

A better start

Sustainability Report 2024



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



About our Sustainability Report

This Sustainability Report is Väderstad's statutory sustainability report for the financial year 2024, which extends from October 2023 to September 2024. The report also summarises key events during the past year, covering Väderstad AB and all the subsidiaries included in the Väderstad Group.

The report was inspired by the Global Reporting Initiative (GRI) guidelines. With regards to greenhouse gas calculations, we carry out climate calculations in accordance with the guidelines of the Greenhouse Gas Protocol (GHG).

The report is part of Väderstad AB's Annual report 2024 and is presented as an independent report. The official financials are in Swedish crowns, SEK, see the Swedish version of Sustainability report. Both Swedish and English version is published on our website, vaderstad.com.

In this publication, abbreviations are used to clarify:

VAB=Väderstad AB, Sweden

VCAB=Väderstad Components AB, Sweden

VCA=Väderstad Industries Inc., Canada

VUS=Väderstad Inc., USA

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Sustainability

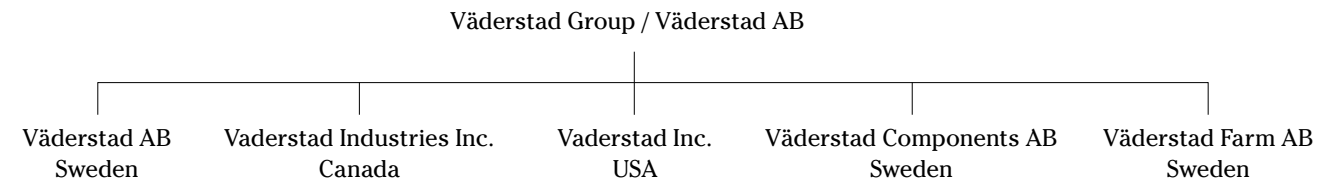
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Business overview

Väderstad Group

Our business model is based on providing modern agriculture with the best conditions for a good start. Through our efficient and intelligent solutions for tillage and seeding, we bring out the potential of each seed without depleting the earth. The Group is family owned with four self-owned production sites where the head office remains where everything started – in Väderstad, Sweden.

Corporate structure



19

Sales Companies/
Sales Representatives

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

Management team Väderstad Group*



Henrik Gilstring
President and CEO



Jörgen Dahl
Senior Vice President
Product & Development



Patrik Dahl
Vice President
Human Resources



Mattias Hovnert
Senior Vice President
Sales & Marketing



Anders Karlsson
Vice President IT



Rebecca Nygren
Vice President
Finance & Legal



Mikael Peiponen
Senior Vice President
Operations

*Applies from 20241001

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

Year in numbers

Selected key figures for 2024

Turnover

530

MEUR

Result after financial items

11

MEUR

Equity ratio

38%

LTA^{*}

1.10

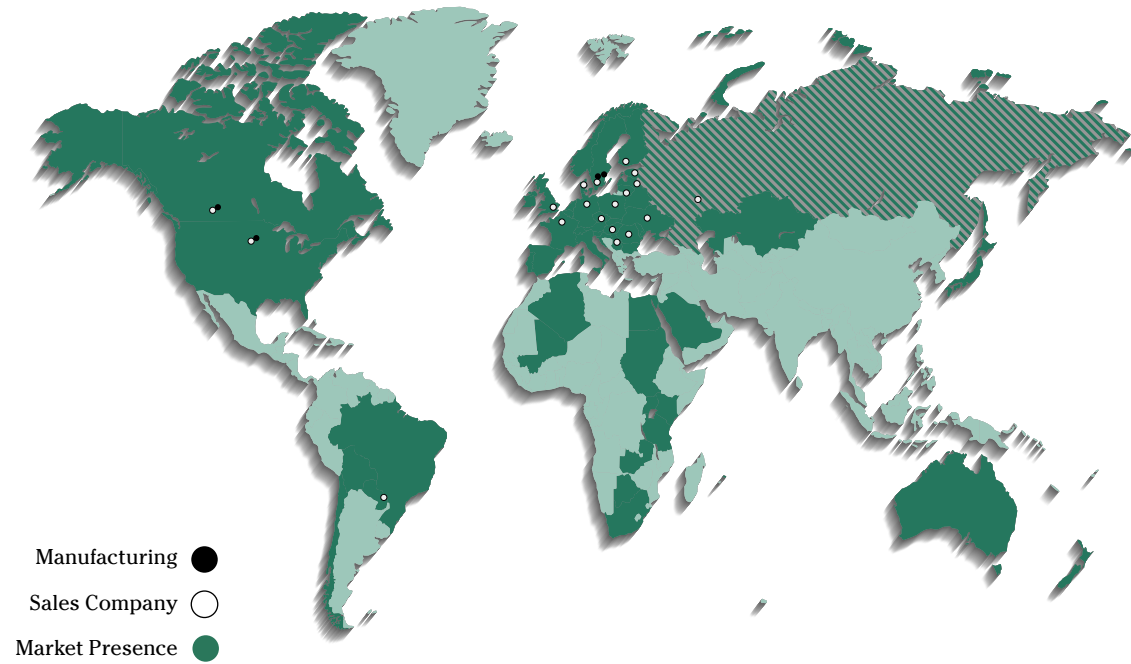
^{*}Lost time accident rate

Greenhouse gas emissions^{*}

5662

^{*}Tonne CO₂ equivalents, scope 1 & 2, production sites

The official financials are in Swedish crowns, SEK, see the Swedish version of Sustainability report.



1867

Employees at Väderstad Group

19

Sales Companies/
Sale Representatives

4

Production Sites

5661

Machines manufactured 2024

Glimpses from 2024

Several years of improvement work leads to fewer accidents

After several years of improvement, we see clear results. Through a closer dialogue between manager and employees and new ways of working in incident management, our employees are given better conditions to perform their job correctly. This has led to significantly fewer work-related accidents leading to absence. Read more on page 22.

Our customers' work environment

We have developed a new concept for how we test the safety of our machines. Our own test drivers are given even better conditions to detect elements that could pose a risk – everything to improve our customers' work environment.



Many small efforts – big change

Through a focused method, with more knowledge about energy consumption in partial flows in our factories together with diligent efforts to find energy leakage and optimization opportunities, we have made our operations even more energy efficient. Read more on page 28.

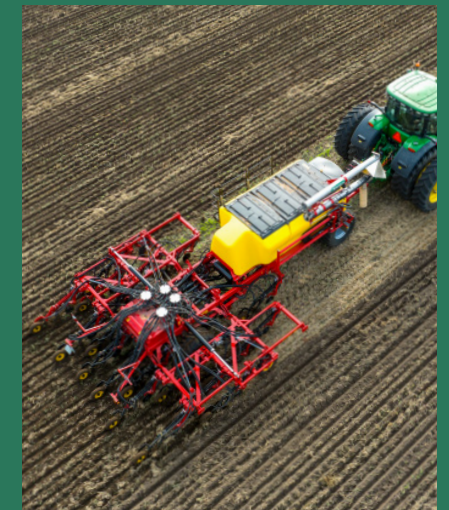
Wooden pallets gets new life

We are now recycling wooden pallets in our Canadian operations. We have reduced our waste and deepened our cooperation with our supplier in order to collectively reduce our environmental impact.

New direct drill Seed Hawk 600-900C

With double knives, seed and fertiliser are placed at the right depth with minimal impact on the soil structure.

[Read more about Seed Hawk 600-900C](#)



A difficult year for many farmers

FY 2024 has been a tough year, both for the world's farmers and for us at Väderstad. The recession has hit our entire industry hard, where our sales have declined as our customers' purchasing power has been weakened. At the same time, we have continued to build for the future.

After several years of fantastic sales figures, where all four of our factories have been going at full speed, we have seen a sharp decline in the market in 2024, with significantly lower demand for our products. The strong slowdown has meant that stock levels have become far too high for many retailers and importers, which further delays the market's recovery.

High interest rates and lower grain prices has put pressure on many farmers over the past year. Deferred investment aid in many key markets in Eastern Europe has brought further difficulties. In addition, climate change appears to have had a major impact in Europe this year, with some countries in eastern Europe suffering from severe droughts and regions in Western Europe suffering from too much precipitation. This put many farmers in difficult conditions and led to historically low harvests in many parts of Europe, which of course further limited our customers' investment opportunities.

But this is also where our products can and should make a difference. We will help farmers meet their challenges and develop machines that are not based on old truths, but instead are adapted to meet the needs of the future. In recent years, the need for agricultural machinery that can work with high precision, that can withstand tough conditions and not only rely on traditional tillage practices has been bigger than ever.

