

Where we start

SUSTAINABILITY REPORT 2025



VÄDERSTAD

A better start

The success of agriculture is essential for a prosperous world, where more people can eat themselves full, every day. We aim to create the start of a better harvest. To give each seed the ideal conditions to succeed. Side by side with the world's farmers, we develop high-performance machines that make difficult tasks look easy. Machines that create more from less, treat the soil gently and maximizes the potential of every seed.

Farming marks the beginning of the future. And that is where we start.

Väderstad – Where Farming Starts



Content

About our sustainability report

The sustainability report is Väderstad's statutory sustainability report for the financial year 2025, which runs from October 2024 to September 2025. The report also summarises key events from the past year and covers Väderstad AB and all its subsidiaries that are part of the Väderstad Group.

In compiling the report, we have been inspired by the Global Reporting Initiative (GRI) guidelines. Regarding greenhouse gas calculations, we conduct climate assessments in accordance with the guidelines of the Greenhouse Gas Protocol (GHG Protocol).

The report forms part of Väderstad AB's Annual Report 2025 and is presented as a separate publication. It is made available on our website vaderstad.com.

Abbreviations are used in this publication, and for clarification:

VAB=Väderstad AB, Sweden

VCAB=Väderstad Components AB, Sweden

VCA=Väderstad Industries Inc., Canada

VUS=Väderstad Inc., USA

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Introduction



About Väderstad

Väderstad is a family-owned company founded on a clear idea: to make the farmer’s work simpler and better. Since our beginnings in 1962 on the plains of Östergötland, we have been driven by the same ambition – to combine innovation with quality and care for the soil, creating machines that shape the future of agriculture.

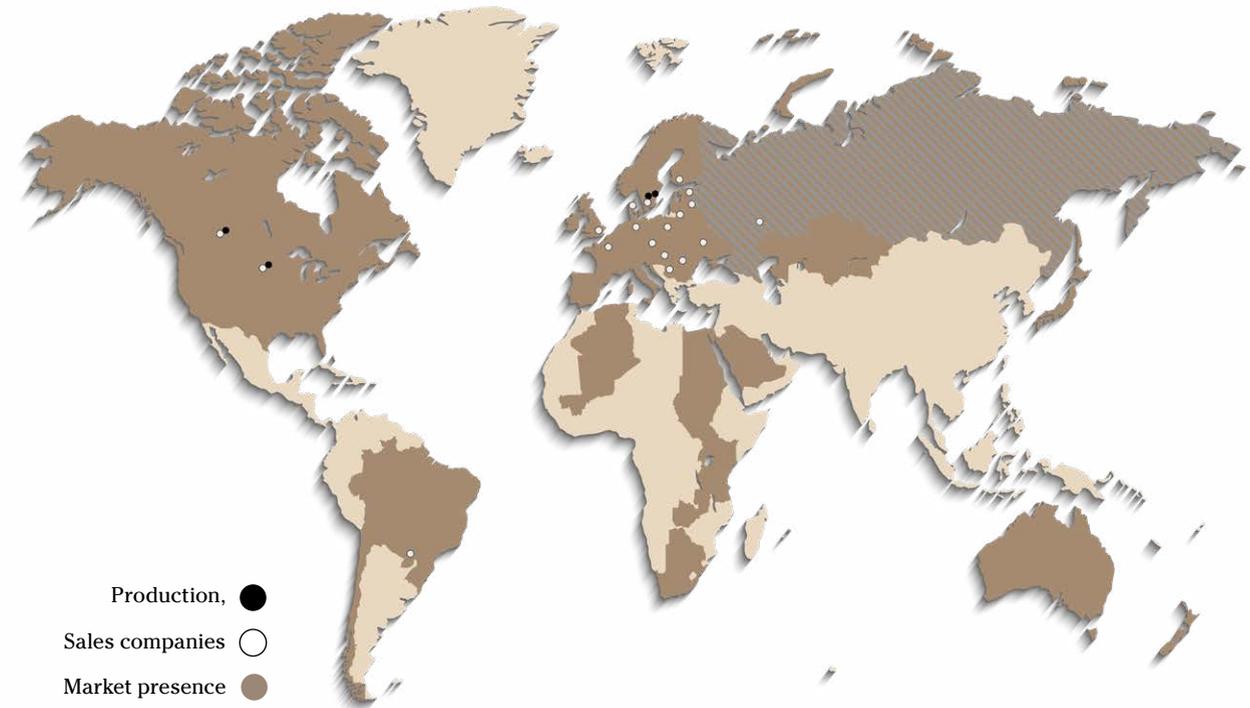
Today, our solutions are found in fields all over the world. Wherever we operate, our goal remains the same: to contribute to sustainable and productive agriculture, where every farmer is given the best possible conditions for strong crop establishment.

Vision

To be a world-leading partner for outstanding emergence.

Mission

To simplify work and improve results for farmers worldwide.



Accessible

We are close at hand – wherever in the world we operate. We work side by side with each other and our customers, with respect, collaboration and a constant desire to understand one another’s needs.

Innovative

We believe in collaboration and the courage to think differently. Through curiosity and creative problem-solving, we drive development forward – together.

Reliable

We are a family business with roots in agriculture. We take a long-term view and build confidence and security for our customers, colleagues and future generations.

Net turnover(MEUR)

5900

Employees, Väderstad Group

1750

Production sites:

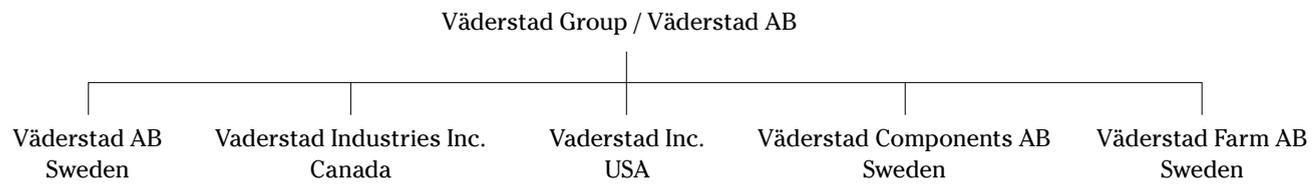
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Machines produced in 2025

4800

Väderstad Group

Corporate structure Väderstad Group



- Brazil/ Paraguay
- Canada
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Hungary
- Latvia
- Lithuania
- Poland
- Romania
- Russia
- Serbia
- Sweden
- Ukraina
- United Kingdom
- USA

Management team Väderstad Group*



Henrik Gilstring
President and CEO



Jörgen Dahl
Senior Vice President
Product & Development



Patrik Dahl
Senior Vice President
Human Resources



Mattias Hovnert
Senior Vice President
Sales & Marketing



Anders Karlsson
Senior Vice President IT



Rebecca Nygren
Senior Vice President
Finance & Legal



Mikael Peiponen
Senior Vice President
Operations



Jason Wasyluk
Senior Vice President
VCA



Martin White
Senior Vice President
VUS

*Applies from 20251001

Our brands

Väderstad Group today consists of the main brand Väderstad, as well as the independent brands Wil-Rich and Wishek that were added after the acquisition of the US company AGCO-Amity JV LLC in 2021. Both Wil-Rich and Wishek are produced in Väderstad's factory in Wahpeton, USA, while Väderstad's own products are manufactured at all production units in Sweden, Canada and the USA. At the factory in Langbank, Canada, the direct seeding machine Seed Hawk is manufactured. Seed Hawk was originally a brand of its own but has been sold under the Väderstad brand since 2017.



Since the company was founded in 1962 in Väderstad, Östergötland, Väderstad has established itself as a leading producer and developer of machinery and methods in the field of tillage, seeding and planting. Today, products under the Väderstad brand are sold to farmers and retailers all over the world.

WIL-RICH

Founded in the 1960s in North Dakota, the name is a merger of Wilkin and Richland County. Today, high-quality products are produced in the tillage category, primarily for the US market. Since 2021, the brand is part of the Väderstad Group and production takes place at Väderstad Inc. in Wahpeton, North Dakota.

Wishek

Wishek Steel and Manufacturing was founded in 1962 as a welding and repair workshop for agricultural equipment in Wishek, North Dakota. In 1972, the company began producing its own agricultural discs and today it manufactures several different products in the field of tillage at Väderstad's plant in Wahpeton, North Dakota.



Väderstad – Tillage



Väderstad – Seeding



Väderstad – Planting



Wil-Rich – Tillage



Wishek – Tillage

Our contribution in a changing world

The past year has reminded us how quickly the conditions for agriculture can change. Geopolitical tensions, trade conflicts and extreme weather events have affected markets and harvests alike. For us at Väderstad, this has meant working together with farmers to find ways to remain strong in a time of uncertainty. Together, we create solutions that make a difference – in the field, for the farmer and for the world.

In times of change, our contribution becomes more relevant than ever. When extreme weather affects harvests, farmers need solutions that help build stronger soils over the long term. When prices are squeezed by trade conflicts, careful use of resources is essential. And when political priorities shift, food security and efficiency become key issues. Our innovations enable farmers to farm with greater precision, optimise resources and manage extreme weather conditions in a more sustainable way. Digital solutions and improved precision also provide greater control, efficiency and flexibility in the field – steps that strengthen both productivity and sustainability.

Innovation that strengthens agriculture

During the year, we have taken several important steps forward with our machines and digital solutions. We have launched the next generation row unit for the precision seed drills Tempo and Proceed, introduced a third disc axle to the Carrier XT and XL, refining and broadening our methods for ultra-shallow tillage, and developed the seed couler in Spirit and Inspire to ensure more reliable crop establishment even under challenging conditions. In addition, we have launched the new digital service E-Connect, giving farmers increased control and better access to useful machine data. Together, these advances strengthen opportunities for both productivity and sustainable agriculture.

International progress

We also see positive developments in our international markets. In Ukraine, farmers continue to cultivate and invest despite the harsh realities of war. In Brazil, we are taking the next step in our expansion journey, with machines adapted for direct drilling and local conditions. This market development significantly broadens our geographical presence, while the associated technological advances can contribute to improved resource efficiency and soil health in South America and beyond.

In Canada, we achieved a record year; however, sharp market slowdowns during the year required rapid adjustments and restructuring on our part. Unfortunately, this included reductions in our workforce – something we naturally find both difficult and regrettable.

Together, we create solutions that make a difference – in the field, for the farmer and for the world.

People and sustainability from within

At the same time, we continue to invest globally in our employees, who are the heart of Väderstad. Through learning and mentoring programmes, we strengthen skills, collaboration and engagement. We are also working to reduce energy consumption in production – an important step towards making our operations both more sustainable and more resource-efficient. Thanks to the expertise and commitment of our employees, we can continue to develop internal processes and products that make a real difference – the sustainability journey always begins with ourselves.

