

Modern Slavery Statement 2021

Introduction

This is the first Modern Slavery Statement (“Statement”) for Husqvarna Australia Pty Ltd (“Husqvarna”), as required by the Federal Modern Slavery Act 2018.

The purpose of this statement is to outline our approach to ensuring that Husqvarna has robust frameworks and processes in place to minimise the risk of modern slavery in our business operations and supply chain.

At Husqvarna, we recognise that slavery can occur in many forms. This can include slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services.

Husqvarna is fully committed to operating responsibly, establishing and adhering to the highest ethical standards across our group. We will not tolerate any form of slavery within our business or supply chain and we are committed to eradicating all forms of modern slavery and ensuring all workers have decent working conditions and opportunity for personal economic growth.

Our structure, operations and supply chain

In Australia, Husqvarna is a sales, manufacturing and distribution company with over 200 employees. Husqvarna Australia Pty Ltd is a wholly owned subsidiary of the Husqvarna Group, a Swedish owned and publicly listed company established some 330 years ago.

The Australian business is made up of three divisions and two core brands. Our Husqvarna division specialises in forest and garden products and services. Our Gardena division caters to home and garden owners and our Construction division provides professionals with support, service and tools for the construction and stone industries.

This statement covers the activities of Husqvarna Australia Pty Ltd. For the purposes of this statement, the details of our key operations and the associated supply chains are as follows;

Area	Main operations	Supply chain
Husqvarna Brand Division (HBD)	<ul style="list-style-type: none"> • Sales and marketing • Call centre customer service • Frontline customer service • Finance and procurement • Technology and data • Warehousing and storage • Distribution and transport • Commercial, governance and investments 	<ul style="list-style-type: none"> • Finished products, parts and accessories • Office consumables and promotional merchandise • Technology (hardware, software and cloud services) • Utilities and professional services consultants who provide a service directly to Husqvarna (i.e. gardeners, cleaners, consultants) • Work attire (i.e. safety vests, logo shirts) • Warehouse consumables (i.e. packaging) • Vehicle providers (i.e. company cars) • Warehouse equipment and tools (i.e. forklifts, trolleys) • Transport and third party providers. • Components and materials providers
Gardena Brand	<ul style="list-style-type: none"> • Sales and marketing • Manufacturing site in VIC 	<ul style="list-style-type: none"> • Finished products

	<ul style="list-style-type: none"> • Frontline customer service • Finance and procurement • Technology and data • Warehouse and storage • Distribution and transport • Commercial, governance and investments 	<ul style="list-style-type: none"> • Office consumables and promotional merchandise • Technology (hardware, software and cloud services) • Utilities and professional services consultants who provide a service directly to Husqvarna (i.e. gardeners, cleaners, consultants) • Work attire (i.e. safety vests, uniforms) • Warehouse consumables (i.e. packaging) • Transport and third party providers. • Components and materials providers
Construction Division	<ul style="list-style-type: none"> • Sales and marketing • Call centre customer service • Frontline customer service • Finance and procurement • Technology and data • Warehousing and storage • Distribution and transport • Commercial, governance and investments 	<ul style="list-style-type: none"> • Finished products, parts and accessories • Office consumables and promotional merchandise • Technology (hardware, software and cloud services) • Utilities and professional services consultants who provide a service directly to Husqvarna (i.e. gardeners, cleaners, consultants) • Work attire (i.e. safety vests, logo shirts) • Warehouse consumables (i.e. packaging) • Vehicle providers (i.e. company cars) • Warehouse equipment and tools (i.e. forklifts, trolleys) • Transport and third party providers. • Components and materials providers

Our approach

Husqvarna has a zero tolerance approach for any form of slavery-like practices. The Husqvarna Group, its affiliates, divisions and subsidiaries – including the Australian business – strive to conduct business in an ethical and responsible manner. As it expands its business activities and works with suppliers domestically and globally to meet business needs, it is important to preserve our collective commitment to human rights and workplace practices.

Husqvarna expects that all suppliers will abide by all applicable international and local laws, rules and regulations in the manufacture and distribution of products, components and materials according to the Husqvarna Group's *Code of Conduct* and *Supplier Code of Business Ethics*.

Our policies and procedures

Husqvarna has formal policies in place that are intended to promote ethical and legally compliant business conduct. Our policies contribute to our commitment to prevent violations of human rights such as modern forms of slavery in our business including our *Code of Conduct*, *Supplier Code of Business Ethics* and *Whistle-blower Policy*.

