

## Fighting Against Forced Labour and Child Labour in Supply Chains Act Report

### Husqvarna Canada Corp. Orbit Irrigation Products, LLC

The Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) requires certain businesses to report on the measures taken to prevent and reduce the risk that forced labour or child labour is used by them or in their supply chains. This report relates to the fiscal year ended December 31, 2023 and describes the activities of Husqvarna Canada Corp. and Orbit Irrigation Products, LLC (jointly referred to as the Reporting Entities) to address forced labour and child labour in our business and supply chains.<sup>1</sup>

The Reporting Entities are wholly-owned subsidiaries of Husqvarna AB, the ultimate parent company of Husqvarna Group. At Husqvarna Group, we recognize that slavery can occur in many forms. This can include slavery, servitude, human trafficking, forced marriage, forced labor, debt bondage, child labor and deceptive recruiting for labor or services. Husqvarna Group is fully committed to operating responsibly, establishing and adhering to the highest ethical standards across our group. We will not tolerate any form of slavery within our business or supply chain and we are committed to eradicating all forms of slavery and ensuring all workers have decent working conditions and opportunity for personal economic growth. Husqvarna Group is also committed to the principles of the UN Global Compact, which aims at aligning businesses with human rights, labor, environmental care and anti-corruption principles. (The Husqvarna Group has participated in the UN Global Compact Initiative since 2013.) The principles in the Code are also based on OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work.

### Structure, Activities and Supply Chains

#### Structure and Activities

The Reporting Entities are wholly-owned subsidiaries of Husqvarna AB, the ultimate parent company of Husqvarna Group, with its registered office in Jönköping, Sweden. Founded in 1689, Husqvarna Group is a world-leading provider of innovative products and solutions for forest, park and garden care. The range includes robotic mowers, chainsaws, trimmers, ride-on mowers, hand tools, watering solutions as well as corresponding services. Husqvarna Group is also a leader in equipment and diamond tools for the light construction industry and diamond tools for the stone industry. The Group's products and solutions are mainly sold under the global Husqvarna and Gardena brands. The Group has a brand-driven organization and structure with three separate reporting divisions: the Husqvarna Forest & Garden Division, the Gardena Division and the Husqvarna Construction Division.

For more information, please see Husqvarna Group's website at <https://husqvarnagroup.com> and Husqvarna Group's annual and sustainability report for 2023 at <https://husqvarnagroup.com/sites/husqvarna/files/pr/202403273234-1.pdf>.

Husqvarna Canada Corp., located in Ontario, Canada, is active within the importation, sale and distribution of professional forest, park and garden products in Canada through its Forest & Garden Division, as well as within the importation, manufacture, sale and distribution of light construction equipment and diamond tools in Canada through its Construction Division. In 2023, Husqvarna Canada Corp. had an average of 50 employees, all located in Canada. Furthermore, Husqvarna Canada Corp. directly controls Gardena Canada Ltd., located in Brampton, Canada. Gardena Canada Ltd. is active within the importation and sale of gardening care products for residential customers.

Orbit Irrigation Products, LLC., located in Salt Lake City, the United States, is a manufacturer and supplier of irrigation products for residential and commercial markets and has been in business since 1986. It distributes over 2,000 products to 40 countries on five continents. In 2023, Orbit Irrigation Products had an average of 315 employees, all located in Salt Lake City, with the exception of a few sales people located in Canada.

#### Supply Chains

The majority of the purchases of Husqvarna Canada Corp. is sourced from other Husqvarna Group entities. Husqvarna Group is a global sourcing actor, who sources from suppliers worldwide. The sourced goods include finished products, components, raw materials, machinery, maintenance equipment and other consumables to its global footprint of factories and warehouses.

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<sup>1</sup> The report includes group-wide activities that the Reporting Entities participate in, unless otherwise specified.

In addition to having its own production, Orbit Irrigation Products, LLC sources raw materials, components and OEM products, mainly from suppliers in the United States and Asia. Furthermore, a small portion of the purchases are sourced from other Husqvarna Group entities.

## **Policies and Due Diligence Processes**

### **Policies**

Husqvarna Group expects that suppliers will agree to certain terms which includes that they will abide by all applicable international and local laws, rules and regulations in the manufacture and distribution of products, components and materials according to the [Husqvarna Group's Code of Conduct](#) and [Supplier Code of Business Ethics](#). Our commitment to address forced labour and child labour is supported by the provisions regarding the prohibition of Forced or Child Labor.

The expectations that suppliers must agree to are available at <http://corporate.husqvarna.com/purchase/en/sustainability-requirements>.

### **Due Diligence Processes**

#### Husqvarna Canada Corp.<sup>2</sup>

##### *Sustainability Assessments*

We engage with high-risk suppliers, identified by their location, operations, and share of our purchasing spend, to report on their sustainability performance. Suppliers report through EcoVadis, a third-party assessment provider, and Husqvarna Group's aim is to assess and approve these suppliers every three years. For suppliers that are given a rating below a certain score in the assessments, we work on corrective actions and re-assess them the following year. All new high-risk suppliers also need to undergo a sustainability assessment or agree to on-site audits. This process strengthens our ability to understand, be transparent about, and reduce sourcing risks. It also ensures comparability among suppliers and peers and helps us improve supply chain performance.