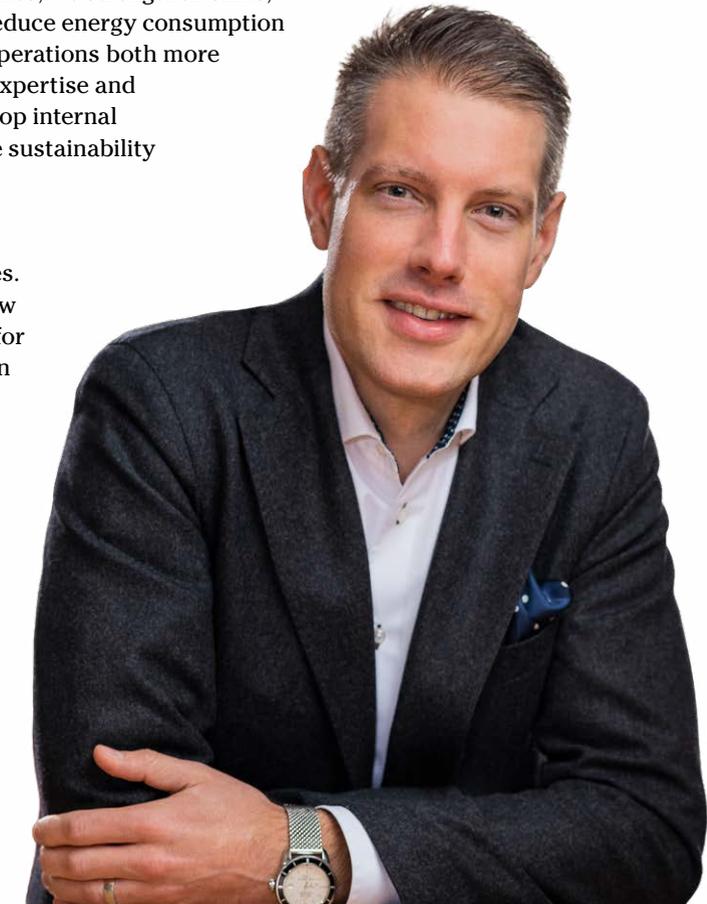
The future and our responsibility

Looking ahead, we see both challenges and opportunities. EU regulations are changing, and agriculture will face new sustainability requirements. At the same time, the need for efficient and competitive food production has never been greater.

Our role is clear: to support farmers in combining rational and sustainable agriculture, where modern technology creates both profitability and long-term sustainability. With our innovative strength, our close cooperation with farmers and our commitment to contributing to the agriculture of the future, I feel great confidence.



Henrik Gilstring
President and CEO Väderstad Group



Strategy



Sustainable strategy

For Väderstad, sustainability is not a side issue, but an integral part of our business – and a clear mandate from our owners. It permeates how we lead, develop, and manufacture, and is fundamental to our long-term competitiveness.

Our sustainability strategy is based on the same idea that drives the whole of Väderstad: to create performance that endures. It is about translating our philosophy into strategy – allowing responsibility, efficiency, and care to guide decisions, processes, and every machine we produce. The strategy is built on four focus areas that together shape a sustainable whole;

PEOPLE **PLANET**
PRODUCT **PROFIT**

Together, they describe how we create sustainable value for people, agriculture, and the earth, and build the strength required to drive farming forward and fulfil our purpose:

To work alongside farmers to improve cultivation methods that make global food production both efficient and sustainable.

Performance that endures – sustainability in every turn

Sustainability at Väderstad is about creating performance that endures – for the farmer, for the earth, and for the future. Our strength comes from the desire to make a difference, to cultivate without depleting, and to build vitality for generations to come.

Since our beginnings on the plains of Östergötland, we have driven development to give farmers the best possible conditions in every field. **By simplifying the work and improving results**, we help farmers around the world to grow more with less impact.

With a focus on **precision, efficiency, and reliability**, we develop machines with sustainable performance – where innovation, quality, responsibility, and care come together for profitability in agriculture and reduced strain on the earth.

Sustainability is not a goal on the side, but a driving force in everything we do. As our founders Siw and Rune Stark put it:

“Make it so it lasts.”

A philosophy that still guides us – in every move.



Responsibility and Governance of Sustainability Work

The Board of Directors of the Väderstad Group holds **overall responsibility** for sustainability efforts and reviews the strategy annually. Operational responsibility rests with group management, who translate the objectives into concrete actions.

The sustainability function **coordinates follow-up and reporting** together with the business areas to ensure that the sustainability perspective is integrated throughout the organisation.

Our business policy and code of conduct, based on the UN Global Compact, guide us in contributing to the global goals for sustainable development.

Through ongoing risk analyses, stakeholder dialogues, and clear processes, we ensure that sustainability is an integral part of our business management.

From strategy to action

We follow a unified process that guides the entire organisation in our sustainability work – from assessing our current situation to identifying priority areas. This process helps us to identify, prioritise, and address the issues that are most important to Väderstad and our stakeholders.

Process for Sustainability Management

The process for sustainability management consists of five steps, with each part building upon the previous one. In this way, a clear chain is created between analysis, decision-making, and 4. implementation – and a strong link is established between the sustainability strategy and business plan.

1. Current situation – *Where we stand today*

We analyse our current position, impact, and the external factors that shape our sustainability work – from the market and legislation to climate impact and technological development.

2. Risk assessment – *Challenges and Opportunities*

We identify and assess risks and opportunities linked to the environment, people, and business. This helps us anticipate changes, minimise negative impact, and harness opportunities for innovation.

3. Stakeholder dialogue – *Listening and Learning*

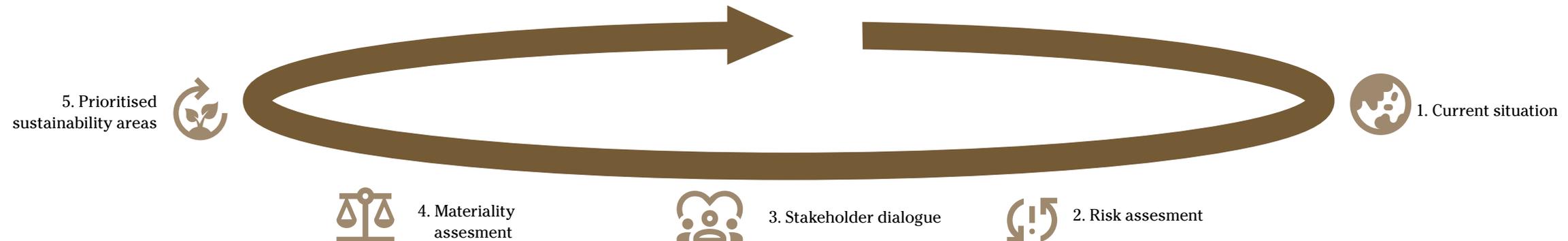
We maintain regular dialogue with our key stakeholders: employees, customers, suppliers, and owners. By listening to their perspectives, we deepen our understanding of their expectations and needs.

4. Materiality assessment – *What matters most right now*

We combine insights from analyses and dialogues to determine which sustainability issues are most material for Väderstad and our stakeholders.

5. Prioritised sustainability areas – *The way forward*

The issues deemed most material become our prioritised sustainability areas. Here, we set targets, define activities, and monitor results – always aligned with our business planning process and the UN Sustainable Development Goals.



1. Current situation

The world is changing faster than ever before. Climate, markets, and geopolitics influence agriculture every day. For Väderstad, it is about understanding these changes – and staying one step ahead. A world in flux demands agriculture that adapts, and that is where we come in.

Demographic shifts are altering demand

The world's population is growing, but developments vary in different parts of the globe. In certain regions, poverty is on the rise, which, combined with climate change, risks leading to famine. At the same time, the middle class is expanding elsewhere, driving increased demand for food and agricultural commodities. The need for food is growing, while resources are limited and arable land is decreasing.

For Väderstad, this means:

- Greater demand for machines and solutions that achieve more with fewer resources
- A focus on efficiency, precision, and technology that preserves soil fertility
- Product development that meets the growing global demand

Climate change is making cultivation more unpredictable

Climate change is becoming more apparent each year. Extreme weather events – drought, downpours, heatwaves – affect harvests, soil conditions, and working methods. For farmers, this means greater risks and a need to adapt their methods and timing for cultivation.

For Väderstad, this means:

- Developing robust machines that help farmers perform in varying conditions
- A focus on tillage and sowing techniques that contribute to sustainable and resilient agriculture

An uncertain world and volatile market

Geopolitical unrest continues to impact agriculture and our operations – affecting everything from trade and supply chains to energy provision. Combined with inflation, high interest rates, and fluctuating commodity prices, this creates a volatile market and reduces farmers' willingness to invest.

For Väderstad, this means:

- A strong focus on reliability, service, and partnership with farmers
- A strong focus on safety for our own staff and our customers
- Attentiveness and flexibility in product range and financing solutions
- Changed supply chains, sanctions affecting exports, and varied demand across markets

Digitalisation drives the next stage in agriculture's development

Farming is becoming increasingly data-driven. With connected machines and digital tools, farmers can plan and optimise their production with greater precision.

For Väderstad, this means:

- Development of connected machines and digital decision support
- Integration of data, service, and expertise into new digital platforms
- An increased focus on user-friendliness and knowledge exchange between machine and operator
- Reviewing the need for e-commerce to address current consumption behaviours

2. Risks and Risk Management

Events in our external environment can affect our business both positively and negatively. For example, they may present us with new business opportunities or lead to consequences that could negatively impact our customers, employees, the environment, or our financial results. Depending on what occurs, these events may also affect our ability to deliver machinery.

Our Risk Management Process

We continuously identify risks within the business, including through our monitoring of the external environment and engagement with our stakeholders. Risks are identified at all levels within the company, such as risks that may affect the entire Väderstad Group or those impacting a specific part of the business. Once potential events have been identified, we conduct a risk assessment and decide on measures, as well as assigning responsibility for addressing any risks we cannot accept. An important part of the risk management process is to follow up and ensure that the actions taken have achieved the desired effects. We have procedures in place for regular analyses, risk assessments, safety inspections, and audits. At present, we have system support to document and compile occupational health and safety risks across the business, as well as environmental risks for operations in Sweden. Over the year, we have specifically developed our processes for occupational health and environmental risks to make it easier for those carrying out risk analyses.

During the year, we have also developed our methods for assessing risks of operational disruptions by deepening our approach to continuity planning.

Crisis Management

At Väderstad, crisis management plans are in place. The purpose of these plans is to ensure a high level of preparedness in the event of a crisis and to guarantee that the appropriate actions are taken by designated individuals at the right time. Over the past year, these procedures have been thoroughly revised for our operations in Sweden. .

Governance

We review overarching risks, including how we address them, at least once a year in the board of directors, as a fixed item on the board's agenda. Activities to manage our most significant risks are followed up in our business plans.



2. Risk analysis

Area	Main risks	Management
People	Work environment (employees & farmers)	The safety and security of our farmers and employees are our highest priority. To prevent accidents, work-related injuries, sickness absence and the spread of infection, we work systematically with occupational health and safety. Training and clear instructions, together with active risk and incident reporting, contribute to a safe working environment. We are also affiliated with occupational health services and offer a wellness allowance as a proactive measure. CE marking of our machines, together with the Product Safety Board, ensures safe use of our equipment. Through our crisis management procedures, we are able to act quickly should an incident occur.
	Workforce planning	We actively work with strategic workforce planning in order to be proactive and anticipate future needs. In a similar way, we actively develop our culture within Väderstad to create an attractive workplace.
	Diversity & human rights	We work towards a diversified workforce to broaden perspectives and thereby strengthen Väderstad, including through defined targets for a more balanced gender distribution. We have an equal opportunities policy and an established framework through a Code of Conduct, both internally and externally for our suppliers. We set social and ethical requirements in connection with purchasing and systematically follow up on our suppliers. If irregularities arise, we have a whistleblowing system in place for reporting such matters.
	Changes in the external environment	We operate in a changing world where conflicts, uncertainty and technological shifts affect agriculture and industry. Through active monitoring of the external environment and clear procedures, Väderstad strengthens its preparedness to ensure reliable deliveries and production even in times of uncertainty.

