

Sustainability Report 2025



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About the report

Huddig Holding AB (org. no. 556454-5357)

presents its sustainability report for the financial year 01-01-2025 - 12-31-2025.

It is a stand-alone sustainability report covering all units in the Huddig Group (Huddig AB, Huddig Inc, Huddig Oy, Huddig Rental AB and Huddig Custom Solutions AB). The board is responsible for the sustainability report, which has been reviewed by the company's auditor. The sustainability report in its entirety, and the auditor's statement is available on the website, www.huddig.com, and is available in Swedish and English.

If you have any questions about the report, please contact:



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Comments from the CEO

2025 was a successful year, marked by a 35% increase in machine deliveries and a 16% rise in order intake. We have continued to deliver our greatest contribution to a more sustainable world, the 1370 Tigon hybrid machine. A total of 41 machines are now on the market, making work more sustainable.

We have also invested heavily in the North American market, and in 2025 we had four people working locally to sell Huddig. We have also launched the railway machine with a lift and type II, which enables the machine to be moved safely with one person in the lift basket. Our environmental, health, and safety efforts have continued to advance. All areas of production have undergone an updated risk analysis.

We have also conducted a double materiality analysis in accordance with the CSRD, the results of which are presented in this report. Although the requirements no longer apply to us, the analysis has strengthened our focus and been an important support in our work to update our long-term sustainability strategy.

It is also very gratifying that, in the employee survey, staff feel that the company has made the most progress in the areas of "How well informed are you about Huddig AB's work with sustainability" and "How do you think we as a company work with sustainability".

A significant amount of work has been done to achieve the increases and improvements we have implemented throughout the year. We are now looking ahead in an ever-changing and turbulent world, where we will continue to develop our business and our sustainability work.

In terms of sustainability, we are really looking forward to launching an upgraded HUDDIG 1370T with more features and, above all, with increased capacity to be



powered electrically. We will also work on developing and establishing our internal Code of Conduct among all employees.

Our journey continues as we further strengthen Huddig's global presence and advance our sustainable approach.

Håkan Bäckström, CEO Huddig AB

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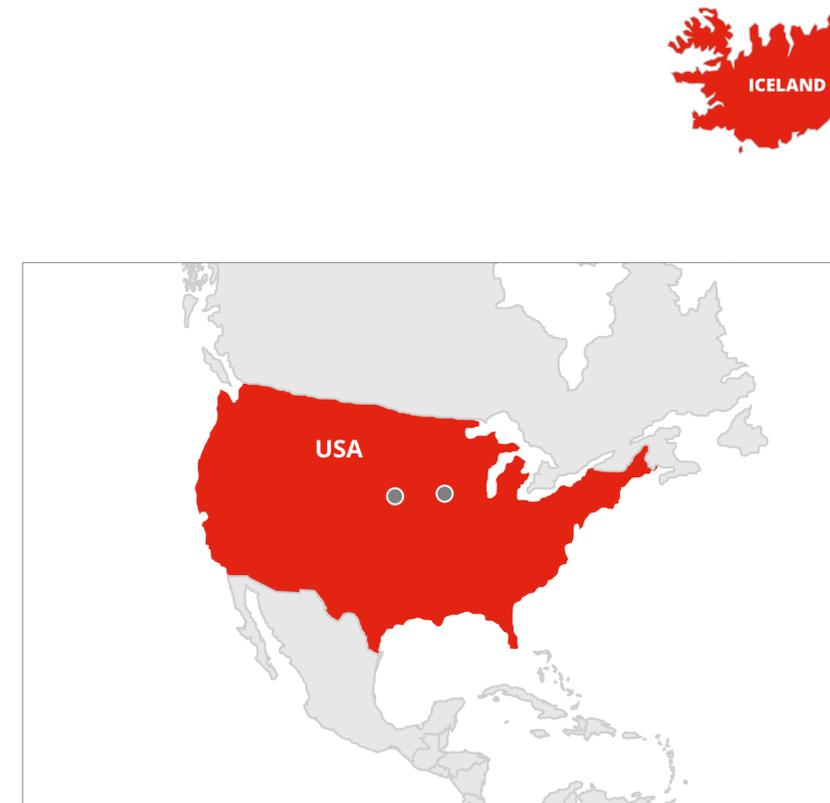
Huddig is located in Hudiksvall, Sweden, and has over 100 employees. We develop, manufacture, and sell HUDDIG excavator loaders for the utility, railroad, and construction industries.

A HUDDIG machine is truly multifunctional. The unique combination of articulated center pivot and transmission makes it very suitable for all-terrain use. Moreover, the multifunctionality allows one HUDDIG to replace several machines.

Huddig has long been the market leader among excavator loaders in the Swedish market. Sales are conducted mainly through authorized dealers in each market. There are about 25 dealers in 14 countries. Selected accredited partners offer service, maintenance and product repairs.

About Huddig Custom Solutions

Huddig Custom Solutions (hereinafter referred to as Huddig CS in this report) is located in Söderhamn with 23 employees, and we offer customized services in the renovation and modification of the Swedish



14
Countries

25
Dealers



Armed Forces' tracked vehicles. Huddig CS was founded in 2024, and production began in January 2025. Huddig CS's operations consist of renovating and modifying the Swedish Armed Forces' 206 and

208 tracked vehicles, which include, in addition to replacing engines and gearboxes, tools and spare parts.

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Sales increased during the year by approximately 30 percent. The global economic outlook is still considered uncertain, but many industry players expect improved market conditions during 2026. The negative impact from high energy and fuel costs, as well as high interest rates, has decreased, contributing to more stable conditions.

Order intake has been strong during the financial year and is expected to remain stable. Production volume for 2026 is expected to remain unchanged compared to 2025.

During the year, the company has continued its focus on export markets. North America remains an important target market, and agreements have been signed with additional dealers during the year. At the same time, uncertainty related to tariffs and trade policy conditions has affected the situation and temporarily slowed the expansion.

Marketing efforts have continued to focus on our digital channels, particularly social media, where our machines generate significant interest.

We expect continued expansion in our export markets, with our main growth targets being North America and Europe.

Investments in product development continue on an ongoing basis, and as in previous years, all development costs have been expensed.

Investments in fixed assets during the year amounted to SEK 5.3 million, primarily related to production equipment. The company plans several larger investments in facilities and production equipment over the coming years.

523

Sales, MSEK

114

Average number of employees

56.2%

Equity asset ratio

110

Manufactured machines

64

Manufactured lifts

Multi-year comparison (MSEK):	2025	2024	2023	2022	2021
Net sales	523,508	403,309	372,814	401,231	310,070
Result after financial items	20,038	1,119	-2,036	8,718	9,652
Average number of employees	114	105	101	105	105
Total assets	245,484	197,085	232,874	231,496	209,103
Return on equity (%)	13.6	0.8	neg	6.4	7.2
Return on total capital (%)	8.7	1.5	neg	4.2	4.8
Equity asset ratio (%)	56.2	62.5	57.7	58.9	63.9



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General basis for the preparation of the sustainability report

This Sustainability Report covers Huddig Holding AB and includes all entities within the Huddig Group. The report has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and in line with the previous wording applicable prior to July 1, 2024. The report has been prepared with guidance from the European Sustainability Reporting Standards (ESRS).

The reported topics and information have been assessed as material according to our dual materiality assessment, in which the impact, risks, and opportunities have been assessed in our own operations and in relation to our value chain.

The purpose of the report is to begin adapting the structure in accordance with the ESRS standard, but it does not yet include all material disclosures. Policies, measures, metrics, and follow-up have been integrated into the descriptive texts for each topic section.

As the regulatory landscape evolves, we will monitor changes and continue to update our annual reporting accordingly. The sustainability information refers to the financial year 2025-01-01-2025-12-31, in accordance with the financial reporting period.

Data for greenhouse gas emissions (Scope 1, 2 and 3) has been collected with the support of the GHG Protocol and internal energy data.

The same calculation methods have been used for all key figures as in the previous year. As this is our first sustainability report inspired by the ESRS standard, the possibilities for comparisons between years are still limited.

Sustainability reporting is based on both quantitative and qualitative data and reflects our work in the areas of environmental, social sustainability, and corporate governance. Information on regulatory compliance is handled through an established whistleblower function. Sustainability reporting is reviewed by the Group's auditors in connection with the audit of the annual report.

Special circumstances

Huddig CS was founded in 2024 and began operations in January 2025. Huddig CS does not have complete data collection systems, which affects the scope of the data.

Governance and responsibility in sustainability work

The Board of Directors of Huddig Holding AB has overall responsibility for the company's strategic direction and exercises its governance through regular follow-ups and decisions on important issues, including sustainability

development. The CEO reports regularly to the Board on these issues and is responsible for translating the owners' directives into a three-year strategic plan, which is then approved by the Board.

The agreed strategy, with long-term goals, is implemented by the management teams. In the area of sustainability, a special steering group has delegated responsibility for driving the company's sustainability work forward. The steering group is led by a sustainability coordinator, who coordinates and implements activities and ensures the collection of data for sustainability reporting.

The management teams and the sustainability steering group are responsible for setting sustainability goals, implementing measures, and following up on results. All employees are expected to actively contribute to integrating sustainability into their daily work.