##### *Supplier Accountability Program*

Husqvarna Group recognizes the need to have a strong program that holds our partners accountable for failing to meet our Codes. Husqvarna Group's General Supplier Agreement requires suppliers to comply with international standards and applicable laws and regulations, including those related to forced labor and child labor, as specified in Husqvarna Group's Code of Conduct and Supplier Code of Business Ethics. Our divisions are charged with the responsibility to determine the circumstances in which a factory or supplier will be excluded from conducting business with Husqvarna Group for violations of our Codes.

##### *Conflict Minerals Due Diligence Program*

Our ambition is to be a leader in electrical and battery-powered products that benefit the planet and our customers while delivering long-term value creation. Conflict minerals are addressed in our Supplier Code of Business Ethics. Minerals used in electronics and lithium-ion batteries present environmental and human rights risks that we must fully understand and reduce. Furthermore, some sourcing countries pose higher risks than others, such as China and the Democratic Republic of Congo (DRC), the latter being of particular concern for conflict minerals. The following five minerals, tin, tungsten, tantalum, gold also known as 3TGs, and cobalt, are included in our due diligence program.

Tracing the source of minerals of concern, including Conflict Minerals, beyond our direct suppliers helps us avoid being unintentionally and indirectly complicit in actions that harm people or the environment. Husqvarna Group runs a Conflict Minerals due diligence program that helps us gain knowledge of where our suppliers source their minerals. We thereby voluntarily meet future EU regulation and OECD guidelines for transparency.

As of 2021, we require direct suppliers to report in conflict mineral and extended mineral reporting templates, providing documentation on their smelters and the origins of minerals. A third-party provider facilitates data collection, aligned with the Responsible Minerals Initiative, which gives us an overview of mineral supply chains and their impact on local economies and communities. In 2023, we strengthened our internal supplier engagement in order to improve our continuous follow-up efforts. Yet another focus area is to, through capability-building, help our suppliers understand our need for transparency and how they can engage more.

#### Orbit Irrigation Products, LLC

Orbit Irrigation Products, LLC follows a supplier qualification process which includes initial evaluations of all suppliers followed by annual on-site audits of the suppliers' social responsibility processes. Key suppliers are subject to annual re-audits. Moreover, certain suppliers are subject to third-party audits.

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<sup>2</sup> This section includes the group-wide activities of Husqvarna Group that Husqvarna Canada Corp. participates in.

## **Forced Labour and Child Labour Risks**

We have risk based processes in place to screen or evaluate human rights risks throughout our value chain, including forced labour and child labour. These processes take into consideration a broad cross section of factors, including types of activities, our value chain, sectors, industries, raw materials, and geographies where we conduct business.

### **Remediation Measures**

We have not identified any forced labour or child labour in our activities and supply chains in 2023. The information below relate to our general group-wide remediation measures under our Responsible Sourcing Program and grievance mechanism.

#### *Responsible Sourcing Program*

Husqvarna Group, including the Reporting Entities, treat child labour and forced labour as zero-tolerance issues. For Husqvarna Canada Corp., under the group-wide processes, cases of other non-compliance, depending on severity, must be resolved within three to 12 months, with periodic monitoring of progress. If compliance is not achieved, termination of our mutual contract is a last resort.

#### *Reporting Concerns*

If anyone becomes aware of unethical or illegal conduct, concerns can be raised to [compliance@husqvarnagroup.com](mailto:compliance@husqvarnagroup.com) or to our whistleblower Alert Line at, for Husqvarna Canada Corp., [husqvarnagroup.ethicspoint.com](https://husqvarnagroup.ethicspoint.com), and, for Orbit Irrigation Products, LLC, [orbit.ethicspoint.com](https://orbit.ethicspoint.com).

### **Remediation of Loss of Income**

We have not identified any forced labour or child labour in our activities and supply chains in 2023. Therefore, there have been no identified or reported instances of loss of income to vulnerable families that resulted from efforts to prevent or reduce the risk of forced labour or child labour.

### **Training**

Husqvarna Group periodically trains employees who are responsible for sourcing products on how to identify and respond to issues related to our Code of Conduct, including forced labor and child labor. In 2023, however, the Reporting Entities did not participate in such training. As of 2024, all employees of Husqvarna Group will take annual mandatory Code of Conduct training.

### **Assessing Effectiveness**

In 2023, we measured the effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chains via our reporting channels referred to above. No incidents of forced labour and child labour were reported in 2023. In addition, Orbit Irrigation Products, LLC conducted follow-up audits to verify remediation steps for key suppliers.

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## Approval and Attestation

In accordance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act and guidance thereunder, and solely for purposes of compliance with that Act, this report was approved by the Board of Directors of Husqvarna Canada Corp. and Orbit Irrigation Products, LLC.

*In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.*

**Husqvarna Canada Corp.**

  
Chris Noeth (May 15, 2024 13:57 CDT)

**Chris Noeth**

Director

DATE: 05/15/2024

I have the authority to bind Husqvarna Canada Corp.

**Orbit Irrigation Products, LLC**

  
Stuart Eyring (May 28, 2024 10:47 MDT)

**Stuart Eyring**

Director

DATE: 05/28/2024

I have the authority to bind Orbit Irrigation Products, LLC