



2024 Sustainability & Responsibility Report

FROM OUR CEO



“Husco is committed to its role as a responsible corporate citizen. Accordingly, we practice sustainable behaviors throughout our global operations and develop products which substantially benefit our environment.”

Austin Ramirez
CEO, Husco

Husco’s Automotive Division develops and manufactures products that enhance fuel efficiency, reduce emissions, and improve engine and transmission performance for global OEM customers. Our components are used in electric and hybrid vehicles, as well as traditional internal combustion engines. These innovations reduce global fuel consumption and enable the proliferation of innovative powertrain solutions.

Husco’s Off-Highway Division is at the forefront of providing hydraulic technologies that are making a substantial and sustainable difference in energy efficiency and fuel consumption in the construction, mining and agricultural industries. Husco has developed technologies which make us a globally recognized leader in machine control and efficiency.

Environmental stewardship is a core value at Husco. We invest in clean, energy-efficient manufacturing, including high-efficiency lighting, advanced fluid filtering and recycling, returnable packaging, and energy consumption innovations.

We believe sustainability fosters resilience. Our goal is to provide products that benefit our customers economically, environmentally, and socially. We are proud of our contributions and are committed to developing new technologies to improve the environment and living conditions worldwide.

TABLE OF CONTENTS

CEO Letter	2
Mission.....	3
Strategic Focus.....	4
Global Footprint.....	5
Commitment to Stakeholders.....	6
Community Involvement.....	7-8
Commitment to Sustainability.....	9
Environmental Achievements.....	10
Husco Code	11

MISSION STATEMENT

Our mission is to be the global leader in providing products and services which optimize the performance, controllability and safety of mobile and automotive equipment.



We employ a highly talented, diverse workforce and provide them with a collaborative and challenging environment. Our associates recognize that we are part of a larger community and must contribute to the common good, protect our environment, work safely and respect all stakeholders.

Cultural Expectations and Core Values

Our culture is built on a foundation of personal integrity and a commitment to creating economic value through strong leadership and collaborative teamwork. We prioritize open and effective communication, fostering an environment where balance — both professionally and personally — is respected and encouraged. These values guide how we work, lead, and grow together.



Intelligent Risk Taking

Making smart decisions in the face of ambiguity and uncertainty. Proactively work to minimize the likelihood and impact of negative outcomes.



High Performance

Focus first on getting great results, then developing great process. Demonstrate consistently strong results and earn the trust of your colleagues.



Practical Innovation

Consistently and creatively push the boundary of what is possible in ways that create immediate value for our customers.

STRATEGIC FOCUS

- **Husco global sales exceeding \$1B & Real Earnings > 10%.**
- **Off-Highway growth to \$500M** – Be the technology partner of choice for advanced hydraulic circuit and machine system development. Expand market share in excavators, wheel loaders and agricultural tractor hydraulic controls. Commercialize new cartridge products to expand our addressable market.
- **Automotive growth to \$500M** – Expand share with European OEMs, continue technology diversification with differentiated solutions that enhance customer value and leverage world-class Asian manufacturing operations for growth into Chinese, Japanese and Korean markets.
- **Develop our top employees** into senior leaders and create new opportunities for employees willing to invest in personal growth.

HUSCO GLOBAL FOOTPRINT

Our global footprint spans six manufacturing sites and a worldwide engineering network, enabling us to deliver innovation at scale while staying deeply connected to local markets. From our headquarters in Waukesha to facilities across Europe, Asia, and the Americas, we embrace a “local for local” manufacturing philosophy that minimizes costs and maximizes responsiveness.

Our recent expansion in Pune, India — tripling our production footprint there — underscores this commitment, bringing significant new Off-Highway production capacity to support global demand and accelerate product delivery across our customer base.



Pune, India facility expansion will be completed in early 2026.

Manufacturing, Engineering, Sales, Research And Development

Waukesha, WI - Headquarters

- Automotive Manufacturing (160k sq. ft.)

Runcorn, England

- Off-Highway Manufacturing (90k sq. ft.)

Pune, India

- Off-Highway Manufacturing (118k sq. ft.)

Shanghai, China

- Automotive Manufacturing (60k sq. ft.)
- Off-Highway Manufacturing (30k sq. ft.)