Area	Main risks	Management
Planet	Environment	We carry out systematic environmental work with a focus on efficient use of resources, safe procedures for chemicals, waste and emissions, and continuous improvements in production. By developing machines that reduce fuel consumption, protect soil structure and make tillage more efficient, we help to reduce agriculture's environmental impact and strengthen a sustainable food system. We participate in research projects to remain at the forefront and provide continuous training for our employees.
	Climate change	Climate change entails risks such as extreme weather, power outages and disruptions to supply chains. Väderstad integrates these risks into product development and planning, and develops machines that strengthen agriculture's resilience through sustainable practices, good soil health and high precision in the use of inputs.
	Regulatory risks	We closely monitor developments such as the EU's new directives under the CAP, regulations on plant protection products, and climate calculations for carbon sequestration – all in order to adapt quickly to applicable laws and requirements. Upcoming changes in sustainability requirements and reporting are carefully followed, and we continuously adapt our processes to meet new legislation and expectations. As a global actor, we also monitor developments in other markets where we operate.

2. Risk analysis

Area	Main risks	Management
Product	Quality	We are ISO 9001 certified in Sweden. We work systematically with quality management by measuring, troubleshooting, learning from and setting targets based on customer complaints. We have a well-established field testing department and our own testing and materials laboratory to ensure the quality of our offering.
	Suppliers	We place high demands on our suppliers in terms of delivery reliability, quality, and ethical and social risks. These requirements are set out in our Supplier Code of Conduct. We carry out continuity planning to prevent supplier-related risks that could cause disruptions in our supply chain.
	Supply chain disruptions	We maintain active and ongoing business continuity efforts to meet requirements and ensure that operations can continue in the event of unexpected disruptions, such as power outages. In a similar way, we work systematically with fire safety, having established an organisation with preventive measures including training, procedures and inspections.
	Product development	We have structured development processes with clear decision gates and close collaboration between Sales & Marketing, Product & Development, and Operations. Continuous cost follow-up ensures efficient projects, the right priorities, and the ability to develop competitive and profitable products that meet customer needs on time.

Area	Main risks	Management
Profit	IT- and information security	We have an IT policy and work with secure systems to minimise the risk of unauthorised access. Regular testing and a Security Awareness programme ensure operational reliability and increased awareness of information security among employees.
	Market change	We systematically monitor competitors, market flows and raw material prices, as well as grain prices, interest rates and exchange rates, in order to carry out accurate market analyses and plan for, and respond to, demand.
	Corruption	To prevent improper conduct by our employees, such as giving or receiving bribes, and to minimise indirect risks from suppliers that may operate in countries with a higher risk of corruption, we have a Code of Conduct, procedures for reviewing and monitoring our suppliers, and a whistleblowing system in place should suspicions arise.
	Financial risks	We actively work with liquidity planning and cash management through cash pooling and overdraft facilities. Currency risks are managed through forward contracts, and a strong focus on working capital and cost control ensures stable cash flows. Through close cooperation with banks and credit insurance via the export credit agency, financing is secured on favourable terms.

3. Stakeholder dialogue

Our stakeholders include everyone who influences or is influenced by our business operations. We maintain regular dialogue to learn about their challenges, needs, and priorities. Knowing and understanding these is an important part of our strategic sustainability work.

Stakeholder group	Examples of Key Issues
Customers	<ul style="list-style-type: none"> • Performance of our machines • Long durability • Price • Innovation
Owners and Board	<ul style="list-style-type: none"> • Long-term profitability • The Väderstad Way
Employees and trade unions	<ul style="list-style-type: none"> • Health, working environment and well-being • Collective agreements, terms and benefits • Skills development • Skills development

Stakeholder group	Examples of Key Issues
Suppliers	<ul style="list-style-type: none"> • Project financial performance and follow-up • Health, safety and working conditions in the supply chain
Society, media and education	<ul style="list-style-type: none"> • Knowledge and sharing experiences • Innovation • Engagement and responsibility for the communities where we have production
Authorities	<ul style="list-style-type: none"> • Compliance with laws and terms • Transparens

4. Materiality assessment

Väderstad's sustainability work begins with a materiality analysis – our compass for understanding what matters most, both for our business and for the wider world. By weighing up risks, opportunities and the perspectives of our stakeholders, we focus on those areas where we can make the greatest difference.

Our approach to assessment

Based on a current state analysis, risk assessment and stakeholder dialogue, we regularly carry out a materiality assessment. The purpose is to identify which sustainability issues have the greatest impact on our business and which are most important to our customers, employees, suppliers and wider society.

The results form the basis for our prioritised sustainability areas and guide our work in terms of strategy, objectives and follow-up. Objectives and activities for these areas are established in our annual business planning process.

To make our sustainability work more transparent and easier to communicate, we have divided it into four main areas – **our four Ps: People, Planet, Product, Profit.**

Impact of the EU's new sustainability directive (CSRD)

During the year, we have continued our efforts to adapt our sustainability work to the EU's new directive for sustainability reporting, **CSRD**. The directive introduces new requirements for how companies identify, assess and report their material sustainability issues.

When the implementation of the directive was paused, we chose to temporarily slow the pace of implementation and instead focus on activities that strengthen our foundations and prepare us for the upcoming requirements.

Read more in the interview with Elin Iseskog, Director Sustainability, about how the work has been affected during the year.



Pausing to strengthen the foundation

Three short questions with Elin Iseskog, Director Sustainability

How has the work on CSRD affected us during the year?

– We were moving at full speed with the implementation of CSRD, but when the EU applied the brakes and the requirements for the future became unclear, we chose to slow down our work on meeting the requirements. Instead, during the year we have focused on implementing measures that are aligned with our long-term sustainability ambitions.

How has this affected the materiality assessment?

– We have continued to analyse our risks, stakeholder perspectives and current situation, but have chosen to wait before finalising the analysis until it is clear what the requirements will be. This allows us to ensure that our analysis and reporting are fully aligned with the new regulatory framework. We have assessed that our previous materiality assessment remains relevant.

What benefits do you see from this change?

– We are strengthening our foundations and, as a result, are better prepared to adapt to future requirements. It gives us the opportunity to develop an even clearer link between sustainability issues and our business, and to focus on the areas where we can make the greatest contribution – both for agriculture and for the planet.

5. Priority sustainability areas



People

The safety and health of our farmers and employees are essential for long-term profitability.

Focus areas:

- Create a healthy, pleasant and safe workplace
- Contribute to a safe working environment for the farmer

Strategic objectives:

- Zero accidents
- Diversity
- Employee engagement and leadership

The UN global goals:



Planet

With care for the soil and a focus on resource efficiency, we take responsibility.

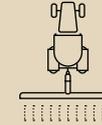
Focus areas:

- Promote environmentally beneficial measures in agriculture
- Improve material efficiency, minimize emissions harmful to plants and animals, and prevent waste generation

Strategic objectives:

- Greenhouse gas emissions
- Energy efficiency

The UN global goals:



Product

Our machines are designed to maximise every operation and the potential of every seed, enabling a strong harvest.

Focus areas:

- Develop innovative, efficient and sustainable products
- Ensure high product quality

Strategic objectives:

- Quality and delivery precision
- Innovation
- Customer satisfaction

The UN global goals:



Profit

We invest in our employees and in new green technologies to drive the development of tomorrow's sustainable agriculture.

Focus areas:

- Ensure stable and long-term profitability for the company

Strategic objectives:

- Profit before tax
- Annual sales growth

The UN global goals:



People



About the focus area:

Sustainable strength through people

PEOPLE is about the people behind performance – our employees and farmers around the world. Through engagement, safety and collaboration, we build the strength that drives progress forward.

When people feel well, are able to grow and take pride in what they do, results are created that endure – at every level.

Sustainable strength begins with the people who do the work.

Together, we build a safe and learning environment

At Väderstad, everything begins with people. Their engagement and sense of security drive both our development and the progress of agriculture. That is why people and safety are always our highest priority.

Challenges we face

Our industry is evolving rapidly, placing new demands on both people and machines. To remain an attractive employer and a reliable partner to the agricultural sector, we need to address several simultaneous challenges – from securing the right skills to ensuring a safe working environment and achieving global coordination.

The battle for talent

Competition for talent within industry and technology is fierce. Attracting, developing, and retaining the right employees is crucial for our long-term success.

Technological skills development

Our machines are becoming increasingly advanced, which requires new expertise – both within our own organisation and among our customers.

Sustainable working environment

A fast pace of change demands a flexible, safe, healthy, and inclusive working environment where people can thrive and develop.

Global coordination and culture

We operate in diverse cultural and legal environments. This calls for shared standards of safety, quality, and respect throughout the Väderstad Group.

How we work

To meet these challenges, we work in a long-term and structured manner with both safety and development – two perspectives that permeate our entire business.

Safe working environment for employees and customers

Our systematic work environment efforts involve paying attention to and considering all aspects of the workplace that may affect our employees' health and safety in our day-to-day operations.

Risk assessments, safety inspections and follow-ups are carried out continuously at all production units, and we use digital systems to identify, address and monitor risks, incidents and accidents. Crisis and contingency information is available to all employees on our intranet. Safety committees ensure ongoing dialogue and improvement. Laws and regulations are continuously monitored.

For our customers, safety means being able to work safely and efficiently in the field. All our machines produced in Sweden are CE marked and third-party inspected by SMP, the Swedish Machine Testing Institute. Machines manufactured in North America meet equivalent requirements according to local standards. Each machine is practically tested before delivery to ensure functionality and quality. If, despite this, an accident occurs, our product safety council investigates the incident to identify causes and prevent future risks. In this way, we ensure that every product contributes to a safe and sustainable working environment for the farmer.



Sustainability aspects PEOPLE

Our work is based on two mutually reinforcing approaches:

- Creating a **healthy, pleasant, and safe workplace**
- Contribute to a **safe work environment** for the farmer

Through close collaboration and shared learning, we build trust, strengthen competence and ensure that safety and development go hand in hand – for both people and machines.

Development through knowledge, leadership and partnership

A sustainable working environment is also about development – enabling people to grow. At Väderstad, we offer continuous skills development for all employees. Through annual performance and development reviews, each employee and manager jointly set personal goals, ensuring individual development while helping to steer the entire organisation towards our overarching objectives.

We believe in present and engaged leadership, grounded in our values – The Väderstad Way. Our leadership programmes and regular dialogues equip managers with the tools to support their teams, encourage participation and foster learning in everyday work.

For our customers, development is about partnership. Through training, instructional materials, field tests and close cooperation with our service teams, we share knowledge that strengthens farmers' safety, efficiency and sustainability. Our support organisation plays a central role in this – providing support in both day-to-day operations and long-term development.

An attractive employer and partner with a global presence

We aim to be an employer that people choose – and choose to stay with. At Väderstad, we build a culture where employees thrive, develop and take pride in contributing to sustainable agriculture.

All new employees are introduced to The Väderstad Way and receive a thorough onboarding that provides a confident start. We encourage internal mobility and skills exchange, and work across functions, which promotes collaboration, knowledge sharing and innovation across teams and geographical boundaries. In this way, our employees can grow into new roles, broaden their expertise and contribute to a strong, shared culture.

To create a safe and positive workplace, we focus on health, wellbeing and a balanced approach to work and everyday life. We offer flexibility in where and how people work, and monitor engagement and job satisfaction through our Employee Index – the foundation of our continuous improvement efforts.

*People who thrive make a different –
for each other, for the customer and
for the land we cultivate.*

We actively promote diversity and gender equality, and collaborate with schools, universities and industry networks to inspire the next generation. Through our global presence combined with local recruitment, we build strong relationships with our customers and ensure the right competence and support – every day.