In Canada, we see a partly different investment pattern than here in Europe. In western Canada, where we have a strong position with our Seed Hawk air seeders, Oil Seed Rape is the most important crop. OSR prices have not dropped as much as many other crops. Farmers in Canada are also less sensitive to interest levels and generally borrow less money for new machine investments. The fantastic development for Väderstad Canada has continued and our facility in Langbank, Saskatchewan, had already sold out all planned Seed Hawk machines for model year 2025 in the autumn of 2024.

Russia's war of aggression against Ukraine has unfortunately continued in 2024. In addition to all human suffering, where we see closely how colleagues, customers and retailers are affected, the war contributes to further unrest and political instability in Europe.

Overall, this depicts a difficult year, both for many farmers and for us at Väderstad. We have adjusted our costs and terminated fixed-term employees and consultants.



For the first time since 2014, our reduced sales volumes have also forced us to notify permanent employees of redundancies, which have included a total of 145 employees in Sweden.

At the same time, everything indicates that the market will turn around during FY 2025 and we are ready to meet the demand that awaits. In 2024, we opened two new production halls in Väderstad, totalling 12.600 square meters. One of the new buildings is designed for assembly, and the other for a new, high-tech paint facility. In the US, we have also developed the business with the construction of new office premises and several ongoing improvements in our production flows.

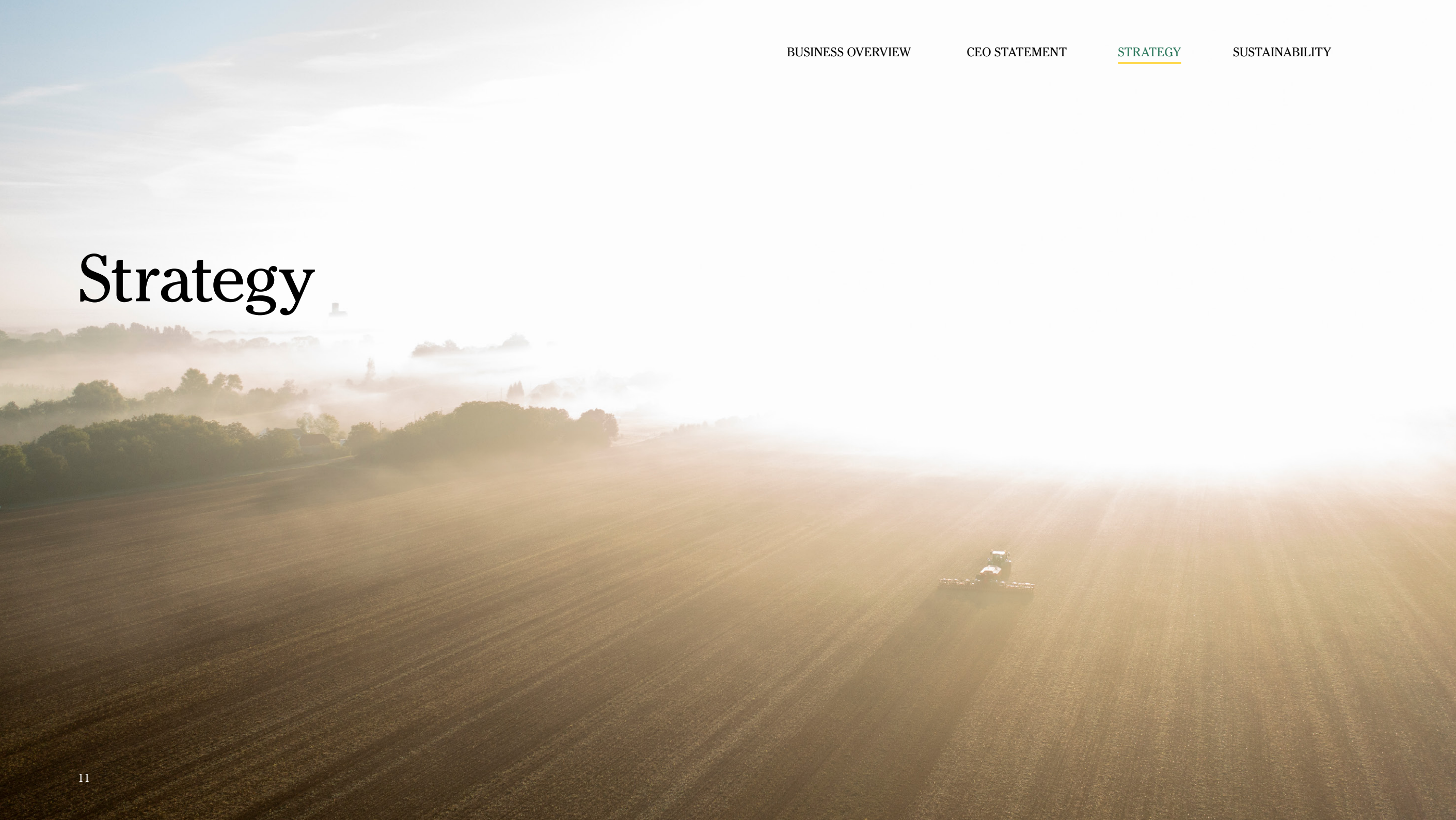
During FY 2024, we have also launched several new products, which will go into production during FY 2025. Some examples are the Seed Hawk 600-900C, TopDown and Opus with E-Services that with the help of digital maps

can adapt the tillage to the characteristics of the fields – as well as the PD 1350, an even larger Air Cart with a bigger capacity for our Canadian Seed Hawk machines, which facilitate logistics on farms where distances can be large. You can read more about these product news later in this year's Sustainability Report.

There is no doubt that Väderstad's high-performance products and methods will be needed to help the world's farmers produce more food in a sustainable and efficient way. We are ready to meet the needs and demands of the future.



Strategy



Drivers for change

Demographic changes

The world's population continues to grow, and in some parts of the world poverty increases, which in combination with climate change puts people and societies at risk of starvation. In other parts of the world, prosperity in the growing middle class is increasing, which in combination with changing consumption patterns is driving demand for agricultural raw materials and food products.



New requirements for a more efficient food production

- Changes in consumption patterns
- Increasing population
- Reduced area for arable land
- Increased efficiency at all stages

Digitalisation means new demands

The trend has long been towards a more data-driven food production, where farmers use collected data to streamline their production and working methods. We also see that e-commerce generally continues to increase, which also spills over on our industry.

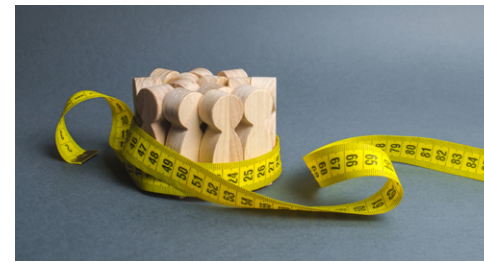


Increased focus on smart and connected agricultural machinery

- Smart, connected machines as decision support for farmers
- Simplify knowledge sharing and information search
- E-commerce

Geopolitical unrest and an insecure world

The war between Russia and Ukraine has plunged Europe into a new era, marked for many countries by an unstable security situation, political unrest and military armament. Military conflicts in our geographical proximity affect everyone – customers, retailers and the general population.



Sanctions and changes in demand

- Sanctions affecting exports
- Significantly reduced demand in some markets
- Customers and own staff affected both personally and in business terms

A volatile market

The purchasing power of the market and farmers has been weak over the past year, which is due to a number of factors. High interest rates, high inflation and volatile grain prices – combined with uncertainty about new agricultural policies and the willingness to invest among many farmers. High commodity prices for steel and fuel, among other things, have led to an increasingly expensive production and the general economy has been weak.



Weakened purchasing power for farmers

- Higher demands for flexibility and responsiveness
- Product offering, development and pricing to match market requirements

Effects of climate change

The impact of climate change on agriculture is becoming more obvious every year. The past year has been marked by unpredictable weather, ranging from long periods of drought to sudden downpours that have changed the annual variations and led to weaker harvests. The weather has always influenced the farmer's work, but right now it's more unpredictable than ever. It also has an impact on how farming is conducted and traditional ways of working can change quickly.



New products for new conditions

- Product development for the future
- New ways of working and products

Strategic framework

Väderstad's strategy and philosophy is based on a belief that a good start lays the foundation for long-term and prosperous results. Our machines must contribute to this and our top priority is to create safety and development opportunities for both our farmers and employees. We see it as a prerequisite for creating sustainability for generations.

Why we exist:

Our **aim** is to make global food production more efficient and sustainable.

Our **mission** is to simplify work and improve the results for the farmer.

What do we steer towards:

Our **vision** is to be the world's leading partner for outstanding emergence.

Our focus:

Efficiency:

Streamlining resources for our business, agriculture and to make a positive contribution to the world around us.

Performance & Quality:

Our machines and methods should be reliable, perform at a high level and work where they make a difference. Performance through precision and quality is our hallmark.

Flexibility:

Flexibility in our own and our machines' capacity to effectively meet the needs today and in the future.