MANUFACTURING

Maquoketa, IA

- Off-Highway Manufacturing (100k sq. ft.)

Whitewater, WI

- Automotive Manufacturing (100k sq. ft.)
- Off-Highway Manufacturing (100k sq. ft.)

ENGINEERING & SALES

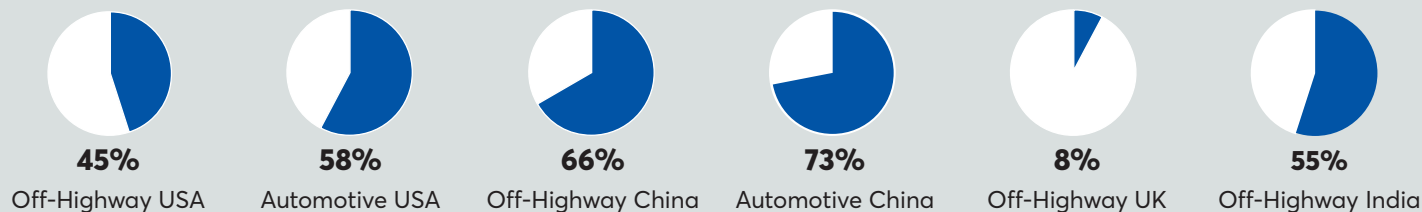
Detroit, USA

Porto Alegre, Brazil

Ransbach-Baumbach, Germany

Milan, Italy

PERCENTAGE OF MATERIALS SOURCED LOCALLY



HUSCO'S COMMITMENT TO STAKEHOLDERS

Our stakeholders are the many individuals and organizations who are affected in some way by Husco's activities, whether it is in our role as a manufacturer, an employer, or as a company that generates revenue and helps to boost local economies.

Employees

Husco uses a range of internal communications channels to keep our employees informed about the context within which they work. These include quarterly town hall style meetings where employees hear directly from the executive team.

Governments and Regulators

We engage with governments on many fronts, from consultation responses to direct engagement with government representatives. Our code of conduct requires that we are honest and responsive in all governmental interactions.

Industry

Husco is working through business and industry groups to help establish standards and address complex challenges. For example, Husco is a member of the National Fluid Power Association (NFPA), National Association of Manufacturers (NAM), Original Equipment Suppliers Association (OESA), British Fluid Power Association (BFPA), Association of Equipment Manufacturers (AEM), and the North Central Minority Supplier Development Council.

Contractors and Partners

Like our industry peers, Husco rarely works in isolation. Safe and responsible operations depend on the capability and performance of our suppliers, contractors and partners. To this end, we set operational standards through legally-binding agreements. Training and dialogue also help build the capability of our contractors.



COMMUNITY SUPPORT, STEWARDSHIP, & INVOLVEMENT

Our commitment to supporting and uplifting our surrounding communities is deeply ingrained in our corporate philosophy. We believe in making a significant impact through financial assistance, leadership, and dedicated service.

At Husco, charitable giving is not a side initiative—it's a core part of who we are. Guided by the Ramirez Family's commitment to community investment, we dedicate a minimum of 10% of our pretax profits each year to charitable causes. In fiscal year 2023 alone, this commitment translated into \$25,684,083 in donations to charitable organizations worldwide. Of that, \$24.4 million dollars went to Wisconsin-based organizations, directly supporting communities where our employees live and work. We not only meet but exceed our giving goals year after year, reinforcing our belief that business success and community well-being go hand in hand.





In 2024, we matched over \$600,000 in employee donations to the United Way, resulting in more than \$1.2 million in total contributions. Our employees also gave generously of their time, logging 489 volunteer hours in support of United Way initiatives alone.

Our focus on K-12 education worldwide is another unique aspect of our giving, with 95% of our charitable donations focused on education. Our largest investment is in St. Augustine Preparatory Academy, where we have donated millions of dollars towards improving educational opportunities for kids in Milwaukee. We also provide significant support to colleges, universities, and scholarships for exceptional minority students and the children of Husco employees.

One of our most notable contributions is a \$2 million investment to establish a Fluid Power Chair at Georgia Tech. This investment not only led to a \$25 million government grant but also revolutionized hydraulic research and development in the U.S. This is just one example of how Husco's philanthropic efforts have had a far-reaching impact.