By combining engaged employees, a strong employer value proposition, local presence and a clear customer focus, Väderstad continues to be both an attractive employer and a reliable partner.





Human Rights and Equal Treatment

An inclusive and respectful culture is a given part of our sustainability work. Our Code of Conduct applies globally and contains clear positions on mutual respect, non-discrimination, human rights, working hours, remuneration and freedom of association. We conduct annual salary reviews to ensure fair conditions and train leaders in equal treatment efforts.

In Sweden, we engage in collaborative efforts between employers and employees, known as active measures. As part of this, we have reviewed and updated our equal treatment plan. Any unjustified pay disparities are addressed through our annual wage mapping process. Our operations outside Sweden comply with prevailing legislation regarding workplace environment, and we adapt and revise plans according to local regulations to ensure a safe and respectful working environment globally.

As a global organisation, we also carry the responsibility of safeguarding human rights throughout our entire value chain. We support and respect

internationally recognised human rights and work proactively to ensure our employees, partners and customers are treated fairly, equally and with respect – a commitment that contributes to the development of both individuals and the company.

We conduct business in an ethical and lawful manner and are convinced that this is how we build long-term trust with customers, partners and society at large. We have a Code of Conduct that applies to all employees, as well as one for our suppliers. Together with our core values, The Väderstad Way, these clarify how we act and ensure that we respect human rights at every stage.

In the event of, or suspicion of, discriminatory treatment, we have procedures in place to investigate and handle the situation in a secure and fair manner. Our employees and external stakeholders can report any breaches of the Code of Conduct or other policies, including violations of human rights, through internal and publicly accessible whistleblowing channels described in our Code of Conduct – including Väderstad's whistleblower function.

Policies in the People area

- Alcohol and Drug Policy
- Fire Safety Policy
- Privacy Policy
- Equal Treatment Plan
- Personnel Policy
- Policy for the Processing of Personal Data
- Operational Policy including Workplace Environment Policy

A selection of initiatives in 2025

Work environment & safety

We continue to strengthen learning and development across the entire organisation.

- Strengthened risk management processes and broadened participation in accident investigations
- Improved indoor air quality through optimised control systems and expanded ventilation at several sites
- Digitalised chemical management for more efficient handling
- Enhanced traffic safety at our facilities through improved signage, clearer pedestrian routes and reduced kick-bike traffic

30/30/30

30% women employees and managers by 2030

Leadership & wellbeing

We lead with care, clarity and presence.

- Strengthened our leadership programmes with a focus on sustainable pace, wellbeing and present leadership
- New managers receive training in safe and coaching leadership
- Existing leaders develop their ability to foster motivation, collaboration and balance within their teams



Diversity, inclusion & leadership

More perspectives make us stronger.

- We continue our work towards the 30/30/30 gender equality target
- Participated in the Introduce a Girl to Engineering Day initiative
- Established a global network for female employees
- We strive to have both male and female final candidates in management recruitment



A selection of initiatives in 2025

Skills & development

We continue to strengthen learning and development across the entire organisation.

- Launched an internal training platform
- Launched a global mentoring programme to promote personal development and knowledge sharing across functions and levels
- The Junior Engineer Training Programme (VJET) continues to be an important channel for attracting new talent and future engineers



Customer-focused development

Innovation on the farmer's terms.

- Continued development of digital solutions to strengthen safety, efficiency and confidence in the field
- An important step towards a more connected and sustainable agriculture is the launch of Väderstad E-Connect, enabling farmers to monitor machine performance in real time, analyse efficiency and make decisions based on up-to-date data



9 years
Average length of employment at Väderstad



Väderstad takes responsibility:

We support one another – that’s how we get through

After the storm in North Dakota, Väderstad employees demonstrated decisiveness and care.

In June 2025, a powerful storm with hurricane-force winds swept across eastern North Dakota, near Väderstad’s facility in Wahpeton. Winds exceeding 160 km/h caused extensive damage to buildings, crops and infrastructure in several communities, including Page, Erie and Hunter.

One of those affected was Sawyer Burchill, Product Manager for Planters in North America, who lives just outside Hunter.

– I woke up in the middle of the night to the sound of the wind. When it was finally over, we had damage to both our buildings and grain silos, and we were without electricity for several days, he recalls.

Soon afterwards, Sawyer learnt that a neighbour’s soybean planter had been completely destroyed when the barn collapsed.



He was left, right in the middle of the season, with no way to replant. It felt natural to help.

With the help of one of Väderstad’s demonstration machines, a Tempo L 24-row planter, Sawyer and his neighbour were able to plant several hundred hectares of soybeans together.

– It was real teamwork. We helped each other, just as we do here. That’s how we get through these things, says Sawyer.

The effort became a tangible example of how Väderstad’s values of care, commitment and responsibility are practised in everyday life – far beyond the factory gates.



A workplace centred around people

Interview with Johan Elmenius, Manager of Quality and Väderstad Production System, VAB.

What does the new assembly hall mean for us?

– It is much more than just a building. Hall 75 is a place where we set the standard for how we want to work in the future. We have based it on the Väderstad Production System – VPS – with the operator at the centre. It is about creating safer, smarter and more sustainable working methods that also give us better conditions to achieve our long-term production goals.

Can you give an example of an improvement?

– For example, we have reduced the number of forklifts and now use tow trains instead. This makes the working environment much safer for everyone working or moving around the area.

How does this show in day-to-day work?

– We have made it easier for assemblers to follow our principle of ‘right from me’ in The Väderstad Way. All the materials needed for each station are packed and delivered at the right pace. This saves time, reduces stress and makes it easier to get things right from the start.

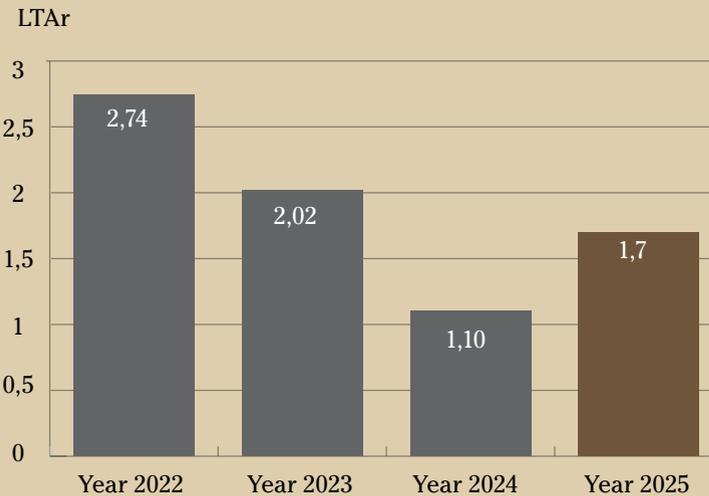
Objectives & achievement of objectives

LTAr (lost time accident rate)

Target: The target for FY 2025 was an LTAr of 1.2.

Definition: A measure indicating the number of lost time accidents, related to the working hours of 100 full-time employees over a calendar year.

Our comment: *We have not achieved this year's target and are breaking a long-standing positive trend. No lost time accidents have occurred at VCAB or VCA. We are introducing extended induction for our assembly staff as a measure moving forward to reduce the risk of accidents.*



Respectful culture

We are not aware of, nor do we have any indications that we have been exposed to or involved in any violations of human rights.

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Number of whistleblowing cases.

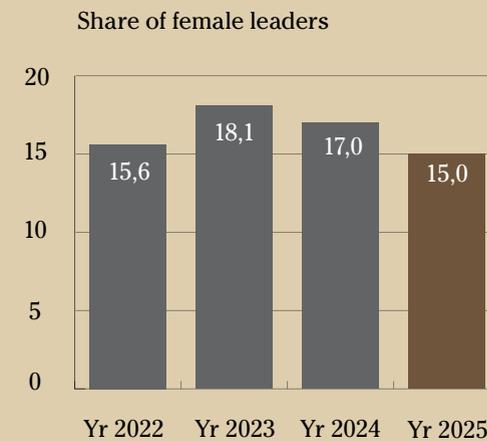
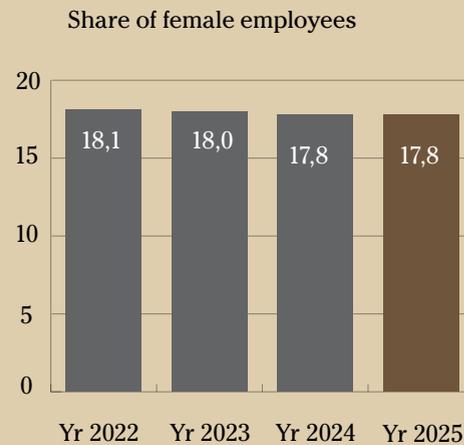
Diversity

Target: The target for FY 2025 was 19% for both categories.

Definition: 30/30/30

Our long-term objective is to have 30% women in total and 30% women in leadership positions by 2030. .

Our comment: *In recent years, we have had significant recruitment needs and have therefore focused on bringing more women into the organisation. Some of these gains have been lost over the past two years due to the redundancies during FY24, as those affected had shorter periods of employment. Some of these individuals left during the year. On the leadership side, more women than men left during the year, and replacements have not been made at the same pace, resulting in a lower outcome in this category.*



Employee Engagement Index

Target: The target for FY 2025 was for the engagement index to exceed 8.0 out of a possible 10.

Definition: A measure of engagement showing an index derived from a combination of various questions in our annual employee surveys.

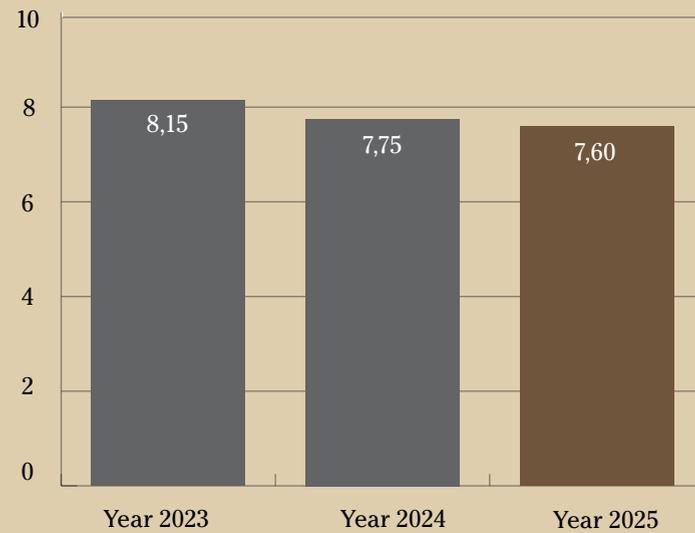
Our comment: Our engagement index has decreased slightly over the year and our result is lower than our target. As a result, we have introduced several measures. However, our result still aligns with the industry average for the manufacturing sector.



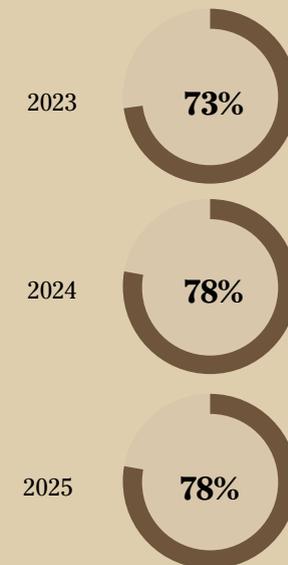
Through our regular employee surveys, we gain a measure of engagement at Väderstad. Engagement reflects how we are doing as a company – when our employees are content, feel proud and involved, we collectively generate the drive that moves Väderstad forward. That is why we monitor this closely, so we can act accordingly.

