclable material and work is underway to make these recyclable by the end of 2022.

Trioworld participates in several waste collection schemes across the regions and markets where Trioworld operates.

To support recyclability, Trioworld is actively engaged in several recycling initiatives. In its Plastic Strategy, the EU Commission defined standardisation as one of the most important ways to achieve a circular economy, see also [page 18](#). To stay informed and be able to influence the future of our industry, Trioworld is widely engaged in the standardisation of environmental aspects. Trioworld's is engaged at all levels – local, regional and global. The engagement in standardisation is well anchored in the organisation, aiming to drive the development of new standards to enable increased circularity, with a focus on recycling.

Example of working groups of standardisation:

Globaly

ISO: Environmental and sustainability aspects – standards for recycled plastics, such as but not limited to bio-based plastics, biodegradability, environmental footprint, waste management, etc. Trioworld participates in the working group for Vocabulary as well as Characterisation of plastics leaked into the environment (including micro plastics) and leads the work for the working group Mechanical and chemical recycling (Convenor).

Europe

CEN: Plastic recycling – standards for plastic recycling to increase the use of recycled plastics.

National

SIS, Sweden: Plastic and environmental aspects – standards for bio-based and biodegradable plastics, carbon footprint, plastic recycling, resource recycling, etc.

SIS, Sweden: Packaging and environment – standards for resource efficiency/optimisation, re-use, recycling, energy recovery and biodegradation of packaging.

DS, Denmark: Environment and sustainability for plastics – standards for bio-based and biodegradable plastics, carbon footprint, plastic recycling, resource recycling, etc.

AFNOR, France: Recycling and waste management – Household and industrial waste, recycling of paper, metal, plastic, etc. The end-of-life stage of materials and their reprocessing to create other materials is the subject of numerous normative documents.

Sustainable product development

The polymer raw material traditionally originates from fossil-based oil, a non-renewable resource. If incinerated after use, one of the components created is CO₂ (carbon dioxide). CO₂ emissions increase the greenhouse effect – the more CO₂ emissions, the more CO₂ is in the atmosphere and more of the sun's radiation is trapped, contributing to global warming and the potential risk of climate change.

In recent years, the public conversation about the risk of climate change and global warming has intensified. Besides legislation putting limitations on fossil raw material usage, Trioworld has also noticed an increased demand from owners and customers to find and use more environmentally friendly raw material. As the market leader on the industry's sustainability journey, Trioworld is determined to take its responsibility. First and foremost, by producing sustainable products. Trioworld therefore introduced its sustainability product portfolio in 2019.





**TRIO
LEAN**
REDUCED MATERIAL USAGE



**TRIO
LOOP**
RECYCLED POLYETHYLENE



**TRIO
GREEN**
RENEWABLE POLYETHYLENE

Triolean

Trioworld's downgauged products (less material used in a product, making the films thinner), with sustained or increased performance. Reducing the amount of material used in a product reduces the material's total carbon footprint. Trioworld is constantly working to reduce its environmental impact without compromising the quality of its products.

Trioloop

Trioworld's brand for PE film that contains at least 25% PCR. Using recycled material reduces waste, lowers the carbon footprint and closes the material loop. Leaning on Trioworld's extensive experience in working with recycled PE, Trioworld has refined both the quality of the material and the processes used to produce high-quality film with stable properties.

Triogreen

Trioworld's products, based on at least 25% bio-based PE with a very low carbon footprint. Trioworld's current bio-based PE is based on feedstock derived from sugar cane. In addition, some sites can use mass-balance material, sold with a certificate ensuring a bio-based feedstock in the supply chain. Having the same properties as fossil-based PE, it can be used in all applications of films and product.

Triogreenway

To support customers along their sustainability journey, Trioworld has developed Triogreenway, an umbrella for a variety of ranges including:

- support and training during product selection and use to find solutions that meet customers' everyday production needs
- life cycle assessments and related workshops, that help customers gain deeper understanding of carbon footprint and what can be done to further reduce it

As part of the sustainability strategy review 2020, a target for Circular solution was introduced, see [page 26](#), with the target of 100% by 2025. By the end of 2020, this KPI reached 76%. This means for 76% of volumes produced by Trioworld, there is a comparable sustainable alternative, i.e. Trioloop, Triogreen, or a combination of the two.

In 2020, several sustainable products with recycled material were launched:

- Stretch hood, based on 50% PCR
- Cast stretch hand film, with a recycled content of 75% or more, of which min 51% PCR
- Blown stretch machine film, with a recycled content of 50% PCR
- PPE (Personal Protective Equipment) – aprons and gowns with up to 50% recycled material
- Silage bale wrap, with 25% PCR

Energy consumption

In Trioworld, energy is used in the production process as well as for heating buildings, etc. Production of plastic products is energy intensive. The total consumption of energy varies from year to year, depending on volumes produced and major changes in manufacturing equipment and process.

The acquisition and integration of Trioworld Apeldoorn is the reason for the increased use of energy. Energy consumption reviews are regularly conducted to facilitate improvement and as required by legislation in the different nations.

For all production sites, purchased electricity is the main source of energy and in total 96% of the

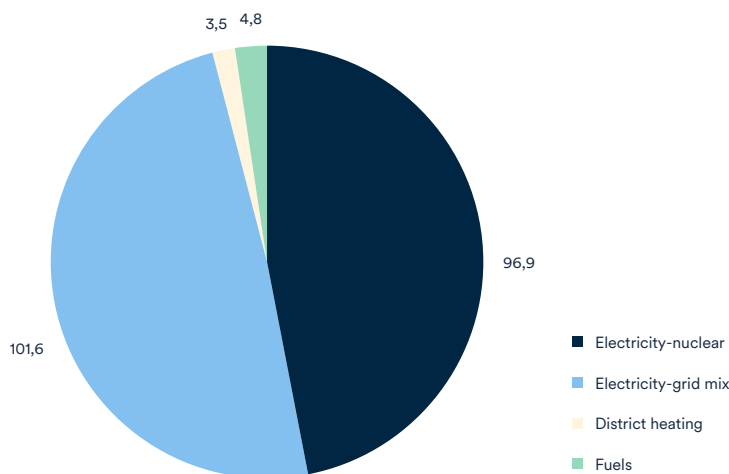
group's energy consumption is electricity. Some sites also use district heating and other fuels, such as fuel oil, gas oil, diesel, and natural gas.

Trioworld does not produce any energy to sell or use within Trioworld. Instead, all electricity consumed is purchased on the open market. About half of the electricity purchased is nuclear based, with zero CO₂ emissions and the rest is grid mixed.

