



Annual Report 2024



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Combining the Annual and Sustainability Reports

For fiscal year 2024, Husqvarna AB (publ) is combining its annual and sustainability reports, reflecting the Group's commitment to integrating sustainability across all aspects of its operations. The sustainability statement and notes contain a description of progress on Husqvarna Group's sustainability targets.

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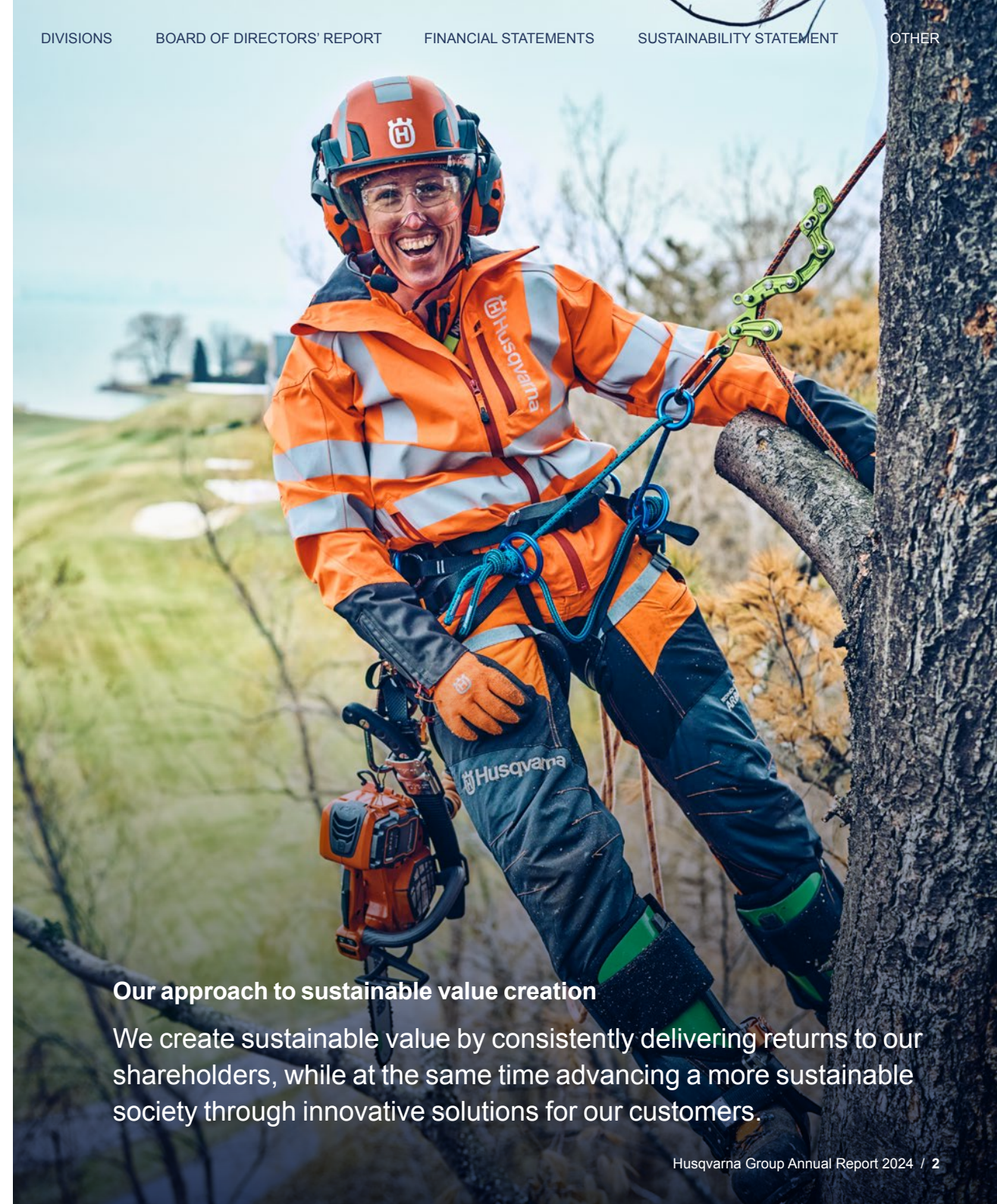
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They also include reporting on the relevant indicators in accordance with the Global Reporting Initiative (GRI) as well as turnover, capex and opex for activities eligible and aligned with the EU Taxonomy. The statutory Annual Report is found on pages 29–90 and the statutory Sustainability Report on pages 14 and 94–120.



Our approach to sustainable value creation

We create sustainable value by consistently delivering returns to our shareholders, while at the same time advancing a more sustainable society through innovative solutions for our customers.

About Husqvarna Group

Founded in 1689, Husqvarna Group has evolved into a global leader in innovative products and solutions for managing forests, parks, and gardens. Our diverse product range includes robotic mowers, battery- and petrol-powered chainsaws, trimmers, riding lawn mowers, as well as watering solutions. Husqvarna Group is also a leader in equipment for sawing and drilling in concrete surfaces, floors preparation as well as diamond tools for the light construction industry. Operating mainly under the global Husqvarna and Gardena brands, our products and solutions reach consumers and professional users through direct sales, dealers, and retailers across more than 100 countries.



Husqvarna Forest & Garden Division

Forest and garden products as well as services for professionals and residential customers. The global market leader in robotic mowers.

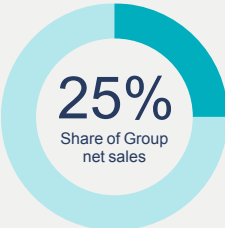
→ [Read more](#) on pages 20–22.



Gardena Division

Residential watering products, garden hand tools, and smart garden systems for garden passionates. Global leader in residential and smart watering solutions.

→ [Read more](#) on pages 23–25.



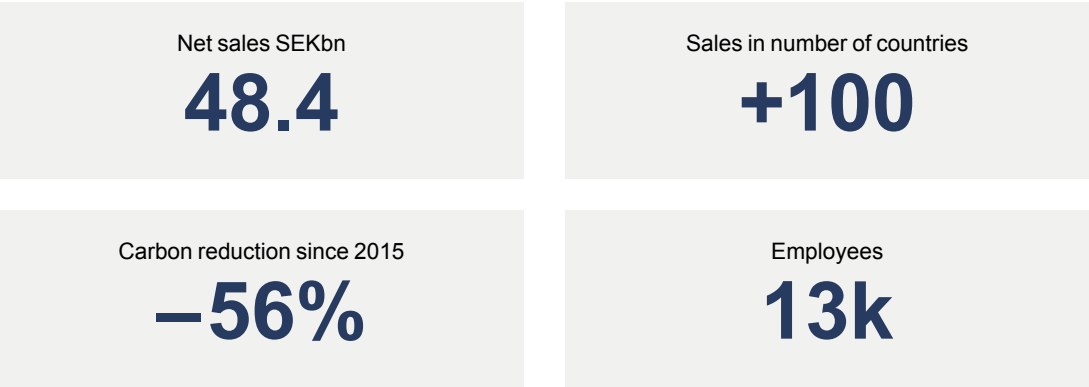
Husqvarna Construction Division

A leader in equipment and diamond tools for the light construction industry and diamond tools for the natural stone processing industry.

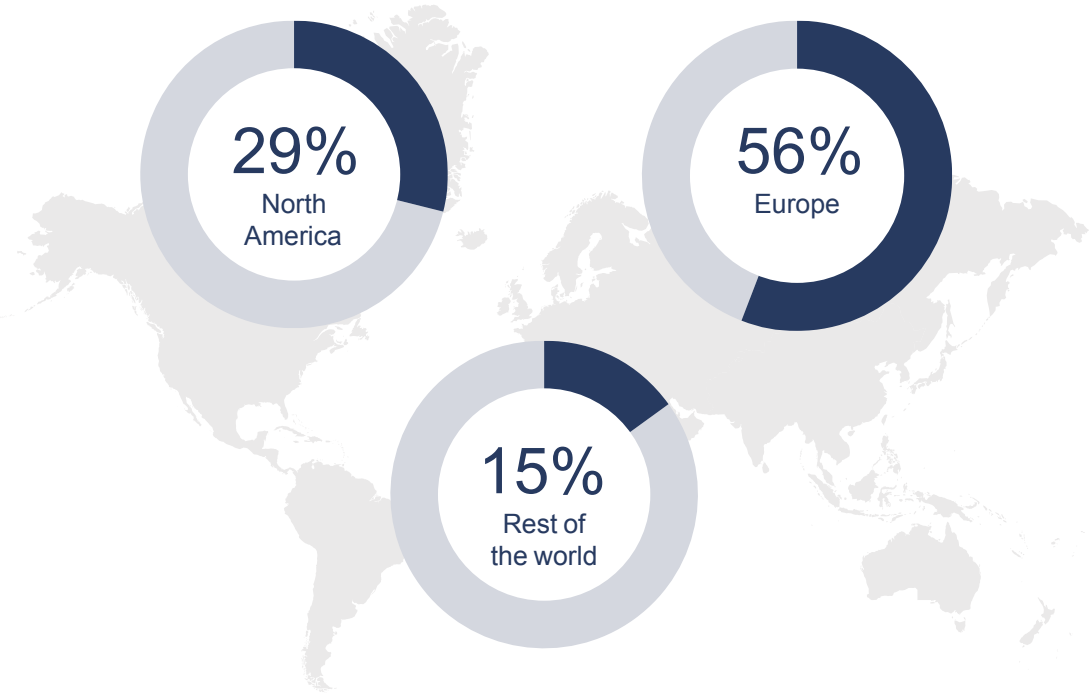
→ [Read more](#) on pages 26–28.



Key figures



Sales distribution





“We head into 2025 with a strong operational foundation and with the evolving needs of our customers top of mind.”

Pavel Hajman, CEO

Building resilience through innovation and strategy execution

In 2024, Husqvarna Group navigated market challenges by strengthening our organizational foundation, increasing operational efficiency, and maintaining a continued focus on strategy execution.

In his CEO statement, Pavel Hajman discusses this year's notable innovations, sustainability milestones, and how the Group continues to create long-term sustainable value for customers and shareholders.

How would you describe Husqvarna Group's performance in 2024?

2024 has certainly been a challenging year, but also a transformative one for Husqvarna Group. We anticipated that the global economic downturn would impact our markets, and throughout the year, adverse weather conditions across Europe and North America further affected parts of the gardening sector. Our sales declined organically by 7 percent and the operating margin amounted to 6.6 percent (excluding items affecting comparability). While the market challenges are evident in our 2024 financial results, we head into 2025 with a strong operational foundation and with the evolving needs of our customers top of mind.

In 2024, we delivered a strong cash flow, achieved good growth in key areas such as robotic mowers for commercial turf care and battery-powered products, continued to invest in innovation and low-carbon solutions, and successfully implemented cost-reduction initiatives. Furthermore, we strengthened our

operational excellence, accelerated our AI initiatives, and prepared for several exciting product launches ahead of the 2025 season. We are very disappointed with the results in 2024 and they are not in line with our long-term financial targets. However, I am convinced that we have the right strategic focus and the team in place to enhance our financial results and create sustainable value for all stakeholders.

The strategy focuses on 'Sustainable value creation'. What do these words mean to Husqvarna Group?

Sustainable value creation describes our commitment to continuously deliver returns to our stakeholders. For our customers, it means offering user-friendly, high-performance and high-quality products that meet environmental standards. From a corporate perspective, it's about delivering long-term and consistent value to our shareholders. Central to this strategy is Sustainovate, our sustainability framework that includes ambitious goals for carbon reduction, circular innovation, and inspiring people to make sustainable choices. From a product segment perspective our core areas for value creation are robotic mowers, battery-powered products, smart watering and professional solutions.

Considering this year's challenges, how have you worked to strengthen your resilience and build a stronger Group?

Efforts to strengthen our resilience are ongoing both at the Group level and within each division, balancing short-term cost management with long-term investments in innovation and go-to-market activities. Across all three divisions, we have managed costs rigorously, adjusted our organization and actively reduced inventory levels. Since 2022, we have reduced inventory by nearly 25 per-

The year in brief 2024

- Group net sales decreased by 9 percent to SEK 48.4bn (53.3). Sales declined organically by 7 percent. Good growth was achieved in segments such as professional robotic mowers, battery-powered products and parts & accessories.
- Operating income, excluding items affecting comparability, amounted to SEK 3.2bn (5.0), representing an operating margin of 6.6 percent (9.3).
- Cost reductions from savings programs amounted to SEK 735m.
- Direct operating cash flow increased to SEK 6.9bn (6.5), driven by inventory reductions.
- CO₂ emissions reduced by 56 percent (44) compared to the 2015 baseline.
- The share of sold electrified products increased to 44 percent (42), robotic mower sales declined to SEK 7.2bn (8.1), and the number of connected devices increased to 4.9m (4.5).
- The Board of Directors has proposed a dividend for 2024 of SEK 1.00 per share (3.00) to the Annual General Meeting.

cent. Our previously launched cost-savings program is projected to save around SEK 1.2bn by 2025, while a new program introduced in late 2024 is expected to contribute an additional SEK 500m, with the majority of the savings realized by 2025.

We have also taken steps to increase operational efficiency across divisions. In the Forest & Garden Division, we are initiating a new phase in North America by divesting our manufacturing facility in Orangeburg, SC, to Flex Ltd., and entering a long-term supplier agreement with them to ensure continued production of the division's key products in the U.S. This program will build profitability, improve capital efficiency, enhance production flexibility and strengthen our competitiveness in North America. Related cost savings are expected to amount to SEK 350m by 2030.

Our digital transformation and AI scaling initiatives are other cornerstones for building operational excellence. The AI Centre of Excellence consolidates expertise within the Group to support product development, customer experience and increase efficiency across divisions. This year, we expanded our approach to AI, moving from proof-of-concept testing to a cross-divisional roll-out aimed at deploying AI solutions at scale across the company.

Husqvarna Group's continued leadership also relies on outstanding innovation and expansion in growth areas. How have you progressed in this regard in 2024?

To maintain our market position and technological leadership, it's essential to sustain a high pace of innovation and invest in R&D. Approximately five percent of our annual revenue is consistently allocated to product development in our key areas.

Financial results 2024 and targets



This year, the pace of innovation has been high across divisions. In 2025, we will for instance launch a total of 13 boundary wire-free robotic mowers under the Husqvarna and Gardena brands, targeting to build on our global market leadership position for both residential consumers and the professional segment. For our professional customers, these launches address key needs in golf course and green space maintenance. For our residential customer segment, we now offer a full range of robotic mowers with boundary wire-free navigation for easy installation and reliable use. Additionally, several other innovations are on the way, including the launch of Husqvarna Autogrinder, a self-operating floor grinder from the Husqvarna Construction Division. New chainsaws will be launched during the year as well as additions to Gardena's smart watering segment, designed to tackle both water scarcity and lawn care challenges. Furthermore, the Gardena Division's acquisition of U.S.-based ETwater broadens the division's customer scope and means that each division now have a presence in the professional segment.

As you've mentioned, low-carbon and resource-smart solutions are central to your strategy. How have you progressed toward your Sustainovate goals, and how will this strategic focus drive future growth?

We firmly believe that advancing a sustainable, low-carbon, and resource-smart offering is key to driving long-term profitability and growth as well as gaining a competitive edge. This is underscored by shifting customer preferences and increasing regulatory pressure for low-carbon products and circularity. Autonomous

Sustainability results 2024 and targets



and electric solutions also provide additional customer benefits, including enhanced safety, reduced noise levels, and greater ease of use.

I am proud to say that in 2024, Husqvarna Group successfully surpassed a 50 percent reduction of our absolute CO₂ emissions compared to our 2015 baseline – a significant milestone achieved alongside a 34 percent increase in sales since 2015, illustrating that growth can indeed be decoupled from emissions.

We've also made notable progress toward our Circular goal. In 2024, we introduced 10 additional circular innovations, bringing our total to 37 across the Group since 2021. Through our circularity efforts, we are reimagining both our products and business models to offer a truly resource-smart customer experience. Furthermore, we've made significant progress toward our People target, inspiring 3.9 million people to make more sustainable choices by purchasing our products.

You have described every colleague as an essential part of Husqvarna Group's overall success. How do you do to create an outstanding company to work for?

Having a strong, shared company culture and values that we all stand behind is a strategic enabler to realize our strategy, and this is especially true during more challenging market conditions. Building this culture is valuable not only for us, but also for our ability to attract and develop top talent, ensuring that we work together toward our shared goals.

This year, we worked within our Winning through Culture framework to unify values across the organization, creating a shared sense of belonging and purpose that is vital in a fast-paced business environment. We have also focused on strengthening our commitment to learning and nurturing curiosity. Our Curious by Nature learning platform, launched in 2023, has already achieved a 96 percent adoption rate, supporting ongoing learning and development.

I want to take this opportunity to thank each employee for their efforts this year. Our employees have truly been the cornerstone of our strategy execution. Their dedication and innovative spirit have driven advancements across various areas, from improving operational efficiency to spearheading groundbreaking product development and delivering on our sustainability targets.

Looking ahead, what are Husqvarna Group's key priorities for 2025 and beyond?

Our priorities for the coming years are guided by our commitment to our customers through innovation, sustainability, and operational excellence. By expanding our capabilities in robotic mowers, battery-powered products, smart watering and professional solutions, we are positioning Husqvarna Group to lead in areas that matter most to our customers and communities.

To fuel this growth, we will be prioritizing operational excellence, with a strong emphasis on utilizing shared digital platforms to drive efficiency and elevate the customer experience. By investing in areas with long-term growth potential, we aim to stay ahead of market trends and help set the standard for innovation and environmental stewardship across the industries we serve. This is how we will ensure Husqvarna Group's continued prosperity in the years ahead.



**Husqvarna Group's 2025 lineup:
13 new boundary wire-free robotic mowers**

In 2025, Husqvarna Group is making its largest-ever launch of robotic mowers, introducing 13 new boundary wire-free models across our brands. This includes three new Gardena Sileno Free models, five Husqvarna Automower® Nera models, a new four-wheeled drive version, and four additions to Husqvarna's professional range. With this expanded lineup, Husqvarna Group continues to lead the way in robotic mower innovation, pushing the boundaries of performance, technology, and sustainability.

The markets we operate in

Husqvarna Group operates in several attractive markets and product segments with substantial long-term growth potential.

Market overview

As a Group, we are active in markets with solid long-term growth prospects, with a current market value of approximately SEK 280bn. In recent years, following the pandemic, global market sentiment has been negatively impacted by financial and geopolitical instability as well as weather effects. However, there are several global, long-term trends strengthening our business, including electrification, servitization and connectivity, and an increasing demand for autonomous, low-carbon and resource-smart solutions.

The market for the Husqvarna Forest & Garden and Gardena divisions

The forest and garden market, where the Husqvarna Forest & Garden and Gardena divisions operate, is valued at approximately SEK 235bn. Additionally, there is significant untapped potential in automating professional lawn mowing, transitioning it from a manual to an automated task. We estimate the value of this opportunity at SEK 100bn.

In 2024, the forest and garden market value declined by some SEK 15bn, primarily due to challenging macroeconomic conditions. However, segments with high structural growth – such as robotic mowers, smart watering systems, and battery-powered products – grew, driven by the ongoing shift to autonomous and sustainable solutions. Overall demand in our markets is closely

tied to economic growth, with key drivers being consumer purchasing power, confidence, and employment levels. Weather patterns also play a role, influencing the gardening season and thereby impacting demand both positively and negatively. For example, in 2024, Gardena’s watering segment was particularly affected by unfavorable weather conditions in Central Europe and North America.

Europe and North America remain the largest markets, accounting for approximately 85 percent of the global market value. In other regions, gardening opportunities are more limited due to factors such as climate, high population density in cities, cultural gardening practices, and varying levels of purchasing power.

The market for the Husqvarna Construction Division

The Husqvarna Construction Division is a global leader in equipment and diamond tools for the light construction industry and the natural stone processing industry. The market is valued at approximately SEK 45bn. In 2024, weaker macroeconomic conditions led to a decline in market value, particularly in North America, however the market in Europe had a more stable development.

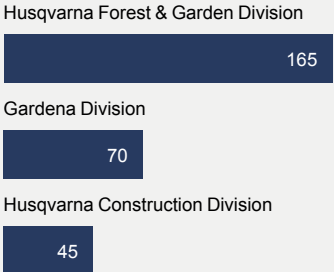
Our products and solutions serve needs in both new and renovation projects, infrastructure developments, and certain commercial segments. Our business follows economic cycles and to an extent the overall construction industry performance.

Key markets include Europe and North America, both well-established and highly developed. Demand is rising in emerging markets, presenting significant growth opportunities. In addition to equipment sales, aftermarket services and consumables represents a significant part of the business, with a higher-than-average growth.



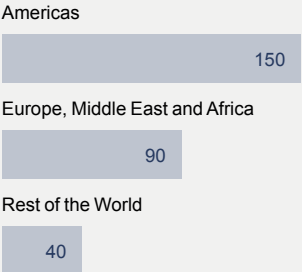
Addressable market by division

Estimated value by division, SEKbn



Addressable market by geography

Estimated value by geography, SEKbn



Segments with major growth potential

Our markets include several attractive product segments with potential for long-term double-digit growth, such as robotic mowers, battery-powered products, and smart watering systems.



Robotic mowers

The market for robotic mowers is mainly concentrated to Western Europe, but it is poised for significant expansion in other regions, including the UK, the Pacific, and the U.S. One of the most promising areas is robotic mowers for professional use. We are strategically capitalizing on this opportunity by revolutionizing commercial turf care as it transitions from a manual task to a fully automated one. Our focus extends to sports fields, golf courses, and a variety of other commercial and public green spaces.

For homeowners and professional users alike, robotic mowers simplify daily maintenance and enhance overall lawn quality. These products deliver precise, consistent care while offering substantial sustainability benefits such as zero direct emissions when in use and minimal noise pollution. As demand for smarter and more convenient solutions continues to grow, we are well-positioned to lead the change in transforming lawn care.



Battery-powered products

Sales of battery-powered products in the handheld and wheeled product segments are growing rapidly, mainly driven by the transition toward fossil-free solutions. This in turn is enabled by the progression of battery-cell performance, a high innovation pace, and increasing customer demand for low-carbon and easier-to-use products. For battery-powered professional products, we develop tailor-made battery packages and solutions that meet our customers' high demands for performance and durability. In addition, increased regulation of petrol-powered products supports the growth of electric alternatives. These underlying drivers create substantial growth opportunities in which we are investing significantly. For the residential segment, we co-founded and participate in the POWER FOR ALL ALLIANCE, enabling consumers to use the same battery and charger for multiple devices, manufactured by us and other suppliers, around the home.



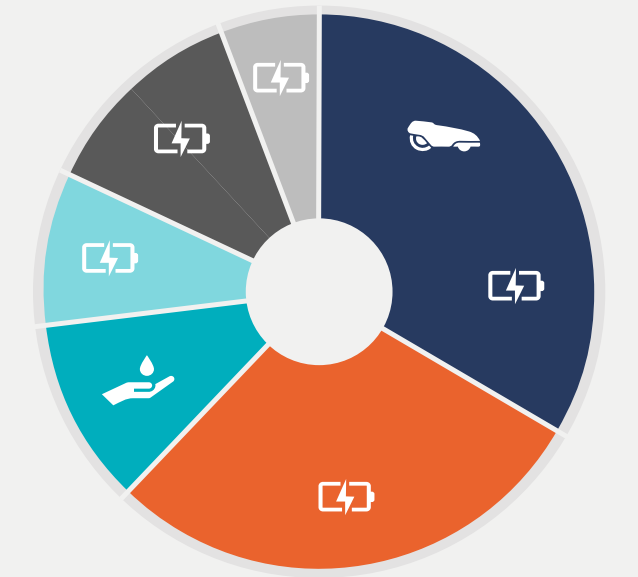
Smart watering







The Gardena Division has established a leading position in the residential watering market. The Gardena brand is the leading brand in Europe and Orbit Irrigation – including the B-hyve brand – leads the consumer watering market in North America. We are also expanding into smart watering solutions for professional customers, unlocking significant market potential.

Growth in this sector is primarily driven by two key trends: resource efficiency and convenience. To fully capitalize on these trends, we are ramping up investments in smart, automated irrigation solutions that simplify our customers' lives while significantly reducing water consumption. By offering intelligent systems that optimize water use, we are not only enhancing convenience but also addressing the growing demand for sustainable watering.

Global market, total value SEK 280bn

Market value by segment.
The icons indicate categories with high growth potential.



Markets	Segments with double-digit growth potential
 Lawn care power equipment	Robotic mowers & battery-powered products
 Handheld outdoor power equipment	Battery-powered products
 Watering	Smart watering
 Garden hand tools	Battery-powered products
 Concrete sawing & drilling	Battery-powered products
 Concrete surfaces & floors	Battery-powered products



Distribution channels and seasonality

Customers and distribution

Husqvarna Group sells forest, lawn, and garden products and services to around 25,000 dealers and leading retailers worldwide, as well as directly to end users. Dealers represent around 40 percent of the total market value. They primarily sell products in the high-performance segments to professional users and pro-grade experts (consumers that purchase a high-end product) and offer product services and support. Retailers, who represent slightly less than half of the market value, sell products in the low to medium price ranges. Online channels are growing in significance with sales amounting to an estimated 15 percent of the total market value.

Light construction and stone industry products and services are sold through specialized dealers, rental companies, and directly to contractors as well as to natural stone processing industries.

Seasonality

Forest and garden products and services, which represent around 85 percent of our total sales, are highly seasonal due to end-user buying patterns. The majority of sales occur during spring and summer, when most lawn care and gardening activities take place. Since our main markets are in the northern hemisphere, sales are highest toward the end of the first quarter and in the second quarter. Given average weather patterns, the third quarter generally marks the end of the gardening season. Demand for forestry products, such as chainsaws, tends to be somewhat higher during the second half of the year. For light construction, demand is evenly distributed throughout the year, with slightly lower demand during the winter months.

Distribution channels by division

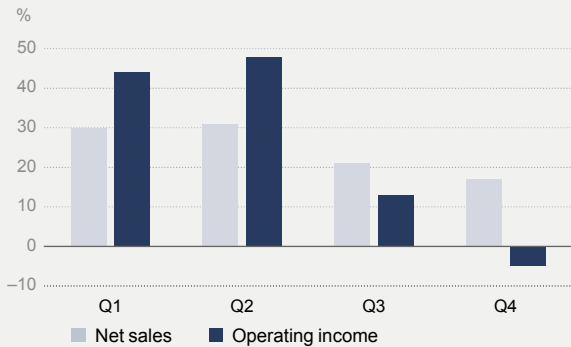
Husqvarna Forest & Garden Division
Distribution through dealers, online sales, and to a lesser extent through retailers.

Gardena Division
Multichannel distribution, primarily through retailers and online sales.

Husqvarna Construction Division
Distribution through construction specialized dealers and retailers, rental companies, and directly to contractors.

Net sales and operating income

Average distribution per quarter 2020–2024



A strategy for sustainable value creation

Our Group strategy capitalizes on market trends to deliver sustainable value to all stakeholders.

Strategy for sustainable value creation



By pioneering innovative solutions that address climate change and resource scarcity, we create sustainable value and deliver returns to all stakeholders. Grounded in prevailing market trends and sustainability challenges and opportunities, our strategy combines customer insights with technological leadership to drive long-term growth and profitability.

Our aim is to deliver great customer experiences, always with a strong commitment to sustainability. We generate value by investing in high-growth segments such as robotic mowers, smart watering, and battery-powered products, while also expanding the winning core of our business. We do this through constant innovation, not least in services and solutions.

At the core of our Group-wide strategy lies Sustainovate, our approach to integrate sustainability deeper into our business and

across our value chain. Through innovation, we aspire to lead the transition toward low-carbon and resource-smart solutions. Our goal is to drive positive change within Husqvarna Group, as well as to influence and inspire society at large.

Complementing our financial and sustainability targets, and building on our ongoing transformation, we have identified and established four operational ambitions. They demonstrate the

execution and delivery of our strategy in practice. You can read more about them on pages 15–16.

Attracting and retaining key talent is crucial for our ability to deliver on our strategy. We are investing in and developing our organization, have an attractive employer value proposition, and a strong corporate culture. Read more on page 17.

Components of our strategy



Robotics and battery

We are the global market leader in the rapidly expanding robotic mower market, serving both residential and professional customers. Our growth relies on a high pace of innovation, technical leadership, strategic investments in our brands, established channel partner networks, and continuous geographical expansion. This year, we have made significant progress in growing the robotic mower segment for professional users.

Our innovation efforts within robotics and battery-powered products enhance operating efficiency and ease of use, and significantly reduce emissions, noise, and vibration – elevating the customer experience and thus driving demand. The shift toward electrification is evident across all the sectors we serve, from green space management to the light construction industry.

“Our growth relies on a high pace of innovation, technical leadership, strategic investments in our brands, and continuous geographical expansion.”



Customer experience

Our goal is to create exceptional customer experiences. How we engage with our customers, and the quality of the experiences we provide, are essential for driving growth and success in the markets we serve. A great customer experience goes beyond products and services – it’s about consistently meeting and exceeding expectations, particularly as demand for sustainable solutions continues to grow. From the initial purchase and delivery to product usage and ongoing support, every interaction shapes the overall experience. We are committed to maintaining the highest standards of productivity, quality, sustainability, and convenience, ensuring that our offering truly resonates with our customers’ expectations.

“A great customer experience goes beyond products and services – it’s about consistently meeting and exceeding expectations.”



Services and solutions

Increasing demand for great services and solutions presents new opportunities to drive growth and profitability. Key examples include all-inclusive robotic mower subscriptions, leasing options, and traditional aftermarket parts and accessories. These offerings align with our Sustainovate goals while enhancing the customer experience beyond the product itself. By expanding our service offering, we aim to strengthen our relationship with end users, foster greater loyalty, and grow our aftermarket business, while being able to better respond to evolving customer needs.

Increased connectivity allows us to engage more effectively with end users, providing deeper insights into their preferences. This not only supports the development of “as-a-service” models but also creates new streams of recurring revenue.

“By expanding our offering within services and solutions, we aim to strengthen our relationship with end users.”



A winning core

Growing our winning core involves expanding and strengthening our leadership in key product segments. This includes product categories such as chainsaws and other professional categories within the Husqvarna Forest & Garden Division, as well as continued expansion in our Gardena and Husqvarna Construction divisions, including many product categories, such as watering, hand tools, products for concrete sawing and drilling and floor preparation etc. Our success is built on an innovative product range, a customer-centric mindset, a commitment to sustainability, and strong brand awareness. These strengths enable us to offer a premium product portfolio that balances profitability with increased investments in product development.

“Our success is built on an innovative product range, a customer-centric mindset, a commitment to sustainability, and strong brand awareness.”

Whether our customers are purchasing a concrete power cutter, a watering solution, or a professional chainsaw, they expect nothing but the best. By excelling in our core business, we not only fuel growth and profitability, but also enable further innovation and higher end-user satisfaction.



Sustainovate strategy

Sustainovate is our approach for integrating sustainability deeper into our business and throughout our value chain. Through Sustainovate, we are combining our leading innovation capabilities with our commitment to sustainability. This year, we have taken major steps forward in all three target areas – Carbon, Circular and People.



Carbon

Our 2025 target

The world urgently needs to transition to a zero-carbon economy. Our carbon target is to reduce our absolute CO₂ emissions by 35 percent across our value chain between 2015 and 2025. The carbon target is approved by the Science Based Targets initiative (SBTi), and reflects the Group's commitment to reducing our fair share of CO₂ in line with society's ambition to limit the global temperature rise to 1.5°C.

Achievement as of 2024

By the end of 2024, Husqvarna Group's CO₂ emissions had decreased by 56 percent across the value chain (Scope 1, 2 and 3) compared to the base year 2015. During the same period, net sales grew by 34 percent, rising from SEK 36.2bn to SEK 48.4bn. This accomplishment demonstrates that we have successfully decoupled carbon emissions from financial growth.

→ We present detailed information on our targets, efforts, and progress relating to the Sustainovate strategy in the Sustainability statement, pages 94–122.



Circular

Our 2025 target

Increased circularity will play an important role in a truly sustainable society. Our circular target is to launch 50 circular innovations between 2021 and 2025. The circular opportunity allows us to merge our passion for sustainability with our innovation capabilities. We are actively exploring ways to redesign our products, solutions, and business models to deliver resource-smart experiences to our customers.

Achievement as of 2024

This year, we launched an additional 10 circular innovations, bringing the total to 37 since 2021. Thanks to a robust process and the collaborative efforts of both sustainability leaders and business leaders throughout the Group, we are continuously generating ideas that push us toward reaching our target for 2025.



People

Our 2025 target

Our customers care for the environment, and together we can grow the market for resource-smart and low-carbon solutions. Our people target is to empower 5 million customers and colleagues to make more sustainable choices by 2025. By actively promoting innovative electric and robotic products, as well as circular solutions, we create opportunities for behavioral changes that reduce our customers' carbon footprint, water usage and material consumption.

Achievement as of 2024

By the end of 2024, we had inspired more than 3.9 million people to make more sustainable choices, putting us well on our way toward achieving our 2025 target. While this target is customer-centric, the journey starts internally with focused training in our own organization, as well as through the partnerships we establish to drive change.

Operational ambitions for sustainable value creation

We have identified and established four Group-wide operational ambitions to measure our growth, expansion, and pace of transformation. These operational ambitions demonstrate how we execute and deliver on our strategy in practice.



Raising the bar in professional landscaping

We are continuously advancing our robotics solutions to empower professional users. In 2025, we introduce new and cutting-edge robotic mowers designed specifically for turf care in sports fields, golf courses, and facility management. This includes three new models designed for managing areas up to 16,000 m²: Automower® 560 EPOS, Automower® 580 EPOS, and Automower® 580L EPOS. Additionally, we are launching an upgraded boundary-wire-free version of Automower® 535 AWD (all-wheel-drive) EPOS.

This extensive range showcases our commitment to innovation. Each model is equipped with precision GPS RTK navigation, boundary-wire-free mowing, and adjustable cutting patterns. By 2026, the 560 and 580 models will also integrate functionality for solar panel compatibility and advanced AI-driven features such as obstacle avoidance, further raising the bar in professional robotic mowing solutions.

Operational ambition #1

We aim to reach robotic mower sales of SEK 12bn by 2026

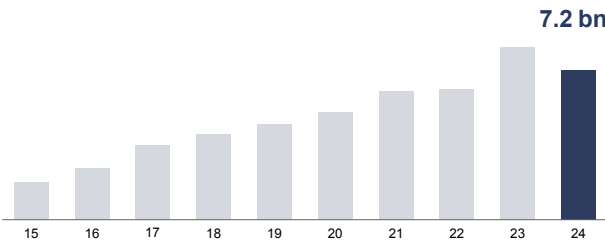
In 2024, total net sales of robotic mowers decreased to SEK 7.2bn (8.1). We achieved strong growth in robotic mowers for professional users, attracting customers who operate and manage golf courses, sports fields, and other public and private areas. However, our sales of robotic mowers for the residential market were impacted by the general macroeconomic climate with restrained consumer spending, as well as by increased competition. For the 2025 gardening season, we are significantly increasing our offering of robotic mowers with the launch of 13 new and innovative robotic mowers under the Husqvarna and Gardena brands – targeting both the professional and residential markets. Reaching our ambitious 2026 target will prove a challenge, but we are determined to continue our long-term growth trajectory in robotic mowers.

Next steps

- Drive product development, geographic expansion, and market penetration for residential robotic mowers.
- Continue to transform professional turf care through innovation and by expanding our go-to-market capabilities.

Sales of robotic mowers

Ambition to reach SEK 12bn by 2026



Operational ambition #2

We aim to have two-thirds of our motorized sales electrified by 2026

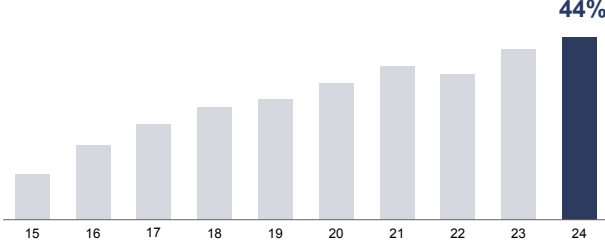
Our electrification efforts are intricately connected to our commitment to sustainability and the ambition to drive industry transition. In 2024, the share of electrified solutions grew to 44 percent (42) of our motorized product sales. Growth was driven by several new product launches and innovations.

Next steps

- Grow and utilize the market potential through innovative product development, geographic expansion, and market penetration.
- Further develop our partnerships with new products and solutions for cost-efficient battery ecosystems in the consumer segments.
- Through in-house development, tailor electrified solutions to the premium and professional segments.

Share of electrified solutions

Ambition to reach two-thirds by 2026



Operational ambition #3

We aim for continued growth in our winning core

Growing our winning core involves expanding and strengthening our leadership in key product segments. This includes product categories such as chainsaws and other professional categories within the Husqvarna Forest & Garden Division, as well as continued growth in our Gardena and Husqvarna Construction divisions.

Next steps

- Drive geographical expansion with our watering solutions, while expanding our smart watering business.
- Grow our strong presence in professional hand-held products.
- Continued expansion of services, parts and accessories, and aftermarket support.
- Expand in existing and new construction segments.



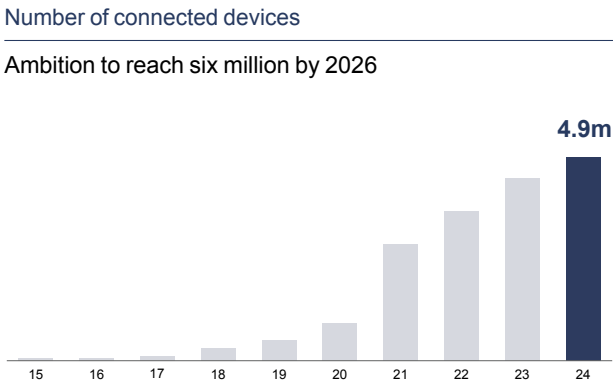
Operational ambition #4

We aim to reach six million connected devices by 2026

In 2024, we reached 4.9 (4.5) million connected devices. This progress is driven by sales of connected products such as robotic mowers and smart watering solutions. We are increasing the share of connected devices in the product portfolio to further enhance customer value, gain a deeper understanding of customer preferences, and drive brand loyalty.

Next steps

- Enhance connectivity across our future product portfolio.
- Advance and leverage our data management and AI capabilities.
- Optimize our direct connection with end users and expand the development of data-driven services.



Precision in every drop – introducing AquaPrecise

The shift toward intelligent water-saving solutions is accelerating, and in 2025, the Gardena Division is set to launch the AquaPrecise irrigation system, further redefining lawn irrigation solutions while strengthening Husqvarna Group's leadership position in water management.

AquaPrecise is an advanced sprinkler system designed to provide optimal water coverage, even for irregularly shaped lawns. This innovative solution is simple to set up, conserves water and ensures even distribution across all areas. And by minimizing wind interference, the system guarantees that every drop lands where intended.



Leigh Dagberg,
Executive Vice President,
People & Organization

How Husqvarna Group's people and culture fuel long-term strategy execution

At Husqvarna Group, building a resilient organization is an ongoing priority. By focusing on talent development and operational excellence, we enhance employee engagement and strengthen our agility. Through collaboration, bold decision-making, and a learning mindset, we empower our people and strengthen our market position.

What are the main priorities in Husqvarna Group's efforts to continue to build a resilient organization?

We have a strategic focus on securing a leadership position in growth areas such as robotic mowers, battery-powered products, watering, and solutions for the professional market. Operationally, we need to quickly adapt to changes in a dynamic market landscape. To achieve our strategic and operational goals, we are driving critical capability shifts and implementing actionable plans, supported by the right capacity, competencies, values, and structure. Our goal is to build operational excellence that delivers speed, efficiency, and adaptability in a dynamic market.

How, from a people perspective, is Husqvarna Group working to strengthen its capabilities in areas such as robotics & battery, watering, and professional services & solutions?

The short answer is by focusing on both securing and developing the talent we need to succeed. The longer answer is that capability shifts are embedded into our strategic and operational planning cycles, where we assess, identify, and prioritize the specific skills and capacities required to achieve our strategic goals and address future challenges. Each division translates high-level priorities into specific workforce needs, and our lead-

ers, supported by the People & Organization function at various levels, are responsible for ensuring their teams evolve accordingly.

Regarding people development and talent attraction, what efforts in 2024 have supported these capability shifts?

To strengthen capabilities within our workforce, we offer personalized learning through our Curious by Nature learning platform, which currently provides curated content to 9,200 employees in areas such as AI, sustainability, and electrification. The platform aims to cultivate a learning mindset aligned with our strategic priorities. In 2024, it achieved a 96 percent adoption rate, and we integrated LinkedIn Learning to expand content offerings and provide additional language options. The platform also hosts our newly launched People Manager Activation Journey, a global, Group-wide learning initiative designed to quickly equip new people managers with leadership essentials, knowledge of our culture, processes and practices.

In 2024, we also refined our Employer Value Proposition, updated our branding strategy, and created a unified digital recruitment process across major markets. These initiatives enhance the efficiency of talent acquisition while aligning it with our strategic objectives. Talent attraction also aims to retain our current colleagues, who are vital to our future success, and managers play a



key role in this effort. To support our managers, we have launched the Being a Leader at Husqvarna Group site, which provides easy access to information and tools.

How does operational excellence support the Group's strategy execution, and what structural changes are being implemented to achieve it?

Operational excellence is fundamental to driving efficiency, adaptability, quality and compliance. By streamlining processes and consolidating and optimizing resources, we reduce costs, enhance customer satisfaction, and support innovation, all of which enable effective strategy execution.

In terms of processes and digital solutions, our implementation of Group ERP, Product Lifecycle Management, and Workforce Management (Workday) platforms are important examples of how we build a strong foundational infrastructure. On the organizational side, our recently established AI Center of Excellence leverages AI to enhance business operations, while our Global Business Solutions (GBS) aims to deliver streamlined, automated, and consistent transactional processes across the organization in such areas as P&O and Finance. As we navigate significant transformations, operational excellence remains a vital contributor to our competitiveness and long-term success.

Lastly, the Group's Winning through Culture framework plays a vital role in building a resilient organization. What does this framework entail, and how does it support the Group's goals?

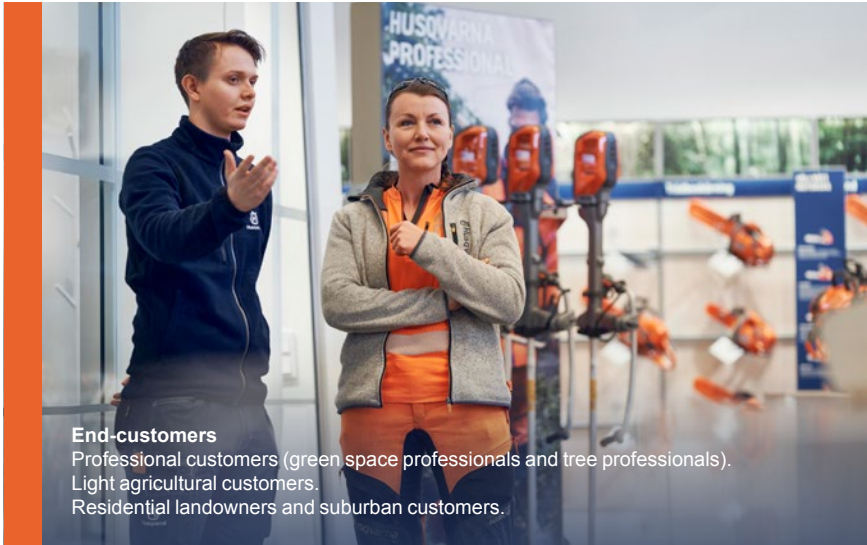
Our Winning through Culture framework describes who we are, how we work, and how we need to evolve to win in the future. It plays a vital role in aligning our organization's behaviors with strategic objectives. In 2023, we engaged over 2,000 employees in developing the framework, identified key cultural themes and descriptive behaviors, created a Culture Toolbox, and embedded these themes into our performance management processes. Every team at Husqvarna Group participated in three workshops to translate these themes into practical behaviors relevant to their work, fostering a shared understanding of how we collaborate and interact with our customers.

This journey continued into 2024, as we concluded team workshops, launched targeted learning and communication campaigns, and began integrating the cultural themes into a new leadership framework for the Group. By promoting a culture of bold decision-making, dedication, and care, Winning through Culture fosters an engaged workforce prepared to support Husqvarna Group's long-term goals. This alignment is critical for thriving in today's competitive landscape.

Our divisions

Husqvarna Group operates on the principle of having three autonomous and customer-centric divisions equipped with full value chain functionality to create sustainable value.

Three autonomous and customer-centric divisions

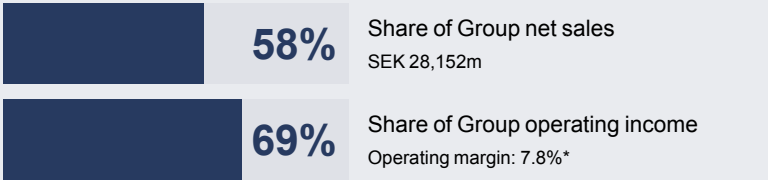


End-customers
Professional customers (green space professionals and tree professionals).
Light agricultural customers.
Residential landowners and suburban customers.

Husqvarna Forest & Garden Division

Market position

- Global leader in robotic mowers for both residential and professional use.
- Global No. 2 in professional handheld products, such as chainsaws, brush cutters, trimmers, and leaf blowers.
- Strong positions in wheeled products such as front riders and zero-turn mowers.

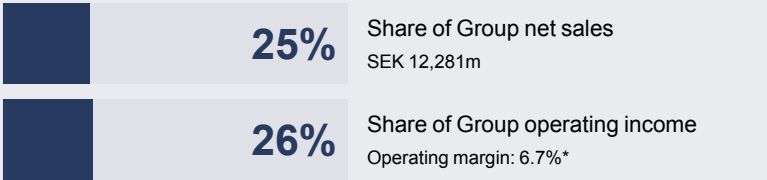


End-customers
Passionate gardeners (consumers) and
users of smart watering systems.

Gardena Division

Market position

- Global number one in residential watering and smart watering solutions.
- Leadership position in gardening tools, such as tools for lawn, tree, and shrub care and soil cultivation.
- Strong position in electric battery-system gardening tools and robotic mowers.

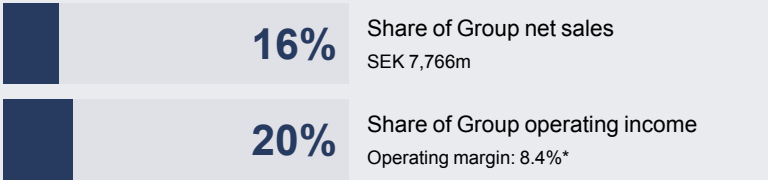


End-customers
Professionals in concrete sawing and drilling, concrete surfaces
and floors, light demolition and the stone processing industry.

Husqvarna Construction Division

Market position

- Leading positions in power cutters, floor saws, surface preparation equipment, and dust and slurry solutions.
- Strong market positions in demolition robots and diamond tools for the light construction and stone industries.



* Excluding items affecting comparability. The divisions' share of operating income adds up to more than 100 percent due to Group-common items.



Husqvarna Forest & Garden Division

A global leader in forest and garden products

The Husqvarna Forest & Garden Division offers products and solutions that increase efficiency and enhance user experience in forestry, tree care, landscaping, and other lawn and garden services. Our offering mainly targets professional users and premium consumer segments.

Brands

Husqvarna's rich heritage, spanning over 330 years, has established us as a trusted leader in the industry. Driven by a pioneering spirit and deep expertise in forestry, landscaping, and agriculture, we deliver innovative, superior products, and exceptional customer service for homeowners, landowners and professionals worldwide. Our brand portfolio also includes the regional brands Zenoah in Japan and Redmax in North America.

Markets and customer segments

The Husqvarna Forest & Garden Division targets three different customer segments:

- Professional customers (green space professionals and tree professionals).
- Residential landowners and suburban customers.
- Light agricultural customers (mainly in emerging markets).

The Husqvarna brand is primarily sold through independent servicing dealers, with most sales taking place in Europe and North America.

Products and solutions

Husqvarna is the world market leader in robotic mowers for residential and professional use. With a strong heritage in tree care and forestry, we excel in handheld products such as chain-saws, trimmers, leaf blowers, and other lawn mowing equipment. We also lead in high-performance battery-powered products and connected digital services.

Reducing environmental impact is central to our offerings, including two battery ecosystems designed for suburban customers as well as landowners and professional customers.

Growth opportunities

We see substantial growth opportunities across regions and customer segments, driven by increasing demand for robotic mowers, professional solutions, battery-powered products, and service offerings. Digitalization and the shift toward more sustainable products and circular solutions open exciting growth opportunities, such as second life options and expanding rental and leasing services.

Continued strategic investments to position the division for further success

In challenging market conditions, we have successfully achieved growth in several strategically important product categories. By investing in innovation and driving efficiency, we are well positioned for future growth.

How would you summarize the year for the Husqvarna Forest & Garden Division?

While macroeconomic challenges have impacted our results and the demand for our products, I am proud of the resilience that our division has built this year. Our inventory levels were reduced, we have achieved significant cost savings through various efficiency initiatives and further refined our manufacturing footprint.

Our resilience is also strengthened by great innovations. We invest in segments with the greatest potential for future value creation, such as robotic mowers, battery-powered products, and professional solutions. One of the highlights of the year has been expanding our product range in robotics. For the 2025 season, we launch ten new boundary wire-free robotic mowers for both consumer and professional segments, and thereby further strengthen our global position.

In summary, we have maintained our strategic focus despite challenging market conditions. By driving innovation and enhancing operational efficiency, we are well-positioned for the future.

Transforming commercial turf care is a SEK 100bn opportunity. How can you secure market leadership in this segment?

In 2024, we achieved solid growth in our professional turf care segment, with sales increasing close to 20 percent, driven by areas such as the golf segment, sports field management, and green space maintenance. To maintain momentum and secure market leadership, we are capitalizing on the growing demand

for automation, where we now accelerate our pace of innovation and adapt to varying customer needs. In sports management, this may include specific functionality for sport fields and in the golf segment, we are developing solutions tailored to different turf requirements, as grass types and densities vary across our markets.

Demand for automated turf care in the professional segment has surged in recent years, particularly in the golf segment, where we now have a significant presence on golf courses in both Europe and in the U.S. Our global sports and turf distribution network has expanded to cover the majority of all U.S. golf courses, strengthening our market reach. For the 2025 season, we are introducing four new robotic mower models designed for commercial use, strategically addressing key areas for capacity coverage, offering solutions suited for lawns and green spaces of 6,000 to 16,000 m². Now we have a complete range of solutions for professional use up to 50,000 m². We are doing so to meet evolving customer needs and reinforce our leadership position.

Electrification is another key value creation lever. What actions have you taken to accelerate progress in this area?

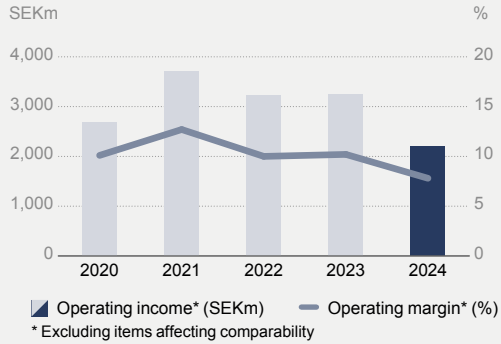
Electrification is a Group-wide ambition, aligned with our Sustainovate strategy and driven by growing customer demand for products that offer reduced noise levels, greater ease of use, and a lower environmental impact. In 2024, close to 40 percent of all our motorized sales were electric.



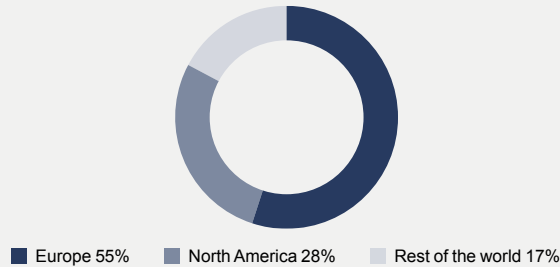
“We continue to invest in segments with the greatest potential for future value creation.”

Glen Instone, President,
Husqvarna Forest & Garden Division

Operating income and margin



Net sales by region, %





The Philadelphia Cricket Club's experience with Husqvarna robotic mowers

Despite the name, The Philadelphia Cricket Club is renowned for its golf courses, and their commitment to excellence in golf is undeniable.

In the past, maintaining the golf courses was labor-intensive, consuming much of the ground crew's time and leaving less room for other essential maintenance activities. To address this challenge, The Philadelphia Cricket Club implemented 35 Husqvarna robotic mowers. These state-of-the-art robots revolutionized the club's turf care management by taking over the repetitive and time-consuming task of mowing.

Course quality and sustainability

The robotic mowers have allowed the crew to focus on other critical aspects of property maintenance, significantly improv-

ing operational efficiency and course quality. The reliable mowers navigate complex terrain with ease and deliver uniform results every time. Additionally, they are environmentally friendly, producing zero emissions when in use, thus aligning with the club's commitment to sustainability.

“Partnering with Husqvarna has been a transformative investment for the club, enhancing both its operational efficiency and environmental sustainability.”

The Philadelphia Cricket Club

Accelerating growth in this area will depend heavily on continued innovation, particularly in high-power solutions, equal to petrol-powered engines of 50cc and higher, for the professional segment. Traditionally, achieving high-power output with electric solutions has been challenging, but we are pushing boundaries to change the game. For example, in 2025, we are proud to introduce two new professional chainsaws designed for professional forestry workers and arborists, delivering unmatched speed and performance.

Husqvarna Forest & Garden operates in several growing markets, both in terms of segments and geographically. How do you aim to grow your presence across these markets?