How do we work:

- Continuous improvement
- Standardised ways of working
- Management by objectives

How do we prioritize:

- Safety
- Quality
- Delivery
- Efficiency
- Results

How do we act:

Available:

No matter where we are in the world, we are a team that works side by side with each other and our customers and we show respect for each other.

Innovative:

We believe in collaboration, welcome creative solutions and have the courage to think new.

Reliable:

We are a family business that originates in agriculture. We think long-term and want to create security for both our customers and employees.



Target images:

2045

we have reduced greenhouse gas emissions from our business to net zero.

2030

we are innovation leaders within sustainable practices for tillage and seeding, always with quality and our customers in focus.



2030

we are industry leaders with a strong corporate and safety culture that attracts customers, suppliers and new talents.

2030

we are growing and through modern and efficient production methods we deliver high quality products according to demand.

Our contribution to the UN Global Goals

Focus area	Strategic target areas	Priority sustainability aspects	UN global goals
<p>People</p> 	<ul style="list-style-type: none"> No accidents Diversity Employee engagement 	<ul style="list-style-type: none"> Create a safe, secure and healthy work environment Contribute to a safe working environment for the farmers 	
<p>Planet</p> 	<ul style="list-style-type: none"> Greenhouse gas emissions Energy efficiency 	<ul style="list-style-type: none"> Promote environmental improvements in the agriculture sector Optimise material use, minimize emissions and waste 	
<p>Product</p> 	<ul style="list-style-type: none"> Quality and delivery precision Innovation Customer satisfaction 	<ul style="list-style-type: none"> Develop innovative, efficient and sustainable products Ensure a high product quality 	
<p>Profit</p> 	<ul style="list-style-type: none"> Pre-tax profit Annual sales growth 	<ul style="list-style-type: none"> Ensure stable financial result and long-term profitability in the company 	

Risks and risk management

World events can affect our business both positively and negatively. It can, for example, give us new business opportunities or involve consequences that could affect our customers, employees, the environment or our results in a negative way. Depending on what happens, it may also affect our ability to deliver machines.

Our risk management process

We identify risks continuously within the business. This is done, among other things, through our monitoring of the world around us and dialogue with our stakeholders. We identify risks at all levels within the company, such as risks that may affect the entire Väderstad Group or risks that affect part of the business. After we have identified possible risks, we make a risk assessment and decides on measures and is responsible for addressing the risks that we cannot accept. An important part of the risk management process is to follow up that the measures have had the desired effects. We have routines for recurring analyses, risk assessments, safety rounds and audits. We currently have a system support for documenting and compiling work environment risks throughout the business and for environmental risks for the business in Sweden. During the year, we have developed our method for managing risks at the overall level.

Crisis management


Within Väderstad there are plans for crisis management. The purpose of the plans is to ensure good preparedness in the event of a crisis and that the right measures are taken by designated persons at the right time.


Management

We review overall risks, including how we manage these at least once a year on the Board of Directors according to a fixed point in the Board's rules of procedure.

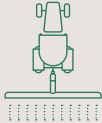



Risk analysis

Focus area	Key Risks	Management
People 	Work Environment (Employee & Farmer)	Safety and security for our farmers and employees is our top priority. To avoid accidents, occupational injuries, sick leave and spread of infection, we work systematically with our work environment efforts. Training and instructions as well as active risk and incident reporting contribute to a good working environment. We are also linked to occupational health care and offer health care grants to work proactively. CE marking of our machines, together with the work of Product Safety Board, ensures a safe use of our machines. With our crisis management procedures, we can quickly act if an accident occurs.
	Competence supply	We work actively with strategic staffing planning to be proactive and anticipate future needs. Similarly, we work actively with our culture within Väderstad to create an attractive workplace.
	Diversity & Human Rights	We work for a diversified workforce to get broadened perspectives and thus a stronger Väderstad. We have set goals for gender equality, and developed an equal treatment plan with a set framework through a Code of Conduct. We set social and ethical requirements in connection with purchases and systematically follow up our suppliers. If irregularities occur, we have a whistleblowing system for reporting this.
	Changes in the outside world (war/pandemic)	With unrest and conflict in our immediate vicinity and a pandemic fresh in our minds, our crisis management organisation has been put to the test. We work systematically to monitor our surrounding world in order to both proactively and reactively set up action plans and act.

Focus area	Key Risks	Management
Planet 	Climate and Environment	We monitor the world around us and participate in research projects to be at the forefront of innovation and science. Doing this we gain insights that can be transformed into customized and relevant machine concepts that promote environmental improvement measures in agriculture. In our own production, we work systematically with our energy and environmental work with routines and instructions for handling chemicals and emissions, as well as continuous maintenance and training.
	Regulatory risks	We follow the development of the new EU directive within CAP, rules on glyphosate and climate calculations for carbon storage – all in order to quickly adapt to current laws and requirements. As a global player, we are also following the developments in the markets in which we operate.

Risk analysis

Focus area	Key Risks	Management
Product 	Quality	We are ISO 9001 certified in Sweden. We work systematically with our quality work by measuring, troubleshooting, learning from and targeting complaints. We have a solid field testing department and our own testing lab to ensure the quality of our products and methods.
	Suppliers	We have high demands on our suppliers, both in terms of delivery reliability, quality, ethical and social risks. We plan for continuity to prevent supplier risks that could cause disruption in our supply chain.
	Interruption of supply chain	We have active and ongoing continuity work to meet requirements and be able to continue operations in the event of an unexpected Interruption, such as power loss. In a similar way, we work systematically with our fire safety work where we have set up an organisation with preventive measures in the form of training, routines, checks, etc.

Focus area	Key Risks	Management
Profit 	IT and information security	We have an IT policy and work with secure IT systems to minimize the risk of intrusion. We work on prevention and continuity plans where we test our system at regular intervals to ensure efficiency and train our employees continuously.
	Market Changes	We follow the competitors in a structured manner, flows and prices on the raw material market, grain prices, interest rates and exchange rates to make accurate market analyses to be able to plan for and respond to demand.
	Corruption	To counteract improper actions by our employees, such as giving and receiving bribes, and to minimize indirect risks from our suppliers, who may operate in countries with a higher risk of corruption, we have a code of conduct together with routines for reviewing and following up our suppliers and a whistleblowing system if suspicion arises.

Sustainability



Governance of the sustainability work

At Väderstad, sustainable development is about looking at the whole in all our issues. It is a prioritized focus area that is defined in the ownership directive and has a central role in the group's business plan.

Responsibility and governance

The Board of Directors of Väderstad Group has the overall responsibility for sustainability work and consists of permanent and rotating persons from our owner family, two union-elected members and three external members.

Our business policy sets the framework for our sustainability work. Based on current situation analysis, risk assessment and stakeholder analysis – in which both employees, customers, suppliers and owners have participated – a materiality analysis was done. This resulted in which sustainability aspects are most important to work with for us right now. The ongoing systematic sustainability work is then determined in our business plan process. The business plan defines how we will work with our prioritized sustainability areas in the long and short term. In this, activities linked to this work must be concretised together with objectives in each area – all to be in line with our priorities and in the larger context, the UN Sustainable Development Goals.


Relevant goals for sustainability work are described under each focus area later in the report.




*In 2024, we have started work on adapting to new sustainability reporting rules, CSRD.

Stakeholder dialogue

Our stakeholders include everyone who influences or is affected by our business. We maintain regular dialogue with them to learn about their challenges, needs and priorities. Knowing and understanding these aspects plays an important role in our strategic sustainability management.

Stakeholder group	Examples of important issues
 Customers	<ul style="list-style-type: none"> • The performance of our machines • Long durability • Price • Innovation
Owner and Board of Directors	<ul style="list-style-type: none"> • Long-term profitability • The Väderstad Way
Employees and unions	<ul style="list-style-type: none"> • Health, work environment and well-being • Collective agreements, terms and benefits • Skills development • Corporate social responsibility

Stakeholder group	Examples of important issues
 Suppliers	<ul style="list-style-type: none"> • Project finances and follow-up • Health, safety and work environment in the supply chain
Society, Media and School	<ul style="list-style-type: none"> • Knowledge and exchange of experience • Innovation • Commitment/responsibility for our communities where we have production
Authorities	<ul style="list-style-type: none"> • Compliance with laws and regulations • Transparency



People

The safety and health of our farmers and employees is a prerequisite for long-term profitability.

Focus areas:

- Create a safe, secure and healthy work environment
- Contribute to a safe working environment for the farmers

Key figures 2024:

Employee Index

7.7

LTA^r*

1.1

*Lost time accident rate

Female employees

17.8%

Female leaders

17.0%



Planet

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

Focus areas:

- Promote environmental improvements in the agriculture sector
- Optimise material use, minimize emissions and waste

Key figures 2024:

Greenhouse gas emissions*

5662

*Tonne CO₂ equivalents, scope 1 & 2, production units

Energy efficiency*

14.8

*kWh electricity and natural gas/worked hour



Product

Our machines should maximize every task and every seed's potential to enable a good harvest.