One production site sells a minor part of surplus energy, corresponding to 0.45MWh/year.

Energy consumption (kWh/kg approved production) is a KPI for each site and it is followed up at group level.

Energy sources Trioworld 2020 (GWh)



Stakeholder	2016	2017	2018	2019	2020	2020*
Energy consumption (GWh)	187	185	181	174	203	207
Energy consumption / approved production (kWh/kg)	0.89	0.89	0.89	0.88	0.84	0.85

* Updated reporting of energy consumption, starting 2020. Calculations for energy consumption includes fuels, electricity, district heating, potential cooling, etc. Potential energy sold is not excluded. New calculation follows GHG (GreenHouse Gas protocol) calculation for Scope 1 and Scope 2, excluding energy used for off-site vehicles.

Conversion factor source: www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

Emissions

During 2020, Trioworld started collecting data from its production sites to calculate emissions. Green House Gas (GHG) Protocol was used for the calculations of CO₂-eq. (carbon dioxide equivalents, including all greenhouse gases, e.g., CO₂ (carbon dioxide), CH₄ (methane), N₂O (nitrous oxide), etc.), with operational consolidation approach. All gases are included in the calculations. Biogenic CO₂ emissions are zero because no biomass is combusted or biodegraded in Trioworld operations. The reference year will be 2020 for future comparisons, for Scope 1 (direct GHG emissions) and Scope 2 (indirect energy GHG emissions).

Calculation model and emission factors were reviewed by IVL Svenska Miljöinstitutet AB, for Scope 1 and Scope 2. For Scope 3 (Other indirect GHG emissions), an investigation is on-going together with IVL Svenska Miljöinstitutet AB, which will create a model suitable for Scope 3 calculations for Trioworld.

Largest contributor to Scope 1 is natural gas used at four of the production sites. Second largest contributor is emissions from company vehicles. 99% of Scope 2 CO₂-eq. comes from electricity and only a minority is due to district heating used at two of the production sites.

Ton CO ₂ -eq.	2020
Scope 1	1 603
Scope 2 – market based ¹	27 251
Scope 2 – location based ²	23 469
Scope 3	Work in progress

¹ Market based = calculations based on information provided by Trioworld's suppliers on actual delivery

² Location based = calculations based on average grid mix in the respective country of operation

Emission factor sources: www.gov.uk/government/collections/government-conversion-factors-for-company-reporting, www.energihandbok.se/konstanter/acetylen-c2h2, www.carbonfootprint.com/international_electricity_factors and supplier specific data as applicable

CO ₂ -eq. / approved production (kg CO ₂ -eq./kg)	2020
Scope 1	0.007
Scope 2 – market based ¹	0.112
Scope 2 – location based ²	0.097
Scope 3	Work in progress

¹ Market based = calculations based on information provided by Trioworld's suppliers on actual delivery

² Location based = calculations based on average grid mix in the respective country of operation

Waste and waste handling

By optimising production and thus minimising production waste, Trioworld uses as much of the raw material in its finished products as possible. Production waste is preferably recycled in a closed loop at the production machine. The second-best option is to make on-site recyclates through a central on-site regranulation process. The recyclates are used at the production site or as a last alternative, internally transferred to a Trioworld production site for use in alternative products.

Pellet loss should always be avoided and some production sites have taken additional action for this such as filters in storm water drainage, emergency system for incidents with pellets, vacuum cleaning and training of the organisation.

In 2017, Trioworld decided to participate in Operation Clean Sweep, an initiative aimed to achieve Zero pellets loss. The purpose of this operation is to reduce and ultimately avoid all littering of pellets during production and

operation of the plastic industry. This is done by ensuring that pellets do not contaminate the soil or the wastewater on the production site and so do not reach the ocean. If consumers take their responsibility not to dispose of any plastic material/products in the environment, seabirds, turtles, fish and other wildlife, will be less likely to ingest this material that may cause malnutrition or starvation. Trioworld's programme for Zero pellets loss will continue to benchmark ideas during 2021/2022 and to ensure all sites compliances to this in case of potential future legislation in this area.

In total, 6,470 tons of other waste were collected at the production sites during 2020, most of which was solid waste which is recycled by an external company (e.g., cardboard). 106 tons of this was hazardous waste. All this waste is handled by external waste management companies and are reported by each production site.

Tons	2020
Hazardous waste	106
Solid waste – landfilled off site	129
Solid waste – incinerated without energy recovery off site	253
Solid waste – incinerated with energy recovery off site	1 524
Solid waste – recycled external company	4 012
Other types of waste collected, transported and treated by external waste management companies	447

Environmental legislation

Trioworld production sites follow the relevant environmental legislation of the country in which the production site is located. In addition, the production sites follow environmental legislation from EU directives as applicable, such as REACH, CE, energy efficiency and sustainability reporting.

All production sites but one have an environmental permit covering all relevant environmental aspects. This is not required for Trioworld Bottnaryd. Besides the environmental permit, some of the sites have other licences for distillation, air emissions, wastewater, discharges, etc., depending on the country specific conditions of the production sites. All production sites maintain a register of applicable environmental legislation. Where applicable, environmental performance data is reported to the supervising authority.

Two production sites are located where historical soil and ground water pollutions exist. However,

none of the sites are responsible for these contaminations, which are known by the authorities.

In 2020, all production sites operated within the licence permits and/or other environmental, health and safety legislation and no material breaches in environment or working environment legislation were reported to the authorities. However, after the authority's approval, Trioworld Landskrona did perform a shorter test run of new extruder, without ozone cleaning. The permit applies a limit for ozone emission per year and there is also mandatory information duty, in case of emission of uncleaned ozone. Trioworld Landskrona therefore acted within the limits of the permit.

No penalties/fines were paid in any of the production sites for breaches or non-compliance in environmental legislation, permits or similar during 2020.

Environmental and other incidents

In 2020, three production sites reported fires at the site. None of these were severe.

One site reported a spill of diesel from an external transporter company. Absorbent material was spread around the leaked fuel and wells in the ground were covered to successfully minimise the effect of the spill.

Four production sites received complaints from neighbours or other interested parties during 2020. One received a false complaint concerning ozone production at site, one regarding odour which was handled by the production site and two involved noise, due to traffic after business hours and a broken silo alarm. In all cases but the false complaint, actions were taken based on the incidents reported.

Social responsibility

Trioworld believes in and supports social responsibility. The focus is mainly on Trioworld employees, but also on surrounding communities. Following the applicable laws and legislation is a minimum

demand, but in many cases Trioworld has a higher ambition for social responsibility. No penalties/fines were paid for breaches or non-compliance in social area, e.g., legislation or regulation during 2020.