Being present in diverse geographic markets is, in itself, a way of strengthening our resilience. But to thrive, we must quickly adapt to the varying needs across regions, balancing our offerings in both electrified and combustion engine products. Alternative fuels remain a priority, and we are actively working to drive the industry toward fossil-fuel independence. In 2024, the Husqvarna Forest & Garden Division has strategically invested in the light agricultural segment with the key ambition to expand in emerging markets. This includes the recent acquisition of InCeres, a digital platform that enhances agricultural efficiency and productivity. These investments are aimed at driving efficiencies in regions that produce a significant portion of the world's food, thereby supporting global food security and sustainability.

Parts and accessories and service are also crucial areas for resilience and growth. In 2024, we achieved good growth in this segment, driven partly by an expanded accessory offering and proactive launches of relevant parts and accessories alongside new products. A strong service offering drives recurring revenue and helps build customer loyalty.

Why are sustainable solutions critical for long-term growth, and in what ways has the division delivered on the Group-wide Sustainovate ambitions in 2024?

The business case for more sustainable solutions is clear: our customers increasingly seek products and services that reduce emissions, noise, waste, and energy consumption. A leading position strengthens the Husqvarna brand and sets us apart

from competitors. Low-carbon and resource-efficient solutions also allow us to optimize the use of resources, materials, and energy in our production and operations.

In 2024, we made substantial progress in reducing CO₂ emissions across all scopes. Compared to our base year of 2015, the Group has now reduced emissions by 56 percent, up from 44 percent last year, where the Husqvarna Forest & Garden Division is a key contributor. Increased sales of electric solutions contribute to reduced Scope 3 emissions, and we continuously work to mitigate the impact of our own operations.

We have achieved carbon neutrality at several manufacturing sites by sourcing 100 percent renewable electricity through RECs (Renewable Energy Certificates) and implementing energy efficiency measures. Also, each plant has established a plan to further reduce emissions and conserve resources. For unavoidable emissions, we engage with offsetting initiatives and support certified climate projects in the U.S., China, and Brazil.

Lastly, what will be the focus areas for the Husqvarna Forest & Garden Division for the upcoming year?

The Husqvarna Forest & Garden Division is dedicated to enhancing customer centricity and simplifying the way customers do business with us. Our goal is to deliver a seamless, efficient experience, ensuring that we consistently meet customer needs with exceptional service and support.

In 2025, we will continue to prioritize investments in robotics and battery technology, and we aim to expand our footprint in commercial turf applications. Sustainable solutions, in the broadest sense, remain a core priority, with a strong commitment to low-carbon initiatives. Looking ahead, we will maintain our pace of innovation across both electrified and traditional product categories to meet evolving customer needs and secure a competitive edge in the marketplace.



Gardena Division

The brand of choice for those passionate about their gardens

The Gardena Division is the global number one in residential watering and smart garden systems for passionate gardeners. In addition, our range includes products and solutions for lawn, tree, hedge, and court care as well as digital and connected solutions for planning and automating gardening tasks.

Brands

The Gardena brand is the leading residential gardening brand in Europe and is associated with innovative high-quality products and market-leading innovations. Orbit is the leading residential watering brand in the U.S. market and B-hyve is the leading smart watering technology brand. Flymo is a popular UK brand in lawn, hedge, and tree care, and Neta serves the residential watering market in Australia.

Market and consumer segments

We are the global market leader in residential watering as well as pioneers in smart gardening, integrating hardware and software to automate tasks like watering and mowing. Our products are designed for those passionate about their gardens and who value convenience, circularity, and low-carbon solutions.

Making sustainable choices lies close to the heart of every garden passionate. Therefore, we

are driving the development of resource-efficient and low-carbon gardening approaches, tools, and equipment. This is at the center of our strategy, our operations, and our investment decisions.

Products and solutions

The Gardena Division offers the market's most comprehensive range of gardening products for residential customers. Our success is largely built on our system-based approach, like the Original Gardena System for easy click-on watering solutions and the Gardena Combisystem, which integrates various tools with interchangeable handles. Similarly, we offer a fully integrated smart garden system that combines hardware and software for automated gardening tasks. In 2020, we co-founded the POWER FOR ALL ALLIANCE, providing a universal battery system compatible with over 100 devices from multiple manufacturers, offering maximum convenience and flexibility for homeowners.

Growth opportunities

Within our growth strategy, we see four main opportunities:

- **Geographic expansion:** We aim to expand significantly beyond our core markets in Central Europe, particularly in the UK, France, and the U.S. Our business unit Orbit Irrigation provides a strong channel into the North American market, where we have started to establish Gardena as a premium gardening brand.
- **Omnichannel growth:** Further developing our omnichannel capabilities will allow us to capitalize on new channel opportunities.
- **Innovation-driven growth:** Sustainable solutions are central to our innovation agenda. Smart watering systems, for example, not only drive business growth but also support our broader Sustainovate goals.
- **Professional Irrigation:** continue to grow our pro irrigation business.

Strategic investments pave the way forward

In 2024, the Gardena Division proactively navigated a challenging market environment by enhancing efficiencies and making strategic investments in future growth areas. Although adverse weather conditions affected the year's demand for watering products, good performance in other segments and ongoing expansion efforts have paved the way for the future.

How would you summarize the year for the Gardena Division?

The past year has been both challenging and transformative for the Gardena Division. An extremely wet season with heavy rain-falls across Europe and parts of North America had significant impact on demand for our core watering business.

To strengthen our resilience in this challenging market environment, we implemented strategic cost-saving measures aimed at enhancing operational efficiency, right-sizing our organization, and driving growth. We maintained focus on cash flow, thus achieving strong results for the year in this respect, driven by a continued reduction of our inventory levels.

At the same time, we maintained our commitment to and investment pace in innovation and successfully launched several new products, including the introduction of a new range of boundary-wire-free robotic mowers for the 2025 season.

Geographic expansion is a strategic lever for growth. Why is this especially important during an economic slowdown?

Our geographic expansion strategy strengthens our global market position as well as our resilience to fluctuating market conditions. It also supports us in managing weather-related variations, ensuring more consistent performance and stability. By broadening our presence, we can grow our business and better manage the effects of both climate and economic fluctuations.

We drive expansion through organic growth and strategic acquisitions. For instance, we have successfully delivered value through the acquisition of Orbit Irrigation in 2021. This year's acquisition of U.S.-based ETwater provides large-scale irrigation solutions for commercial customers and strengthens our capabilities in professional irrigation. This opens a new market segment and enables us to target commercial clients, broadening our customer base beyond the residential segment. As we integrate ETwater's systems with Orbit's professional offerings, Gardena is well-positioned to expand within the U.S. professional irrigation market.

Consumer preferences are ever shifting. How are you adapting to meet expectations and foster customer loyalty?

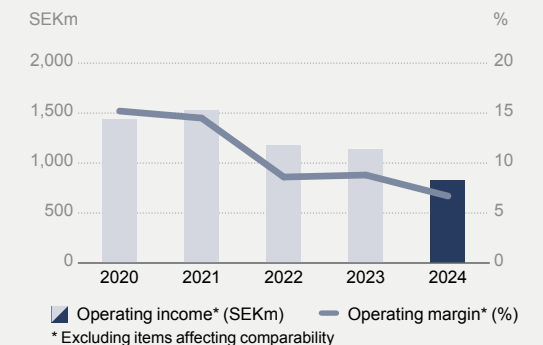
Our strong consumer focus and omni-channel approach are central to our growth strategy. We continue to leverage these strengths to enhance our presence both digitally and in-store. Our partnerships with retailers, both in Europe and in the U.S., are just as crucial as our focus on e-commerce. Together, they empower consumers to seamlessly find their preferred Gardena products in the channels that suit them best.

Additionally, we are broadening our target audience to include "garden passionates" – people who appreciate smart, innovative products that enhance their garden experience, yet do not consider themselves traditional gardeners. Addressing a wider

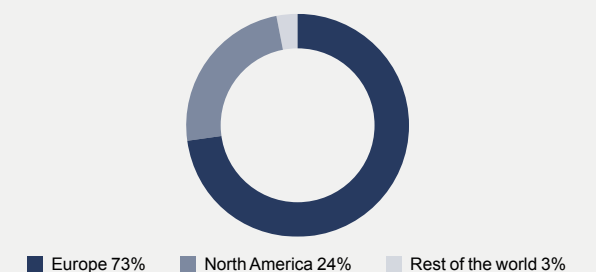
“Our strong consumer focus and omni-channel approach are central to our growth strategy.”

Claus Andersen, Interim President, Gardena Division

Operating income and margin



Net sales by region, %





Smart lawn care without boundary wires for the consumer market

The new SILENO robotic lawn mowers ensure reliable lawn cutting, as they continuously learn and adapt their mowing behavior to the individual lawn.

Satellite-based navigation and real-time kinematic positioning enable the new Gardena smart SILENO free robotic lawn mowers to work without boundary wires. Installing the new models is therefore extremely convenient, as there is no need to install additional antennas or signal masts in the garden as reference points. The robotic lawn mower receives the reference data required for real-time kinematic positioning via the Internet.

LONA (localization & navigation) technology is used to map out the lawn in the smart App and divide it into zones. This creates a virtual map with different areas, for each of which the user can set a different mowing frequency. As a platform technology, LONA is continuously being improved as part of the GARDENA smart system. The updates are available via the smart App.



As of January 1, 2025, Maha Elkhartbotly has been appointed President of the Gardena Division and will also be a member of Husqvarna Group's management team.

range of consumers allows us to reach a diverse demographic, from younger urban gardeners to retirees with larger gardens. Through personalized digital marketing and targeted messaging, we can connect with each segment, building customer loyalty and enhancing brand trust.

These efforts will increase our share of voice and strengthen our market position as the leading garden care brand.

Smart watering is a key focus area for Gardena. What innovations and product launches will secure your market position in the coming years?

We have a long tradition of innovation that empowers consumers to make sustainable choices while effectively meeting their garden needs. In line with increasing consumer demand for intelligent water-saving solutions, we are launching the Aqua-Precise irrigation system, a next-generation single sprinkler system that provides optimal water coverage for irregularly shaped lawns. This confirms our technology leadership as the innovation allows for easy setup, conserves water and ensures that all areas receive optimal irrigation. Additionally, the system minimizes wind interference, ensuring that the water lands precisely where intended.

And you will also be addressing the professional irrigation market in North America. What is the approach?

At the 2024 Irrigation Show in California, we showcased our lineup for professional users for the first time. It included Orbit's professional brand Hydro-Rain and the B-hyve Pro technology, as well as the recently acquired ETwater.

ETwater, a pioneer in smart irrigation management for the commercial market in North America, has now become the foundation of a newly formed unit within Orbit, dedicated to providing solutions for enterprise customers.

The positive reception promises substantial growth and collaboration moving forward.

Robotic mowers are another strategically important segment. What are the highlights in this area ahead of the upcoming 2025 garden season?

While we held our market share in boundary-wired mowers in 2024, going into 2025 our primary focus is to strengthen our presence in the growing segment for boundary-wire-free robotic mowers. With the new generation of Gardena Sileno free robotic mowers, we aim to capitalize on this growing market trend.

Husqvarna Group has market-leading sustainability ambitions, not least in terms of reducing CO₂ emissions. How has the Gardena Division contributed to these ambitions, and why are sustainable solutions key to long-term growth?

As of the 2025 gardening season, the whole of the Gardena Division's product portfolio will be petrol-free. This will continue to reduce our future Scope 3 emissions, as most of CO₂ emissions occur during product use.

Furthermore, the POWER FOR ALL ALLIANCE battery platform that we founded together with Bosch has expanded significantly since its introduction. The Gardena Division now offers over fifty compatible devices on the platform, covering a wide range of applications. This shared battery platform reduces electronic waste and simplifies the user experience. It also fosters consumer loyalty and strengthens our ecosystems, as consumers are more likely to continue purchasing within this compatible platform once they have invested in it.

In today's market, sustainability has become a right to operate rather than a differentiator, especially for younger generations, and we embrace this direction to remain relevant and competitive. Our smart watering solutions have become an attractive choice for conscious consumers, especially in regions where water scarcity is a concern, and we keep innovating in hand tools and battery-powered options.

What will be the primary focus areas for the Gardena Division in the coming year?

Our top priorities include further strengthening Gardena's position in the robotic mower market, with our new boundary-wire-free models. We will continue our establishment of the Gardena brand in the U.S. In addition, we foresee consumers and commercial customers becoming more water-conscious, which will increase demand for smart, efficient irrigation systems. By proactively addressing these trends, Gardena is well-prepared to lead in responsible water management solutions.



Husqvarna Construction Division

A full-service provider in the light construction industry

The Husqvarna Construction Division provides equipment and diamond tools for the light construction industry and diamond tools for the natural stone processing industry. With a passion for innovation, safety and sustainability, we offer efficient, high-quality products and services for professionals.

Brands

Under the Husqvarna brand, we provide market-leading products for the light construction industry. Our offering includes equipment for concrete sawing and drilling, concrete surfaces and floor preparation and finishing, remote demolition as well as diamond tools.

Market and customer segments

We are present primarily in the infrastructure, residential, and non-residential segments, as well as in selected industrial segments. A significant share of our revenue comes from recurring sales of diamond tools, spare parts, and accessories. Our largest markets are North America, Europe, and Australia, and we invest strategically in the great growth potential of our emerging markets. To meet our customers' needs, we have established a customer-focused global network of distributors and dealers to complement our inhouse sales force and our service centers.

Products and solutions

As a total solutions provider and partner, our offering is divided into four core areas: Concrete Sawing & Drilling, Concrete Surfaces & Floors, Light Demolition, and Diamond Tools. The range of services, parts and accessories are continuously developed with customer productivity in mind. We want to be a trusted business partner and support our professional customers' business needs by providing Husqvarna equipment and diamond tools that are effortless to own and easy to use. Our equipment and diamond tools are developed and optimized to work seamlessly together, ensuring superior performance, reliability, and productivity.

Growth opportunities

We are focused on both organic growth and growth through acquisitions. During the last decade, we have, through acquisitions, built a core business in concrete surfaces and floors, offering a comprehensive range of solutions that position us as a full-service partner in this area. Additionally, we have expanded our diamond tools business.

A key strategic priority is supporting the industry's transition to a low-carbon, resource-efficient economy. We see this shift as an opportunity and are committed to reducing the environmental impact of our products across the entire value chain – from production to end use.

Positioning the division for future growth

In 2024, we have driven progress in our electrification journey and expanded our presence in high-growth markets. And in light of the challenging market conditions, we have proactively managed costs and optimized inventory levels, while we kept our focus and pace of innovating exciting products. These efforts ensure we remain closely connected to our customers while laying a solid foundation for the coming years.

How would you summarize the year for the Husqvarna Construction Division?

This year has been challenging, primarily due to the slowdown in the global construction industry, primarily in North America, which has affected both sales volumes and margins. As a division, we have taken proactive measures to address these issues, including optimizing our inventory levels and managing resources as efficiently as possible. Cost reduction has been a high priority, and we have successfully lowered operating expenses.

Despite the challenges, we have remained dedicated to our strategic initiatives, including strengthening our aftermarket capabilities, advancing our electrification journey, and expansion in emerging markets. Through these efforts, we have successfully navigated a difficult year while laying a stronger foundation for the future.

How have you responded to the market slowdown to position the division for future growth?

As a division built for growth, a market decline naturally puts strain on our manufacturing system. Being agile when responding to regional market changes is imperative, and we have worked to optimize both our supply chain and our product mix to identify opportunities in segments that are more resilient. By utilizing our culture of flexibility and innovation, we have been able to adapt to new circumstances and seize emerging opportunities.

Keeping up the pace of innovation is crucial, and this year has seen us introduce several exciting products to the market. Our

offering has been strengthened with a new dust extractor, new air cleaners, an improved range of diamond tools, a new demolition robot, and many other solutions that meet customer demands. And with the upcoming launch of our Husqvarna Autogrinder, a self-operating floor grinder, we deliver ground-breaking innovation to the construction industry.

Why is geographic expansion a critical growth strategy?

Geographic expansion remains a key strategic priority, particularly in emerging markets, which are expected to experience significant construction industry growth. Building a strong presence in these regions is essential, and we have actively expanded our footprint through targeted investments in local capabilities. In recent years, a factory has been established in India and the division has developed products specifically tailored to meet the unique needs of these markets. By focusing on regions and segments with strong growth potential, our continued investments reflect our confidence in their long-term prospects.

The aftermarket represents another key lever for growth. Why is this segment so vital, and how has it evolved over the past year?

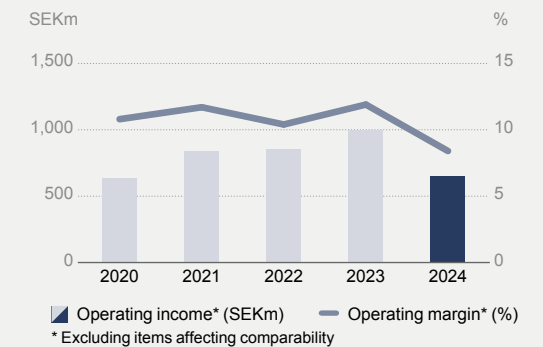
As a division serving the professional market, the aftermarket is essential. Parts and services are not just a financial driver; they are critical to ensuring uptime for our customers. Being a trusted partner means helping our customers deliver value to their own clients, and that in turn requires a reliable aftermarket. This is



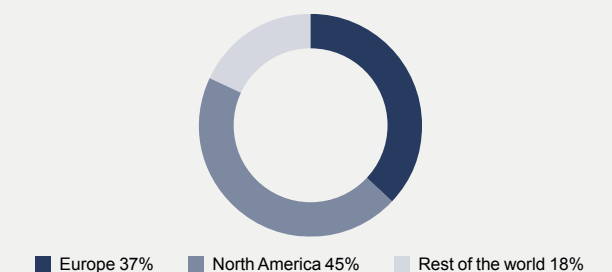
“Being a trusted partner means helping our customers deliver value to their own clients.”

Karin Falk, President,
Husqvarna Construction Division

Operating income and margin



Net sales by region, %





We take dust seriously

The latest Husqvarna electric dust extractor for construction sites, the DE 130 H, features patented automated filter cleaning technology, marking a significant advancement in dust management.

— Dust management is half the job. First, you grind, then you empty the filter. Then you grind and empty again. With this automated filter-cleaning feature, you save a lot of time

and increase the efficiency of the entire process, says Viktor Johansson at Västsvenska Industri & Sanering AB.

At Husqvarna, customer needs are at the core of our product design. Key priorities include productivity, ease of use, safety, reliability, and compliance with upcoming regulations. The DE 130 H exemplifies how our innovations can make a tangible difference in our customers' day-to-day operations.

vital to our brand and applies across our entire product range. The aftermarket, together with our diamond tools business, plays a key role in customer productivity and offers a significant advantage by fostering frequent customer interactions, driving loyalty, and enabling closer partnerships.

Why is electrification important for the division, and what progress has been made in 2024?

Electrification is strategically important for long-term value creation. First, it enables our customers to reduce carbon emissions in their own value chains, helping them achieve green transition goals and emission targets. Second, and beyond the environmental benefits, electrified products – both corded and battery-powered – offer reduced noise levels, less vibrations, and easier handling, which are critical qualities for professional users.

We are committed to advancing our product portfolio with innovative solutions that meet the industry's growing demand for low-carbon and resource-smart solutions. In 2024, we expanded our range of battery-powered products, introducing new products compatible with the 94V Husqvarna PACE battery system and the 36V Husqvarna BLi-X battery system. Additionally, we launched energy-efficient corded products, including a new series of floor grinders and a dust extractor.

What will be the key focus areas for 2025 and beyond?

Our focus will remain on delivering customer value, strategy execution and driving long-term value creation. Key areas include expanding our aftermarket offering, advancing our diamond tools business, and continuing our electrification journey. Innovation will remain central, empowering us to enhance our product portfolio to meet evolving customer needs and regulatory requirements. Additionally, we will continue to drive operational excellence across the supply chain and manufacturing processes, ensuring we maintain a competitive edge and are well-positioned for the future.



Welcome to a new era of surface preparation

A groundbreaking innovation that Husqvarna Construction Division is launching this year, the self-operating Husqvarna Autogrinder gives flooring specialists new freedom – and allows business owners to transform not just any floor, but their business as well.

Board of Directors' Report

Founded in 1689, Husqvarna Group has evolved into a global leader in innovative products and solutions for managing forests, parks, and gardens. The product range includes robotic mowers, battery- and petrol-powered chainsaws, trimmers, riding lawn mowers, as well as watering solutions. Husqvarna Group is also a leader in equipment for sawing and drilling in concrete surfaces, floors preparation as well as diamond tools for the light construction industry. Operating mainly under the global Husqvarna and Gardena brands, the products and solutions reach consumers and professional users through direct sales, dealers, and retailers across more than 100 countries. The Group has a brand-driven organization and structure with three separate reporting divisions. The Board of Directors (Board) and the CEO of Husqvarna AB (publ), corporate registration number 556000-5331, with its registered office in Jönköping, Sweden, hereby submit the Annual Report and consolidated financial statements for the 2024 financial year.

THE YEAR IN BRIEF 2024

- Net sales decreased by 9% to SEK 48,352m (53,261). Changes in exchange rates had a neutral effect.
- Planned exits of low-margin petrol-powered business impacted with –2%.
- Sales declined organically by 7%.
- Operating income was SEK 2,597m (3,880) and the operating margin was 5.4% (7.3).
- Excluding items affecting comparability, the operating income amounted to SEK 3,195m (4,970) and the operating margin was 6.6% (9.3).
- Earnings per share after dilution amounted to SEK 2.31 (3.81) and earnings per share excluding items affecting comparability and after dilution amounted to SEK 3.12 (5.28).
- Cash flow from operations and investments was SEK 4,372m (4,414). Direct operating cash flow increased to SEK 6,905m (6,541), driven by reduced inventories.
- The Board of Directors will propose a dividend for 2024 of SEK 1.00 per share (3.00) to the Annual General Meeting.

NET SALES AND INCOME

Net sales
Net sales decreased by 9% to SEK 48,352m (53,261). Changes in exchange rates had a neutral effect and planned exits of low-margin petrol powered business impacted with –2%. Sales declined organically by 7%. Net sales grew in segments such as robotic mowers for the professional market, battery-powered products, demolition robots, hand tools and parts and accessories. Sales of robotic mowers for the residential market, petrol-powered wheeled and handheld products, watering products, as well as products in the Husqvarna Construction Division declined during the year.

Operating income
Operating income amounted to SEK 2,597m (3,880) and the operating margin was 5.4% (7.3). Excluding items affecting comparability, operating income amounted to SEK 3,195m (4,970). The decline was mainly a result of lower sales volumes with higher promotional activities, reduced capacity utilization in the production and unfavorable product mix. This was partly offset by cost savings of SEK 735m. Acquisition-related amortizations amounted to SEK –229m (–230). The operating margin, excluding items affecting comparability, was 6.6% (9.3). Changes in exchange rates had a positive contribution of approximately SEK 375m compared with the preceding year.

Key figures

SEKm	2024	2023	2022	2021	2020
Net sales	48,352	53,261	54,037	47,059	41,943
Gross margin, %	29.6	30.3	27.0	33.0	30.0
EBITDA*	5,505	6,985	6,385	7,987	6,206
EBITDA margin, %	11.4	13.1	11.8	17.0	14.8
Items affecting comparability* ¹	–598	–1,090	–1,810	62	–815
Operating income	2,597	3,880	3,043	5,746	3,669
Operating income, excl. items affecting comparability*	3,195	4,970	4,853	5,684	4,484
Operating margin, %	5.4	7.3	5.6	12.2	8.7
Operating margin, excl. items affecting comparability*, %	6.6	9.3	9.0	12.1	10.7
Income after financial items	1,733	2,878	2,581	5,494	3,330
Net income for the period	1,326	2,177	1,932	4,437	2,495
Earnings per share after dilution*, SEK	2.31	3.81	3.38	7.73	4.35
Dividend per share, SEK ²	1.00	3.00	3.00	3.00	2.40
Return on capital employed*, % ³	5.9	8.4	7.3	17.9	13.3
Return on equity, %	5.3	8.5	7.9	22.2	13.5
Net debt/equity ratio	0.59	0.66	0.74	0.44	0.38
Direct operating cash flow*	6,905	6,541	–572	3,651	6,071
Average number of employees	13,353	13,755	14,416	13,873	12,374

¹ Items affecting comparability* are provided on page 30.
² 2024 as proposed by the Board.
³ The definition of Return on capital employed has been changed and restated. Refer to "Financial definitions".
* Alternative Performance Measure, refer to "Definitions".

Financial items net

Financial items net improved to SEK –863m (–1,002), as a result of reduced net debt and lower interest rates.

Income after financial items

Income after financial items amounted to SEK 1,733m (2,878).

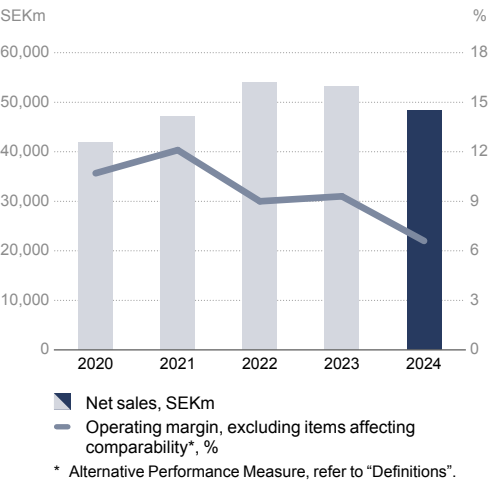
Taxes

Income tax amounted to SEK –408m (–702), corresponding to an effective tax rate of 23.5% (24.4).

Earnings per share

Net income for the period attributable to equity holders of the Parent Company amounted to SEK 1,325m (2,177), corresponding to SEK 2.31 (3.81) per share after dilution. Earnings per share excluding items affecting comparability and after dilution amounted to SEK 3.12 (5.28).

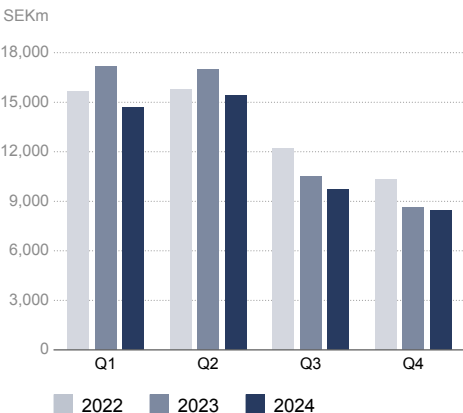
Net sales and operating margin



Net sales by region

%	2024	2023
Germany	15.1	14.3
France	6.3	6.7
Sweden	4.4	3.8
Great Britain	3.3	2.9
Austria	3.3	3.3
Rest of Europe	23.5	22.6
Europe	55.9	53.6
Asia/Pacific	9.3	9.2
Canada	3.1	3.3
US	26.4	29.1
Latin America	4.7	4.2
Rest of the world	0.6	0.7
Total	100.0	100.0

Net sales by quarter



EBITDA*

SEKm	2024	2023
Operating income	2,597	3,880
Reversals		
Depreciation	2,020	1,992
Amortization	1,019	931
Impairments	–131	182
Depreciation, amortization and impairment	2,908	3,105
EBITDA*	5,505	6,985
Excl. items affecting comparability*	6,255	7,911
EBITDA margin, %	11.4	13.1
Excl. items affecting comparability*	12.9	14.9

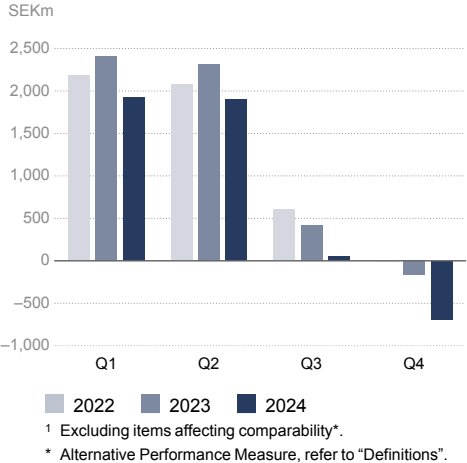
* Alternative Performance Measure, refer to "Financial definitions".

Items affecting comparability*

SEKm	2024	2023	2022	2021	2020
Restructuring costs	–612	–1,002	–1,852	–17	–815
Non-recurring costs relating to Russia	14	–88	–137	—	—
Other	—	—	178	79	—
Total	–598	–1,090	–1,810	62	–815

* Alternative Performance Measure, refer to "Financial definitions".

Operating income by quarter¹



SEKm	2024	2023
Restructuring costs		
Write-down /reversal of non-current assets*	152	–163
Write-down of inventory*	–410	–272
Other	–355	–567
Non-recurring costs relating to Russia		
Write-down /reversal of current assets	—	15
Other	14	–102
Total items affecting comparability*	–598	–1,090

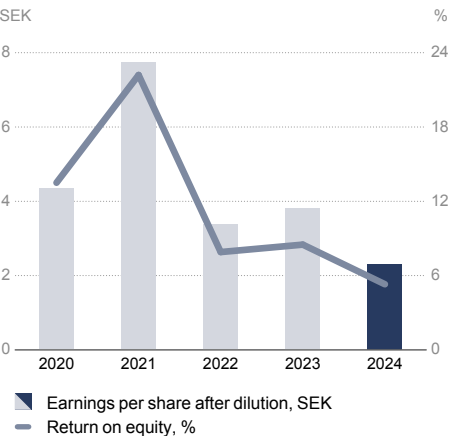
* Alternative Performance Measure, refer to "Financial definitions".

Classification in the income statement

SEKm	2024	2023
Cost of goods sold	–415	–725
Selling expenses	–114	–172
Administrative expenses	–215	–193
Other operating income/expense	146	—
Total items affecting comparability*	–598	–1,090

* Alternative Performance Measure, refer to "Financial definitions".

Earnings per share and return on equity



Cash flow

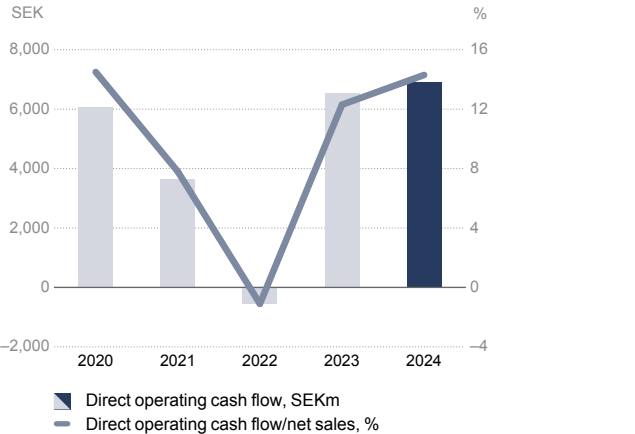
Cash flow from operations and investments amounted to SEK 4,372m (4,414). Direct operating cash flow was SEK 6,905m (6,541). The improvement was related to cash flow from reduced inventories as well as cash flow from changes in trade payables.

Direct operating cash flow*

SEKm	2024	2023
EBITDA excl. items affecting comparability	6,255	7,911
Change in inventories	3,150	1,918
Change in trade receivables	–120	917
Change in trade payables	222	–1,579
Investments in property plant and equipment and intangible assets	–2,603	–2,627
Direct operating cash flow*	6,905	6,541

* Alternative Performance Measure, refer to “Financial definitions”.

Direct operating cash flow*



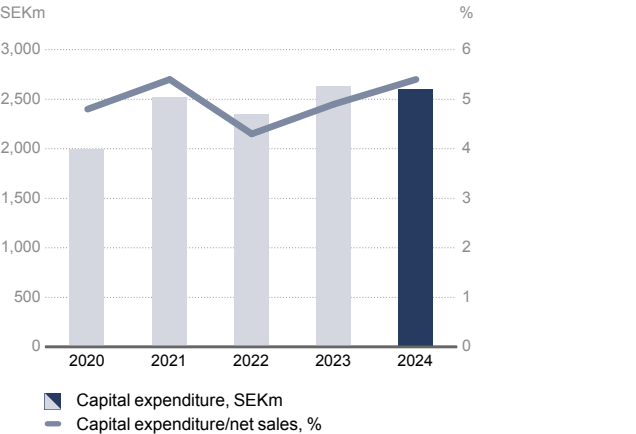
* Alternative Performance Measure, refer to “Definitions”.

Capital expenditure and Research & Development expenses (R&D)

Capital expenditure in 2024 amounted to SEK 2,603m (2,627m), corresponding to 5.4% (4.9) of net sales. Investments in property, plant and equipment amounted to SEK 1,458m (1,540) and investments in intangible assets was SEK 1,146m (1,087), of which SEK 641m (596) was related to product development, SEK 456m (419) to IT/software and SEK 48m (72) was related to other intangibles. Approximately 50% (40) of capital expenditure was related to new products, 9% (17) to rationalization and replacement of production equipment, 8% (16) to expansion of capacity, 20% (17) to IT systems and 13% (11) to other capital expenditure.

R&D expenses, which are included in cost of goods sold, amounted to SEK 2,465m (2,515), of which SEK 554m (494) was amortization of capitalized product development (intangible assets). The total R&D expenses thus corresponded to 5.1% (4.7) of net sales.

Capital expenditure



FINANCIAL POSITION

Operating working capital*

Operating working capital* at year-end amounted to SEK 14,393m (16,986). Inventories decreased to SEK 13,828m (17,184), trade receivables increased to SEK 5,552m (5,289) and trade payables increased to SEK 5,896m (5,487).

Change in operating working capital*

SEKm	
December 31, 2023	16,986
Changes in exchange rates	720
Changes in working capital	–3,313
December 31, 2024	14,393

* Alternative Performance Measure, refer to “Financial definitions”.

Net debt*

Net debt as of December 31, 2024, was SEK 14,471m (15,640). The lower net debt was driven by the strong cash flow. The net pension liability decreased to SEK 1,834m (1,994).

Other interest-bearing liabilities decreased to SEK 15,429m (17,245) and liquid funds and other interest-bearing assets decreased to SEK 2,792m (3,600).

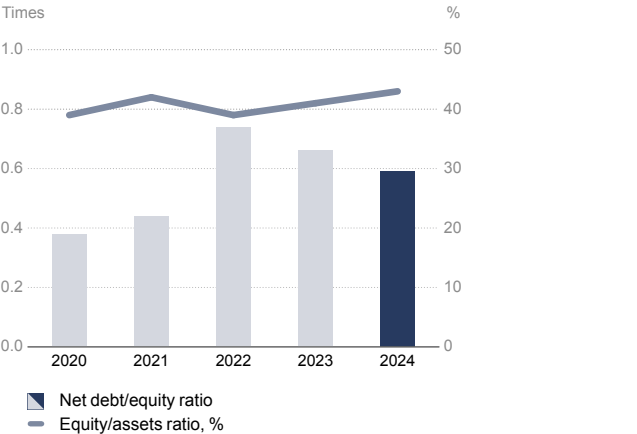
The net debt/EBITDA ratio, excluding items affecting comparability, increased to 2.5 (2.1), mainly due to lower EBITDA. The equity/assets ratio was 43% (41).

Net debt*

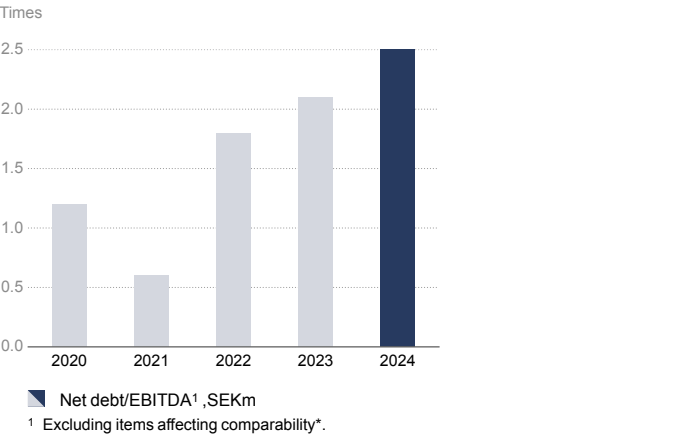
SEKm	2024	2023
Net pension liability	1,834	1,994
Other interest-bearing liabilities	15,429	17,245
Less: Liquid funds and other interest-bearing assets	–2,792	–3,600
Net debt*	14,471	15,640
Net debt/equity ratio, times	0.59	0.66
<i>Equity/assets ratio, %</i>	<i>43</i>	<i>41</i>
Net debt/EBITDA excl. Item affecting comparability	2.5	2.1

* Alternative Performance Measure, refer to “Definitions”.

Net Debt/Equity and Equity/Assets ratio



Net Debt/EBITDA¹



¹ Excluding items affecting comparability*.

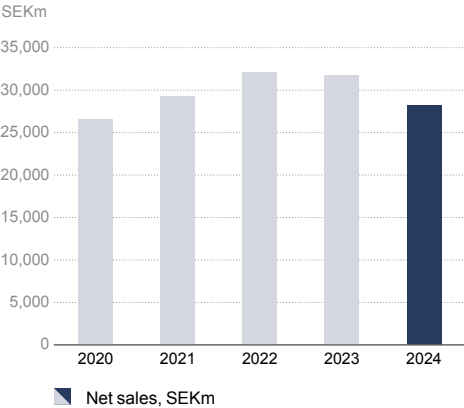
* Alternative Performance Measure, refer to “Definitions”.

PERFORMANCE BY BUSINESS SEGMENT

Husqvarna Forest & Garden Division

Net sales decreased by 11% to SEK 28,152m (31,759). Currency effects were neutral. Planned exits had an impact of –3% and organically, sales declined by 8%. Sales of robotic mowers for the professional market, and consumer battery-powered products achieved strong growth. Sales of petrol-powered, wheeled products remained at a low level as a result of lower demand and the fact that the Group has proactively exited parts of the segment in North America.

Net sales, Husqvarna Forest & Garden Division



¹ Excluding items affecting comparability*.
* Alternative Performance Measure, refer to "Financial definitions".

Operating income amounted to SEK 2,065m (2,706) and the operating margin was 7.3% (8.5). Excluding items affecting comparability, operating income amounted to SEK 2,208m (3,236) and the operating margin was 7.8% (10.2). Operating income was impacted by lower sales volumes with increased promotional activities, unfavorable product mix and reduced capacity utilization in production. This was partly offset by cost savings. Changes in exchange rates had a positive contribution of approximately SEK 305m compared with the preceding year.

Husqvarna Forest & Garden Division

SEKm	2024	2023	Change, %
Net sales	28,152	31,759	–11
Organic growth*, %	–8	–4	
Operating income	2,065	2,706	–24
Operating margin, %	7.3	8.5	
Operating income excl. items affecting comparability*	2,208	3,236	–32
Operating margin excl. items affecting comparability*, %	7.8	10.2	

Operating income and margin, Husqvarna Forest & Garden Division



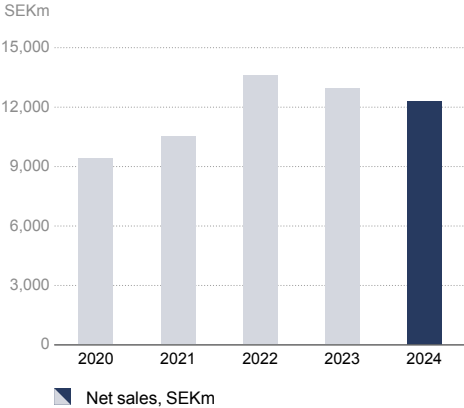
¹ Excluding items affecting comparability*.
* Alternative Performance Measure, refer to "Financial definitions".

Gardena Division

Net sales decreased by 5% to SEK 12,281m (12,964). Organically, sales declined by 5% and currency had a neutral effect. The division delivered growth for hand tools and battery-powered products.

Operating income amounted to SEK 742m (950), and the operating margin was 6.0% (7.3). Excluding items affecting comparability, operating income was SEK 823m (1,136) and the operating margin was 6.7% (8.8). The decline in operating income was mainly related to reduced volumes, unfavorable product mix and lower capacity utilization in production. This was partly offset by cost savings. Acquisition-related amortization amounted to SEK –121m (–121). Changes in exchange rates had a positive contribution of approximately SEK 70m compared with the preceding year.

Net sales, Gardena Division

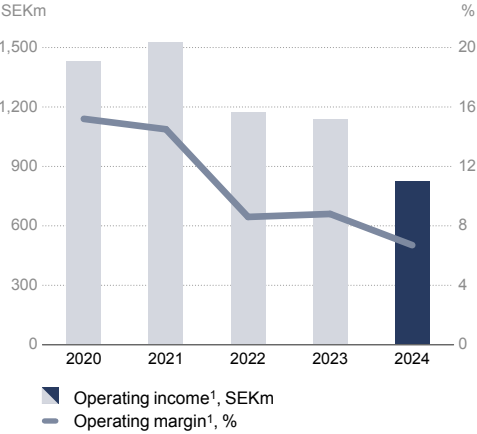


¹ Excluding items affecting comparability*.
* Alternative Performance Measure, refer to "Financial definitions".

Gardena Division

SEKm	2024	2023	Change, %
Net sales	12,281	12,964	–5
Organic growth*, %	–5	–10	
Operating income	742	950	–22
Operating margin, %	6.0	7.3	
Operating income excl. items affecting comparability*	823	1,136	–28
Operating margin excl. items affecting comparability*, %	6.7	8.8	

Operating income and margin, Gardena Division



¹ Excluding items affecting comparability*.
* Alternative Performance Measure, refer to "Financial definitions".

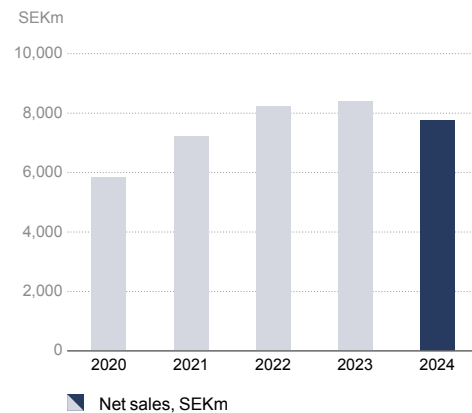
Husqvarna Construction Division

Net sales decreased by 8% to SEK 7,766m (8,398).

Organically, sales declined by 7% and changes in exchange rates contributed with 1%.

Operating income amounted to SEK 318m (755) and the operating margin was 4.1% (9.0). Excluding items affecting comparability, operating income was SEK 649m (1,002) and the operating margin was 8.4% (11.9). The decline in operating income was mainly related to lower volumes and lower capacity utilization in production and was partly offset by cost savings. Acquisition-related amortization amounted to SEK –108m (–103). Changes in exchange rates had a neutral effect compared with the preceding year.

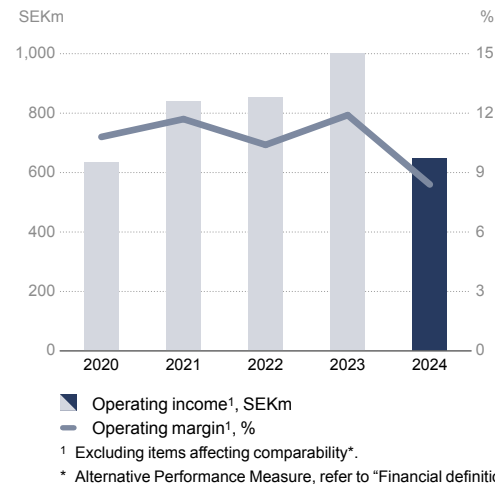
Net sales, Husqvarna Construction Division



Husqvarna Construction Division

SEKm	2024	2023	Change, %
Net sales	7,766	8,398	–8
Organic growth*, %	–7	–3	
Operating income	318	755	–58
Operating margin, %	4.1	9.0	
Operating income excl. items affecting comparability*	649	1,002	–35
Operating margin excl. items affecting comparability*, %	8.4	11.9	

Operating income and margin, Husqvarna Construction Division



SIGNIFICANT EVENTS

Acquisition of ET Water Systems

In March 2024, Husqvarna Group acquired ET Water Systems, Inc., a leader in smart watering solutions by offering smart controllers and subscription services to professional customers. See note 27.

Maha Elkhartbotly appointed President Gardena Division

Maha Elkhartbotly was appointed President of the Gardena Division and member of Husqvarna Group's management team as of January 1, 2025.

Market guidance issued ahead of Q3 report

In September 2024, the Group announced that challenging market conditions and restrained consumer spending continue to have an impact on the Group's sales and operating result in the third quarter. As a result, the Group's organic sales for the third quarter was expected to decline by approximately 5%, compared to the previous year with an approximately break-even operating income result.

Husqvarna Group announced further cost reductions

In October 2024, Husqvarna Group announced further cost reductions to address the challenging market and constrained consumer spending. These measures are expected to result in cost savings of SEK 500m and impact 400 positions across the Group. Most of the cost savings are expected to be realized in 2025. In the fourth quarter 2024, items affecting comparability of SEK 375m was reported related to the program.

Acquisition of InCeres

In October 2024, Husqvarna Group acquired the Brazilian company InCeres. The company offers a digital platform in the professional agriculture segment specializing in soil analysis that facilitates decision-making and improves productivity for farmers. See note 27.

Market guidance issued ahead of Q4 report

In December, 2024, the Group announced that difficult market conditions continue to have an impact on the Group's sales and operating result in the fourth quarter. As a result, the Group's organic sales for the fourth quarter was expected to decline by approximately 5%, compared to the previous year with an operating income of approximately SEK –700m to –800m (excluding items affecting comparability).

SIGNIFICANT EVENTS AFTER THE PERIOD

See note 28.

OTHER INFORMATION

Parent Company

Net sales for January – December 2024 for the Parent Company, Husqvarna AB (publ) amounted to SEK 22,427m (23,454), of which SEK 17,103m (18,358) referred to sales to Group companies and SEK 5,324m (5,096) to external customers. Income after financial items decreased to SEK –2,859m (1,711). The decline is mainly related to results from equity hedges. Income for the period decreased to SEK –2,133m (1,525). Investments in property, plant and equipment and intangible assets amounted to SEK 1,594m (1,915). Cash and cash equivalents amounted to SEK 294m (136) at the end of the period. Undistributed earnings in the Parent Company amounted to SEK 24,759m (29,042).

The Husqvarna share

At year-end 2024, the share capital in Husqvarna AB (publ) amounted to SEK 1,153m (1,153), comprised of 107,825,205 A-shares (109,451,449) and 468,518,573 B-shares (466,892,329).

For further information on the change in the number of shares during the year, see note 19. Each A-share carries one vote and each B-share carries 1/10th of a vote. All shares enjoy equal rights in terms of the assets and earnings. There

are no restrictions on the transfer of shares, voting rights or the right to participate in the Annual General Meeting (AGM).

Husqvarna AB (publ) is not aware of any agreements between shareholders that may limit the right to transfer shares. In addition, there are no stipulations in the Articles of Association regarding appointment or dismissal of Board members or agreements between Husqvarna AB (publ) and Board members or employees that require remuneration if such persons leave their posts, or if employment is terminated, as a result of a public bid to acquire shares in Husqvarna AB (publ).

As of December 31, 2024, the largest shareholders in terms of voting rights were Investor AB, with 33.9 percent (33.5) of the votes, and L E Lundbergföretagen, with 25.7 percent (25.5) of the votes. No other shareholder held more than 5 percent of the votes. Market capitalization amounted to SEK 33bn (48) at the end of 2024. Husqvarna AB (publ) did not own any own shares at the end of 2024. For more information on major shareholders, see section “The share”.

Authorization for new share issue and equity swaps of B-Shares

The 2024 AGM resolved to authorize the Board to decide on one or more occasions, until the next AGM, to have the Group enter into one or more share swap agreements with third parties on terms consistent with market practice. The purpose is to secure the Group's obligations due to adopted incentive programs.

The participants in the Group's long-term incentive programs have been granted share awards and when the conditions of the performance period for each program ends, shares are transferred to them in accordance with the conditions of the programs and made without consideration.

The participants in the Husqvarna LTI 2021 program were granted performance share awards in 2021 and then on the vesting day in May 2024, 318,043 share awards were

exchanged for Husqvarna AB (publ) shares and transferred to the participants.

At year-end 2024, Husqvarna AB (publ) had equity-swap agreements whereby a third-party bank had acquired 4,646,861 B-shares to cover obligations under Husqvarna long-term incentive programs.

In addition, the 2024 AGM authorized the Board to resolve to issue not more than 57.6 million B-shares, representing 10 percent of the total number of shares in Husqvarna AB (publ), to facilitate acquisitions where the consideration will be paid with own shares. No such issuance was made in 2024.

Legal matters and compliance

Husqvarna Group and its worldwide subsidiaries are involved in commercial, product liability, regulatory and other disputes in the ordinary course of business. Such disputes can involve claims for compensatory damages, fines and penalties, property damage or personal injury compensation and occasionally also punitive damages. For certain types of claims (primarily product liability litigation), the Group has self-insurance, up to certain limits, as well as external “excess” coverage. The Group continuously monitors and evaluates pending claims and disputes, and acts when deemed necessary. The Group believes that these activities help to minimize such risks. It is difficult to predict the outcome of each dispute, but based on its present knowledge, the Group estimates that none of the disputes in which it is currently involved will have a material adverse effect on the consolidated financial position or result.

Husqvarna Group is committed to a culture of compliance. Honesty and fairness have always characterized the Group's way of doing business and the highest standards of integrity are expected of every employee in every country where the Group does business.

Husqvarna Group trains its employees on its Code of Conduct and related policies.

Husqvarna Group requires that suppliers, agents, distributors and other business partners (“Third-Parties”) comply with the business and workplace standards as defined in the Husqvarna Group Code of Conduct and Supplier Code of Business Ethics.

Husqvarna Group's Compliance & Regulatory function routinely evaluates its compliance program in light of changes in the Group's business operations and the regulatory landscape. These efforts influence the function's plan to continuously improve the program. Focus areas for 2024 included risk identification and evaluation of the organization's preparedness for a wide variety of regulations, ongoing expansion of the program's efforts to mitigate bribery and corruption risks, and enhanced training and communications regarding a broad cross-section of compliance related topics aimed at reinforcing the Group's commitment to business integrity.

Sustainability & Sustainability Report

In accordance with the Annual Accounts Act Chapter 6 Section 11, Husqvarna Group has chosen to prepare the statutory sustainability report as a separate report from the legal Annual Report. The Statutory Sustainability Report can be found in this document on pages 14 and 94–120.

Environmental permits

In 2024, Husqvarna Group operated 31 production facilities, of which 20 were in Europe, 4 in the U.S., 3 in China, and one each in Brazil, Japan, India and Australia. All facilities have the environmental permits required for current operations

Husqvarna Group included in CSR indexes

Husqvarna Group is a member of the FTSE4Good Index Series and a member of the STOXX Global ESG Leaders index. These indexes are designed to facilitate investments in companies that meet globally recognized corporate responsibility standards in environmental stewardship, social due diligence and corporate governance.

Employees

The average number of employees (full-time equivalents) in 2024 was 13,353 (13,755), of which 2,674 (2,607) were employed in Sweden. At year-end, the total number of employees was 12,522 (12,757). Of the total average number of employees in 2024, 9,057 (9,421) were men and 4,296 (4,333) were women.

Salaries and remuneration in 2024 amounted to SEK 9,770m (9,875), of which SEK 2,063m (1,974) refers to Sweden. For more information on employees, see note 4.

Annual General Meeting 2025

The AGM of Husqvarna AB (publ) will be held at 4:00 p.m. on April 29, 2025 at the Jönköping Concert & Congress hall at Elmia, Hammarskjöld Hall, Elmiavägen 15 in Jönköping, Sweden.

Notification and proposals to the AGM

The notification to attend the 2025 AGM has been available on the Group's website, www.husqvarnagroup.com, since March 25, 2025. The full proposal to the AGM will be published on the Group's website at the latest by April 8, 2025.

Proposed distribution of earnings

The Board proposes a dividend for 2024 of SEK 1.00 per share (3.00) corresponding to a total dividend payment of SEK 572m (1,715) based on the number of outstanding shares at the end of 2024. It is also proposed that the dividend will be paid in two instalments to better match the Group’s cash flow profile, with one payment of SEK 0.50 per share in April and the remaining SEK 0.50 per share in October. The proposed record dates are May 2, 2025, for the first payment and October 31, 2025, for the second payment.

SEKt	
The following profits are at the disposal of the AGM:	
Share premium reserve	2,605,747
Retained earnings	24,274,675
Net income for the period	–2,132,982
Total profit available for allocation	24,747,440

SEKt	
The Board proposes the following allocation of available profits:	
Dividend to the shareholders of SEK 1.00 per share ¹	571,697
To be carried forward	24,175,743
Total	24,747,440

¹ Calculated on the number of outstanding shares as of December 31, 2024.

The Board is of the opinion that the dividend proposed above is justifiable on both the Company and the Group level with regard to the demands on the Company and Group equity imposed by the type, scope and risks of the business and with regard to the Company and the Group’s financial strength, liquidity and overall position.

Remuneration guidelines for Group Management and remuneration to the Board 2024

The Board proposes that the following remuneration guidelines, for the CEO and other members of Group Management, should be approved by the 2025 AGM and remain until the 2029 AGM, unless any changes are proposed in the period from the 2025 AGM until the 2029 AGM. These guidelines do not apply to any remuneration otherwise decided or directly approved by the AGM or other general meeting.

The overarching ambition of the Group’s strategy is market leadership, of which long-term profitable growth and being an innovation leader are important aspects. Built on a strategy for market leadership, the Group’s business model is designed for profitable growth, bringing the best forestry, lawn and garden and construction solutions to the market by maximizing assets and minimizing waste and carbon dioxide from operations. Further information on the Group’s strategy and financial targets can be found on the Group’s website www.husqvarnagroup.com.

A prerequisite for the succesful implementation of the Group’s business strategy and safeguarding of its long-term interests, including its sustainability, is that the Group is able to recruit and retain qualified personnel. To this end, it is necessary that the Group offers competitive remuneration.