Our procurement processes are robust and include a number of risk mitigation processes, including supply chain verification, supplier audits and supplier certification processes.

Potential risks in our operations and supply chain

Husqvarna assesses the risk of modern slavery taking place within our business by identifying and managing any areas of concern within our business operations and supply chain. With an extensive network of suppliers, subcontractors and agents in the manufacture, sales and distribution of our products, we recognise the risk of contributing to or being directly or indirectly linked to modern slavery abuses relating to the activities of Husqvarna.

With 100% of our Australian operations being geographically located in Australia, there is a low risk of exploitation in our direct business operations. Husqvarna conducts its operations in compliance with local employment laws and regulations and meets or exceeds all our obligations in relation to employment practices and conditions.

We recognise our exposure to slavery and exploitation practices exists through our supply chain, however, the risk remains low with the majority of our suppliers being geographically located in Australia or are other subsidiaries of the Husqvarna Group. We recognise a greater risk exists through the use of employment agencies and through indirect suppliers and overseas suppliers.

We are committed to the ongoing identification and assessment of potential high risk areas in our supply chain, such as local suppliers who source products from overseas countries that may have a record of modern slavery practices in place.

Addressing the risks of modern slavery

Husqvarna incorporates its approach to address the risk of modern slavery practices in our business processes and supply chain framework.

We do this through;

Contractual obligations

All Husqvarna contracts must include obligations by suppliers to comply with the *Code of Conduct* and *Supplier Code of Business Ethics*.

Supply chain verification and Supplier assessments

Husqvarna conducts assessments via a third party supplier. On site audits are conducted where suppliers are deemed high risk.

Supplier certifications

Husqvarna has a Supplier Agreement in place for direct suppliers requiring them to comply with international standards and applicable laws and regulations, including those related to forced labour and child labour, as specified in the Husqvarna *Code of Conduct* and *Supplier Code of Business Ethics*.

Supplier accountability program

Husqvarna recognises the need to have good governance and a robust cross-divisional program which holds our partners accountable for failing to meet our codes. To achieve this, we have a cross-divisional Sourcing Board and Strategic Sourcing Network in place to determine the circumstances in which a factory or supplier will be excluded from conducting business with the Husqvarna Group. Husqvarna also has a responsible sourcing program which includes sustainability assessments with quantified targets.

Employee training

Husqvarna trains its employees who are responsible for sourcing products on how to identify and respond to issues related to our Code of Conduct including forced labour and child labour. All partners and contractors of Husqvarna are required to comply with our Code of Conduct, which includes provisions aimed at ensuring that these business partners or supplier operations are complying with applicable laws.

Reporting and responding to modern slavery concerns

All incidents or suspected incidents of modern slavery or unethical practices involving Husqvarna operations or supply chain must be reported immediately to a Manager, Human Resources or the Group Compliance & Integrity Office (compliance@husqvarnagroup.com) or to the Husqvarna Group Alert Line on-line (husqvarnagroup.ethicspoint.com).

Upon receiving notification of an alleged modern slavery or unethical practice incident Husqvarna will commence an internal investigation process and notify relevant law enforcement agencies immediately.

Continuous Improvement approach to reducing the risk of modern slavery

Husqvarna is committed to applying a continuous improvement approach to how we reduce the risk of modern slavery practices within our supply chain and operations.

We are committed to seek feedback from employees, suppliers, partners and other parties in regard to the success of otherwise of the actions we have taken to contribute to the reduction of modern slavery practices.

Each June we will publish a *Modern Slavery Statement* that outlines the steps we have taken over the financial year to identify where our supply chains and operations may be contributing to modern slavery practices, and the actions we have taken to minimise these risks.

Over the upcoming year, we intend to;

- Review and update our policies and procedures where necessary to include mitigation processes for modern slavery and unethical practices where practicable;
- Review existing Husqvarna supplier agreements and on-boarding processes to ensure they adhere to modern slavery requirements as provided for in the *Code of Conduct* and *Supplier Code of Business Ethics*;
- Incorporate modern slavery awareness training for employees;

Approval

This statement is signed by Pauline Nilsson in her role as Vice President Sales & Service and Company Director of Husqvarna Australia Pty Ltd on 13 August 2021.