Employees

Most of the work performed at Trioworld is done by its own employees. During holidays and/or when vacancies arise, its employees normally stand in for the missing employee. In addition, production adjustments may be planned and executed. Consequently, temporary workers are not normally employed.

Following the acquisition of AFP (Trioworld Apeldoorn), the number of employees increased in 2020. Lower sales and reduced production of

carrier bags at Trioworld Lundin AB in 2020 and the consequent restructuring was the reason for the significant reduction in the number of employees in Sweden. This was due to the implementation of a Swedish tax for carrier bags in May 2020, leading to much lower demand in Sweden and a consequent reduction of approximately 20% of the employees at Trioworld Lundin AB. On the other hand, start of PPE production led to an increased number of employees, both temporary and permanent, in different production sites in Sweden.



Around 75% of employees are blue collars. Historically, employee turnover has been very low. In 2020, however, employee turnover increased, mainly due to:

- start-up of production lines moved from Trioworld Landskrona AB, Sweden to Trioworld Saint-Ouen, France
- permanent reduction of workforce in Trioworld Lundin AB, as described above

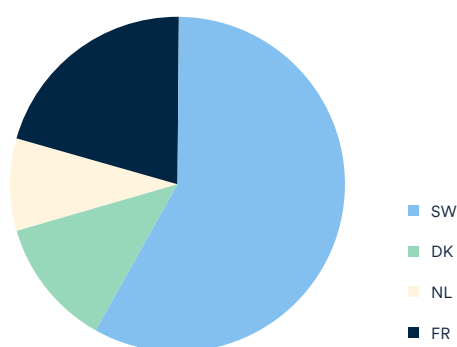
In 2020, Trioworld had almost 150 new employees, most of whom were in Sweden

The number of employees at each production site is shown in the table “Production sites”, see [page 54](#) in this Sustainability Report. In addition,

Trioworld Group AB has four employees and sales offices combined a total of 15 FTEs (in five sale companies in Denmark, Norway, Finland, UK and Germany). The rest of Trioworld’s sales employees are included in the production sites’ numbers. The human resources department is responsible for collecting and maintaining data for the number of employees. Age distribution and the number of employees are reported separately from the sites to this Sustainability Report.

Trioworld do not allow child labour, illegal labour or any kind of forced labour. This is clearly stated in Trioworld Code of Conduct and applies to Trioworld’s suppliers, because they sign compliance to this document. No sites reported to have been confronted with an issue related to child labour, forced or compulsory labour themselves, nor via any of their suppliers.

New employees 2020, by region



Head counts per country, December	2017	2018	2019	2020
Denmark	169	165	169	176
Finland	4	4	3	4
France	171	166	180	186
Germany	9	9	11	8
The Netherlands	-	-	-	224
Sweden	663	663	695	661
UK	2	2	2	2
Total	1 018	1 009	1 060	1 261

Employees' benefits and labour/management relations

All companies/production sites have an agreement with or have access to an external healthcare service. Healthcare benefits are provided at most of the companies/production sites and massage and recreational activities may be subsidised for the benefit and well-being of the employees. Trioworld provides work clothing, including safety shoes, computer glasses and medical examinations for the employees where necessary.

An individual performance review is planned annually with all employees. This includes planning for the following years, such as training/education required, personal development targets, etc. Each manager is responsible for arranging and documenting these performance reviews and supporting the employee's development ambitions. In 2020, group average is almost 80% (excluding Trioworld Varberg and Trioworld Nyborg). Six of the production sites reported conducting more than 90% performance reviews. The remaining four were postponed due to COVID-19, because they prefer in-person meetings for performance reviews.

Employees at the production sites in Sweden, France and the Netherlands are covered by collective agreements. In Denmark, collective agreements apply to blue collars and white collars at

assistant level. All other employees in Denmark have similar benefits and protection covered by Danish laws. Collective agreements are valid for full-time employees and all temporary or part-time employees. Most employee benefits are governed by central agreements and there are also several local collective agreements at each company that regulate additional employee benefits, such as flexible working hours and bonus systems where applicable. This includes regulation of notice period. The right to exercise freedom of association or collective bargaining is fully covered for Trioworld employees. This right is also expressed in Trioworld's Code of Conduct "We are responsible", which suppliers are asked to sign compliance to. This also applies to child labour and forced and compulsory labour.

Trioworld collective agreements together with national legislation set the rules for cooperation with the unions. Trioworld strives to have close cooperation with the unions, based on honest and open communication with respect to expected changes as well as current and future operations, and development within the company. Local trade unions are present at all production sites and are represented on company boards of directors.

Performance reviews performed	2020
Management	87%
Sales, administrative and research	80%
Production	77%
Total	78%

Excluding Trioworld Nyborg and Trioworld Varberg, lacking detailed reporting 2020

Employee satisfaction survey

In 2020, a shortened version of Trioworld Employee satisfaction survey was conducted in all production sites but one. That production site had plans to conduct a more extensive survey, but this was postponed due to COVID-19, because it would not be possible to work with the results in production teams when physical meetings were avoided as far as possible.

84% of remaining employees responded to the survey. Results were summarised in

- Engagement Index, which had increased from 74 in 2019 to 76 in 2020

- eNPS (employee Net Promoter Score, employer branding), indicating the extent to which an employee would recommend Trioworld as an employer to a friend, in a scale from 0 to 10 (10 being the highest score). Score 9-10 is given by promoters. Detractors are employees who give a score 0-6. The difference in number of promoters and detractors gives the result of eNPS.

The result for eNPS increased from -14 in 2019 to -4 in 2020

In general, the results were positive, but some production sites report a need to improve on communication, feedback and leadership.



OHS (Occupational Health and Safety)

Health and safety are at the top of the agenda in Trioworld and two production sites held an occupational health and safety certificate during 2020, see Management systems [page 29](#). Certification for OHS management system is voluntary for the production sites – working with health and safety related issues is obviously compulsory and must always be in accordance with national legislations.

Creating and maintaining a healthy and safe working environment is key for Trioworld. In 2020, focus on OHS increased by implementing N-LTA (Non-Lost Time Accidents), first aid injuries and incidents reporting, consolidated on group level. The purpose is to work proactively to avoid accidents, by responding to smaller incidents that are, or might become, a risk or an accident. This is in addition to focus on occurred accidents, LTA (Lost Time Accidents).