– Patrik Dahl, SVP Human Resources

Employee index



Response rate



Planet

About the focus area:

Sustainability in every pass

PLANET is about taking responsibility for the earth's resources – from how our machines are manufactured to how they are used in the field.

We develop solutions that enable farmers to grow more with less impact. Through precision, efficiency, and innovation, we reduce our climate footprint and strengthen the resilience of agriculture.

Every pass counts – for the farmer, for the soil, and for the future.



Together we cultivate a sustainable future

At Väderstad, we take responsibility for the land we cultivate and the resources we share. Through innovation, care and a long-term perspective, we develop machines that help farmers grow more with less impact – for healthy soils and a sustainable future.

Challenges we face

The world is facing major changes that affect both agriculture and industry. For Väderstad to contribute to a more sustainable food system, we need to address several simultaneous environmental and climate challenges – from energy use to resource management and circularity.

Climate and resources

Climate change and shortages of land, water and energy are reshaping the conditions for agriculture. To meet future needs, innovations are required that strengthen soil health and increase resource efficiency both in the field and in production.

Materials and waste

The manufacture and operation of our machines involve energy-intensive processes. The way forward lies in circular flows, smarter design solutions and more efficient use of materials.

Chemicals and health

Painting and manufacturing involve the use of chemical substances. Their use and handling must be carried out with care, with continuous identification, risk assessment and substitution of substances that may have a negative impact on people or the environment.

Transport and energy

Global supply chains and material flows give rise to emissions. The transition to fossil-free transport and renewable energy is crucial to achieving climate targets.

How we work

Our work for the planet is about taking responsibility – both for how our machines are manufactured and for the impact they have when used in the field. Through innovation, knowledge and collaboration, we drive development towards more sustainable agriculture and reduce our own environmental impact throughout the entire value chain.

Promoting sustainable farming systems

Agriculture's environmental challenges guide the direction of the machines we develop. Our agronomy team analyses needs and brings together expertise from within the company as well as from external stakeholders. To verify the contribution of our machines to sustainable farming systems, we carry out extensive testing and collaborate with trial farms, universities and other industry partners.

Our innovations focus on saving inputs and fuel, reducing the number of passes in the field and preserving soil structure – strengthening carbon sequestration, reducing erosion and supporting good soil health. High precision in seeding and tillage improves water and nutrient management, which in turn reduces nutrient losses and supports long-term soil fertility.

We develop machines that perform under changing climate conditions and help farmers farm sustainably even during extreme weather variations. Through long-term field trials, we monitor how our solutions affect soil health, fuel consumption and yield outcomes over time.

Sustainability aspects PLANET

- Promote **sustainable farming systems** in agriculture
- **Optimise the use of materials, minimise waste, and reduce emissions** that are harmful to animals and plants.

Every improvement we make to our machines is also an improvement for the land that is cultivated.

Long service life and high operational reliability are also central elements of our environmental work. Our machines are designed to be repaired, upgraded and used over a long period of time – reducing the need for new production and strengthening sustainability across the entire farming system.

Energy and climate

We calculate our greenhouse gas emissions within Scope 1 and 2 and have initiated work on Scope 3, which covers the entire life cycle of our machines. Emissions within Scope 1 and 2 mainly arise from the use of electricity, natural gas, district heating, vehicle fuels and refrigerants.

In Sweden, we use 100 per cent renewable electricity, accounting for approximately 55 per cent of the Väderstad Group's total electricity consumption. We continuously work to improve energy efficiency – for example by recovering waste heat for heating and through ongoing optimisation of operations at our facilities.

Our local energy groups monitor operational data, measure sub-consumption and continuously identify actions to reduce energy demand in paint shops, ovens, lighting, heating, ventilation and compressed air systems.

Climate-smart transport and travel

Transport between our Swedish units, as well as our shuttle trucks collecting materials from suppliers, is largely carried out by environmentally certified or fossil-free transport providers. We regularly review our logistics flows to minimise transport volumes as supplier structures and production flows evolve.

It is about thinking smart in everyday operations – constantly finding ways to reduce our energy use and make the most of what we already have.

Waste and chemical management

We continuously improve our processes and manufacturing methods to enhance the efficient use of raw materials and minimise the waste generated in production. In a similar way, we actively work to reduce harmful chemical substances in our products, from both an environmental and health perspective. We carry out risk assessments of our handling of chemical products.

We minimise substances listed on the REACH Regulation Candidate List, substances included under the Water Framework Directive, and substances classified as phase-out or risk reduction substances according to the Swedish Chemicals Agency's PRIO list. This is achieved by monitoring new substances introduced and by substituting existing substances. For substances present in our products, we report to ECHA's SCIP database.

Laws and regulations

Our environmental work is built on clear frameworks and responsibility at every level. We comply with environmental legislation in all countries where we operate and strive to meet – and often exceed – applicable requirements.

Väderstad AB (VAB)

Subject to permitting requirements under the Swedish Environmental Code

Väderstad Components AB (VCAB)

Subject to notification requirements with imposed precautionary measures

Väderstad Industries Inc. (VCA)

Complies fully with The Saskatchewan Environmental Code

Väderstad Inc. (VUS)

Complies with the North Dakota Department of Environmental Quality and the Clean Water Act

Regardless of location, the same principle applies: to take responsibility for our impact, work preventively and contribute to a cleaner, more sustainable environment.

Policies within PLANET

- Project Policy
- Travel Policy
- Company Car Policy

The life cycle of our machines

We have divided the life cycle of our machines into five stages. The sustainability aspect of promoting sustainable farming systems within agriculture is described in more detail under section 4, Use. The other sustainability aspect is addressed throughout the entire life cycle.

1. Raw materials/inputs

The raw materials used in our machines mainly consist of various types of steel, plastics, rubber and electronics. We place high demands on our suppliers, and material choices are based on thorough selection processes and testing. Our requirements are clearly defined in our Supplier Code of Conduct.

2. Production

Vår största direkta miljöpåverkan sker i våra fyra produktionsanläggningar. Här påverkar vi miljön främst genom energianvändning, transporter, avfall och kemikalieförbrukning genom framförallt vår färg. På VAB används en lösningsmedelbaserad färg i produktionen och på övriga tre produktionsenheter används istället en pulverbaserad färg.

3. Distribution

We continuously optimise our transport and delivery processes to minimise environmental impact. We apply a shuttle truck system for the majority of inbound material deliveries from our suppliers to VAB and VCA, and coordinate outbound deliveries wherever possible.

4. Use

Our machines are designed to be safe to operate and to contribute to efficient, sustainable and profitable farming. We train our customers, both at delivery and on an ongoing basis, on how to get the most out of their machines from a resource-reduction perspective. In the same way, our various tillage and seeding methods and machine concepts are designed to operate efficiently in terms of resource use. Significant development focus is placed on manufacturing machines that perform multiple operations in a single pass, allowing tillage to be reduced and adapted to specific needs and soil types. Seed rates, fertiliser and crop protection products are reduced through increased precision at sowing. Through ultra-shallow tillage, the risk of soil erosion is reduced while conditions for increased carbon sequestration in the soil are improved.

5. End-of-life management

Designing machines with a long service life and minimal maintenance is a hallmark of Väderstad. Wear parts for our machines are manufactured using an optimised hardening process that extends their service life. Spare parts are provided for all previously produced models, contributing to long machine lifetimes and high residual values.

Machine life cycle

1. Raw materials
2. Production
3. Distribution
4. Use
5. End-of-life management



A selection of initiatives in 2025

– For a sustainable agriculture

Sustainable cultivation concepts

Innovations that enhance soil health and optimise resource efficiency.

- Spirit and Inspire:**
 Further developed with a new couler that ensures more consistent sowing depth, fewer passes and reduced fuel consumption – for more resource-efficient and climate-friendly farming
- CrossCutter Disc for Carrier:**
 A new configuration with three rows of discs enables shallower and more resource-efficient soil cultivation, preserving carbon, moisture and microbial activity in the soil – while also reducing fuel consumption and the need for chemicals
- Tempo and Proceed:**
 A new row unit that increases sowing precision and enables more efficient use of inputs – resulting in higher productivity with lower climate impact
- E-Connect:**
 A new era of connected machinery providing farmers with real-time data on machine performance and energy use, supporting smarter decisions, reduced downtime and more sustainable operations in the field



Collaborations and field trials

Field-based research – real data for future cultivation concepts.

We are driving the development towards more sustainable agriculture through our own trials and industry collaborations. Our farms act as hubs for testing and developing tomorrow's cultivation concepts.

- New approach initiated at our own trial farms to collect data and test our cultivation concepts in the field
- Ongoing strengthened collaboration with universities, seed companies, advisory organisations, trial farms, farmers and tractor manufacturers
- Our precision seed drill, Proceed, continues its collaboration with Absolut Vodka – conducting field trials on wheat with the ambition of reducing climate impact throughout the entire value chain

Enhanced knowledge and competence

More knowledge – a stronger sustainability culture and a deeper understanding of the customer.

To increase understanding of the sustainability challenges facing agriculture, we have invested during the year in strengthening agronomic expertise throughout the company – from production to management.

- Strengthened expertise in the agronomy team at P&D
- Internal knowledge initiative on the intranet: new agronomy pages and an advent calendar with an agronomy theme
- New system for digital learning and skills enhancement for training in our aftersales department
- Training in sustainability issues for management and the board



A selection of initiatives in 2025

– Our environmental impact



Local Initiatives with global impact

For us, sustainable production is about continuous improvement in our processes – in daily operations, manufacturing, and every decision that moves us forward.

The following pages highlight examples of how our sites put sustainability into practice – from major projects to small enhancements that deliver results.





Our environmental impact VAB

As our largest production site, VAB plays a central role in efforts to reduce climate impact across the entire value chain. Over the past year, we have focused on improving energy efficiency, reducing emissions, and enhancing chemical management – three key elements of sustainable manufacturing.

Energy and climate

Data that drives energy efficiency

To achieve real change, we need to understand where energy is used. Through a comprehensive energy audit, we have identified sub-flows and concrete saving opportunities – results that deliver rapid impact.

- Adjusted control of airflow in our existing paint facility is estimated to save **200 000 kWh per year**
- Improved shutdown routines during holiday periods have reduced electricity consumption by **17 %**
- Compressed air leaks have been rectified, and ventilation and lighting have been optimised to reduce energy use

Waste and chemicals

Focus on recycling and safe processes

Reducing waste and managing chemicals responsibly are an integral part of our environmental work.

During the year, we have strengthened our procedures and identified new circular solutions.

- Source separation has been expanded to additional offices and canteens
- Procedures for the reuse of components have been improved
- Several chemicals have been replaced with safer alternatives, and digital management of safety data sheets has been introduced

New paint facility

In our new paint facility, laser cleaning and a water-based primer enable us to reduce the solvent content in the topcoat. The result is both a lower environmental impact and a longer service life for our machines.

Laws and regulations

We comply with all conditions in existing environmental permits and work in parallel to update permits in line with the development of our operations.

To reduce the impact on neighbouring communities, we have implemented noise-reducing measures, including modifications to ventilation systems and improved control of airflow.

In addition to reduced emissions from our production, the new paint system provides improved corrosion protection, extending the durability of our machines.



Our environmental impact VCAB

In Överum, where we manufacture wear parts for our machines, this year's focus has been on reducing energy consumption in our most resource-intensive processes and strengthening control over chemical management.

