

1 PURPOSE & SCOPE

The below chart sets forth the standard fees and charges that shall apply in the event of any late delivery or delivery of non-conforming goods to any Husqvarna Group company worldwide, depending upon the applicable Husqvarna Group factory that is affected by such late delivery or non-conformance.

2 DESCRIPTION

| Cost type | Factory in US | Factory in Europe | Factory in East Europe | Factory in China | Factory in Japan |
|--|------------------------|---|------------------------|---------------------------|------------------------------|
| Administration fee (per occurrence) | \$250 | €200 | €150 | \$100 (≈600 CNY) | \$200 (≈15,000 JPY) |
| Sorting/rework | \$60/manhour | €50/manhour | €15/manhour | \$10/manhour (≈60 CNY) | \$50/manhour (≈4,000 JPY) |
| Downtime or disturbance of production | \$60/manhour | €50/manhour and/or €100/machinehour | €25/manhour | \$10/manhour (≈60 CNY) | \$50/manhour (≈4,000 JPY) |
| RML Compliance testing | ≈ €540 – 5 000* (2023) | | | | |
| Actual other costs (Freight, market activities etc) | Yes | Yes | Yes | Yes | Yes |

* See estimations in Example 2 for further explanation.

The above charges are cumulative (i.e., one or all of the various rates and fees may be charged by the respective factory for the same delivery), and are in addition to any other rights and remedies that may be available to Husqvarna under applicable law or contract.

If a Husqvarna factory is situated outside of any of the above mentioned regions, the charges/fee for East Europe shall apply. Each Husqvarna factory reserves the right to charge the above charges/fees in whatever manner it decides (such as invoice, credit note, offset, etc) and may also choose to charge the charges/fee (U.S. dollar or Euro amount) in the local currency where the respective factory is located.

Example 1 (Quality):

Assume that a supplier delivers a batch of products to Husqvarna U.S. factory for use as components in the manufacture of lawnmowers, which batch of products is non-compliant due to the fact that some or all of such products are out-of-specification. Assume further that this non-conformance is only discovered after several hundred lawnmowers have been produced

using the non-compliance batch, and such faulty lawnmowers take 50 manhours to rework. Finally, assume that once the discovery is made, the production lines are shut down for a total of 100 manhours until new compliant product can be obtained, but that there are no other actual costs. In such event, supplier will be liable to the following charges:

One time administrative fee = \$250
 Sorting rework rate \$60 x 50 manhours = \$3,000
 Downtime rate \$60 x 100 manhours = \$6,000
 Total = \$9,250

Example 2 (Material Compliance):

Assume a supplier has been awarded with a new product, part of a new product development project that will be produce in Europe. The deadline for the supplier to deliver all relevant documentation has passed and in order to not delay the project time line Husqvarna sends products samples form the supplier to an external lab for RML testing, of both banned and reportable materials. In such event, supplier will be liable for one time administrative fee and a specific quotation based on the product to be tested will be sent to the supplier well in advance. Estimated price can be expected depending on the product material and complexity, as follows, based on 2023 prices:

- Banned materials:
 - A screw without coating: €400
 - One material plastic part: €4 000
 - Small complex article (consisting of 5 materials): €5 000
 - Textile materials: €2 500
- Reportable materials:
 - Metal (up to 3 single materials can be mixed to one composite sample): €140
 - Hard plastic (up to 3 single materials can be mixed to one composite sample): €715
 - Soft plastic (up to 3 single materials can be mixed to one composite sample): €1 355

3 Version History

| Version number | Tracking of changes in the document | Date |
|------------------------------|---|------------------------------|
| Version history - SharePoint | Review / Compare function of Microsoft Office | Version history - SharePoint |