General information

Huddig Holding AB's sustainability report is included in the Group's statutory sustainability report. The report has been prepared with inspiration from the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD).

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Management teams and steering group for sustainability



Håkan Bäckström
CEO

Management team Huddig AB
Management team Huddig CS
Steering group for sustainability



Bertil Gyllner
Construction Manager

Management team Huddig AB
Management team Huddig CS



Magnus Dahlström
Environmental coordinator

Steering group for sustainability



Magnus Sahlberg
Chief Financial Officer

Management team Huddig AB
Management team Huddig CS
Steering group for sustainability



Malin Ekroos
Production Manager

Management team Huddig AB



Lars Lindahl

Management team Huddig CS



Malin Pettersson
Purchasing Manager

Management team Huddig AB
Management team Huddig CS
Steering group for sustainability



Daniel Myrgren
Marketing and Sales Manager

Management team Huddig AB



Thomas Ekman
Plant Manager

Management team Huddig CS



Maria Thurin
Head of Commercial Aftermarket

Management team Huddig AB
Steering group for sustainability



Marie Fall Selin
QHSE and Sustainability coordinator

Steering group for sustainability



Erika Berg
Project Manager

Management team Huddig CS

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Strategy

Huddig Holding AB sees sustainability as an integral part of our long-term business strategy. We take responsibility for our impact on people and the environment, and strive to create value for all stakeholders. Based on our dual materiality analysis, we have identified seven key areas on which to focus our efforts, in line with Agenda 2030 and the global goals for sustainable development.

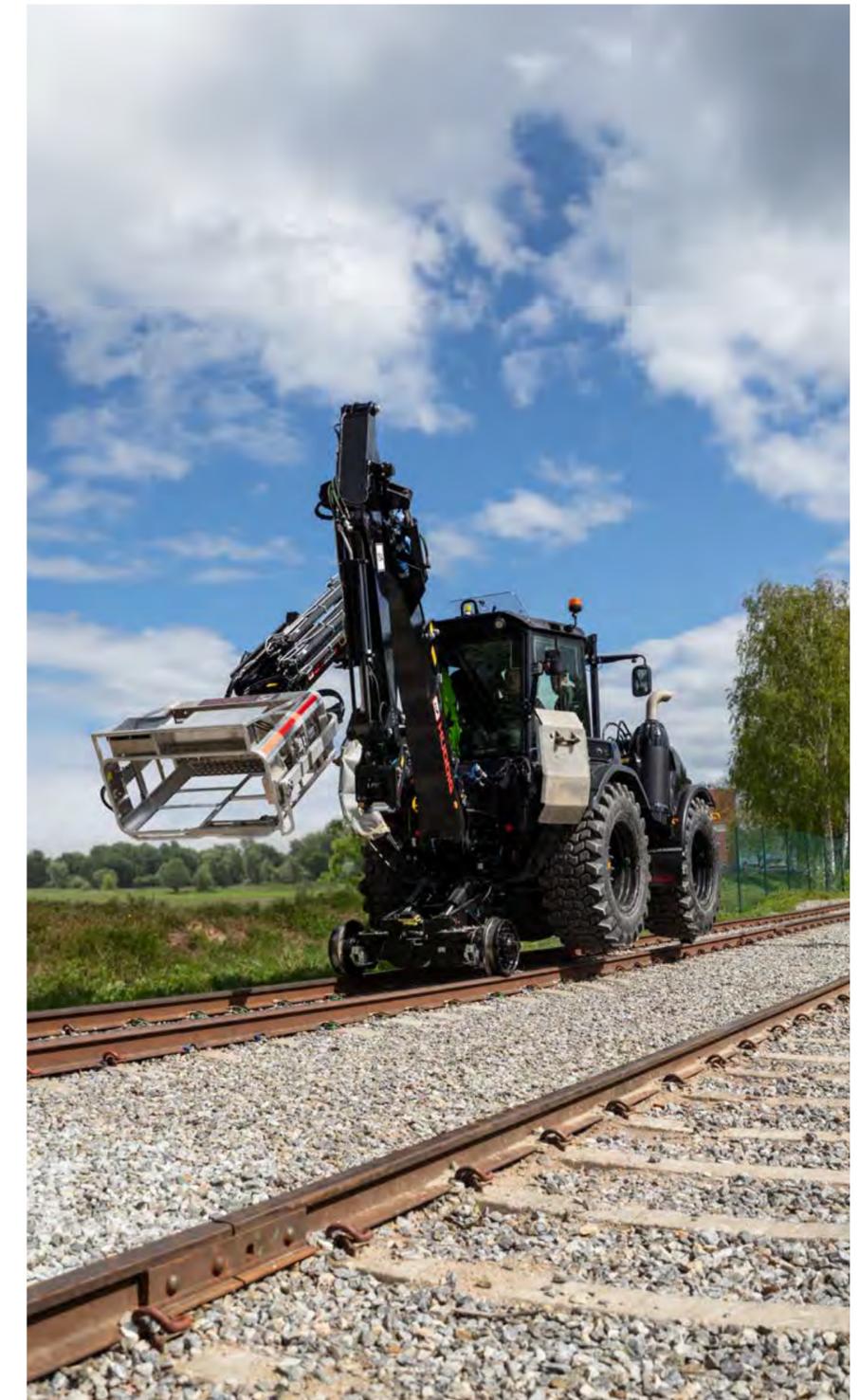
Vision

Huddig – More effective

Business model

Huddig AB develops, manufactures, markets, sells, and supports world-leading premium machines. Sales are mainly conducted through authorized dealers in each market. Service, maintenance, and repairs of the products are provided by accredited service providers.

Huddig CS AB offers customized services in the renovation and modification of the Swedish Armed Forces' tracked vehicles, including engine replacement and other technical upgrades to extend the vehicle's service life.



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Core values

Huddig AB's core values are based on "the customer comes first, right from me, and respect for the individual, the company, and society."

The customer comes first

We listen to our customers and focus on them in our work and decisions. We create long-term added value for our customers through high quality and service levels. We want to be our customers' first choice.

This means that in our daily work, we:

- are available to our customers.
- understand our customers' needs.
- maintain a consistently high level of quality.

Right from me

We take responsibility, keep our promises, and deliver the right quality at the right time. We strive to eliminate waste. We encourage behavior that identifies deviations and corrects them so that they do not occur again.

This means that in our daily work, we:

- always strive to improve.
- are proud of what we deliver.
- keep our promises.

Respect for individuals, the company, and society

We value everyone's commitment and strive for high levels of participation in all processes. We work to achieve common goals and are loyal to decisions made, agreed values, and policies. We have a social responsibility and take care to protect our company's good reputation.

This means that in our daily work, we:

- talk to each other – not about each other.
- are ambassadors for the company.
- are committed to social and environmental issues.



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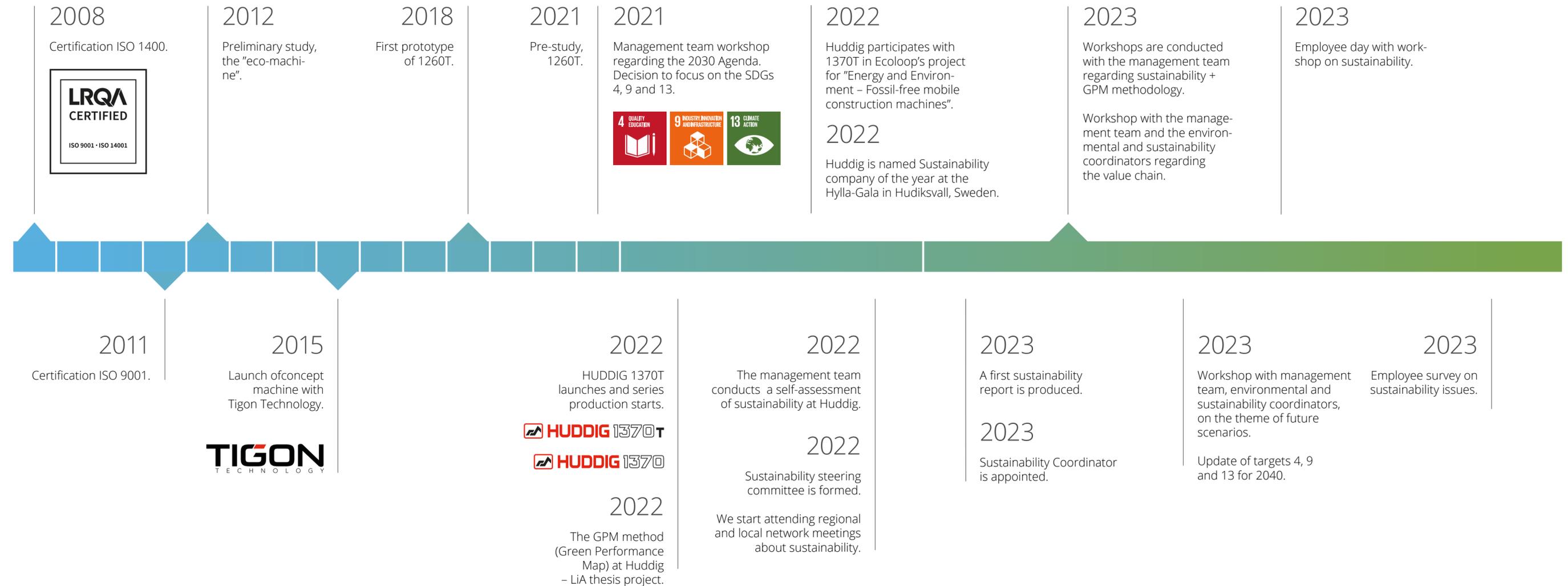
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Sustainability roadmap

The journey began in 2008, and today, environmental, social, and business-related sustainability is central to all our activities. Step by step, the sustainability work is being intensified.