Energy and climate

Energy-efficient production

During the year, several initiatives were implemented to reduce energy consumption in our most energy-intensive processes, in particular press hardening. In connection with the expansion of our disc line, we have optimised temperature control in our furnaces in order to reduce heat losses and energy demand.

As part of our systematic energy management, we carried out a comprehensive **energy audit** during the year and installed new metering equipment, enabling electricity consumption to be monitored at a detailed level. This provides a stronger decision-making basis for steering production towards the most resource-efficient use of electricity and identifying new areas for improvement.

Compressed air systems have also been a key focus area. Through regular leak detection, more efficient control and clear shutdown procedures during production stoppages, we reduce unnecessary consumption. In addition, the heat generated by the compressors is recovered and used to heat our facilities.

Chemical management

Better oversight, fewer risks

We have further improved our process for risk assessments of chemical products. During the year, several chemical products have been substituted with less hazardous alternatives. We have also introduced new procedures for the storage of products within our operations and implemented digital management of safety data sheets.

Laws and regulations

We comply with all requirements set out in decisions issued by the environmental authority.

Through new technology, smarter control and careful monitoring we are taking steps towards more efficient and sustainable manufacturing of wear parts.

Sustainability embedded in the steel

Interview with Dan Somlin, Managing Director, VCAB.



At Överum, Väderstad Components manufactures some of agriculture’s most exposed parts – discs, points and packer rings. The philosophy is straightforward: to produce original parts of the highest quality and functionality, tailored for tough conditions.

– One of our greatest strengths is having our own production of wearing parts. This means we can guarantee quality, functionality and durability – both for the machine as a whole and the components that work the soil,” says Dan Somlin, Managing Director of Väderstad Components.

Our in-house manufacturing also gives us complete control over every step of the production process. In Överum, the processes are now highly automated, with robots, controlled temperature management and meticulous quality monitoring. No human hand touches the products during manufacture – something that ensures high precision, consistent quality, an improved working environment and efficient use of resources.

Alongside production development, Väderstad Components has taken several steps to reduce environmental impact. Energy consumption in the most demanding processes has been optimised, heat is recovered, and systems for monitoring electricity usage have been improved. Chemical handling has also been strengthened with safer products and digital routines that minimise risks in daily work.

Demand for discs – especially for the CrossCutter Disc – is rising rapidly.

– With today’s demand, we need to expand capacity with a new production line, which is currently being built. This is clear proof that our commitment to quality, innovation and sustainable production is delivering results, concludes Dan Somlin.



Knowledge of the details makes all the difference

Three questions for Kent Karlsson, SHS Engineer, VAB.

When Väderstad AB conducted a specific energy measurement in Lack 1, the results quickly became clear. By analysing sub-flows and control curves, the team was able to identify several opportunities for improvement – one of which led to the greatest energy saving so far.

How has the specific energy measurement in Lack 1 helped you become more energy efficient?

– By gaining insight into our sub-flows, it has become easier to prioritise where to take action. When we analyse the curves, we can quickly spot anything unusual and respond immediately.

Can you mention a concrete measure you have implemented thanks to these analyses?

– We have changed how we control the air from the paint and pump rooms when no production is running. It was a relatively simple adjustment, but with a significant impact.

How much saving does this change mean?

– Our calculations show that we will save about 200,000 kWh per year thanks to this measure. It is the single largest energy saving we have made during the year.



Our environmental impact VUS

At our site in Wahpeton, USA (VUS), we continue to reduce our climate footprint through electrification, more efficient flows, and smarter assembly – step by step towards sustainable production.

Optimised flows and electrification

Throughout the year, Väderstad in the USA has focused on streamlining production and reducing its climate footprint through optimisation, electrification, and improved working methods. By producing more components as needed, rather than stockpiling, we have been able to reduce unnecessary internal transport and simultaneously create a more efficient production flow.

Electrification

Several diesel-powered trucks have been replaced with electric ones – a change that both reduces emissions and contributes to a quieter, more pleasant, and energy-efficient working environment.

Optimisation of assembly and transport

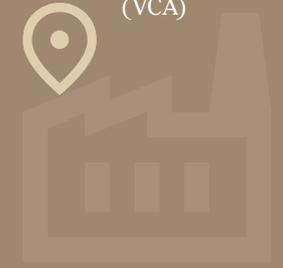
One of the year's major focus areas has been the **MAX Bundling project**, where we have developed and refined our approach to assembly and transport optimisation. Through clear instructions, structured station assembly, and smart packing, we ensure that each part is sent correctly, in the right order, and with all the necessary materials. This makes assembly easier for our dealers, reduces waste, and strengthens quality throughout the delivery chain – which in turn contributes to a smaller climate footprint.

Laws and regulations

We comply with all relevant environmental and reporting requirements in the USA.

Quality and the environment go hand in hand – the MAX Bundling project demonstrates how smarter ways of working both strengthen our sustainability efforts and make a real difference in the field.

– Martin White, SVP VUS



Our Environmental Impact VCA

At our site in Langbank, Canada (VCA), we continue to reduce our climate impact through smarter energy usage, safer chemical handling, and more efficient material flows.

Energy and climate

Resource efficiency at every stage

Although energy mapping is not a legal requirement in Canada, we have chosen to work in the same way as at our European facilities. This provides us with a common standard for energy efficiency across the Väderstad Group.

- Initiated monitoring of compressed air leakage
- Optimised control of compressors for compressed air
- Installed an adaptive heating system for office premises

Waste and chemicals

Focus on recycling and safety

We have developed a new return system for recyclable transport packaging to reduce the use of disposable materials and streamline logistics flows. In addition, we have introduced new procedures for handling wooden pallets, which has reduced both storage requirements and waste.

Safer chemical handling

We have improved our procedures for managing both powder paint and waste oil, creating a safer working environment and reducing the risk of leaks into the environment.

Laws and regulations

We have carried out reporting in accordance with Canada's new PFAS requirements, which enhances transparency in our chemical management and prepares us for future environmental legislation.

We have improved our procedures for handling both powder paint and waste oil. This has made the working environment safer and reduced the risk of anything leaking into the environment. – Jason Wasyluk, SVP VCA

Smartare flows with MAX Bundling

Interview with Josefin Hedborg, Design Manager, VAB.
Josefin spent two years at our US factory as part of our exchange programme.



What is the MAX Bundling project about?

– MAX Bundling is about optimising assembly and transport to reduce waste, save time and improve quality. Previously, we had a more manual process where assemblers had to collect parts themselves and tasks lacked a clear sequence. Now, we have created a station-based flow where each step is structured, with clear instructions and the right parts in the right place. This makes it easier to do things right – every time.

What impact has it had on the business?

– By taking ownership of a larger part of the assembly process ourselves, we can verify quality before the machines are sent on to dealers. Everything is packed in an organised way so that final assembly is quick and smooth, without unnecessary waste or rework. This means lower material consumption, fewer errors and a smaller climate footprint.

What has driven the project forward?

– What is most impressive is that we have achieved this with very small investments. We have used our existing resources more intelligently – that is true resource efficiency. The work also gained additional momentum through deliveries to Ukraine, where four QX2 cultivators were assembled and put into operation in the fields. That project became a strong demonstration of how quality, collaboration and responsibility can make a real difference – both for us and for agriculture there.



Small changes can make a big difference

Three questions with Dwayne DeDecker, Maintenance Manager, VCA.

When Väderstad in Canada improved the control of its air compressors, the results were clear – lower energy consumption, a more stable indoor climate and an even better working environment. We spoke to Dwayne DeDecker, who helped drive the project.

What was the starting point for the project?

– We saw that some of the heat from our compressors was simply being released into the air. Instead of letting it go to waste, we started looking at how we could recover that energy. It was about thinking a bit smarter – not bigger.

What difference has the change made?

– We now use the waste heat to warm our production areas during the winter. This saves energy, provides a more even temperature and reduces wear on the heating system. You can actually feel the difference as soon as you walk into the building.

What does sustainability mean to you in your day-to-day work?

– For me, it's about making small improvements all the time. When everyone thinks that way, a lot can happen. It doesn't have to be major projects – often it's the details that make the biggest difference in the long run.

Väderstad Takes Responsibility

The Taste Lab – making the farming year accessible to more people

During the summer, Väderstad took part in The Taste Lab, an initiative by Mjölby municipality where food meets innovation. The aim was to spark interest and increase knowledge about sustainable food production for the future.

At the entrance, visitors were greeted by Väderstad’s own exhibition – a journey through the Swedish farming year, from autumn to summer. Through interactive elements, scents, colours and playful texts, we wanted to help people understand how food actually begins.

– We wanted to make farming accessible to a wider audience and show how everything is connected – from soil to table, says Emma Sandelius, Communications Strategist at Väderstad. It was an especially enjoyable assignment where we challenged ourselves to create content that engages both adults and children.

The Taste Lab became a meeting place where businesses, researchers and the public could come together – and where Väderstad was able to contribute the foundation of it all: knowledge about the soil and the farming year.

The Taste Lab has been a unique concept where food meets innovation and sustainability.



Quick Facts about The Taste Lab

- Number of weeks: 4
- Number of visitors: 12 500
- Number of lectures: 18

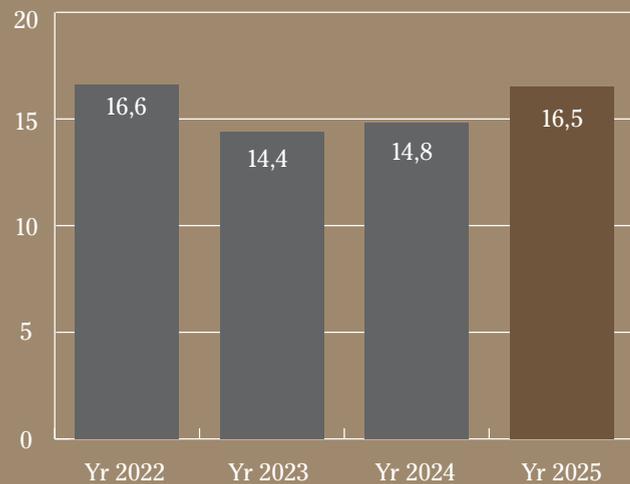
Objectives & achievement of objectives

Energy

The Väderstad Group has adopted a long-term goal of achieving net zero greenhouse gas emissions by 2045, in line with Sweden’s commitment under the Paris Agreement. In our efforts towards net zero emissions, we have focused this year on improving energy efficiency at our production facilities. We measure this as electricity and natural gas consumption (kWh) per number of hours worked. The target for FY 2025 was to remain at the same level as the previous year.

Our comment: *We have not quite reached this year’s target. This is mainly because we have not had the opportunity to reduce our energy consumption at our factory in the United States, and the start-up of our new paint facility in Väderstad has taken longer than planned. Both Canada and Överum have achieved their goals thanks to the measures we have implemented in their operations.*

kWh electricity and natural gas/working hours



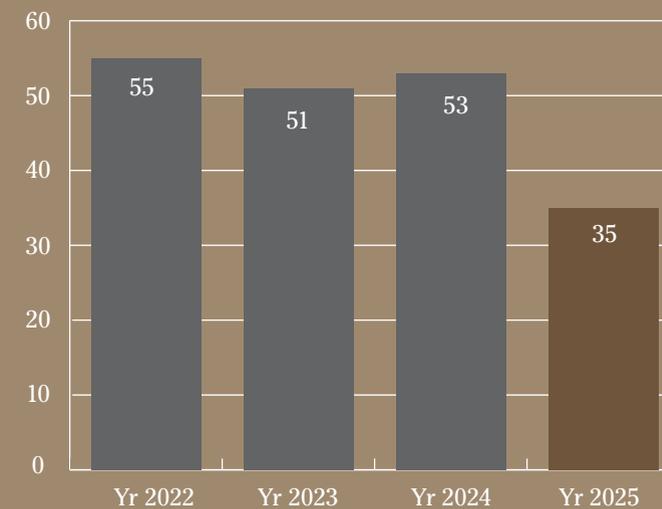
Waste & Chemicals

Other metrics for waste and chemicals that we monitor include material yield and the amount of scrap, as well as the number of chemical products we use and how many of these products are subject to various restrictions.