LTA (Lost Time Accidents)

LTA is measured and reported at each production

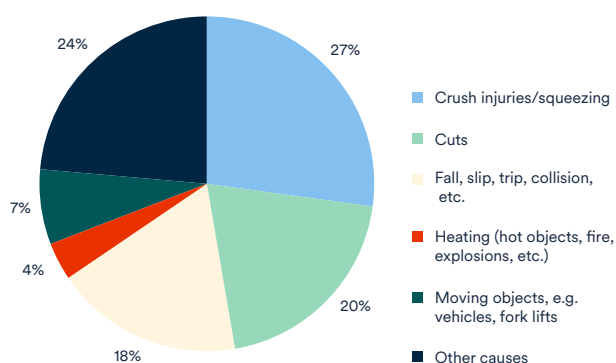
site and LTAR is calculated for the Trioworld group, in accordance with LTAR definition at [page 64](#).

Despite more actual LTAs during 2020, the LTAR was lower than previous years. The increased number of hours worked is mainly a result of the acquisition of Trioworld Apeldoorn. Overall, Trioworld had 8 more LTAs than in 2019. Four production sites have less LTAs than in 2019, but five production sites increased in number of LTAs reported.

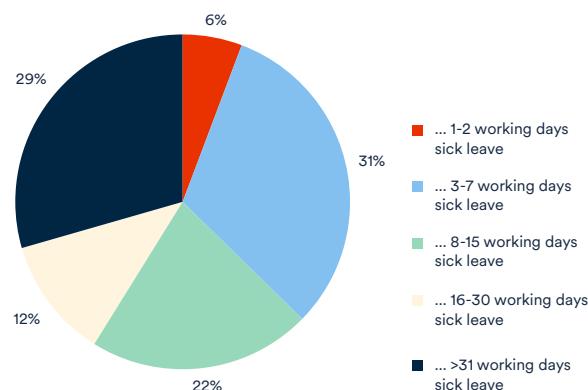
Most LTAs were caused by crush injuries and squeezing (27%) in 2020. 24% of the LTAs were due to “other causes”, like incorrect lifting, sprains, back pain/lumbago, discomfort, contusion, wounds and physical injuries. The third and fourth most common causes were cuts and fall, slip, trip, collision, etc.

In most cases, the LTA led to 3-7 working days sick leave during 2020 and second largest category of LTAs resulted in sick leave of 31 days or more.

Causes for LTAs



Severity of LTA – LTAs with...



LTAs	2016	2017	2018	2019	2020
LTA (Trioworld employees)	42	46	45	43	51
LTAR	4.7	5.6	5.4	5.3	5.0
Number of worked hours (employees)	1 783 355	1 647 259	1 661 306*	1 636 707*	2 045 705

* Updated numbers from 2019 report, now also including the four employees in Trioworld Industrier AB

During 2020, no fatalities occurred in Trioworld. In addition, zero LTAs were reported for contractors/suppliers working on Trioworld production sites during the year.

An LTA normally leads to an investigation of the accident: what happened, how did it happen and what preventive actions should be taken to prevent it from happening again. This work is carried out at the affected production site and normally involves employees from the area of the plant in which the LTA occurred. The results and learnings can be shared via Trioworld's WCM-group, i.e. among the division operational presidents.

The ambition for each production site is zero LTA. On-going activities to support this ambition include a focus on 5S (Sort, Set in order, Shine, Standardise and Sustain) and weekly scorecard follow-up (including actions taken for incidents occurred).

N-LTA, first aid injuries and incidents

During 2020 and in addition to LTAs, reporting of N-LTAs (Non-Lost time Accidents), first aid injuries and incidents were implemented across the group. These are defined as:

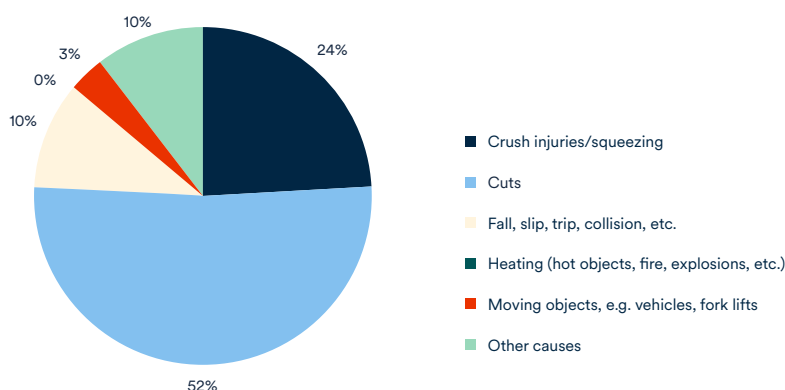
- **N-LTA:** incidents that result in medical care, but no sick leave for the employee
- **first aid injuries:** injuries requiring first aid care, but no sick leave for the employee
- **incidents:** near misses, no injuries

The most common cause for N-LTA during 2020 was cuts (52%), while the second common cause was crush injuries/squeezing (24%). Other causes included wounds, electrical shock and abrasion.

Five of ten production sites report cuts to be one of the most frequent causes for first aid injuries. Other causes are burns, shocks, lumbago, contusion, crush injuries/squeezing and stumbling.

Causes of incidents reported by the production sites were odour, cuts, wet floor, crush injuries/squeezing, collisions, hits, crushes, etc.

Causes for N-LTAs



Fatalities	2016	2017	2018	2019	2020
Number of fatalities as result of work-related injuries (employees)	0	0	0	0	0
Number of fatalities as result of work-related injuries (contractors on site)	0	0	0	0	0
LTA (contractors on site)	-	-	-	-	0

N-LTA, first aid injuries and incidents	2020
N-LTA	30
First aid injuries	151
Incidents	733

Work-related ill health

In some cases, work-related ill health, i.e. employee absence not related to an accident, such as but not limited to stress, are not calculated as an LTA. It is very difficult to determine whether the cause of the ill health is work related. The number of employees and/or frequency of ill health is not public information, on the grounds of employee confidentiality and integrity. The manager of the affected employee is a key person in rehabilitating action and local HR support. Rehabilitating action depends on the individual employee and specific situation and might include external counselling, job rotation, temporary part time employment. Trioworld also supports preventive action for work-related ill health, for example by subsidising recreational activities, see Employees' benefits on [page 45](#).

