

2025 Sustainability & Responsibility Report

TABLE OF CONTENTS

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



A MESSAGE FROM CEO AUSTIN RAMIREZ



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

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.

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.

"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

OUR COMMITMENT TO A SUSTAINABLE FUTURE

Building a more sustainable future starts with clear, measurable action. In 2024, Husco established globally aligned environmental targets to guide our sustainability efforts for the decades ahead. These commitments reinforce our focus on reducing emissions, conserving resources, and continuously improving the environmental performance of our operations worldwide.

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**

Based on 2025 performance data, Husco is making strong progress toward these environmental commitments. Early results demonstrate positive momentum across key sustainability metrics and reflect the success of initiatives across our global operations. These targets represent our long-term vision for environmental stewardship and a more sustainable manufacturing industry.





2025 ENVIRONMENTAL ACHIEVEMENTS

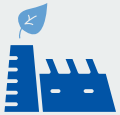
Husco is committed to supporting a globally sustainable future through proactive environmental stewardship. Our efforts focus on reducing our carbon footprint, conserving natural resources, and integrating eco-friendly practices across all facets of our operations. As we navigate the complexities of the modern world, our dedication to environmental sustainability remains steadfast.



Waukesha's Renewable Energy Expansion

The Waukesha facility **transitioned an additional 1,800 megawatt-hours (MWh) of its annual electricity consumption to renewable energy sources.**

This shift represents a tangible environmental impact. To put it in perspective, 1,800 MWh is enough to power approximately 270 homes in the facilities operating area for an entire year. This move supports broader corporate goals for decarbonization and aligns with customer expectations for sustainable manufacturing practices.



Shanghai's Waste Stream Optimization

The Shanghai facility **reduced a hazardous waste stream requiring off-site treatment by 20% through optimizing hazardous material concentrations in the wastewater treatment process.**

This improvement increased clean water recovery and reuse by approximately 20%. By minimizing waste generation at its source, the facility reduced environmental impacts associated with transportation and disposal while supporting Husco's resource efficiency and responsible waste management objectives.



Husco's E-Waste Reduction

Through new waste vendor partnerships, **Husco now refurbishes and returns approximately 60% of electronic assets across U.S. facilities that would have otherwise been recycled or discarded.**

Extending the life of electronic equipment helps conserve valuable raw materials, reduce electronic waste generation, and advance Husco's commitment to circular economy principles and responsible resource stewardship.

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's strategy is centered on sustainable growth, technology leadership, and talent development. By expanding our market position in Off-Highway and Automotive while continuing to invest in our people, we are building the foundation for long-term success and creating value for our customers, employees, and communities.

- **Husco global sales exceeding $1B and 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.