The guidelines set forth shall apply to remuneration and other employment conditions of Group Management. The guidelines shall apply to contracts of employment entered into after the 2025 AGM and also to amendments made thereafter to contracts of employment which are in force.

Remuneration to members of Group Management shall be on market terms and based on the position held, individual performance and Group performance, and shall be on a competitive basis in the country of employment. The overall remuneration package for Group Management is comprised of fixed cash salary, variable cash remuneration in the form of short-term incentive based on annual performance targets, long-term incentives, pension and other benefits. In addition, there are conditions on notice of termination and severance pay.

Additionally, the general meeting may - irrespective of these guidelines - resolve on, among other things, share-related or share price-related remuneration.

Husqvarna Group shall aim to offer a competitive total remuneration (i.e., all remuneration elements described below) level with a primary focus on “pay for performance”.

For more information on principles for remuneration to Group Management and remuneration to the Board, refer to note 4.

Fixed cash salary

Fixed salary shall constitute the basis for total remuneration and may amount to not more than 70 percent of the total remuneration. The salary shall be related to the relevant market and shall reflect the degree of impact, contribution and knowledge involved in the position. The salary levels shall be reviewed regularly (normally annually) in order to ensure continued competitiveness and reward performance.

Variable cash remuneration (Short-term Incentive, “STI”)

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount to not more than 150 percent of the fixed salary and not more than 50 percent of the total remuneration. The Board decides whether the maximum levels shall be utilized or if a lower level shall be used. The level of STI is set by the Board based on size of position, taking into account degree of impact, contribution and knowledge involved in the position but also country of employment.

Variable cash remuneration shall be conditional upon the fulfilment of defined financial criteria – such as operating income, sales growth, operating working capital etc – as well as non-financial criteria, to promote the Group’s business strategy including its sustainability. The Board and the People & Sustainability Committee (P&S Committee) shall establish these criteria for the Group and/or for the business unit for which the member of Group Management is responsible and define the minimum/entry level, which must be exceeded for variable remuneration to be paid, and a maximum/stretch level relevant for the upcoming measurement period.

Up to a maximum of 20 percent of the CEO’s and other Group Management member’s total STI opportunity may be based on financial or non-financial individual key performance indicators (KPIs).

The criteria shall be designed so as to contribute to the Group’s business strategy and long-term interests, including its sustainability. The extent to which the criteria for awarding variable remuneration has been satisfied shall be evaluated/ determined when the applicable one-year measurement period has ended. The P&S Committee is responsible for the evaluation and it shall be based on the latest financial information made public by the Group. Any individual KPIs for the CEO shall be determined and evaluated by the Board and the P&S Committee while the CEO shall be responsible for determining and evaluating individual KPIs for other members of Group Management.

Long-term incentive

The Board will annually evaluate if a long-term incentive program should be offered and be proposed to the AGM. The award level of such long-term incentive program may amount to not more than 120 percent of the fixed salary when the program is launched.

Pension and other benefits

Pension and disability benefits shall be designed to reflect regulations and practice in the country of employment. Pension plans shall be defined contribution plans and the employer contribution, including contributions for disability pension/insurance, may amount to not more than 40 percent of the fixed cash salary and not more than 30 percent of the total remuneration.

Other benefits may include, for example, life and health-care insurance, housing allowance and company cars. Costs relating to such benefits may amount to not more than 20 percent of the fixed cash salary and not more than 15 percent of the total remuneration. For employments governed by mandatory rules, pension and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Group Management members who are expatriates may receive additional remuneration and benefits to the extent reasonable in light of the special circumstances associated

with the expatriate arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such remuneration and benefits may not in total exceed 80 percent of the fixed cash salary.

Termination of employment

The notice period may not exceed 12 months if notice of termination of employment is made by the Group. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to fixed salary for two years. The period of notice may not exceed six months when termination is made by the Group Management member, unless there is a right to severance pay to compensate for a longer notice period. Members of Group Management shall be obliged not to compete with the Group during the notice period. Based on the circumstances in each case, a non-compete obligation with continued severance pay may be applied also after the end of the notice period. Non-compete obligation shall not apply for more than 24 months from the end of the notice period and the severance pay during such non-compete period may not exceed an amount equivalent to the fixed salary.

Additionally, remuneration may be paid for non-compete undertakings to compensate for loss of income and shall only be paid in so far as the previously employed Group Management member is not entitled to severance pay. The remuneration shall amount to not more than 60 percent of the fixed salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and be

paid during the time the non-compete undertaking applies, however not for more than 24 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of the Group have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the P&S Committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report to be published in accordance with the EU Shareholder Rights Directive.

The decision-making process to determine, review and implement the guidelines

The Board has established a P&S Committee, which qualifies as a "remuneration committee" within the meaning of the Swedish Code of Corporate Governance. The P&S Committee's tasks include preparing the Board's decision to propose guidelines for Group Management remuneration. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The P&S Committee shall also monitor and evaluate programs for variable remuneration for Group Management, the application of the guidelines for Group Management remuneration as well

as the current remuneration structures and compensation levels in the Group.

The members of the P&S Committee are independent of Husqvarna Group and its Group Management. The CEO and other members of Group Management do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board may resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Group's long-term interests, including its sustainability, or to ensure the Group's financial viability. As set out above, the P&S Committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines. Any derogation from the guidelines must not cause any of the remuneration elements to exceed two times the maximum level specified in these guidelines.

Remuneration to the Board 2024

Remuneration to AGM-elected Board members is resolved by the AGM based on proposals from the Nomination Committee. The 2024 AGM resolved on fees of SEK 8,560,000. No consulting fees were paid to Board members and no Board fees are paid to Board members who are also employed by the Group. For more information concerning remuneration, see note 4.

Risk Management

IN THIS SECTION

Responsibilities and accountability
Integration in core business processes

Risks across the value chain

A. Product and Solutions Development
B. Sourcing
C. Manufacturing
D. Transportation
E. Customer interaction
F. Customer use

Other risk areas across the value chain

Risks related to information systems, personal data and cybercrime
Integrity and compliance risks
Risks related to acquisitions, restructuring and organizational changes
Certain risks in the Husqvarna Construction Division

Financial risks

General
Financing risk
Interest-rate risk
Foreign exchange risk
Credit risk
Tax risk

All business operations involve risk. The goal of risk management is therefore not to eliminate risk, but rather to identify and optimize an organization's risk portfolio to best secure its business goals. Husqvarna Group has therefore implemented controls and governance processes to identify and prioritize material risks that may affect its operations and to limit, control and proactively manage those risks.

Responsibilities and accountability

The Board is ultimately responsible for ensuring effective risk management. The Board has delegated responsibility, in part, to the CEO, who must act in accordance with the Board's guidelines and instructions. The three divisional Presidents and the other members of Group Management are responsible for risk management implementation within their respective divisions and areas of responsibility. The Group also has a dedicated Risk Management function that:

- oversees the Group's overall Enterprise Risk Management program,
- secures appropriate insurance coverage for insurable risks, and
- assesses and facilitates the prioritization of the Group's risks.

Management of financial risks, including currency exchange rate exposure, is primarily the responsibility of Group Treasury.

Integration in core business processes

The process for identifying, assessing, managing and reporting risk is an integral part of our core business processes, including periodic strategy updates, the annual budget process and project management. Risk management is integrated in the annual budget process in order to capture events and circumstances with potential for material financial and operational impact. This means quantifying potential impacts and the likelihood of each risk and applying simulations to understand potential exposures to financial targets, thereby contributing to a proactive response. Risk management conducted as part of periodic strategy updates (both Group and divisional) helps capture events and circumstances that could significantly hinder long-term strategic priorities and goals. Risk management as part of more day-to-day activities is guided by a comprehensive set of Group policies and related procedures. Husqvarna Group has several specialist functions – notably Internal Audit, Compliance & Regulatory, Information Security, Internal Control and Sustainability – that oversee the effectiveness of risk management activities within their respective competency areas.

RISKS ACROSS THE VALUE CHAIN

The following sections highlight risks across the value chain that are deemed material for the Group over the next five years, unless otherwise indicated. This includes the environmental, social and governance-related risks that are also disclosed in our Sustainability statement section.



A. Product and solutions development

Time to market

Husqvarna Group, like any company, is subject to the risk that its competitors can develop and offer alternative products or solutions at a better cost-to-performance ratio. Product lifecycles are becoming shorter, requiring more efficient product-development processes. Certain Group products have relatively long development lead times, thus requiring a deep understanding of the end-customers' likely needs in the future.

Product compliance

Husqvarna Group is subject to a vast array of laws, regulations and industry standards, which vary from jurisdiction to jurisdiction and frequently change. These laws typically apply to the Group products in terms of design, operation, chemical content, noise, safety and (in the case of petrol products) exhaust emissions. Such regulations have also recently expanded to cover additional aspects of the value chain of our products, including how components and raw materials for such products are sourced, as well as recycling and other end-of-product-life responsibilities. Any failure to comply with such product standards could harm end-customers and result in significant costs, e.g., as a result of "stop sale" orders, product recalls, fines and

damage to the Group's brand and reputation. Product standards are often subject to interpretation and frequently change, typically becoming stricter. When appropriate, the Group supplements its existing governance structures with dedicated cross-divisional project teams to proactively mitigate risks associated with major regulatory challenges and/or legislative changes, with regular reporting to Group Management.

Servitization

Many industries are experiencing a shift in customer preference from buying physical products to purchasing services (e.g. in the form of monthly subscription fees, leases or paying for uptime). This shift, which is sometimes referred to as "servitization", adds new risks and regulatory exposures. For example, by offering leasing and other financial solutions, the Group may become subject to additional financial and credit risks as well as banking regulations (e.g., those related to anti-money laundering). Likewise, the expansion of online and digital services exposes the Group to increased liability under applicable data and privacy regulations, especially in relation to the processing of customer data. However, the Group is still heavily reliant on traditional business models of selling products to generate revenue and there is a risk that competitors may be able to develop service offerings more quickly or more effectively.

Shift from petrol to battery products

Many traditional market segments are affected by the "petrol-to-battery" shift. Products historically powered by petrol engines now have battery-driven motor alternatives. This trend has accelerated in recent years as batteries have become more powerful, more reliable and less expensive. As one of four

stated operational ambitions, the Group has decreased its share of petrol products through increased sales of robotics and battery-powered products. Today, approximately 44 percent (42) of our business of motorized products is represented by battery-powered robotics and corded products – up from 11 percent in 2015 and with the ambition to further increase this percentage to 67 percent by 2026. Steps taken to further promote this shift include a significant expansion of internal resources dedicated to robotics and battery products and a sharp increase in the related R&D spend. At the same time, there is increased competition from new entrants, such as power handtool players, many of whom have significant scale in designing, manufacturing or sourcing of battery-powered indoor products, such as cordless drills, which can to some extent also be applied to outdoor products. A counterbalance to this risk is the Group's deep application knowledge of the particular products in question (e.g., chainsaws and trimmers). Our future success in these market segments will thus depend on our continued ability to design the entire end product with better application functionality and performance than most competitors.



B. Sourcing

Component supply and quality

A shortfall in deliveries or quality related issues from a supplier may have negative consequences for production and for deliveries of finished products. This risk is exacerbated where the Group relies on a few (or even single) suppliers to deliver key materials or components. To address these risks, the Group has begun to shift its risk management evaluations (e.g. site

visits) from its own production sites, which are often already deemed "highly protected", to those of major suppliers. The divisions' purchasing organizations work closely with suppliers to manage deliveries and monitor the suppliers' financial stability, quality-assurance systems and flexibility of production. The Group has also recently initiated efforts to reduce its reliance on certain geographical areas that may have long lead times and/or be subject to the risk of trade tariffs, by securing additional sources of supply that are closer to our manufacturing sites. The divisions build buffer stock of critical components to reduce impacts of potential supply disruption.

Electronic components

Electronic components, including batteries and related parts, are becoming increasingly important for the Group's products and services. Worldwide demand for such components – especially battery cells and computer chips – is also increasing dramatically due to the ongoing electrification of society. As with all direct material, the availability of such components is dependent on supplier performance and global demand. Supply interruptions or lack of capacity may have an adverse effect on the Group's production and deliveries. We have taken a number of steps to remediate these risks, including: (1) re-engineering products to enable use of a much wider range of electronic components; (2) developing direct relationships with sub-suppliers of certain critical components (e.g. chips and semi-conductors), with whom we previously only had an indirect relationship via our tier 1 suppliers; and (3) where necessary, building additional levels of buffer stock.

Supply chain compliance

A broad supplier base, especially in less developed countries, potentially increases the risk that products or components are not produced sustainably. The Group and its suppliers must share the same high standards for the environment, labor and human rights as stated in Group policies and procedures and in the Supplier Code of Business Ethics. The Group has historically mitigated these risks through supplier audits and supplier self-assessments. The Group will continue to improve and expand its supplier due diligence efforts (including supplier audits), not least to be able to demonstrate compliance with the EU's pending Corporate Sustainability Due Diligence Directive (CSDDD) and other corresponding national laws.

Prices for materials and components

The Group's operations and its performance are affected by fluctuations in the price of raw materials and components. The most important raw materials are steel, aluminum and various types of plastic. The cost of these raw materials can fluctuate considerably over the course of a year, due to changes in world prices for raw materials or the ability of suppliers to deliver them. Total consumption is linked to production volume and production mix. The Group does not use financial instruments to hedge prices for raw materials, but endeavors to manage risks through bilateral agreements with suppliers.

lead times of key components. Handheld products such as chainsaws and trimmers, for which the Group also manufactures engines, contain a higher proportion of specialized components that are produced in-house, as do watering products. Any material decline in overall sales volumes can therefore have a significant negative impact on factory absorption and, in turn, on profitability.

Extreme weather events

The Group's property insurer completed a study in 2024 to identify which of our current locations could be exposed to increased physical risk due to future climate change. This study was based on expected climate change 2030 and 2050 under the scenarios RCP 2.6, 4.6 and 8.5. The study identified that one location (already on the list of exposed locations today) and one additional location can expect increased future exposure. The one already exposed to climate risk today has an insured value of SEK 500m and is experiencing increased severity of storms. The additional location has an insured value of SEK 270m and is expected to experience an increase of drought. This insight will support the Group to proactively mitigate these exposures by conducting a roof structure analysis and reducing water demand.



D. Transportation

Tariffs and trade disputes

The Group's operations involve the movement of products, components and raw materials across national boundaries. Such goods may be subject to import and export duties or similar tariffs. Normally, the costs of such tariffs are incorporated into product pricing. However, abrupt changes to – or unclarity regarding – such tariffs expose the Group to risks. In some

cases, it may be difficult to pass on such higher product costs or it may take a significant period of time to do so. Likewise, competitors may have a different supply chain structure and be able to produce similar goods that are not subject to such tariffs. In either case, the Group may be forced to absorb such extra tariff costs, thereby lowering the gross margin on products sold. Whenever and wherever possible, the Group strives to adjust its supply chain and manufacturing footprint to minimize the impact from such tariffs.

Logistics disruption

The Group depends on freight forwarders, shipping hubs, ports and transportation companies for delivery of components and finished products. The Group is vulnerable to logistic disruptions and spot freight-rate increases. Contracts are in place to secure volumes and rates for major shipping routes.



E. Customer interaction

Customer preferences

The Group's strategy is founded on product innovation, utilization of strong brands and global distribution to create differentiated product and solution offerings for different end-customer segments. Long-term profitability depends on the ability to successfully develop, manufacture and market new products and solutions that meet customers' performance needs and price requirements. Digitalization has opened up significant opportunities to improve customer interaction and to customize advice and support. The Group works with digital solution providers to ensure that products are integrated with digital platforms preferred by our customers.

Digitalization increases the risk of traditional business models being disrupted by new market entrants that may have new product (or service) offerings and/or more effective go-to-market strategies. However, delivering more circular solutions that reduce waste, extending the product lifecycle and reducing the Group's impact on the environment is also an important enabler. Accordingly, the development of circular innovations is a key component of the Group's Sustainovate strategy.

Retail channel

Consumer products are sold mainly through large retail chains. This market is highly consolidated in North America and the UK, while in the rest of Europe market consolidation is largely still ongoing. The Group's retail customers, such as large DIY chains, are becoming larger and fewer in number, which gives them greater bargaining power. Several large retailers also source products that are then marketed under their own brands. Large retailers offer Husqvarna Group the opportunity to display its products in more retail outlets in a wider geographical area. However, this also entails risks. Most obviously, the failure to build or maintain strong supplier relationships with DIY retailers could have significant negative effects on volumes and, in turn, on profitability. Conversely, successfully maintaining such customer relationships could lead to a greater dependence on fewer customers, with higher levels of trade receivables and credit risks related to these customers. The Group is taking a number of measures to reduce sales channel risks, including setting annual credit limits for customers and ensuring that the Group develops its overall omnichannel market approach.



C. Manufacturing

Footprint and fixed costs

The Group maintains a relatively large manufacturing base with corresponding fixed costs and is subject to risks from fluctuations in demand resulting from economical, seasonal and weather variations, as well as the availability and applicable

Dealer channel

Most of the Group's professional products, as well as a significant portion of its consumer products, are sold through local independent dealers. The dealer channel has, for many years, been under pressure from other sales channels (mainly retail and online). One key advantage of the dealer channel is the fact that dealers normally have the ability to advise on, service and install the Group's products. However, shifts in technology (e.g., developments that reduce the need for such additional services) may cause this advantage to shrink over time, causing a further shift to other channels.

Omnichannel and online

Internet commerce is growing and becoming more important for the Group, partly as a result of increased online sales activities of trade partners in both the dealer and retail channel, but also due to growing, direct-to-consumer e-commerce channels run by the divisions. The shift to online purchasing gives rise to opportunities and risks. The challenge is to ensure that relevant products are offered to all customer segments in all relevant purchasing channels. The failure to build or maintain strong supplier relationships with key online resellers can have significant negative effects on volumes and profitability.



F. Customer use

Product safety

The Group is exposed to product liability in the event that its products are alleged to have caused injury to persons or damage to property. The Group is insured to a large degree

against such claims, partly through insurance in its own captive insurance company, and partly through external insurers. However, there is no guarantee that such insurance coverage is in force or sufficient in a specific case or that claims regarding product liability may not have an adverse effect on the Group's earnings and financial position. In addition, such insurances do not cover the costs for warranty repair, recall exposure or any adverse effect on brand value. External insurance is subject to availability and pricing, which may vary over time. The Group has established a committee on product safety (COPS), the tasks of which include monitoring product safety issues and overseeing any needed product recalls or related market interventions.

Weather/climate

Demand for the Group's products is dependent on the weather. Unexpected or unusual weather conditions in core markets can affect sales either adversely or positively. Dry weather can reduce demand for products such as lawn mowers and tractors but can also stimulate demand for watering products. However, excessive dry weather or droughts may result in regulatory actions, such as water-bans, that have a negative effect on the sale of watering products. Demand for chainsaws normally increases after storms and during cold winters. Husqvarna Group strives for a flexible production and supplier structure that can be adjusted at short notice to meet actual demand without the burden of excess buffer stock. Reducing lead times and improving responsiveness heightens the Group's agility and helps get the right products to the market by matching not only the season but also current weather conditions.

OTHER RISK AREAS ACROSS THE VALUE CHAIN

Risks related to information systems, personal data and cybercrime

The Group relies heavily on its IT systems to operate its business. Disruptions or faults in critical IT systems may have a direct impact on operations, such as production and logistics. Cybersecurity risks are increasing in society in general, especially due to cybercriminals who can use a variety of means, ranging from sophisticated virus attacks to simple email fraud. Any of these criminal activities, if successful, could have an adverse impact on the Group's operations, financial position or reputation. The Group works continuously to keep systems protected and is also investing in a number of cybersecurity measures to reduce these risks, including enhanced disaster recovery capabilities, more robust firewall and access controls, additional in-house cybersecurity expertise and information security awareness and training. In parallel with such efforts and in connection with the EU's General Data Protection Regulation (GDPR), the EU's Data Act and related regulations, the Group continuously works to protect individuals' rights in connection with any data (including personal data) processed by the Group.

Integrity and compliance risks

As with similar global enterprises, the Group faces a number of compliance risks, including risks of corruption or fraud, which tend to be higher in emerging markets with less developed legal systems. These risks subject Husqvarna Group to both potential financial losses as well as potential negative impacts on its reputation. Accordingly, the Group takes a number of steps to remediate such risks, including: (A) training

in the Code of Conduct, which outlines a zero-tolerance approach to all forms of corruption and bribery; (B) a robust and global whistleblower platform that provides a number of avenues for employees and external parties to confidentially submit any concerns regarding non-compliant behavior, including, where required, local reporting channels; (C) the Third-Party Due Diligence Policy, which leverages an automated system to vet current and potential third parties; and (D) requiring annual certifications from Country Officers (and other senior managers) confirming that they are unaware of any breaches of the Code of Conduct that have not been reported through the whistleblower platform. As part of ongoing efforts to assess the organization's risks, the Group Compliance Program continues to enhance the Group's efforts to combat corruption, bribery and other misconduct. Work continues to ensure that EU country-specific requirements are met to satisfy country-specific requirements resulting from the EU Whistleblower Directive.

Risks related to acquisitions, restructuring and organizational changes

The Group may, from time to time, undertake acquisitions, divestments, organizational changes or changes in its manufacturing footprint, all of which involve risks. For example, restructuring and organizational changes involve the risk of generating higher costs or lower revenues than anticipated and losing key personnel, or that estimated savings are below announced targets. In the case of acquisitions, sales may be adversely affected, the costs of integration may be higher than anticipated, and synergy effects may be lower than expected.

In the case of acquisitions or cessation of operations, environmental risk assessments are always conducted by qualified experts. The Group aims to mitigate these risks by, for example, conducting thorough pre-transaction due diligence as well as having clear post-transaction planning, whereby clear roles and responsibilities are established for post-closing handover and integration matters.

Certain risks in the Husqvarna Construction Division

The construction market is less weather-sensitive than the forest and garden market. On the other hand, it is more subject to economic cycles and changes in the political environment. Such cyclicity may have a significant impact on acquisition of capital-intensive equipment and on the rental channel overall. However, the specific submarkets addressed by the Husqvarna Construction Division tend to have smaller cyclical amplitudes than the overall construction industry. This is largely because of the high relative share of consumables (diamond tools) and the fact that the Husqvarna Construction Division's products are often used in renovation projects, which is a relatively more stable segment compared to new construction work.

FINANCIAL RISKS

The following sections highlight financial risk areas that are relevant to Husqvarna Group.

General

The Group's financial risks are managed on the basis of the Group's financial and credit policies, which are updated annually and approved by the Board. Management of financial risks is based largely on the use of financial instruments and is mainly centralized within the Group Treasury function, which operates in accordance with specified risk mandates and limits. For more information on accounting principles and financial risk management and financial instruments, see notes 1 and 20. The Group operates within and closely monitors the difficult and volatile global macroeconomic climate and is robustly managing liquidity and financial charges.

Financing risk

Financing risk refers to possible delays, increased costs or cancellations related to financing of the Group's capital requirements and refinancing of outstanding debt. Risks are reduced by maintaining an evenly distributed maturity profile of loans, maintaining access to credit facilities, maintaining an investment grade rating and ensuring that short-term borrowings do not exceed current liquidity reserve.

Interest-rate risk

Interest-rate risk refers to the adverse effects of changes in market interest rates on the Group's net income. The main factor determining this risk is the interest-fixing period. The interest-rate risk is managed by changing the interest from fixed to floating or vice versa using derivatives such as interest-rate swaps.

Foreign exchange risk

As Husqvarna Group sells its products in more than 100 countries, has production in approximately ten countries and sources raw materials and components from various countries across the globe, the Group is exposed to exchange-rate fluctuations. These fluctuations affect the Group's earnings in terms of translation of income statements in foreign subsidiaries, i.e., translation exposure, as well as in the sale of products on the

Sensitivity analysis

±10%				±10%			±1%	
CURRENCY				RAW MATERIAL			INTEREST RATES	
–SEK CNY+	–SEK EUR+	–SEK USD+	–SEK ALL+	STEEL	ALUMINIUM	PLASTICS	INTEREST	
SEKm –165 ¹	SEKm +535 ²	SEKm –120 ³	SEKm +710 ⁴	SEKm ±110	SEKm ±25	SEKm ±135	SEKm ±50	
Effect on operating income				Effect on operating income			Effect on income for the period	

¹ Excluding hedge effects. SEK –175m refer to effect of transactions and SEK 10m to translation effects.
² Excluding hedge effects. SEK 480m refer to effect of transactions and SEK 55m to translation effects.
³ Excluding hedge effects. SEK –95m refer to effect of transactions and SEK –25m to translation effects.
⁴ Excluding hedge effects. SEK 670m refer to effect of transactions and SEK 40m to translation effects.
All other refer to the other currencies including CNY, EUR and USD.

export market and purchases of materials in foreign currencies, i.e., transaction exposure and in terms of the translation of balance sheet items such as trade receivables and trade payables.

Changes in exchange rates also affect Group equity. Assets and liabilities of foreign subsidiaries are affected by changes in exchange rates, generating translation differences that impact equity. To limit negative effects on Group results and equity resulting from transaction exposure and translation differences, part of the Group's transaction exposure and net investments in foreign operations is hedged using foreign-exchange derivatives.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's credit risks are managed on the basis of standardized credit ratings, credit limits, active monitoring of credits and routines for follow-up of trade receivables. The need for reserves for doubtful trade receivables is monitored continuously. Major credit limits are approved annually by the Board. The Group also utilizes credit insurance to reduce credit risk in trade receivables. Given the difficult macroeconomic climate, the Group is being extra vigilant in relation to customer payment performance, the build-up of aged debts and the risk of bad debt.

The Group's financial assets are used primarily for the repayment of loans. Liquid funds are placed in highly liquid interest-bearing instruments issued by institutions with a credit rating of at least A–, according to Standard & Poor's or similar agencies.

Tax risk

Husqvarna Group operates across multiple jurisdictions and undertakes a great number of cross-border transactions. As a result, the Group is subject to complex and evolving national and international tax rules. The dynamic nature of these tax rules, combined with the varied interpretations by local tax authorities, may create inherent tax risks for multinational corporations, including Husqvarna Group.

Husqvarna Group, like many multinational companies, employs a centralized transfer pricing model aligned with the Group's operating model, which includes centralized functions and global divisions. The model is designed to ensure that intra-group transactions are conducted at arm's length level and in compliance with the OECD Guidelines. However, the increased scrutiny from tax authorities worldwide, driven by the evolving regulatory framework, raises the risk of tax audits and potential disputes over the Group's transfer pricing model. A successful challenge by tax authorities may lead to increased tax liabilities, incl. retroactive adjustments, penalties, and interest, impacting both current and prior periods.

As in many countries, restrictions on tax deductibility of interest expenses on intra-group loans apply in Sweden. Under the existing Swedish rules, interest expenses are deductible only if the recipient resides within the European Economic Area (EEA), or in a country with which Sweden has concluded a full scope tax treaty. Further, interest is deductible if it is subject to taxation at a rate of at least 10 percent. Nevertheless, even if these conditions are met, the deductibility is disallowed if the intra-group debt arrangement has been established exclusively, or almost exclusively, to secure a significant tax benefit for the Group. At present, it is not clear how these rules should be interpreted and if these restrictions on deducting interest expenses apply to Husqvarna Group's internal debt structure. For this reason, the Group has made provisions to reflect potential exposure related to these restrictions.

The global regulatory landscape for taxation continues to evolve rapidly, leading to increased compliance requirements for multinational enterprises like Husqvarna Group. In light of these developments, the Group faces greater risk exposure related to compliance, including the risk of penalties and increased tax audit activity. Proactively managing these risks is essential to safeguard the Group's financial position and to ensure compliance with increasingly complex tax obligations.

Corporate Governance Report

As required by the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (Swedish Code), this Corporate Governance Report describes the organizational bodies, rules and other governance structures by which Husqvarna Group (the "Company") is controlled and operated. The Group's external auditors have reviewed this Report and their opinion has been included in the Auditors' Report.

Good corporate governance is a fundamental prerequisite not only to meet our obligations as a public company, but also to create value for shareholders in an efficient, responsible and sustainable manner. Husqvarna Group's corporate governance structures are defined by external laws (e.g., the Swedish Companies Act), self-regulatory standards (e.g., the Swedish Code and the Nasdaq Nordic Main Market Rulebook for Issuers of Shares) and internal rules (e.g., the Company's Articles of Association, Code of Conduct and Group policies). While not mandatory, Husqvarna Group has elected to comply with all aspects of the Swedish Code without exception.

Husqvarna Group has no deviations from the Swedish Code to report for the 2024 financial year. Nor has Husqvarna Group been subject to any rulings by Nasdaq Stockholm's Disciplinary Committee or decisions on breaches of sound practices in the stock market by the Swedish Securities Council. For more information, visit: www.husqvarnagroup.com.

Integrating Sustainability into Corporate Governance

Husqvarna Group endeavors to incorporate sustainability into all aspects of its business operations, organizational structures and governing bodies. These efforts have been recently accelerated to meet the enhanced requirements of the EU's Corporate Sustainability Reporting Directive (CSRD), which will first become applicable to Husqvarna Group with respect to its 2025 financial year.

The Board has overall responsibility for the Company's sustainability work, supported by the Audit Committee (which takes the lead in monitoring and overseeing sustainability matters to the extent they relate to information disclosed in the Company's periodic reports) and by the P&S Committee (which takes the lead in overseeing the Company's overall sustainability ambitions and target-setting, as well as monitoring progress towards those targets). Day-to-day responsibility for sustainability matters has been delegated by the Board to the Group CEO, Group Management and further down the organization pursuant to the Company's delegation of authority and Group governance policies.

Shareholders and the Shareholders' General Meeting

The highest corporate decision-making body in the Company is the Shareholders' General Meeting, which is normally held once per year in the form of the Annual General Meeting (AGM), but may also take the form of an Extraordinary General Meeting under certain circumstances. The 2025 AGM will take place on Tuesday, April 29, 2025. The Company prepares the AGM agenda with input from its shareholders, who have the right to propose matters for consideration at the AGM.

The Company's shares have been traded on Nasdaq Stockholm since June 2006. At year-end 2024, the share capital amounted to SEK 1,153m, represented by 107,825,205 A-shares and

468,518,573 B-shares, each with a par value of SEK 2. Each A-share entitles the holder to one vote and each B-share entitles the holder to one tenth of a vote. As per the Articles of Association, holders of A-shares are entitled to request conversion of A-shares into B-shares on a 1:1 basis. During 2024, 1,626,244 A-shares were converted to an equivalent number of B-shares.

As of December 31, 2024, the number of shareholders was 79,985 of which foreign shareholders held approximately 43.9 percent of the outstanding share capital. Investor AB was the single largest shareholder (by votes) with a holding of 16.8 percent of the share capital and 33.9 percent of the votes. L E Lundbergföretagen AB was the second-largest shareholder (by votes) with a holding of 7.5 percent of the capital and 25.7 percent of the votes.

Nomination Committee

In accordance with the Swedish Code, the Company is required to have a Nomination Committee, the primary responsibilities of which are to consider, and submit to the AGM, proposals and recommendations regarding:

- The Chair of the AGM;
- The number of elected Board members;
- The nominees for election to the Board;

- The Chair of the Board;
- Remuneration to Board members, including the Chair, and remuneration for Board members' work on Board committees;
- Election of external auditors (when applicable);
- Remuneration to external auditors; and
- Changes to the process regarding the composition and tasks of the Nomination Committee (if applicable).

The AGM determines the process for establishing the Nomination Committee and its members. At the Company's 2013 AGM, it was resolved that the following process would apply until a subsequent AGM resolves otherwise:

- The Company shall have a Nomination Committee consisting of five members;
- The members shall consist of one representative of each of the four largest shareholders in the Company in terms of voting rights held as of the last banking day of August each year, with the fifth member being the Chair of the Board; and
- In the event that any of the four largest shareholders elect not to nominate a representative to the Nomination Committee, the right to appoint such a representative passes to the fifth largest shareholder and so on.

These rules established at the 2013 AGM have not been changed by any subsequent AGM and therefore continue to apply.

The formation of the Nomination Committee for the 2025 AGM was announced on September 20, 2024. The members of the Nomination Committee (and corresponding appointing shareholders) for the 2025 AGM are:

Member	Appointing shareholder
Petra Hedengran (Chair)	Investor AB
Louise Lindh	L E Lundbergföretagen AB
Fredrik Ahlin	If Skadeförsäkring AB
Oskar Börjesson	Livförsäkringsbolaget Skandia
Tom Johnstone ¹	—

¹ Chair of the Board of Husqvarna AB (publ)

Nomination Committee members do not receive compensation from the Company for their work on the Nomination Committee.

As noted above, one of the chief duties of the Nomination Committee is to make recommendations regarding the size and composition of the Board. Normally, the starting point for such recommendations is a survey conducted each year by the Chair of the Board to assess the Board’s work, composition, qualifications, experience and efficiency (see the section “The Board of Directors”). The results of this survey are shared and discussed with the Nomination Committee.

Based largely on the information provided by the Chair, the Nomination Committee determines whether the existing Board should be strengthened with additional expertise or if there are any other reasons to make changes to the composition of the Board. In making such determinations and (if applicable) evaluating potential new candidates for the Board, the Nomination Committee takes into consideration the objective of achieving a gender balance in the Board.

The Nomination Committee has applied rule 4.1 of the Swedish Code as its diversity policy. In addition, the Nomination Committee takes into consideration the need to ensure that the independence requirements of the Swedish Code are met.

These requirements stipulate that at least the majority of Board members must be independent of the Company and its management and that at least two (from such majority) also be independent of the Company’s largest shareholders. The Nomination Committee also takes into account any proposals made to the Nomination Committee about the composition of the Board that may have been suggested by other shareholders.

For the 2025 AGM, the Nomination Committee announced its required proposals along with the notice of the AGM, which was published on the Company’s website on March 25, 2025. The Nomination Committee will present and elaborate on its work and proposals at the 2025 AGM.

ANNUAL GENERAL MEETING

General

In accordance with the Swedish Companies Act, the AGM of the Company must be convened annually on a date not later than six months after the close of the preceding financial year, and is normally held in March or April.

According to the Company’s Articles of Association, the AGM must be held in Jönköping or Stockholm, Sweden. The Articles of Association also permit the Board to allow the shareholders to exercise their voting rights by regular mail.

Shareholders who are individuals may attend the AGM in person or by proxy. Shareholders attending the meeting by proxy, including all corporate shareholders, must submit a valid power of attorney as well as other required documentation in due time before the AGM. This, together with information provided by Euroclear Sweden AB, allows the Company to compile a book of shareholders eligible to vote at the AGM. Following this compilation, voting certificates are sent to all shareholders attending the meeting, or their designated representatives. Voting certificates are proof of voting rights and also serve as an entrance card to the AGM.

The notice of the AGM (specifying its date, location, agenda, etc.) shall be made public at least four weeks and not more than six weeks prior to the AGM. The notice is published in the

Swedish daily newspaper Svenska Dagbladet and in the Swedish Official Gazette (Post- och Inrikes Tidningar). The notice is also announced in a press release and on the Company’s website at www.husqvarnagroup.com.

AGM agenda items and written documentation

The agenda for the AGM is reviewed and approved by the Board and consists of matters that are statutorily required, as well as other matters. Matters typically include:

- Election of Chair of the AGM¹;
- Adoption of statutory financial documentation;
- Discharge of liability for the Board members and CEO;
- Disposition of the Company’s profit;
- Number of elected Board members¹;
- Remuneration to Board members, committee members and external auditors¹;
- Election of external auditor¹;
- Election of Chair of the Board¹;
- Election of Board members¹;
- Principles of remuneration for Group Management (if applicable);
- Approval of Remuneration Report;
- Adoption of long-term incentive programs (if applicable);
- Repurchase and transfer of the Company’s own shares (if applicable);
- Authorization to resolve on the issuance of new shares (if applicable); and
- Such other matters as may be deemed necessary and appropriate by the Board.

¹ Indicates agenda items for which the Nomination Committee make a proposal.

Shareholders may also, in advance of the publication of the notice to attend the AGM, propose matters to be included in the AGM agenda.

At the AGM, the Chair of the Board presents a report on the Board’s work during the preceding year, the CEO gives an overview of the Company’s business and current priorities, and the auditors present their report and review of the Company’s finances. If required, the Chair of the P&S Committee reports on remuneration to the Group’s executive management (Group Management) and, if it is to be resolved on by the AGM, the Company’s long-term incentive programs. Shareholders attending the AGM may also direct questions to the Chair of the Board, the CEO, the Nomination Committee, the Chair of the P&S Committee, the external auditors or any other Board member. Written documentation is presented at the AGM, normally in both English and Swedish. This documentation may be downloaded from the Company’s website and is also sent to shareholders upon request.

Such documentation includes:

- The agenda for the AGM;
- Proposals from the Board and the Nomination Committee;
- The Remuneration Report;
- The Nomination Committee’s explanatory statement regarding the proposal for appointment of Board members;
- The Board’s report in relation to the proposed dividend and the proposal on the acquisition of the Company’s own shares (if applicable);
- The auditor’s statement on the guidelines of the remuneration to senior executives; and
- AGM proxy form.

The AGM is held in Swedish, but simultaneous translation into English is available. The minutes recorded at the AGM are normally published within a few days of the AGM, but not later than two weeks after the AGM. A press release including resolutions passed at the meeting is published immediately after the AGM.

2024 AGM

The 2024 AGM was held on April 18, 2024, in Jönköping, Sweden with 1,005 shareholders attending in person, by proxy or by advance voting, representing 71 percent of the total number of shares and 83 percent of the total number of votes. Also in attendance were the Board, the external auditors and members of Group Management.

The AGM approved the following resolutions:

- To adopt the income statements and balance sheets for 2023;
- To discharge the Board and the CEO from liability for the 2023 financial year;
- To establish the size of the Board at nine (9) elected members;
- To elect Tom Johnstone, Ingrid Bonde, Torbjörn Lööf, Katarina Martinson, Bertrand Neuschwander, Daniel Nodhäll, Lars Pettersson, Christine Robins and Pavel Hajman as Board members;
- To appoint Tom Johnstone as Chair of the Board;
- To set Board remuneration at SEK 8,560,000 in total, of which SEK 2,350,000 was to be paid to the Chair of the Board and SEK 680,000 to each of the other Board members elected by the AGM and not employed by the Company, and if the Board determines to appoint a Deputy Chair, SEK 950,000 to such Deputy Chair. Furthermore, to pay additional remuneration of SEK 345,000 to the Chair of the Audit Committee and SEK 225,000 to each of the other two members of the Audit Committee, as well as SEK 175,000 to the Chair of the P&S Committee and SEK 105,000 to each of the other two members;
- To approve the Nomination Committee's proposal to elect KPMG as the Company's external auditors and to pay auditors' fees on the basis of approved invoices;
- To approve the Remuneration Report;

- To establish a performance-based long-term incentive program for 2024, "LTI 2024", to be offered to a maximum of 135 senior managers, whereby, subject to the fulfilment of certain performance targets and other conditions during a three-year vesting period, the participants would be entitled to receive certain B-shares;
- To authorize the Board, during the period up until the next AGM, to direct the Company to enter one or more equity swap agreements with a third party (e.g., a bank) for purposes of hedging the obligations of the Company under LTI 2024 and any previously resolved programs;
- To authorize the Board to approve the issue of not more than 57,634,377 new B-shares against payment in kind on one or more occasions during the period up to the 2025 AGM;

2025 AGM

The 2025 AGM of Husqvarna AB will be held at 4:00 p.m. on Tuesday, April 29, 2025, at the Jönköping Concert & Congress hall at Elmia, Elmiavägen 15 in Jönköping, Sweden.

Board of Directors

According to the Company's Articles of Association, the Board shall be comprised of no less than five and no more than ten elected Board members. The Articles of Association do not contain any specific provisions concerning the appointment and dismissal of Board members (or the method by which the Articles of Association may be amended), meaning that the rules otherwise stated in the Swedish Companies Act apply. At the 2024 AGM, nine members were elected to the Board (see section "Board of Directors and auditors"). In addition to the Board members elected by the AGM, Swedish trade unions have the statutory right to appoint two ordinary Board members with voting rights, as well as two deputies for such Board members.

In accordance with the Swedish Code, the principal tasks of the Board include:

- Appointing, evaluating and, if necessary, dismissing the CEO;
- Establishing the overall goals and strategy of the Company;
- Identifying how sustainability issues impact risks to and business opportunities for the Company and periodically approving new or revised sustainability goals for the Husqvarna Group;
- Defining appropriate guidelines to govern the Company's conduct in society, with the aim of ensuring its long-term value-creation capability;
- Ensuring that there is an appropriate system for follow-up and control of the Company's operations and of the risks to the Company that are associated with its operations;
- Ensuring that there is a satisfactory process for monitoring the Company's compliance with laws and other regulations relevant to the Company's operations, as well as the application of internal guidelines;
- Ensuring that the Company's external communication is characterized by openness, and it is accurate, reliable and relevant; and
- Approving the Company's periodic financial reports and related non-financial information (including sustainability related items) that must be made public on a periodic basis pursuant to applicable law.

The Board has adopted the Board's Rules of Procedure for its internal activities, which include rules regarding the number of Board meetings, matters to be addressed at regular Board meetings and the duties of the Chair of the Board. These Rules of Procedure are updated and adopted by the Board each year at the Statutory Board meeting, which is normally held immediately after the AGM. The Board evaluates the CEO on a regular basis, at least once a year, where the CEO is not present.

The Board has also issued written instructions specifying when and how information required to enable the Board to evaluate the Company's and the Group's financial position shall be reported to the Board, as well as the distribution of duties between the Board and the CEO. The Board has established an Audit Committee and a P&S Committee, which are responsible for certain monitoring and oversight responsibilities on behalf of the Board, as described in more detail below.

The Chair of the Board ensures that the Board's work and procedures are evaluated and discussed with Board members annually, with the aim of developing the Board's working methods and efficiency. The results of such evaluation are also brought to the attention of the Nomination Committee, for use in their work. In 2024, such evaluation was conducted via an online anonymized questionnaire, together with individual interviews conducted by the Chair with each Board member. The results of such evaluation were presented to, and discussed with, the Nomination Committee as well as with the Board in its entirety. The Board members elected by the 2024 AGM fulfil the independence criteria set out by the Swedish Code, which require that the majority of such members be independent of the Company and its management, and that at least two (from this majority) be independent of the Company's largest shareholders.

Fees to Board Members

Fees to Board members, including fees for committee work, are set by the shareholders at the AGM. For information on fees to the Board in 2024, see note 4.

Board meetings

According to the Board's Rules of Procedure, the Board shall hold at least four ordinary meetings and one statutory meeting per calendar year. In 2024, the Board held twelve meetings, of which six were by video conference, four were physical meetings, and two were per capsulam (i.e. by unanimous written consent).

The Company's CFO and General Counsel are also present at Board meetings. The General Counsel serves as the Board's secretary and records the minutes of the Board meetings. Other members of Group Management or other senior managers of the Company may also be asked to attend and report on significant matters.

When relevant, and at least quarterly, Group Management presents forecasts and key performance indicators, providing the Board with an overview of the financial development and expectations of the Company. The Company's budget is reviewed and approved once a year, generally in the fourth quarter. The Board also reviews the Company's significant litigation matters, follows up on the Company's compliance and risk management work, and monitors the Company's progress regarding its sustainability agenda. The Board maintains an active oversight role in the Group's Enterprise Risk Management program, as described in more detail in the "Risk Management" section of this Annual Report. In addition, the Company's external auditors meet with the Board at least once per year, without the presence of any member of Group Management.

Audit Committee

In accordance with the Swedish Companies Act, the Board annually appoints an Audit Committee whose primary responsibilities are:

- (a) to monitor and oversee the Company's financial and sustainability reporting;
- (b) to monitor and oversee the effectiveness of the Company's internal control, internal audit and risk management functions as they relate to financial and sustainability reporting;
- (c) to monitor and oversee the effectiveness of the Company's compliance program, and to review major legal and litigation matters that could affect the Company's financial position;
- (d) to review and supervise the Company's external auditors' impartiality and independence; and
- (e) when applicable, to assist in the preparation of proposals for the AGM's election of auditors.

The Audit Committee may also exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time. The Board has adopted a charter for the Audit Committee, which is periodically updated and approved by the Board.

The Board determines the composition of the Audit Committee, which shall have at least two members, none of whom may be employed by the Company, and the majority of whom shall be independent in relation to the Company and its executive management. At least one of the members who is independent in relation to the Company and its executive management shall also be independent in relation to the Company's major shareholders. At least one of the members of the Audit Committee must have auditing or accounting skills. The Board appoints the Committee members annually at the Statutory Board meeting or when a Committee member needs to be replaced.

The Audit Committee members appointed in April 2024 were Ingrid Bonde (Chair), Daniel Nodhäll and Katarina Martinson. Audit Committee meetings are also attended by the General Counsel (who keeps the minutes of the meetings), the Group CFO, the Group Head of Internal Audit, and the Company's external auditors. Other members of management are invited periodically to report on specific matters, as relevant. The Audit Committee regularly reports on its findings and recommendations to the Board in its entirety and makes available to the Board the minutes of its meetings.

In 2024, the Audit Committee held six meetings, which fulfils its own charter rule that it shall meet at least four times per year. The Audit Committee meetings follow an adopted agenda plan, which includes a review of open issues, a treasury and tax update, and an internal audit update. The Audit Committee also reviews the Company's interim reports before they are submitted to the Board. The Committee meets frequently with the Company's external auditors. The Committee also reviews the Company's compliance work and litigation activities on a regular basis.

People & Sustainability Committee (P&S Committee)

The responsibilities of the P&S Committee are to oversee:

- (a) executive remuneration and talent management, and
- (b) the Company's overall sustainability ambitions and target setting, as well as monitoring progress toward those targets.

This P&S Committee is a "remuneration committee", within the meaning of the Swedish Code. The P&S Committee shall consist of as many members as the Board determines, but no fewer than three. The Board shall appoint the P&S Committee members annually at the Statutory Board Meeting or when a P&S Committee member needs to be replaced. Each P&S Committee member shall satisfy applicable independence and other requirements of law and other regulations applicable to the Company from time to time. The Board shall appoint the P&S Committee's Chair. The P&S Committee's Secretary shall be the Company's Executive Vice President, People & Organization.

The P&S Committee's Chair, in consultation with the P&S Committee members, shall determine the schedule and frequency of the P&S Committee meetings, provided that the P&S Committee shall meet at least twice per calendar year. The P&S Committee may, at its discretion, include in its meetings members of the Company's management (normally the CEO), the Company's external or internal auditors, and any other person whose presence the P&S Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the CEO or any other member of Group Management may not be present during voting or deliberations concerning his or her remuneration or assessment. The P&S Committee reports to the full Board of the Company after each of its meetings and as otherwise requested by the Chair of the Board and makes available to the Board the minutes of its meetings.

With respect to remuneration and talent management matters, the P&S Committee is assigned to perform the following general tasks:

- Preparing the Board's decisions on principles for remuneration and other terms of employment for the CEO and for other members of Group Management, and on remuneration reporting, including such remuneration guidelines and remuneration reports as are required by applicable law (including the EU's Shareholder Rights Directive);
- Monitoring and evaluating programs for variable remuneration of Group Management – both ongoing programs and those that have ended during the year;
- Monitoring and evaluating the application of the remuneration guidelines that the AGM is legally obliged to establish as well as the current remuneration structures and levels in the Company; and
- Evaluating future talents for Group Management positions and monitoring succession planning.

With respect to sustainability matters, the P&S Committee is assigned to perform the following general tasks:

- Periodically reviewing the Group's sustainability ambitions and target setting including – without limitation – approving (or recommending to the full Board for approval) any sustainability related targets or changes to existing targets;
- Actively tracking progress toward the Group's previously established sustainability targets; and
- Otherwise monitoring the Group's overall sustainability efforts.

The above tasks are supported by the Group's Head of Sustainability, who normally reports to the P&S Committee (or the full Board) at least twice per year. The P&S Committee members appointed in April 2024 were Lars Pettersson (Chair), Tom Johnstone and Bertrand Neuschwander. For more information on remuneration to Group Management, see note 4.

In 2024, the P&S Committee held four meetings, which fulfils the charter criteria that it shall meet at least twice a year.

External auditors

At the 2024 AGM, in accordance with the proposal of the Nomination Committee, KPMG AB was elected as auditor for the period from the 2024 AGM up until the end of the 2025 AGM. The Auditor-in-Charge is Joakim Thilstedt. The external auditors attend the Company's Audit Committee meetings and meet with the full Board at least once per year without management being present.

In accordance with the resolutions passed at the 2024 AGM, the auditors' fee until the 2025 AGM shall be paid on the basis of approved invoices. For more information, see note 8.

Group Management structure

Husqvarna Group has three separate reporting divisions: the Husqvarna Forest & Garden Division, the Gardena Division and the Husqvarna Construction Division. The Company's Group Management comprises (a) the CEO, (b) the three divisional presidents, and (c) the heads of the four Group Functions, in each case as shown in the chart to the right.

Group Management, jointly, makes decisions on:

- The Group's strategic and business development;
- Allocation of responsibilities between the Group Functions and the respective divisions;
- Enhancing Group synergies;
- Internal financial and business follow-up;
- Group governance;
- Group staffing plans;

- Issue resolution;
- Budgets;
- External affairs;
- Board reporting;
- Progress on sustainability activities;
- Risk management and mitigation (see section "Risk Management" in this Annual Report); and
- Group policies and guidelines.

Group Management normally meets physically on a quarterly basis, and otherwise meets remotely via video conference in the other months when there is no physical meeting arranged.

Clear roles and responsibilities apply to each of the Group Functions as well as to the divisions as set forth in a Group Governance Policy. In general, the Group's governance structure is designed so that decisions are made as close to operations as possible. Clear guidance has been provided to identify the level on which different types of decisions should be made. Changes to the governance structure (including applicable roles and responsibilities) can only be made by the decision of Group Management or by the CEO (in consultation with the Board Chair).

Group Management is accountable for delivering the Company's sustainability targets (Sustainovate). A core team at Group level, led by the Group's Head of Sustainability (and reports to the Group CFO) coordinates the strategy, target, capabilities and reporting. During 2024, this core team met with the Audit Committee on two occasions, with the full Board on one occasion, and with the P&S Committee on two occasions, in each case to inform on risks, upcoming regulation and Sustainovate progress.

CEO

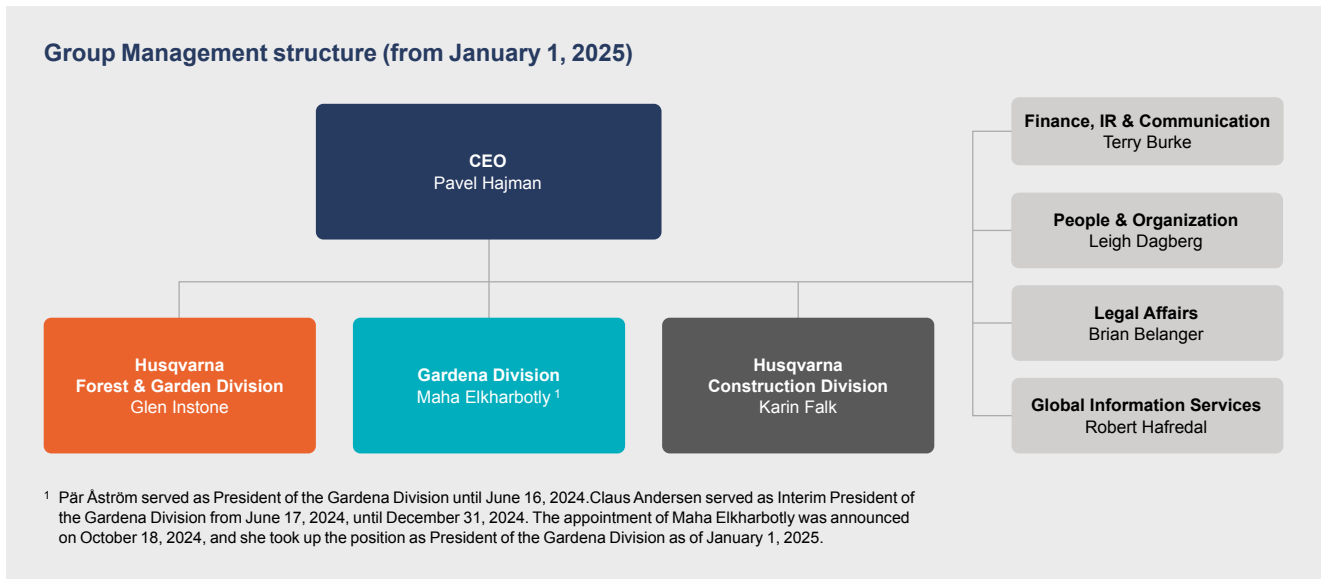
The CEO is appointed by the Board and is responsible for the ongoing management of the Company in accordance with the Board's guidelines and other instructions. This includes responsibility for financial (and non-financial) reporting, preparation of information for decisions and ensuring that commitments, agreements and other legal documents comply with applicable laws and the Group's Code of Conduct. The CEO also ensures compliance with the goals, policies and strategic plans approved by the Board and updates the Board on these when necessary. The CEO appoints (and where necessary dismisses) each member of Group Management, with input from the Board Chair.

Divisional Presidents

Each of the three divisions has its own President, who in turn reports to the CEO. Each divisional President is responsible for the operational income statement and balance sheet for its respective division. However, all decisions made by a division are subject to the Group's overall strategic goals and policies. For more information about Husqvarna Group's divisions, see the section "Divisions".

Group Function heads

Group Management includes the heads of the four Group Functions as described below. These functions are designed to support the divisions with forward-looking initiatives, to continue to leverage certain Group synergies where appropriate and otherwise to discharge the corporate governance, compliance and oversight functions required of a listed company.