Husco has been honored as the Top Corporate Charitable Donor in Wisconsin by the Milwaukee Business Journal in 2023, 2022, 2017, and 2016 - a recognition that reflects our long-standing commitment to community impact.

Financial support is just one aspect of community investment and we recognize our impact extends beyond financial contributions. We expect every Husco executive to take on leadership roles in the nonprofit sector. Currently, over 35 Husco leaders serve in leadership positions at more than 65 organizations, including the United Way in Waukesha County, Family Services of Waukesha, and the Waukesha County Business Alliance. Giving back is a way of life for the organization and our employees.

Husco's impact is felt around the world. From cleaning up roads through the Adopt-a-Highway program, to getting our hands dirty in the garden to grow fresh food for those in need, to standing up for animals with the RSPCA, our teams are making a real difference. In 2024 alone, our employees have volunteered more than 2,597 hours for charitable organizations. One standout example comes from India, where team members distributed 27,937 items to 1,190 students across 13 schools during the annual Happiness Drive.

Husco's dedication to community service and philanthropy is central to who we are as an organization. We remain committed to continuing our efforts to support and uplift communities here in Wisconsin and around the world.

OUR COMMITMENT TO A MORE SUSTAINABLE FUTURE

In 2024, we established globally-aligned environmental targets as part of our commitment to a more sustainable future. These targets mark a significant milestone in our environmental strategy and reflect our dedication to responsible manufacturing practices.

First, we have set ambitious goals to reduce our Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Scope 1 emissions refer to direct GHG emissions from sources that are owned or controlled by the organization, such as emissions from combustion in owned vehicles or natural gas used in building heating. Scope 2 emissions are indirect GHG emissions from the generation of purchased power where the associated emissions occur outside of Husco's owned sources.

At Husco, we will strive for a **50% reduction in Scope 1 and 2 emissions by 2035**, and **carbon neutrality for Scope 1 and 2 emissions by 2050** using a 2023 baseline. These goals are aligned with the objectives of the 2015 Paris Agreement, which aims to limit global warming to well below 2°C above pre-industrial levels.

In addition to our emissions targets, we strive to reduce our environmental impact on water resources. We have set a target to **reduce water used per labor hour by 20%**, with a goal to achieve this by 2035, using a 2024 baseline.

These targets represent our long-term vision for environmental stewardship and our role in building a more sustainable manufacturing industry. We believe that by taking these steps, we can make a significant difference in the future of sustainable environmental management. Thank you for supporting our journey towards a greener future!

SUSTAINABILITY TARGETS

50% reduction
in Scope 1 and 2
emissions by 2035.

Carbon Neutrality
achieved by 2050.

20% reduction
in water use per
labor hour by 2035.



2024 ENVIRONMENTAL ACHIEVEMENTS

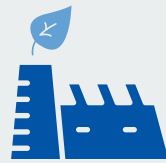
Husco is committed to supporting a globally sustainable future through proactive environmental stewardship.

Our efforts focus on reducing our carbon footprint, conserving natural resources, and integrating eco-friendly practices across all facets of our operations. As we navigate the complexities of the modern world, our dedication to environmental sustainability remains steadfast.



Whitewater Facility's Renewable Energy Transition

The Whitewater facility has successfully **transitioned an additional 1,800 megawatt-hours (MWh) of its annual electricity consumption to renewable energy sources.** This shift is not just a numerical milestone — it represents a tangible environmental impact. To put it in perspective, 1,800 MWh is enough to power approximately 160 average U.S. homes for an entire year. This move supports broader corporate goals for decarbonization and aligns with customer expectations for sustainable manufacturing practices.



Waukesha Facility's Tray Washing Program

The implementation of an in-house tray washing program has led to a significant reduction in greenhouse gas emissions at the Waukesha location. By avoiding the need to outsource this process or use disposable alternatives, **the facility has cut at least 67 metric tons of CO2 equivalent (CO2e) emissions annually.** This is roughly the same as taking 16 gasoline-powered passenger vehicles off the road for a full year. This initiative not only reduces emissions but also enhances operational efficiency and cost-effectiveness by internalizing a process.