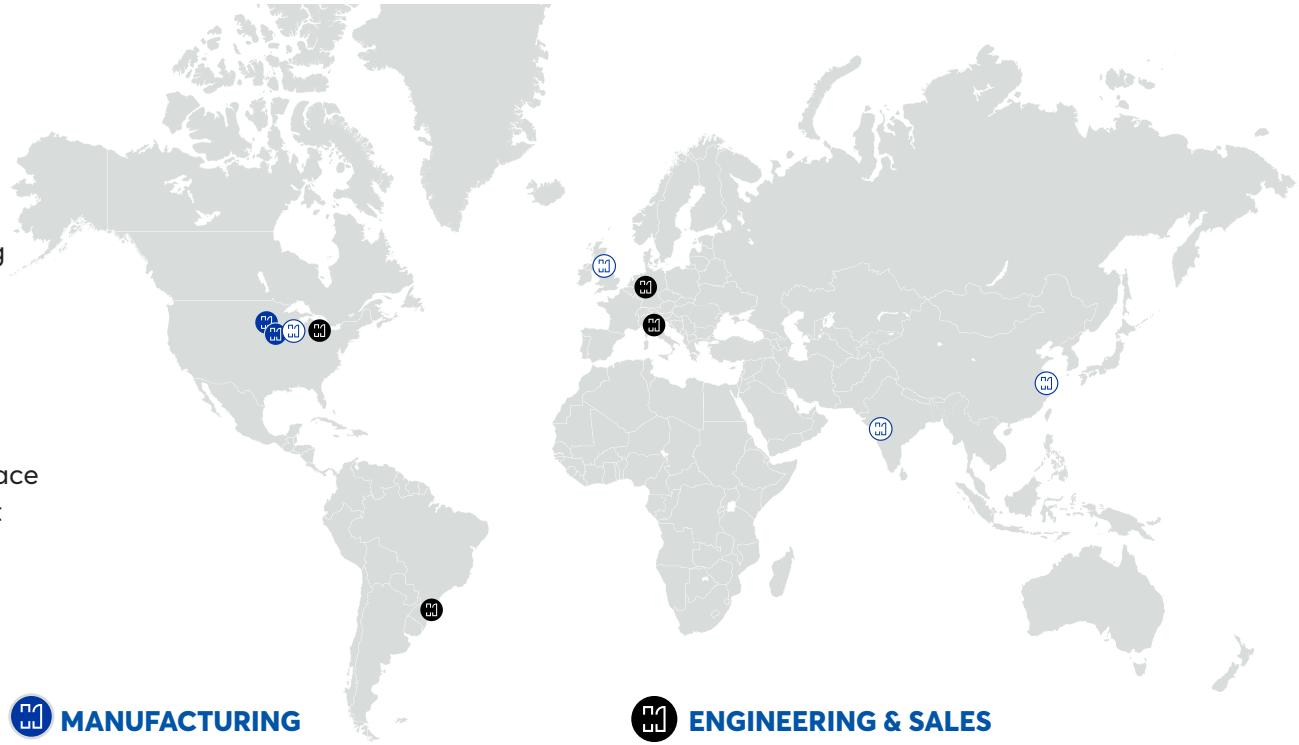
- **Automotive growth to $500M**
  Expand share with European OEMs, continue technology diversification with differentiated solutions that enhance customer value and leverage world-class Asian manufacturing operations for growth into Chinese, Japanese and Korean markets.

- **Develop our top employees** into senior leaders and create new opportunities for employees willing to invest in personal growth.

GLOBAL FOOTPRINT

Husco's 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.



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



45%
Off-Highway USA



58%
Automotive USA



66%
Off-Highway China



73%
Automotive China



8%
Off-Highway UK



55%
Off-Highway India

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 IMPACT

Charitable giving is not a separate initiative at Husco. It is embedded in our culture and reflected in a long-standing commitment to community investment. **In 2025, Husco contributed $12.6 million to charitable causes around the world. Over the past decade, the company has donated more than $135 million** to nonprofit organizations, educational institutions, and community initiatives. Guided by the Ramirez Family's belief that business success carries a responsibility to create positive social impact, Husco continues to invest in the places where our employees live, work, and serve.

Education is the primary focus of Husco's philanthropic efforts, with more than 95% of our giving supporting K-12 education worldwide. One of the clearest examples is St. Augustine Preparatory Academy, Husco's largest philanthropic investment. The Ramirez Family, alongside Husco, co-founded the school's South Campus in 2017 and have continued their support as lead benefactors of the new North Campus, which will open in fall 2026. Together, the campuses are designed to expand access to high-quality educational opportunities for thousands of Milwaukee-area students. Husco also supports colleges, universities, workforce development initiatives, and scholarships, helping prepare students for future education, careers, and leadership.







Beyond financial contributions, Husco employees actively dedicate their time and talents to causes that matter. **In 2025, employees volunteered more than 5,600 hours** in support of charitable organizations and community programs worldwide. From environmental stewardship projects and food assistance programs to educational outreach and nonprofit leadership, Husco employees continue to demonstrate that meaningful impact extends far beyond dollars donated.

Community leadership is also an expectation of our executive team. Husco leaders serve on numerous nonprofit and civic boards, helping guide organizations that address critical needs in education, health, workforce development, and community well-being. By contributing both expertise and resources, Husco seeks to create sustainable, long-term change.

Husco's commitment to philanthropy has earned recognition throughout the years, including multiple honors as Wisconsin's Top Corporate Charitable Donor by the Milwaukee Business Journal. More importantly, it reflects a belief that has guided our organization for decades: strong communities enable individuals, businesses, and future generations to thrive.

As we look ahead, Husco remains committed to investing in people, education, and community development around the world. Through financial support, volunteer service, and leadership involvement, we will continue working to create opportunities and strengthen the communities we serve.

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.

Inclusive Practices
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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