Focus areas:

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

Key figures 2024:

FGC (Faulty Goods Complaint)

-11%

Compared to FY 2021

ZH (Zero Hectares)

-6%

Compared to FY 2021



Profit

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

Focus areas:

- Ensure stable financial result and long-term profitability in the company

Key figures 2024:

Turnover

530

MEUR

Result after financial items

11

MEUR

With Health & Safety in focus

Väderstad wants to be a sustainable and attractive employer and supplier of agricultural machinery by creating a safe working environment that enables unique opportunities for both our customers and employees to grow.

About the focus area

We work from two perspectives; firstly we work to guarantee a safe working environment for the farmer and a high quality in our products. Secondly we want to ensure a stable supply of skills meeting both today's and tomorrow's needs by creating a good working environment for our employees. Regardless of perspective, we put safety first.

How we work

Safe working environment for the farmer

In order to provide a safe and secure working environment for the farmer, it is important to do the right thing from the start. An accident must not occur, therefore we work preventively to identify and remedy the risks that we see exist for the farmer.

Certifications and quality labels

All our machines produced in Sweden are CE marked and third-party reviewed by SMP, Swedish Machine Testing. Our North American manufactured machines comply with the requirements and standards that apply to the manufacture of agricultural machinery in that area.

Systematic quality work and training

Practical tests are always carried out in the field before a machine is delivered to the customer to ensure product quality. Our quick start guides, instruction manuals and hands-on trainings help the customer operate the machine safely. Should an accident still occur in the field, we investigate the accident in our Product Safety Council to make sure it will not happen again.

Healthy, safe and pleasant workplace

Systematic work environment management

We work systematically with our work environment work by paying attention to and taking into account all conditions in the environment that can affect the health and safety of our employees.

Risk assessments are ongoing and all production units have system support to register and manage observations, incidents and accidents. In these systems, we carry out root cause analyses, register actions and follow up that the actions have had the intended effect. Risk assessments, safety rounds and fire protection rounds are also registered here to systematically work with possible actions. Risk observations and incidents are continuously monitored in safety committees or equivalent within each business. Crisis and preparedness information is available on the intranet.

Sustainability aspects

- Create a safe, secure and healthy work environment
- Contribute to a safe working environment for the farmers

Overall objectives

- Vision zero accidents
- 30/30/30
- Employee Index

Leadership and Employeeship

A crucial part of how we succeed in creating a sustainable and inspiring work environment, that contributes to our growth and goal achievement, is a good and present leadership. With our foundations of values The Väderstad Way as a base, together with leadership training, we enable our leaders and their teams to create results that not only strengthen Väderstad as a company and an attractive employer, but also equip employees in their careers.

Our leaders are of course not themselves responsible for a good working environment. Each employee has their own responsibility for the common work environment by working in accordance with our core values, following routines and safety rules, reporting deviations, proposing improvements and reporting risk observations and accidents in our reporting tool.

Everyone should be treated equally and with respect

Within the Väderstad Group, all employees must have the same rights, obligations and opportunities – regardless of gender, transgender identity or expression, ethnicity, religion/faith, disability, sexual orientation or age. Our Code of Conduct applies globally and contains clear positions regarding mutual respect, non-discrimination, freedom of association, working time & compensation, modern slavery and child labor. We train

all leaders and provide tools that provide support to both leaders and employees in the equal treatment work. One example is our annual salary surveys, where we address any cases of unreasonable pay gap.

“Each employee has their own responsibility for the common working environment by working in accordance with our values.

For our operations in Sweden, the equal treatment plan is followed up and revised annually by party groups consisting of representatives from the company and the trade union organisations. Similarly, our operations in the United States and Canada comply with the prevailing legislation in each country regarding the work environment and act and revise plans based on what applies there to promote a respectful work environment.



A selection of actions in 2024

Work environment actions for the farmer

During the year, we have continued to develop our **working methods** in order to strengthen our systematic testing and safety documentation aspects when developing our products. Part of this work is to work preventively, where we have, among other things, provided the control via iPad with the corresponding “dead man’s grip” for certain safety-critical work steps.

Work environment measures for the employee

During the year, we have worked proactively to develop our **risk management processes** and update our **risk management procedures**. This work has helped us to better capture any risks and thereby reduce the impact of the risk.

From a **safety perspective**, VAB has worked to reduce injuries to hands and fingers. The work has been about finding new ways to investigate and analyse injuries to implement correct measures and minimize the risk of recurrence. In a similar way, we have worked with safety in our logistics flows in our factories through better signage, safer entrances and exits and separating pedestrian lanes from other traffic.

For a healthier **indoor environment** we have, among other things, replaced diesel-powered trucks with electric trucks at VUS and developed our chemical handling through better usage and storage of chemicals. At VAB, we have replaced the cutting fluid in one of our processing machines and built a new assembly hall where we separate the assembly process from welding and painting, which gives a quieter work environment and better indoor air.

In order to create better **ergonomic conditions**, we have installed new cranes and lifting aids. We have also partnered with a start-up which gives us the benefits of testing new equipment that is intended to reduce ergonomic risks – all within the framework of IndX*.

Development, education and prosperous leadership are essential for a sustainable workplace. During the year, we have introduced a leadership program in North America and a global leadership introduction for new managers. We have also globally implemented a mandatory process for employee reviews and goal development to ensure personal development and that each individual employee understands and contributes to our overall goals. In line with personal development, we also have continued the work with our exchange program and the ongoing training of our leaders.



“It was an interesting month in Sweden where I had to work on a variety of things. Something I really appreciated was working with hydraulics and I brought many ideas back home to Canada.

Kelsey Friedrich, Engineer in Training, Väderstad Canada

For four months, Kelsey Friedrich, through Väderstad’s internal exchange program, has worked for Väderstad in Sweden.

*IndX is a collaboration between four of the largest global companies in the local area and Linköping Science Park and we are jointly looking for start-up solutions.

Human rights

Väderstad is a global company with suppliers, customers and employees in a large number of countries. We support and respect internationally declared human rights and actively work to ensure that our employees, partners and customers are treated fairly, equally and with respect. This work promotes the development of both employee and business development.

We do business in an ethically and legally correct manner and are convinced that this is how we build long-term trust with our customers, our partners and with society at large. Our Code of Conduct and Values (The Väderstad Way) clearly establish how we do business and ensure that we respect human rights.

In the event of, or suspicion of, abusive discrimination we have procedures in place to investigate and handle the specific case, all to ensure a safe and secure workplace. Our employees, as well as external stakeholders, may report any violations of our Code of Conduct and other policies, including human rights violations, where the Company or any of its representatives are believed to be involved. Complaints can be reported through internal and publicly available whistleblower channels as described in our Code of Conduct, including the Väderstad whistleblower function.

In summary, we do not know, nor have any indications, that we have been exposed to or involved in human rights violations.

Employer offer

To create the right conditions for a safe and pleasant workplace and to be a competitive employer, we protect our employees' everyday lives as well as their working lives. We offer flexibility in where and how you work and place great emphasis on good health and to educate and train our staff.



Flexible workplace



Wellness & Health



Training



Collective agreements and trade union freedom



Targeted and development in focus - Responsive business

Policies in the area of people

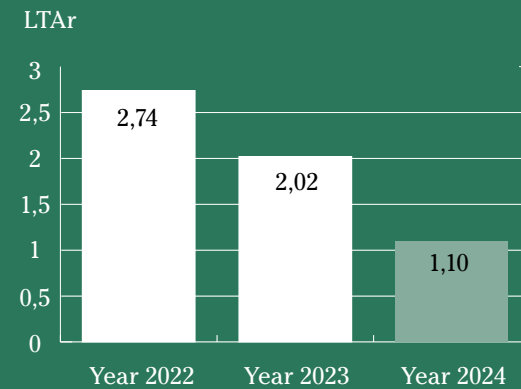
- Fire protection policy
- Personnel policy
- Equal opportunity plan
- Väderstad Group's policy for the processing of personal data
- Privacy policy
- Alcohol and drugs policy

Objectives and results

LTAr (lost time accident rate)

The number of lost time accidents related to the working hours of 100 full-time employees in a calendar year. **The target** for FY 2024 was 1.7 LTAr, reducing the number of LTAr by 15% compared to the previous year.

Our comment: We have reached this year's target with a good margin and see a positive trend over time.