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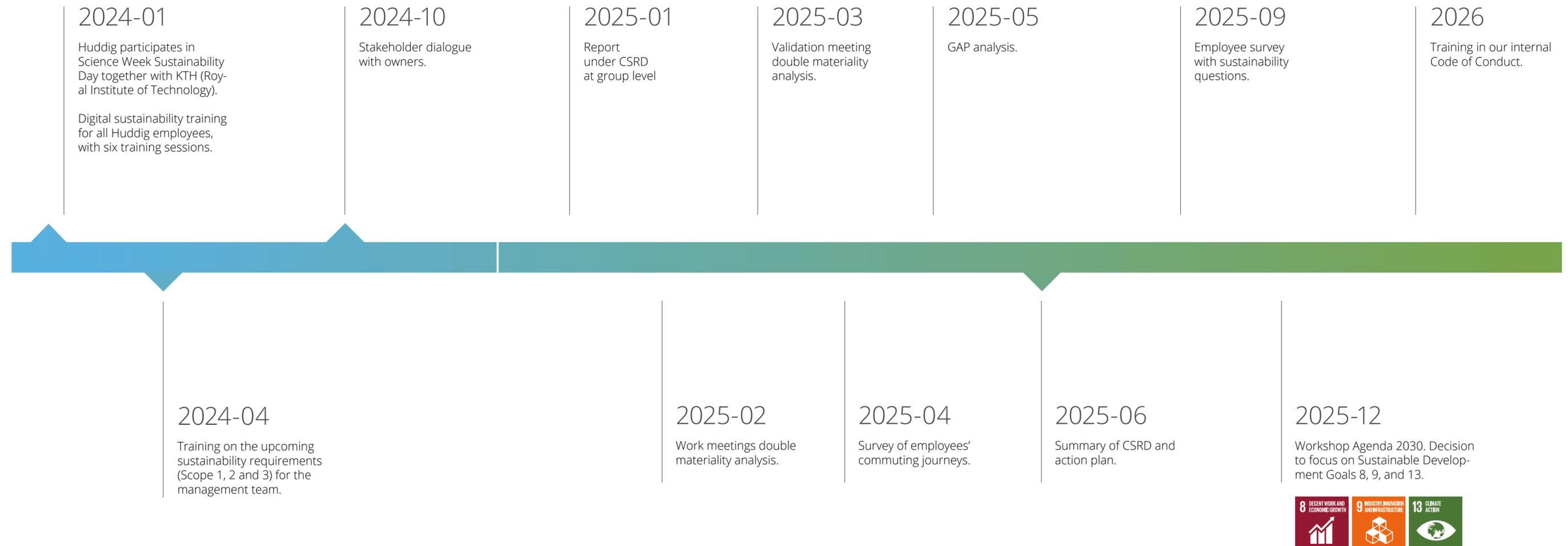
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Value chain

Our value chain covers the most important stages in our product's life cycle and consists of a chain of upstream activities, activities in our own operations, and downstream activities.

Upstream activities consist of raw material extraction, production in the supply chain, suppliers, and

transportation. Huddig's own operations include development and design, marketing and sales, purchasing, production, delivery and invoicing, service and aftermarket, and transportation. Downstream activities consist of the use of the finished product, handling of end-of-life products, and transportation.

Huddig CS's operations include upstream suppliers and transportation. Its own operations include development and design, purchasing, production,

delivery and invoicing, warranty service, and transportation. Downstream activities consist of the use of finished products, handling of end-of-life products, and transportation.

The models below illustrate the value chains and where Huddig's and Huddig CS's significant impacts, risks, and opportunities (IRO) occur throughout the value chain: upstream, own operations, and downstream.

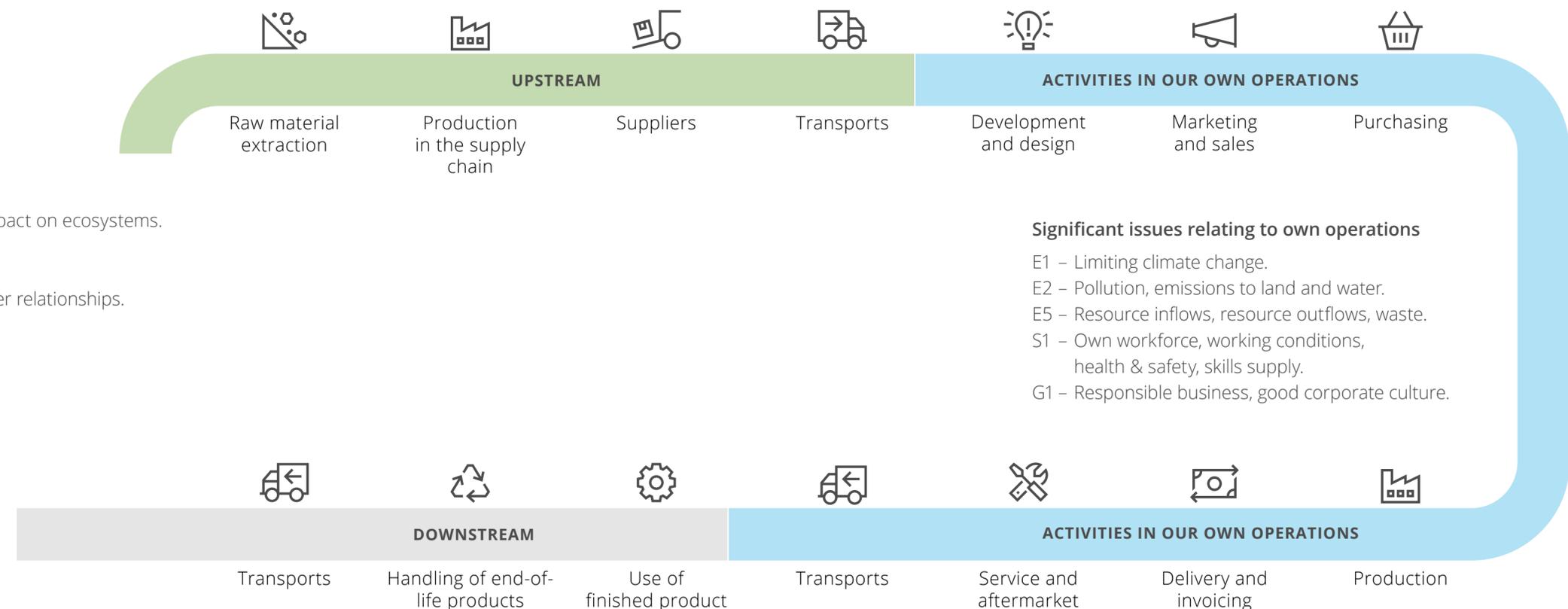


Significant issues upstream

- E1 - Climate change mitigation.
- E4 - Biodiversity and ecosystems, direct impact on ecosystems.
- E5 - Resource flows.
- S2 - Workers in the value chain.
- G1 - Responsible business practices, supplier relationships.

Significant issues downstream

- E1 - Limiting climate change.
- E4 - Biological diversity and ecosystems, land impact.



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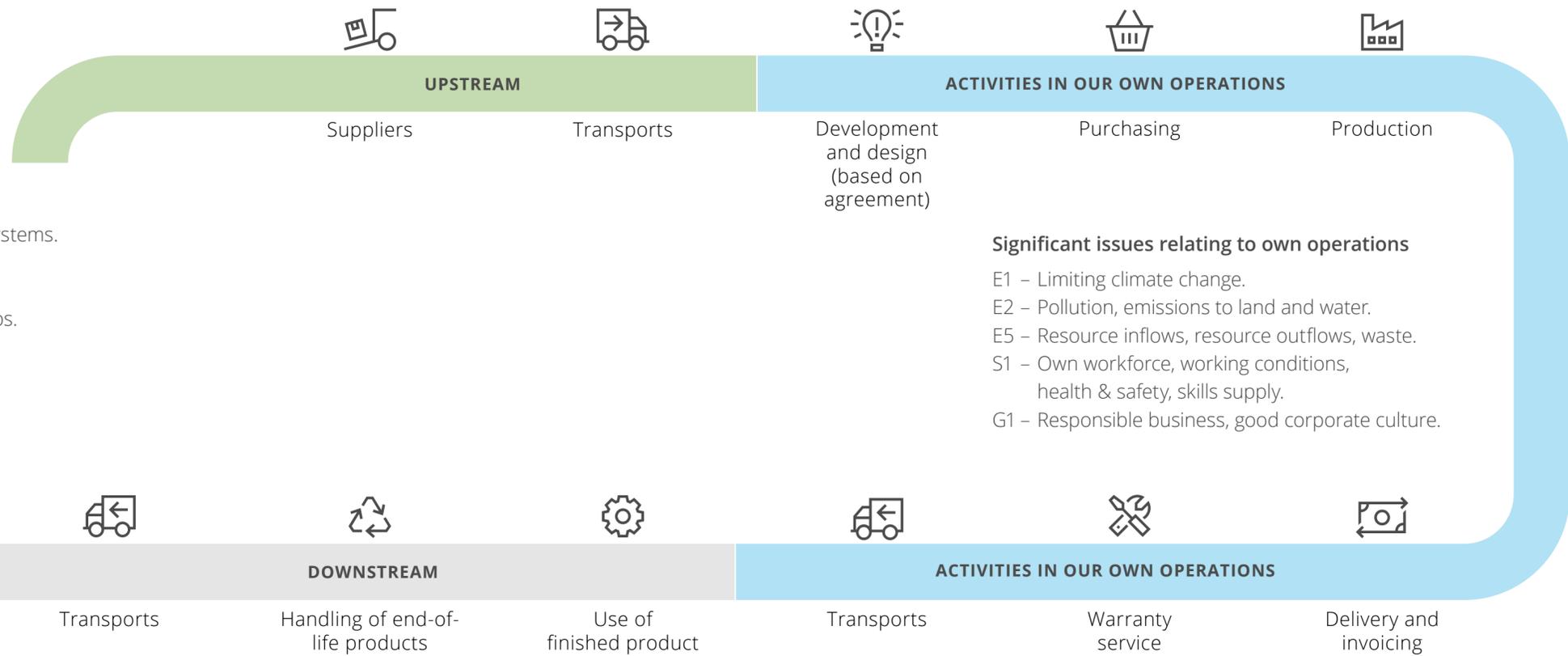