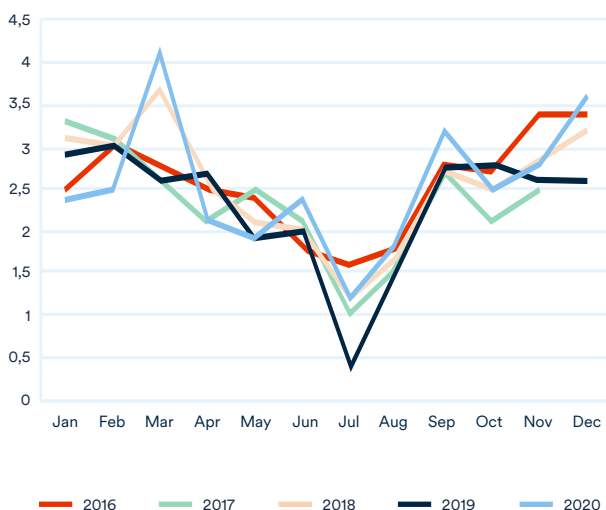
Trioworld follows and reports on employees' absence due to illness. The follow-up is divided into absence days 1-14 (short-term absence) and from day 15 and onward (long-term absence) and

is calculated as a percentage of employees absent compared to total number of employees.

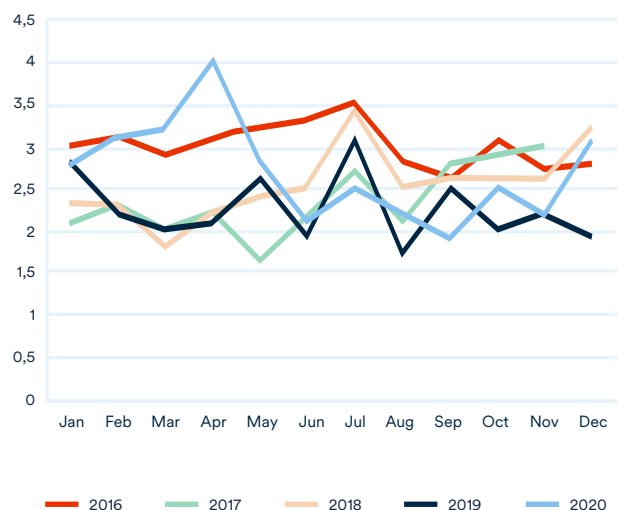
In general, short-term absence is constant from year to year – normally slightly higher in the winter and early spring months and lower in the summer months. Despite the pandemic, 2020 followed a similar trend with an average of 2.6%.

Trioworld has been successful in lowering long-term absence from 3% in 2016 to 2% by the end of 2019. During the first months of 2020, an increase to 3-4% was seen. This is due to the integration of Trioworld Apeldoorn, which resulted in high values of long-term absence at the beginning of the year. From May however, long-term absence was low (except for December), resulting in an annual average of 2.7%. The low rate of long-term absence is partly due to early and regular follow-up meetings between HR, employee and the relevant manager. The purpose of an early meeting is to find a way to get the employee back to work as soon as they are fit to work, sometimes with altered tasks or reduced workload.

Short-term absence (day 1-14)



Long-term absence (day 15+)



OHS Training and reporting

Employees are trained in OHS at the respective production site. All production sites have a system in place to report health and safety risks. In all but one production site, there is a formal safety committee with site top management and an employee representative. The one site which does not have this is a small production site, where a safety officer is appointed to represent the employees. Risk assessments are carried out on production sites as applicable, preferably jointly with the employees.

Most sites have regular safety information meetings, train new employees on OHS, have OHS information when installing new equipment

and discuss LTAs and N-LTAs with the employees. During 2020, seven of the ten production sites had a safety week. The focus areas for the safety week might include reporting of incidents/risks, risk analysis, safety talks, gesture and posture awareness, 5S, etc. Due to COVID-19, some sites decided to cancel the 2020 safety week, because it was not safe to arrange in the current situation.

Seven of the ten sites have a system to inform visitors/contractors about on site OHS. This is performed very differently at the various production sites. In some cases a film is shown and tests are completed to ensure "read and understood". In other cases, visitors/contractors on site are informed at the reception, folders are handed out, etc.

Diversity, equality and non-discrimination

Trioworld strongly believes in and supports diversity and equality. This applies not only to gender, but also to ethnicity, age, background, etc. Trioworld does not accept any kind of discrimination. HR is available for support in the case of discrimination. Group policy for equal opportunities was updated during 2020 and is available on www.trioworld.com, under Policies.

No non-compliance such as cases of discrimination were reported in the group whistleblowing

system implemented in 2020, but two cases of discrimination were handled in Trioworld during 2020. Both were handled on the production site locally with consequences for the employees involved.

The diversity structure at Trioworld with respect to age and gender is shown below. According to Swedish law, diversity indicators other than age and gender may not be registered and are therefore not followed up.

	Full time equivalent (Dec 2020)	Male/female representative (head counts)
Board of directors Trioworld Industrier AB	7	86% /14%
GMT	10	90% /10%
Trioworld	1 184	82% /18%

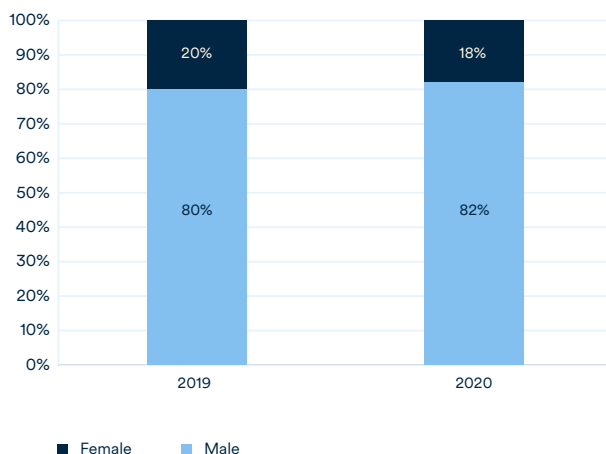
As shown in the “Production sites” table on [page 54](#), there is large variation in female representation at the production sites. From as low as 5% to as high as 40%, the group average is close to 20%. Less than 10% of employees hold a manager position and about 20% of the managers are female. About 5% of employees are members of a management team and in this group on average 25% are female. All sites report to have female representatives in their management teams. The ambition to increase female representation is seen with the production sites during the year, e.g., gender equality agreement signed with the unions

in Trioworld Ombrée d’Anjou, equality plan with actions formulated in Trioworld Smålandsstenar or actively seeking for female candidates in vacancies in Trioworld Apeldoorn.