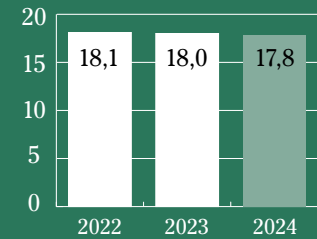
Gender distribution

30/30/30

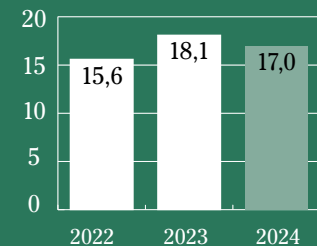
Since this year, we have a long-term goal of being 30% women in total and 30% women as leaders by 2030. The target for FY 2024 was 19% for both categories.

Our comment: For some years now, we have had a major recruitment need and have focused on bringing more women into the business. We are losing some of that effect during this year due to the layoffs as those people have shorter period of employment.

Percentage of female employees



Percentage of female leaders

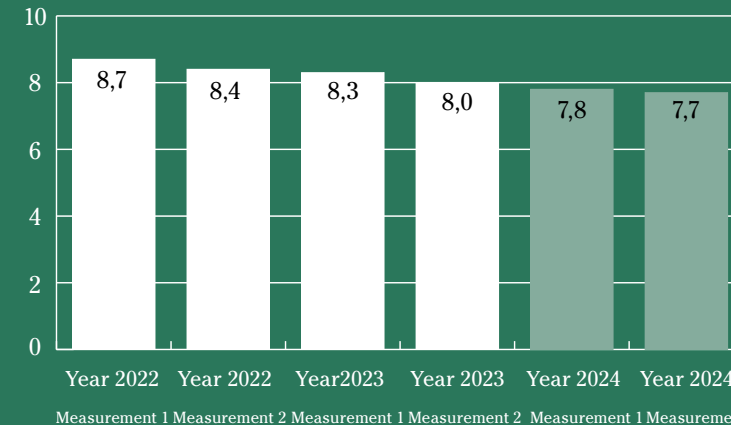


Employee index

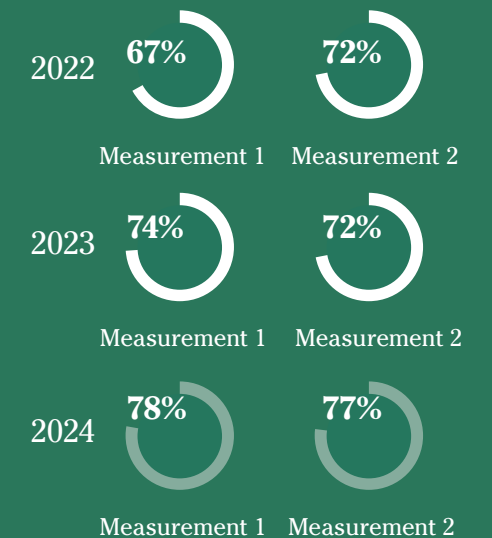
Engagement measure showing an index by aggregating different questions in our bi-annual employee surveys. The FY 2024 target for engagement index was to exceed 8.5 out of 10 possible.

Our comment: Our engagement index has fallen in line with the increase in response rates and our performance is below our target. We have introduced several measures as a result, but we are in line with the industry average for manufacturing.

Employee index



Response rate



Väderstad launches diversity goal

Väderstad has launched a goal to actively start working to bring more female applicants to our positions. The goal, 30/30/30, is to have at least 30 percent female employees and 30 percent female managers by 2030 and is part of an ongoing diversity work that will be broadened to more target groups in the coming years.

Väderstad, like many other Swedish industrial companies, traditionally has a clear overweight of male employees. During FY 2024, the proportion of female employees and managers at Väderstad AB was 17 percent.

– We have not been good enough at attracting female applicants to many of our positions, this is something we really want to improve because we see several positive effects of bringing more women into our different teams. Among other things, it is about getting more perspectives, a larger talent pool to choose from and we also know that equal workplaces are generally more profitable and have lower sickness rates, says Patrik Dahl, Vice President HR at Väderstad.

A big part of the goal 30/30/30 is to get better at actually getting women to apply to position within industrial jobs and then preferably to the green industries and Väderstad. This means, among other things, reviewing the recruitment process, including texts and imagery in connection with recruitment ads and job fairs, so that more applicants feel included and interested in working at Väderstad.

– An important part that we have worked with during the year is contacts with different student associations. We have had collaborations and lectures with several different sections for female engineering students at Linköping University, and more are underway.

It is noteworthy that in Väderstad's Canadian factory in Langbank, Saskatchewan, the situation looks partly different. The percentage of female employees in Canada is 26 %.

– In Canada, we have come further with this than in Sweden, partly because we have actively worked to get female applicants to advertised positions and lift diversity perspectives in connection with various job fairs, says Patrik Dahl.

During the past year, Väderstad has arranged several network meetings for women, hosted a female leadership program and arranged open meetings for current female employees to gain input to what we can do better to get more female applicants and employees. We have also invited young students to Väderstad together with the recruitment company Skill, to provide new insights into what Väderstad is working with and what it is like to work at Väderstad.

– This is a long-term goal and nothing we achieve overnight, but in the coming years, we will carry out an increased number of activities linked to 30/30/30, says Patrik Dahl. ■



Caring for the earth and our resources is how we act responsible

Population growth and the need for food are increasing, while access to arable land is decreasing. A major responsibility therefore lies with the world's farmers to produce more nutritious food in the most efficient and sustainable way while constantly being reminded by the affects of climate change.

About the focus area

Väderstad's machines are used exclusively in the agricultural sector and we want to manufacture machines that drive a positive environmental impact through innovation. While doing so, we need to reduce our negative environmental impact throughout the machine life cycle. Our focus is to reduce our negative environmental impact in energy and climate as well as in chemicals and waste.

How we work

Environmental improvement actions in agriculture

Environmental challenges in agriculture is one of the drivers for machine development. Our agronomic team, consisting of members with different backgrounds within the company as well as selected external stakeholders, monitors the market and environmental developments. To verify our machines contribution to environmental improvement measures, we carry out many tests of our machines and cooperate with experimental farms, universities and other organisations in the industry.

Energy and climate

We calculate our greenhouse gas emissions within scope 1 and 2 and have begun work on scope 3, which captures the life cycle of our machines. Emissions within scope 1 and 2 mainly come from the use of electricity, natural gas, district heating, vehicle fuels and refrigerant use.

Resource efficient energy consumption

For the operations in Sweden, we buy 100 percent renewable electricity, which is about 75% of the entire Väderstad Group's electricity consumption. As part of streamlining energy consumption, VCAB are using waste heat from the process to heat certain premises.

The energy use of the businesses includes paintings, furnaces, lighting, heating, ventilation and compressed air. Based on data from our energy suppliers and our own measurements within our operations, we continuously identify possible actions to reduce our need for energy.

Climate-smart transport and travel

Both the transports between VCAB and VAB and our loop car transports in Sweden are largely done with transport companies that are environmentally certified or fossil-free. We continuously review our transports to and from our operations in order to minimise transport as flows from different suppliers change over time.

Sustainability aspects

- Promoting environmental improvements in the agriculture sector
- Optimise material use, minimize emissions and waste

Overall objectives

- Net zero emissions of greenhouse gases 2045
- Energy efficiency

Policies in the area of planet

- Travel policy
- Company car policy
- Project policy

We conduct digital meetings as much as possible, both to reduce travel time for our employees but also to reduce the environmental impact of travel. In both Sweden and Canada, we have offices in nearby major cities to reduce our employees' commuting time and the emissions that come with this.

Waste and Chemical Management

We continuously streamline our processes and manufacturing methods to improve raw material utilisation and to minimize waste associated with production. Similarly, we work actively to minimize harmful chemical substances in our products, both from an environmental and health perspective.

We work to minimize the substances that are listed in the REACH regulation's candidate list, substances that are included in the water directive list and substances that contain phase-out or risk reduction substances according to the Chemicals Inspectorate's PRIO list. This is done by checking that no new substances are added and that we substitute existing substances. For substances in our products, we report to ECHA's SCIP database.

Laws and Rules

Väderstad AB (VAB): Permit according to the Environmental Code.

Väderstad Components AB (VCAB): Notification according to the Environmental Code with decided precautionary measures.