Legal requirements

The environmental permit for VAB includes a restriction on the amount of volatile organic solvents we are allowed to use. Consumption refers to the previous calendar year, not the financial year. We are well below the regulated limit of 150 tonnes.

Solvent consumption (tonnes) VAB

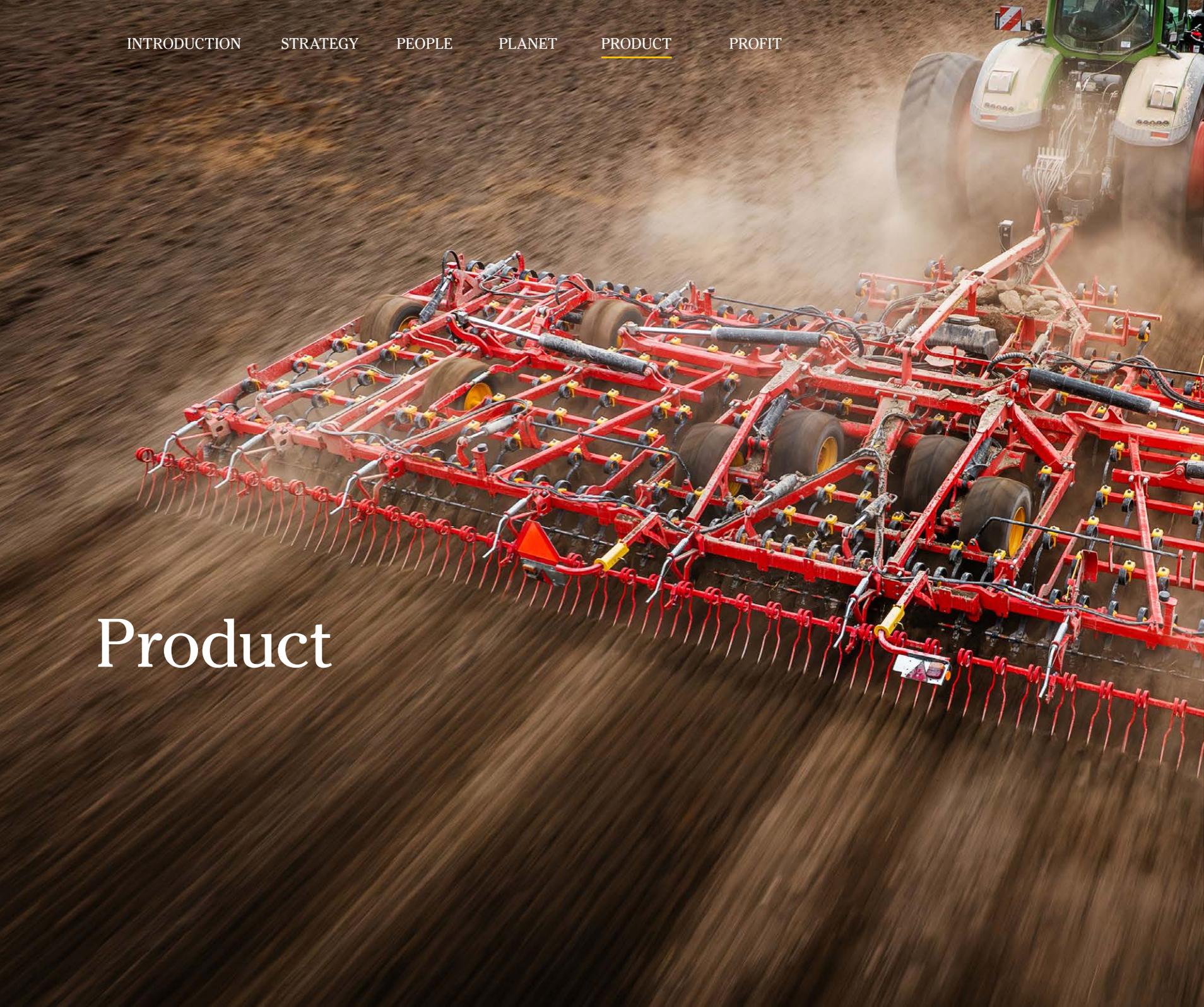


Greenhouse gas emissions*

5685

*Tonnes of CO2-equivalents, Scope 1 & 2, production units

Product



About the focus area:

Sustainable performance in field

PRODUCT is about developing machines that deliver performance in the field – with precision, efficiency, and reliability at every stage.

Through continuous development and rigorous quality assurance, we create solutions that enhance both the profitability of agriculture and the sustainability of the future.

Machines that last – so that farming can do the same.

Together we develop performance for the future

At Väderstad, we take responsibility for the land we cultivate and the resources we share. Through innovation, care, and long-term thinking, we develop machines that help farmers grow more with less impact – for healthy soils and a sustainable future.

Challenges we face

Agriculture is evolving rapidly. New demands on productivity, soil health, and climate impact are influencing how machines are used and developed. For Väderstad, sustainable product development means creating machines that unite performance, quality, and longevity – technology that strengthens both efficiency and sustainability in the field.

Development in line with needs

Changing cultivation systems, climate, and crops require technology with high precision and adaptability. The challenge is to develop machines that operate effectively under varying conditions and meet future needs without compromising reliability and results.

Design for longevity and serviceability

The lifespan of machinery is crucial for both sustainability and profitability. The challenge is to extend operational life through robust construction, service-friendly design, and access to spare parts. Modularity and upgradability reduce resource use and enhance customer value.

Innovation with practical benefit

Digitalisation and automation create new possibilities – but the technology must deliver tangible benefits in everyday use. The challenge is to develop intuitive and user-friendly solutions that lead to concrete improvements in the field.

Quality assurance throughout the entire value chain

Global manufacturing and long supply chains place high demands on quality assurance. The challenge is to maintain the same standard at every stage – from the selection of components to delivery – so that every machine lives up to Väderstad’s promise of sustained performance.

How we work

Väderstad’s business is founded on creating the best conditions for crop establishment and emergence. We combine agronomic expertise with engineering skill to develop efficient and sustainable machines for soil cultivation, sowing and precision seeding.

Product development with sustainability in focus

Our product development is guided by a clear process where innovation and responsibility go hand in hand. We analyse trends and needs in agriculture, monitor changes in cultivation systems and climate, and identify which challenges our machines should help to solve. This ensures our innovations are always closely linked to real needs – from improving soil health to reducing energy consumption in the field, all while delivering the highest possible yield.



Sustainability aspects PRODUCT

- Develop **innovative, efficient, and sustainable** products
- Ensure **high product quality**

Innovation is not just about new technology – it is about solving real problems for real farmers.

To drive development forward, we actively collaborate with universities, colleges, and technology partners in areas such as durable materials, digitalisation, and energy optimisation. Through the **IndX** collaboration, together with Linköping Science Park and six major industrial companies in the region, we explore solutions from start-up companies within sustainability, connected machinery, and autonomous technology.

Digitalisation is key to this progress. By harnessing data and automation, we can increase precision in the field, reduce fuel consumption, and avoid unnecessary work steps – saving time, resources, and the environment. Our ambition is for technology to always provide practical benefits for the farmer, whilst also contributing to a more resource-efficient and sustainable agriculture.

Already at the design stage, we work from a **life cycle perspective**. This means we consider the machine's entire lifespan – from material selection and manufacturing to use, service, and recycling

Ensuring high product quality

High quality at every stage is Väderstad's hallmark. Our customers should be able to trust that every machine, regardless of where in the world it is used, meets the highest standards. We therefore offer a two-year warranty on all machines and a lifetime guarantee on our wearing parts – thanks to a unique steel alloy that combines hardness with elasticity, ensuring durability through many years of use.

To deliver this quality, a world-class production environment is required. We continuously invest in new equipment and improved processes that increase efficiency, reduce waste, and strengthen our sustainability performance. A central part of this work is to reduce the climate impact of our production through energy efficiency measures and a transition to renewable energy at our facilities.

But quality is not just about technology – it is also about culture. Our work is characterised by continuous improvement and standardised working methods, which means we are constantly developing how we operate. Väderstad's Swedish operations are certified according to **ISO 9001**, which means our processes are systematically monitored and improved.

We work closely with our suppliers to ensure that the entire value chain maintains the same standards. We set high requirements for materials, components, and production methods – and carry out both laboratory and field tests to ensure everything meets our demands for performance and durability.

Quality is not a checkpoint at the end of the process – it is a value that permeates everything we do.





In our own development laboratory, Väderstad Components (VCAB) – Materials Technology Lab, we continuously test new materials and methods. The aim is to find the perfect balance between strength, longevity, and resource efficiency – whilst also reducing the environmental impact of manufacturing.

*The best ideas are born in the field
– in conversations with farmers who
challenge us to think differently.*

An important recipe for success in this work is our close collaboration with suppliers. Through joint improvement programmes and long-term partnerships, we have seen a clear reduction in complaints and quality deviations. We focus on joint problem-solving and continuous improvement — without ever compromising on safety or quality.

Knowledge, training, and sustainable usage

For our machines to reach their full potential, more than just technology is required — it takes knowledge and close cooperation with those who use the machines. That is why Väderstad works in close dialogue with farmers at every stage — from development to use.

From the very outset of product development, we collaborate with customers worldwide to gain a deep understanding of their needs, challenges, and future requirements. Their experience and insights are invaluable to us when designing the next generation of machines. In this way, we ensure that every innovation is not only founded on technical excellence, but also on real-world conditions in the field.

Our mission is clear: **to simplify work and improve outcomes for the farmer.** This means our machines must be intuitive, user-friendly, and designed for genuine operating environments. But it also means we are there as a partner – during start-up, in operation, and throughout the entire lifespan of the machine.

Through our training programmes, digital tools, and field support, we help farmers to optimise the use of our machines in ways that maximise both productivity and sustainability.

We know that correct usage can make a significant difference – not only for the harvest, but also for soil health and the climate. Our field support offers practical assistance on-site, while our experts continually train customers and dealers to ensure that knowledge evolves in step with technology.

In this way, education and customer support become an integral part of our sustainability chain – from concept and innovation to use in the field. We see it as a shared responsibility to ensure technology is employed in a manner that benefits both the farmer and the planet.

Innovations of 2025

Three disc axles for increased field performance

- New configuration with three disc axles for Carrier XT and XL for maximum processing intensity
- 50% more discs in the ground provide greater intensity and improved management of crop residues
- Refined design enhances weed control even in challenging conditions, delivering more consistent results
- The machine can be equipped with several disc options for optimal flexibility and longevity

50%

Higher intensity



New row unit for Tempo and Proceed – The next step in precision seeding

- Completely new design that sets a new standard for precision, speed, and user-friendliness
- Electronic seed depth adjustment – controlled from the guidance file for maximum accuracy
- Improved seed placement at high speeds ensures more uniform emergence and higher yields
- Modular design with multiple configurations and upgraded components for the future of precision farming

Innovations of 2025

Spirit & Inspire – New generation with TriForce II

- The new patented TriForce II coulters provide even more consistent sowing depth and greater precision
- Increased coulters pressure and improved stability result in more uniform crop emergence
- Hydraulic depth adjustment from the cab enables quicker and easier changes
- This takes precision and in-field results to the next level



E-Connect – Smart connectivity for more efficient farming

- A digital platform that provides complete visibility into your machinery's activities and performance in real time
- Integrates seamlessly with Farm Management Systems for smoother data flow
- Transforms machine data into decision support – reducing downtime and boosting efficiency
- The user-friendly interface makes it simple to monitor, analyse, and optimise field operations

A selection of initiatives in 2025

Ensuring high product quality

At Väderstad, we work systematically to enhance quality at every stage. Improved routines, follow-up, and digital tools help reduce deviations and minimise material waste.