1. Finance, IR & Communication. This function, which is headed by the Group's CFO, Terry Burke, has primary responsibility for the Group's financial and sustainability controlling and reporting. It also coordinates and collaborates with finance personnel working within the divisions. This function's organization consists of a number of sub-groups including: (a) Business Control; (b) Group Accounting; (c) Tax; (d) Treasury; (e) Internal Control; (f) Global Business Solutions; (g) Real Estate; and (h) Sustainability. It also includes the Group's Investor Relations and Corporate Communication functions. The Group Internal Audit function sits within the Finance, IR & Communication function from an organizational (Human Resources) point of view, but reports directly to the Audit Committee of the Board in terms of functional oversight.

2. People & Organization (HR). This function, which is headed by Leigh Dagberg, has primary responsibility for overseeing the Group's HR initiatives within total rewards, talent attraction and acquisition, talent management, learning and development and HRIS (people management systems and data). This function is also responsible for providing Group coordination and oversight regarding Employee Health and Safety (EHS). The People & Organization function coordinates on a dotted-line basis with HR personnel located within the divisions.

3. Legal Affairs. This function, which is headed by the Group's General Counsel, Brian Belanger, is responsible for all relevant legal support to the Group and the divisions. Within the divisions, much of the legal support is provided by three divisional General Counsels who sit on the respective division's management teams, but report directly to the Group's General Counsel. This function also includes the Group's: (a) Risk Management; (b) Intellectual Property (c) Compliance & Regulatory; (d) Product Compliance & Safety; and (e) Group M&A sub-groups. Together with Group Finance, IR & Communication, Legal Affairs also plays a leading role in maintaining appropriate Group governance structures and policies, as well as ensuring compliance with applicable stock exchange rules.

4. Global Information Services (IT). This function, which is headed by Robert Hafredal, is primarily responsible for overseeing and driving the Group's Digital & IT strategy, systems & infrastructure, information/cyber security and operational support. GIS provides Digital & IT services and solutions and supports and collaborates with departments and leaders across the entire Group in their digitalization journey. This function's organization is structured into three divisionally focused teams, Group Functions support, Digital Business Transformation, and governing groups focusing on Enterprise Architecture & Strategy, Infrastructure & security, Groupwide systems and PPMO.

External information

Husqvarna Group employs a series of procedures, controls and systems to ensure that the Group is able to provide the market with timely and accurate information to the extent required by applicable law and good corporate practice, including the disclosure requirements of the EU's Market Abuse Regulation (MAR) and the Nasdaq Nordic Main Market Rulebook for Issuers of Shares. The Board has delegated to the CEO – together with an internal Disclosure Committee comprising the Group's CFO, General Counsel and Head of People & Organization (HR) – the day-to-day responsibility for assessing whether insider information exists (within the meaning of MAR), and for ensuring that such information is promptly disclosed or, in exceptional circumstances, to delay such disclosure where necessary to protect the legitimate interests of the Company and otherwise permitted by applicable law.

Financial information is regularly issued in the form of:

- Interim reports, published as press releases;
- Annual reports;
- Press releases concerning news and important issues;
- Presentations and phone conferences for financial analysts, investors and media on the day of publication of the interim and year-end reports and in connection with the publication of other important information; and
- Presentations for financial analysts and investors in connection with capital market days and road shows, etc.

All reports, presentations and press releases are published on the Group's website at www.husqvarnagroup.com.

Internal Control over Financial and Sustainability Reporting

The purpose of this section of the Annual Report is to provide shareholders and other interested parties with an understanding of how internal control is organized at Husqvarna Group.

It is limited to internal control over financial and sustainability reporting.

The description of the Group's internal control activities is based on the COSO framework (The Committee of Sponsoring Organizations of the Treadway Commission). The COSO framework comprises five key components that jointly facilitate achieving the objective of reliable financial and sustainability reporting.

Control environment

According to the Swedish Companies Act, the Annual Accounts Act and the Swedish Code, the Board is ultimately responsible for establishing an effective internal control system, including that (a) the Company's approved policies for financial reporting and internal controls are applied, (b) the Company's financial reports are produced in accordance with applicable legislation, accounting standards and other requirements for listed companies, and (c) there is an appropriate system for follow-up and control of the Company's financial reporting. In 2024, internal control over sustainability reporting for the most material sustainability matters was also introduced. The Board of Husqvarna AB has established Rules of Procedure and clear instructions for its work, which also cover the responsibilities and activities of the Audit Committee. The responsibilities and activities of the Audit Committee are described on page 46.

Responsibility for maintaining an effective control environment as well as the ongoing work on risk management and internal control over financial and sustainability reporting is delegated to the CEO by the Board. This responsibility, in turn, is further

delegated to Group Management, which sets the tone for influencing control awareness across the Group. Responsibility and authority are defined in instructions to the CEO, and in various internal policies, instructions and guidelines.

Husqvarna Group has a dedicated Internal Control function. The objective of the Internal Control function is to provide support for Group Management and the management of the divisions, enabling them to continuously improve internal control over financial and sustainability reporting. The Audit Committee is regularly informed of the results of the work performed by the Internal Control function.

Risk assessment

Risks relating to financial and sustainability reporting are evaluated and monitored by the Board through the Audit Committee. An assessment of financial reporting risks is conducted annually. A methodology for assessment of risks of errors in sustainability reporting has been established. The purpose of the risk assessment is to identify risks that could result in a material misstatement in the financial and sustainability reporting and to direct internal control activities to proactively manage such risks.

Control activities

Control activities mitigate the risks identified and ensure accurate and reliable financial and sustainability reporting as well as process efficiency, and are an integrated part of the processes for accounting, financial and sustainability reporting. The prerequisite is to ensure that all entities adhere to the accounting principles that are stipulated in the Husqvarna Accounting Manual. For key financial processes, and for most material sustainability matters, the Group has established internal

control requirements for its reporting units. The Internal Control function is responsible for developing and maintaining the Husqvarna Internal Control Framework and for monitoring the Group's internal controls – with a primary focus on financial controls – to ensure they are maintained at the level required by law and good practice.

Communication

Governing documents such as policies, instructions, guidelines and manuals are crucial in building a solid internal control environment. These documents are intended to stipulate the vision and strategy of Husqvarna Group and emphasize the important procedures, activities, roles and responsibilities within the Group. One important governing document is the Group Code of Conduct, which highlights the importance of integrity and ethical values in all interactions with employees, business partners and other stakeholders. In addition, the Group's Governance Policy and the Internal Control Policy define the organizational structure, responsibilities and the overall internal control environment. Guidelines for financial and sustainability reporting and internal control requirements are communicated to employees through the Group-wide intranet. The governance documents related to financial reporting, such as the Husqvarna Accounting Manual, are subject to regular reviews and updates. Changes in accounting procedures are communicated and explained in newsletters from the Group's Accounting function and at regular meetings. In 2024, the Group introduced a Sustainability Reporting Manual, which delineates the requirements pertaining to sustainability reporting and the applicable accounting rules.






Monitoring activities

The Group Finance function is responsible for monitoring and follow-up on the reliability of the financial and sustainability reporting. Furthermore, Country Officers are appointed by Husqvarna Group in each country where the Group has at least one active subsidiary.

The duties of Country Officers include safeguarding reliable financial reporting, compliance with laws and regulations and adherence to Group policies. Group Management performs monthly reviews of the financial results for the Group and the divisions, as well as updated forecasts, strategic plans and ongoing business activities. Identified internal control deficiencies are communicated in a timely manner to the person responsible for taking corrective action and to the Board, if deemed material. Considerations made in the quarterly closings are reported to the Audit Committee before the financial reports are presented to the financial market.

On behalf of the Board, the Group Internal Audit function supports the development and improvement of internal control over financial and sustainability reporting and reports directly to the Audit Committee. An annual internal audit plan based on an independent risk assessment is approved by the Board after an initial review by the Audit Committee. Based on this audit plan, the Group Internal Audit function performs independent and objective audits to evaluate and improve the effectiveness of Husqvarna Group's governance, risk management and internal controls.

Board of Directors and auditors

					
Name	Tom Johnstone , CBE	Torbjörn Lööf	Pavel Hajman	Ingrid Bonde	Katarina Martinson
Function	Chair of the Board	Deputy Chair of the Board	Board member and CEO	Board member	Board member
Born	1955	1965	1965	1959	1981
CV	M. A., University of Glasgow, Scotland, Hon. Doc. in B.A., University of South Carolina, U.S. Hon. Doc. in Science, Cranfield University, UK. Member of the People & Sustainability Committee.	Technical Industry Program, Sweden and financial education at MCE Management Centre Europe, Brussels, Belgium.	M. Sc. in Industrial Engineering and Management, Linköping Institute of Technology, Sweden.	MBA, Stockholm School of Economics, Sweden. Chair of the Audit Committee.	M. Sc., Stockholm School of Economics, Sweden. Portfolio management for the Lundberg Family. Member of the Audit Committee.
Other major assignments	Board Chair of Collegial AB, Combient AB and Wärtsilä Corporation. Interim Board Chair of Northvolt AB. Board member of Investor AB.	Board Chair of Electrolux Group. Board member of Essity AB, Mercer International Inc and AB Blåkläder.	—	Board Chair of Apoteket AB. Vice Board Chair of Telia Company AB. Board member of Ersta Diakoni and Wall to Wall Group.	Board Chair of Indutrade AB. Board member of L E Lundbergföretagen AB, AB Industrivärden, Fastighets AB L E Lundberg, Förvaltnings AB Lunden, L E Lundberg Kapitalförvaltning AB and Fidelio AB.
Previous positions	President & CEO of AB SKF 2003–2014. Executive Vice President of AB SKF 1999–2003. President Automotive Division, AB SKF 1995–2003. Senior management positions within AB SKF since 1987.	Chief Executive Officer of Inter IKEA Holding (The Netherlands) 2016–2020. Chief Executive Officer of Inter IKEA Systems, the world-wide IKEA franchisor and owner of the IKEA concept and brand 2013–2016. Several leading positions at IKEA in Sweden and in Italy 1989–2013.	Acting CEO 2022-2023. Executive Vice President, Global Information Services 2020–2022, Senior Vice President, Group Operations Development 2018–2020. President, Husqvarna Division 2014–2018. Executive Vice President, Head of Asia/Pacific, Husqvarna Group 2014. President Assa Abloy AHG Greater China 2013–2014. Various positions in Seco Tools, President Asia/Pacific, Senior Vice President Group Business Development, Regional Director CEE, 1990–2013.	Chair of Klimatpolitiska Rådet (authority in charge of monitoring the Swedish politics for climate) 2018–2020. CFO and deputy CEO, Vattenfall AB 2012–2017. CEO and President AMF Pensionsförsäkring 2008–2012. Director General Finansinspektionen 2003–2008.	Analyst at Handelsbanken Capital Markets 2008, Vice President at Strategas Research Partners LLC, New York, US 2006–2008, investment research at ISI, International Strategy & Investment Group, New York, US 2005–2006.
Holdings in Husqvarna on December 31, 2024	990 A-shares 239,800 B-shares	33,000 B-shares	152,615 B-shares	6,000 B-shares	113,478 A-shares 378,737 B-shares
Nationality/Elected	UK, SE / 2006	SE / 2023	SE / 2024	SE / 2021	SE / 2012
Total fees 2024, SEK	2,455,000	950,000	—	1,025,000	905,000
Board meeting attendance	12/12	10/12	8/12	12/12	12/12
People & Sustainability Committee attendance	4/4	—	—	—	—
Audit Committee attendance	—	—	—	6/6	6/6
Independent of Husqvarna Group	Yes	Yes	No	Yes	Yes
Independent of major shareholders	No	Yes	Yes	Yes	No

Board of Directors and auditors, cont.



Name	Bertrand Neuschwander	Daniel Nodhäll	Lars Pettersson	Christine Robins
Function	Board member	Board member	Board member	Board member
Born	1962	1978	1954	1966
CV	Graduate engineer, Institut National Agronomique de Paris-Grignon, France, with an MBA from INSEAD. Member of the People & Sustainability Committee.	M. Sc., Stockholm School of Economics, Sweden. Managing Director, Head of Listed Companies at Investor AB. Member of the Audit Committee.	M. Sc. in Applied Physics, Material Sciences, Uppsala University, Sweden. Hon. Doc. at Uppsala University. Chair of the People & Sustainability Committee.	BBA in Marketing and Finance, University of Wisconsin, Madison, U.S. and an MBA from Marquette University, Milwaukee, U.S. CEO of Instant Pot Brands.
Other major assignments	Board member of Serge Ferrari Group SA. Chair CPE. Supervisory Committee of IKKS Invest SAS and Scope Holding SAS.	Board member of Electrolux Group and Electrolux Professional AB (publ).	Board member of AB Industrivärden, Indutrade AB and L E Lundbergföretagen AB.	
Previous positions	Chief Operating Officer, Groupe SEB, France 2014–2019, Senior Executive Vice President for Business Units Brands, Innovation & Strategy, Groupe SEB 2012–2014, Senior Executive Vice President for Business Units Brands & Innovation, Groupe SEB 2010–2012, CEO, Devanlay/Lacoste 2004–2009, Chair and Chief Executive Officer, Aubert Group 2001– 2004.	Analyst focused on the engineering sector at Investor AB since 2002.	President & CEO of AB Sandvik 2002–2011 and various positions within AB Sandvik 1978–2002.	Business Unit CEO at Newell Brands, U.S. 2020–2023. President & CEO of Char-Broil LLC, Columbus, U.S. 2014–2019. President & CEO of BodyMedia, Pittsburgh, U.S. 2009–2014. President & CEO of Philips Oral Healthcare, Seattle, U.S. 2005–2009. Marketing and Finance positions within S.C. Johnson company 1988– 2005.
Holdings in Husqvarna on December 31, 2024	7,500 B-shares	20,000 B-shares	5,000 B-shares	American Depositary Receipts (ADR) B 1,866
Nationality/Elected	FR / 2016	SE / 2013	SE / 2014	US / 2017
Total fees 2024, SEK	785,000	905,000	855,000	680,000
Board meeting attendance	12/12	11/12	11/12	12/12
People & Sustainability Committee attendance	4/4	—	4/4	—
Audit Committee attendance	—	6/6	—	—
Independent of Husqvarna Group	Yes	Yes	Yes	Yes
Independent of major shareholders	Yes	No	No	Yes

Union Appointed Board Members and Deputies



Name
Function

Anders Krantz
Employee representative

Born

1973

CV

Representative of the Federation of Salaried Employees in Industry and Services.
Holdings in Husqvarna: 60 A-shares.



Anders Köhler
Deputy employee representative

1973

Representative of the Federation of Salaried Employees in Industry and Services.
Holdings in Husqvarna: 30 A-shares, 1,050 B-shares.



Dan Byström
Employee representative

1971

Representative of the Swedish Confederation of Trade Unions.
Holdings in Husqvarna: 40 B-shares.



Fredrik Aguren
Deputy employee representative

1971

Representative of the Swedish Confederation of Trade Unions.
Holdings in Husqvarna: 55 B-shares.

Auditors

KPMG AB

Joakim Thilstedt, Authorized Public Accountant.









Born 1967.

Other audit assignments include:

Ahlsell, Concentric, Sveaskog and Telia Company.

Holdings in Husqvarna: 0 shares.

Group Management

								
Name Function	Pavel Hajman CEO	Brian Belanger General Counsel, Executive Vice President Legal Affairs and Husqvarna Board Secretary	Terry Burke CFO and Executive Vice President Finance, IR & Communication	Leigh Dagberg Executive Vice President, People & Organization	Karin Falk President, Husqvarna Construction Division and Executive Vice President Husqvarna Group	Robert Hafredal Executive Vice President Global Information Services and Group CIO	Glen Instone President, Husqvarna Forest & Garden Division and Executive Vice President Husqvarna Group	Maha Elkharbotly¹ President, Gardena Division and Executive Vice President Husqvarna Group
Born	1965	1969	1972	1970	1965	1978	1977	1975
CV	M. Sc. in Industrial Engineering and Management, Linköping Institute of Technology, Sweden. Employed 2014. Member of Group Management since 2014.	J.D./LLM, Duke University School of Law. Employed 2006. Member of Group Management since 2015.	Chartered Certified Accountant (FCCA). Employed 2010. Member of Group Management since 2022.	M. Sc. in Organizational Behaviour, University of London, UK. B.A. in History, University of California, Berkeley, US. Employed 2013. Member of Group Management since 2018.	B. Sc. Business Administration and Economics, School of Economics and Law, Gothenburg, Sweden. Employed 2020. Member of Group Management since 2020. Board Member of Wärtsilä Corporation.	Masters Degree in Economics, Marketing and Management Employed 2010. Member of Group Management since 2023.	B.A. (Hons) in Accounting & Finance, University of Teesside, UK. Chartered Institute of Management Accountants (ACMA). Employed 2002. Member of Group Management since 2018.	MBA in Marketing, University of Illinois, Champaign-Urbana, U.S. Employed and Member of Group Management since 2025. Advisory Board Member of &Mother. World Economic Forum, New Frontier of Nutrition Steering Committee.
Previous positions	Acting CEO 2022-2023. Executive Vice President, Global Information Services 2020–2022, Senior Vice President, Group Operations Development 2018–2020. President, Husqvarna Division 2014–2018. Executive Vice President, Head of Asia/Pacific, Husqvarna Group 2014. President Assa Abloy AHG Greater China 2013–2014. Various positions in Seco Tools, President Asia/Pacific, Senior Vice President Group Business Development, Regional Director CEE, 1990–2013.	Vice President Legal Affairs Husqvarna Asia/Pacific Region 2009–2012, with temporary additional assignments as Acting General Counsel Husqvarna Americas 2013 and acting Head of Asia/Pacific Sales Region 2014. Associate General Counsel, Husqvarna Americas, 2006–2009, Partner, Cohen & Grigsby, P.C. 2000–2006.	Various positions in Husqvarna Group: VP Finance Husqvarna Forest & Garden Division 2017–2022. VP Finance -Gardena Division 2014–2016. VP Finance Manufacturing/Supply Chain 2013–2014. Regional Business Controller 2010–2012.	Vice President and Head of People & Organization, Husqvarna Group 2018. Vice President Talent Management, Husqvarna Group 2013–2018. Manager, PwC Consulting 2012–2013. Partner and Consultant, MindShift 2002–2012. Head of Research & Consulting, Manager, Universum 1997–2000.	Senior Vice President, Volvo Trucks, Services & Customer Quality 2016–2020. Executive Vice President, Volvo Group, Corporate Strategy & Brand Portfolio 2012–2016. President, Volvo Group, Non-Automotive Purchasing 2008–2012. Vice President, Volvo Car Customer Service 2006–2008. President, Volvo Car Special Vehicles 2001–2006. Various positions within Volvo Group & Volvo Cars 1988–2001.	Acting CIO 2023, Vice President IT Services and Solutions within Husqvarna Forest & Garden 2020–2023, Vice President Digital Commerce 2018–2020, Vice President Group Supply Chain Management 2016–2018. Various positions in A.P. Møller Maersk 2004–2010.	Various positions in Husqvarna Group; CFO and Senior Vice President Finance, IR & Communication 2018–2022. Vice President Global Sales & Services, Husqvarna Division 2016–2018, VP & CFO Husqvarna Division 2014–2017, VP & CFO EMEA, 2013–2014, VP & CFO Manufacturing, Logistics and Sourcing 2011–2013, VP & CFO Global Supply Chain 2009–2011.	Various positions in DSM-Firmenich 2018–2024. Senior Vice President & President i-Health 2020–2024. Chief Marketing Officer 2018–2020. Various positions in Lixil Water Technology 2008–2018. Chief Marketing Officer Americas 2015–2018. UK Managing Director 2011–2015. Various positions in Whirlpool 2002–2007.
Holdings in Husqvarna on December 31, 2024	152,615 B-shares	84,684 B-shares	41,431 B-shares	34,952 B-shares	32,567 B-shares	12,635 B-shares	93,537 B-shares	0 Shares

¹ Pär Åström served as President of the Gardena Division until June 16, 2024. Claus Andersen served as Interim President of the Gardena Division from June 17, 2024 until December 31, 2024. The appointment of Maha Elkharbotly was announced on October 18, 2024 and she took up the position as President of the Gardena Division as of January 1, 2025.

Consolidated income statement

SEKm	Note	2024	2023
Net sales	3	48,352	53,261
Cost of goods sold	5, 6	–34,053	–37,136
Gross income		14,299	16,125
Selling expenses	5	–8,587	–9,034
Administrative expenses	5	–3,275	–3,211
Other operating income	5, 7	164	29
Other operating expenses	5, 7	–4	–29
Operating income	3, 4, 8	2,597	3,880
Financial income	9	86	75
Financial expenses	9	–950	–1,077
Financial items, net		–863	–1,002
Income after financial items		1,733	2,878
Income tax	10	–408	–702
Net income for the period		1,326	2,177
Net income for the period attributable to:			
Equity holders of the Parent Company		1,325	2,177
Non-controlling interests		1	–1
Net income for the period		1,326	2,177
Earnings per share:			
Before dilution, SEK	11	2.32	3.81
After dilution, SEK	11	2.31	3.81
Average number of shares outstanding:			
Before dilution, millions	11	571.7	570.9
After dilution, millions	11	572.5	571.6

Consolidated Comprehensive Income Statement

SEKm	Note	2024	2023
Net income for the period		1,326	2,177
Other comprehensive income			
<i>Items that will not be reclassified to the income statement:</i>			
Remeasurements on defined benefit pension plans, net of tax		189	–426
Total items that will not be reclassified to the income statement, net of tax		189	–426
<i>Items that may be reclassified to the income statement:</i>			
Exchange rate differences on translating foreign operations			
Currency translation differences	19	2,214	–839
Net investment hedge, net of tax	19	–1,067	403
Cash flow hedges			
Result arising during the period, net of tax	19	27	129
Reclassification adjustments to the income statement, net of tax	19	–143	109
Total items that may be reclassified to the income statement, net of tax		1,030	–197
Other comprehensive income, net of tax		1,220	–622
Total comprehensive income		2,545	1,554
Total comprehensive income attributable to:			
Equity holders of the Parent Company		2,544	1,555
Non-controlling interests		1	–1
Total comprehensive income		2,545	1,554

Consolidated Balance Sheet

SEKm	Note	31 Dec 2024	31 Dec 2023
Assets			
<i>Non-current assets</i>			
Property, plant and equipment	12	7,221	7,205
Right of use assets	13	1,975	2,068
Goodwill	14	10,521	9,920
Other intangible assets	14	8,911	8,400
Investments in associated companies	15	34	14
Derivatives	26	23	0
Other non-current assets	16	840	843
Deferred tax assets	10	2,418	2,143
Total non-current assets		31,942	30,592
<i>Current assets</i>			
Inventories	17	13,828	17,184
Assets held for sale	29	1,410	—
Trade receivables	20	5,552	5,289
Derivatives	26	386	1,604
Current tax receivables		437	242
Other current assets	18	1,279	1,171
Cash and cash equivalents	20	1,970	1,527
Total current assets		24,861	27,018
Total assets		56,803	57,610

SEKm	Note	31 Dec 2024	31 Dec 2023
Equity and liabilities			
<i>Equity attributable to equity holders of the Parent Company</i>			
Share capital	19	1,153	1,153
Other paid-in capital	19	2,605	2,605
Other reserves	19	2,882	1,851
Retained earnings	19	17,979	18,161
Total equity attributable to equity holders of the Parent Company		24,619	23,770
Non-controlling interests	19	3	2
Total equity		24,622	23,772
<i>Non-current liabilities</i>			
Borrowings	26	10,316	8,556
Lease liabilities	26	1,315	1,436
Derivatives	26	34	—
Deferred tax liabilities	10	2,349	2,334
Provisions for pensions and other post-employment benefits	21	2,056	2,209
Other provisions	22	679	620
Total non-current liabilities		16,750	15,155
<i>Current liabilities</i>			
Trade payables	20	5,896	5,487
Current tax liabilities		371	662
Other liabilities	23	4,038	3,866
Borrowings	26	2,203	6,031
Lease liabilities	26	687	648
Derivatives	26	873	575
Other provisions	22	1,224	1,415
Liabilities attributable to assets held for sale	29	140	—
Total current liabilities		15,432	18,683
Total equity and liabilities		56,803	57,610

Consolidated Cash Flow Statement

SEKm	Note	2024	2023
Cash flow from operations			
Operating income		2,597	3,880
Non cash items			
Depreciation/amortization and impairment	5, 12, 13, 14	2,908	3,105
Other non cash items		446	481
Cash items			
Paid restructuring costs		–591	–565
Net financial items, received/paid		–745	–862
Taxes paid		–1,017	–493
Cash flow from operations, excluding change in operating assets and liabilities		3,597	5,546
Change in operating assets and liabilities			
Change in inventories		3,150	1,918
Change in trade receivables		–120	917
Change in trade payables		222	–1,579
Change in other operating assets/liabilities		–13	264
Cash flow from operating assets and liabilities		3,239	1,521
Cash flow from operations		6,836	7,067
Investments			
Acquisitions subsidiaries/operations	27	–40	–9
Sale of property, plant and equipment		147	5
Investments in property, plant and equipment and intangible assets	12, 14	–2,603	–2,627
Investments and divestments of financial assets		32	–22
Cash flow from investments		–2,465	–2,652
Cash flow from operations and investments		4,372	4,414
Financing			
Proceeds from borrowings	26	5 735	5 585
Repayment of borrowings	26	–7 882	–7 650
Repayment of lease liabilities	26	–748	–744
Net investment hedge	26	574	–157
Change in other interest-bearing net debt excluding liquid funds	26	52	–478
Dividend paid to shareholders		–1,715	–1,714
Dividend paid to non-controlling interests		–0	–2
Cash flow from financing		–3,984	–5,161
Total cash flow		388	–746
Cash and cash equivalents at the beginning of the year		1,527	2,328
Exchange rate differences referring to cash and cash equivalents		55	–55
Cash and cash equivalents at year-end		1,970	1,527

Consolidated Statement of Changes in Equity

SEKm	Attributable to equity holders of the Parent Company					Non-controlling interests (Note 19)	Total equity
	Share capital (Note 19)	Other paid-in capital (Note 19)	Other reserves (Note 19)	Retained earnings (Note 19)	Total		
Opening balance January 1, 2023	1,153	2,605	2,048	18,196	24,002	10	24,011
Net income for the period				2,177	2,177	–1	2,177
Other comprehensive income			–197	–426	–622	—	–622
Total comprehensive income			–197	1,752	1,555	–1	1,554
Transactions with owners							
Share-based payment				–79	–79	—	–79
Shareholder contribution from non-controlling interest						1	1
Acquisition of non-controlling interest				5	5	–5	0
Dividend to non-controlling interests						–2	–2
Dividend SEK 3.00 per share				–1,714	–1,714		–1,714
Closing balance December 31, 2023	1,153	2,605	1,851	18,161	23,770	2	23,772
Net income for the period				1,325	1,325	1	1,326
Other comprehensive income			1,030	189	1,220	—	1,220
Total comprehensive income			1,030	1,514	2,544	1	2,545
Transactions with owners							
Share-based payment				19	19	—	19
Dividend to non-controlling interests						0	0
Dividend SEK 3.00 per share				–1,715	–1,715		–1,715
Closing balance December 31, 2024	1,153	2,605	2,882	17,979	24,619	3	24,622

Note 1 Accounting principles

BASIS OF PREPARATION

Husqvarna AB (publ), Swedish Corporate ID No. 556000-5331, is a limited liability company registered in Sweden. The Company's registered office is in Jönköping at the visiting address Drottninggatan 2, SE-561 31 Huskvarna, Sweden. The Husqvarna AB (publ) share is listed on NASDAQ Stockholm's Large Cap list. The head office visiting address is Regeringsgatan 28, SE-111 53 Stockholm.

The consolidated financial statements of Husqvarna AB (publ.) have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union. Entities within Husqvarna Group apply the same accounting principles. The principles set out below have been consistently applied to all years presented, unless otherwise stated. In addition, the Swedish Annual Accounts Act and RFR 1, Supplementary Rules for Groups, have been applied. The consolidated financial statements have been prepared under the historical cost convention except for financial assets and liabilities carried at fair value through profit or loss (derivative instruments) and financial assets at fair value through 'Other comprehensive income' (trade receivables not sold but part of factoring programmes).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 2.

The annual report for the Group and for Husqvarna AB (publ.), including financial statements, was approved for issuance on March 24, 2025. The balance sheets and income statements are subject to approval by the Annual General Meeting of the shareholders on April 29, 2025.

CHANGES IN ACCOUNTING PRINCIPLES AND DISCLOSURES

There are no new or amended standards adopted by Husqvarna Group from January 1, 2024 that have had a material impact on the Group.

There are no IFRS or IFRIC interpretations that are not yet effective and are expected to have a material impact on the Group.

ACCOUNTING AND VALUATION PRINCIPLES

Principles applied for consolidation

Subsidiaries

The financial statements include Husqvarna AB (publ.) and all companies (subsidiaries) which the Parent Company controls.

Husqvarna Group applies the acquisition method to account for business combinations. The purchase price is valued at fair value on the acquisition date, as are the acquired subsidiary's assets and liabilities. The purchase price includes an assessment of the fair value of any conditional additional purchase price per acquisition date. All subsequent changes to the conditional purchase price are recognized in the income statement. Transaction costs related to the business combination are expensed when incurred. If the purchase price exceeds the fair value of identifiable acquired assets and liabilities, the excess amount is recognized as goodwill. Goodwill is allocated to the cash generating units expected to benefit from the acquisition.

Foreign currency translations

The financial statements are presented in Swedish kronor, SEK, which is the Parent Company's functional currency and the presentation currency of Husqvarna Group.

Property, plant and equipment

Depreciation is made on a straight-line basis over the following estimated useful lives:

Buildings and land improvements	10–50 years
Machinery and technical installations	3–15 years
Other equipment	3–10 years

Husqvarna Group applies component depreciation, which means that larger tangible assets are broken down into component parts with different useful lives and thus different depreciation periods.

Intangible assets

Brands

Brands that have been acquired separately are shown at historical cost. Brands that have been acquired through business combination are recognized at fair value at the acquisition date. All brands with finite useful lives are amortized on a straight-line basis during the useful life, estimated at 10 years. The acquired trade names within the Gardena Division are deemed to have indefinite useful life.

Product development

Capitalized development costs are amortized over their useful lives, ranging between 3 and 5 years.

Customer relationships

The values of these customer relationships are amortized over their useful lives of 5–12 years.

Other intangible assets

Computer software has an estimated useful life of 3–6 years and patents and licenses have a useful life of 10–13 years.

Impairment of non-financial assets

Assets that have an indefinite useful life (goodwill and the brands within the Gardena Division) or intangible assets not ready for use are not subject to amortization but are tested for impairment annually – or more often if there is an indication of impairment. If there is an indication of impairment the Group estimates the recoverable amount of the asset. An impairment loss is recognized by the amount by which the net book value of an asset exceeds its recoverable amount. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units that is expected to benefit from the synergies of the combination, which for Husqvarna Group equals the Business segments, see note 3. See also note 2 and note 14 regarding impairment testing of intangible assets with an indefinite useful life.

Financial assets

Classification and subsequent measurement

Husqvarna Group classifies its financial assets in the following measurement categories:

- Amortized cost. Assets reported at amortized cost consist of other non-current assets, other current assets, trade receivables and cash and bank.
- Fair value via the income statement. Shareholdings.
- Fair value via other comprehensive income. Trade receivables that are sold within the framework of factoring are included in this category. For these, interest income, exchange rate differences and write-downs are reported in the income statement, while other changes in fair value are reported in other comprehensive income. When the financial asset is removed from the balance sheet, the accumulated profit or loss, previously reported in other comprehensive income, is transferred to the income statement.

Impairment and expected credit losses

For trade receivables, the Group applies the simplified approach in IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables. Expected credit losses are estimated by grouping trade receivables based on shared credit-risk characteristics in terms of days past due.

Financial liabilities

Classification and subsequent measurement

All of the Group's financial liabilities (excluding derivatives, which are addressed in a separate section) are classified as subsequently measured at amortized cost. Liabilities measured at amortized cost include borrowings, financial lease liabilities, trade payables and other liabilities.

Accounting of derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Husqvarna Group designates certain derivatives as either hedges of highly probable forecast transactions (cash flow hedges) or hedges of net investments in a foreign operation (net investment hedges).

Cash flow hedge

The effective portion of change in the fair value of derivatives that are designated and qualify as cash-flow hedges is recognized in 'Other comprehensive income'. The gain or loss relating to the ineffective portion is recognized immediately in the income statement as operating income.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item will affect profit or loss (for instance when the forecast sale which is hedged takes place). However, when the

forecast transaction that is hedged results in the recognition of a non-financial item (for example, inventory), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the value of the asset or liability. The deferred amounts are ultimately recognized in cost of goods sold in the case of inventory.

The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in 'Other comprehensive income'. The gain or loss relating to the ineffective portion is recognized in the income statement within financial items.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Net investment hedge

Hedges of net investments in foreign operations are accounted for in the same way as cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in 'Other comprehensive income'. The gain or loss relating to the ineffective portion is recognized in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold.

Inventories

Inventories and work in progress are valued at the lower of cost and net realizable value. The value of inventories is determined by applying the first-in, first-out (FIFO) or the weighted average cost principle. Net realizable value is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to execute the sale at market value. Gains and losses previously deferred in equity on hedged forecast transactions are also included in the initial measurement cost of the inventory. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs and other related production overheads.

Pensions and other post-employment benefits

Pension obligations

Pensions and other post-employment benefit plans are classified as either defined contribution plans or defined benefit plans.

Under a defined contribution plan, the Group pays fixed contributions into a separate entity and will have no legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. Contributions are expensed when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

All other pensions and other post employment benefit plans are defined benefit plans. Defined-benefit plans define an amount of pension benefit that an employee will receive on retirement, depending on factors such

as age, years of service and compensation. The liability recognized in the balance sheet in respect of defined-benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the 'projected unit credit' method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds denominated in the currency in which the benefits will be paid. In most countries these are AA-rated corporate bond indexes matching the duration of the pension obligation, and in Sweden mortgage bonds. In countries without a deep market in such bonds, the market rate on government bonds is used.

Past-service costs are recognized immediately in the operating income. Interest on the Group's net pension plans is reported net within the Group's finance items, and is calculated by applying the discount rate as when calculating the net defined liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in 'Other comprehensive income' in the period in which they arise.

Revenue recognition

Husqvarna Group generates revenue mainly from sales of finished products including spare parts and accessories, but also from services and license agreements.

Sale of finished products including spare parts and accessories
Husqvarna Group manufactures and sells finished products, spare parts and accessories mainly to dealers and retailers but also directly to consumers. In customer contracts accompanying the sale of finished products there are generally two performance obligations: products and shipping services. Revenue recognition will occur at a point in time when control of the asset is transferred to the customer, which depends mainly on the terms of delivery (incoterms) used. Husqvarna Group is the principal for both the sale of the goods and the shipping service, hence the 'gross' amount paid by the customer for the shipping service is recognized as revenue and the corresponding expense is recognized in cost of goods sold.

The products are sometimes sold with volume-related discounts based on the aggregated sales over a specific time period, normally 1 year. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts using either the expected-value method or an assessment of the most likely amount. Revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognized for any expected volume discount payable to customers in relation to sales made up to the end of the reporting period. The estimated volume discount is revised at each reporting date.

A right of return is sometimes granted in the retail and consumer industry. A right of return can follow from legislation, statutory requirements or business practice, or be stated in the contract with the customer. Revenue is not recognized for goods expected to be returned – instead, a refund lia-

bility (included in 'Other current liabilities') and a right to the returned goods (included in 'Other current assets') are recognized for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale (the 'Expected value' method). The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognized as a provision.

Services

Husqvarna Group provide services such as product repairs and service/maintenance. Revenues from product repairs are recognized when the service is performed. Revenues from service/maintenance agreements are recognized on a linear basis over the contract period, unless there is evidence that some other method better measures progress towards satisfying the performance obligation.

Husqvarna Group sells some extended warranties that are separately priced. The revenue is recognized during the warranty period, which usually starts after the standard warranty period. The revenue is recognized on a linear basis over the contract period, unless there is evidence that some other method better measures progress toward satisfying the performance obligation. Warranty during the extended warranty terms is recognized as a provision.

License agreements

Husqvarna Group licenses intellectual property such as brand names to other companies. The license provides the licensee with a right to access intellectual property throughout the license period. The most common license types for Husqvarna Group are sales- or usage-based royalties where the revenue is recognized when the underlying sales or usage occur.

Leasing

Husqvarna Group mainly leases assets within the categories "Land and buildings" (warehouses, office space and factories), "Forklifts and machinery", and "Cars and other vehicles".

The lease payments are discounted using the incremental borrowing rate if the interest rate implicit in the lease contracts cannot be readily determined. The incremental borrowing rate is calculated per country and for different durations.

Payments associated with short-term leases and leases of low value are recognized on a straight-line basis as an expense in the income statement.

EXEMPTION FROM PUBLICATION OF FINANCIAL STATEMENTS – GERMANY

In accordance with Sec. 264 (3) HGB or Sec. 264b HGB, the following fully consolidated German subsidiaries are exempted from the duty to publish their financial statements:

Husqvarna Real Estate Germany GmbH, Husqvarna Commercial Solutions Germany GmbH, Heger GmbH, Husqvarna GmbH, Diamant Boart Deutschland GmbH, Husqvarna Logistics GmbH, Husqvarna Deutschland GmbH, Husqvarna Store GmbH, Gardena GmbH, Gardena Manufacturing GmbH, Gardena Deutschland GmbH.

Note 2 Important accounting estimates and assessments

In order to prepare these financial statements, management needs to make estimates and assessments and therefore use certain assumptions concerning the future. Management makes estimates and assessments based on past experience and assumptions that are considered to be reasonable and realistic under prevailing circumstances. The use of such estimates and assessments affects both the income statement and the balance sheet and the disclosures presented. Actual results may differ from these estimates under different assumptions or circumstances. The accounting principles that require subjective judgements from management when making assumptions or estimates about effects of matters that are inherently uncertain are summarized below.

Impairment test of intangible assets with indefinite useful life

Intangible assets that have an indefinite useful life (goodwill and the brands within the Gardena Division) are tested annually for impairment, or more frequently if there is an indication of impairment. When testing for impairment, the Group estimates the recoverable amount of the asset. An impairment loss is recognized with the amount by which the net book value of an asset exceeds its recoverable amount. The recoverable amount of a cash generating unit is determined on the basis of the value in use estimated by using the discounted cash flow method based on expected future results. Important assumptions for forecasting are expected growth, margin and discount rates. For further information refer to note 14.

Inventory

Husqvarna Group's inventory is accounted for at the lower of the acquisition value in accordance with first-in, first-out (FIFO) or weighted average cost formula, and the net realizable value. The net realizable value is adjusted for the estimated write-down for older articles, physically damaged goods, excess inventory and selling expenses. The Group's large seasonality in stockpiling and sales together with weather-dependent products increases the difficulty of estimating the value of inventory. To minimize these difficulties, Husqvarna Group is constantly working to streamline the production chain, keep inventory levels at a reasonably low level, and focus on the inventory valuation to ensure that it is accurate in accordance with the circumstances at the closing date. For further information refer to note 17.

Provisions for pensions and other post-employment benefits

The present value of the Group's net pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Assumptions used to calculate the net pension liability include discount rate, inflation, mortality, future salary increases etc. Any changes in these assumptions will impact the carrying amount of the net pension liability. A sensitivity analysis of the effect of a change in the main assumptions, and potential risks affecting the liabilities, is included in note 21.

Note 3 Segment information

Husqvarna Group has a brand-driven organization and structure with three separate reporting divisions. The Husqvarna Forest & Garden Division offers products and solutions for professional users in forestry, tree care, landscaping and other commercial lawn and garden services as well as for premium consumer segments. The Gardena Division is the global number one in residential watering and 'smart garden' and a leader in high-quality hand tools, robotics and electric garden tools. The Husqvarna Construction Division is a global leader in machinery for the construction industry and in diamond tools for the construction and natural-stone-processing industries. The divisions form the basis for the Group's internal reporting reviewed by the CEO (the Group's chief operating decision maker) in order to assess performance and make decisions on resource allocation.

The divisions are responsible for their operating income (excluding items affecting comparability), direct operating cashflow and net assets, which are the financial measures used when the CEO evaluates the performance of the segments. Net financial income/expense, tax, net debt and equity are unallocated and not reported by division.

The divisions consist of both separate legal companies and companies divided between divisions. For companies that are part of more than one division, costs and net assets are allocated between the divisions concerned. Operating costs not included in the divisional figures are shown under 'Group common' costs, which mainly include costs for corporate functions. No sales of finished products are made between the divisions.

The segment reporting is based on the same accounting principles as for the Group. The divisions are responsible for the management of operational assets and their performance is measured at this level. Group Treasury is responsible for financing at Group and country level. Consequently, liquid funds, interest-bearing receivables and liabilities, equity and tax items are not allocated to the divisions.

All divisions include production, development, logistics, marketing and sales. The Husqvarna Forest & Garden Division and Gardena Division are divided into six product categories: wheeled, robotics, handheld, watering, digital solutions and accessories. 'Group common' income includes royalty income from licensing of intellectual property such as brands to customers.

Note 3 – Segment information, cont.

	Husqvarna Forest & Garden Division		Gardena Division		Husqvarna Construction Division		Group common		Group	
SEKm	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales ¹	28,152	31,759	12,281	12,964	7,766	8,398	154	139	48,352	53,261
Reported growth	–11.4%	–1.0%	–5.3%	–4.7%	–7.5%	2.0%	—	—	–9.2%	–1.4%
Organic growth	–7.6%	–3.9%	–5.1%	–9.9%	–7.0%	–3.1%	—	—	–6,8%	–5.3%
Operating income	2,065	2,706	742	950	318	755	–528	–531	2,597	3,880
Operating margin, %	7.3%	8.5%	6.0%	7.3%	4.1%	9.0%	—	—	5.4%	7.3%
Financial items, net	—	—	—	—	—	—	—	—	–863	–1,002
Income tax	—	—	—	—	—	—	—	—	–408	–701
Net income for the period	—	—	—	—	—	—	—	—	1,326	2,177
Items affecting comparability ²	–142	–530	–81	–186	–331	–247	–44	–127	–598	–1,090
Operating income excl. items affecting comparability	2,208	3,236	823	1,136	649	1,002	–484	–404	3,195	4,970
Operating margin excl. items affecting comparability, %	7.8%	10.2%	6.7%	8.8%	8.4%	11.9%	—	—	6.6%	9.3%
Depreciation, amortization and impairments	–1,638	–1,597	–806	–789	–550	–516	–67	–39	–3,060	–2,941
EBITDA ³ excl. items affecting comparability	3,846	4,833	1,629	1,925	1,199	1,518	–418	–365	6,255	7,911
Change in inventories	1,971	476	620	1,433	559	9	—	—	3,150	1,918
Change in trade receivables	–210	740	80	39	4	191	6	–53	–120	917
Change in trade payables	298	–1,302	–11	–170	–66	–110	1	2	222	–1,579
Investments	–1,314	–1,427	–592	–623	–292	–326	–405	–250	–2,603	–2,627
Direct operating cash flow ³	4,590	3,321	1,727	2,604	1,403	1,282	–816	–666	6,905	6,541
Inventories	8,755	10,355	3,833	4,242	2,149	2,588	—	—	14,737	17,184
Trade receivables	3,511	3,242	931	955	1,062	1,039	47	53	5,552	5,289
Trade payables	–3,629	–3,241	–1,460	–1,399	–801	–842	–6	–5	–5,896	–5,487
Operating working capital ³	8,637	10,356	3,304	3,798	2,411	2,785	41	48	14,393	16,986
Operating working capital / net sales ³ , %	39.4%	37.3%	32.9%	35.7%	38.2%	36.9%	—	—	37.5%	36.9%
Net assets	16,958	18,078	14,917	14,823	6,893	7,107	324	–597	39,092	39,412
Whereof assets	23,541	24,433	18,273	17,763	8,717	8,722	3,257	2,878	53,789	53,795
Whereof liabilities	–6,583	–6,354	–3,356	–2,940	–1,824	–1,614	–2,934	–3,475	–14,696	–14,383
Net debt	—	—	—	—	—	—	—	—	14,471	15,640
Equity	—	—	—	—	—	—	—	—	24,622	23,772

¹ The majority of net sales are recognized at a point in time.

² Regarding items affecting comparability, refer to “Financial Definitions”.

³ Alternative Performance Measure, refer to “Financial Definitions”.

Geographic information

The table below shows sales per geographical market, regardless of where the goods are produced. Assets are reported where the asset is located.

	External sales		Non-current assets ¹	
SEKm	2024	2023	2024	2023
Germany	7,294	7,621	9,103	8,806
France	3,061	3,549	197	140
Sweden	2,126	2,032	7,084	6,228
United Kingdom	1,615	1,522	642	571
Austria	1,572	1,752	85	42
Rest of Europe	11,374	12,049	1,752	1,673
Asia/Pacific	4,475	4,888	1,165	1,206
Canada	1,481	1,749	209	211
US	12,751	15,520	8,182	8,616
Latin America	2,288	2,225	205	92
Rest of the World	313	354	4	9
Total	48,352	53,261	28,627	27,593

¹ Non-current assets include property, plant and equipment, goodwill, other intangible assets and right-of-use assets.

Information on major customers

Husqvarna Group has no individual customer that accounts for 10% or more of the Group's total net sales.

Net sales per product category

SEKm	2024	2023
Forest, park and garden products	40,432	44,723
Construction products	7,766	8,398
Other	154	139
Total	48,352	53,261

Note 4 Employees and employee benefits

Average number of employees (full-time equivalents)						
	2024			2023		
	Men	Women	Total	Men	Women	Total
Sweden	1,960	715	2,674	1,915	692	2,607
Germany	1,401	708	2,109	1,441	764	2,205
Czech Republic	446	485	931	500	537	1,037
UK	313	127	440	312	117	430
Poland	570	319	889	460	254	714
Rest of Europe	1,080	438	1,518	1,170	427	1,597
Total Europe	5,770	2,792	8,561	5,798	2,791	8,590
China	547	318	865	629	265	894
Japan	175	28	203	209	33	242
Rest of Asia/Pacific	330	107	437	333	117	450
Total Asia/Pacific	1,052	453	1,504	1,171	415	1,586
US	1,831	839	2,670	2,048	938	2,986
Canada	85	46	131	86	45	131
Total North America	1,917	885	2,801	2,134	983	3,117
Brazil	217	108	325	208	84	292
Rest of Latin America	62	31	93	68	33	101
Total Latin America	278	140	418	276	117	393
Other markets	41	27	68	42	27	69
Total	9,057	4,296	13,353	9,421	4,333	13,755
Gender distribution, %						
Board members	80	20		82	18	
Presidents and other senior managers	86	14		87	13	

Salary and remuneration

SEKm	2024	2023
Salary expenses	7,902	7,990
Social expenses	1,602	1,619
Pension expenses – defined-benefit obligations	173	129
Pension expenses – defined-contribution plans	266	266
Total	9,943	10,004
Whereof remuneration to Board, Presidents and other senior managers ¹		
Salary expenses	147	151
(whereof variable salary expenses)	33	46
Social expenses	35	41
Pension expenses	23	22

¹ Refers to salary costs for all board members, presidents and other senior executives in the Parent Company and subsidiaries.

SEKt	2024					
	Fixed salary ¹	Variable salary	Pension contributions	Cost of long term incentive programs ²	Other benefits ³	Severance pay etc.
CEO	11,095	2,352	4,366	1,822	16	—
Other members of Group Management ⁴	29,748	6,774	7,089	1,624	641	—
Total	40,843	9,126	11,455	3,446	657	—

¹ Including holiday pay.

² The cost is calculated based on the principal in IFRS 2 and allocated over the vesting period. The cost is related to LTI 2022, LTI 2023 and LTI 2024.

³ Refers to insurance.

⁴ Other members of Group Management comprise of seven individuals at year-end.

SEKt	2023					
	Fixed salary ¹	Variable salary	Pension contributions	Cost of long term incentive programs ²	Other benefits ³	Severance pay etc.
CEO	9,795	2,641	3,772	–443	16	—
Previous CEO	811	—	3,600	712	—	11,000
Other members of Group Management ⁴	33,413	8,531	5,358	–3,259	1,227	—
Total	44,019	11,172	12,730	–2,989	1,243	11,000

¹ Including holiday pay.

² The cost is calculated based on the principal in IFRS 2 and allocated over the vesting period. The cost is related to LTI 2021, LTI 2022 and LTI 2023. The forecasts for value creation have been adjusted downward in 2023, which is why the year contains reversals of previously made provisions.

³ Refers to housing, travel, car and insurance benefits.

⁴ Other members of Group Management comprise of seven individuals at year-end. One individual has joined Group Management during the year and one has left. The new individual is fully included in the LTI costs disclosed above.

Remuneration to Group Management

For the CEO and other members of Group Management, the guidelines for remuneration approved by the 2021 AGM apply. The guidelines apply to contracts of employment entered into after the AGM and also to amendments made thereafter to contracts of employment that are in force. Remuneration to Group Management is determined by the Board of Directors based on proposals from the Board of Directors' People & Sustainability Committee. Under special circumstances, the Board of Directors may deviate from these guidelines. In the case of such deviation, the next AGM shall be informed of the reasons.

Husqvarna Group aims to offer competitive and performance-based remuneration. The overall principles for remuneration to Group Management should be based on the position held, on individual and Group performance, and should be competitive in the country of employment. The overall remuneration package for Group Management comprises fixed salary, variable salary based on annual performance targets, long-term incentives and benefits such as pension and insurance benefits. Variable remuneration may constitute a significant proportion of total remuneration, but could also be zero if the minimum level is not achieved, or capped if the maximum level is attained. Variable salary to the CEO and Group Management is based on targets for the Group's and/or the respective divisions' operating income, cash flow, cash conversion cycle and individual key performance indicators (KPI's). The remuneration is reviewed annually by January 1.

For CEO and 6 out of 7 other members of Group Management the notice period from the company's side is 12 months and from the employee's side 6 months. In one case local rules in Spain apply when it comes to notice period from the company and 6 months from the employee's side. In the event of notice by the company the CEO has the right to receive 6 months' severance payment with deduc-

tion if receiving other income. 5 other members of Group Management have the right to receive severance payment corresponding to 12 month's base salary with deduction if receiving other income. 2 of the other members have no right to receive severance payment. Members of Group Management shall be obliged not to compete with the Company during the notice period. Based on the circumstances in each case, a non-competition obligation with continued payment may also be applied during a maximum of 24 months from the end of the notice period.

Terms of employment for the CEO

The remuneration to the CEO comprises fixed salary, variable salary based on annual targets, long-term incentive programs, and pension and insurance benefits. The annual fixed salary to the CEO amounts to SEK 950,000 per month, effective January 1, 2024. The variable salary amounts to a maximum of 100 percent of the fixed salary (50 percent at Target level). The CEO participates in the Group's long-term incentive programs for 2022, 2023 and 2024 (LTI 2022, LTI 2023 and LTI 2024). For information on these programs, see "Long-term incentive programs (LTI)" below.

Pension terms for the CEO

The retirement age for the CEO is 65. The CEO is covered by the collectively agreed ITP plan, the alternative rule of the plan, and the Husqvarna Executive Pension Plan. The Husqvarna Executive Pension Plan is a defined-contribution plan. The employer contribution to the plan is equivalent to 40 percent of the fixed salary which also includes the contributions for the benefits of the ITP plan, alternative ITP and any supplementary disability and survivor's pension. The CEO is also covered by the long-term illness insurance ("försäkrat ITP").

Note 4 – Employees and employee benefits, cont.

Terms of employment for other members of Group Management

As with the CEO, other members of Group Management receive a remuneration package consisting of fixed salary, variable salary based on annual targets, long-term incentive programs, pension and insurance benefits.

The variable salary amounts to a maximum of 80 percent of the fixed salary, with the exception of one person where a maximum of 96 percent applies. Members of Group Management participate in the Group’s long-term incentive programs. For information on these programs, see 'long-term incentive programs (LTI)' below.

Pension terms for other members of Group Management

The members of Group Management employed in Sweden (6 out of 7), are covered by the collectively agreed ITP plan, the alternative rule of the plan. These individuals are also covered by the Husqvarna Executive Pension Plan, which is a defined contribution plan. The employer's contribution to the plan is equivalent to 35% of the fixed salary which also includes contributions for the ITP plan, alternative ITP and any supplementary disability and survivor’s pension. However, two of the plan members have a fixed contribution of SEK 120t per year and the difference between 35% of the fixed salary and SEK 120t is instead paid as a cash compensation. The pension age is 65 for the members of Group Management who are employed in Sweden. The member of Group Management who is not employed in Sweden is not covered by a pension plan.

Fees to the Board of Directors

The 2024 Annual General Meeting authorized fees to the Board of Directors amounting to SEK 8,560t (7,790t) in total, of which SEK 2,350t (2,250t) was paid to the Chairman and SEK 680t rep 950t (650t) to each of the other Board members not employed by the company, plus an additional total of SEK 1,180t (990t) as fees for Board Committee work. No consulting fees were paid to Board members and no Board fees are paid to Board members who are also employed by the Group.

SEK (thousand)	2024			2023
	Fee	Fee for Board committee work	Total fee	Total fee
Tom Johnstone	2,350	105	2,455	2,340
Katarina Martinson	680	225	905	835
Bertrand Neuschwander	680	105	785	740
Daniel Nodhäll	680	225	905	835
Lars Pettersson	680	175	855	800
Christine Robins	680	—	680	650
Ingrid Bonde	680	345	1,025	940
Torbjörn Lööf	950	—	950	650
Pavel Hajman	—	—	—	—
Anders Krantz	—	—	—	—
Dan Byström	—	—	—	—
Anders Köhler	—	—	—	—
Fredrik Aguren	—	—	—	—
Total	7,380	1,180	8,560	7,790

Board members are expected to engage themselves financially by acquiring Husqvarna shares, corresponding to approximately one year’s board fee, within a period of five years. There are no agreements in place governing severance pay to Board members not employed by the Company.