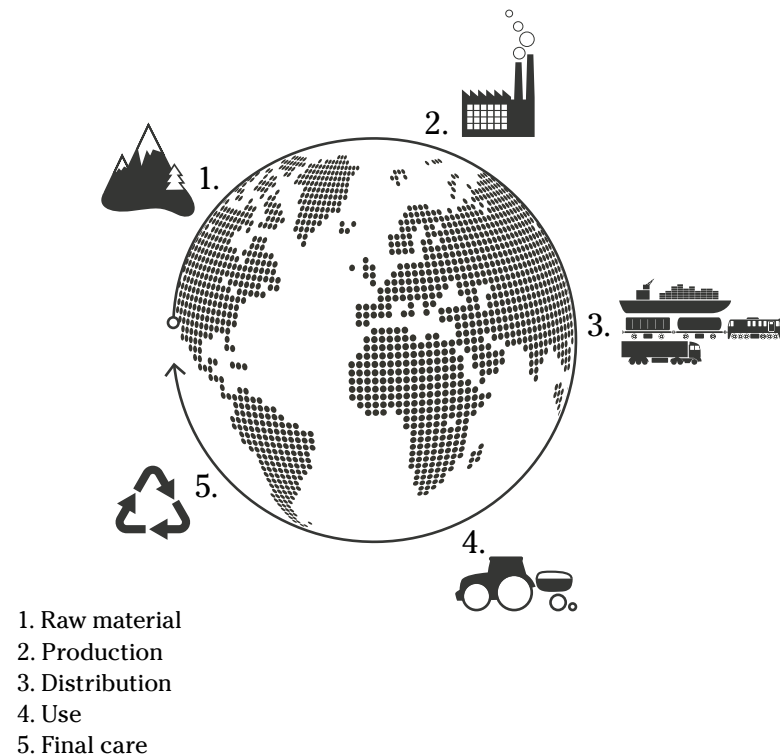
Vaderstad Industries Inc. (VCA): The Saskatchewan Environmental Code without exception.

Vaderstad Inc. (VUS): North Dakota Department of Environmental Quality and Clear Water Act.



The life cycle of our machines

We have divided the life cycle of our machines into five parts. The sustainability aspect of promoting environmental improvement measures in agriculture is described in more detail under point 4. We work with the second sustainability aspect throughout the entire life cycle.



1. Raw materials/consumers

The raw materials for our machines are mainly different forms of steel, plastic, rubber and electronics. We place high demands on our suppliers and the choice of materials is based on careful selection processes and tests.

2. Production

Our biggest direct environmental impact is at our four production sites. At these sites we mainly influence the environment through energy use, transportation, waste and chemical consumption, especially through our paint. VAB uses a solvent-based paint in production and the other three production units use a powder-based paint.

3. Distribution

We continuously optimise our transport and delivery processes to minimize environmental impact. We apply a so-called loop truck arrangement for the greater part of our deliveries of material from our suppliers at VAB and VCA and coordinate deliveries as far as possible.

4. Use

Our machines must be safe to use and contribute to an efficient, sustainable and profitable farming. We educate our customers, both upon delivery and on an ongoing basis, about how to get the most out of their machine from a resource-reducing perspective. Our various methods and machine concepts for tillage and seeding must be resource-efficient. On this note a great focus is placed on manufacturing machines that perform several work steps in one crossing, where tillage can be reduced and adapted according to needs and soil type. Further on we also focus on precision seeding to reduce the number of seeds or amount of pesticide. Through our method ultra-shallow tillage, the risk of soil erosion is reduced while the conditions for carbon storage increases.

5. Final care

Making machines with a long service life and minimal maintenance is a hallmark for Väderstad. We manufacture our wear parts on the machines through an optimised hardening process that extends their lifespan. Spare parts for all previously produced models are provided, which contributes to our machines having a long service life and a high resale value. You can read more about our wear parts on page 41.

A selection of measures during FY 2024

Environmental improvement measures in agriculture

New innovations for minimized disturbance in the field

As agriculture continues to face challenges linked to climate change and resource shortages, the importance of sustainable farming practices is growing. Väderstad's latest innovations, Seed Hawk 600-900C and Carrier 925 equipped with 3 rows of CrossCutter Discs, are examples of solutions that focus on minimized tillage, efficient resource use and improved performance.

Seed Hawk 600-900C

No-till seeding for soil health and efficiency

The Seed Hawk 600-900C seed drill features advanced direct seeding technology that reduces soil disturbance and builds long-term soil health. Direct seeding preserves the structure of the soil by eliminating the need for traditional, more in-depth tillage, reducing soil erosion and improving moisture conservation. Through its double knife tine coulters, the Seed Hawk 600-900C places seed and fertiliser at the right depth with minimal impact on the soil structure. This precision not only reduces soil compaction but also promotes seed-to-soil contact, leading to optimised germination. The direct application of fertiliser together with the seed allows for efficient use of nutrients, reducing eutrophication effects. Direct seeding helps improve soil health and increases the efficiency of farmers' operations.



Carrier 925 with three rows of CrossCutter Disc

Efficient tillage, maximum management of crop residues

Carrier 925 with three rows of CrossCutter Disc offers a solution that combines efficient soil cultivation with reduced impact on the soil profile. The CrossCutter Disc is designed for ultra-shallow tillage and cuts and mixes crop residues at the surface while preserving soil structure at depth. This minimises deeper mixing, ensuring that more carbon remains in the soil. Additionally, the CrossCutter Disc provides high tillage intensity and effective breakdown of crop residues, promoting water infiltration and soil aeration. By maintaining ultra-shallow and precise tillage, the CrossCutter Disc reduces fuel consumption and promotes long-term soil health.



A selection of actions during FY 2024

Energy and climate

Resource-efficient energy consumption

The Väderstad Group is affected by the European rules on energy mapping in large companies. VAB and VCAB have during the year started work on a new mapping and work is underway to do the corresponding mapping in our Canadian facility (which is not affected by the requirement).

To create the conditions for becoming more energy efficient, we have installed more meters at our production sites in Sweden. Through changed control of ventilation and heat, exchange of heat exchangers and leak detection of compressed air, we have also reduced our energy needs at these sites. In Canada, we have rebuilt our natural gas pipeline, which has given us better opportunities to optimise usage there and at one of our sales companies. In the Baltic countries, we have started a solar cell plant during the year.

Life cycle analysis and steel usage

Through a collaboration with Linköping University, we have conducted a life cycle analysis of one of our machines to increase our knowledge of its climate footprint. We use large amounts of steel that has a large climate footprint and this is why we have started our work to make steel usage more efficient. The work has begun and we have no results yet to present.

Climate-smart transport

During the year, we have had difficulties optimising our transport flows because of changed forecasts. However, work is ongoing to optimise and reduce transport needs as much as possible.

Waste and chemicals

Recycling and sorting of sources

At VCA, we have implemented a management system which means that we can recycle more wooden pallets with reduced resource utilisation and waste as a result. VCA has further expanded the number of suppliers connected to the system with recyclable transport packaging instead of using disposable materials.

At VAB, we have expanded the waste sorting in offices and dining rooms. Through a change of cutting fluid in one of our processing machines, we have extended the life of the cutting fluid and has reduced the amount of hazardous waste.

Chemical management process

We have improved our chemical product risk assessment process and changed our requirements for which products we are allowed to take in. As a result, we have reduced the number of chemical products used in our manufacturing, which in addition to environmental and health improvements also leads to reduced costs.

Read more about chemicals on page 34 where we describe the improvements we will be able to achieve through our new painting facility.

Laws and rules

In order to enable future development of the business, we have applied for an extended permit during the year under the Environmental Code for VAB. Handling is ongoing.



“With more detailed energy measurement, more frequent follow-up and dedicated local energy teams, we are on the right track.”

Elin Iseskog,
Director Sustainability

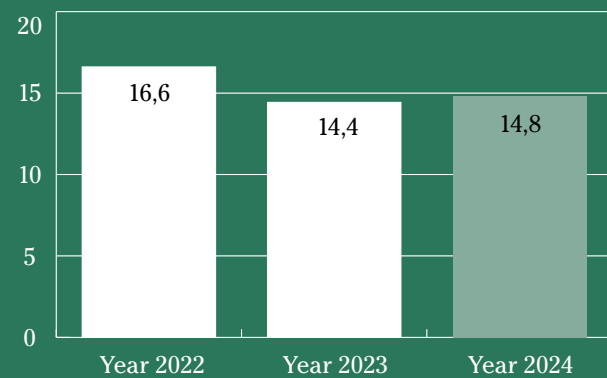
Objectives and results

Energy

Väderstad Group has adopted a long-term target of net zero greenhouse gas emissions by 2045, which is in line with Sweden’s commitment in the Paris Agreement. On our way to net zero emissions, we have focus on energy efficiency in our production facilities. We measure this as consumption of electricity and natural gas (kWh)/worked hours. The goal for FY 2024 was to be at the same level as the previous year.

***Our comment:** We don’t really achieve this year’s goals. This is mainly because we have not been able to reduce our energy consumption in our factory in the US. The other three production sites have become more efficient thanks to the measures we have implemented in the operations.*

kWh electricity and natural gas/worked hours



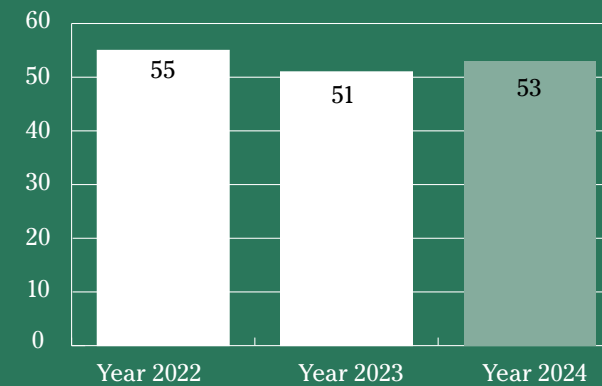
Waste & chemicals

Other metrics for waste and chemicals that we follow are the material yield and the quantities of scrap, as well as the number of chemical products that we use and how many products we use that are affected by various restrictions.