Machine Cooling System Optimization in Waukesha

The Waukesha facility also undertook a major optimization of its machine cooling systems. By refining how cooling resources are used **the facility achieved a 30% reduction in water usage for this system.** This is a critical step toward Husco's water conservation goals. This initiative not only conserves a vital resource but also reduces utility costs and supports compliance with evolving environmental regulations.



HUSCO CODE OF BASIC WORKING CONDITION AND CORPORATE RESPONSIBILITY

Husco considers its employees to be our most highly valued and important resources. Accordingly, the company has established policies and guidelines to ensure that its employees throughout the globe be treated with respect, fairness and will be provided safe working conditions that meet or exceed industry standards. The company's guiding principles, as listed below, are consistent with, and in many instances, derived from the following human rights frameworks and charter:

- The United Nations Universal Declaration of Human Rights
- The Global Sullivan Principles of Social Responsibility

The diverse settings in which the company operates require that a statement of our basic working condition be general in nature. In certain situations, local legal requirements, labor agreements and other contractual and non-contractual arrangements may modify portions of this policy letter. Nevertheless the company intends this to be an affirmation of basic guiding principles that should serve as the cornerstone of its relationship with employees.

Child Labor

The company will not use child labor. In no event will the company employ any person below the age of 16, unless this is part of an authorized job training or apprenticeship / internship program that would be clearly beneficial to the persons participating.

Freedom of Association

The company recognizes and respects its employees' right to associate freely and bargain collectively. The company will work constructively with recognized employee representatives to promote the interests of its employees. In locations where employees are not represented by unions, the company will provide opportunities for employee concerns to be heard.

Compensation

The company will promote our employees' material well-being by providing compensation and benefits that are competitive and comply with applicable law.

Forced Labor

The company will not use forced labor in any form.

Work Hours

The company will comply with applicable laws regulating hours of work.

Ethical Recruiting

The company will comply with applicable laws regulating hiring in a fair and transparent manner.

Bribery and Corruption

The company will under no circumstances tolerate the giving or receiving of money, gifts, or favors to influence improperly the behavior of another individual, organization, government employee, politician or government body in furtherance of a commercial or personal advantage. Bribery is never permitted, even in countries or regions where it may appear to be tolerated or condoned.

Environment and Sustainability

The company will conduct business in a manner that provides responsibly for the protection of health and the environment. The company will continue to improve the environmental impact of its operations in the short term, and work toward the implementation of environmentally sustainable strategies in the long term.

Responsibility and Implementation

The company encourages businesses throughout our supply chain to adopt and enforce similar policies. Further, the company will seek to identify and do business with organizations that conduct their businesses to standards consistent with this document.

Reporting

All company personnel must report known or suspected violations of this document through the established reporting channels. The company prohibits retaliation against anyone who, in good faith, reports a violation. Violations should be reported to Human Resources or the most senior ranking local official.

Diversity, Equity and Inclusion

The company is committed to fostering an environment that recruits employees with a wide diversity of backgrounds and builds a culture that allows every employee to thrive. All employees who align with the company's values will have an equal opportunity for success and advancement, regardless of their race, national origin or ancestry, age, religion, gender, sexuality, personal style, minority or indigenous peoples, veteran status, disability or background.

Land, Forest and Water Rights & Forced Eviction

We believe that the sustainable production and consumption of automobiles should not come at the cost of forced eviction and the deprivation of land, forest and water rights of local communities. Husco is committed to upholding the human rights of communities impacted by our operations and supply chains, and to avoid any practices that result in forced eviction or the loss of land, forest, and water resources. We recognize the critical importance of these resources to the well-being and livelihoods of local communities.

Equal Rights

The company will provide equal treatment to all individuals or groups for employment-related decisions, irrespective of characteristics such as gender, race, color, religion, genetic features, social origin or any other legally protected class.

Use Of Private Or Public Security Forces

Husco acknowledges that the use of private or public security forces to protect our business or projects may have significant implications on the protection of human rights. We are committed to ensuring that the deployment of such security forces, if necessary, is carried out with the utmost care and caution. In this regard, we will not engage in the use of security forces unless we are confident that they have been adequately trained, controlled, and monitored to prevent any potential violation of human rights.



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