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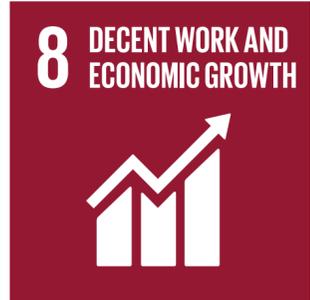
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Sustainability issues integrated into the strategy

In the fall of 2025, the management team and the sustainability steering group held a workshop focusing on sustainability strategy and the global goals of Agenda 2030.

We started with the significant risks, opportunities, and impacts identified in our dual materiality analysis. These insights formed the basis for our strategic work, in which we linked our priority areas to Agenda 2030. This work resulted in our updated sustainability strategy, which guides us in our decisions and priorities going forward in our sustainability work.

We support Agenda 2030 in its entirety, but have chosen three goals where we have the opportunity to make the greatest impact while paving the way for more companies in the construction and contracting industry. Here we present the three global goals 8, 9, and 13 that are most relevant to our business and the link to our ESRS subject areas.

Agenda target	Area	Sub-area
	Own workforce	<ul style="list-style-type: none"> • Working conditions • Health and safety • Skills supply
	Workers in the value chain	<ul style="list-style-type: none"> • Job security • Health and safety • Substandard working conditions
	Responsible business	<ul style="list-style-type: none"> • Good corporate culture • Supplier relationships
	Pollution	<ul style="list-style-type: none"> • Environmental pollution – water and soil
	Circular economy	<ul style="list-style-type: none"> • Resource use • Resource outflow
	Climate change	<ul style="list-style-type: none"> • Adaptation to climate change • Mitigation of climate change
	Biodiversity and ecosystems	<ul style="list-style-type: none"> • Direct impact on ecosystems • Impact on land

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Stakeholders' interests and views

Huddig has identified a number of stakeholders at group level who are important to our sustainability work. We gather their views through various forms of dialogue, tailored to the nature of the relationship and degree of influence.

In-depth dialogues have been conducted with the owners and with employees. The owners expect Huddig to at least meet legal requirements in the area of sustainability, and there is also an expectation that Huddig will have a transition plan in place to achieve the goals of the Paris Agreement. The dialogue with employees showed that priority areas were circular thinking, renovation of spare parts, improved waste management, solar cells, introduction of new employees, and training.

The purpose of our stakeholder dialogues is to listen, learn, and create mutual value through collaboration and the exchange of insights. It also gives us the opportunity to provide information about our operations and our sustainability initiatives.

Stakeholder	Place in the value chain	Requirements/expectations
Suppliers	U	Good foundation, feedback, cooperation
Retailers and service providers	D	Products at the right price delivered on time, profitability, delivery precision, product development in relation to customer benefit, training, instructions and documentation, availability of spare parts and information, technical support
Employees	O	Developing workplace, good working environment, fair pay
End customers	D	Profitability, high quality, delivery precision, long service life, availability, product development in relation to customer benefit
Owners	U O D	Good returns, owner directives
Authorities	U O D	Comply with applicable laws and regulations
Certification bodies	U O D	Follow-up ISO 9001/14001
Society	U O D	Job opportunities, information, sustainability, and environment
Environment	U O D	Minimal environmental impact

U Upstream O Own operations D Downstream

Huddig's most important stakeholders include suppliers, employees, retailers and service providers, end customers, owners, authorities, and society at large – including the environment, which is a key stakeholder.

See the tables below for an overview of our identified stakeholders, their requirements and expectations, and where they are in the value chain.

Stakeholder	Place in the value chain	Requirements/expectations
Potential employees	O	Interesting, financially stable, stimulating and pleasant workplace, sustainability work, internships, thesis projects, study visits
Trade unions	O	Meet the interests of employees
External financiers	U O D	Security, creditworthiness
Entrepreneurs	O	Clear order, regulations
Business community	U O D	Presence, commitment, exchange
Municipalities	U O D	Compliance, communication, reporting
Emergency services	U O D	Preventive safety work, competence
Schools	O	Cooperation, internships
Clients	O	Efficient and economical solutions. Safety and legal compliance. Sustainability work
Drivers	D	Good working environment, operational reliability, and flexibility. Availability of spare parts. Enthusiasm factor – belonging
Other professionals	D	High safety, good working environment
Board of directors	U O D	Good governance, fulfillment of objectives, legal compliance, fulfillment of owner directives
Local residents/neighbors	O	Low environmental impact, communication

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Process and method of implementation

Between January and June 2025, Huddig conducted its first double materiality analysis in accordance with the EU CSRD directive.

The dual materiality perspective means that sustainability issues are evaluated based on both Huddig's impact on the environment and people (impact materiality) and how we are affected financially by sustainability risks and opportunities (financial materiality). Huddig identified its material sustainability areas based on the areas found in the ESRS.

The process and implementation were based on our operations, our value chain, and the stakeholder perspective. The work was carried out at group level and followed a project plan that included a kick-off meeting in a large group, working meetings with expertise in the companies' issues in the areas of Sustainability, Environment, Purchasing, HR, and Finance. Finally, a validation meeting and a GAP analysis were carried out in a large group, which resulted in an action plan and priorities for future work.

Assessments were largely based on Huddig's existing work, documentation, and internal knowledge, supplemented with relevant references. The documentation mainly consisted of an Excel tool including a description of the value chain, identified/assessed impacts, risks, and opportunities, assessment criteria, and a summary of the results.

When assessing the significance of impacts, the severity was weighted as follows: At least two of the three parameters, Scale, Scope, or Reversibility (if negative) had to be assessed as high for the overall severity to also be assessed as high. If a positive impact was assessed, at least one of the two parameters, Scale or Scope had to be high for the overall severity to be assessed as high.

The severity was assessed as follows:
If the severity was high and the issue was actual, it became material. If the severity was high and the probability was at least medium, the issue was also

material. With regard to human rights or impact on the individual, a low probability was sufficient for the issue to be material if the severity was high.

When assessing financial materiality, at least one of the parameters Probability and Financial impact must be at least high and the other parameter at least medium, for the issue to be material.

The time horizons used were short term (current financial year), medium term (one to five years) and long term (five years or more).

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Materiality results

After establishing and prioritizing our material issues in the management teams and in the sustainability steering group, seven areas were identified as most material based on the double materiality analysis.

The results of the analysis are presented in the diagram and table below, where we clarify the link to the ESRS standards, describe each sustainability issue and its place in the value chain, and assess both impact materiality (positive and negative) and financial materiality (opportunities and risks).

The seven areas identified as most material to us are: climate change, pollution, biodiversity and ecosystems, circular economy, our own workforce, workers in the value chain, and responsible business conduct. Each area is presented in more detail in the following sections of this sustainability report.



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ESRS Standard	Sustainability issue and place in the value chain	Impact materiality	Financial materiality			
			Positive	Negative	Opportunity	Risk
ESRS E1	Climate change	Adaptation to climate change Mitigation of climate change		Negative	Opportunity	Risk
ESRS E2	Pollution	Environmental pollution of water and soil		Negative		
ESRS E4	Biodiversity and ecosystems	Direct impact on ecosystems		Negative		
		Impact on land				
ESRS E5	Circular economy	Resource use	Positive	Negative	Opportunity	
		Resource outflow				
ESRS S1	Our own workforce	Working conditions	Positive	Negative	Opportunity	Risk
		Health & safety				
		Skills supply				
ESRS S2	Workers in the value chain	Job security, health and safety, and Substandard working conditions		Negative		
ESRS G1	Responsible business	Good corporate culture	Positive		Opportunity	Risk
		Supplier relationships				

U Upstream
O Own operations
D Downstream



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Management and follow-up

The results of the priority areas based on the dual materiality analysis, as well as how we manage and follow up on these, are presented in the table below.