Legal requirements

In the Environmental Code Permit for VAB there is a limitation on how much volatile organic solvents we can use. The consumption refers to the calendar year and not the financial year. We are well below the required level of 150 tonnes.

Solvent consumption (tonnes)



New painting facility reduces the use of chemicals

Väderstad is currently building a brand new painting facility, a high-tech and automated facility that will be at the forefront of Swedish industry and provide completely new possibilities for reduced use of solvents and increased efficiency.

The new painting facility is not in full use yet, but is approaching completion. Large conveyors lead up to the first robotic chamber – where robots from ABB clean the goods by laser.

– We are the first in Sweden to clean hanging goods with laser, which is a prerequisite to later use a paint with a significantly lower degree of solvent. With the laser, we can clean surfaces that can be difficult to access with blasting, which is needed for the paint to adhere properly. In general, clean surfaces are wanted, but with the chosen laser we can also create surface structure for better adhesion, says Anna Frostemark, Coating Process Developer at Väderstad.

After laser cleaning, the goods are blasted with steel balls and blown clean, before it is time for priming of difficult surfaces. It is also completely new for Väderstad, in the older painting facility no primer was used, instead the paint was applied via DTM, direct-to-metal.

– The primer we will use is water-based and will be used to cover sharp edges and other surfaces where it may otherwise be difficult to obtain paint coverage. In addition to making the top coat attach better, it also contributes to an improved rust protection for our machines, which will extend their durability.

After this, the goods move on to topcoating. Here it can take two different paths: either into the robot painting or via another path into the manual painting.



– We aim for 95 percent to be done via robotic painting, it is partly about efficiency and standardisation, to achieve a more repeatable result, but also about the work environment because those who work in the manual painting are at risk of being exposed to the paint. The robot painting also helps save energy because we do not need to add as much new air, but instead to a greater extent can circulate the air where the robots work.

Then it's time for the topcoat itself, which, as before, is a polyurethane paint but where the amount of solvent has been reduced from 42 to 12 percent. The main reasons for the reduction are the laser cleaning and the use of primer – allowing for a significant reduction of solvents in the red topcoat covering Väderstad machines.

– We will continue with the same paint supplier as before, when we go to full capacity we use about 2 000 liters of paint a week so this reduction from 42 to 12 percent solvents means great progress in our environmental work at Väderstad, says Anna Frostemark.

After painting, the goods enter the large curing chamber, where the moisture-accelerating paint is cured and dries in a moist environment where it is 25-30 degrees warm.

“ The decrease from 42 to 12 percent solvents means great progress in our environmental work at Väderstad.

– An other important factor in our new facility is that we will be able to paint much larger goods than before, the painting chamber size has increased by 70 percent in the new facility. We go from 4 meters to 6.2 in length and 2.5 to 3.4 in height. So per square meter painted, we will both reduce our costs but also our energy consumption. ■



High quality at all levels is our signature

The foundation of our innovations is simple; to maximize every task and every seed's potential to enable a good harvest. That is our contribution to simplifying work and improving performance so that the world's farmers can help feed the world's population.

About the focus area

We are experts in our field, i.e. producing machines that lay the foundation for a good and sustainable harvest for generations. It is a work that constantly challenges us to think in new ways and find new paths to streamline and respectfully manage the resources of both individual farmers and planet earth.

How we work

Developing innovative, efficient and sustainable products

Väderstad's business is based on creating the best conditions for the establishment and emergence of a crop. We have always had a strong product development focus with the ambition to create breakthrough innovations for the world's farmers. With agronomy and engineering in close collaboration, we develop highly efficient and sustainable machinery and methods for tillage, seeding and planting.

Through external monitoring we get focus on the challenges that our machines will help solve. We have standardised processes for developing new products and changing existing products.

We have been participating in IndX for a few years, which is a collaboration between four of the largest global industries in the surrounding area and Linköping Science Park. Together, we are looking for new innovative solutions in the areas of sustainability and connected and autonomous machines delivered by startups.

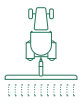
We collaborate with several different universities and colleges on, among other things, durable materials. To ensure durable machines, we test them throughout the development cycle.

Sustainability aspects

- Develop innovative, efficient and sustainable products
- Ensuring a high product quality

Overall objectives

- Quality claims within the warranty period
- Machine claims before customer use
- Customer satisfaction



Ensuring high product quality

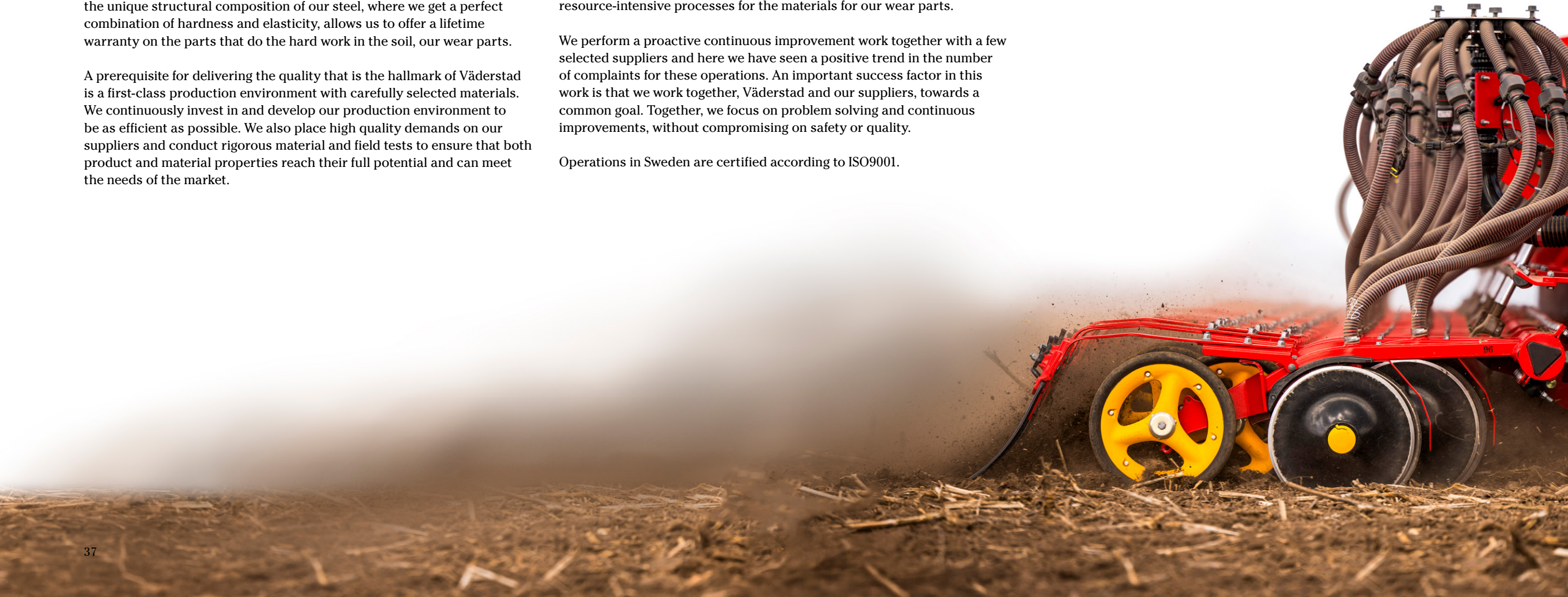
Our customers have great trust in that our machines and wear parts last for a long time. We offer a two-year warranty on our machines and the unique structural composition of our steel, where we get a perfect combination of hardness and elasticity, allows us to offer a lifetime warranty on the parts that do the hard work in the soil, our wear parts.

A prerequisite for delivering the quality that is the hallmark of Väderstad is a first-class production environment with carefully selected materials. We continuously invest in and develop our production environment to be as efficient as possible. We also place high quality demands on our suppliers and conduct rigorous material and field tests to ensure that both product and material properties reach their full potential and can meet the needs of the market.

In our development laboratory at VCAB, Materials Technology Lab, many of the tests are carried out to find the absolute best properties and least resource-intensive processes for the materials for our wear parts.

We perform a proactive continuous improvement work together with a few selected suppliers and here we have seen a positive trend in the number of complaints for these operations. An important success factor in this work is that we work together, Väderstad and our suppliers, towards a common goal. Together, we focus on problem solving and continuous improvements, without compromising on safety or quality.