Long-term incentive programs (LTI)

The purpose of the long-term incentive programs is to influence and reward performance long term, align shareholders’ and management’s interest, attract and retain key employees, and to some extent provide variable remuneration instead of a fixed salary. The Board of Directors will evaluate each year whether a long-term incentive program (e.g. share-based or share-price based) should be proposed to the AGM. There are three ongoing programs that are under vest: LTI 2022, LTI 2023 and LTI 2024.

LTI 2022, LTI 2023 and LTI 2024

The Annual General Meetings of 2022, 2023 and 2024 authorized the implementation of the incentive programs LTI 2022, LTI 2023 and LTI 2024. LTI 2022, LTI 2023 and 2024 comprise a maximum of 135 participants. The vesting period for the programs is three years, and the programs consist of performance share awards. The number of granted performance-based share awards is based on the participant’s annual target salary (fixed salary plus variable salary at target level). In order to receive performance-based shares, the employee must stay employed for three years after the grant date.

The number of performance-based share awards that vest and give right to Husqvarna Class B-shares further depends on the fulfilment of certain targets, determined by the Board of Directors, for value creation in the company during the calendar years 2022–2024 for LTI 2022, during the calendar years 2023–2025 for LTI 2023 and during the calendar years 2024–2026 for LTI 2024 apply. The LTI 2022, 2023 and 2024 programs have a weight of 90% on value creation and 10% on Carbon dioxide (CO₂) emission reduction. There are three performance levels set for each performance measure, with a progression of the number of performance-based share awards from Entry to Target and from Target to Stretch/maximum level for each program. The Entry level must have been reached in order for the performance-based share awards to vest. The performance levels correspond to the following number of B-shares:

Performance level	LTI 2022, LTI 2023 and LTI 2024
Entry	10% of target salary / share price ¹
Target	33% of target salary/ share price ¹
Stretch	66% of target salary/ share price ¹

¹ The share price at Grant is decided by the average closing price of Husqvarna’s B-share at Nasdaq Stockholm during December, January and February.

The value of the programs is calculated based on the fair value of the share on the grant date, which was SEK 81.50 for LTI 2022, SEK 79.54 for LTI 2023 and SEK 81.40 for LTI 2024, adjusted for dividend.

LTI 2022 result

The performance period for LTI 2022 ended on December 31, 2024. The following table shows the targets determined by the Board of Directors and the actual result.

Performance measure	Weight	Target level	Target level	Target level	Result
		Entry	Target	Stretch	
Value Creation, SEKm	90%	8,700	9,850	11,000	486
CO ₂ reduction, %	10%	–31.5	–33.0	–34.5	–56.1
Total result in relation to number of shares at the maximum level, 'Stretch'					10.0%

The following table shows the number of performance-based share awards that vest on April 28, 2025 and will then be exchanged for Husqvarna class B-shares to be awarded to participants, based on the result reported above and provided that the participant is still employed at that time.

Participants	Share awards LTI 2022
	Number of shares
CEO	2,935
Other members of Group Management	13,391
Other participants	91,424
Total	107,750

Outstanding share awards

The table below outlines the number of granted share awards and of forfeited, exercised and outstanding share awards:

Share awards	2024			2023		
	LTI 2024	LTI 2023	LTI 2022	LTI 2023	LTI 2022	LTI 2021
At Jan 1	—	2,502,320	1,281,889	—	1,579,015	1,457,483
Granted	2,849,916	—	—	2,934,057	—	—
Forfeited	–113,598	–342,237	–161,636	–431,737	–297,126	–316,980
Exercised	—	—	—	—	—	–55,033
At Dec 31	2,736,318	2,160,083	1,120,253	2,502,320	1,281,889	1,085,470

The LTI programs are expensed during the three years vesting period in line with the expected target fulfilment. During 2024, SEK 24m (23) has been charged to the income statement, whereof SEK 4m (5) refers to cost for employer social contributions.

Note 5 Expenses by nature

SEKm	2024	2023
Costs for supplies and raw materials	21,531	22,932
Salaries and remuneration	10,619	9,875
Amortization/depreciation and impairment	2,908	3,105
Other external expenses	10,698	13,468
Total	45,755	49,380

Of the above costs, SEK 2,465m (2,515) refers to research and development. Amortization/depreciation and impairment are specified in the table below.

	Property, plant and equipment		Intangible assets		Right-of-use assets	
SEKm	2024	2023	2024	2023	2024	2023
Cost of goods sold	1,009	1,336	854	784	140	140
Selling expenses	84	87	—	—	503	473
Administrative expenses	65	69	195	154	57	62
Total	1,158	1,491	1,049	938	701	675

Impairment for property, plant and equipment was recognized within 'Cost of goods sold' by SEK –163m (174) and within 'Administrative expenses' by SEK 1m (0).

Impairment for intangible assets is recognized within 'Cost of goods sold' by SEK 30 m (7) and within 'Administrative expenses' by SEK 16m (47).

Items affecting comparability

SEKm	2024	2023
Restructuring costs		
Impairment of non-current assets	152	–163
Write down of inventory	–410	–272
Other restructuring costs	–355	–567
Non-recurring costs relating to Russia		
Write-down / reversal of current assets	—	15
Write-down / reversal of inventory	0	0
Other restructuring costs	14	–102
Total items affecting comparability*	–598	–1,090

* Alternative Performance Measure, refer to "Financial definitions".

SEKm	2024	2023
Cost of goods sold	–415	–725
Selling expenses	–114	–172
Administrative expenses	–215	–193
Other operating income/expense	146	—
Total items affecting comparability*	–598	–1,090

* Alternative Performance Measure, refer to "Financial definitions".

Note 6 Exchange rate gains and losses in cost of goods sold

SEKm	2024	2023
Exchange rate gains and losses in 'Cost of goods sold'	71	–406
Total	71	–406

'Cost of goods sold' includes SEK 159m (–175) of foreign-exchange hedging result previously reported in 'Other comprehensive income'.

Information related to the accounting of cash flow hedges is presented in note 1.

Note 7 Other operating income and operating expenses

SEKm	2024	2023
Other operating income		
Gain on divestment/liquidation of:		
Property, plant and equipment	159	29
Share of profit in associated companies	5	—
Total	164	29
Other operating expenses		
Loss on divestment/liquidation of:		
Property, plant and equipment	–4	–3
Operations/Subsidiaries	—	–24
Share of profit in associated companies	—	–2
Total	–4	–29

Other operating income consists mainly of gain on a divestment of a property in Nashville, TN, USA .

Note 8 Fees to auditors

SEKm	2024	2023
KPMG		
Audit fees for the annual audit engagement	35	35
Audit fees not included in the annual audit engagement	2	2
Tax advice	0	1
Total fees to KPMG	38	39
Audit fees to other auditors	1	1
Total fees to auditors	39	40

Note 9 Financial income and expenses

SEKm	2024	2023
Financial income		
Interest income on deposits measured at amortized cost	58	65
<i>Exchange rate differences</i>		
– on borrowings	–603	280
– on derivatives held for trading	631	–270
Other financial income	—	0
Total financial income	86	75
Financial expenses		
<i>Interest expenses</i>		
– on borrowings	–672	–718
– on cashflow hedges, interest-rate derivatives	27	38
– on derivatives held for trading	–129	–228
– on lease liabilities	–57	–46
– net on pension assets/liabilities	–53	–48
Other financial expenses	–66	–76
Total financial expenses	–950	–1,077
Financial income and expenses, net	–863	–1,002

Note 10 Tax

SEKm	2024	2023
Current tax on income for the period	–519	–774
Deferred tax	112	72
Total	–408	–702

Theoretical and actual tax rate

	2024		2023	
	Tax, %	Result	Tax, %	Result
Income before taxes	—	1,733	—	2,878
Theoretical tax rate	–22.7	–394	–21.5	–619
Non-taxable items	7.1	123	7.8	225
Items not deductible for tax purposes	–19.9	–344	–4.9	–141
Change in valuation of deferred tax	11.5	200	–2.3	–64
Withholding tax	–1.4	–25	–1.2	–35
Other ¹	1.8	31	–2.3	–68
Actual tax rate	–23.5	–408	–24.4	–702

¹ During 2023 'Other' includes American state tax of SEK –31m and adjustments related to previous years in Sweden of SEK –12m.

The theoretical tax rate for the Group is calculated on the basis of the weighted total income before tax per country, multiplied by the local statutory tax rate.

Pillar 2

The Group is subject to top-up tax rules, based on the EU’s Minimum Tax Directive, which in turn is derived from the OECD’s model rules on global minimum taxation. These rules came into effect in Sweden on January 1, 2024, where the parent company, Husqvarna AB, is incorporated. In summary, the top-up tax rules require the Group to pay additional tax on income that is not effectively taxed at a rate of at least 15%. Specific rules apply to how this effective tax rate is calculated. It should also be noted that simplification rules (Transitional CbCR Safe Harbour) may apply during the transition period (financial years 2024–2026). The Group has estimated the top-up tax at approximately SEK 23m for the financial year 2024, which is reported as a current tax expense.

The additional tax amount is almost entirely (SEK 22m) attributable to Qualified Domestic Minimum Top-up Tax (QDMTT) in Ireland, ensuring that the Group’s Irish subsidiaries are taxed at an effective tax rate of 15%. Since Ireland’s corporate tax rate is 12.5%, a significant QDMTT is also expected to be paid in Ireland in the coming financial years.

The Group has applied a mandatory exception from recognizing deferred tax related to the top-up tax and will recognize any top-up tax in the period in which it arises.

Tax-loss carry-forwards

As of December 31, 2024, the Group has tax -loss carry-forwards of SEK 2,943m (1,069), of which SEK 270m (88) has not been included in computation of deferred tax assets. The tax-loss carry-forwards will expire as follows (gross amounts):

SEKm	2024	2023
Within a year	—	—
1–5 years	167	20
> 5 years	119	662
Without time limit	2,657	388
Total	2,943	1,069

Changes in deferred taxes

SEKm	Opening balance, Jan 1, 2024	Recognized in income statement	Recognized in comprehensive income statement	Exchange rate differences	Acquired and divested assets / subsidiaries	Closing balance, Dec 31, 2024
Non-current assets	–2,175	236	—	–132	18	–2,053
Inventories	492	–107	—	9	—	394
Current receivables	95	–43	—	7	—	59
Provision for pensions and similar commitments	283	–19	–48	2	—	219
Other provisions	597	–217	—	20	—	400
Financial and operating liabilities	284	–423	261	2	—	124
Other items	25	332	—	–2	—	354
Tax losses carried forward	209	353	—	10	—	572
Deferred tax assets and liabilities, net	–190	112	213	–84	18	69

SEKm	Opening balance, Jan 1, 2023	Recognized in income statement	Recognized in comprehensive income statement	Exchange rate differences	Acquired and divested assets / subsidiaries	Closing balance, Dec 31, 2023
Non-current assets	–1,703	–451	—	–21	—	–2,175
Inventories	500	–3	—	–5	—	492
Current receivables	105	–5	—	–5	—	95
Provision for pensions and similar commitments	172	–4	118	–3	—	283
Other provisions	196	406	—	–4	—	597
Financial and operating liabilities	357	46	–116	–4	—	284
Other items	127	–117	—	14	—	25
Tax losses carried forward	23	200	—	–14	—	209
Deferred tax assets and liabilities, net	–223	72	2	–40	—	–190

Tax items recognized in Other comprehensive income total SEK –48m (118) for items related to remeasurements on defined-benefit pension plans, SEK –16m (–11) for cash-flow hedges and SEK 277m (–105) for net investment hedge.

Note 10 – Tax, cont.

Deferred tax assets and liabilities

SEKm	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Non-current assets	470	467	2,522	2,642	–2,053	–2,175
Inventories	394	496	1	4	394	492
Current receivables	71	99	12	5	59	95
Provisions for pensions and similar commitments	271	333	53	50	219	283
Other provisions	401	600	1	3	400	597
Financial and operating liabilities	312	287	188	3	124	284
Other items	424	143	70	118	354	25
Tax losses carried forward	572	217	—	9	572	209
Deferred tax assets and liabilities	2,916	2,643	2,847	2,834	69	–190
Set-off of tax	–498	–500	–498	–500	—	—
Deferred tax assets and liabilities, net ¹	2,418	2,143	2,349	2,334	69	–190

¹ Deferred tax assets amounted to SEK 2,418 m (2,143), of which SEK 552 m (798) is expected to be utilized within 12 months. Deferred tax liabilities amounted to SEK 2,349 m (2,334), of which SEK 58 m (54) are due within 12 months.

No deferred tax liability is recognized on temporary differences relating to the distributable earnings of subsidiaries as the parent company is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future.

Note 11 Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held in a third-party swap agreement.

Basic	2024	2023
Profit attributable to equity holders of the Parent Company (SEKm)	1,325	2,177
Weighted average numbers of ordinary shares outstanding (millions)	571.7	570.9
Earnings per share before dilution (SEK)	2.32	3.81

Diluted

Diluted earnings per share is calculated by adjusting the weighted average numbers of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group's long-term incentive plan contains share savings programs which have a dilutive potential.

Diluted	2024	2023
Profit attributable to equity holders of the Parent Company (SEKm)	1,325	2,177
Weighted average numbers of ordinary shares outstanding (millions)	571.7	570.9
Adjusted for:		
– share savings program (millions)	0.8	0.7
Diluted weighted average numbers of ordinary shares outstanding (millions)	572.5	571.6
Earnings per share after dilution (SEK)	2.31	3.81

Note 12 Property, plant and equipment

	Land and land improvements		Buildings and leasehold improvements		Machinery and technical installations		Other equipment		Construction in progress and advances		Total	
SEKm	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening accumulated acquisition value	682	551	4,527	4,522	15,236	15,196	2,307	2,189	1,147	1,116	23,898	23,573
Acquired companies	—	—	—	—	—	—	0	—	—	—	0	—
Investments	2	140	113	53	272	324	405	245	666	778	1,458	1,540
Sold, scrapped	–57	0	–517	–24	–1,492	–619	–111	–183	–7	–1	–2,184	–827
Reclassification, Assets held for sale	–150	—	–850	—	–1 674	—	–101	—	–17	—	–2,793	—
Reclassification, Other	3	3	119	64	533	568	68	99	–723	–738	–1	–3
Exchange-rate differences	35	–13	243	–88	746	–233	70	–43	33	–8	1,128	–385
Closing accumulated acquisition value	514	682	3,634	4,527	13,621	15,236	2,639	2,307	1,098	1,147	21,506	23,898
Opening accumulated depreciation and impairment	179	171	2,465	2,368	12,436	12,233	1,611	1,649	1	1	16,693	16,422
Acquired companies	—	—	—	—	0	—	0	—	—	—	0	—
Depreciation ¹	11	11	170	148	930	983	209	174	—	—	1,320	1,316
Impairment ¹	4	—	210	24	–376	84	0	—	—	—	–162	108
Sold, scrapped	–34	0	–479	–18	–1,512	–624	–117	–179	—	0	–2,141	–821
Reclassification, Assets held for sale	–91	—	–630	—	–1477	—	–94	—	—	—	–2,292	—
Reclassification, Other	—	—	–37	0	–5	0	9	0	—	—	–34	1
Exchange-rate differences	10	–3	172	–58	663	–240	56	–33	0	0	901	–333
Closing accumulated depreciation and impairment	78	179	1,872	2,465	10,659	12,436	1,675	1,611	1	1	14,285	16,693
Closing balance, December 31	436	503	1,763	2,061	2,962	2,800	963	696	1,097	1,145	7,221	7,205

¹ For information about where in the income statement the depreciation and impairment are reported, see note 5.

In December 2024 the property, plant and equipment in the Orangeburg manufacturing facility in North America that will be acquired by Flex Inc. were classified as assets held for sale. The value of SEK 501m is split by the categories Land and land improvements (SEK 59m), Buildings and leasehold improvements (SEK 220m), Machinery and technical installations (SEK 198m), Other equipment (SEK 7m) and Construction in progress and advances (SEK 17m). See further information in note 29.

Note 13 Right-of-use assets

	Land and buildings		Forklifts and machinery		Cars and other vehicles		Other		Total	
SEKm	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening accumulated book value	1,778	1,998	42	49	242	210	7	31	2,068	2,288
New leases	277	299	57	27	671	408	—	—	1,004	734
Modifications, Remeasurements and cancellations	66	31	–2	–7	–531	–240	–1	–22	–468	–238
Depreciation ¹	–526	–513	–27	–27	–145	–133	–2	–2	–700	–675
Exchange-rate difference	60	–37	2	0	8	–3	0	0	70	–41
Closing accumulated book value, December 31	1,655	1,778	72	42	244	242	4	7	1,975	2,068

¹ For information about where in the income statement the depreciation is reported, see note 5.

The total cash outflow for leases in 2024 was SEK 748m (744). In addition to the costs presented in the table above, Husqvarna Group has reported SEK 205m (241) regarding costs for short-term leases, low-value assets and variable lease expenses.

Note 14 Intangible assets

SEKm	Goodwill		Brands		Product development		Customer relationships		Other		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening accumulated acquisition value	10,909	11,140	4,906	4,985	5,893	5,359	1,617	1,658	3,359	2,892	26,684	26,034
Acquired companies	14	—	—	—	—	—	0	—	84	—	98	—
Investments	—	1	—	1	641	596	—	—	504	489	1,146	1,087
Sold, scrapped	—	—	–0	—	–28	–23	—	—	–59	–11	–88	–35
Reclassifications	—	—	—	–21	—	—	—	—	0	23	0	2
Exchange-rate differences	651	–232	233	–58	67	–39	98	–41	37	–34	1,086	–404
Closing accumulated acquisition value	11,574	10,909	5,139	4,906	6,572	5,893	1,716	1,617	3,926	3,359	28,927	26,684
Opening accumulated amortization and impairment	989	953	296	285	4,399	3,937	604	444	2,077	1,820	8,365	7,438
Acquired companies	—	—	—	—	—	—	—	—	0	—	0	—
Amortization ¹	—	—	14	14	563	503	146	153	297	262	1,019	932
Impairment ¹	—	—	—	—	28	0	—	15	2	59	30	74
Sold, scrapped	—	—	–0	—	–28	–2	—	—	–59	–11	–88	–14
Reclassifications	—	—	—	—	—	—	—	—	–13	—	–13	—
Exchange-rate differences	63	36	8	–3	67	–39	21	–8	23	–52	182	–67
Closing accumulated amortizations and impairment	1,053	989	317	296	5,028	4,399	770	604	2,326	2,077	9,495	8,365
Closing balance, December 31	10,521	9,920	4,822	4,611	1,544	1,494	946	1,013	1,599	1,282	19,432	18,320

¹ For information about where in the income statement the depreciation and impairment are reported, see note 5.

The values of intangible assets with indefinite life are tested for impairment annually, or more frequently if impairment indicators are identified. The recoverable amount of a cash-generating unit is determined based on estimates of value in use. Value in use is measured as expected future discounted cash flow before tax. Future discounted cash flows before tax are based on five-year forecasts for each cash generating unit approved by Group Management. Key assumptions for forecasting are the expected growth, margins and discount rates. Cash flows beyond the five-year forecast have been extrapolated using an estimated growth rate of 2 percent (2) for all cash-generating units.

Forecasted margin is partly based on previous results and partly on the expected market development. The pre-tax discount rate is based on the risk-free interest, market premium, beta value, capital structure and tax rate. External sources have been applied when determining these parameters. A common discount rate is used for all cash-generating units since the Group's segments have a similar risk profile. A pre-tax discount rate of 10 percent (11) has been used for 2024.

During 2024, value in use has exceeded the net book value for all cash generating units, and accordingly, no impairment has been recognized.

Intangible assets with indefinite useful lives per cash generating unit (division):

SEKm	2024	2023
Husqvarna Forest & Garden Division	3,707	3,786
Gardena Division ¹	8,874	8,135
Husqvarna Construction Division	2,684	2,532
Total	15,266	14,453

¹ SEK 4,758 m (4,534) of the total relates to the net book value of the brands, to which Husqvarna Group has assigned indefinite useful life. This is because the brand has a strong position among consumers and Husqvarna Group intends to maintain and further develop the brands.

Sensitivity analysis have been carried out regarding the calculation of the value in use, where impairment tests have been performed, applying a higher discount rate (1.5 percentage points), reduced gross margin (5 percentage points) and reduced sales growth (4 percentage points). No simulated change in any single mentioned factor generates any need for impairment.

Note 15 Investments in associated companies

The Group's interests in individually immaterial associates amounts to SEK 34m (14). Through share in earnings of associated companies, the holding has been affected by 5m (–2).

Note 16 Other non-current assets

SEKm	2024	2023
Long-term holdings in securities	571	604
Net pension assets	222	215
Other long-term receivables	47	24
Total	840	843
Pension assets refer to pension plans with a net surplus of SEK 222m (215). For further information refer to note 21.		

Note 17 Inventories

SEKm	2024	2023
Finished products	9,481	11,216
Supplies including raw materials	3,736	5,229
Work in progress	612	740
Total	13,828	17,184
The cost of inventories recognized as expenses and included in the cost of goods sold amounted to SEK 28,079m (30,543). Write-down of inventories expensed during the year amounts to SEK 253m (490), which is included in 'Cost of goods sold'. Write-down reversed during the year amounts to SEK 116m (113). Inventories valued to net realizable value amounted to SEK 2,495m (1,226).		

Note 18 Other current assets

SEKm	2024	2023
Value added tax	365	329
Miscellaneous short-term receivables	386	330
Prepaid rents and leases	30	31
Prepaid insurance premiums	25	43
Prepaid supplies	58	93
Other prepaid expenses	414	346
Total	1,279	1,171

Note 19 Equity

Share capital
The share capital in Husqvarna AB (publ) consists of class A-shares and class B-shares. A class A-share entitles the holder to one vote and a class B-share to one-tenth of a vote. All shares entitle the holder to the same proportion of assets and earnings, and carry equal rights in terms of dividends.

Other paid-in capital
Other paid-in capital consists of share-premium reserve following the rights issue in 2009.

Other reserves
The translation reserve includes all exchange-rate differences that arise from the translation of the financial statements of foreign operations that have compiled their reports in a currency other than that in which the consolidated financial statements are presented (SEK). The translation reserve also includes net investments hedges.
The hedging reserve includes the effective portion of the accumulated net change in the fair value, related to the hedged risk, of cash-flow hedging instruments attributable to hedged items that have not yet occurred.

Retained earnings
Retained earnings consist not only of accrued profits but also of the change in pension liability attributable to remeasurements of defined-benefit plans recognized in 'Total other comprehensive income'. Regarding changes in actuarial assumptions, see also note 21. The proposed dividend for 2024 is SEK 1.00 (3.00).

Non-controlling interests
Non-controlling interests refer to the share of equity that belongs to external interests without a controlling influence in certain subsidiaries within the Group.

Share capital	
SEKm	
On December 31, 2024, the share capital comprised:	
107,825,205 Class A-shares, par value SEK 2	216
468,518,573 Class B-shares, par value SEK 2	937
Total	1,153

On December 31, 2023, the share capital comprised:	
109,451,449 Class A-shares, par value SEK 2	219
466,892,329 Class B-shares, par value SEK 2	934
Total	1,153

Number of shares	Treasury shares	Outstanding shares	Total
Shares, December 31, 2023			
Class A-shares	—	109,451,449	109,451,449
Class B-shares	4,825,197	462,067,132	466,892,329
Long-term incentive program 2021			
Class A-shares	—	—	—
Class B-shares	–178,336	178,336	—
Conversion of shares			
Class A-shares	—	–1,626,244	–1,626,244
Class B-shares	—	1,626,244	1,626,244
Shares, December 31, 2024			
Class A-shares	—	107,825,205	107,825,205
Class B-shares	4,646,861	463,871,712	468,518,573

SEKm	Cash flow hedges	Currency translation reserve	Net investment hedge	Total other reserves
Other reserves				
Opening balance, Jan 1, 2024	143	3,267	–1,559	1,851
Result arising during the year	43	—	–1,344	–1,301
Tax on result arising during the year	–16	—	277	261
Reclassification adjustments to the income statement	–181	—	—	–181
Tax on reclassification adjustments to the income statement	37	—	—	37
Currency translation difference	—	2,214	—	2,214
Closing balance, December 31, 2024	27	5,481	–2,626	2,882

SEKm	Cash flow hedges	Currency translation reserve	Net investment hedge	Total other reserves
Other reserves				
Opening balance, Jan 1, 2023	–95	4,105	–1,962	2,048
Result arising during the year	163	—	508	671
Tax on result arising during the year	–33	—	–105	–138
Reclassification adjustments to the income statement	138	—	—	138
Tax on reclassification adjustments to the income statement	–28	—	—	–28
Currency translation difference	—	–839	—	–839
Closing balance, December 31, 2023	143	3,267	–1,559	1,851

Note 20 Financial risk management and financial instruments

FINANCIAL RISK MANAGEMENT

Financial risk management for Husqvarna Group entities is undertaken in accordance with the Group Financial Policy. Described below are the principles of financial risk management applicable to Husqvarna Group. Husqvarna Group is exposed to a number of risks relating to financial instruments including, for example, liquid funds, trade receivables and other receivables, trade payables and other liabilities, borrowings, and derivative instruments. The primary risks associated with these instruments are:

- Financing risks in relation to the Group's capital requirements.
- Interest rate risks on liquid funds and borrowings.
- Foreign exchange risks on export and import flows plus earnings and net investments in foreign operations.
- Commodity price risks affecting expenditure on raw materials and components for goods produced.
- Credit risks relating to financial and commercial activities.

The Board of Directors of Husqvarna Group has adopted both a Group Financial Policy and a Group Credit Policy to regulate the management and control of these risks. The risks are to be managed according to the limitations stated in the Financial Policy. The Financial Policy also describes the management of risks relating to pension-fund assets. The purpose of the policy is to have enough funding available to minimize the Group's cost of capital and to achieve an effective management of the Group's financial risks.

The management of financial risks has largely been centralized to Husqvarna Group Treasury, where measurement and control of financial risks are performed on a daily basis by a separate risk-control function. Furthermore, Husqvarna Group's policies include guidelines for managing operating risk relating to financial instruments, e.g. through the clear assignment of responsibilities and the allocation of powers of attorney.

FINANCING RISK

Financing risk refers to the risk that the financing of the Group's capital requirements and the refinancing of existing loans could become more difficult or more costly. This risk can be decreased by ensuring that maturities are evenly distributed over time, and that total short-term borrowings do not exceed available liquidity. Disregarding seasonal variations, net debt shall be long-term, according to the Financial Policy. The Group's goals for long-term borrowings include an average time to maturity of at least two years, and an even distribution of maturities. A maximum of SEK 5.0bn in borrowings, originally long-term, is normally allowed to mature in the next 12-month period. When Husqvarna Group assesses its refinancing risk, the maturity profile is adjusted for available unutilized committed credit facilities.

In addition, seasonality in the cash flow is an important factor in the assessment of the financing risk. Consequently, Husqvarna Group always takes into account the fact that financial planning must include future seasonal fluctuations.

The average adjusted time to maturity for the Group's financing was 3.2 years (3.3) at the end of 2024.

Capital structure

Husqvarna Group's ambition is to have a capital structure where seasonally adjusted net debt in proportion to earnings before interest, tax, depreciations and amortizations (EBITDA) is not to exceed 2.5 in the long-term. This ambition for the capital structure may be adjusted in the event of changes to the macroeconomic situation, or may be allowed to deviate for a shorter period of time due, for example, to acquisitions. The dividend shall normally exceed 40 percent of income for the year.

SEKm	2024	2023
Net pension liabilities	1,834	1,994
Other interest-bearing liabilities ¹	15,429	17,245
Less: liquid funds and other interest-bearing assets	–2,792	–3,600
Net debt	14,471	15,640
Net debt, excluding net pension liabilities	12,637	13,645
EBITDA	5,505	6,985
Net debt/EBITDA ²	2.5	2.1
Total equity	24,622	23,772
Total assets	56,803	57,610
Equity/assets ratio	43%	41%

¹ Lease liabilities of SEK 2,003 m (2,084) are included within other interest-bearing liabilities.

² Alternative Performance Measure, refer to chapter "Financial definitions" for further information.

Liquid funds

Liquid funds consist of cash and cash equivalent and other short-term deposits. Husqvarna Group's goal is that the level of liquid funds, including unutilized committed credit facilities, shall equal at least the Group's short term borrowings and in addition 2.5 percent of rolling 12-month sales. At year-end, this ratio was 2.3 percent (1.35). In addition, the Group shall have sufficient liquid resources to finance the expected seasonal build-up in working capital during the next 12 months.

Borrowings

The financing of Husqvarna Group is managed centrally by Group Treasury in order to ensure efficiency and risk control. Debt is primarily raised at Parent Company level and transferred to subsidiaries as internal loans or capital injections. In this process, various derivatives are used to convert the funds to the required currency. Financing is also undertaken locally, mostly in countries in which there are legal restrictions preventing financing through Group companies. The major part of the Group's financing is currently conducted through a Swedish Medium Term Note (MTN) program and bilateral loan agreements. In addition, the Group has unutilized SEK 7bn committed revolving credit facilities. During 2024 the Group exercised a one year extension option and prolonged the maturity of a 5bn SEK revolving credit facility to 2029 and the maturity of a 2bn SEK revolving credit facility to 2027. These facilities are unutilized as of December 31, 2024. During the year the Group established a Green Financing Framework and issued green bonds under the MTN program of SEK 2,75bn with maturity in between 2027 and 2029. In addition the Group issued an additional SEK 550m under the MTN program maturing 2026 and bilateral loans amounting to approximately SEK 1,15bn. Due to the nature of its business, the Group has seasonal variations in its funding needs. These variations are normally managed by utilizing the Group's commercial paper (CP) program and short-term bank loans. At year-end 2024, the Group's total interest bearing liabilities, excluding pension liability, amounted to SEK 15,429m (17,245), of which SEK 10,316m (8,556) referred to long-term financing. Husqvarna Group has not breached any conditions in external loan agreements during the year.

Future undiscounted cashflows of loans and other financial liabilities at December 31, 2024¹

SEKm	2025	2026	2027	2028	2029	>2030	Total
Lease liabilities	–691	–480	–294	–200	–139	–201	–2,005
Bonds, bank loans and other loans	–2,577	–1,473	–4,352	–3,155	–1,081	–1,191	–13,830
Derivative liabilities, interest rate ²	—	–6	–6	–2	0	–5	–19
Derivative liabilities, foreign exchange ²	–928	—	—	—	—	—	–928
Trade payables	–5,896	—	—	—	—	—	–5,896
Total financial liabilities	–10,092	–1,959	–4,652	–3,357	–1,220	–1,398	–22,677

¹ Please note that the table includes the forecast future nominal interest payment and thus does not correspond to the net book value in the balance sheet.

² For more detailed information on derivative contracts, see table under 'Credit risk in financial activities' in this note.

Borrowings

SEKm	2024		2023	
	Total borrowings	Facility amount	Total borrowings	Facility amount
Medium Term Note Program	7,552	12,000	6,003	12,000
Other bond loans	110	—	100	—
Committed revolving credit facility	—	7,000	—	7,000
Committed credit facility	—	—	—	—
Long-term bank loans	2,654	—	2,452	—
Leasing liabilities	2,003	—	2,084	—
Commercial papers	149	7,000	1,193	7,000
Other short-term loans ¹	2,053	—	4,838	—
Derivative liabilities	907	—	575	—
Total	15,429	26,000	17,245	26,000

¹ Other short-term loans' per 2024 include bond loans within the Medium Term Note Program of SEK 1,750m.

Net debt per currency

SEKm	2024		2023	
	Net debt excl. currency swaps	Net debt incl. currency swaps	Net debt excl. currency swaps	Net debt incl. currency swaps
USD	–465	5,057	–68	6,226
EUR	3,987	5,030	3,851	6,258
SEK	11,045	3,043	13,397	631
JPY	130	417	167	487
GBP	–218	254	–217	735
CHF	42	–9	29	–22
ZAR	–44	–19	–16	7
CNY	–286	–32	–291	–57
RUB	–94	–94	–78	–78
Other	374	824	–1,133	1,454
Total	14,471	14,471	15,640	15,640

Note 20 – Financial risk management and financial instruments, cont.

Market programs

Husqvarna Group has an MTN program, denominated in SEK, to issue long-term debt in the domestic capital market. The total amount of the program is SEK 12.0bn. In addition, Husqvarna Group has a Swedish Commercial Paper program. The total amount of the program is SEK 7.0bn. The table Borrowings shows outstanding amounts under these two programs.

The currency composition of Husqvarna Group's borrowings is dependent upon the currency distribution of the Group's assets. Currency derivatives are used to obtain the preferred currency distribution.

INTEREST RATE RISK

Interest rate risk refers to the adverse effects of changes in market interest rates on the Group's net income. The main factor determining this risk is the interest fixing period.

Interest rate risk in liquid funds

The holding periods of investments are mainly short-term. The majority of investments are undertaken with maturities of between 0 and 3 months. The fixed interest term for these current investments was 14 days (40) at the end of 2024. A downward shift in the yield curve of one percentage point would reduce the Group's interest income by approximately SEK 20m (15) and the Group's equity by SEK 15m (12).

Interest rate risk in borrowings

The Financial Policy states that the benchmark for the long-term loan portfolio is an average fixed interest term of 6 months. Group Treasury can choose to deviate from this benchmark on the basis of a risk mandate established by the Board of Directors. However, the maximum average fixed interest term is 3 years. Derivatives, such as interest rate swap agreements, are used to manage the interest rate risk by changing the interest from fixed to floating or vice versa. The average fixed interest term for the non-seasonal debt was 1.6 (1.3) years at year-end. On the basis of volumes and interest fixings at the end of 2024, a one-percentage point shift in interest rates would impact the Group's interest expenses by approximately SEK +/-52m (41) before tax. Interest rates with different maturities and different currencies may not change uniformly. This calculation is based on a parallel shift of all yield curves simultaneously by one percentage point. The Group has seasonal debt for which the interest risk is not calculated due to its short-term nature. As per December 31, 2024 the average interest rate in the total loan portfolio was 5.0 percent (5.7). At year-end, Husqvarna Group had outstanding interest rate derivatives with a nominal amount of SEK 2,699m (1,150) hedging the interest rate risk.

FOREIGN EXCHANGE RISK

Foreign exchange risk refers to the adverse effects of changes in foreign-currency exchange rates on Husqvarna Group's income and equity. In order to manage such effects, the Group covers these risks within the framework of the Financial Policy. The Group's overall currency exposure is managed centrally. The major currencies to which Husqvarna Group is exposed in the income statement are EUR, CNY, USD and CAD.

Transaction exposure from commercial flows

The Financial Policy stipulates hedging of forecasted sales and purchases in foreign currencies, taking into consideration the price-fixing periods and the competitive environment. Normally, 75–100 percent of the invoiced and forecasted flows are hedged up to and including 6 months, while forecasted flows for 7–12 months are hedged between 50 percent and 75 percent. Group subsidiaries primarily cover their risks in commercial currency flows through Group Treasury. Group Treasury assumes the currency risks and covers such risks externally by utilizing currency derivatives.

The table Commercial flows shows the forecasted transaction flows (imports and exports) for 2025, hedges at year-end 2024 and comparative amounts for the previous year.

Commercial flows

Currency SEKm	2024		2023	
	2025 Forecasted flows	Total hedge amount	2024 Forecasted flows	Total hedge amount
EUR	4,799	–3,461	3,833	–2,836
CNY	–1,750	1,217	–1,487	1,074
USD	–965	487	–529	238
CAD	870	–664	812	–607
DKK	714	–512	719	–534
CHF	703	–576	339	–273
NOK	622	–448	693	–509
AUD	574	–437	1,086	–793
Other	1,130	–542	1,355	–503
SEK	–6,698	4,936	–6,821	4,744

The hedging effect on operating income amounted to SEK 48m (–401) during 2024. At year-end, the unrealized exchange rate result on forward contracts, all maturing in 2025, amounted to SEK 69m (149).

Translation exposure on consolidation of entities outside Sweden

Changes in exchange rates also affect the Group's income when translating income statements of foreign subsidiaries into SEK. Husqvarna Group does not hedge such exposures. The translation exposure arising from income statements of foreign subsidiaries is included in the sensitivity analysis below.

Exposure from net investments in foreign operations

The net assets and liabilities in foreign subsidiaries constitute a net investment in foreign operations, which generates a translation difference in connection with consolidation. In order to limit negative effects on Group equity resulting from translation differences, part of the Group's net investments in foreign operations is hedged with foreign-exchange derivatives. A decline in value of a net investment is offset by exchange-rate gains on foreign-exchange derivative contracts. The relationship between the net investment and derivatives is reviewed and adjusted monthly.

Foreign exchange sensitivity from transaction and translation exposure

Husqvarna Group is particularly exposed to changes in the exchange rates of EUR, CNY and USD. Furthermore, the Group has exposures against a number of other currencies. Using a static calculation and disregarding any effects from hedges, a 10 percent increase or decrease in the value of all currencies against SEK would affect the Group's result before financial items and tax by approximately SEK +/- 710m (960) for one year. A 10 percent increase of CNY against SEK would affect the Group's result with SEK –165m (140) and a corresponding increase of EUR with SEK 535m (560) and for USD with SEK –120m (25). This assumes the same distribution of earnings and costs as in 2024 and does not include any dynamic effects, such as changes in competitiveness or consumer behavior arising from such changes in exchange rates. It is also worth noting that, due to the seasonality in Husqvarna Group's sales, these flows and results are not distributed evenly throughout the calendar year. For more information on risks related to currency exposure, see the Risk Management section.

HEDGE ACCOUNTING

Husqvarna Group applies hedge accounting for hedging of interest rate risk, forecasted commercial cash flows and, when applicable, hedging of net investments in foreign operations. The hedge relationships are expected to be highly effective and no material sources of hedge ineffectiveness are expected to occur. Effectiveness testing is conducted on monthly basis.

Hedge accounting of interest rate risk

The total market value for hedges of interest rate risk amounted to SEK -11m as of December 31, 2024 of which SEK –13m is reported in the hedge reserve. Assuming an unchanged market interest rate, the effects on income after financial items for 2025 would be SEK 7m for Q1, SEK 9m for Q2, SEK 7m for Q3 and SEK –19m for Q4. During the year no ineffectiveness has occurred in the hedging of interest rate risk.

The table "Future undiscounted cashflows of loans and other financial liabilities as of December 31, 2024" shows the future cashflows of the interest rate hedges. The cashflows during 2025, assuming unchanged market interest rates, would be SEK 12m for Q1, SEK 9m for Q2, SEK 7m for Q3 and SEK –22m for Q4.

Hedge accounting of foreign exchange risk

The total market value for hedges of commercial flows amounted to SEK 56m at December 31, 2024 of which SEK 56m is reported in the hedge reserve. Assuming an unchanged exchange rate, the effects on income after financial items for 2025 would be SEK 37m for Q1, SEK 15m for Q2, SEK 4m for Q3 and SEK 0m for Q4.

At December 31 2024, net investments in foreign operations were hedged with SEK 17,113m. The total market value of derivatives for net investment hedging amounted to SEK –737m, of which SEK –680m is reported in the hedge reserve. During the year no ineffectiveness has occurred in the hedging of currency risk.

Derivatives designated as hedging instruments

2024 SEKm	Nominal amount	Maturity	Average hedge rate
Net investment hedges			
Derivatives in net investment hedges of foreign operations	17,113	2025	n.a
– of which USD exposure against SEK	15,293	2025	10.45
– of which other exposure against SEK	1,819	2025	n.a
Cash-flow hedges			
Derivatives in cash flow hedge of foreign currency risk	14,387	2025	n.a
– of which EUR exposure against SEK	5,301	2025	11.48
– of which CNY exposure against SEK	1,092	2025	1.48
– of which USD exposure against SEK	1,534	2025	10.31
– of which other exposure against SEK	6,460	2025	n.a
Derivatives in cash flow hedge of interest rate risk	2,699	2026–2031	2.43

Note 20 – Financial risk management and financial instruments, cont.

Impact of hedging instruments on the financial statement

2024 SEKm	Nominal amount	Carrying amount	Line item in the financial statement	Change in fair value used for measuring ineffectiveness for the period	Cash flow hedge reserve
Foreign exchange forward contracts	5,616	135	Current assets	–179	136
Foreign exchange forward contracts	8,770	83	Current liabilities	76	–80
Interest rate swap agreements	1,149	23	Non Current Assets	22	22
Interest rate swap agreements	1,550	–34	Non Current Liabilities	–35	–35
Interest rate swap agreements	—	—	Current assets	–21	—
Forecasted cash flows from sales/purchases	14,387	n.a	n.a	n.a	n.a
Forecasted interest cash flows from floating rate borrowings	–11	n.a	n.a	n.a	n.a

COMMODITY PRICE RISK

Commodity price risk is the risk of increase in the cost of direct and indirect materials if underlying commodity prices rise on the global markets. Husqvarna Group is exposed to fluctuations in commodity prices through agreements with suppliers, whereby the price is linked to the raw material price on the world market. This exposure can be divided into direct commodity exposure, which refers to pure commodity exposure, and indirect commodity exposure, which is defined as exposure arising from only a portion of a component. Commodity price risk is managed through contracts with the suppliers rather than through the use of derivatives. A 10 percent rise or fall in the price of steel used in Husqvarna Group's products will affect the Group's results before financial items and tax by approximately SEK +/- 110m (140), everything else being equal. The same effect on the price of aluminum would impact the results by SEK +/- 25m (25), and a 10 percent change in the price of plastics would affect the results by SEK +/- 135m (130).

CREDIT RISK

A financial asset is in default when the counterparty fails to pay its contractual obligations. Financial assets are written off when there is no reasonable expectation of recovery. Husqvarna Group identifies credit risk in trade receivables, financial activities and non-current assets.

Credit risk in trade receivables

Husqvarna Group sells to a substantial number of customers including dealers, retailers and professional users. Sales are made on normal delivery and payment terms. Customer financing solutions are normally arranged by third parties. The Credit Policy of the Group ensures that the management process for customer credits includes customer rating, credit limits, decision levels and management of bad debts. Customer credit limits exceeding SEK 100m are approved by the Board of Directors. Husqvarna Group uses an external provider for classification of the creditworthiness of its customers. The classification has different levels, from low risk to high risk. In the table below, trade receivables have been divided into three different intervals. The fair value of collateral held for trade receivables due for payment was SEK 214m (188). A global credit insurance program is in place in a number of countries. At December 31 2024 total coverage amounts to SEK 15,998m.

SEKm	2024	2023
Low to moderate risk	3,627	3,422
Medium risk to elevated risk	1,711	1,572
High risk	213	295
Total	5,552	5,289

At December 31 2024, net trade receivables, after provisions for bad debt, amounted to SEK 5,552m (5,289), which represents the maximum exposure to losses in trade receivables. Hence the book value equals the fair market value of the receivables. However, the size of the credit portfolio is directly dependent upon the seasonal pattern of Husqvarna Group's sales. This means that credit exposure is significantly higher during the first six months of each calendar year. A provision for bad debt, based on a probability of default, is recorded at inception of the trade receivables and adjusted during the lifetime of the receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Provisions for bad debt at the end of the financial year 2024 amounted to SEK 203m (201).

Trade receivables past due

Trade receivables that were past due but not yet impaired amounted to SEK 623m (713) at December 31, 2024.

Aging analyses for past due trade receivables

Past due but not impaired, SEKm	2024	2023
Up to 1 month	239	266
1 to 3 months	141	136
>3 months	243	311
Total	623	713

Provisions for trade receivables

SEKm	2024	2023
Opening balance, January 1	201	260
New provisions	51	52
Reversed unused provisions	–25	–28
Impairment of trade receivables	–24	–83
Currency exchange-rate differences	0	0
Closing balance, December 31	203	201

The situation regarding past-due receivables has deteriorated somewhat since previous-year end, taking the total volume of outstanding trade receivables into account.

A plan for repayment is normally designed for customers with past-due receivables at the same time as the account is placed under special surveillance. At a later stage, unpaid products may be repossessed or other securities be enforced.

Concentration of credit risk in trade receivables

Concentration of credit risk	2024		2023	
	Number of customers	% of total portfolio	Number of customers	% of total portfolio
Exposure <SEK 15m	85	77%	92	78%
Exposure SEK 15–100m	22	14%	12	12%
Exposure >SEK 100m	2	8%	3	10%

Husqvarna Group has substantial exposure towards a limited number of large customers, primarily in the US.

Credit risk in financial activities

Exposure to credit risk arises from the investment of liquid funds and through counterparty risks related to derivatives. In order to limit exposure to credit risk, a counterparty list has been created specifying the maximum approved exposure for each counterparty. Investments in liquid funds are mainly made in interest-bearing instruments with high liquidity and involve issuers with a long-term credit rating of at least A–, as defined by Standard & Poor's or similar institutions. The average time to maturity for the liquid funds was 14 days (40) at the end of 2024. A substantial part of the exposure arises from transactions in derivatives.

The table below shows the gross volume of outstanding foreign-exchange derivative contracts.

Maturity, SEKm	2024		2023	
	2025	2026–	2024	2025–
Amount sold	47,996	0	48,935	25
Amount purchased	–48,557	0	–48,009	–25
Net settled derivatives (NDF)	16	0	–15	0
Net	–545	0	911	0

Credit risk in other non-current assets

Husqvarna Group's long-term holdings in securities consist of US government bonds. The credit risk is recognized as immaterial due to the high creditworthiness of the issuer.

Note 20 – Financial risk management and financial instruments, cont.

Supplier finance arrangements

Husqvarna Group offers selected suppliers the option of using a Supplier Finance Program, either to update the payment term in existing agreements or as part of new contract negotiations. The bank act as a paying agent and suppliers can choose early payment from the bank by discounting their invoices at an interest rate agreed between the supplier and the bank. Husqvarna Group then pays the bank on the due date stated on the invoices. These programs are not supported by any guarantees between Husqvarna Group and the bank. Payment terms vary depending on the region, country and type of goods supplied. There are currently approximately 115 suppliers with supplier financing arrangements.

	2024
Carrying amount (SEKm)	
Part of trade payables	935
– of which suppliers have received payment from finance provider	825
Range of payment days	
Liabilities that are part of the arrangements	60–180
Comparable trade payables that are not part of the arrangements	10–180

There were no material non-cash changes that would have caused changes in the carrying amounts of liabilities covered by supplier finance arrangements.

FAIR-VALUE ESTIMATION

Below is a description of financial instruments carried at fair value, based on the classification in the fair-value hierarchy. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- inputs other than quoted prices included within Level 1 that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2).
- inputs that are not based on observable market data (Level 3).

The Group's financial instruments carried at fair value are derivatives. Derivatives belong to Level 2 as future cash flows have been discounted using current quoted market interest rates and exchange rates for similar instruments.

To determine the fair value of the Group's borrowings, the prevailing market rates for the respective periods have been used and the Group's credit risk has been taken into account. Changes in credit spreads have been disregarded when determining the fair value of financial leases. For short-term financial instruments such as trade receivables and other receivables, other short-term investments, cash and cash equivalents, trade payables and other liabilities and short-term borrowings, the fair value equals their carrying amount as the impact of discounting is not significant. The fair value of long-term borrowings is based on discounted cash flows using a rate based on the borrowing rate, and falls within Level 2 in the fair-value hierarchy.

	2024		2023	
SEKm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at fair value through profit or loss				
– of which derivatives where hedge accounting is not applied	244	244	119	119
– of which currency derivatives where hedge accounting for cash flow hedges is applied	135	135	308	308
– of which interest derivatives where hedge accounting for cash flow hedges is applied	23	23	22	22
– of which currency derivatives related to net investments in foreign operations where hedge accounting is applied	7	7	1,156	1,156
Financial assets at fair value through other comprehensive income				
Trade receivables ¹	283	283	634	634
Financial assets measured at amortized cost				
Other non-current assets	630	630	641	641
Trade receivables	5,269	5,269	4,655	4,655
Other receivables	386	386	330	330
Cash and cash equivalents	1,970	1,970	1,527	1,527
Total financial assets	8,946	8,946	9,392	9,392

¹ Trade receivables not sold but part of factoring programmes.

	2024		2023	
SEKm	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Financial liabilities at fair value through profit or loss				
– of which derivatives where hedge accounting is not applied	47	47	414	414
– of which currency derivatives where hedge accounting for cash flow hedges is applied	83	83	160	160
– of which interest derivatives where hedge accounting for cash flow hedges is applied	34	34	0	0
– of which currency derivatives related to net investments in foreign operations where hedge accounting is applied	744	744	1	1
Financial liabilities measured at amortized cost				
Trade payables	5,896	5,896	5,487	5,487
Other liabilities	353	353	294	294
Borrowings	12,519	12,680	14,586	14,688
Total financial liabilities	19,675	19,836	20,943	21,044

Note 21 Provisions for pensions and other post-employment benefits

In many of the countries in which Husqvarna Group has operations the employees are covered by pension plans in addition to statutory social security insurance. Such pension plans are classified as either defined-contribution plans or defined-benefit plans. The Group's most extensive defined-benefit pension plans are in the UK, Sweden, Germany, the US and Japan (two plans). The pension plans in these countries are funded except for the plan in Germany and one of the plans in Japan. Funded plans imply that there are assets in legal entities that exist solely to finance benefits to employees and former employees.

The pension plan for the Group's employees in Germany is an unfunded cash balance plan. White-collar employees in Sweden, born in 1978 or earlier, are covered by a final-salary collectively bargained defined-benefit plan (ITP2). The old-age-pension benefit of the plan is financed through a pension fund.

The Group's defined-benefit pension plans in the UK and in US are closed for future pension accrual. Out of the Group's most extensive defined-benefit plans, there are two in Japan (which however are small in comparison to the Group's other defined-benefit plans) that cover all employees. One of the plans is a funded cash balance plan and the other is an unfunded plan based on career-average salary.

The pension plans in Japan, UK, Sweden and the US are so-called funded plans where the pension obligations are financed through pension funds whose operations are regulated by the legislation in the relevant country. The pension funds are separate legal entities with their own Board of Directors, Trustees etc., which may consist of representatives from both the company and the employees who are responsible for the management of the pension fund assets.

SEKm	2024						
	UK	Sweden	US	Japan	Germany	Other	Total
Present value of obligation	933	1 865	471	127	905	489	4,789
Fair value of plan assets	–1,155	–951	–408	–106	–11	–325	–2,955
Surplus/Deficit	–222	914	63	21	894	165	1,834
Funding level (%)	124	51	87	83	1	66	62
Duration	13	19	9	8	9	15	14
Actuarial assumptions (%)							
Discount rate	5.5	3.8	5.4	2.0	3.4	1.5	3.9
Inflation	3.1	2.0	n/a	n/a	2.0	2.2	2.2
Sensitivity analysis (%)							
Discount rate (–0.5%)	6.7	9.7	4.2	3.5	4.0	5.0	6.8
Discount rate (+0.5%)	–6.2	–8.6	–3.9	–3.3	–3.7	–4.5	–6.1
Inflation (+0.5%)	3.4	6.9	—	—	0.4	1.8	3.8

SEKm	2023						
	UK	Sweden	US	Japan	Germany	Other	Total
Present value of obligation	977	1,947	452	180	885	433	4,875
Fair value of plan assets	–1,192	–896	–361	–118	–14	–299	–2,880
Surplus/Deficit	–215	1,050	91	62	871	135	1,994
Funding level (%)	122	46	80	66	2	69	59
Duration	15	20	9	8	8	15	15
Actuarial assumptions (%)							
Discount rate	4.5	4.5	5.1/5.0	1.7	3.2	1.5	3.5
Inflation	3.0	2.0	n/a	n/a	2.3	2.2	2.2
Sensitivity analysis (%)							
Discount rate (–0.5%)	7.1	10.3	4.4	3.9	3.8	5.0	7.2
Discount rate (+0.5%)	–6.5	–9.0	–4.1	–3.7	–3.5	–4.5	–6.4
Inflation (+0.5%)	3.6	7.2	—	—	0.4	1.8	4.0

Specification of net provisions for pensions and other post-employment benefits recognized in the balance sheet:

SEKm	2024	2023
Present value of obligations for unfunded plans	826	830
Present value of obligations for funded plans	3,964	4,044
Fair value of plan assets	–2,955	–2,880
Net provisions for defined-benefit plans	1,834	1,994

The schedules show the obligations of the defined-benefit plans in Husqvarna Group and the assumptions used to determine these obligations, as well as the assets relating to the benefit plans, the amounts recognized in the income statement, other comprehensive income, and balance sheet. The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant.

The schedules include reconciliations of the opening and closing balances of the present value of the defined-benefit obligation, as well as opening and closing balances of the fair value of plan assets and of the changes in net provisions during the year. In a few countries, the Group provides mandatory lump-sum payments, in accordance with law or collective agreements, in conjunction with retirement. These obligations are included in the present value of the defined-benefit obligation and amount at year-end to SEK 40m (38). Husqvarna Group has no post-employment medical plans. Further information regarding pension cost is available in note 4.

Note 21 – Provisions for pensions and other post-employment benefits, cont.