Priority area	Governance	Follow-up
Climate change	Environmental and sustainability goals Strategic document Environmental and quality policy ISO 14001	Sustainability reporting Third-party audit Internal audit
Pollution	Environmental and quality policy ISO 14001 Chemicals and waste plan	Third-party audit Internal audit
Biodiversity and ecosystems	Supplier assessments ISO 14001	Follow-up of suppliers Third-party audit Internal audit
Circular economy	Target for sold refurbished items Target for material recycling rate Requirements for suppliers ISO 14001	Key figures for sold refurbished items Key figures for material recycling rate Follow-up of suppliers Third-party audit Internal audit
Our own workforce	Work environment policy Equality policy Policy against discrimination and offensive treatment Alcohol and drug policy Core values Collective agreement ISO 9001	Key figures Employee survey Employee interviews Trade union cooperation Third-party audit Internal audit
Workers in the value chain	Leverantörsbedömningar	Follow-up of suppliers
Responsible business	Strategy, business plan, budget ISO 9001 Whistleblower service Core values Policy against discrimination and offensive treatment	Earnings reports Key figures Third-party audit Internal audit Management review

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Climate change

Climate change is one of the most pressing global challenges, with direct and indirect consequences for our business, our stakeholders, and society at large. In our double materiality analysis, issues related to climate change have been identified as doubly material.

Huddig Holding AB has both a direct and indirect impact on the climate throughout the value chain. We calculate the climate impact of our operations using the international Greenhouse Gas Protocol (GHG) standard.

The calculation of greenhouse gas emissions is divided into three different parts: Scope 1, Scope 2, and Scope 3. Emissions are reported in carbon dioxide equivalents, and we have chosen to report Scope 1 and 2 in their entirety, while Scope 3 emissions only cover employee commuting and fuel and energy-related activities.

The calculations for greenhouse gas emissions in 2024 have been corrected for scope 1 and scope 2 in this report, as new knowledge and new emission factors have been used for 2025. The current calculations are more in line with the business. The source data for the calculations for 2024 remains unchanged. Please note that the calculations for 2025 also include Huddig CS.

We are continuously working to reduce energy consumption, both in our properties and through improvements in production. We aim to calculate more of the indirect emissions in Scope 3 during 2026.

Below, we describe our climate impact, our greenhouse gas emissions, and our goals and measures to reduce these emissions over time. We also describe how climate-related risks and opportunities affect our business and strategy, and how we are working to strengthen our resilience to a changing climate.

Scope 1

Includes all direct emissions from operations, i.e. emissions from company-owned vehicles and company-leased vehicles, as well as the combustion of fossil fuels. For Huddig Holding, this mainly concerns diesel consumption in connection with the operation of our excavator loaders and tracked vehicles, as well as our fleet of company cars.

The vehicle fleet includes twelve vehicles, including one truck, one pickup truck, one service bus, one van, and one HUDDIG TIGON excavator loader. Six of the company-leased vehicles are plug-in hybrids. One vehicle is used by employees at Huddig CS, one by employees in Finland, and one in the US. The rest are used locally in the Hudiksvall area.

Scope 2

This includes all indirect emissions from operations, which for Huddig means purchased district heating and electricity for the factory and Huddig Training Center in Hudiksvall, as well as Huddig CS in Söderhamn. The value for district heating includes fuel combustion. All electricity purchased in Sweden is 100% renewable and sourced from hydropower. Office space in Finland and the US is not included in Scope 2.

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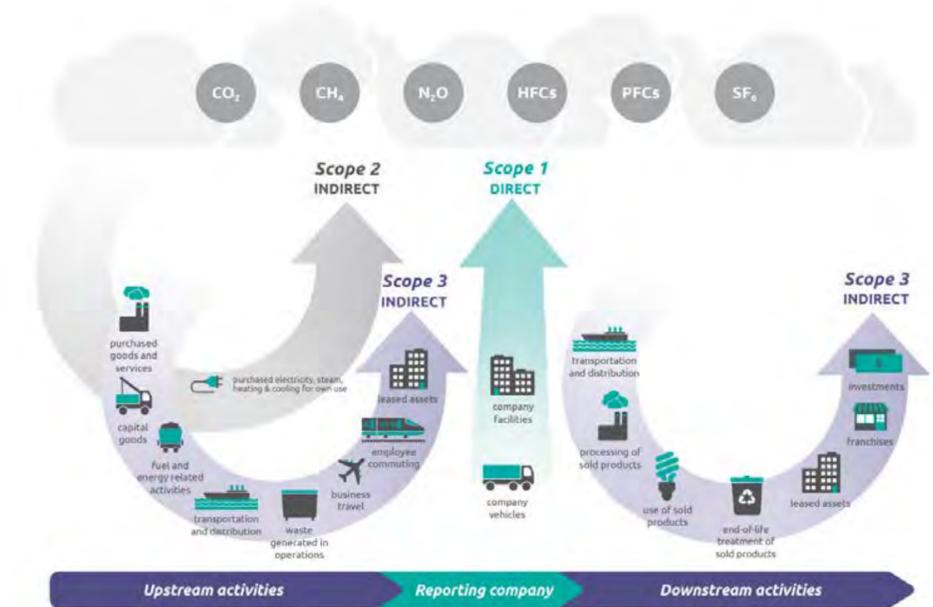
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Scope 3

Includes all other indirect emissions generated by the business, both upstream and downstream in the value chain. Scope 3 includes emissions that are often far removed from our own operations and over which we have limited control. We have calculated emissions from employee commuting in 3.7 and fuel and energy-related activities in 3.3, and report the emissions below.

A summary of employee commuting to and from work was compiled in February 2025 and refers to commuting during 2024. Employees use a range of transportation modes, and the majority travel by diesel or petrol car.



Emissions – Scope 1 (metric tons CO ₂ e) Huddig AB	2025	2024
Vehicles	29	45
LPG	3	6
Total	32	51
Emissions – Scope 2 (metric tons CO ₂ e) Huddig AB	2025	2024
District heating	11	10
Electricity (origin marked)	<1	<1
Total	11	10
Emissions – Scope 3 (metric tons CO ₂ e) Huddig AB	2025	2024
3.3 Fuel and energy-related activities	30	27
3.7 Staff commuting	136	118
Total	166	145



Emissions – Scope 1 (metric tons CO ₂ e) Huddig CS	2025
Vehicles	30
Total	30
Emissions – Scope 2 (metric tons CO ₂ e) Huddig CS	2025
District heating	3
Electricity (origin marked)	<1
Total	3
Emissions – Scope 3 (metric tons CO ₂ e) Huddig CS	2025
3.3 Fuel and energy-related activities	12
3.7 Staff commuting	18
Total	30

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Agenda target	Company target	Sub-target
	Climate-neutral operations by 2045.	Target 2030: 50% lower climate impact in our own operations (Scope 1 and 2). Target 2030: 100% fossil-free transport in our own vehicle fleet.
	Enabling our customers to reduce their climate impact by offering hybrid and fully electric.	Target 2026: Launch the next generation Tigon. Target 2035: Offer a machine that is fully electric.

We have analyzed environmental sustainability risks associated with our operations, both in terms of what we influence and what influences us, with a focus on the financial consequences. In the table below, we have summarized these risks and how we manage them.

Significant issue	Description	Handling
Climate change		
Adaptation to climate change	Risk of extreme weather events caused by climate change. This could lead to delivery difficulties or shortages of critical materials in the supply chain, which would have a medium economic impact.	We have identified the need to map how extreme weather events can affect our supply chains. The goal is to gain better control over vulnerabilities by identifying risk areas and evaluating suppliers' resilience.
Mitigation of climate change	Risk of reduced profitability if development and sales are not adapted to demand for machines with lower climate impact.	We are committed to innovation and the development of machines with lower climate impact that meet customer demand. By following technological trends and new regulations, we strengthen our competitiveness and reduce our climate impact.