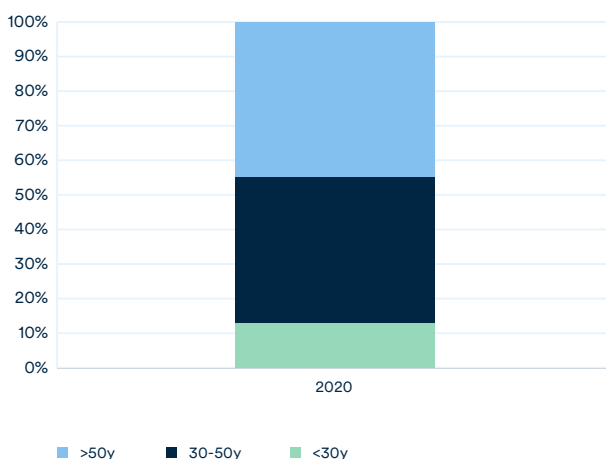
Trioworld also aims for a good age distribution of its employees to support a good combination of experience personnel with younger talents.

In three of the production sites, more than half of the employees are >50 years old. During 2020, new employees had a different age distribution and supported the ambition of the overall company employee age distribution.

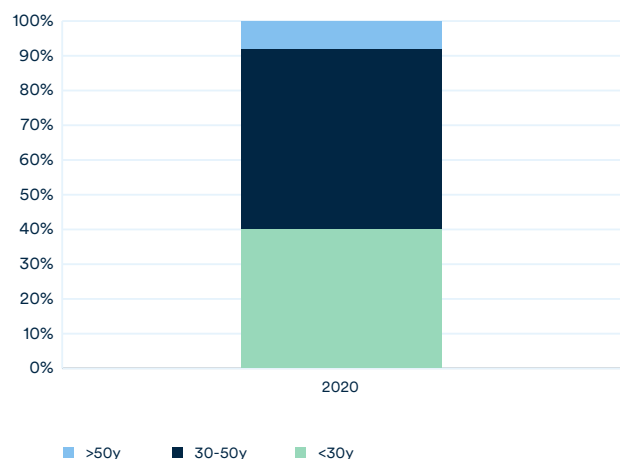
Share of male/female employees



Employee age distribution



Age distribution of new employees



Community engagement

Trioworld's campaign of coloured silage bales and products

Trioworld proudly sponsors cancer research through the campaign of coloured silage bales and products. The initiative to highlight and support cancer research through silage bales in coloured film was launched in 2014 and focused from the start on breast cancer, because the pink bales raised funds for breast cancer research. The idea of the pink bales came from a female contractor in New Zealand, where the campaign also started.

Refuse bags in the same colour and for the same cause soon joined the pink bales. A yellow carrier bag was introduced the same year – yellow being the symbol for the fight against childhood cancer. A blue silage film has also been introduced to support research against prostate cancer. The addition of yellow silage stretch film raised more funds for childhood cancer research.

Over the years, the initiative has spread across the world and charity work has contributed to much-needed funds for cancer research.

The initiative has also attracted considerable attention in the media, which has helped create awareness of the significance of the brightly coloured bales. As a result, the visual signalling value of the bale colours is now very strong. Today the colours

symbolise the constant fight against cancer – a fight that Trioworld is proud to be part of.

Since the start 2014, the coloured silage bales campaign has contributed around MSEK 9 worldwide to cancer research. Additionally, since 2015 more than KSEK 850 has been raised by the refuse sacks campaign in Sweden.

Other community engagement

Trioworld Lundin AB helps administer the Norwegian initiative for Handelen's environmental foundation. The consumer pays a mandatory, additional fee for each plastic carrier bag purchased in Norway. This is forwarded to Handelen's environmental foundation, which uses the donation for several environmental projects. This was implemented as an alternative to a tax system, ensuring an investment to improve the environment. In 2020 this campaign raised MNOK 234.

Trioworld also provides an annual contribution to the Swedish Childhood Cancer Foundation, as an alternative to Christmas gifts for its customers.

Production site sponsoring and charity

Decisions to sponsor local sports clubs, charity, etc. are also taken at the different production sites. In total SEK 180,000 was reported as given to local sport clubs and charity clubs during 2020.



About the Sustainability Report

This Sustainability Report has been prepared in accordance with the GRI Standards: Core option.

Trioworld publishes an annual Sustainability Report, aimed at providing a transparent overview of Trioworld's work on sustainability. This focused on performance during 2020, but in some cases some historical data is also included. In addition, work to be performed during 2021 is sometimes described, especially for implementation and follow-up activities for initiatives started in 2020.

The Sustainability Report aims to describe Trioworld's impact on the environment, people, communities and the economic contribution to any interested stakeholder.

The Sustainability Report 2019 summarising the calendar year 2019 was published in June 2020. Financial reporting is made in accordance with the Swedish Annual Accounts Act. The statutory sustainability report is included in the financial report 2020 for Trioworld Holding AB.

Scope and boundary

The Sustainability Report covers performance on environment, health, safety and social conditions at Trioworld throughout the calendar year of 2020. The focus is on Trioworld Industrier AB and its subsidiaries, where all the operative work is carried out in the Trioworld group. It also provides a brief overview of the

financial result at Trioworld. For more details, please see the annual financial report of Trioworld Holding AB.

This Sustainability Report includes production sites that were owned by Trioworld for the majority part of the fiscal year of 2020.

Production site	Division	Address	Employee full time equivalent (December 2020)	Male/female representation (head counts)	Included in this Sustainability Report
Trioworld Apeldoorn B.V (formerly Apeldoorn Flexible Packaging B.V)	Consumer Packaging Division Stretch Division	Laan van Westenek 11 7336 AZ Apeldoorn The Netherlands	214.3	90% / 10%	Yes
Trioworld Bottnaryd AB (formerly Mo Industri AB)	Industrial Film Division	Stråkenvägen 3 565 76 Bottnaryd Sweden	27.0	65% / 35%	Yes
Trioworld Landskrona AB (formerly Trioplast Landskrona AB)	Consumer Packaging Division	Lodjursgatan 5 261 44 Landskrona Sweden	155.0	80% / 20%	Yes
Trioworld Lundin AB (formerly Bengt Lundin AB)	Carrier Bags Division	Linbanegatan 2 Jössefors 671 60 Arvika Sweden	73.2	59% / 41%	Yes
Trioworld Ombree d'Anjou SAS (formerly Trioplast France SAS)	Stretch Division	4 Rue de la Pidaie Pouancé 49420, Ombree d'Anjou France	95.0	86% / 14%	Yes
Trioworld Nyborg A/S (formerly Trioplast Nyborg A/S)	Industrial Film Division	Taasingevej 1 5800, Nyborg Denmark	171.0	83% / 17%	Yes
Trioworld Saint-Ouen SAS (formerly Trioplanex France SAS)	Health Care Division	80, Rue de la République 80610, Saint-Ouen France	85.7	87% / 13%	Yes
Trioworld Smålandsstenar AB (formerly Trioplast AB)	Stretch Division	Parkgatan 10 333 31 Smålandsstenar Sweden	281,4	78% / 22%	Yes
Trioworld Sundsvall AB (formerly Trioplast Sifab AB)	Industrial Film Division	Rasåsen Töva 853 59 Sundsvall Sweden	37.0	95% / 5%	Yes
Trioworld Varberg AB (formerly Ekoplast Emballage AB)	Industrial Film Division	Hammervägen 7 432 32 Varberg Sweden	26.2	86% / 14%	Yes