The movement in the present value of the net defined-benefit obligation

SEKm	2024			2023		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
Opening balance, January 1	4,875	–2,880	1,994	4,178	–2,747	1,431
Current service cost	167	8	175	129	8	138
Past service costs and gains/losses on settlements	–2	—	–2	–14	—	–14
Interest expenses	169	–112	57	169	–120	49
	5,209	–2,984	2,225	4,462	–2,859	1,603
Remeasurements:						
Return on plan assets	—	112	112	—	–51	–51
Actuarial gains and losses due to changes in demographic assumptions	–5	—	–5	–17	—	–17
Experience assumptions	–18	—	–18	183	—	183
Actuarial gains and losses due to changes in financial assumptions	–327	—	–327	429	—	429
	–349	112	–237	594	–51	544
Exchange rate differences on foreign plans	132	–129	3	–1	6	5
Divestments and transfers	—	—	—	1	—	1
Contributions:						
– Employers	–114	–43	–157	–109	–49	–158
– Plan participants	10	–10	—	10	–10	—
Payments from plans:						
– Benefit payments	–99	99	—	–82	82	—
Closing balance, December 31	4,789	–2,955	1,834	4,875	–2,880	1,994

Plan assets comprise the following¹:

SEKm	2024		2023	
	SEKm	%	SEKm	%
Equity instruments				
– Equities	717	24.3	686	23.8
Interest-bearing securities				
– Government bonds	32	1.1	26	0.9
– Corporate bonds	533	18.0	452	15.7
– Index-linked bonds	331	11.2	214	7.4
– Interest rate funds	951	32.2	745	25.9
Properties	84	2.9	92	3.2
Liquid funds	36	1.2	402	13.9
Assets held by insurance company	271	9.2	264	9.2
Total	2,955	100.0	2,880	100.0

¹ Approximately 97% (97) of total plan assets refer to listed assets.

None of the assets above refers to shares in the Parent Company or real estate occupied by the Group. For the funded defined-benefit pension plans (Sweden, UK and US represent around 85 percent of total pension assets) the Group’s strategy is a combination of matching the assets with the liabilities and trying to achieve as high return as possible within the investment guidelines. This is partly done by investing in longer-duration bonds designed to match the development of the debt and also by investing in corporate bonds, index-linked bonds and shares, with the purpose of achieving a high return in various market conditions in the long term. As the maturity of the pension commitments decreases and/or the value of the assets reaches a satisfactory level in relation to the debt, the Group will gradually reduce the investment risk by shifting into assets with lower volatility. Through its defined-benefit obligations Husqvarna Group is exposed to a number of risks, of which the following have the greatest impact on the Group’s pension liability:

Discount rate

The discount rate reflects the estimated timing of benefit payments and is used for measuring the present value of the obligation. A fluctuation in the discount rate will have a material effect on the pension obligation but will also impact the interest income and expense reported in the finance net. To determine the discount rate, AA-rated corporate bonds indexes matching the duration of the pension obligations are

applied in most countries. When valuing Swedish pension liabilities Husqvarna Group uses mortgage bonds when determining discount rate.

Inflation risk

Most of the obligations are linked to inflation and an increase in inflation leads to higher debt. The return on the majority of the plan assets has a low correlation with inflation, while the holdings of index-linked bonds are protected against a rise in inflation and thus compensate for the increase in the deficit that would occur otherwise.

Longevity risk

Since most of the pension obligations mean that those covered by the plan will receive benefits for life, higher life-expectancy assumptions have a significant impact on the pension liabilities. Expected mortality is based on local conditions in each country. The company expects to make contributions of approximately SEK 156 m (145) to the plans during 2025. The weighted average duration of the defined-benefit obligation 14 years (15).

Note 22 Other provisions

SEKm	Restructuring	Warranty commit- ments	Claims	Other	Total
Opening balance, January 1, 2024	905	409	341	379	2,035
Provisions made	698	625	—	299	1,622
Provisions used	–690	–632	—	–260	–1,583
Unused amounts reversed	–214	–26	–23	–5	–269
Exchange-rate differences	41	22	33	1	97
Closing balance, December 31, 2024	739	398	351	414	1,902
Current provisions	738	268	—	218	1,224
Non-current provisions	1	130	351	197	679

Restructuring

Provisions for restructuring are based on management’s best estimate of the costs expected to be incurred in connection with decisions to implement measures such as the closure of production facilities, production streamlining, or workforce reductions. Provisions for staff reductions are calculated on an individual basis, except for the majority of unionized employees, where negotiations have been conducted at a collective level.

The restructuring reserve includes various programs initiated over the past three years. These programs comprise the reduction of low-margin gasoline-powered consumer products, cost-saving initiatives primarily related to workforce reductions, as well as the consolidation of operations and brands. The provisions utilized during the year relate to costs incurred under these programs.

Warranty commitments

Provisions for warranty comprise potential expenses for repairing or replacing products sold. Provisions are made when the products are sold and are normally limited to 24 months. The provision is estimated for each group of products and based on historical information and management’s best estimate.

Claims

Provisions for claims refer to claim reserves in the Group’s insurance companies mainly due to product liabilities but also to property damage and business interruptions. The provisions are estimated based on actuarial calculations.

Other

In all material aspects, ‘Other provisions’ refers to payroll-related provisions and environmental commitments.

Note 23 Other liabilities

SEKm	2024	2023
Accrued holiday pay	390	361
Other accrued payroll expenses	859	860
Accrued customer rebates	952	997
Other accrued expenses	1,143	1,114
Value added tax	147	100
Personnel taxes and other taxes	194	139
Other operating liabilities	353	294
Total	4,038	3,866

Note 24 Pledged assets and contingent liabilities

Pledged assets

SEKm	2024	2023
Pension obligations ¹	172	160
Real estate mortgages	22	22
Total	194	182

¹ Refers to endowment that is pledged in favour of the recipient.

Contingent liabilities

SEKm	2024	2023
On behalf of external counterparties		
Guarantees and other commitments	59	155
Total	59	155

In addition to the above contingent liabilities, guarantees for fulfilment of contractual undertakings are provided as part of Husqvarna Group’s normal course of business. There was no indication at year-end that any payment will be required in connection with any contractual guarantees. Furthermore, there is an obligation, in the event of dealers’ bankruptcy, to buy back repossessed Husqvarna Group products from certain dealers financing their floor planning with an external financing company. During 2024 goods amounting to a value of SEK 2m (2) were bought back in connection with floor planning activities.

Husqvarna Group is involved in commercial, product liability and other disputes in the ordinary course of business. Such disputes involve claims for compensatory damages, property damages or personal injury compensation and occasionally also punitive damages. The company is self-insured to a certain extent, and is also insured against excessive liability losses for certain claims. Husqvarna Group continuously monitors and evaluates pending claims and disputes and takes action when deemed necessary. The Company believes that these activities help to minimize the risk. Due to the complexity of these disputes, it is difficult to predict a favourable outcome for each claim, and an adverse outcome affecting the consolidated financial position and result could occur.

Note 25 Transactions with related parties

Sales to related parties are carried out on market-based terms. See the Parent Company’s directly owned subsidiaries in the Parent Company’s note 16, ‘Shares in subsidiaries’. Information about the Board of Directors and Group Management and compensation to those are reported in note 4, ‘Employees and employee benefits’. No unusual transactions of any significance have occurred between Husqvarna Group and the Board of Directors or Group Management.

Note 26 Changes in financial liabilities

SEKm	January 1, 2024	Cash flows from financing ¹	Cash flow within operating income	Reclassification	Foreign exchange movement	Changes in Fair value	Other non-cash movement in financing	December 31, 2024
Current interest-bearing borrowings (excl. lease liabilities)	6,031	–5,403	—	1,580	–4	—	—	2,203
Non-current interest-bearing borrowings (excl. lease liabilities)	8,556	3,256	—	–1,580	103	—	–18	10,316
Lease liabilities	2,084	–748	—	—	77	—	591	2,003
Derivatives, net	–1,029	626	15	—	—	885	—	499
Total financial liabilities incl. net derivatives	15,642	–2,268	15	—	176	885	573	15,022

SEKm	January 1, 2023	Cash flows from financing ¹	Cash flow within operating income	Reclassification	Foreign exchange movement	Changes in Fair value	Other non-cash movement in financing	December 31, 2023
Current interest-bearing borrowings (excl. lease liabilities)	7,700	–6,065	—	4,335	—	—	61	6,031
Non-current interest-bearing borrowings (excl. lease liabilities)	8,927	4,000	—	–4,335	10	—	–46	8,556
Lease liabilities	2,357	–744	—	—	–42	—	513	2,084
Derivatives, net	65	–635	5	—	—	–464	—	–1,029
Total financial liabilities incl. net derivatives	19,050	–3,444	5	—	–32	–464	528	15,642

¹ Cash flow from financial liabilities is included in the Group's consolidated cash flow statement under "Proceeds from borrowings", "Repayment of borrowings", "Repayment of lease liabilities", "Net investment hedge" and "Change in other interest-bearing net debt excluding liquid funds".

Note 27 Acquisitions

Acquisitions 2024
Acquisition of ET Water Systems
In March 2024, Husqvarna Group acquired ET Water Systems, Inc., a leader in smart watering solutions by offering smart controllers and subscription services to professional customers. The company is based in Fresno, California, employs 10 people and generated 2024 annual sales of 1.5 MUSD.

This acquisition aligns with our strategic objective to accelerate the entrance into the commercial segment and offer subscription services to the larger market. By integrating ET Water Systems, Inc’s. expertise and offerings into our portfolio, we aim to deliver enhanced value to our customers and expedite our growth in the professional and commercial market.

The transaction was funded through internally generated cash flow. The acquisition is expected to contribute positively to our performance and support our long-term growth strategy.

Acquisition of InCeres
In October 2024, Husqvarna Group acquired the Brazilian company InCeres. The company offers a digital platform in the professional agriculture segment specializing in soil analysis that facilitates decision-making and improves productivity for farmers. Its digital precision agriculture platform will contribute to Husqvarna Group’s offering in Total Farm Management through the Family Farming business unit within the Husqvarna Forest & Garden Division.

InCeres has 35 employees and total sales in 2023 of 1 MUSD. InCeres has a scalable subscription-based business model, in which 100% of revenues are recurring.

InCeres will be integrated into Husqvarna’s Light Agriculture Business Unit within the Forest & Garden Division. This acquisition aligns with our ambition to provide efficient means for sustainable food security to people around the world.

Acquisitions 2023
Acquisition of Total Diamond Products
In October 2023, Husqvarna Group acquired Total Diamond Products, in the UK. The company had 8 employees and a yearly net sales around GBP 1m. The acquisition value amounted to SEK 9m.

Note 28 Subsequent events

Group improving results in North America
On February 4, 2025, Husqvarna Group divested the Group’s manufacturing facility in Orangeburg, SC, to Flex Ltd. In parallel the Group has entered into a long-term supplier agreement with Flex, to ensure continued production of the Husqvarna Forest & Garden Division’s wheeled products and assembly of its handheld products in the US. This partnership will build profitability, improve capital efficiency, enhance production flexibility and strengthen the competitiveness in North America. Cost savings related to this is expected to amount to SEK 350m by 2030.

In December 2024 the assets and liabilities that will be acquired by Flex Ltd. were classified as assets held for sale (SEK 501m from property, plant and equipment and SEKm 909 from inventories) and liabilities to assets held for sale (SEK 140m). Following the reclassification costs amounting to SEK –248m has been recorded. These have in the fourth quarter been reported as items affecting comparability.

Note 29 Assets and liabilities held for sale

SEKm	2024	2023
Property, plant and equipment	501	—
Inventories	909	—
Total assets	1,410	—
Assets held for sale	1,410	—
Other provisions	140	—
Total liabilities	140	—
Liabilities attributable to assets held for sale	140	—

On February 4, 2025, Husqvarna Group divested the Group’s manufacturing facility in Orangeburg, SC, to Flex Ltd. In parallel the Group has entered into a long-term supplier agreement with Flex, to ensure continued production of the Husqvarna Forest & Garden Division’s wheeled products and assembly of its handheld products in the US. This partnership will build profitability, improve capital efficiency, enhance production flexibility and strengthen the competitiveness in North America. Cost savings related to this is expected to amount to SEK 350m by 2030.

In December 2024 the assets and liabilities that will be acquired by Flex were classified as assets held for sale (SEK 501m from property, plant and equipment and SEK 909m from inventories) and liabilities to assets held for sale (SEK 140m from other provisions). Following the reclassification costs amounting to SEK –248m has been recorded as items affecting comparability, including an inventory impairment amounting to 113 MSEK.

There are no accumulated income or expenses included in other comprehensive income attributable to this asset group.

The divestment of Property, plant and equipment and part of the inventory was completed on February 4, 2025, while the remaining inventory will be gradually divested throughout 2025.

Parent Company income statement

SEKm	Note	2024	2023
Net sales	3	22,427	23,454
Cost of goods sold	5	–19,404	–18,366
Gross income		3,023	5,089
Selling expenses	5, 6	–1,863	–2,129
Administrative expenses	5	–2,122	–2,721
Other operating income and operating expenses	7	0	–1
Operating income	4, 8, 9	–962	238
Income from financial items			
Income from participation in Group companies	10	519	1,943
Financial income	11	382	922
Financial expenses	11	–2,798	–1,391
Income after financial items		–2,859	1,711
Appropriations	12	5	–266
Income before taxes		–2,854	1,445
Income tax	13	721	80
Net Income for the period		–2,133	1,525

Parent Company comprehensive income statement

SEKm	2024	2023
Net Income for the period	–2,133	1,525
Other comprehensive income		
<i>Items that may be reclassified to the income statement:</i>		
Cash flow hedges		
Result arising during the period, net of tax	12	157
Reclassification adjustments to the income statement, net of tax	–171	89
Other comprehensive income, net of tax	–159	246
Total comprehensive income	–2,292	1,771

Parent Company balance sheet

SEKm	Note	Dec 31, 2024	Dec 31, 2023
Assets			
<i>Non-current assets</i>			
Intangible assets	14	4,454	4,368
Property, plant and equipment	15	2,495	2,513
Financial assets			
Shares in subsidiaries	16	45,253	43,144
Derivatives	19	23	0
Receivables from Group companies	17, 19	258	85
Other non-current assets	17	15	15
Deferred tax assets	13	857	138
Total non-current assets		53,355	50,263
<i>Current assets</i>			
Inventories	18	3,012	3,891
Receivables			
Trade receivables	19	1,028	956
Receivables from Group companies	19	4,945	8,231
Derivatives	19	440	2,065
Other receivables	19, 20	158	122
Current tax receivables		0	13
Prepaid expenses and accrued income	20	244	203
Cash and cash equivalents	19	294	136
Total current assets		10,122	15,616
Total assets		63,477	65,880

SEKm	Note	Dec 31, 2024	Dec 31, 2023
Equity and liabilities			
<i>Restricted equity</i>			
Share capital		1,153	1,153
Revaluation reserve		14	14
Statutory reserves		19	19
Reserve related to R&D expenses		2,097	1,803
<i>Non-restricted equity</i>			
Share-premium reserve		2,606	2,606
Fair value reserve		12	171
Profit or loss brought forward		24,275	24,739
Net Income for the period		–2,133	1,525
Total equity		28,042	32,030
Untaxed reserves	12	1,424	1,424
<i>Provisions</i>			
Provisions for pensions and other post-employment benefits	22	540	438
Other provisions	23	128	103
Total provisions		668	542
<i>Non-current liabilities</i>			
Borrowings	19, 27	10,206	8,406
Derivatives	19	34	—
Total non-current liabilities		10,240	8,406
<i>Current liabilities</i>			
Borrowings	19, 27	2,040	5,812
Liabilities to Group companies	19	16,585	13,860
Trade payables	19	2,350	1,990
Current tax liabilities		2	—
Derivatives	19	1,090	736
Other liabilities	21	1,036	1,080
Total current liabilities		23,102	23,478
Total equity and liabilities		63,477	65,880

Parent Company cash flow statement

SEKm	Note	2024	2023
Cash flow from operations			
Income after financial items		–2,859	1,711
Non cash items			
Depreciation/amortization and impairment	5, 14, 15	1,526	1,340
Capital gains and losses		1	—
Other non cash items		–114	–9
Taxes paid		58	130
Cash flow from operations, excluding change in operating assets and liabilities		–1,388	3,172
Change in operating assets and liabilities			
Change in inventories		879	273
Change in trade receivables		–72	–155
Change in inter-company receivables/liabilities	17	6,812	11,418
Change in other current assets		1,547	–777
Change in current liabilities and provisions		830	–519
Cash flow from operating assets and liabilities		9,995	10,240
Cash flow from operations		8,608	13,412

SEKm	Note	2024	2023
Investments			
Paid shareholder's contribution	16, 17	–2,108	–8,122
Investments in intangible assets	14	–1,127	–1,273
Investments in property, plant and equipment	15	–467	–535
Cash flow from investments		–3,702	–9,930
Cash flow from operations and investments		4,906	3,482
Financing			
New borrowings	27	5,735	5,423
Repayment of borrowings	27	–7,803	–7,481
Dividend paid to shareholders		–1,714	–1,714
Dividend equity swap		14	15
Group contribution paid		–979	—
Cash flow from financing		–4,747	–3,756
Total cash flow		158	–274
Cash and cash equivalents at beginning of year		136	410
Cash and cash equivalents at year-end		294	136

Parent Company statement of changes in equity

SEKm	Share capital	Restricted reserves ³	Reserve related to R&D expenses	Share premium reserve	Fair value reserve ⁴	Profit or loss brought forward incl. profit of the year	Total
Opening balance January 1, 2023	1,153	33	1,619	2,606	–75	26,718	32,055
Net income for the period	—	—	—	—	—	1,525	1,525
Other comprehensive income	—	—	—	—	246	—	246
Total comprehensive income	—	—	—	—	246	1,525	1,771
Share-based payments	—	—	—	—	—	–79	–79
Change of Restricted reserves related to capitalized R&D ¹	—	—	183	—	—	–183	—
Dividend SEK 3.00 per share ²	—	—	—	—	—	–1,714	–1,714
Closing balance December 31, 2023	1,153	33	1,803	2,606	171	26,264	32,030
Net income for the period	—	—	—	—	—	–2,133	–2,133
Other comprehensive income	—	—	—	—	–159	—	–159
Total comprehensive income	—	—	—	—	–159	–2,133	–2,292
Share-based payments	—	—	—	—	—	19	19
Change of Restricted reserves related to capitalized R&D ¹	—	—	295	—	—	–295	—
Dividend SEK 1.00 per share ²	—	—	—	—	—	–576	–1,714
Closing balance December 31, 2024	1,153	33	2,097	2,606	12	22,141	28,042

¹ The reserve related to R&D and IT expenses is only applied in the Parent Company. Information about the accounting principle is available in the Parent Company's note 1.

² Total dividend 2024 amounts to SEK 576m (1,714), of which Husqvarna AB (publ) received SEK 14m (15) for B-shares in third party share swap agreement.

³ Restricted reserves relates to revaluation reserve together with statutory reserves.

⁴ Relates to result and reclassification adjustments to the income statement for Cash flow hedges, net of tax, which are recognized in other comprehensive income.

Information regarding the Parent Company's shares, share capital and share premium reserve is available in the Group's note 19.

Note 1 Parent Company's Accounting principles

Husqvarna AB's (publ) Annual Report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 2. The Parent Company follows the IFRS Accounting Standards adopted by EU, to the extent possible within the framework for the Swedish Annual Accounts Act and Swedish Safe-guarding of Pension Commitments Act (Tryggandelagen), and considering the relationship between accounting and taxation. The Parent Company is following the same principles as described in the Group note 1, with the below exceptions.

Segments

Information is reported in accordance with the Swedish Annual Accounts Act and contains disclosures of net sales divided by geography and per product category.

Intangible assets

The Parent company amortize all brands on a straight-line basis during the useful life, which according to group policy is estimated at 10 years.

Property, plant and equipment

The Parent Company uses methods for depreciations described in the section "Property, plant and equipment" in the Group's note 1 with some exception, which is described below. The Parent Company accounts for tax depreciation in accordance with the Swedish tax law as appropriations in the Income statement. These depreciations are accounted for in addition to the depreciation described in the section "Property, plant and equipment" in the Group's note 1 and are reported as untaxed reserves in the Balance sheet.

Shares in subsidiaries

Shares in subsidiaries are reported at cost deducted for impairment. Expenses and potential additional purchase price, related to an acquisition are included in the acquisition value of the investment. Investments are tested annually for impairment or if there is an indication of that the book value of the investment is higher than the recoverable amount. Dividends are reported as income.

Pensions

Husqvarna Group applies IAS 19 Employee Benefits for pension assets and liabilities. The Parent Company applies the Swedish Safe-guarding of Pension Commitments Act (Tryggandelagen).

Group contributions

Husqvarna AB (publ) applies the alternative rule in RFR 2, and accounts for both group contribution received and paid as appropriations in the income statement.

Contingent liabilities

The Parent Company has signed guarantees in favour of subsidiaries which in accordance with IFRS are classified as a financial guarantee. However, the Parent Company applies RFR 2 and recognizes these guarantees as contingent liabilities.

Leasing

The Parent Company applies RFR 2 and recognizes all leasing as a linear cost over the lease period.

Reserve related to R&D expenses

The parent company capitalizes R&D and IT in the balance sheet. From 2016 and forward, a restricted reserve is presented for internally generated R&D and IT, where an amount equal to this year's capitalization reduced with amortization is transferred from free reserves to restricted reserves. The restricted reserve dissolves in line with the amortizations.

Note 2 Financial risk management

Husqvarna Group applies common risk management for all units through the Group Treasury functions in Sweden and Ireland. The description of financial risk management available in the Group's note 20 is in all material aspects applicable also for the Parent Company.

Note 3 Net sales distribution

Net sales are distributed on the following geographic markets

SEKm	2024	2023
Europe	16,532	16,106
North America	2,435	3,207
Rest of the World	3,459	4,141
Total	22,427	23,454

Net sales amounted to SEK 22,427m (23,454), of which SEK 17,103m (18,358) referred to sales to Group companies and SEK 5,324m (5,096) to external customers.

Net sales distribution per product category

SEKm	2024	2023
Forest-, park- and garden products	18,690	19,412
Construction products	3,646	3,927
Other	91	115
Total	22,427	23,454

Note 4 Employees and employees benefits

Average number of employees

	2024			2023		
	Men	Women	Total	Men	Women	Total
Board, CEO and Group Management	14	6	20	14	5	19
Sweden	1,934	703	2,637	1,918	681	2,599
Total	1,948	709	2,657	1,932	686	2,618

Salary and remuneration

	2024			2023		
	Salaries and remunerations (whereof bonuses)	Social expenses	Pension expenses	Salaries and remunerations (whereof bonuses)	Social expenses	Pension expenses
SEKm						
Board, CEO and Group Management	61 (11)	22	12	60 (8)	21	9
Former CEO	—	—	—	12	5	4
Other employees	1,845	628	290	1,751	630	305
Total	1,906	650	302	1,823	656	318

For further information regarding remunerations to the Board of Directors, CEO and the Group Management together with the Group's long term incentive program, see the Group's note 4.

Note 5 Expenses by nature

SEKm	2024	2023
Costs for supplies and raw materials	11,823	13,702
Salary and remuneration	2,858	2,800
Amortization/depreciation and impairment	1,526	1,340
Other	7,182	5,374
Total	23,389	23,216

Note 6 Exchange rate gains and losses in operating income

SEKm	2024	2023
Exchange rate gains and losses in operating income ¹	135	–169
Total	135	–169

¹ Included in selling expenses within operating income.

Operating income includes SEK 195m (–149) of foreign exchange hedging result previously reported in other comprehensive income. Information related to the accounting of fair value in financial instruments is presented in the Group's note 1.

Note 7 Other operating income and operating expenses

SEKm	2024	2023
Other operating income		
Gain on sale of :		
– Property, plant and equipment	1	0
Total	1	0
Other operating expenses		
Loss on sale of:		
– Property, plant and equipment	–1	–1
Total	–1	–1

Note 8 Fees to auditors

SEKm	2024	2023
KPMG		
Audit fees for the annual audit engagement	6	5
Audit fees not included in the annual audit engagement	1	1
Total fees to KPMG	7	6

Note 9 Operating leases

Expenses for rental payments for facilities, machinery etc. (minimum lease payments) amounted to SEK 110m (116) in 2024. The leases are on commercial terms with respect to prices and duration.

Future minimum lease payments are allocated as follows:

SEKm	2024	2023
Within 1 year	97	92
1–5 years	91	136
> 5 years	47	64
Total	235	292

Note 10 Income from participation in Group companies

SEKm	2024	2023
Dividends	519	1,943
Total	519	1,943

Income from participations in Group companies was mainly impacted by the dividend from Husqvarna U.S. Holding, Inc. of SEK 436m.

Note 11 Financial income and expense

SEKm	2024	2023
Financial income		
Interest income		
– from subsidiaries	246	349
– from others	136	59
<i>whereof Interest income</i>		
– on deposits	274	370
– on derivatives held for trading	108	38
Exchange rate differences		
– on borrowings	—	106
– on derivatives held for trading ²	—	408
Total financial income	382	922
Financial expenses		
Interest expense		
– to subsidiaries	–485	–388
– to others	–949	–978
<i>whereof Interest expense</i>		
– on borrowings	–1,126	–1,023
– on cashflow hedges, interest derivatives	27	—
– on derivatives held for trading ¹	–335	–343
Exchange rate differences		
– on borrowings	–242	—
– on derivatives held for trading ²	–1,091	—
Other financial expenses	–30	–25
Total financial expenses	–2,798	–1,391
Financial income and expenses, net	–2,415	–469

¹ Interest expense on derivatives held for trading includes interest expense on derivatives for hedging net investments SEK –246m (–264).

² Currency exchange rate difference on derivatives held for trading includes currency exchange rate differences on derivatives for hedging net investments SEK 1,344m (508).

Note 12 Appropriations and untaxed reserves

SEKm	Appropriations		Untaxed Reserves	
	2024	2023	2024	2023
Group contribution, received	8	—		
Group contribution, paid	–3	–242		
Depreciation in excess of plan on	—	–534		
Tax allocation reserve	—	510		
Accumulated depreciation in excess of plan on fixed assets			1,424	1,424
Total	5	–266	1,424	1,424

Note 13 Tax

SEKm	2024	2023
Current tax on income for the period	—	–16
Income tax generated from previous years	51	–6
Deferred tax income/expense	677	116
Withholding taxes	–7	–14
Total	721	80

Theoretical and actual tax rate

	2024		2023	
	Tax, %	SEKm	Tax, %	SEKm
Profit before tax	—	–2,854	—	1,445
Theoretical tax rate	–20.6	588	–20.6	–298
Non-taxable income statements items	–4.4	127	30.7	444
Non-deductible income statement items	9.2	–263	–11.2	–162
Change in valuation of deferred tax	–7.9	226	8.0	116
Income tax generated from previous years	–1.8	50	–0.4	–6
Withholding tax	0.2	–7	–1.0	–14
Other	—	—	—	—
Actual tax rate¹	–25.3	721	5.5	80

¹ Actual tax rate in the Parent Company is explained by a non-taxable dividend from subsidiaries of SEK 519m (1,943).

Changes in deferred taxes

SEKm	Balance, 1 Jan, 2024	Recognized in income statement	Recognized in comprehensive income statement	Reclassification	Balance, Dec 31, 2024
Non-current assets	–4	4	—	—	—
Provision for pensions and similar commitments	41	4	—	—	45
Other provisions	146	219	—	—	365
Financial and operating liabilities	–45	—	41	—	–4
Tax losses carried forward	—	451	—	—	451
Deferred tax assets and liabilities, net	138	678	41	—	857

SEKm	Balance, 1 Jan, 2023	Recognized in income statement	Recognized in comprehensive income statement	Reclassification	Balance, Dec 31, 2023
Non-current assets	–4	—	—	—	–4
Provision for pensions and similar commitments	39	2	—	—	41
Other provisions	32	114	—	—	146
Financial and operating liabilities	19	—	–64	—	–45
Tax losses carried forward	—	—	—	—	—
Deferred tax assets and liabilities, net	86	116	–64	—	138

Tax items recognized in Other comprehensive income amounts to SEK –41m (–64) for items related to cash flow hedges.

Deferred tax assets and liabilities

SEKm	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Non-current assets	4	—	3	4	1	–4
Provisions for pensions and similar commitments	45	43	—	—	45	43
Other provisions	364	145	—	—	364	145
Financial and operating liabilities	—	—	4	46	–4	–46
Tax losses carried forward	451	—	—	—	451	—
Deferred tax assets and liabilities	864	188	7	50	857	138
Set-off of tax	—	—	—	—	—	—
Deferred tax assets and liabilities, net	864	188	7	50	857	138

Note 14 Intangible assets

SEKm	Product development		Brands		Other		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Opening accumulated acquisition value	5,126	4,532	3,493	3,493	2,839	2,168	11,458	10,193
Investments	641	596	—	—	486	677	1,127	1,273
Sold, scrapped	–28	–2	—	—	–57	–6	–85	–8
Closing accumulated acquisition value	5,739	5,126	3,493	3,493	3,268	2,839	12,500	11,458
Opening accumulated amortization and impairment	3,654	3,141	1,853	1,657	1,583	1,372	7,090	6,170
Amortization ¹	553	494	195	196	263	217	1,010	907
Impairment	—	21	–4	—	–50	—	–54	21
Sold, scrapped	—	–2	—	—	—	–6	—	–8
Closing accumulated amortization and impairment	4,207	3,654	2,043	1,853	1,796	1,583	8,046	7,090
Closing balance, December 31	1,532	1,473	1,449	1,639	1,473	1,256	4,454	4,368

¹ In the income statement depreciation is accounted for within cost of goods sold by SEK 560m (504), within selling expenses by SEK 24m (34) and within administrative expenses by SEK 427m (369).

Note 15 Property, plant and equipment

SEKm	Land and land improvements ²		Buildings and leasehold improvements		Machinery and technical installations		Other equipment		Construction in progress and advances		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening accumulated acquisition value	17	11	541	492	3,511	3,299	417	288	640	547	5,126	4,638
Investments	1	4	80	26	143	99	34	57	209	353	467	535
Sold, scrapped	0	—	–60	–1	–109	–135	–10	–11	—	—	–180	–143
Reclassification	3	1	49	23	201	248	29	83	–270	–260	12	96
Closing accumulated acquisition value	20	17	610	541	3,746	3,511	471	417	578	640	5,425	5,126
Opening accumulated depreciation and impairment	5	5	274	243	2,106	1,827	229	214	—	—	2,614	2,289
Depreciation ¹	1	—	35	31	359	350	35	26	—	—	430	408
Impairment	—	—	—	—	—	4	—	—	—	—	—	4
Sold, scrapped	—	—	–36	—	–79	–136	–9	–11	—	—	–125	–147
Reclassification	—	—	—	—	5	60	7	—	—	—	12	60
Closing accumulated depreciation and impairment	6	5	273	274	2,391	2,106	262	229	—	—	2,932	2,614
Closing balance, December 31	14	12	337	267	1,355	1,405	209	188	578	640	2,495	2,513

¹ In the income statement depreciation is accounted for within cost of goods sold by SEK 412m (393), within selling expenses by SEK 12m (10) and within administrative expenses by SEK 7m (5).

² The net book value for land is SEK 5m (5).

Note 16 Shares in subsidiaries

Country	Subsidiaries	Registration number	Holding, %	Net book value, SEKm	Net book value, SEKm
				2024	2023
Australia	Husqvarna Commercial Solutions Australia Pty Ltd	669198261	100	—	—
Belgium	Husqvarna Belgium SA	0400.604.654	100	486	486
Belgium	Husqvarna Commercial Solutions Belgium	0804.269.164	100	1	1
Canada	Husqvarna Canada Corp.	82354277RT0001	100	271	271
Colombia	Husqvarna Colombia S.A.	900.047.189-0	95	1	1
Denmark	Husqvarna Commercial Solutions Danmark A/S	41829184	100	1	1
Denmark	Husqvarna Danmark A/S	26205328	100	16	16
Estonia	Husqvarna Eesti Osaühing	11159436	100	0	0
Finland	Oy Husqvarna Commercial Solutions Finland Ab	3175257-1	100	0	0
France	Husqvarna Commercial Solutions France	914 543 426	100	4	0
Germany	Husqvarna Commercial Solutions Germany GmbH	HRB 741377	100	0	0
Germany	Husqvarna Real Estate Germany GmbH	HRB 742955	100	0	0
India	Husqvarna (India) Products Private Limited	U74999TN2007FTC112630	0,01	0	0
Ireland	Husqvarna Finance Ireland Limited	611319	100	10,976	10,976
Kenya	Outdoor Power Products Husqvarna Kenya Ltd	PVT-DLU8KXM	100	0	0
Latvia	SIA Husqvarna Latvija	40003760065	100	3	3
Netherlands	Husqvarna Commercial Solutions Netherlands B.V.	50898280	100	3	—
Norway	Husqvarna Commercial Solutions Norge AS	925918261	100	0	0
Poland	Husqvarna Commercial Solutions Poland Sp.z.o.o.	0001012533	100	0	0
Poland	Husqvarna Poland Sp.z.o.o.	247636	100	638	638
Slovakia	Husqvarna Slovensko s.r.o.	36437115	100	—	—
South Africa	Husqvarna South Africa (Proprietary) Limited	2005.025971.07	100	19	19
Sweden	Husqvarna Commercial Solutions AB	556745-5893	100	—	—
Sweden	Husqvarna Business Support AB	556037-1964	100	14,600	12,499
Sweden	McCulloch Trademark Holding AB	559169-3451	0	—	0
Sweden	Husqvarna Direct AB	559170-2609	100	0	0
Sweden	Gardena Flymo AB	559170-2617	0	—	0
Sweden	Mariehov 5:38 AB	559288-5379	100	9	9
Sweden	Goldcup 36391 AB	559509-5067	100	0	—
U.S.	Millhouse Insurance Company	20-4233540	100	79	79
U.S.	Husqvarna U.S. Holding, Inc.	34-1946153	100	18,144	18,144
Total				45,253	43,144

During 2024 capital injection was made to Husqvarna Business Support AB of SEK 2,101m, Husqvarna Commercial Solutions France, of SEK 4,1m and Husqvarna Commercial Solutions Netherlands B.V. of SEK 2,8m. Ownership for McCulloch Trademark Holding AB and Gardena Flymo AB was transferred to Husqvarna Business Support AB. There is also a number of subsidiaries to the subsidiaries, a detailed specification of Group companies is available on request from Husqvarna AB (publ), Investor Relations.

Note 17 Other non-current assets

SEKm	2024	2023
Receivables Group	258	85
Other long-term receivables	15	15
Total	273	100

Note 18 Inventories

SEKm	2024	2023
Supplies including raw materials	741	940
Products in progress	10	7
Finished products	2,199	2,881
Advances to suppliers	62	63
Total	3,012	3,891

Provisions for obsolescence are included in the value of the inventory and amounts to SEK 57m (46). Provision made during the year amount to SEK 157m (140) and SEK 101m (94) has been reversed. Inventories valued to net realizable value amounted to SEK 172m (101) referring to finished products and SEK 0m (0) referring to raw materials.

Note 19 Financial assets and liabilities

Financial assets and liabilities per category

SEKm	Financial assets valued at fair value	Financial assets for which hedge accounting is applied	Other financial assets	Total
2024				
Assets				
Derivatives	304	159	—	463
Receivables Group companies ¹	—	—	5,203	5,203
Trade receivables	—	—	1,028	1,028
Other receivables	—	—	19	19
Cash and cash equivalents	—	—	294	294
Total	304	159	6,544	7,007

SEKm	Financial assets valued at fair value	Financial assets for which hedge accounting is applied	Other financial assets	Total
2023				
Assets				
Derivatives	1,614	451	—	2,065
Receivables Group companies ¹	—	—	8,316	8,316
Trade receivables	—	—	956	956
Other receivables	—	—	18	18
Cash and cash equivalents	—	—	136	136
Total	1,614	451	9,426	11,491

¹ For long-term receivables to Group companies, see note 17.

Financial assets and liabilities per category, cont.

SEKm	Financial liabilities valued at fair value	Financial liabilities for which hedge accounting is applied	Other financial liabilities	Total
2024				
Liabilities				
Borrowings	—	—	12,246	12,246
Liabilities to Group companies	—	—	16,858	16,585
Trade payables	—	—	2,350	2,350
Derivatives	980	144	—	1,123
Other liabilities	—	—	281	281
Total	980	144	31,462	32,585

SEKm	Financial liabilities valued at fair value	Financial liabilities for which hedge accounting is applied	Other financial liabilities	Total
2023				
Liabilities				
Borrowings	—	—	14,218	14,218
Liabilities to Group companies	—	—	13,860	13,860
Trade payables	—	—	1,990	1,990
Derivatives	501	235	—	736
Other liabilities	—	—	342	342
Total	501	235	30,410	31,146

Future undiscounted cashflows of loans and other financial liabilities as of December 31, 2024 ¹							
SEKm	2025	2026	2027	2028	2029	>2030	Total
Bonds, bank loans and other loans	–2,502	–1,473	–4,352	–3,045	–1,081	–1,191	–13,644
Liabilities to Group companies	–16,585	—	—	—	—	—	–16,585
Derivative liabilities, interest rate	—	–6	–6	–2	0	–5	–19
Derivative liabilities, foreign exchange	–1,158	—	—	—	—	—	–1,158
Trade payables	–2,350	—	—	—	—	—	–2,350
Total financial liabilities	–22,595	–1,479	–4,358	–3,047	–1,081	–1,196	–33,756

¹ The table includes the forecast future nominal interest payment and, thus, does not correspond to the net book value in the balance sheet.

Derivatives

The main part of the Group's derivatives is held by the Parent Company. Disclosures regarding the derivatives are available in the Group's note 20.

Trade receivables

The Parent Company's trade receivables amount to SEK 1,028m (956) as per December 31, 2024. Trade receivables past due but not impaired amount to SEK 118m (144) as of December 31, 2024.

Aging analysis for past due, but not impaired trade receivables

SEKm	2024	2023
<3 months	77	93
>3 months	41	51
Total past due but not impaired	118	144

Provision for overdue accounts receivables

SEKm	2024	2023
Opening balance, January 1	8	12
New provisions	14	25
Reversed unused provisions	–8	–16
Write off accounts receivables	—	–13
Closing balance, December 31	14	8

The credit risk in financial assets is described in the Group's note 20.

Borrowings

The main part of the borrowings in Husqvarna Group is reported within the Parent Company. For disclosures regarding fair value and interest exposure, see the Group's note 20.

Note 20 Other current assets

SEKm	2024	2023
Value added tax	90	80
Miscellaneous short-term receivables	69	42
Prepaid rents and leases	17	18
Prepaid insurance premiums	8	10
Other prepaid expenses	219	175
Total	402	325

Note 21 Other liabilities

SEKm	2024	2023
Accrued holiday pay	252	237
Other accrued payroll expenses	281	319
Accrued customer rebates	101	103
Other accrued expenses	219	240
Personnel taxes and other taxes	183	181
Total	1,036	1,080

Note 22 Provisions for pensions

Specification of the net provision for pensions

SEKm	2024	2023
Present value of the funded pension obligations	1,499	1,337
Fair value of plan assets	-959	-899
Surplus/deficit of the pension fund	540	438
Net provision for pensions	540	438

Specification of the change in the net provision for pensions

SEKm	2024	2023
Opening balance, January 1	438	308
Costs for pensions recognized in the income statement	138	162
Benefits paid	-36	-32
Closing balance, December 31	540	438

Of total net provisions, SEK 540m (438) is within the scope of the Swedish Safe-guarding of Pension Commitments Act.

Pension costs recognized in the income statement

SEKm	2024	2023
Own pensions		
Pension costs	141	164
Insured pensions		
Insurance premiums	161	154
Total net expenses for pensions	302	318

Of total net expenses of SEK 302m (318), SEK 153m (148) is recognized in cost of goods sold, SEK 56m (68) in selling expenses and SEK 93m (102) in administration expenses. The expected payments 2024 for own pensions amounts to SEK 39m.

Principal actuarial assumptions at balance sheet date

%	2024	2023
Discount rate	3	3

The major categories of plan assets as a percentage of total plan assets and the return on these categories

%	2024	Return	2023	Return
Equity instruments	43	8	41	19
Debt instruments	57	1	59	4
Total	100	3	100	9

The employees are covered by pension plans in addition to statutory social security insurance. Such pension plans are classified as either defined contribution plans or defined benefit plans. The pension plans are funded which imply that there are assets in a legal entity that exist solely to finance benefits to employees and former employees. White collar employees, born 1978 or earlier, are covered by a final salary collectively bargained defined benefit plan (ITP2). The old-age pension benefit of the plan is financed primarily through a pension fund. Employees born 1979 or later are covered by ITP 1, which is a defined contribution pension plan. More information about pensions are presented in Group notes 4 and 21.

Note 23 Other provisions

SEKm	Provisions for restructuring	Warranty commitments	Other	Total
Opening balance January 1, 2024	36	50	17	103
Provisions made	68	32	7	107
Provisions used	-45	-26	-11	-82
Closing balance, December 31, 2024	59	56	13	128
Current provisions	54	47	10	111
Non-current provisions	5	9	3	17

Provisions for restructuring

See the Group's note 22 for further information regarding Husqvarna Group's restructuring programmes.

Warranty commitments

Provisions for warranty comprises all potential expenses for repairing or replacing products sold and are normally limited to 24 months.

Note 24 Pledged assets and contingent liabilities

Pledged assets

SEKm	2024	2023
Pension obligation ¹	172	160
Total	172	160

¹ Refers to endowment that is pledged in favor of the recipient.

Contingent liabilities

SEKm	2024	2023
On behalf of Group companies		
Pension obligation	527	485
Pledged receivables	6	16
Bank guarantee	134	—
On behalf of external counterparties		
Bank guarantee	—	107
Pension obligation	30	26
Total	697	634

As described in note 24 to the Group's Financial Statements, the Group is exposed to certain contingent liabilities regarding commercial guaranties, commercial litigation, and related disputes. Husqvarna AB (publ), as the parent company of the Group, may be directly liable for such obligations (for example, if it is directly named in such a lawsuit) and/or may have indirect liability for the same, such as when an intra-company guarantee is in place. Please refer to the Groups note 24 for more details.

Note 25 Related party transactions

All transactions with related parties are carried out on market-based terms. Information about the Board of Directors and Group Management and compensation to those are reported in Group note 4, Employees and employee benefits. No unusual transactions have occurred between Husqvarna Group and the Board of Directors or Group Management.

Note 26 Subsequent events

No significant events have occured subsequent to the balance sheet date that would have a material impact on the Parent Company's financial statements. See the Group's note 28.

Note 27 Changes in financial liabilities

SEKm	Opening balance, January 1, 2024	Cash flows ¹	Reclassification	Foreign exchange movement	Other non-cash movement ²	Closing balance, December 31, 2024
Current interest-bearing borrowings	5,812	–5,347	1,580	—	–4	2,040
Non-current interest-bearing borrowings	8,406	3,279	–1,580	101	—	10,206
Total financial liabilities	14,218	–2,068	—	101	–4	12,246

SEKm	Opening balance, January 1, 2023	Cash flows ¹	Reclassification	Foreign exchange movement	Other non-cash movement ²	Closing balance, December 31, 2023
Current interest-bearing borrowings	7,534	–6,058	4,335	—	—	5,812
Non-current interest-bearing borrowings	8,749	4,000	–4,335	10	–17	8,406
Total financial liabilities	16,283	–2,058	—	10	–17	14,218

¹ Cash flow from financial liabilities is included in the Parent Company’s cash flow statement under “Proceeds from borrowings” and “Repayment of borrowings”.

² Other non-cash movement includes share swap agreements.

Note 28 Proposed distribution of earnings

The Board of Directors proposes a dividend for 2024 of SEK 1.00 per share (3.00) corresponding to a total dividend payment of SEK 572m (1,715) based on the number of outstanding shares at the end of 2024. It is also proposed that the dividend will be paid in two instalments to better match the Group’s cash flow profile, with one payment of SEK 0.5 per share in May and the remaining SEK 0.5 per share in October. The proposed record dates are May 2, 2025 for the first payment and October 31, 2025 for the second payment.

SEKt	2024
The following profits are at the disposal of the AGM:	
Share premium reserve	2,605,747
Retained earnings	24,274,675
Net income for the period	–2,132,982
Total	24,747,440

SEKt	2024
The Board proposes the following allocation of available profits:	
Dividend to the shareholders of SEK 1 per share ¹	571,697
To be carried forward	24,175,743
Total	24,747,440

¹ Calculated on the number of outstanding shares as per December 31, 2024.

The Board is of the opinion that the dividend proposed above is justifiable on both the Company and the Group level with regard to the demands on the Company and Group equity imposed by the type, scope and risks of the business and with regard to the Company and the Group’s financial strength, liquidity and overall position.

Declaration by the Board of Directors and the CEO

The Board of Directors and the CEO declare that the consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU, and give a true and fair view of the Group's financial position and results of operations. The financial statements of the Parent Company have been prepared in accordance with generally accepted accounting principles in Sweden and give a true and fair view of the Parent Company's financial position and results of operations.

The statutory Administration Report of the Group and the Parent Company provides a fair review of the development of the Group's and the Parent Company's operations, financial position and results of operations and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, March 24, 2025

Tom Johnstone
Chair of the Board

Ingrid Bonde
Board member

Torbjörn Lööf
Board member and
Deputy Chair

Katarina Martinson
Board member

Bertrand Neuschwander
Board member

Daniel Nodhäll
Board member

Lars Pettersson
Board member

Christine Robins
Board member

Pavel Hajman
CEO

Anders Krantz
Board member and
employee representative

Dan Byström
Board member and
employee representative

Our audit report was issued on March 24, 2025
KPMG AB

Joakim Thilstedt
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Husqvarna AB (publ), corp. id 556000-5331

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Husqvarna AB for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 29–90 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act.

A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts, and the corporate governance statement is in accordance with the Annual Accounts Act.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of goodwill, trademarks and customer relations and parent company's shares in subsidiaries

See disclosure 2 and 14 to the consolidated accounts and disclosure 16 to the parent company accounts and accounting principles on pages 58 and 82 in the annual account and consolidated accounts for detailed information and description of the matters.

Description of key audit matter

The book value of goodwill, trademarks and customer relations amount to SEK 16,289 million as of 31 December 2024, representing 29% of total assets. Goodwill and trademarks with an indefinite useful life should be subject to an annual impairment test. Other intangible assets are tested when impairment indicators are identified. Impairment tests are complex and include significant levels of judgments. The calculation of the assets' recoverable amount is based on forecasts and discounted future cash flow projections, which are established with reference to factors such as estimated discount rates, revenue- and profit forecasts and predicted longterm growth that may be influenced by management's assessments.

The parent company's interests in group companies amount to SEK 45,253 million as of 31 December 2024. If the book value of the interests exceeds the equity in the respective group company, an impairment test is performed following the same methodology and using the same assumptions as for the tests in the consolidated accounts.

Response in the audit

We have obtained and assessed the group's impairment tests to ensure they have been carried out in accordance with the technique stipulated in IFRS Accounting Standards.

Furthermore, we have evaluated management's future cash flow forecasts and the underlying assumptions, which includes the longterm growth rate and the assumed discount rate, by obtaining and evaluating the group's written documentation and plans. We have also considered previous years' forecasts in relation to the actual outcome.

An important part of our work has also been to evaluate how changes to the assumptions may impact the valuation. The evaluation has been carried out by obtaining and assessing the group's sensitivity analysis.

We have also analysed the disclosures in the Annual Report and considered whether they accurately reflect the assumptions that group management apply in their valuation and whether they, in all material respects, are in line with the disclosures required by IFRS Accounting Standards.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–28 and 94–120 and 122–130. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher

than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Husqvarna AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Husqvarna AB for year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Husqvarna AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18

and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Husqvarna AB (publ) by the general meeting of the shareholders on the 18 April 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2021.

Stockholm 24 March 2025
KPMG AB

Joakim Thilstedt
Authorized Public Accountant

Sustainability statement

In the Sustainability statement, we present detailed information on our efforts and progress connected to our Sustainovate strategy and other material sustainability matters.

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General information

About this report

Reporting frameworks

The sustainability statement contains a description of progress on Husqvarna Group's sustainability targets as well as reporting on the relevant indicators in accordance with the Global Reporting Initiative (GRI) Standards and activities eligible and aligned with EU Taxonomy. Husqvarna Group has reported for the period January 1, 2024 to December 31, 2024. Where relevant, the report also highlights how the Husqvarna Group's priorities and governance reflect our commitment to the UN Global Compact's ten principles.

This year's sustainability statement has also been prepared with reference to the European Sustainability Reporting Standards (ESRS), reflecting our progress in preparing to report under the Corporate Sustainability Reporting Directive (CSRD) in anticipation of its implementation in FY2025 according to Swedish law.

Basis of consolidation

Husqvarna Group's sustainability statement is prepared on a consolidated basis and the scope of consolidation is the same as for the financial statements, as stated in Note 1 to the financial statements. It also outlines our approach to and progress on, the sustainability matters identified as material in our double materiality assessment, considering our business and the value chain.

Time horizons

For the purpose of this report, we apply the following definitions regarding the scoping of time: (i) Short-term: one year; (ii) Middle-term: one to five years (in line with our strategic planning cycle); (iii) Long-term: over five years.

Disclosures incorporated by reference

The following information is incorporated by reference to other parts of the Annual Report:

- The role of the administrative, management and supervisory bodies: Board of Directors and auditors, Corporate Governance Report
- Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies: Corporate Governance Report
- Integration of sustainability-related performance in incentive schemes: Board of Directors' Report
- Risk management and internal controls over sustainability reporting: Board of Directors' Report – Internal Control Over Financial and Sustainability Reporting
- Strategy, business model and value chain: Market overview, Strategy, Divisions

Governance

Group Management and the Board of Directors are actively involved in the execution of our strategy and other material sustainability matters defined as a result of the Double Materiality Assessment. The Group's Sustainability function coordinates the strategy, targets, capabilities and portfolio of activities of the Group and its divisions. In 2024, the Group created a Sustainability Reporting function to strengthen reporting capabilities and to prepare for upcoming EU CSRD and CSDDD legislation. Both functions report to the Group CFO.

Material impacts, risks and opportunities are discussed in various forums, including Board and Group Management meetings. The People and Sustainability Committee oversees the overall performance of Sustainovate, including three targets: Carbon, Circular and People. Roles and responsibilities of the Audit Committee and People and Sustainability Committee are described in the Corporate Governance Report on page 43.

For other material topics, there is periodic quantitative and qualitative reporting: (i) sustainability matters related to sourcing are discussed with the Sourcing Board, which is a Group Management sub-committee, (ii) for ethics and integrity, all reported cases are reported to the Audit Committee on a quarterly basis, (iii) product safety is discussed with the Committee on Product Safety, chaired by Executive Vice President Legal Affairs and General Counsel or his/her delegate.

The cross-divisional Sustainability Network, comprising representatives from each division and Group core functions, is responsible for operationalization of the Group's sustainability strategy, including delivery on initiatives and driving engagement with relevant internal stakeholders.

Double materiality assessment

Process for double materiality assessment

Husqvarna Group applied the guidance available from EFRAG, combined with our own interpretation of the standards, and developed a five-step process, including scoring matrices, and a model for aggregation and prioritization.

This approach was designed to assess both impact materiality and financial materiality effectively, ensuring a comprehensive identification of our material topics. As per the GRI standard, the company shall consider the impact materiality. This is equal to the impact materiality approach under ESRS and covered in our DMA assessment process. Hence, the results of the impact materiality according to the GRI can be found in the table on the following pages marked as an impact.

1 Stakeholders' engagement	We engaged relevant stakeholders to ensure the accurate identification and validation of sustainability impacts, risks, and opportunities. This year, we included internal	subject matter experts across all three Divisions and Group functions, including the Group Risk Management function.
2 Identification of impacts, risks, and opportunities (IROs)	In preparation for the materiality identification workshops, relevant internal and external information was reviewed to predefine impacts, risks, and opportunities at the ESRS-defined sub-topic level. Internal reports from key business areas and previous materiality assessments were utilized for insights into the organization's operations. For value chain IROs, expertise in sourcing and sales was combined with publicly available reports, particularly focusing on workers in the value chain.	The impact identification process considered both positive and negative impacts, as well as actual and potential sustainability-related matters. From a financial perspective, sustainability-related risks and opportunities with the potential to significantly impact the business were also identified.
3 Assessment of impacts, risks, and opportunities	<p>Multiple materiality assessment work-shops for each ESRS topic were conducted. Participants refined a predefined gross list and added relevant IROs, identifying and scoring over 150 IROs across the value chain according to our established scoring methodology. The rationale for each IRO was documented to embed IROs within the organization.</p> <p>Our scoring methodology for the severity of actual impacts comprises three parameters: (i) scale – assessing the severity of negative impacts or the benefits of positive impacts for people or the environment, (ii) scope – evaluating the extent of these impacts based on factors such as employee percentage or geographical coverage,</p>	<p>and (iii) irremediable character – considering the difficulty of reversing damage in terms of cost and time. For potential impacts, we also assessed an additional parameter of "likelihood".</p> <p>When scoring risks and opportunities, we evaluated the potential magnitude of financial effects on EBIT and the likelihood of occurrence, weighting both parameters equally. The potential magnitude of financial effects was rated on a scale from 1 to 5, with 1 being "minor" and 5 being "severe". Likelihood was similarly rated from 1 ("rare") to 5 ("almost certain").</p>
4 Validation of material impacts, risks and opportunities	The results from the workshops were aggregated in a dedicated tool. Participants consulted on IROs within their respective functional areas before finalizing the assessment, making adjustments as necessary. Proposed thresholds for impact	and financial materiality were established during a validation workshop, leading to the preparation of a preliminary list of material IROs for management review.
5 Management review	The preliminary list of material IROs was debated with Group Management, who approved the initial proposal to set the materiality thresholds at a "significant" level. The final materiality assessment received approval from the Board in	December 2024. Based on the established materiality threshold, 23 IROs were deemed material, corresponding to 12 sustainability-related matters defined in the topical ESRS standards.

Interests and views of stakeholders

Husqvarna Group actively engages with key stakeholders to understand their perspectives and expectations, ensuring their feedback informs both operational development and decision-making. This information also served as an additional source of information in our double materiality assessment, supported by the participation of internal stakeholders during this year's process.