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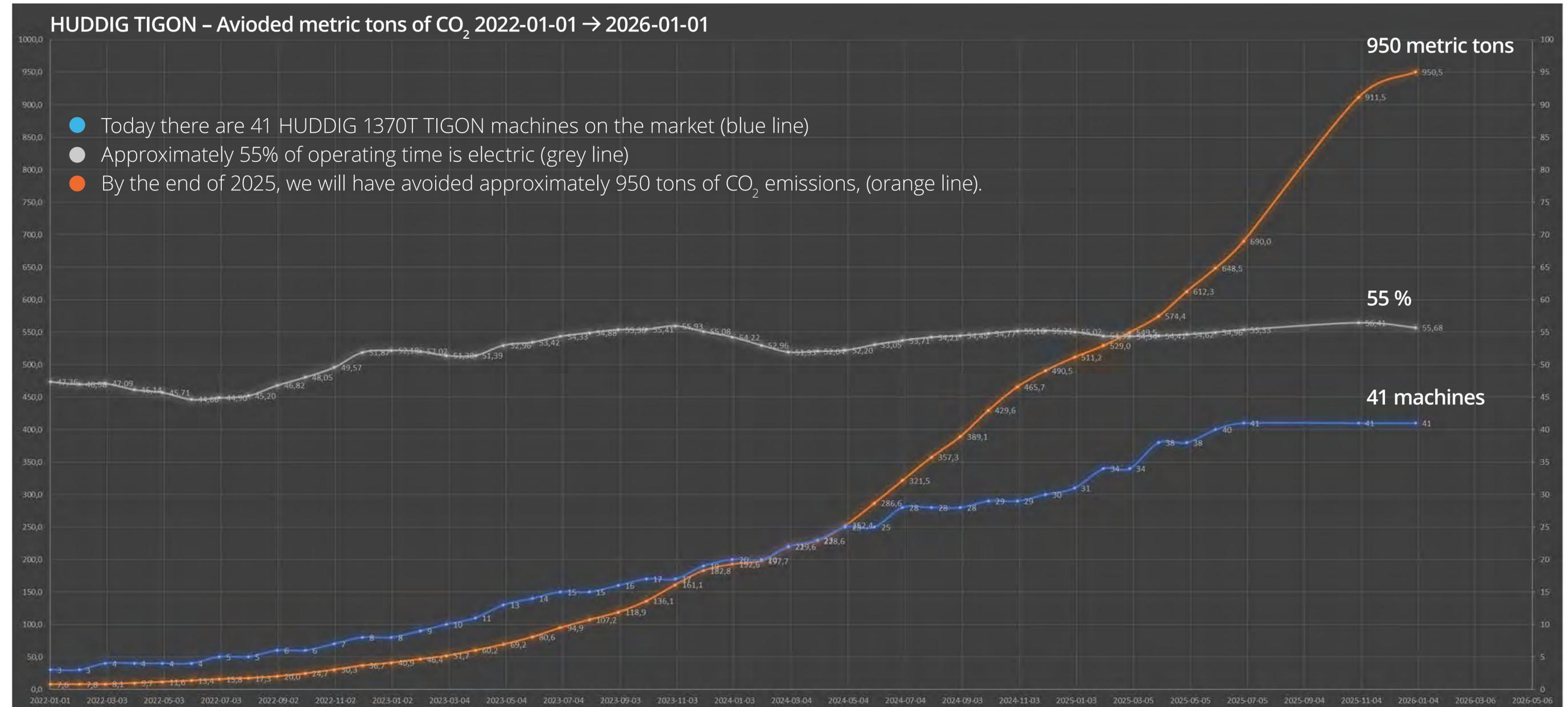
HUDDIG TIGON

By offering our HUDDIG 1370T hybrid machine downstream in the value chain, we are helping our customers to actively reduce their climate footprint.

We therefore also want to report on the use of products sold and the greenhouse gas emissions avoided by our full hybrid excavator loader HUDDIG TIGON since

the beginning of 2022. Below is a report on the emissions avoided due to HUDDIG TIGON's electric power compared to if they had only been powered by diesel.

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Huddig's operations entail potential negative environmental impacts related to emissions and the handling of chemicals, both in production and during the washing and cleaning of products and equipment. The use of oils, degreasers, detergents, and cleaning agents in production facilities may, could, in the event of spills or leaks, result in environmental harm.

Additional environmental risks are associated with the handling of solvents such as thinners in paint shops, as well as with the laundering of workwear

where substances such as PFAS and brominated flame retardants may occur. Although the scope of these activities is limited and the likelihood of emissions is considered low, any potential release could result in some negative impact. However, such impact is deemed remediable, for example through appropriate cleanup and remediation measures.

Huddig has a systematic chemical management program in place and is continuously developing procedures for the procurement and handling of

chemicals. This work also includes the substitution of hazardous substances and measures to prevent emissions.

The company's operations also generate air emissions, including from machine testing and business travel. These include particulate emissions, for example from tire wear, as well as nitrogen oxides (NO_x) from combustion engines. Overall, however, air emissions are assessed to be limited in scope.

Agenda target	Company target	Sub-area
	<p>Reduced emissions to soil and water in our own operations by 2028.</p>	<p>Target 2025: Improved quality of wastewater discharges, for example reduced concentrations of heavy metals.</p> <p>Target 2028: 100% of our chemicals are risk assessed.</p>
	<p>Reduced emissions to soil and water in end-customer operations by 2028.</p>	<p>Target 2027: Investigate technical solutions to prevent major leakage from machines in the field.</p>

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Biodiversity and ecosystems

Our operations have the potential to negatively impact biodiversity and ecosystems, primarily through the procurement of products that may be unsustainably produced, such as batteries containing lithium and cobalt. The extraction of these virgin metals is often associated with water pollution and land-use change, which can result in biodiversity loss.

Our business relies on a wide range of equipment, tools, machinery, and materials that, in the short term, may contribute to environmental impact, particularly with respect to critical goods with documented sustainability risks in the supply chain. In terms of scale and scope, the overall impact

from procurement is considered relatively limited. However, the difficulty of remediation is assessed as high due to limited transparency and knowledge of actual impacts within the supply chain. For the most critical goods, such as batteries, both the scale, scope, and difficulty of remediation are considered high, given their central role in operations and the environmental risks associated with their production.

A specific impact also arises from the use of our products in forest and land environments, where machines are used for ground preparation and may contribute to changes in soil structure and the loss

of natural habitats. In some cases, this impact can be mitigated through innovative solutions such as advanced control systems and technical features integrated into our products.

For example, our hybrid Tigon is equipped with an advanced control system that analyzes ground conditions in real time and individually adjusts torque to each wheel through torque vectoring. By adapting wheel force to surface conditions and potential slippage, optimal traction is achieved regardless of terrain. This results in maximum pulling power while minimizing both energy consumption and ground impact.

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Agenda target	Company target	Sub-target
	<p>By 2030, our battery suppliers shall comply with our requirements to protect biodiversity throughout their value chain.</p> <hr/> <p>Reduce the impact of our products on biodiversity by increasing awareness of their effects.</p>	<p>Target 2027: Our battery supplier has signed our Supplier Code of Conduct and has been assessed from a sustainability perspective.</p> <hr/> <p>Target 2030: Our customers have access to information on how the use of our products affects biodiversity.</p>

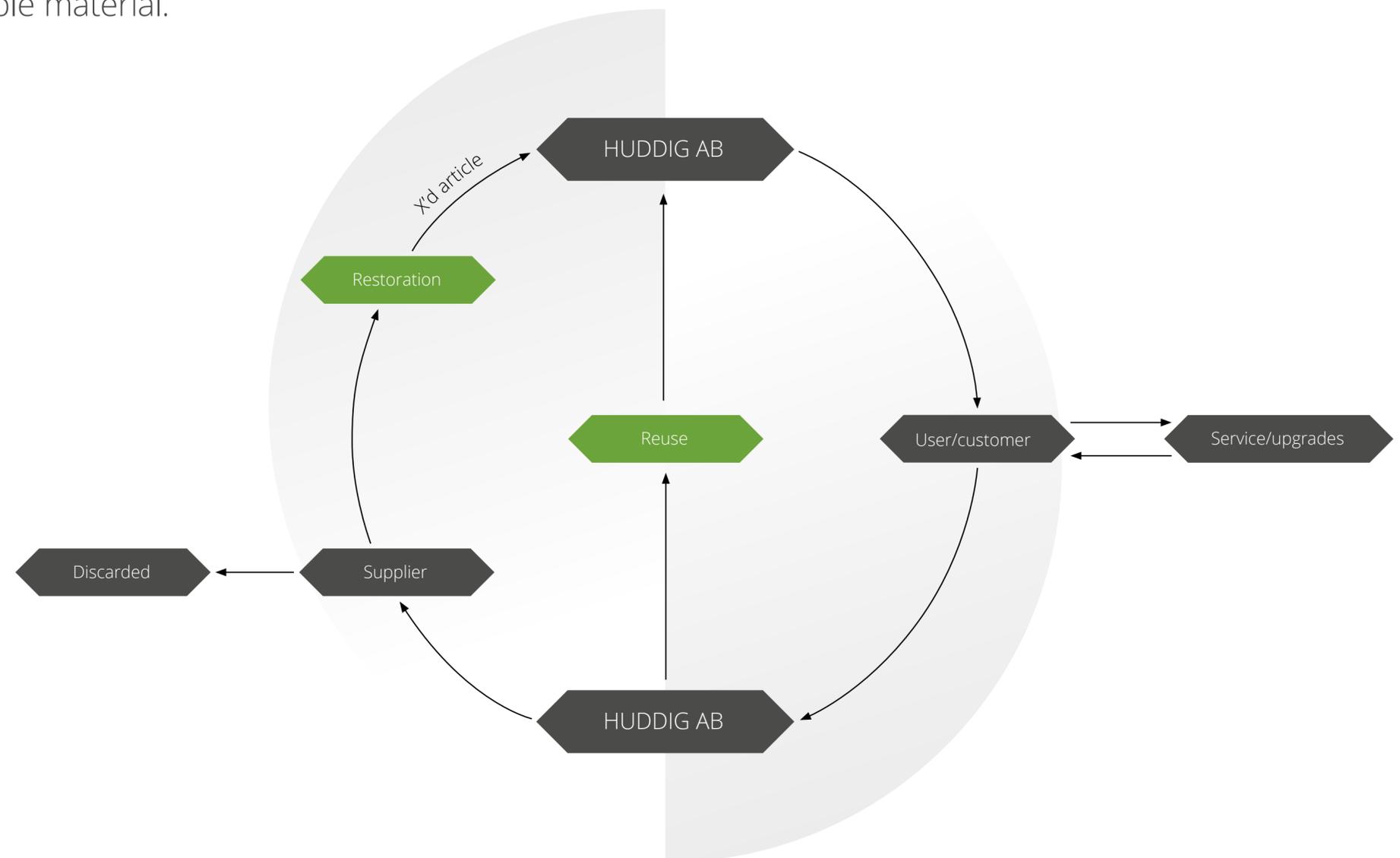
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Resource use and circular economy

Efficient resource use and the transition to a more circular economy are essential both for reducing environmental impact and for ensuring a sustainable, long-term business. In our double materiality assessment, issues related to the circular economy have been identified as double material.