Some historical data also include production sites now being closed. For example, Trioplast Fjugesta AB which was closed in 2019 and Trioplanex International AB which was moved to Trioworld Saint-Ouen SAS in 2019.

Reporting principles

Production sites report monthly on some sustainability KPIs (energy consumption and LTAR) in Trioworld's financial reporting system. This also provides information on the number of employees and working hours, etc. In addition, some information is collected from the salary systems.

The rest of the information in this Sustainability Report was collected in a Sustainability Questionnaire submitted from each production site for the year 2020. Group sourcing system also provided information regarding sourced material, etc.

Contact persons

Please contact **Sustainability Development Director Eva Hultén** if you have any questions about this Sustainability Report.

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GRI Index 2019

The GRI Sustainability Reporting Standards (GRI Standards) are the first and most widely adopted global standards for sustainability reporting. GRI's core product is the Sustainability Reporting Standards. They have been continuously developed over 20 years and represent global best

practice for reporting on economic, environmental and social issues. According to GRI, sustainability reporting should provide a balanced and reasonable picture of a company's results with respect to sustainability. Trioworld has used GRI indicators since the 2018 Sustainability Report.

GRI Standards

This report has been prepared in accordance with the GRI Standards: Core option.

The following table shows the GRI Standard Indicators that Trioworld has chosen. It also contains references to where in the Sustainability Report Trioworld's efforts, progress and

in some cases plans for this GRI indicator are described. Management Approach is described collectively for all Indicators, as described in the table.

This Sustainability Report has not been audited by a third party, as has been indicated below.

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UN Global Compact and Communication on progress

Ten principles on responsible business practice

Launched in 2000 by former UN Secretary-General Kofi Annan, the UN Global Compact was initiated to bring business and the United Nations together to give a human face to the global market. UN Global Compact is the world's largest corporate sustainability initiative, now covering over 170 countries and more than 10,000 voluntary CEOs' commitments to implement ten universal sustainability principles. For more information, see www.unglobalcompact.org.

The ten sustainable principles are based on various UN conventions, such as the Declaration

of Human Rights and the Convention against Corruption and covers areas of human rights, working conditions, the environment and anti-corruption. In 2017, Trioworld joined the UN Global Compact and currently holds a GC active status and has implemented the ten principles of UN Global Compact into the updated Code of Conduct. The Code of Conduct is a part of the introduction programme for new employees.

Trioworld's application of the ten principles is published on its official webpage www.trioworld.com.



The Global Compact Principles		Trioworld application of the principle	GRI Indicators
Human rights			
1	Business should support and respect internationally proclaimed human rights.	We support and respect the protection of international human rights in the areas we can influence.	103-2
2	Business should make sure they are not complicit in human rights abuses.	We make sure our company is not complicit in human rights abuses.	103-2
Labour			
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.	We uphold the freedom of association and the effective recognition of the right to collective bargaining.	102-41, 103-2, 407-1
4	Business should work to eliminate all forms of forced and compulsory labour.	We eliminate all forms of forced and compulsory labour.	103-2, 409-1
5	Business should work for the effective abolition of child labour.	We work efficiently for the abolition of child labour.	103-2, 408-1
6	Business should work to eliminate all discrimination in respect of employment and occupation.	We eliminate discrimination in respect of employment and occupation.	102-8, 103-2, 406-1
Environment			
7	Business should support a precautionary approach to environmental challenges.	We support the precautionary principle to environmental responsibility.	103-2, 102-11
8	Business should undertake initiatives to promote greater environmental responsibility.	We take initiatives to promote greater environmental responsibility.	103-2, 301-1, 301-2, 302-4
9	Business should encourage the development and diffusion of environmentally friendly technologies.	We encourage the development and diffusion of environmentally friendly technologies.	103-2, 301-2, 302-4
Anti-corruption			
10	Business should work against corruption in all its forms, including extortion and bribery.	We work against corruption in all its forms, including extortion and bribery.	102-16, 103-2, 205-3

Communication on Progress

Organisations that have endorsed the Global Compact must produce an annual COP (Communication On Progress), detailing how they meet the ten principles. Trioworld provides this information using this Sustainability Report.

Definitions

5S	Sort, Set in Order, Shine, Standardise and Sustain. 5S is an important part of Lean manufacturing/WCM, originally developed by Toyota. It is defined as a methodology that results in a workplace that is clean, uncluttered, safe and well organised to help reduce waste and optimise productivity.
AFP	Apeldoorn Flexible Packaging. A subsidiary of Trioworld, renamed to Trioworld Apeldoorn.
Agenda 2030	The UN's 2030 Agenda for Sustainable Development is a comprehensive plan that outlines how poverty is eradicated and transform the world into a peaceful, sustainable environment for all – a Plan of Action to Change the World.
CO₂	Carbon dioxide is formed in all carbon combustion processes, such as fossil fuel combustion.
CO₂-eq.	Carbon dioxide equivalent. Taking all GHG into consideration.
Carbon footprint	Total GHG emissions. At Trioworld, CO ₂ -eq. is used for carbon footprint measurement.
CDP	CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impact. For more information, see www.cdp.net .
CEN	Comité Européen de Normalisation, see www.cen.eu for more information.
CENELEC	Comité Européen de Normalisation Électrotechnique, see www.cenelec.eu for more information.
CEO	Chief Executive Officer, Managing director.
CFO	Chief Financial Officer, Head of finance.
Code of Conduct	Behaviour code of Trioworld, also called “We are responsible”.
Competition Compliance Policy	Trioworld's policy for ensuring fair and legal competition compliance. Employees in critical positions, such as sales, sourcing and/or management team verify compliance.
COP	Communication On Progress. Organisations' annual report on how the ten principles of UN Global Compact are progressing.
CPA	Circular Plastics Alliance, aiming to boost the EU market for recycled plastics to 10 million tons by 2025 and covers the full plastics value chain and includes 277 organisations representing industry, academia and public authorities. See www.ec.europa.eu/growth/Industry/policy/circular-plastics-alliance_en for more information.