- At **VAB**, our improvement programme within welding and painting continues in order to reduce internal complaints and rework.
- At **VCA**, digital tools such as the Weld Check Sheet have made it possible to detect quality deficiencies earlier and establish consistent working methods across production lines.

33%

Fewer quality defects in welding and painting operations at VAB.

Quality work through collaboration and engagement

Through teamwork, responsibility and involvement, we foster a culture where quality and sustainability go hand in hand.

- On all of VAB's assembly lines, a working method has been introduced where ongoing process audits and final inspections are carried out to ensure the level of quality and to strengthen team spirit.



More efficient production & reduced resource use

Through the development of technology, methods and logistics, we are reducing resource consumption without compromising on quality.

- At **VCAB**, improved cutting technology and new milling machines have reduced cutting times and energy consumption without compromising on quality.
- At **VUS**, improved goods handling has reduced damage, repainting and material waste



Quality culture in practice

Interview with Hedda Angelöv, Team Captain NZX/SHE.



What measures have you implemented this year to improve the quality of our machines?

– We carry out ongoing process audits to ensure that we adhere to our established working methods and quality templates. In addition, final inspections are conducted on all products before delivery, ensuring that each machine meets the standard we promise.

What effects have you seen from this work?

– In addition to improved quality, we have clearly noticed how teamwork within the group has been strengthened. Everyone is more involved, communication works better and we avoid unnecessary rework – something that both conserves resources and reduces our environmental impact.

With our digital Weld Check Sheet, we can detect problems earlier, reduce downtime and at the same time cut down on paper usage – small steps that make a big difference in everyday life.

– Sean Westerlund, VCA



Award for Crister Stark

Crister Stark has been awarded the **Royal Order of Vasa, Commander class**, for his outstanding contributions to Swedish industry and the agricultural sector.

The award recognises his long-standing commitment to innovation in agriculture and the development of practical, effective solutions for farmers.

I am truly deeply honoured by this award. Even though I am the one receiving the Order of Vasa, we have all been part of this journey and made the company what it is today,” says Crister Stark.

Objectives & achievement of objectives

At the group-wide level, we are working towards our long-term objectives of being the best in the industry when it comes to customer complaints, and the most reliable partner when it comes to delivery reliability.

Quality Cost

Target: The target for FY 2025 was 1.75%.

Definition: Warranty costs in relation to sales value over the past three years.

Our comment: *We have achieved this year's target.*

Outcome FY 2025

1,74%

Other metrics we monitor:

Delivery precision for machines and wear parts

Customer satisfaction through our ongoing customer surveys.

FGC, Faulty Goods Complaints.

ZH, Zero Hectares.



By monitoring quality costs, we can focus on the right things – preventing problems, learning from experience, and building products with even greater operational reliability and longevity. This is sustainability in practice – and a way to ensure that our machines perform as intended in the field, making life easier for our customers.

– Jörgen Dahl, SVP Product & Development

Profit



About the focus area:

Sustainable profitability in business

PROFIT is about creating long-term economic strength – for Väderstad, for the farmer, and for society as a whole.

Through cost awareness, efficiency, and stable growth, we can continue to invest in innovation, people, and sustainable solutions.

Economic sustainability is the foundation that enables sustainable performance – performance that drives the development of agriculture forward, generation after generation.

Strenght rooted in focus and responsibility

Despite a challenging year for agriculture, Väderstad stands stronger. By concentrating on cost efficiency, quality, and collaboration, we have bolstered our resilience and improved our results – an important foundation for continued sustainable growth.

Major fluctuations in the markets

The financial year 2025 has continued to be challenging for agriculture globally. The recession, interest rates, pressure on grain prices and political unrest have impacted many of our markets. Despite these challenges, we have managed to remain resilient, largely thanks to a flexible organisation, a clear focus on costs and close dialogue with our customers. By acting swiftly and adapting our operations to changing circumstances, we have strengthened both efficiency and stability across the entire Group.

Canada

In Canada, we have experienced a record year and have been able to sell more machinery than ever before. At the same time, we are now seeing a slowdown in the Canadian market, which meant that towards the end of the year we had to adjust our workforce to meet this new situation.

EU support and global trade fluctuations

In Romania, our customers have had the opportunity to utilise government support during the year to make their farms more efficient and invest in precision seed drills. This has resulted in a significant increase in sales in the Romanian market this year, but as the support is temporary, we expect the market to return to more normal levels going forward.

Trade tariffs and customs duties between North America and Europe have created uncertainty in the market and contributed to fluctuations in grain prices – which in turn has affected farmers' willingness to invest. Farmers' willingness to invest has an indirect impact on Väderstad, but the direct impact of tariffs has been very limited – thanks to the trade agreement between the USA and Canada and the fact that a large part of production for the American market takes place locally.

Continued support for Ukraine

Russia's war against Ukraine has continued to affect both our employees and operations in the region. Despite difficult circumstances, deliveries and service have been able to continue in the western and southern parts of Ukraine.

During the year, we have also sold a number of machines from our factory in the USA, some of which have contributed to the rebuilding of the country – more details can be found under the PLANET section. We have continued to support the employee initiative whereby staff at VAB weld stoves in their spare time, which are then sent to Ukraine. Similarly, our decision not to accept machinery orders from Russia remains in place.



Sustainability Aspect PROFIT

- Ensuring **stable** and **sustainable** **profitability** within the company

Investments for the Future

While we have maintained a clear focus on cost efficiency, we have continued to invest for the future:

- A new assembly hall in Väderstad has commenced operations
- New welding robots have been installed and work on the new paint facility is progressing
- We have moved into a new office and customer centre in the USA
- Preparations are underway for a change of business system – an important step to streamline our processes and strengthen resource management
- We have strengthened our presence in South America, particularly in Brazil, where adaptations to our machines enable us to contribute to increased resource efficiency and improved soil health

By concentrating on the areas within our control, we have enhanced our resilience and are now in a stronger position



Cost focus that strengthens the whole

Interview with Rebecca Nygren, CFO



What was behind the decision to implement a cost reduction programme?

– When sales declined a couple of years ago and, regrettably, we needed to reduce the workforce at Väderstad, it became clear that we had to review our costs in a more structured manner. We therefore launched a programme to reduce costs across the entire business – not as a one-off measure, but as a long-term approach.

How has the work looked in practice?

– All parts of the business have contributed. It's about optimising existing resources, identifying inefficiencies, and sometimes daring to prioritise a bit more firmly than before. We have also reviewed our supplier base and made changes that allow us to streamline our transport flows. At the same time, our energy efficiency efforts go hand in hand with this – lower energy consumption means both less environmental impact and reduced costs.

It sounds like this work also affects the company culture?

– Yes, absolutely. Talking about costs can feel tough, but it's really about responsibility and solidarity. We are building a culture where everyone sees opportunities for improvement, where small changes make a big difference. That's how we strengthen ourselves together – and it's a strength that will carry us forward.



The impact of tariffs on our operations

Interview with Mikael Peiponen, SVP Operations.

How have trade tariffs in recent years affected Väderstad?

– For us, the impact has been limited, since the majority of what we sell in the USA and Canada is produced locally in the USA and Canada respectively. We do have certain flows between our units, as well as suppliers who are on the “wrong” side of the border, but so far the effect has been limited.

In what way is this noticeable in day-to-day operations?

– Primarily, it requires more resources to monitor developments and ensure that we act correctly. The rapid changes in tariffs and regulations mean we always have to stay one step ahead.

How does this affect agriculture as a whole?

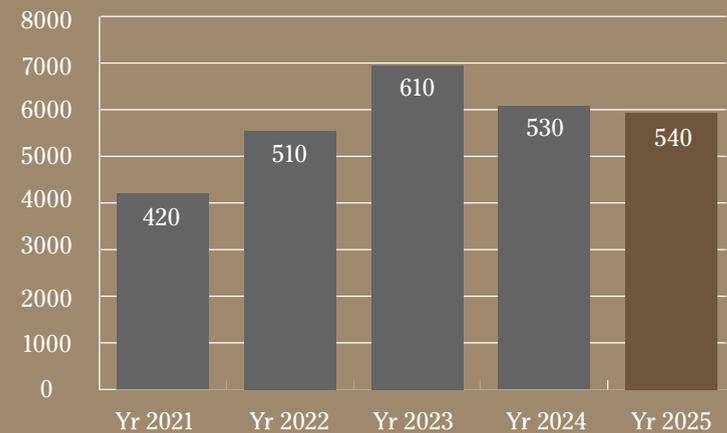
– It is actually at a global level that tariffs are most noticeable. When world trade is affected, we see effects on grain prices, which in turn influence farmers' ability to invest. That's why it's important for us to work with a long-term perspective and maintain flexibility in our flows.

Objectives & Achievement of objectives

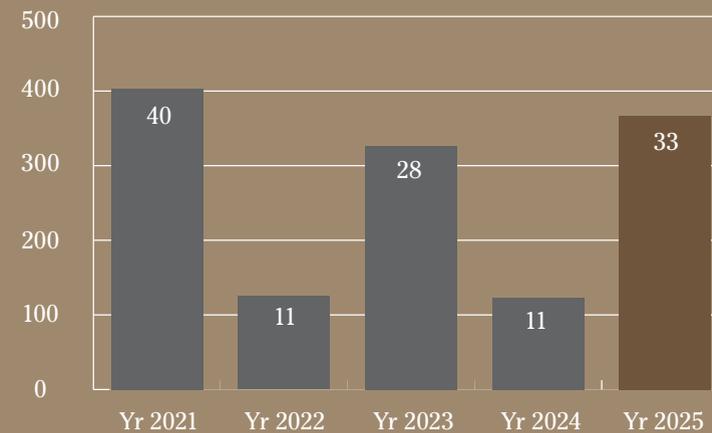
The target for 2025 was to achieve the same turnover as the previous year.

Our comment: Due to the industry downturn, we have not reached our targets despite the cost-reducing measures we have been forced to take, such as redundancies.

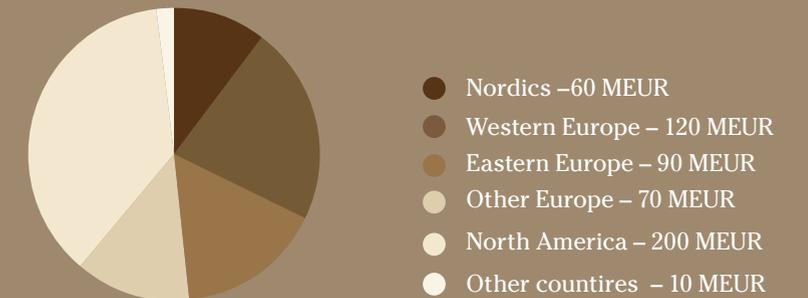
Sales MEUR



Result after financial items MEUR



Sales by region MEUR





Where farming starts