More than 15 years ago, Huddig established a flow for refurbished and pre-owned components. Today, we have over 400 items listed as quality pre-owned parts. We refer to these items as “X’d articles.” These items account for approximately 5% of our total spare parts sales. The return flow of these components to Huddig is supported by applying a core charge, essentially a deposit, to each X’d article. This provides our workshops with an incentive to return used components to us. We receive the parts, inspect them, and forward them to the respective supplier for re- refurbishment. Once reconditioned, they are returned to Huddig for resale. This process has become an important way for Huddig to both secure and increase the availability of spare parts for our customers.

Circular flow of X’d items



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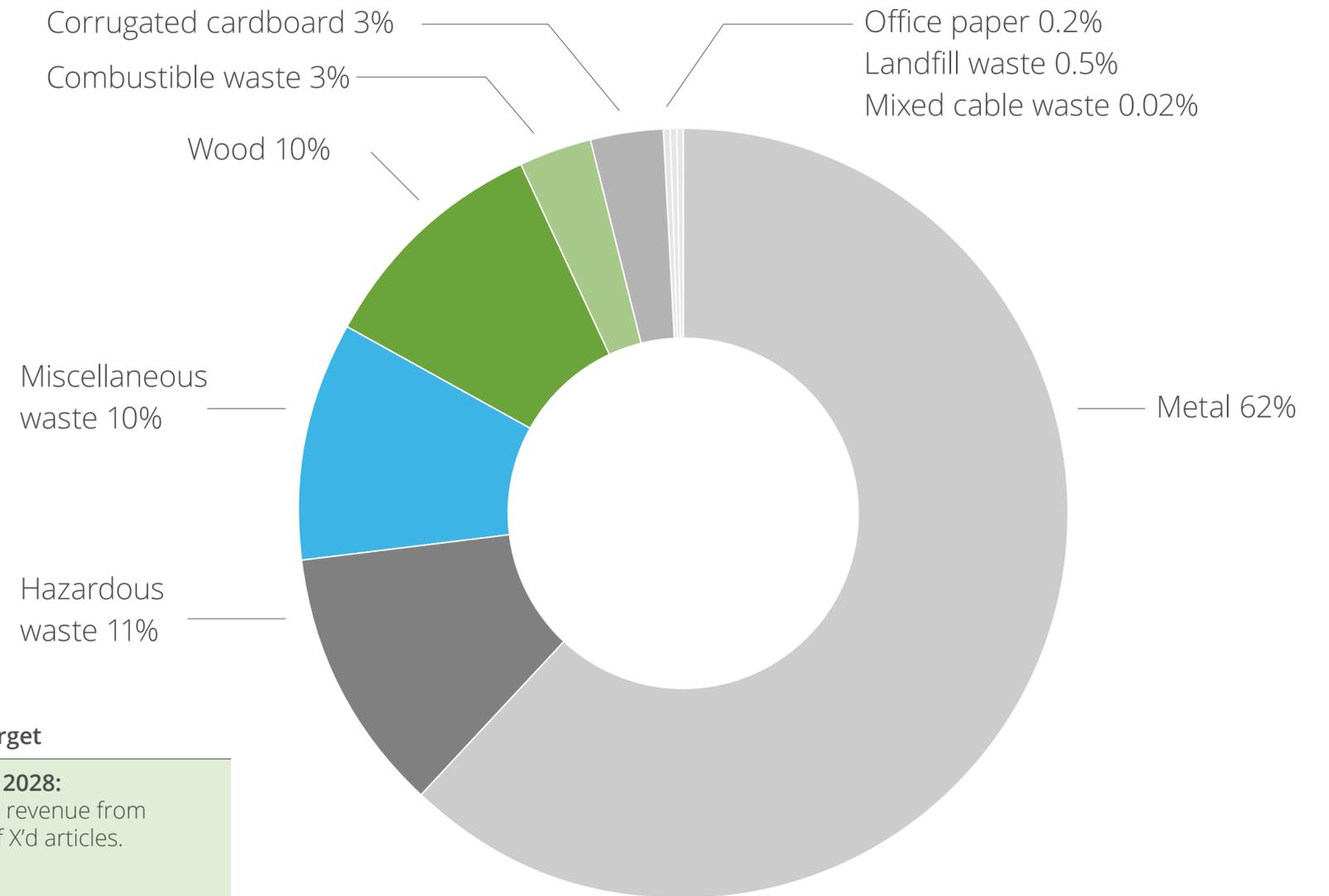
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We take responsibility for sorting and recycling the waste generated in our operations and collaborate with recycling partners to ensure the most efficient sorting possible. At the same time, waste management entails several environmental challenges, for example related to transportation, handling, and emissions of pollutants to air, water, and soil.

Despite these challenges, the overall scale and scope of environmental impact are assessed as low, with somewhat higher levels in the production stage where limited amounts of hazardous waste are generated. The impact is classified as moderate based on the environmental aspects associated with waste generation. To manage these risks, clear targets and a systematic approach are in place. We continuously pursue new innovations and aim to present a fully electric prototype by 2030.

Categories of waste 2025



(Total waste 448 metric tons, hazardous waste 48 metric tons)

Agenda target



Company target

Minimize resource use and extend product life through further development of our circular business offering.

By 2030, the material recycling rate shall reach 88%.

By 2030, we will have developed a fully electric prototype.

Sub-target

Target 2028: Double revenue from sales of X'd articles.

Target 2027: Reduced share of combustible waste and landfill.

Target 2027: Preliminary study study for a fully electric solution completed.

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Environmental goals 2025

During 2025, our three environmental objectives have been to increase the focus on sustainability in product development, reduce CO₂ emissions generated by commuting to and from the workplace, and reduce the impact on people and the environment related to chemical use, as outlined below:

What	Outcome 2025	Outcome 2024
District heating consumption	808 MWh	931 MWh
Electricity consumption	1224 MWh	1180 MWh
Water consumption	1774 m ³	1564 m ³



Target 1: Increased focus on sustainability in product development.

The target is linked to the company's overall strategy: **Attractive and sustainable workplace: Agenda 2030, Goal 13 – Climate Action.**

Target	Outcome	Analysis
By integrating sustainability assessments into product development, Huddig can reduce its environmental impact. The 2025 milestone was to initiate the use of sustainability assessments in engineering and design projects.	Target achieved. A sustainability assessment template has been implemented and incorporated into the project template. The assessment has been conducted for relevant projects (PM and PL) initiated during the fall of 2025.	The sustainability assessment template was developed as a first step to ensure that sustainability-related considerations are systematically addressed during development projects. During the fall of 2025, the template was applied to the two newly launched projects categorized as PM and PL.

Target 2: Reduce CO₂(e) emissions generated by commuting to and from the workplace.

The target is linked to the company's overall strategy: **Attractive and sustainable workplace: Agenda 2030, Goal 13 – Climate Action.**

Target	Outcome	Analysis
The 2025 target was to map and calculate the environmental and climate impact of employees' commuting to and from the workplace.	Target achieved. Commuting to and from the workplace by Huddig employees amounted to 118 metric tons of CO ₂ e in 2024. Employees commute using various modes of transportation, and 63% of employees commute using fossil fuel-powered vehicles. On average, employees travel approximately 30 kilometers round trip per day.	The results have been communicated to all employees, and measures have been implemented to support and encourage more sustainable commuting alternatives.

Target 3: Reduce the impact on people and the environment related to chemical use.

The target is linked to the company's overall strategy: **Attractive and sustainable workplace: We continue to invest in employee development so that our people feel knowledgeable, valued, and proud of our products and our company.**

Target	Outcome	Analysis
By actively working to reduce the use of harmful chemicals, Huddig aims to minimize environmental impact and strengthen its position as an attractive and sustainable workplace. The 2025 target was to provide training, raise awareness, and establish safe working practices.	Target achieved. Number of chemicals containing unwanted substances eliminated: 15 Number of chemicals containing unwanted substances with restricted use to reduce employee exposure: 7	The work has been carried out and monitored through regular follow-up meetings in a cross-functional group. The initiative has resulted in the substitution of unwanted chemicals and increased awareness among employees.

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Own Workforce

Our employees are our most important resource and a critical prerequisite for the company's long-term success. In our double materiality assessment, issues related to our own workforce have been identified as double material.

Huddig strives to be a safe and long-term employer. We have a work environment committee that follows up the work environment in a structured way four times a year. We have a low staff turnover, which provides great value to the company. Employees have an average of 14 years of experience working with HUDDIG machines..