Key stakeholder group	How engagement is organized	Purpose of engagements	Examples of outcomes from the engagements
Employees	<ul style="list-style-type: none"> • Performance and personal development dialogues; regular manager-employee check-ins • Regular team meetings and employee townhalls and leadership calls, including Q&A sessions • Cooperation with unions, workers representatives and employee-elected Board members • Employees’ networks • Surveys and workplace assessments 	<ul style="list-style-type: none"> • Understanding employees’ perceptions and experiences • Identifying areas of weakness and strength to leverage in building engagement; identifying and addressing barriers to engagement 	<ul style="list-style-type: none"> • Policies updates • Improvement and action plans • Global initiatives and campaigns • Targeted actions at manager, team or unit level to foster engagement • Additional pulse surveys or other means to monitor progress
Customers	<ul style="list-style-type: none"> • Divisional customer dialogue and surveys • Partnerships with corporate customers and ongoing engagement to share learnings and discuss sustainability in relation to our products and services 	<ul style="list-style-type: none"> • Understanding customers’ expectations related to sustainability • Building brand awareness • Inform and promote products contributing to combating climate change 	<ul style="list-style-type: none"> • Product/service improvements • Adaptation of marketing strategies
Suppliers and supply chain employees	<ul style="list-style-type: none"> • Supplier due diligence • On-site assessments • Industry collaborations 	<ul style="list-style-type: none"> • Compliance with Code of Business Ethics for Suppliers • Promoting responsible sourcing, including minerals and metals • Decarbonizing our supply chain 	<ul style="list-style-type: none"> • Supplier improvement plans • Internal policies and procedures updates
Investors	<ul style="list-style-type: none"> • Investor Relations ongoing activities • Periodic investor updates • Capital market days 	<ul style="list-style-type: none"> • Understanding expectations on sustainability • Attracting investors interested in sustainability • Enhancing transparency 	<ul style="list-style-type: none"> • Responses to investor queries
Policymakers and regulators	<ul style="list-style-type: none"> • Dialogue with policymakers • Answering public consultations • White papers, programs, and studies 	<ul style="list-style-type: none"> • Ensuring regulatory compliance • Addressing climate-related transition risks and opportunities 	<ul style="list-style-type: none"> • Aligning strategy and operation with regulatory changes • Value creation and risk mitigation as a response to regulatory changes

Double materiality assessment outcome

The following tables outline the results of our double materiality assessment (DMA). The identified material topics are categorized as impacts on the environment and society (impact materiality topics) and sustainability-related risks and opportunities that we are exposed to (financial materiality topics).

For each impact materiality topic, we specify whether it is material to our own operations (OO) and/or in the value chain (VC), as well as whether its impact is positive or negative.

Unless explicitly stated as potential impacts, all impacts listed are actual.

The financial materiality topics are presented as risks or opportunities. Given our prior experience in assessing and managing sustainability-related impacts, coupled with the complexities of quantifying sustainability-related risks and opportunities for our business, our efforts this year in preparing disclosures in accordance with ESRS standards have primarily concentrated on impact reporting.

Furthermore, in this year’s report, we outline our approach to suppliers in the section dedicated to business conduct, on page 109-110. We will provide additional disclosures concerning ESRS S2 Workers in the value chain in our ESRS-compliant report for FY2025.

Brief descriptions of the material topics are provided in the following tables on page 98–99. Additional details regarding our management approach can be found under the relevant “Environment,” “Social,” and “Governance” chapters.

ENVIRONMENT

Climate change

Impact, risk or opportunity		Description
Climate change adaptation		
Risk (VC)	Extreme weather patterns	The demand for the Group's products is influenced by weather conditions. Unanticipated or atypical weather patterns in core markets can impact sales both negatively and positively. For instance, dry weather may decrease the demand for products such as lawn mowers and tractors, while simultaneously increasing the need for irrigation products. However, prolonged dry conditions or droughts could lead to regulatory measures, such as water bans, which would adversely affect the sales of irrigation products.
Opportunity (VC)	Offering smart irrigation systems	A smart irrigation system enhances water efficiency, which is essential in the context of increasingly frequent droughts. These systems can automatically modify watering schedules based on real-time weather data, thereby ensuring that plants receive the appropriate amount of moisture while conserving water resources.
Climate change mitigation		
Negative impact (OO/VC)	Carbon emissions in own operations and across our value chain	Carbon emissions from fossil sources are produced at every stage of our value chain. According to the GHG Protocol, the most material category for Husqvarna Group is Category 11: Use of Sold Products, which encompasses carbon emissions resulting from the use of motorized products during the customer use phase.
Opportunity (VC)	Growing market for robotic and battery-powered products	The expanding market for robotic and battery-powered products complements our initiatives to reduce CO ₂ emissions. This trend has accelerated during the last decade, driven by the convenience of these technologies and advancements in battery technology that have improved their power, reliability, and cost-effectiveness, positioning them as a critical lever in the energy transition.
Risk (VC)	Robotic and battery-powered products may not achieve full acceptance among customers	Robotic and battery-powered products may encounter challenges in gaining acceptance among end-users, who may have concerns regarding their performance and reliability compared to petrol-powered alternatives. Additionally, established habits and preferences for petrol-powered products can create resistance to adopting these more sustainable options.
Energy		
Negative impact (OO/VC)	Energy consumption in own operations and across our value chain	Energy derived from fossil fuels consumed in our operations and across the value chain is a primary contributor to climate change and global temperature rise.

Resource use and circular economy

Impact, risk or opportunity		Description
Resource inflows		
Negative impact (OO/VC)	Virgin resources consumption	The use of virgin materials in our own operations and supply chain can lead to significant environmental impacts, including resource depletion. Additionally, the extraction and processing of these materials contribute to environmental issues such as global warming.
Risk (VC)	Availability of materials and components	The shortage of scarce materials – including those used in circuit boards, magnets and batteries may result in increased costs, margin erosion, and a long-term risk of supply disruption.
Resource outflows related to products and service		
Negative impact (OO/VC)	Circular design trade-offs	Through our product design, business model, and aftermarket offerings, we influence factors such as durability, reusability, repairability, disassembly, remanufacturing, refurbishment and recycling of our products. These considerations affect the lifespan of products and components, as well as the capacity to recycle materials at the end of their life cycle.
Opportunity (OO)	New business models	Introducing new business models, such as leasing, sharing, and refurbishment, offers substantial opportunities by fostering sustainability through extended product life cycles, reduced waste, and minimized resource extraction. These models can also enhance customer engagement and loyalty by providing flexible usage options that adapt to evolving consumer preferences.
Opportunity (OO)	Further enhancing aftersales support and spare parts availability prolongs life cycles	Aftersales support and the availability of spare parts are critical components of the circular economy, as they facilitate product longevity and minimize waste. By enabling repairs and maintenance, these services extend the life cycle of products, thereby reducing the necessity for new resource extraction.

SOCIAL

Own workforce

Impact, risk or opportunity		Description
Working conditions		
Negative impact (OO)	Shift in capabilities resulting from the transition to a low-carbon economy	The transition from petrol to battery technology, alongside the growing automation of our processes, necessitates a significant shift in competencies within the workforce. This evolution may lead to certain redundancies as we adapt to new technological requirements and operational efficiencies.
Negative impact (OO)	Workload-related pressure can adversely affect the mental well-being of employees	Continuous transformations and excessive workloads create heightened pressure on employees, often resulting in increased overtime. This sustained pressure can lead to mental health issues and burnout, negatively impacting both individual well-being and organizational productivity.
Negative impact (OO)	Health and safety incidents impacting our workforce	Ensuring employee health and safety is crucial for creating a secure and productive work environment, thereby enhancing organizational performance and mitigating risks. Despite these efforts, the organization may still experience regrettable serious accidents that affect its workforce.
Equal treatment and opportunities for all		
Negative impact (OO)	Representation of women in the workforce and top management	It is essential to ensure that women are adequately represented at all levels of employment to promote diversity and address important social considerations. Despite the actions taken, the representation of women in top management and the overall workforce remains below the Group's ambitions.

Workers in the value chain

Impact, risk or opportunity		Description
Working conditions		
Negative impact (VC)	Excessive working hours for workers in the value chain	Workers in the value chain in certain geographies, industries or commodities associated with significant risks may be subjected to excessive hours, leading to violations of their labor rights, including the right to reasonable working hours and adequate rest periods.
Negative impact (VC)	Health and safety of workers in the value chain	Sourcing in regions with poor health and safety standards increases the risk of injuries and illnesses, undermining workers' rights and job security. This environment may also negatively impact their mental health and economic stability.
Other work-related rights		
Negative impact (VC)	Child labor in the supply chain	By sourcing from high-risk geographical regions or industries where child labor is prevalent, we may inadvertently contribute to the perpetuation of these conditions, particularly concerning the minerals essential for the transition to a low-carbon economy.
Negative potential impact (VC)	Forced labor in the value chain	Sourcing from and selling in regions where workers are part of vulnerable populations and face weak regulatory frameworks heightens the risk of forced labor due to economic vulnerability, insufficient legal protections, and exploitation by recruitment agencies.

Consumers and end-users

Impact, risk or opportunity		Description
Personal safety of consumers and end-users		
Negative impact (VC)	Safe operation of products by customers and end-users	There are inherent hazards involved with the operation of powered equipment. These hazards are managed through product design, guarding, warnings, and instructions. Failure to obey warnings and instructions can result in death or serious injury to operators or bystanders.

GOVERNANCE

Business conduct

Impact, risk or opportunity		Description
Management of relationships with suppliers		
Negative impact (VC)	Challenges of enforcing sustainable sourcing	We engage with suppliers at various stages of implementing sustainable business practices, which includes suppliers located in regions where enforcing sustainable sourcing standards presents significant challenges.
Corruption and bribery		
Negative impact (OO)	Operating in geographies where bribery and corruption risks exist	We conduct business in countries where bribery and corruption risks exist, particularly in emerging markets where such practices may be more prevalent.

Environmental information

Climate change

IMPACTS

Our climate impact across the value chain

Greenhouse gas (GHG) emissions from fossil sources are generated at every stage of our value chain and are directly linked to energy consumption. As illustrated by the figures in the model to the right, the majority of CO₂ emissions occur during customer use phase. The absolute majority of our emissions arise during product use by our customers, highlighting this as the most significant impact area in our value chain. This underscores the importance of continuous innovation and maintaining our position in low-carbon solutions.

Customer shift to low-carbon products

The customer shift to low-carbon products directly supports Husqvarna Group's transition to a low-carbon economy by aligning its offerings with sustainable practices. By prioritizing electric and battery equipment, we can significantly reduce our carbon footprint and enhance the company's innovation efforts by driving the development of cleaner technologies. In addition, meeting customer demand for sustainable products positions Husqvarna Group as a leader in the industry, fostering a stronger commitment to a sustainable future.

Understanding the risk landscape

The Group continues to engage both senior management and subject-matter experts to ensure that climate-related risks are identified and managed as an integrated part of overall risk management efforts. Beyond improving transparency via public disclosures, these efforts have also spurred Group Management to develop plans for addressing risks related to climate change and, where possible, to take advantage of potential business opportunities. For more details, see the Risk Management section on page 37.

POLICIES

Sustainovate strategy

The Husqvarna Group's Sustainovate strategy emphasizes the importance of decarbonization by integrating sustainability into its core business practices and product development. It sets ambitious targets for reducing greenhouse gas emissions across the value chain, focusing on both operational efficiency and sustainable product design. The strategy promotes low-carbon technologies and renewable energy, emphasizing Husqvarna Group's commitment to a low-carbon economy and prioritizing innovation to reduce environmental impact.

Supplier Code of Business Ethics

The Husqvarna Group Supplier Code of Business Ethics emphasizes decarbonization by outlining expectations for sustainable practices throughout the supply chain. It requires suppliers to minimize environmental impact by adopting energy-efficient technologies and reducing greenhouse gas emissions. By setting these standards, Husqvarna Group fosters collaboration with suppliers to pursue innovative, low-carbon solutions, collectively advancing sustainability efforts across the value chain.

ACTIONS AND TARGETS

Our 2025 decarbonization commitment is an absolute target that considers our CO₂ emissions throughout the value chain from suppliers and our own operations to transportation and product use. The vast majority of our emissions occur during product use, making it essential to continue innovating and prioritizing low-carbon solutions.

Our carbon target is science-based and approved by the Science Based Targets initiative (SBTi). It demonstrates our commitment to reducing our fair share of CO₂ in line with the urgent goal of limiting global temperature rise to 1.5°C.

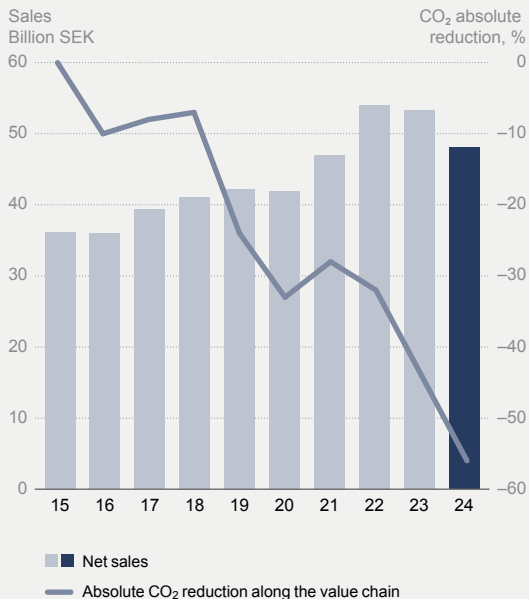
Achievement as of 2024

—56%

Our target 2025:
Reduce absolute CO₂ emissions by 35% (scope 1, 2 & 3).

Decoupling CO₂ from business growth

Over the last ten years, we have reduced our absolute CO₂ emissions by 56% while increasing sales by 34%.



Upstream



Suppliers and transportation Scope 3 emissions

Includes suppliers' emissions (Scope 1 and 2) as well as emissions from transportation, including air and sea freight as well as road transportation.

Percentage of current CO₂ emissions **5%**



Own operations



Husqvarna Group Scope 1 & 2 emissions

Includes CO₂ emissions resulting from energy consumption from sites larger than 5,000 m² and manufacturing sites regardless of their size.

Percentage of current CO₂ emissions **1%**



Downstream



Customer use Scope 3 emission

Includes CO₂ emissions calculated over the products' projected lifetime.

Percentage of current CO₂ emissions **94%**

From 2015 to 2024, we successfully reduced our absolute CO₂ emissions by 56 percent. This is an encouraging achievement and implies we have exceeded our 2025 target by a significant margin.

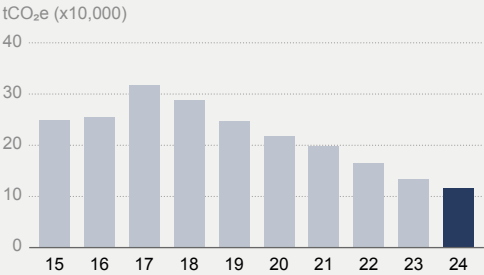
Our Sustainovate strategy extends until 2025, and we have therefore started to explore potential scenarios to achieve net-zero emissions across the value chain. We anticipate that our net-zero transition plan will be disclosed in 2025.

Understanding our emissions from supply chain

We request that our suppliers measure their CO₂ emissions and report these to the CDP (formerly the Carbon Disclosure Project) platform. In 2024, 264 (247) of our selected key suppliers disclosed their climate data through the CDP supply chain program. Notably, 53 (60) percent of respondents had implemented reduction initiatives, while 45 (51) percent had established reduction targets. The number of suppliers requested to report saw a significant increase, rising from 358 in 2023 to 487 in 2024. This growth included a higher proportion of smaller suppliers, many of whom participated in the CDP SMEs questionnaire. This questionnaire includes conditional questions about CO₂ reduction initiatives and targets.

Absolute CO₂ emissions from suppliers

CO₂ emissions from suppliers were reduced by 53% between 2015 and 2024.



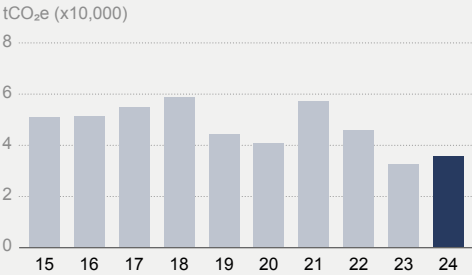
As we advance in our preparations for a ESRS-compliant report in 2025, we have taken a significant step this year to enhance the accuracy of our supply chain emissions. We have established a dedicated Life Cycle Assessment (LCA) team that has begun conducting LCAs for representative products within our portfolio. Additionally, we have developed a dedicated IT solution to support the calculation of upstream CO₂ emissions based on modelled representative LCAs. This initiative enables us to enhance data accuracy for 2025 reporting and to identify key focus areas for the decarbonization of our supply chain and to plan relevant activities for the upcoming strategic horizon.

Emissions from transportation

Our carbon emission impact in transportation depends on logistics efficiency, optimizing packaging, and accelerating the transition from air freight to more CO₂-efficient transport modes such as sea, rail, and road. In 2024, the Gardena Division initiated a collaboration with Tetra Pak to implement intermodal transportation solutions for a portion of our shipments from Germany to Sweden. Tetra Pak utilizes rail transportation through Transwaggon for shipments from the Nordics to

Absolute CO₂ emissions from transportation

CO₂ emissions from transportation were reduced by 31% between 2015 and 2024.



Southern Germany. As a result, the Gardena Division can now utilize the return capacity of rail wagons for our goods that would otherwise be transported by truck. For example, a shipment from Ulm, Germany to Jönköping, Sweden, now reduces the distance covered by road transport from approximately 1,300 km to 350 km. Thus far in 2024, this solution has been employed for 140 shipments, leading to an estimated reduction of around 123 tons of CO₂ emissions. In 2024, our emissions from transportation increased by 10% percent compared to 2023, due to inventory reduction and changes in our manufacturing footprint, which resulted in more air freight.

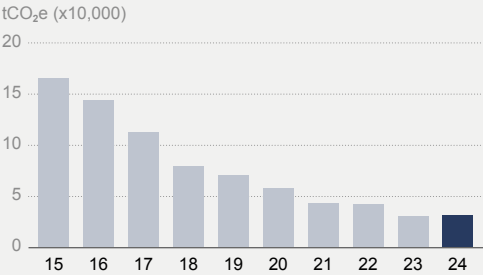
Transitioning to renewable electricity

In own operations, we are reducing CO₂ emissions by investing in more efficient production methods and utilizing renewable energy sources, despite the associated higher costs. The most significant reductions in CO₂ emissions are achieved through the purchase of renewable electricity and/or the installation of our own renewable energy sources, such as solar panels.

Following the successful launch of an on-site photovoltaic (PV) project at our Gardena Division factory in Dandenong, Australia, in 2022, our facility in Vrbo, Czech Republic,

Absolute CO₂ emissions from operations

CO₂ emissions from operations were reduced by 81% between 2015 and 2024.



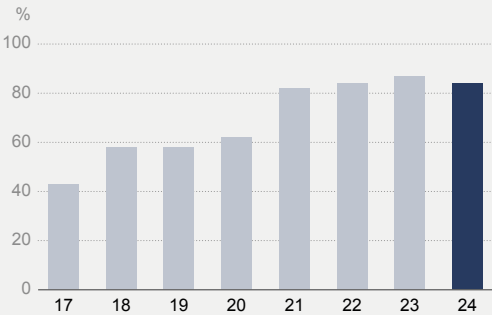
implemented a similar initiative in 2024. This project will result in approximately 500 MWh of new clean energy generation annually and a reduction of CO₂ emissions by around 200 tons per year compared to grid electricity usage in the specific location. Additionally, we have installed PV panels at our site in Niederstotzingen, Germany, with full operational capacity expected to be achieved by 2025. In 2024, the decrease in the share of renewable electricity was caused by the closure of the Nashville manufacturing site, which was powered by renewable energy sources in 2023.

Product portfolio electrification

Our downstream emissions consist of indirect Scope 3 emissions generated during product use throughout the product life cycle. These emissions account for approximately 94 percent of our total CO₂ footprint, highlighting them as our most significant area of impact. We have the greatest potential to drive significant change in connection with product use by introducing low-carbon solutions.

Share of renewable electricity

Share of renewable electricity is 84% compared to 43% in 2017.

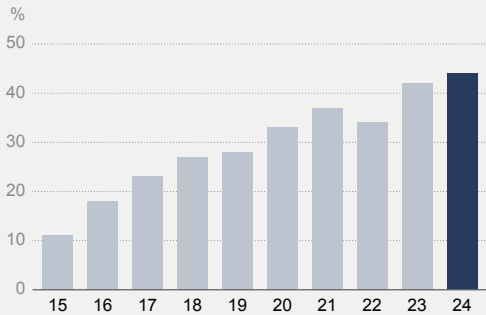


To reduce our downstream emissions, a critical focus is the transition from fossil fuel-powered products to electric alternatives. We aim to increase the proportion of sold electric motorized products to two-thirds by 2026. This operational ambition supports our carbon reduction targets. Currently, 44 percent of our motorized products are electrified, a notable increase from 11 percent in 2015. While shifting from petrol to battery technology is beneficial, battery-powered products will still have indirect Scope 3 emissions unless the electricity grid is fully fossil-free. Achieving a completely fossil-free grid will take time and will vary by geography.

In 2024, we continued to advance our product and technology roadmaps by introducing new solutions focused on electrification and zero emissions during the use phase. A notable example from the Husqvarna Construction Division is the LF 60i LAT forward plate compactor, powered by our Husqvarna BLi-X 36V battery system, which produces no exhaust fumes and fosters a cleaner working environment for the operator. Additionally, the charger and battery for LF 60i LAT are compatible with multiple Husqvarna machines.

Percentage of sales of electrified solutions

Around 44% of total sales of motorized products are electrical products compared to around 11% in 2015.

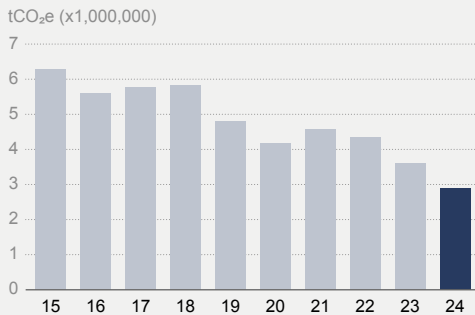


Similarly, the Husqvarna Forest & Garden Division launched its first battery garden tractors aimed at smaller landowners, featuring an intelligent system that optimizes runtime for extended cutting areas on a single charge. These compact machines operate with low noise and zero emissions during use, enhancing user comfort. With a modern appearance and high-quality features, they provide reliable electric power and high performance while conserving energy through a dynamic mowing function that adjusts power consumption based on conditions.

A key challenge in our electrification journey lies in the limitations of battery energy density, particularly for certain applications within the professional product segments. As a result, combustion engines will remain a part of our product portfolio in this category for the foreseeable future. To address this challenge, we are investing in advanced and more efficient engine technologies to reduce emissions, while also exploring alternative low-carbon fuels to further minimize our environmental impact.

Absolute CO₂ emissions from product use

CO₂ emissions from product use were reduced by 56% between 2015 and 2024.



Resource use and circular economy

IMPACTS

As a company operating in the manufacturing industry, resource use efficiency is a key aspect for us. We have analyzed our value chain, and mapped key dependencies regarding resource use and circular economy. The Group's operations and its performance are dependent on raw materials and components procured from our suppliers. Steel, aluminum, magnesium, plastics and electronic components constitute a significant portion of our products, predominately originating from virgin resources. At the same time, our customers expect us to produce durable products and provide additional services that extend the lifetime of products. The circular opportunity allows us to combine sustainability with innovation capabilities. We are exploring ways to re-design our products, solutions and business models to create a resource-smart customer experience.

POLICIES

Sustainovate strategy

Our approach to circularity was defined in our 2025 Sustainovate strategy to find the way of integrating new concepts into existing business processes and securing the right competence and mindset shift. We evaluate innovations based on the sustainability value the circular improvements deliver – the 5Rs – as well as the novelty of the value proposition and their business potential. With our 5Rs, we want to encourage explorations in all areas of circularity: circular product design, new business models, optimizing resource use and recycled materials.

Supplier Code of Business Ethics

When it comes to addressing circularity in our supply chain, the Husqvarna Group Code provides general guidance on minimizing environmental impacts across the value chain. It emphasizes the importance of using environmentally friendly, advanced, and efficient materials and technologies throughout the entire product life cycle. Additionally, the Husqvarna Group Supplier Code of Business Ethics states that natural resources should be managed carefully to reduce environmental impact

and to ensure compliance with environmental laws and regulations, supporting the Group's sustainability targets. However, the document does not currently include specific actions or requirements for how suppliers should transition to more sustainable practices.

ACTIONS AND TARGETS

We are gaining a deeper understanding of how to tackle the complexity of transitioning to more circular business models, which includes product-as-a-service, aftersales services and introducing circularity innovations. Our circular target is to launch 50 circular innovations between 2021 and 2025. As of year-end, we had launched a total of 37 circular innovations in line with the Group criteria. We have another 17 nominees in our innovation funnel.

While this target addresses aspects of resource inflow, outflow, and waste, it currently focuses on the number of projects rather than impact quantification. We will revisit our approach during the next strategic horizon, in order to quantify our actual environmental impact.

Circular innovations

The Group has established a structured process for managing circular innovation projects, with clear guidelines for evaluating and approving these initiatives on a quarterly basis. Each division is responsible for generating ideas and projects aimed at meeting circularity targets that need to have attained proof-of-concept in the form of a paying customer. These projects

originate from various sources, including corporate sustainability targets, customer requests, and internal R&D initiatives. Progress is tracked, with regular updates provided to relevant stakeholders.

In line with the circular target's ambition, we are continuing to explore all aspects of circularity. We believe that the lessons learned will support us in taking the next steps on the path to a more circular model. Below are several examples demonstrating how the Husqvarna Group is implementing the 5 R's of circularity in practice.

Reduce

The Husqvarna Construction Division's new series of electric dust extractors with patented automatic filter cleaning technology, combined with an e-flow function, enable the reduction of materials used in both the pre-filter and the entire machine, as well as a reduction in energy consumption while still improving productivity. The solution offers a reduction in material usage of approximately 20 percent over its lifetime and a decrease in electricity consumption by up to 30 percent compared to prior models.

Repair

A new robotic diagnostic tool enables advanced diagnostics that facilitates repair and helps avoid replacement of functioning components. The tool determines which electronic component – be it the circuit board, sensor, or battery pack – is malfunctioning, thereby assisting our dealers worldwide in the troubleshooting process.

tioning, thereby assisting our dealers worldwide in the troubleshooting process.

Refurbish

A refurbishment program has been established in the UK where returned robotic mowers are refurbished and sold as secondhand machines via the Flymo Outlet Store on eBay. The robotic mowers are available in grades ranging from bronze to gold, offering customers the opportunity to purchase a refurbished machine with the assurance of a warranty. Approximately 500 refurbished robotic mowers were made available since the launch in 2023.

Enhancing circularity at product use phase

Durability plays a crucial role in shaping great customer experience and extended product lifetimes. Our approach to product testing has been developed over time by Husqvarna Group and is based on our built-up know-how about the products, feedback from laboratory testing, field testing and service calls. As we operate worldwide, our products must meet our customers' expectations and, at the same time, be adaptable to the environment they live in – different climates, different types of use, and cultural differences in how the customers use the products.

Educating users about proper product usage, maintenance and repair can expand the lifetime of the product. We offer guidance for customers via various information channels as physical manuals, information online, tutorials and instruction videos. An example of this is our Husqvarna Self-Service website where users can find step-by-step instructions, troubleshooting guides, and lots of other information about Husqvarna Group's products and services.

Our Husqvarna brand products are available at our global network of authorized and qualified dealers. Husqvarna Group dealers can offer expert advice, proactive maintenance and repairs throughout the products' life cycle.

Achievement as of 2024

37

Our target 2025:
Launch 50 circular innovations.



Reduce – Create solutions that consume less natural resources and material.



Reuse – Maximize the use of products by sharing them or extending their lifetime.



Repair – Repair products so that they maintain their functionality for longer.



Remanufacture – Update products or reuse parts from discarded products in new units.



Recycle – Use recycled materials in products, and design new products for increased recyclability.

EU Taxonomy

Alignment to EU Taxonomy

Husqvarna Group discloses information according to the Commission Delegated Regulation (EU) 2023/2486, supplementing Regulation (EU) 2020/852 (“EU Taxonomy for sustainable activities”) and amending the Disclosures Delegated Act (Delegated Regulation (EU) 2021/2178) of the European Parliament and of the Council.

The EU Taxonomy is a classification system intended to encourage investments in sustainable projects and activities. By aligning definitions and providing this classification system, it gives companies, investors and policymakers a common view of the economic activities that can be considered environmentally sustainable.

In 2024, all six EU Taxonomy objectives are effective for disclosure requirements; climate change mitigation, climate change adaptation, water, pollution, circular economy and biodiversity. Within this EU Taxonomy scope, the most material environmental objectives for Husqvarna Group are climate change mitigation and the transition to a circular economy, which is in line with Sustainovate strategy.

The aligned activities shall meet three EU Taxonomy requirements:

1. They make a substantial contribution to climate change mitigation or the transition to a circular economy.
2. They “Do No Significant Harm” to any of the other five environmental objectives. This includes stipulation that activities comply with the technical screening criteria developed by the EU Technical Expert Group*.
3. They meet “Minimum Safeguards” based on the precautionary principle to ensure fair competition and to prevent bribery and corruption (p. 109), sound taxation policies and actions that protect human rights (p. 110 for suppliers).

We will seek green financing and improve disclosures to give investors information needed to follow our journey and compare outcomes. To this end, we will develop our EU Taxonomy

disclosures in pace with clarifications on requirements and its expanding scope.

Accounting principles

We applied accounting principles according to EU Taxonomy article 8 (2020/852) to disclose the degree our turnover, CapEx and OpEx meet EU Taxonomy requirements. Due to the fact that we structure cost reporting in order to separate costs per activity, we are reducing the risk of double accounting of key data.

Turnover:

Turnover has been calculated as the share of net turnover derived from products or services, including intangibles associated with Taxonomy-eligible economic activities divided by net turnover. Turnover is calculated according to International Accounting Standard (IAS) 1. This sum represents the share of net turnover deriving from products and services associated with economic activities that contribute to mitigating climate change and circular economy.

CapEx:

We include additions to tangible and intangible assets considered before depreciation, amortization and any re-measurements. Eligible CapEx is based on our estimated share of capital expenditures corresponding to the share of net sales of electrified product portfolio and spend related to manufacturing of battery packs and circular use-oriented service models. We also account for investments such as property, plant and equipment as well as intangible assets relating to electrified products. Total CapEx has been accounted as Capital Expenditure in Cash flow (SEKm 2,603) plus New, Modified and Remeasurement leases (SEKm 537) as per Note 13 in the Annual Report.

OpEx:

OpEx covers direct non-capitalized costs associated with research and development, as well as maintenance and repair, and other direct expenditures. As we do not collate

R&D costs at the activity level, the ratio of this expenditures is estimated as equal to the share of our Taxonomy-eligible turnover. Operational Expenditures related to maintenance and repairs have not been possible to extract.

Taxonomy-eligible activities as share of			
	Turnover	Capex	Opex
Aligned	26%	30%	41%
Eligible	35%	46%	41%

For detailed information on EU Taxonomy disclosures, see tables on p. 113–115.

Eligible and aligned economic activities

Manufacture of batteries – Climate change mitigation (CCM) 3.4

Husqvarna Group manufactures rechargeable battery packs for its battery-powered products. The related turnover, CapEx and OpEx are Taxonomy-eligible and Taxonomy-aligned.

Manufacture of other low carbon technologies – Climate change mitigation (CCM) 3.6

Husqvarna Group offers a portfolio of electrified products, including both corded and battery-powered options. The related turnover, CapEx and OpEx are Taxonomy-eligible and Taxonomy-aligned.

Installation, maintenance and repair of renewable energy technologies – Climate change mitigation (CCM) 7.6

In 2024, Gardena Division have installed PV panels at our site in Niederstotzingen, Germany. The related CapEx is Taxonomy-eligible and Taxonomy-aligned.

Manufacture of electrical and electronic equipment – Circular economy (CE) 1.2

Husqvarna Group manufactures electronic equipment for the forestry and gardening industries, as well as for light construction. Currently, it is not possible to differentiate the KPIs by

environmental objectives between CCM 3.6 and CE 1.2 as well as CCM 3.4 and CE 1.2, but further efforts will be made in the coming reporting years.

Sale of spare parts – Circular economy (CE) 5.2
Husqvarna Group provides a comprehensive range of spare parts to support the products sold to its customers. The turnover for this activity is eligible; however, the activity currently does not meet the associated technical screening criteria. As a result, the related turnover is not Taxonomy-aligned.

Product-as-a-service and other circular use- and result-oriented service models – Circular economy (CE) 5.5
Husqvarna Group offers a product-as-a-service option for both professional and residential customers. The related turnover, CapEx and OpEx are Taxonomy-eligible and Taxonomy-aligned for electrified products and Taxonomy-eligible for petrol powered products.

Individually eligible CapEx

Expenditures for products and services related to economic activities beyond those stated above may qualify as eligible and aligned CapEx and OpEx if they are covered under the Climate or Environmental Delegated Regulation. Husqvarna Group identifies the following activities as eligible CapEx: (i) Transport by motorbikes, passenger cars, and light commercial vehicles – Climate Change Mitigation (CCM) 6.5 and (ii) Acquisition and ownership of buildings – Climate Change Mitigation (CCM) 7.7. However, as the assessment of alignment for these activities requires detailed information about the suppliers’ own Taxonomy alignment, Husqvarna Group is currently unable to determine the extent to which the individually eligible CapEx identified can be considered Taxonomy-aligned.

* Considering DNSH for pollution – some products comprise of substances that have been approved for use under controlled conditions, when no suitable alternative substances or technologies are available on the market. Through the Husqvarna Group Restricted Material List (RML), we comply with relevant EU regulation relating to substances used in our products. We also report deviations in the EU SCIP database.

Social information

Own workforce

IMPACTS

In today's rapidly changing world, the ability to adapt to constant changes is essential for success in the business sector. To effectively navigate these shifts, organizations must embrace flexibility and agility. Such adaptations not only affect individual employees but also enhance overall organizational performance and resilience in a dynamic environment.

Ongoing transformations and challenging market conditions may adversely impact both the physical and mental well-being of our employees and organizational productivity. Therefore, we are taking proactive measures to ensure that employee health and safety are prioritized, as this is essential for fostering a secure and productive work environment, enhancing organizational performance, and mitigating risks.

Additionally, we recognize the importance of diverse representation, underscoring that as workplaces evolve, they should reflect broader social values and ensure that all voices are heard and included. Therefore, it is essential to ensure that all groups are adequately represented among our employees to promote diversity and address significant social considerations.

POLICIES

Diversity and Inclusion Strategy

The Husqvarna Group launched its diversity and inclusion strategy in 2021, guided by the vision that "our differences are our strengths." This strategy outlines seven Principles of Inclusion, which serve as guidelines for implementation and specify key areas for action, including enhancing diversity within our teams, fostering a culture of inclusivity, promoting inclusive leadership, and seeking external validation from recognized

third parties. The Executive Vice President of People & Organization is responsible for overseeing the implementation of the Diversity and Inclusion Strategy.

Recruitment Policy

In 2022, Husqvarna Group reviewed and revised its Recruitment Policy, with key amendments aimed at bolstering inclusivity in recruitment. This policy outlines our commitment to recruiting the best available talent; respecting diversity in all recruitment, using competence-based recruitment and minimizing bias in the recruitment process. Among other requirements, the policy stipulates that positions be posted internally for at least ten days, that agencies provide diverse slates of candidates and line consultants, that shortlists continue to show a diverse representation of candidates, and that interviews are conducted by several people to ensure varied perspectives. Unless approved by People & Organization, the interviewing panel shall include both men and women. The Executive Vice President of People & Organization is responsible for overseeing the implementation of the policy.

Occupational Health and Safety Policy

Husqvarna Group's Occupational Health and Safety Policy is a global commitment to ensuring a safe, healthy work environment across all operations, encouraging proactive safety practices and compliance with applicable laws. The policy emphasizes employee responsibility and stakeholder engagement, with no exclusions in geographic coverage. Accountability for policy implementation rests with the Executive Vice President of People & Organization, who oversees continuous Occupational Health and Safety improvement and adherence to safety standards.

Code of Conduct

The Husqvarna Group's Code of Conduct outlines the company's commitment to fair employment, inclusion, and integrity in managing its workforce. The policy applies to all employees emphasizing compliance with legal standards and internal policies on fair employment, diversity, and health and safety. Managers are responsible for upholding and enforcing these principles, fostering a culture where ethical conduct and reporting concerns are encouraged. Additionally, the Code prohibits forced labor, child labor, and harassment, aligning with international standards (i) the UN Global Compact and the ILO Declaration on Fundamental Principles and Rights at Work and (ii) the OECD Guidelines for Multinational Enterprises.

Anti-harassment Policy

Husqvarna Group fosters a workplace free from harassment, discrimination, and bullying for employees and third parties. The policy defines prohibited behaviors and offers clear guidance for reporting violations. Retaliation against individuals who report in good faith or assist in investigations is strictly forbidden. The Executive Vice President of People & Organization is responsible for implementing the anti-harassment policy.

ACTIONS AND TARGETS

Engaging with employees

At Husqvarna Group, we believe that true engagement with our employees is fundamental to fostering a strong, inclusive culture. We engage employees through a variety of forums, ensuring that their voices are heard. For example, our employee representatives on the Board bring workforce perspectives to strategic discussions, ensuring that corporate

policies and ways of working align with employee well-being and organizational transparency. We have an active and productive collaboration with the European Works Council and, in many of the countries where we operate, we engage with workers' unions to manage and maintain collective bargaining agreements and to address organizational and workforce-related areas, reinforcing fair and transparent labor practices and ensuring workforce viewpoints are represented in employment practices.

We continued our commitment to employee engagement by conducting the Our Voice survey annually, gaining valuable insights into the collective sentiments, concerns, and aspirations of our employees. Questions delve into areas like engagement, team efficiency, leadership, communication, and culture. In our 2024 Our Voice engagement survey, we achieved a response rate of 80 (83) percent and gathered valuable insights through 8,626 comments.

This year's survey indicates that we have maintained above-benchmark scores for employee satisfaction, despite the uncertainties in the global environment. We successfully maintained our score in employee satisfaction indicator (eSAT), with the highest scores reflecting employees' clarity on our focus areas and their confidence in having the necessary skills to perform their jobs effectively. Our employees also shared a sense of acceptance and respect in the workplace. We remain strong and well above benchmark in the area of work-life balance. We also recognize that there are still opportunities for improvement, particularly in enhancing communication, collaboration, and responsiveness to concerns raised by employees.

Our Voice is most impactful at the team level, where team dialogues identify actions to enhance the teamwork environment, efficiency, and overall employee experience. All teams within the company are asked to carry out their team Our Voice conversations by year end so that survey results can be reviewed, feedback can be shared and focus areas for developing the team working environment can be decided. To simplify that process, there is a “team conversation” functionality to create action plans in the Our Voice platform.

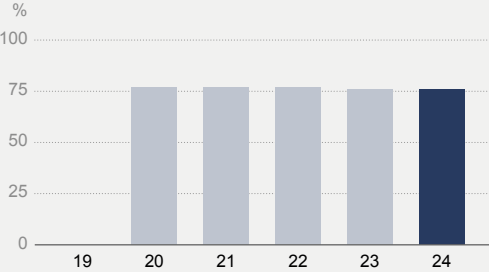
To continually improve our culture, we have established global and local employee networks that provide platforms for diversity and inclusion. These include: (i) the EMPOWERed Network, focused on gender equality and skill-building, (ii) the LGBTQI+ Network, which fosters understanding and connection around LGBTQI+ matters, (iii) and the ALLY Network, promoting allyship and inclusion for vulnerable groups.

Ensuring safety at the workplace

At Husqvarna Group, the health and safety of our employees is a priority. We work collaboratively to foster a safe working environment that not only complies with relevant legislation and industry standards but also promotes a culture of care.

Employee Satisfaction Index (eSAT)

Due to adoption of new employee satisfaction indicator (eSAT), from 2020 Net Promoter Score (NPS) will not be disclosed anymore. In 2020 new employee satisfaction indicator (eSAT) was adopted to better reflect engagement.



In recognition of the “World Day for Safety and Health at Work” on April 28, we dedicated the entire month to highlighting the significance of safety and health. We encouraged all employees to engage in discussions and participate in activities related to this essential topic.

As an example, in the UK, Health & Safety Week featured a series of activities, workshops, and training sessions aimed at engaging employees in enhancing workplace safety. Each day focused on specific topics to identify potential hazards and reduce risks, resulting in the creation of 449 individual safety observations, which will be further validated. The week also included sessions from external speakers on health, environmental impact, and safe working practices, empowering employees to make informed decisions regarding their physical and mental wellbeing.

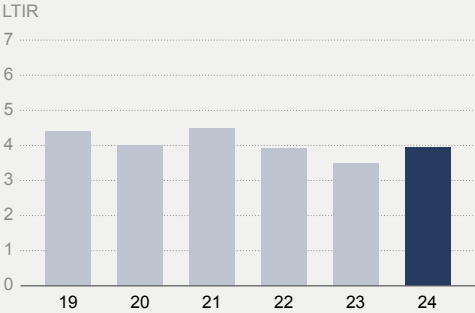
We are committed to ensuring safety at every level on a daily basis. In alignment with the Group’s Occupational Health and Safety policy, we have designated contact personnel throughout our organization to define priorities, ensure implementation, and assess progress. Major manufacturing sites are equipped with safety professionals responsible for managing preventive measures and corrective actions. Our manage-

ment teams conduct regular visits to manufacturing sites, with performance reports submitted monthly to functional and divisional management. Additionally, our Occupational Health and Safety and environmental networks, as part of Group Governance, identify risks, monitor progress, review incidents, and share corrective actions on a monthly basis. The Group has not established any target in this area.

Through our Occupational Health and Safety incident management system, we aim to engage all employees in identifying and reporting safety risks to support our preventive initiatives. This approach enhances our capacity to adopt a proactive stance on safety, improves our incident analysis process, and fosters employee involvement in developing a safety-oriented culture. In 2024, our Occupational Health and Safety statistics showed an increase compared to the previous year. This rise reflects our commitment to transparency, data quality, and comprehensive safety management. Key factors include expanded system coverage with newly integrated sites now part of our reporting, and improved data management across all divisions. These developments have strengthened our safety processes, allowing us to better protect our workforce and maintain safety as a core pillar of our operational excellence.

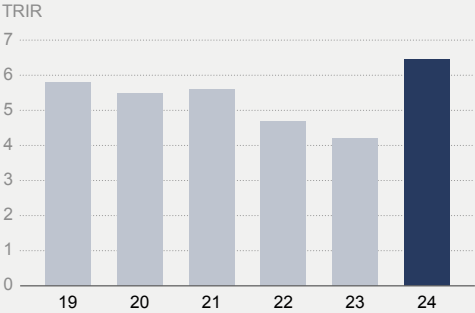
Lost time incident rate million hours worked (LTIR)

Our LTIR decreased by 11% compared to 2019. Based on 1,000,000 hours worked.



Total recordable incident rate per million hours worked (TRIR)

Our TRIR increased by 7% compared to 2019. Based on 1,000,000 hours worked.

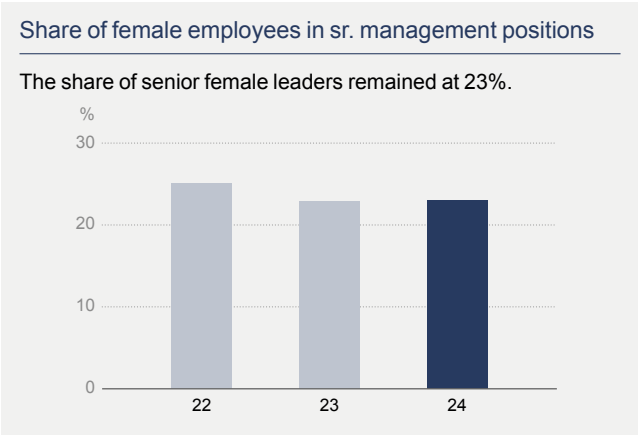


Accelerating in Diversity & Inclusion (D&I)

At Husqvarna Group, we believe that diverse perspectives and experiences are essential for driving innovation and finding effective solutions. This belief has guided us to make diversity and inclusion a strategic priority, with the aim of building a culture that values and celebrates our unique differences. Global Pride Month in June and Global Diversity Month in October presented powerful opportunities to advance our commitment. This year, we shared inspirational content on our development platform, Curious by Nature, covering topics such as inclusive language, pride in personal identity, and fostering inclusive spaces for all.

We also developed resources specifically for our leaders. The D&I Toolbox provides practical resources that translate our diversity strategy into concrete actions that teams can take to create an inclusive environment. Additionally, our Curious by Nature platform now offers D&I training, allowing employees to deepen their understanding of diversity and inclusion year-round.

We remain committed to creating a workplace where every individual is valued, empowered, and prepared to contribute to a truly inclusive future. As a result of the “Our Voice” survey, 71 percent of our leaders reported that their teams are diverse, and 81 percent of our employees stated that they are treated with respect and dignity.



We also achieved a strong score on Bloomberg’s Gender-Equality Index (GEI) and received recognition from the Financial Times as a diversity leader, ranking fourth among Swedish companies.

At the same time, the share of women in senior positions remains at the same level as in 2023. While diversity is a long-term ambition, and yearly fluctuations are to be expected, we are currently reviewing how to increase the level of female representation among our leaders – and in our workforce at large. It should be noted that as of January 1, 2025, at the executive team level two of our three divisions have female presidents, providing important role models for developing female talents.

A challenging environment

In 2024, the overall market encountered significant challenges, marked by an economic downturn and a decline in consumer spending. To address these challenges, the Group is concentrating on growth areas such as robotic mowers, battery-powered products, watering, and solutions for the professional market, which are expected to drive future growth, while also implementing accelerated cost-saving measures. Additionally, we are continuing our transformational program aimed at enhancing our operational excellence. As part of these initiatives, we have reduced our workforce by approximately 984 positions during 2024.

Recognizing the personal impact on affected colleagues, the Group extended support through severance packages, job search assistance, and career counselling resources. During this time of change, we are dedicated to achieving our strategic goals while also helping employees adjust to this transition.

Consumers and end users

IMPACTS

Safety is a hallmark of our brands. Products such as chain-saws, mowers, and power cutters must be reliable and operated by informed users. In addition, as with any major manufacturer of goods, on rare occasions a given product (or batch of products) may be determined to pose a potential risk due to a previously unknown issue, or upon notice by a subcomponent supplier.

When we learn of any such issue, our company is committed to evaluating the information and taking immediate and effective measures to remediate concerns. These actions may include product recalls, safety warnings, and other necessary interventions. While these measures are essential for maintaining customer trust and safety, they may also result in increased costs and potential financial impacts.

POLICIES

Product Compliance Policy

The Group Policy “Product Compliance” sets the expectations in terms of ensuring and demonstrating compliance with applicable laws, directives, regulations and industry standards that impose a requirement on any product in terms of design, operation, content, chemical composition and safety.

Product Safety Policy

The Group Policy “Product Safety” and “Committee on Product Safety Reporting Policy” stipulate that the Group continuously monitor potential safety concerns, promptly investigate and assess each potential issue, and take appropriate remedial actions, which may include conducting a recall or other market intervention. Should a potential safety concern arise, we assess risks and manage actions through each division. This helps us to quickly get to the root cause of the concern and determine the appropriate action plan.

These policies establish the foundations for defining, governing, ensuring, communicating, and monitoring potential product safety issues across our organization as well as how we will take actions when necessary. The Group’s General Counsel is responsible for overseeing the implementation of all abovementioned policies.

ACTIONS AND TARGETS

By continuously innovating and providing our customers with information, we offer state-of-the-art features that enable them to complete their tasks effectively. To ensure our products comply with current and upcoming regulations, we employ a threefold approach to product safety: (i) innovating and designing features that assist operators, (ii) raising safety awareness for users and bystanders through product literature and other media, and (iii) participating in the development of standards, such as those from the International Electrotechnical Commission (IEC) and the American National Standards Institute (ANSI), that apply to our products.

Throughout 2024, we have sustained our engagement in developing standards and regulations, particularly concerning the EU Machinery Regulation, and, together with other manufacturers and government agencies, launched a public awareness campaign focused on mower safety. Additionally, we published our Product Compliance Training on our internal training portal and revised our product safety policies and procedures, as part of our continuous improvement efforts to update steering documents.

We have also conducted quarterly follow-ups and a few ad hoc meetings with the Committee on Product Safety (COPS). COPS is a Group-level advisory body tasked with ensuring a proactive and consistent approach to evaluating potential product safety issues and identifying necessary actions. When actions are deemed necessary, we adhere to the regulations and procedures relevant to each country where our products are sold. Such actions may include suspending sales or initiating a product recall.

To continue strengthening and expanding knowledge on how we manage product compliance requirements, including product safety regulations, we will conduct ongoing awareness training on our Group policies for Product Compliance and Product Safety. Additionally, through our product compliance audit program, we assess selected sites to ensure compliance with our Group policy for product compliance and to evaluate how they have managed compliance certification for selected products.



Governance information

Business conduct

IMPACTS

Relationship with suppliers

As a global manufacturing organization, we rely on a number of third-party suppliers who are located across the world, including suppliers located in regions where enforcing sustainable sourcing standards presents significant challenges. Therefore, we have identified a negative impact in our value chain, related to the challenges of enforcing sustainable sourcing.

To reduce this impact, we actively engage with our suppliers at every stage of their journey toward sustainable business practices, emphasizing critical standards such as preventing child and forced labour, ensuring safe working conditions, and maintaining fair working hours. This includes working closely with suppliers in regions where regulatory, economic, or logistical challenges make sustainable sourcing standards difficult to achieve. By collaborating with these suppliers, we support the adoption of responsible practices aligned with our sustainability goals, ensuring that workers' rights and safety are upheld throughout our supply chain. Through ongoing partnerships and capacity-building efforts, we are building resilient supply chains that not only prioritize responsible sourcing and minimize environmental impact but also protect human rights and promote ethical labor standards.

Corruption and bribery

In addition, we operate in countries where risks of bribery and corruption are present, particularly in emerging markets where such practices may be more common. Therefore, we have identified a negative impact related to potential bribery or corruption that could occur in our own operations in such regions. To reduce this impact, we have adopted a strict "zero-toler-

ance" approach to bribery and corruption, as clearly stated in our Group Code of Conduct. More generally, we are a company that is committed to maintaining a strong ethical foundation within our own workforce, providing employees with training on anti-corruption policies and guidelines for responsible conduct. By fostering a culture of integrity, we ensure that our employees uphold our values and compliance standards, even in regions where local norms may diverge from our commitment to ethical business practices.

POLICIES

Code of Conduct

The Code of Conduct is central to Husqvarna Group's commitment to integrity and ethical standards, encompassing all employees, officers, directors, dealers, and distributors. It outlines essential values and guidelines on human and labor rights, trade sanctions, export controls, data privacy, and third-party due diligence, with strict prohibitions against discrimination, bribery, corruption, and anticompetitive practices. Additional policies support the Code, including separate policies that provide guidelines on trade sanctions, export controls, data privacy, gifts and entertainment, anti-harassment, product safety, compliance reporting, and environmental management, ensuring consistency with the Group's ethical principles.

Supplier Code of Business Ethics

The Supplier Code of Business Ethics (which builds on our overall Code of Conduct) conveys Husqvarna Group's expectations for suppliers, covering ethical practices, legal compliance, human rights, and environmental responsibility. Suppliers must comply with regulations prohibiting bribery, corruption, forced labour, and child labour, while also meeting standards in resource efficiency, conflict minerals, and workplace health and safety. Supplementary requirements include envi-

ronmental compliance, quality, restricted materials, and conflict minerals, which are embedded within terms and conditions for suppliers and reinforced by specific environmental and quality policies. To ensure adherence to ethical standards, Husqvarna Group leverages technology and screening tools to assess and monitor suppliers and other third parties with whom we do business.

Whistleblower Policies

The Group's Whistleblower Policies, both Group-wide and EU-specific, protect good faith reporters from retaliation and encourage confidential and anonymous reporting of compliance concerns through a variety of channels including a third-party hosted platform, which offers multi-language support.

The Code of Conduct is regularly reviewed and approved by the Board. Other relevant Group Policies are periodically reviewed and updated by Group Management, to reflect changes in law and best practice. All Group employees are required to comply with the Code of Conduct and other Group Policies.

ACTIONS AND TARGETS

Ensuring business integrity

Husqvarna Group's Compliance and Regulatory function (within Legal Affairs) operates on a three-year planning cycle that is updated annually. The compliance program is routinely evaluated, taking into consideration changes in the Group's business operations and regulatory landscape as well as lessons learned, to continuously improve the compliance framework.



Training program on business conduct

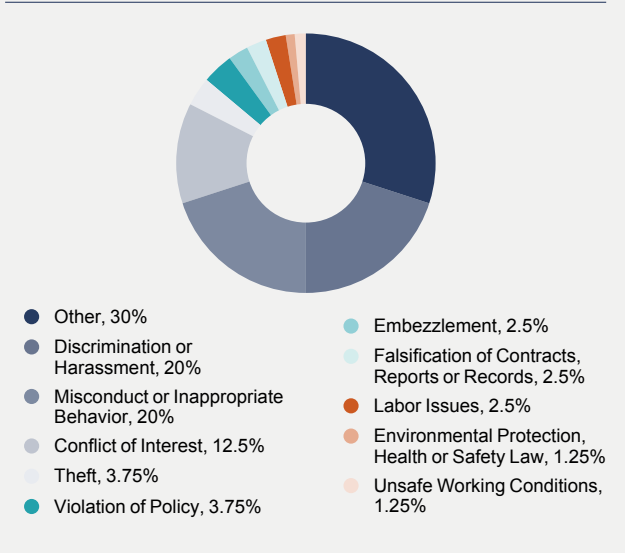
Husqvarna Group’s approach to business conduct training is both comprehensive and structured to ensure that all employees understand and adhere to ethical standards. The training program includes a blend of eLearning modules and live sessions, covering the Code of Conduct, training on compliance policies, and compliance topics, and specific areas relevant to distinct functions. This program mandates risk-based, periodic updates for white-collar employees, while blue-collar employees participate in tailored sessions, promoting a pervasive culture of compliance. Ongoing training reinforces Husqvarna Group’s commitment to ethical behaviour and regulatory adherence throughout the organization. Additionally, inclusion in monthly internal communications is voluntary but an important format for communicating compliance information. Completion rates on training and communication engagement metrics are monitored to assess the program’s reach and impact, thereby promoting consistent ethical standards across all organizational levels. The Husqvarna Group’s career architecture categorizes employee positions into 15 Job Family Groups, serving as the closest proxy for “function.” Among these groups, four are identified as at-risk. During 2024, Husqvarna Group assigned Code of Conduct training, which included a module related to anti-bribery and anti-corruption. In addition, senior leaders in our three divisions supporting the at-risk positions were also provided situation based anti-bribery and anti-corruption training.