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CPO	Chief Procurement Officer, Head of sourcing.
Circular solution	Circular solution is a KPI for Trioworld, showing how far our product portfolio is in terms of having a sustainable alternative to offer the customer. A sustainable alternative is defined as either Trioloop or Triogreen, or a combination of the two.
EBITA	Earnings before Interest, Taxes and Amortisation.
Ecovadis	Ecovadis performs a third-party assessment of a company's sustainability performance. By submitting information and documentation in general, Ecovadis makes an assessment in the areas of environment, ethics, labour and human rights and sustainable procurement. For each area, a score between 0-100, 100 being the highest, is given. Using the total score for the company (0-100), a medal is awarded, where the top 1% is rewarded a platinum medal, top 5% a gold medal, top 25% silver medal and top 50% bronze medal. For more information, see www.ecovadis.com .
EuCertPlast	Certification scheme for recyclers. See www.eucertplast.eu for more information.
EuPC	European Plastic Converters represents the plastic converters in Europe, covering 1.6 million employees working in around 50,000 companies in the converting sector, creating a turnover of MEUR 260,000 annually. See www.plasticsconverters.eu for more information.
First aid injuries	Injuries requiring first aid, but no sick leave for the employee.
Global Compact	A UN initiative in the area of corporate social responsibility. Participating organisations agree to adhere to ten principles in the areas of human rights, labour conditions, the environment and anti-corruption. Trioworld's interpretation of the Global Compact is reflected in Code of Conduct. See www.unglobalcompact.org for more information on Global Compact.
GMT	Group Management Team for Trioworld Industrier AB, see page 10 .
GHG	Green House Gases. Gases captured in the atmosphere, which contribute to the greenhouse effect by reflecting the sun's radiation back to Earth. This includes water vapour (H ₂ O), carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O) and ozone (O ₃).
GRI	Global Reporting Initiative. The GRI Sustainability Reporting Standards (GRI Standards) are the first and most widely adopted global standards for sustainability reporting. See www.globalreporting.org/ for more information.
HR	Human Resources.
IKEM	IKEM (Innovations- och Kemiindustrierna i Sverige, translated as Innovation and Chemical industries in Sweden) is the Industry and employer organisation in Sweden. See www.ikem.se for more information.
ISCC Plus	International Sustainability & Carbon Certification. Globally leading certification system, contributing to the implementation of environmentally, socially and economically sustainable production and use of all kinds of biomass in global supply chains. See www.iscc-system.org for more information.

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ISO 9001	International standard relating to quality management system.
ISO 14001	International standard relating to environmental management systems.
ISO 22000	Quality management system for food.
ISO 26000	International standard that provides guidance on how organisations can manage social responsibility issues. The standard has influenced Trioworld Code of Conduct “We are responsible”.
ISO 45001	International standard relating to Occupational health and safety.
ISO 50001	International standard relating to energy management systems.
KPI	Key Performance Indicator.
LCA	Life Cycle Assessment. For Trioworld this normally means calculation of CO ₂ -eq. during the products life cycle from cradle to Trioworld end gate.
LDPE	Low Density PE.
LTA	Lost Time Accident, a work-related incident after which the employee was unable to return to work the following day.
LTAR	Lost Time Accident Rate, of Trioworld employees having a work-related accident. LTAR is calculated in the standardised calculation: LTAR = (number of LTA _{yr} × 200 000) / (number of labor employee hours).
MORE	Monitoring Recyclates for Europe, a reporting platform aimed at collecting data regarding volumes of plastic materials and products places on the European inner market. See www.moreplatform.eu for more information.
N-LTA	Non-Lost Time Accident, incidents resulting in medical care but no sick leave for the employee.
OHS	Occupational Health and Safety.
OHSAS 18001	International standard relating to Occupational health and safety.
PCR	Post-Consumer Recyclates. Definition of PCR is in accordance with ISO14021:2016 and can briefly be described as reggranulates from products used for its intended purpose.
PE	Polyethylene, raw material used in Trioworld’s products. Traditionally, it is primarily produced from crude oil, but is also produced from fossil free raw materials, such as sugar cane, etc

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PIR	<p>Post-Industrial Recycled.</p> <p>Trioworld's definition of PIR is recyclates that have not been used for their intended purpose, e.g., industrial waste/production scrap, in accordance with ISO 14021, EN ISO 472:2013 and ISO 15270.</p> <p>Trioworld's interpretation of these standards is that besides external PIR sources, internal sources are also PIR, provided that the PIR regranulates are processed in a separate off-line processing step. This is regardless of whether the regranulates created are used at another production site, in another production machine or in the same production machine after regranulation. However, in-line regranulation (material reused directly by the production machine) is not considered to be PIR.</p>
PPE	Personal Protective Equipment.
PRE	Plastic Recyclers Europe, an organisation representing European plastic recyclers. See www.plasticsrecyclers.eu for more information.
Recyclable product	<p>For Trioworld, this is a product that Trioworld considers to be recyclable in PE-fraction after it has been used for its purpose (as PCR).</p> <p>Non-recyclable products according to Trioworld include products with PET/PE or PET/PP lamination.</p>
Recycle content	For Trioworld, the recycled content is defined as the share of PIR and PCR compared to approved production.
SEDEX	<p>Sedex is one of the world's leading ethical trade service providers, working to improve working conditions in global supply chains.</p> <p>See https://sedexadvance.sedexonline.com/sso/#/ for more information.</p>
SDG	<p>Sustainable Development Goals.</p> <p>Seventeen sustainable development goals to abolish extreme poverty, fight inequality and injustice and protect our planet, adopted by UN in 2015 under the umbrella of Agenda 2030.</p> <p>For more information, see www.sdgs.un.org/goals.</p>
SimaPro	Computer software, to support in calculation of LCA.
SRAHG	Standardisation Request Ad Hoc Group, link between CPA and CEN/CENELEC.
Triolean	Trioworld's downgauged products, with sustained or increased performance.
Trioloop	Trioworld's brand for PE film that contains recycled material.
Triogreen	Trioworld's products with bio-based PE, with a very low carbon footprint.
Triogreenway	Trioworld's sustainable services.
UN	United Nations.
WCM	World Class Manufacturing, Trioworld's operational system for production, based on LEAN-principles.