Work-related injuries and incident reporting are regularly reviewed in the Work Environment Committee and during daily management meetings. The TIA system is used to compile and monitor reported risk observations, incidents and accidents.

During 2025, extensive work has been carried out on risk assessments in production. Priority areas for Q1 next year include measures related to noise reduction and ergonomics.

All Huddig employees in Sweden are covered by collective bargaining agreements, provi-

ding a solid foundation of secure employment terms and conditions. The company takes a positive approach to collaboration and maintains an open dialogue with labor unions.

An annual performance review is conducted with each employee to follow up on individual goals, working conditions, and development and training needs for the coming business year.

Huddig will continue to further develop its occupational health and safety efforts at an overall level to ensure strong support and high competence in work environment and employee-related matters. This is essential to creating a safe and secure workplace for all employees, while promoting both well-being and productivity. As part of this work, Huddig conducts an employee survey every two years, the results of which form the basis for the company's Employee Satisfaction Index (ESI).

	Target	2025	2024
Attendance rate (total in %)	97	96,06	96,44
Wellness allowance (utilization rate in %)	>50	69	56
Annual performance reviews (no in %)	100	93,75	*
Employee Satisfaction Index (ESI)	78	79	75 (2023)

	Target	2025	2024
Number of accidents	0	11	14
Number of risk observations	3 /month (30/year)	28	*
Percentage of completed safety inspections	100	100	*

* = No data available

Employees in numbers (at the end of the year 2025)

- Number of employees: 128 (women: 18, men: 110)
- White collar employee: 48, Blue-collar: 80
- Board of directors: 6 men
- Management: 3 women and 4 men
- Steering committee: 3 women and 3 men

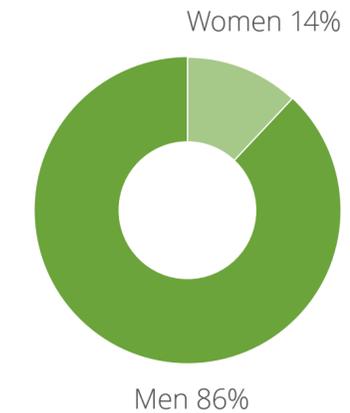


SOCIAL

We have analyzed the social sustainability-related risks associated with our operations, both in terms of the impacts we cause and the impacts we are exposed to, with a focus on financial implications. The table below summarizes these risks and how we manage them.

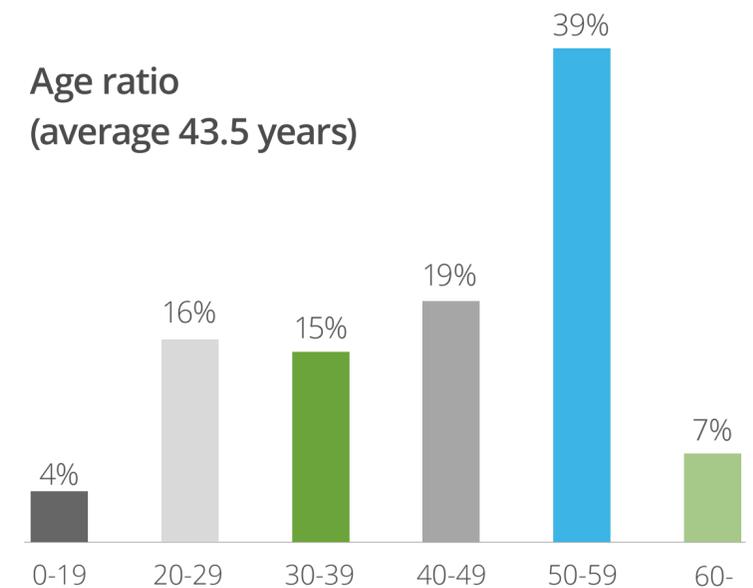
Material topic	Description	Management
Own workforce		
Competence supply	Retaining skilled employees and recruiting new, qualified talent is critical. A shortage of competence may lead to negative financial consequences.	The company places high value on its employees, and internal development opportunities are an important part of retaining the unique expertise we have. We offer internship placements and maintain well-developed partnerships with various educational institutions.

Gender ratio



Agenda target	Company target	Sub-target
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	A leader in occupational health and safety and the most attractive workplace	Target 2025: 97% attendance rate Target 2025: Employee Satisfaction Index (ESI) 78 Target 2025: >50% utilization rate of wellness allowance Target 2025: 0 workplace accidents Target 2025: 3 risk observations per month (30 per year) Target 2025: 100% of planned safety inspections completed
	Annual professional development opportunities for all employees	Target 2025: 100% completion of annual performance reviews

Age ratio (average 43.5 years)



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Workers in the value chain

Huddig procures many different types of products and materials, which makes it challenging to gain full transparency into working conditions throughout the entire value chain. This entails a risk that we, directly or indirectly, contribute to negative impacts on workers' conditions, particularly in the extraction and processing of raw materials where substandard labor conditions may occur.

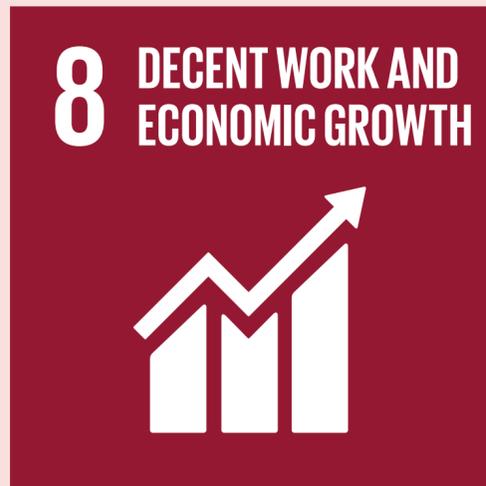
Our operations are also dependent on certain critical input materials that are

associated with significant sustainability risks in the supply chain, especially related to raw material extraction and manufacturing processes. The scale, scope, and difficulty of remediation are all assessed as high, particularly given the essential role these inputs play in our business.

To mitigate this impact, we plan to further develop our governance and oversight in this area and aim to establish a Supplier Code of Conduct no later than 2026.



Agenda target



Company target

Our Supplier Code of Conduct is acknowledged and accepted.

Sub-target

Target 2026: Develop a Supplier Code of Conduct.

Target 2027: The Supplier Code of Conduct is signed by our 20 largest suppliers.

Our largest suppliers are approved based on sustainability criteria.

Target 2027: The 20 largest suppliers are approved based on sustainability criteria.

GOVERNANCE

Responsible business conduct

Our company and its representatives shall always act in a businesslike and professional manner, in compliance with applicable legislation and high ethical standards. Huddig shall conduct its operations in a way that never gives rise to suspicion of bribery, corruption, or other forms of misconduct. In our double materiality assessment, issues related to responsible business conduct have been identified as double material.

We strive to identify and address any irregularities within the organization at an early stage. For this

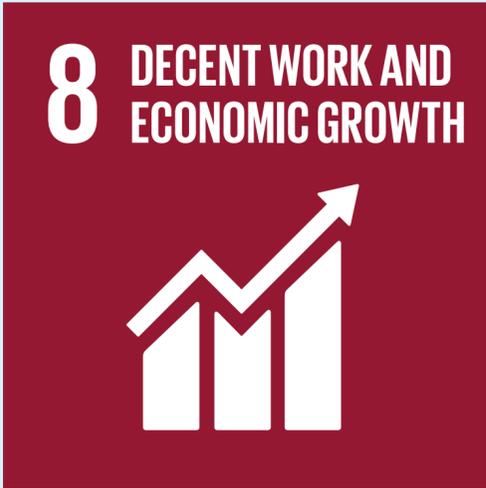
purpose, we have implemented an internal whistleblower system that enables employees to anonymously report deviations or misconduct within the company. All suspicions of irregularities must be reported to the immediate manager or through the whistleblower system.

Huddig has several policies, procedures, and working methods in place to prevent fraudulent behavior. For example, we apply clear authorization and approval procedures and require that all payments are executed by two authorized individuals. Our ambition

is to establish a Supplier Code of Conduct no later than 2026.

We have analyzed sustainability-related governance risks associated with our operations, both in terms of the impacts we cause and the impacts we are exposed to, with a focus on financial implications. The table below summarizes these risks and how we manage them.

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Agenda target	Company target	Sub-target	Material topic	Description	Management	
	We have an ethical and inclusive corporate culture with zero tolerance for discrimination and harassment.	Target 2026: Develop an internal Code of Conduct. Target 2026: 100% of employees have signed our internal Code of Conduct.	Responsible Business Conduct	There is a risk that company representatives may encounter situations involving bribery or unintentionally become involved in corrupt business arrangements without full visibility into the entire transaction, which could damage the brand.	Our position against corruption is clearly stated in our Policy on Irregularities and Bribery. We also aim to develop a Supplier Code of Conduct during 2026.	
	Market leader in the Swedish market through high quality and continued product development.	Target 2027: Improve quality levels by reducing warranty costs to 1.3%.				Supplier Relationships
	High delivery precision from suppliers.	Target 2025: >93% delivery precision (based on original delivery date).				Corruption and Bribery

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Follow our sustainability work here:
<http://huddig.com/sustainability>