Ensuring ethical conduct: Reporting channels and whistleblower protections

Husqvarna Group requires all employees, officers, directors, and business partners worldwide to report any concerns of misconduct or non-compliance with the Code of Conduct, Group Policies, or violations of the law in the places where we conduct our business. Reports can be made through multiple channels, including to managers, Human Resources, a dedicated compliance email, or our third-party hosted whistleblower AlertLine. The AlertLine, available globally

via toll-free numbers and an online portal, allows anonymous reporting where permitted by law, and is available to reporters in multiple languages. Reporters are assigned unique IDs for tracking and communication. The dedicated compliance email is managed only by the Group General Counsel and Chief Compliance Officer, with optional anonymity through a non-company email address. Under the EU Whistleblower Directive, where our organization meets the criteria for local reporting channels, reporters have the option of using local reporting methods in person, through a local channel in AlertLine, or a dedicated local compliance email. Local channels in AlertLine and dedicated local compliance email channels are managed by designated local contacts published to internal stakeholders. All good faith reporters are protected from retaliation, with confidentiality maintained wherever possible. The Audit Committee of the Board receives quarterly reports reflecting reported cases, including detailed summaries on matters of significance.

AlertLine reports

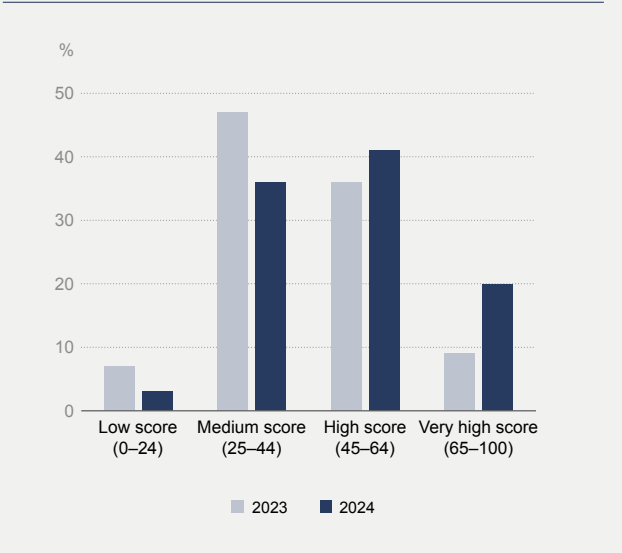


In 2024, there was an increase in compliance concerns reported through AlertLine, with 80 concerns compared to 73 in 2023. Among the cases closed in 2024, 7 were substantiated, and 11 were partially substantiated.

Managing relationships with suppliers

Husqvarna Group integrates sustainability throughout its purchasing processes across all divisions, employing a risk-based approach to engage with high-risk suppliers identified by location, operational profile, and significance to the Group’s purchasing expenditure. These suppliers report their sustainability performance through EcoVadis, a third-party assessment provider, with assessments conducted on a triennial basis. New high-risk suppliers undergo sustainability assessments or on-site audits, a practice that enhances Husqvarna Group’s transparency, risk mitigation, and comparability across the supply chain. In 2024, 116 high-risk suppliers completed the

EcoVadis score distribution



EcoVadis assessment, up from 74 in 2023, with 45 scoring below the Group’s threshold, prompting corrective action and reassessment. Additionally, Husqvarna Group is aligning its due diligence processes with upcoming CSDDD regulations and other related legislation affecting its products and supply chain commodities. For example, the Husqvarna Group’s most recent Double Materiality Assessment has identified “child labor in supply chain” as a material topic for the Group. To help remediate this impact, we have increased focus and efforts relating to supplier due diligence and are revising our supply contracts with certain high risk suppliers to include strengthened compliance provisions such as audit rights.

Responsible sourcing: Addressing risks in conflict minerals and battery supply chains

Given its focus on electrical and battery-powered products, Husqvarna Group recognizes the need to address environmental and human rights risks associated with conflict minerals in its supply chain. Minerals essential to electronics and lithium-ion batteries – such as tin, tungsten, tantalum, gold (3TGs), cobalt and mica – present significant sourcing risks, especially in regions like the Democratic Republic of Congo. Husqvarna Group’s Conflict Minerals due diligence program is intended to trace mineral origins beyond direct suppliers to prevent unintentional complicity in harmful practices. Anticipating EU regulations and aligning with OECD guidelines, the Group mandates that suppliers provide detailed sourcing information through conflict mineral and extended reporting templates, with data collection facilitated by a third-party provider and aligned with the Responsible Minerals Initiative.

In 2024, Husqvarna Group intensified its engagement with suppliers and expanded capability-building initiatives to foster transparency and encourage active participation in ethical sourcing practices. These efforts are aimed at strengthening supplier alignment with the Group’s sustainability goals, ensuring that responsible sourcing remains a priority throughout the supply chain.

Sustainability notes

Climate change

Energy consumption and mix

Energy consumption is calculated based on actual usage reported by sites larger than 5,000 m² and all manufacturing sites, regardless of size. When actual data is unavailable, sites estimate their consumption using data from previous years and their knowledge of operational changes.

All three divisions of Husqvarna Group are classified as high-climate-impact sectors due to their manufacturing activities.

Total net revenue figures are sourced from the consolidated financial statements.

The company is a market leader in outdoor power equipment. It also supplies an alkylate fuel to guarantee optimal efficiency, and prolong the life of Husqvarna machines. As of December 31, 2024, revenue from alkylate fuel sales amounted to SEKm 1,063.

GROSS SCOPES 1, 2 AND 3 AND TOTAL GHG EMISSIONS Scope 1, 2 and 3 definitions

- Scope 1 are direct emissions caused by energy consumption used to operate our manufacturing machinery and vehicles, and for heating our buildings.
- Scope 2 are indirect emissions created by producing electricity and heat that we buy.
- Scope 3 are indirect emissions that occur either upstream from energy consumed by our suppliers and emissions from transporting our products or downstream, when our products are used.

Energy consumption is subsequently converted into Scope 1 and 2 CO₂ emissions using emission factors provided by our GHG emission software provider, which include DEFRA, IEA, EPA, IPCC, and the GHG Protocol, depending on the specific emission factor applied.

For Scope 3 emissions:

- Purchased Goods and Services: Data is reported based on procurement spend, with 2023 CDP emission factors allocated according to the industry category represented by each supplier.
- Upstream Transportation and Distribution: This category includes emissions from air, marine, and road transport within Europe and the United States. Since we are unable to differentiate between upstream and downstream transportation, we report consolidated transportation data under the Upstream Transportation and Distribution category. This category includes CO₂ emissions calculated using estimates based on available data.
- Use of Sold Products: Product use includes CO₂ emissions calculated using estimates based on available data and our assumption on typical product use which are subject to uncertainties. Total net revenue figures are sourced from the consolidated financial statements.
- We are constantly working on enhancing the quality of the reporting data; therefore, the numbers presented in the annual report may differ due to better data quality. This also applies to the 2015 baseline.

Energy consumption mix	2024
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	41,445
Fuel consumption from natural gas (MWh)	43,330
Fuel consumption from other fossil sources (MWh)	173
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	26,495
Total energy consumption from fossil fuels	111,442
Share of fossil sources in total energy consumption (%)	42%
Consumption from nuclear sources (MWh)	5,464
Share of consumption from nuclear sources in total energy consumption (%)	2%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	610
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	147,123
Consumption of self-generated non-fuel renewable energy (MWh)	2,886
Total renewable energy consumption (MWh)	150,619

Energy intensity based on net revenue	2024
Total energy consumption from activities in high climate impact sectors (MWh)	267,525
Net revenue from activities in high climate impact sectors (SEKm)	48,352
Net revenue (Other) (SEKm)	0
Total net revenue (Financial statement) (SEKm)	48,352
Energy intensity per net revenue in high climate impact sectors (MWh/SEKm)	5.53

GHG emissions	2015	2024	% reduction compared to the base year
Scope 1 GHG emissions			
Gross Scope 1 GHG emissions (tCO ₂ eq)	43,275	14,217	67%
% of Scope 1 GHG emissions from regulated emission trading schemes	0	0	0%
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	122,552	63,241	48%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	122,552	13,505	89%
Significant scope 3 GHG emissions			
Gross Scope 3 significant GHG emissions (tCO ₂ eq)	6,775,738	3,016,010	55%
1 Purchased goods and services	249,212	116,108	53%
4 Upstream transportation and distribution	51,047	35,026	31%
11 Use of sold products	6,475,479	2,864,876	56%
Total GHG emissions			
Total GHG emissions location-based (tCO ₂ eq)	6,941,565	3,093,468	55%
Total GHG emissions market-based (tCO ₂ eq)	6,941,565	3,043,732	56%

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/Monetary unit)	63
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/Monetary unit)	63
Net revenue used to calculate GHG intensity	48,352
Net revenue (other)	0

Resource use and circular economy

Circular innovations

Since 2021, when we launched this target, we have been focusing on circular innovations aligned with the 5R principles: reduce, reuse, repair, refurbish, and recycle. As of December 31, 2024, we have introduced 37 circular innovations.

Total circular innovations introduced since 2021	Reduce	Reuse	Repair	Refurbishment / Remanufacturing	Recycle
37	11	5	5	5	16

The table below indicates the distribution of innovations across the different R-attributes. A single circular innovation may be associated with more than one R-attribute.

Other environmental performance in own operations

Waste

Waste data is reported by sites larger than 5,000 m² and all manufacturing sites, regardless of size, based on waste cards or waste reports received from waste handlers. When specific values are not available for certain sites, estimates from the previous year are used to report.

Waste	2024
Total Waste generated (t)	24,013
Total amount of hazardous waste (t)	2,898
Hazardous waste recovered (t)	378
Hazardous waste recovered due to recycling (t)	242
Hazardous waste recovered due to other recovery operations (t)	136
Non-hazardous waste recovered (t)	17,979
Non-hazardous waste recovered due to recycling (t)	16,877
Non-hazardous waste recovered due to other recovery operations (t)	1,102
Hazardous waste directed to disposal (t)	2,520
Hazardous waste directed to disposal by incineration (t)	73
Hazardous waste directed to disposal by landfilling (t)	322
Hazardous waste directed to disposal by other disposal operations (t)	2,125
Non-hazardous waste directed to disposal (t)	3,136
Non-hazardous waste directed to disposal by incineration (t)	223
Non-hazardous waste directed to disposal by landfilling (t)	2,783
Non-hazardous waste directed to disposal by other disposal operations (t)	130
Non-recycled waste (t)	6,894
Percentage of non-recycled waste (%)	29%

Water

Water withdrawal is calculated based on actual usage reported by sites larger than 5,000 m² and all manufacturing sites, regardless of size. When actual data is unavailable, sites estimate their withdrawal using data from previous years and their knowledge of operational changes.

Water	2024
Total water withdrawal (m ³)	477,445
Ground water (m ³)	181,039
Surface water (m ³)	3,066
Purchased water (m ³)	293,340

EU Taxonomy

Proportion of turnover from products and services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024				Year			Substantial contribution criteria						DNSH criteria (“Does Not Significantly Harm”)									
Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of turnover, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)			
		SEKm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Environmentally sustainable activities (Taxonomy-aligned)																						
Manufacture of other low carbon technologies	CCM 3.6/CE 1.2	12,641	26%	Y	N/EL	N/EL	N/EL	N	N/EL	-	Y	Y	Y	Y	Y	Y	28%	E				
Manufacture of batteries	CCM 3.4/CE 1.2	65	0%	Y	N/EL	N/EL	N/EL	N	N/EL	-	Y	Y	Y	Y	Y	Y	-	E				
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	65	0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	-	-	Y	-					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		12,771	26%	26%	-	-	-	0%	-	Y	Y	Y	Y	Y	Y	Y	28%					
Of which enabling		12,771	26%	26%	-	-	-	0%	-	Y	Y	Y	Y	Y	Y	Y	28%	E				
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL													
Sale of spare parts	CE 5.2	4,434	9%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								-					
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	4	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								-					
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4,438	9%	-	-	-	-	9%	-								-					
Total (A.1+A.2)		17,209	35%	26%	-	-	-	9%	-								28%					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
Turnover of Taxonomy- non-eligible activities		31,143	65%																			
Total (A+B)		48,352	100%																			
	Proportion of Turnover / Total Turnover																					
	Taxonomy-aligned per objective	Taxonomy-eligible per objective																				
CCM	26%	26%																				
CCA																						
WTR																						
CE	0%	35%																				
PPC																						
BIO																						

EU Taxonomy

Proportion of CapEx from products and services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024				Year			Substantial contribution criteria					DNSH criteria (“Does Not Significantly Harm”)											
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of CapEx, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)				
		SEKm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1 CapEx of environmentally sustainable activities (Taxonomy-aligned)																							
Manufacture of other low carbon technologies	CCM 3.6/CE 1.2	663	21%	Y	N/EL	N/EL	N/EL	N	N/EL	-	Y	Y	Y	Y	Y	Y	Y	23%	E				
Manufacture of batteries	CCM 3.4/CE 1.2	8	0%	Y	N/EL	N/EL	N/EL	N	N/EL	-	Y	Y	Y	Y	Y	Y	Y	-	E				
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	9	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	-	Y	-	E				
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	276	9%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	-	-	-	Y	-					
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		956	30%	21%	0%	0%	0%	9%	0%	Y	Y	Y	Y	Y	Y	Y	Y	23%					
Of which enabling		956	30%	21%	-	-	-	9%	-	Y	Y	Y	Y	Y	Y	Y	Y	23%	E				
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	-	-		T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL														
Acquisition and ownership of buildings (CapEx C)	CCM 7.7	343	11%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									11%					
Transport by motorbikes, passenger cars and light commercial vehicles (CapEx C)	CCM 6.5	140	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									5%					
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	18	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									-					
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		501	16%	15%	-	-	-	1%	-									16%					
Total (A.1+A.2)		1,457	46%	36%	-	-	-	10%	-									39%					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
CapEx of Taxonomy- non-eligible activities		1,683	54%																				
Total (A+B)		3,140	100%																				
	Proportion of CapEx / Total CapEx																						
	Taxonomy-aligned per objective		Taxonomy-eligible per objective																				
CCM	21%		36%																				
CCA																							
WTR																							
CE	9%		31%																				
PPC																							
BIO																							

EU Taxonomy

Proportion of OpEx from products and services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of OpEx, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		SEKm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6/CE 1.2	775	41%	Y	N/EL	N/EL	N/EL	N	N/EL	-	Y	Y	Y	Y	Y	Y	28%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		775	41%	41%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	-		
Of which enabling		775	41%	41%	-	-	-	0%	-	Y	Y	Y	Y	Y	Y	Y	28%	E	
Of which transitional		0	0%	0%						-	-	-	-	-	-	-	-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	-	-	-	-	-	-								-		
Total (A.1+A.2)		775	41%	41%	-	-	-	41%	-								28%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
OpEx of Taxonomy- non-eligible activities	1,136	59%
Total (A+B)	1,911	100%

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	41%	41%
CCA		
WTR		
CE	0%	41%
PPC		
BIO		

Nuclear and fossil gas related activities		
Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Own workforce

Characteristics of the employees

The number of employees, defined as headcount, is reported based on data from the Group HR system.

The breakdown by gender is reported in accordance with the gender categorization in the Group HR system.

The breakdown by country follows the rule of reporting countries where more than 10 percent of the total employee count is based. In 2024, these countries were Sweden, the

United States, and Germany. Employees in other countries are grouped under “Rest of the World” as an aggregated figure.

The 2024 figures are derived from data in the Group HR system and presented as a 12-month average, except for the number of new hires and employees who have left. This data is reported as of December 31, 2024.

Gender distribution	Female	Male	Other	Not reported	Total
Number of employees	4,532	8,802	6	12	13,352
Number of permanent employees	3,629	7,526	6	5	11,166
Number of temporary employees	348	460	0	7	815
Number of non-guaranteed hours employees	555	816	0	0	1,371
Number of employees who have left	908	1,490	3	5	2,406
Turnover rate	20%	17%	50%	42%	18%
Number of new employees hires	537	935	2	3	1,477

Country distribution	SE	US	DE	Rest of World	Total
Number of employees	2,923	2,553	2,212	5,664	13,352
Number of permanent employees	2,872	1,180	2,021	5,093	11,166
Number of temporary employees	51	2	191	571	815
Number of non-guaranteed hours employees	0	1,371	0	0	1,371
Number of employees who have left	314	1,101	208	783	2,406
Number of new employees hires	393	288	121	675	1,477

Gender distribution	Female	Male	Other	Not reported	Total
Gender distribution in number at top management level	40	138	0	0	178
Gender distribution in percentage at top management level	23%	77%	0%	0%	100%

Age distribution	Under 30 years old	30–50 years old	Over 50 years old	Total
Distribution of employees by age group	1,498	7,233	4,621	13,352

Collective bargaining coverage and social dialogue

The percentage of employees covered by collective bargaining agreements is calculated using data from local HR systems in the countries where we operate and consolidated at the Group level.

The data is reported as of December 31, 2024.

Collective bargaining coverage and social dialogue	% in 2024
Percentage of employees covered by collective bargaining agreements	68%

Diversity metrics

The number of employees, defined as headcount, is reported using data from the Group HR system.

The breakdown by gender is provided in alignment with the gender categorization in the Group HR system.

The breakdown by age is based on employees’ dates of birth as recorded in the Group HR system.

The 2024 figures are presented as a 12-month average.

Health and safety metrics

The number of fatalities and high-consequence work-related injuries is reported based on data from internal Health & Safety (H&S) systems, in which reporting is mandatory under H&S policies. The 2024 figure is presented on an accumulated basis.

Total worked hours are reported using two methods: (i) actual worked hours recorded in clocking systems, and (ii) estimated standard working hours based on national legislation. The accumulated hours are adjusted by deducting leave taken by employees, with this data sourced from local HR systems and consolidated at the Group level. The 2024 figure is presented on an accumulated basis.

Lost Time Incident Rate (LTIR) and Total Recordable Incident Rate (TRIR) are reported in accordance with their respective definitions.

Health and safety metrics	Employees	Non-employees	Own workforce
Number of fatalities	0	0	0
Number of high-consequence work-related injuries	2	0	2
Lost time incident rate (LTIR)	3.8	4.3	3.9
Total recordable incident rate (TRIR)	6.1	6.7	6.2
Total hours worked (m hours)	23.3	4.2	27.5

Compensation metrics

Annual remuneration ratio, we this year have done on the basis of base salary ratio (and not full total remuneration) is reported using our Global HR system. Per December 31, 2024 a few countries (Japan, Russia, Ireland) are excluded from the base salary ratio, due to later integration, but these countries do not impact the outcome of the ratio due to very few employees. Additional exclusions apply for interns, trainees, students and apprentices.

Compensation metrics	2024
Annual total remuneration ratio	23.2
Median employee annual base salary (excluding the highest-paid individual) (SEKt)	469.9

GRI Index

General Indicators

GRI 2: General Disclosures 2021	Reference (page)	Requirement(s) omitted	Reason	Explanation
2-1 Organizational details	p. 7, p. 29			
2-2 Entities included in the organization's sustainability reporting	p. 58, p. 95			
2-3 Reporting period, frequency and contact point	p. 95, p. 130	c		Publication date is available on the corporate website.
2-4 Restatements of information	p. 111			
2-5 External assurance	p. 121			
2-6 Activities, value chain and other business relationships	p. 7–9, p. 14, p. 38–40			
2-7 Employees	p. 116	b iv, b v	Information unavailable	Not collated on Group level. Data is presented in line with ESRS reporting requirements, limiting comparability with GRI reporting requirements.
2-8 Workers who are not employees	–	a, b, c	Information unavailable	Not collated on Group level.
2-9 Governance structure and composition	p. 43–48	ci, cvi	Not applicable	Only shareholders and employees are represented in the Board.
2-10 Nomination and selection of the highest governance body	p. 43–48			
2-11 Chair of the highest governance body	p. 50			
2-12 Role of the highest governance body in overseeing the management of impacts	p. 95			
2-13 Delegation of responsibility for managing impacts	p. 43–48, p. 95			
2-14 Role of the highest governance body in sustainability reporting	p. 43–48, p. 95			
2-15 Conflicts of interest	p. 50–53, p. 109–110, p. 128			
2-16 Communication of critical concerns	p. 43–48, p. 95–96			
2-17 Collective knowledge of the highest governance body	p. 43–48, p. 50–53			
2-18 Evaluation of the performance of the highest governance body	p. 43–48			
2-19 Remuneration policies	p. 35–36			
2-20 Process to determine remuneration	p. 35–36			
2-21 Annual total compensation ratio	p. 116			
2-22 Statement on sustainable development strategy	p. 4–5, p. 11–14			
2-23 Policy commitments	p. 100, 103, 105, 108, 109			www.husqvarnagroup.com/en/policies-sustainability-governance
2-24 Embedding policy commitments	p. 100, 103, 105, 108, 109			
2-25 Processes to remediate negative impacts	p. 100–103, p. 105–110			
2-26 Mechanisms for seeking advice and raising concerns	p. 109–110			
2-27 Compliance with laws and regulations	p. 34, p. 109–110			
2-28 Membership associations	–	a	Information unavailable	Not collated on Group level.
2-29 Approach to stakeholder engagement	p. 97			
2-30 Collective bargaining agreements	p. 116	b	Information unavailable	Not collated on Group level.

GRI Index

Material topics

GRI 3: Material Topics 2021	Reference (page)	Requirement(s) omitted	Reason	Explanation
3-1 Process to determine material topics	p. 96–99			
3-2 List of material topics	p. 96			

Economic performance

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 29–36, 98–99			
GRI 201: Economic Performance 2016				
201-1 Direct economic value generated and distributed	p. 29–36			
201-2 Financial implications and other risks and opportunities due to climate change	p. 37–40, 98			

Energy

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. , 97–99, 100–102			
GRI 302: Energy 2016				
302-1 Energy consumption within the organization	p. 111	a, b, c	Data presentation	The data presented are aggregated, in line with the future ESRS reporting requirements.

Emissions

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97–98, 100–102			
GRI 305: Emissions 2016				
305-1 Direct (Scope 1) GHG emissions	p. 112			Group uses operational control approach to consolidate its emissions
305-2 Energy indirect (Scope 2) GHG emissions	p. 112			
305-3 Other indirect (Scope 3) GHG emissions	p. 112			
305-4 GHG emissions intensity	p. 112			
305-5 Reduction of GHG emissions	p. 112			

Waste

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 103			
GRI 306: Waste 2020				
306-2 Management of significant waste-related impacts	p. 112			

GRI Index

Supplier environmental assessment

GRI 3: Material Topics 2021	Reference (page)	Requirement(s) omitted	Reason	Explanation
3-3 Management of material topics	p. 97, 99, 109–110			
GRI 308: Supplier Environmental Assessment 2016				
308-1 New suppliers that were screened using environmental criteria	p. 110			
308-2 Negative environmental impacts in the supply chain and actions taken	p. 110			

Employment

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97, 99, 105–107			
GRI 401: Employment 2016				
401-1 New employee hires and employee turnover	p. 116	a, b	Information unavailable	New hires rate, new hires age distribution and turnover rate by age is not collated on Group level. Data is presented in line with ESRS reporting requirements, limiting comparability with GRI reporting requirements.

Occupational health and safety

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97, 99, 105–107			
GRI 403: Occupational Health and Safety 2018				
403-1 Occupational health and safety management system	p. 106, 116			
403-2 Hazard identification, risk assessment, and incident investigation	p. 106	c	Information unavailable	
403-4 Worker participation, consultation, and communication on occupational health and safety	p. 106	b	Information unavailable	
403-5 Worker training on occupational health and safety	p. 106			
403-6 Promotion of worker health	p. 106	a, b	Information unavailable	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 105–106			
403-9 Work-related injuries	p. 106, 116	a, b, c, d, e	Information unavailable	

GRI Index

Diversity and equal opportunity

GRI 3: Material Topics 2021	Reference (page)	Requirement(s) omitted	Reason	Explanation
3-3 Management of material topics	p. 97, 99, 105–107			
GRI 405: Diversity and Equal Opportunity 2016				
405-1 Diversity of governance bodies and employees	p. 43–48, 116			

Non-discrimination

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97, 99, 105, 109–110			
GRI 406: Non-discrimination 2016				
406-1 Incidents of discrimination and corrective actions taken	p. 110			

Child labor

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97, 99, 109–110			
GRI 408: Child Labor 2016				
408-1 Operations and suppliers at significant risk for incidents of child labor	p. 109–110			

Forced or compulsory labor

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97, 99, 109–110			
GRI 409: Forced or Compulsory Labor 2016				
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 109–110			

Supplier social assessment

GRI 3: Material Topics 2021				
3-3 Management of material topics	p. 97, 99, 109–110			
GRI 414: Supplier Social Assessment 2016				
414-1 New suppliers that were screened using social criteria	p. 110			
414-2 Negative social impacts in the supply chain and actions taken	p. 109–110			

Auditor's limited review

Auditor's Limited Assurance Report on Husqvarna ABs Sustainability Report and statement regarding the Statutory Sustainability Report
To Husqvarna AB, Corp. id. 556000-5331

Introduction

We have been engaged by the Board of Directors and the Executive Management of Husqvarna AB to undertake a limited assurance engagement of Husqvarna ABs Sustainability Report for the financial year 2024-01-01—2024-12-31. Husqvarna AB has defined the scope of the Statutory Sustainability Report on page 2 in this document.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with applicable criteria and the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024. The criteria are defined on page 95 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our responsibility is limited to the historical information reported and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised) Assurance engagements other than audits or reviews of financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR:s auditing standard RevR12 The auditor's opinion regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Husqvarna AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusions

Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and the Executive Management.

A Statutory Sustainability Report has been prepared.

Stockholm March 24, 2025
KPMG AB

Joakim Thilstedt
Authorized Public
Accountant

Torbjörn Westman
Expert Member of FAR

Green Finance Report

GREEN FINANCE FRAMEWORK

In 2024, Husqvarna Group introduced its Green Finance Framework, aligning with its sustainability strategy and its commitment to embrace transformation as an opportunity to build on its strong track record of innovative solutions. The framework defines how green financing instruments are utilized to support Husqvarna Group’s sustainability journey, including financing and refinancing projects that contribute to environmental benefits.

The Green Finance Framework is aligned with the 2021 ICMA Green Bond Principles and the 2023 Green Loan Principles (administered by LMA, LSTA, and APLMA). It covers four main categories for eligible projects: Low-carbon Products and Solutions, Green Buildings, Clean Transportation, and Renewable Energy.

To ensure credibility and alignment with market standards, the framework was reviewed by Sustainalytics, which provided a Second-Party Opinion. Sustainalytics rated the framework

as credible and impactful, highlighting its alignment with the four core components of the Green Bond Principles and Green Loan Principles.

Through this framework, Husqvarna Group solidifies its leadership in sustainable innovation by allocating funds to projects such as electrified products, energy-efficient buildings, renewable energy initiatives, and Product-as-a-Service, along with other circular, use- and result-oriented service models. The framework ensures transparency and accountability, with annual allocation and impact reporting published on the company’s website.

Financing under the Green Finance Framework

In 2024, Husqvarna Group issued two bonds: (i) SEKm 1,750 in March and (ii) SEKm 1,000 in November. Both issuances were well received by investors, marking another significant step in our journey toward electrifying our portfolio.

Allocation Report and Use of Proceeds

The net proceeds from Green Finance Instruments can be used to fund capital and operational expenditures, including R&D being reported in the EU Taxonomy alignment section of Husqvarna Group’s Annual Report. The proceeds from Green Finance Instruments issued by Husqvarna Group will be exclusively used to finance Eligible Assets and Projects within Husqvarna Group, its subsidiaries, or any acquired entities.

The table to the left provides an overview of all outstanding debt, the allocation of proceeds between financing and refinancing, and the categorization of these proceeds by Eligible Green Assets and Project category (Low-carbon Products and Solutions, Green Buildings, Clean Transportation, Renewable Energy), as of December 31, 2024. Any unallocated net proceeds are temporarily held in cash, cash equivalents, or invested in other liquid marketable instruments until they are fully allocated.

As of now, 93 percent of the funds from green bonds have been allocated.

Impact Report

The environmental impact and associated benefits of the Eligible Category, Low-carbon Products and Solutions, are evaluated based on the impact indicators outlined in the Impact Report table below. Due to the dependency of the estimated impact on the sales volumes of electrified products, it is not feasible to precisely attribute the allocated proceeds to specific impact indicators.

Instead, the annual corporate performance of these indicators has been selected as a representative measure of the environmental impact of the allocated proceeds. It is our position that over time, positive developments in these indicators will serve as a formal indication of the allocated proceeds’ contribution to climate change mitigation and circular economy.

For definitions and calculation methodology of the indicators, see the Sustainability notes on page 111–112.

Use of proceeds and allocation per December 31, 2024		Green Bonds	
Issuance	March 2024	November 2024	
Maturity	March 2027	November 2029	
ISIN	SE0019177114	SE0013106424	
Currency	SEK	SEK	
Amount issued (mn)	1,750	1,000	
Unallocated (%)	0%	20%	
Allocated (%)	100%	80%	
Finance (%)	0%	20%	
Low-carbon Products and Solutions	0%	100%	
Refinance (%)	100%	80%	
Low-carbon Products and Solutions	100%	100%	

Use of Proceeds category	Impact metric	2024 results	2023 results
Low-carbon Products and Solutions	Annual GHG emissions reduced	844,268t CO ₂ e (–22%)	791,115t CO ₂ e (–17%)
Low-carbon Products and Solutions	Percentage of motorized offering electrified	44%	42%

Financial definitions

This report includes financial measures as required by the financial reporting framework applicable to Husqvarna Group, which is based on IFRS. In addition, there are other measures (alternative performance measures) used by management and other stakeholders to analyze trends and performance of the Group's operations that cannot be directly read or derived from the financial statements. Husqvarna stakeholders should not consider these as substitutes, but rather as additions, to the financial reporting measures prepared in accordance with IFRS. Please note that the alternative performance measures as defined, may not be comparable to similarly titled measures used by other companies. Refer below for a list of definitions of all measures and indicators used, referred to and presented in this report.

Computation of average amounts	The computation of key ratios are based on averages of capital balances the last 12 months.
Roundings	All items are stated in SEKm and, accordingly, rounding differences can occur.
Last twelve months (LTM)	An average of the last twelve months has been used to assist stakeholders in their analysis of seasonal variation in the market Husqvarna Group operates in.
Alternative performance measures	Description and reason for use.
Profitability measures	
Organic growth	Organic growth is the change in net sales compared to the same period of the previous year excluding acquisitions, divestments, planned exits and adjusted for currency translation effects. The measure is important in order to understand the underlying performance of the operations and increases the comparability between periods.
Gross margin	Gross income as a percentage of net sales.
EBITDA	EBITDA is a measure of earnings before interest, taxes, depreciation, amortization and impairment charges. EBITDA measures Husqvarna Group's operating performance and the ability to generate cash from operations, without considering the capital structure of the Group or its fiscal environment.
EBITDA margin	EBITDA as a percentage of net sales.
Operating margin	Operating income as a percentage of net sales. The operating margin is a key profitability measure.

Capital indicators	Description and reason for use
Capital employed	Total equity and liabilities less non-interest-bearing debt including deferred tax liabilities. This measure shows the amount of capital that is used in the operations and is an important component for measuring the return from operations.
Capital expenditure	Investments in property, plant and equipment, right of use assets and intangible assets.
Capital turnover rate	Net sales during the last twelve months divided with average net assets. Shows how effectively capital is managed and is a key measure for monitoring value creation.
Equity / assets ratio	Equity attributable to equity holders of the Parent Company as a percentage of total assets. A measure for showing financial risk, expressing the percentage of total assets that is financed by the owners.
Liquid funds	Cash and cash equivalents, short-term investments and fair value derivative assets. Shows the ability to repay short term commitments.
Net assets	Total assets excluding liquid funds and interest-bearing assets less operating liabilities, non-interest-bearing provisions and deferred tax liabilities.
Net debt	Net debt is defined as total interest-bearing liabilities plus dividend payable, less liquid funds and interest-bearing assets. The key performance indicator shows the Group's indebtedness.
Net debt / EBITDA excluding Items affecting comparability	Average net debt in relation to EBITDA last twelve months, excluding items affecting comparability. A financial measure that shows the company's capacity to repay its debt, adjusted for the impact of items affecting comparability.

Capital indicators (cont.)	Description and reason for use
Net debt /equity ratio	Net debt in relation to total equity. Shows financial risk and is a useful measure to monitor the level of the company's indebtedness.
Operating working capital	Inventories and trade receivables less trade payables. This measure shows how much working capital is tied up in the operations and can be put in relation to sales to understand how efficient working capital is managed.
Operating working capital /net sales	Average operating working capital as a percentage of net sales last twelve months. This measure is an important indicator for how efficient working capital is managed.
Return on capital employed (ROCE)	Operating income during the last twelve months as a percentage of average capital employed. A central ratio for measuring return on capital tied up in operations.
Return on equity (ROE)	Net income attributable to equity holders of the Parent Company last twelve months as a percentage of average equity attributable to equity holders of the Parent Company. The indicator shows how shareholders' capital yields interest during the period.
Share-based measures	Description and reason for use
Earnings per share, after dilution	Earnings per share is expressed as net income attributable to equity holders of the parent company divided by the weighted average number of shares outstanding (net of treasury shares), after dilution. Earnings per share is a good measure of the company's profitability and is used to determine the value of the company's outstanding shares.
Equity per share, after dilution	Equity attributable to equity holders of the Parent Company divided by the weighted average number of shares outstanding (net of treasury shares), after dilution. A measure of the amount of equity that exists per outstanding share and is used for measuring the share against the share price.

Other measures	Description and reason for use
Direct operating cash flow	EBITDA, excluding items affecting comparability, adjusted for change in trade payables, inventory and trade receivables and investments in property, plant and equipment and intangible assets. Direct operating cash flow provides a measure of the cash generated by the Groups operating business.
Items affecting comparability	Under Items affecting comparability, Husqvarna includes items that have the character of being non-recurring, such as restructuring costs, and are relevant when comparing earnings for one period with those of another. Separate reporting of items affecting comparability between periods provides a better understanding of the company's underlying operating activities.

Five-Year Review

Income and key ratios, SEKm	2024	2023	2022	2021	2020
Net sales	48,352	53,261	54,037	47,059	41,943
Husqvarna Forest & Garden Division	28,152	31,759	32,082	29,217	26,607
Gardena Division	12,281	12,964	13,606	10,537	9,427
Husqvarna Construction Division	7,766	8,398	8,232	7,210	5,844
Gross income	14,299	16,125	14,613	15,513	12,576
<i>Gross margin, %</i>	29.6	30.3	27.0	33.0	30.0
EBITDA*	5,505	6,985	6,385	7,987	6,206
<i>EBITDA margin, %</i>	11.4	13.1	11.8	17.0	14.8
Operating income	2,597	3,880	3,043	5,746	3,669
Operating income excl. items affecting comparability*	3,195	4,970	4,853	5,684	4,484
<i>Operating margin, %</i>	5.4	7.3	5.6	12.2	8.7
<i>Operating margin excl. items affecting comparability, %*</i>	6.6	9.3	9.0	12.1	10.7
<i>Husqvarna excl. items affecting comparability, %*</i>	7.8	10.2	10.0	12.7	10.1
<i>Gardena excl. items affecting comparability, %*</i>	6.7	8.8	8.6	14.5	15.2
<i>Construction excl. items affecting comparability, %*</i>	8.4	11.9	10.4	11.7	10.8
Income after financial items	1,733	2,878	2,581	5,494	3,330
Net Income for the period	1,326	2,177	1,932	4,437	2,495
Of which depreciation, amortization and impairment	–2,908	–3,105	–3,342	–2,241	–2,537

Financial position and key ratios, SEKm	2024	2023	2022	2021	2020
Total assets	56,803	57,610	61,636	50,920	43,517
Net assets	39,092	39,412	41,720	31,270	23,555
Husqvarna Forest & Garden Division	16,958	18,078	18,187	13,657	12,427
Gardena Division	14,917	14,823	16,798	13,740	6,650
Husqvarna Construction Division	6,893	7,107	7,334	6,281	5,608
Operating working capital	14,393	16,986	18,490	11,350	8,179
Total equity	24,622	23,772	24,011	21,646	17,062
Net debt*	14,471	15,640	17,709	9,623	6,493
<i>Return on capital employed*, %</i>	5.9	8.4	7.3	17.9	10.9
<i>Return on equity, %</i>	5.3	8.5	7.9	22.2	13.5
Capital turn-over rate, times	1.2	1.3	1.4	1.9	1.6
Net debt/equity ratio	0.59	0.66	0.74	0.44	0.38
<i>Equity/assets ratio, %</i>	43	41	39	42	39

Cash flow, SEKm	2024	2023	2022	2021	2020
Direct operating cash flow*	6,905	6,541	–572	3,651	6,071
Capital expenditure	2,603	2,627	2,344	2,524	1,994

Other key ratios	2024	2023	2022	2021	2020
Earnings per share after dilution, SEK	2.31	3.81	3.38	7.73	4.35
Equity per share after dilution, SEK	43.0	41.6	41.9	37.7	29.8
Average number of shares after dilution, millions	572.5	571.6	573.0	574.1	572.9
Dividend per share, SEK ¹	1.00	3.00	3.00	3.00	2.40
<i>Dividend pay-out ratio, %²</i>	43	79	89	39	55
Salaries and remunerations, SEKm	9,770	9,875	9,279	8,156	6,990
Average number of employees	13,353	13,755	14,416	13,873	12,374

¹ As proposed by the Board.

² Dividend pay-out ratio is defined as total dividend in relation to net income excluding non-controlling interest.

* Alternative Performance Measure, refer to section "Financial definitions" for further information.

Quarterly Data

Income, SEKm	Year	Q1	Q2	Q3	Q4	Full year
Net sales	2024	14,719	15,430	9,739	8,464	48,352
	2023	17,167	16,976	10,512	8,605	53,261
	2022	15,685	15,792	12,206	10,353	54,037
Operating income	2024	1,930	1,899	52	−1,285	2,597
	2023	2,364	2,101	398	−983	3,880
	2022	2,159	2,065	555	−1,737	3,043
Operating income excl. items affecting comparability*	2024	1,930	1,906	53	−694	3,195
	2023	2,410	2,313	415	−168	4,970
	2022	2,190	2,075	601	−13	4,853
Operating margin excl. items affecting comparability, %*	2024	13.1	12.4	0.5	−8.2	6.6
	2023	14.0	13.6	3.9	−1.9	9.3
	2022	14.0	13.1	4.9	−0.1	9.0
Net income for the period	2024	1,322	1,273	−153	−1,116	1,326
	2023	1,653	1,411	125	−1,011	2,177
	2022	1,638	1,417	269	−1,392	1,932
Earnings per share after dilution, SEK	2024	2.31	2.22	−0.27	−1.95	2.31
	2023	2.88	2.46	0.22	−1.77	3.81
	2022	2.86	2.47	0.47	−2.43	3.38
Financial position, SEKm	Year	Q1	Q2	Q3	Q4	Full year
Net debt*	2024	17,762	15,615	12,828	14,471	14,741
	2023	17,178	15,748	15,184	15,640	15,640
	2022	11,188	12,501	13,835	17,709	17,709
Operating working capital	2024	21,556	19,304	15,261	14,393	14,393
	2023	21,412	20,305	18,636	16,986	16,986
	2022	15,490	16,741	17,665	18,490	18,490

Net sales by division, SEKm	Year	Q1	Q2	Q3	Q4	Full year
Husqvarna Forest & Garden Division	2024	8,272	8,722	5,825	5,332	28,152
	2023	10,656	9,722	6,123	5,257	31,759
	2022	8,701	8,826	7,761	6,793	32,082
Gardena Division	2024	4,414	4,566	2,037	1,264	12,281
	2023	4,321	5,031	2,287	1,326	12,964
	2022	4,960	4,775	2,400	1,470	13,606
Husqvarna Construction Division	2024	2,008	2,105	1,832	1,820	7,766
	2023	2,177	2,192	2,061	1,968	8,398
	2022	1,981	2,157	2,024	2,071	8,232
<i>Operating margin by division, %</i>	Year	Q1	Q2	Q3	Q4	Full year
Husqvarna Forest & Garden Division	2024	14.4	13.1	2.5	−7.8	7.3
	2023	15.7	11.6	4.8	−7.2	8.5
	2022	16.0	12.5	7.2	−18.4	5.6
Gardena Division	2024	15.3	15.1	−7.6	−36.9	6.0
	2023	13.5	16.3	−2.0	−30.7	7.3
	2022	14.2	16.2	−3.9	−31.8	6.8
Husqvarna Construction Division	2024	10.1	9.7	8.2	−13.1	4.1
	2023	12.0	12.4	10.9	−0.2	9.0
	2022	7.7	13.9	9.0	3.9	8.7

* Alternative Performance Measure, refer to section “Financial definitions” for further information.

The Share

Listing and trading volume

The Husqvarna AB shares have been listed on Nasdaq Stockholm since June 2006. A total of 293 million shares (284) were traded in 2024, with a total value of SEK 21bn (25), corresponding to an average daily trading volume of 1.2 million shares (1.1) or SEK 85m (98). The turnover velocity for the B-share was 59 percent (59) in 2024. During 2024, the price of the B-share decreased by 30 percent to SEK 57.74 (82.98). According to the EU Markets in Financial Instruments Directive (MiFID), a share can also be traded on a “Multilateral Trading Facility” (MTF), i.e. on markets other than the stock exchange where it is listed. The Husqvarna AB share is traded on several MTFs including BATS Chi-X and Turquoise. However, the Nasdaq Stockholm exchange accounts for the majority of trading.

Share swap agreement

At year-end, the total number of Husqvarna AB shares held by a third party as a share swap agreement amounted to 4,646,861 B-shares (4,825,197) corresponding to 0.8 percent (0.8) of the total number of outstanding shares. The purpose of the share swap agreement is to hedge obligations under the Group’s long-term incentive programs.

Conversion of shares

Shareholders who hold A-shares are entitled to convert their A-shares into B-shares. 1,626,244 A-shares were converted to B-shares in 2024.

Analyst coverage

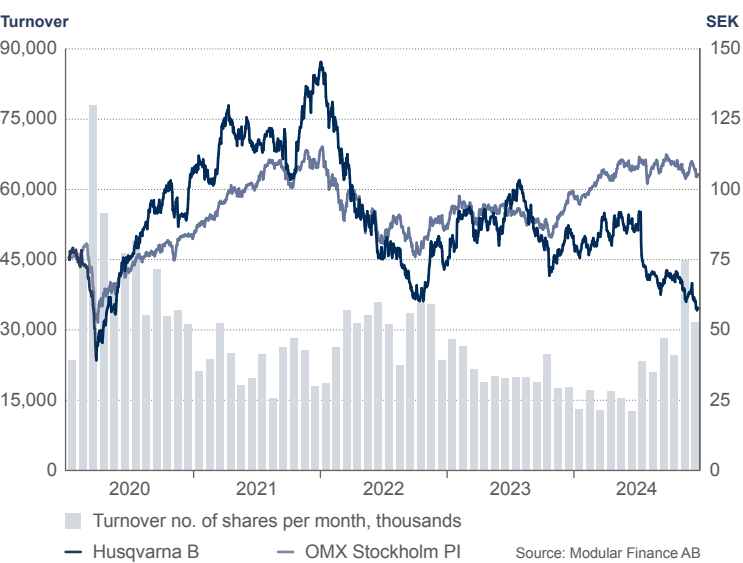
There are currently around 10 financial analysts who analyze and follow Husqvarna Group and give recommendations on the share.

ADR

Husqvarna Group sponsors a Level 1 American Depositary Receipt (ADR) program in the U.S. The ADRs, which each represent two ordinary B-shares, are publicly traded in the U.S. on the OTC Market, under symbol HSQVY. The ADR is a USD denominated security and the associated dividends are paid to investors in USD. Citibank is ADR depositary bank.

KEY FACTS	
Husqvarna AB shares	
Listing:	Nasdaq Stockholm
Number of shares:	576,343,778
Market capitalization at year-end 2024:	SEK 33bn
Ticker codes:	Bloomberg: HUSQA SS, HUSQB SS Thomson Reuters: HUSQa.ST, HUSQb.ST Nasdaq Stockholm: HUSQ A, HUSQ B
ISIN codes:	A-share SE0001662222 B-share SE0001662230
Husqvarna ADR	
Ticker code:	HSQVY
ISIN code:	US4481031015
Ratio:	Two ordinary B-shares equal one ADR

Husqvarna B, price development 2020–2024



Husqvarna B, price development 2024



Share capital and number of shares

		Share capital, SEK	Quotient value, SEK	Number of A-shares	Number of B-shares	Total number of shares
Husqvarna before listing 2006		495,000,000	100			4,950,000
2006:	stock-split and bonus issue	592,518,306	2	9,502,275	286,756,878	296,259,153
2007:	bonus issue	770,273,790	2	98,380,020	286,756,875	385,136,895
2008:	no transactions	770,273,790	2	98,380,020	286,756,875	385,136,895
2009:	rights issue	1,152,687,556	2	147,570,030	428,773,748	576,343,778
2010:	conversion from A-shares to B-shares	1,152,687,556	2	134,755,087	441,588,691	576,343,778
2011:	conversion from A-shares to B-shares	1,152,687,556	2	129,460,339	446,883,439	576,343,778
2012:	conversion from A-shares to B-shares	1,152,687,556	2	127,699,058	448,644,720	576,343,778
2013:	conversion from A-shares to B-shares	1,152,687,556	2	126,593,868	449,749,910	576,343,778
2014:	conversion from A-shares to B-shares	1,152,687,556	2	122,425,469	453,918,309	576,343,778
2015:	conversion from A-shares to B-shares	1,152,687,556	2	113,694,826	462,648,952	576,343,778
2016:	conversion from A-shares to B-shares	1,152,687,556	2	113,393,909	462,949,869	576,343,778
2017:	conversion from A-shares to B-shares	1,152,687,556	2	112,513,001	463,830,777	576,343,778
2018:	conversion from A-shares to B-shares	1,152,687,556	2	112,437,551	463,906,227	576,343,778
2019:	conversion from A-shares to B-shares	1,152,687,556	2	112,015,629	464,328,149	576,343,778
2020:	conversion from A-shares to B-shares	1,152,687,556	2	111,690,460	464,653,318	576,343,778
2021:	conversion from A-shares to B-shares	1,152,687,556	2	111,088,990	465,254,788	576,343,778
2022:	conversion from A-shares to B-shares	1,152,687,556	2	110,106,194	466,237,584	576,343,778
2023:	conversion from A-shares to B-shares	1,152,687,556	2	109,451,449	466,892,329	576,343,778
2024:	conversion from A-shares to B-shares	1,152,687,556	2	107,825,205	468,518,573	576,343,778

Share data

	2024	2023	2022
Earnings per share, SEK	2.32	3.81	3.39
Earnings per share after dilution, SEK	2.31	3.81	3.38
Equity per share after dilution, SEK	43.0	41.6	41.9
Dividend per share, SEK ¹	1.00	3.00	3.00
Yield, % ²	1.7	3.6	4.1
Dividend payout ratio, %	43	79	89
Year-end price, A-share, SEK	58.10	82.30	73.50
Highest price, A-share, SEK	67.00	104.00	142.60
Lowest price, A-share, SEK	57.00	69.40	60.20
Year-end price, B-share, SEK	57.74	82.98	73.12
Highest price, B-share, SEK	67.00	103.35	143.40
Lowest price, B-share, SEK	56.34	69.40	60.30
Number of shareholders	79,979	80,078	81,056
Market capitalization, SEKm	33,317	47,751	42,148

¹ Dividend 2024 as proposed by the Board.
² Dividend/year-end share price.
Source: Holdings/Euroclear as of December 31, 2024.

Largest shareholders in Husqvarna AB as of December 31, 2024

Owner	Capital, %	Votes, %
Investor	16.80%	33.85%
Robert Bosch	12.01%	4.42%
Lundbergföretagen AB	7.52%	25.73%
Silchester International Investors LLP	5.03%	1.87%
Swedbank Robur Fonder	3.02%	1.12%
Fourth Swedish National Pension Fund	2.45%	0.91%
Vanguard	2.38%	0.95%
Handelsbanken Fonder	1.97%	0.73%
A.P. Møller Holding A/S	1.79%	0.67%
Folksam	1.53%	0.57%
Owner list top 10	54.48%	70.81%
Other	45.52%	29.19%
Total	100.00%	100.00%

Source: Modular Finance AB

Shareholding by size in Husqvarna AB

Size of holding	Capital, %	Votes, %
1–1,000	2.62%	2.49%
1,001–10,000	4.57%	3.89%
10,001–100,000	3.24%	2.01%
100,001–1,000,000	8.21%	3.89%
1,000,001–	73.76%	83.89%
Unknown holding size	7.61%	3.82%
Total	100.00%	100.00%

Source: Modular Finance AB

Distribution of shareholders by country

■ Sweden	56.13%
■ Germany	12.27%
■ United States	8.76%
■ United Kingdom	5.66%
■ Other	9.58%
■ Unknown country	7.61%

Source: Modular Finance AB



Further information concerning the share

The following information, and more, is available on www.husqvarnagroup.com

- Share price development
- Shareholder ownership structure
- Conversion of A-shares
- Analyst coverage
- Repurchase of shares
- Share capital

2025 Annual General Meeting

The 2025 AGM of Husqvarna AB (publ) will be held on Tuesday, April 29, 2025 at the Jönköping Concert & Congress hall at Elmia, Hammarskjöld Hall, Elmiavägen 15 in Jönköping, Sweden, from 16:00–18:00 (CET).

Participation

Shareholders may participate in the AGM either (1) by attending the meeting venue in person or by proxy, or (2) by advance voting. In either case, to be eligible to participate, a shareholder must be registered in the register of shareholders maintained by Euroclear Sweden AB as of Thursday, April 17, 2025 and notify attendance no later than Wednesday, April 23, 2025.

Notice of participation in person

Notice of intent to participate in person or by proxy can be given:

- at www.husqvarnagroup.com
- by telephone at +46 36 14 70 10 between 9:00 a.m. and 4:00 p.m. (CET) weekdays, or
- by mail to Husqvarna AB, c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden

The notification to attend in person (or by proxy) must include the shareholder’s name, personal or company registration number, address, telephone number and information on the number of assistants (maximum two) that will be attending, if any.

Notice of participation by advance voting

Notice of intent to participate by advance voting can be given at www.husqvarnagroup.com. Notice should include the shareholder’s name, social security number or company registration number if any, address and telephone number. Information provided together with the notice will be made subject to data processing and will be used solely for the 2025 AGM. Shareholders may vote by proxy, in which case a power of attorney must be submitted to Husqvarna AB prior to the AGM.

Shares registered by nominees

To participate in the AGM, shareholders whose shares are nominee registered must have their shares temporarily registered in their own name not later than on Thursday, April 17, 2025. To ensure that such registration is made prior to Thursday, April 17, 2025, shareholders must inform the nominee well in advance of this date. Voting right registrations completed not later than Wednesday, April 23, 2025 are taken into account when preparing the share register.

Dividend

The Board has proposed a dividend for financial year 2024 of SEK 1.00 per share to be paid in two installments, firstly SEK 0.50 per share with Friday, May 2, 2025 as the first record day, secondly SEK 0.50 per share with Friday, October 31, 2025 as the second record day. Assuming the AGM resolves in accordance with the Boards’ proposal, the estimated date for payment of the dividend from Euroclear Sweden AB is Wednesday, May 7, 2025 for the first part of the dividend and Wednesday, November 5, 2025 for the second part.

The last day for trading in Husqvarna AB shares with a right to the first part of the dividend is Tuesday, April 29, 2025. The last day for trading in Husqvarna AB shares with a right to the second part of the dividend is Wednesday, October 29, 2025.

For information on how your personal data is processed, see www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf

Financial calendar 2025

April 24	Interim Report January–March
April 29	Annual General Meeting
July 18	Interim Report January–June
October 21	Interim Report January–September

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Market data, statistics and market shares
are estimates made by Husqvarna Group.

Factors affecting forward-looking statements

This report contains forward-looking statements in the sense referred to in the American Private Securities Litigation Reform Act of 1995. Such statements comprise, among other things, financial goals, goals of future business and financial plans. These statements are based on present expectations and are subject to risks and uncertainties that may give rise to major deviations of the result due to several aspects. These aspects include, among other things: consumer demand and market conditions in the geographical areas and lines of business in which Husqvarna Group operates, the effects of currency fluctuations, downward pressure on prices due to competition, a material reduction of sales by important distributors, any success in developing new products and in marketing, outcome of any product responsibility litigation, progress when it comes to reach the goals set for productivity and efficient use of capital, successful identification of growth opportunities and acquisition objects, and to integrate these into the existing business and successful achievement of goals to make the supply chain more efficient.

PRODUCTION

Husqvarna AB (publ) and Narva Communications.



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Group**

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