Operations in Sweden are certified according to ISO9001.



A selection of new innovations during FY 2024

Proceed V 24

The precision seed drill Proceed V 24 can place the smallest seed at perfect depth, with millimeter precision. The result is a significant improvement in yield potential, while drastically reducing the seed rate.

[Read more about Proceed V 24](#)



Tempo K 24

The new Tempo K planter adds an important model to pave the way for Väderstad's establishment in North America. This allows us to introduce Väderstad's high-efficiency Tempo family to new markets.

[Read more about Tempo K](#)



PD 1350

Paired with the Seed Hawk toolbar, the PD 1350 air cart has an industry-leading capacity of 47 600 litres (1 350 bushel). This gives the farmer the opportunity to increase their field efficiency and improve logistics related to filling the machine.

[Read more about PD 1350](#)



Tempo WSX

By upgrading the electronics of the Tempo planter, additional functions to ensure even better accuracy in the field are introduced. The new features are curve compensation, active hydraulic row unit downforce as well as automatic singulation.

[Read more about Tempo WSX](#)



TopDown/Opus with E-Services

With the new control system, the farmer can control the tillage depth automatically when driving in the field. This makes it possible to optimise the tillage operation while enabling an improved soil health and reduced fuel consumption.

[Read more about E-Services](#)



A selection of actions during FY 2024

Ensuring high product quality

Quality measures within our welding and painting operations

For a few years, we have developed our systematic approach to evaluate and address internal quality deficiencies, primarily within our welding and painting operations, and now we see the results of our work. Internal complaints from our welding operations have decreased by around 20% during the year. The same figure for the paint operations is a 65% reduction during the year, saving millions by not having to paint details several times.

Training and new ways of working create better conditions

At VCAB, we have developed the process for quality assurance of new articles and developed our material lab further with new instruments and new working methods. In our US factory, we have focused on reducing the number of assembly steps for the customer once they received the

machine by making those steps in the factory instead. This gives us better conditions to get good quality of our products.

Another quality-enhancing measure for the products in the US is that we have started an assembly school inspired by the concept we have at VAB.

Global business management system

Last year we launched a brand new global business management system. During this year, we have worked on developing our processes and procedures. It creates the conditions for all of us to work in an efficient way that ultimately gives better machines to our customers.



Objectives and results

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

FGC, Faulty Goods Complaint

Quality complaints during the warranty period are measured as the number of complaints/100 machines manufactured.

Outcome FY 2024

-11%
Compared to FY 2021

ZH, Zero Hectares

Machine complaints before customer use are measured as the number of complaints/100 machines manufactured.

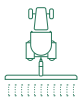
Outcome FY 2024

-6%
Compared to FY 2021

Our comment: *After many years of steady improvements in the overall quality metrics, we have had a more challenging year FY 2024 as we haven't manufactured as many machines but still receive complaints from last year's "all time high" production. We haven't met our goal even though the number of complaints is steadily decreasing.*

Other metrics we follow:

Delivery precision for machines and wear parts.
Customer satisfaction through our ongoing customer surveys.



Wear parts for a better soil health

The Genuine wear parts of all Väderstad machines are the black-coated parts that go into the earth, which are also subjected to the highest wear and tear. They need to be replaced at regular intervals, but to help simplify the farmers' work, reduce resource consumption and improve soil health, Väderstad has developed several unique solutions.

The Väderstad Marathon range are points and other wear parts with a unique coating of wolfram carbide, a carbide tip that can increase the lifespan by up to 10 times compared to a traditional point. This means that the point maintains the same working depth throughout its lifetime. A regular point wears from below, which means it changes properties over its lifespan compared to the Marathon point, which always maintains its shape. This also means that the farmer saves both time and effort on not having to change points as often as well as further savings in the form of reduced resource consumption in connection with manufacturing and transport. During the last year, Väderstad has also launched a following harrow tine with Marathon coating.

– This is something that our customers are increasingly demanding, it is partly about environmental thinking but also about time in field for our customers. Our Marathon points are more expensive than our traditional points, but because they last so much longer, it will be cheaper over time and the customer does not have to change as often, says Carl Lövstrand, Director Aftermarket at Väderstad.

Another important factor is, of course, how the machines work in the soil and how different soil flows affect both the performance of the machine, but also soil health. All cultivator tines are equipped with Väderstad MixIn shin that throws soil and plant residues forward instead of straight upwards as traditionally, forcing all material to pass through the tine at

least two times. This results in a reduced working depth and doubled involvement on a single crossing, saving time and diesel.

Our unique BreakMix point breaks the soil, while not interfering with fungal hyphens and other microorganisms. Since the plants create symbiosis with the fungus, which go into the roots of cereal crops to get carbohydrates and deliver back various micro substances and phosphorus that favor crops, this provides several agronomic benefits – such as the plants being able to absorb more water.

– Something we are also looking into is environmentally friendly painting of our wear parts, the paint wears down quickly when they work in the soil which means we need to take a bigger hold of what painting products we use, says Carl Lövstrand.

In several markets, Väderstad helps our customers with so-called preseason check-ups. This is based on a review of the machine for each season by our skilled staff followed by recommendations what needs to be replaced in order for the machine to continue to function optimally. This improves the secondary value and lifespan of the machine and also builds strong relationships with our farmers over time. With preseason check-up our farmers can trust their machine to do what it should – season after season. ■



A tough year for agriculture

2024 has been a tough year for us. The recession has hit our entire industry hard and Väderstad is no exception. Our sales have declined as our customers' purchasing power has weakened due to, among other things, the high interest rates, sharp fluctuations in grain prices, political unrest and climate change.

The War in Ukraine

Russia's war against Ukraine continued in 2024. Väderstad has staff in both countries and before the war both Russia and Ukraine were big and important markets for us. When the war began in 2022, we made the decision in principle not to accept any new machine orders from Russia. This decision still stands.

In Ukraine, relatively soon after the start of the war in 2022, we were able to continue with the supply of machinery and spare parts to mainly the western and southern parts of the country. We have continued to do so - even if levels are greatly reduced compared to before the war. Due to blocked ports in the Black Sea, many of Ukraine's European neighbours have seen a sharp increase in imports of cheap Ukrainian cereals, originally intended for Africa and the Middle East, which has led to widespread protests among European farmers and demands for new tariffs and import quotas.

Investments in the future

Despite this year's challenges, we are investing in the future and have made major investments to both expand and optimise our own production in all our production units. During the year we completed a new assembly hall and the construction of a completely new painting facility in Väderstad and completed new offices and customer centres in Wahpeton, USA.



Sustainability aspects

- Ensure stable financial result and long-term profitability in the company

Overall objectives

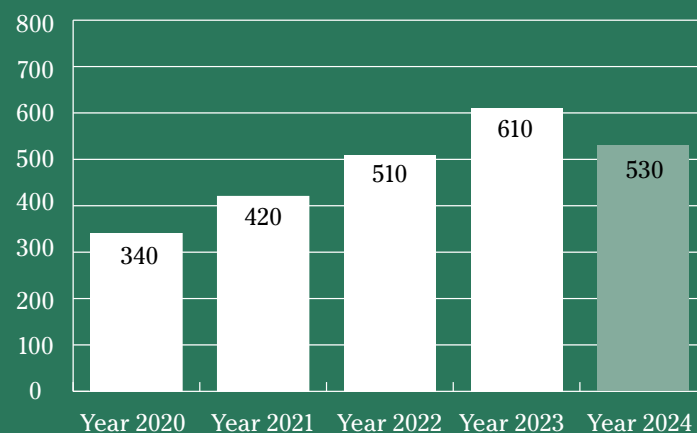
- 8% profit before tax
- 10% annual growth

Objectives and results

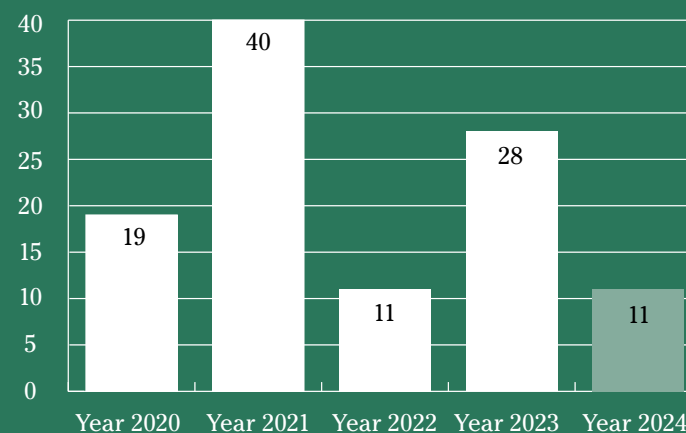
The target for 2024 was to reach approximately the same turnover and profit as last year.

Our comment: Due to a recession in the industry, we have not reached our targets despite the cost reduction measures we have had to take such as layoffs.

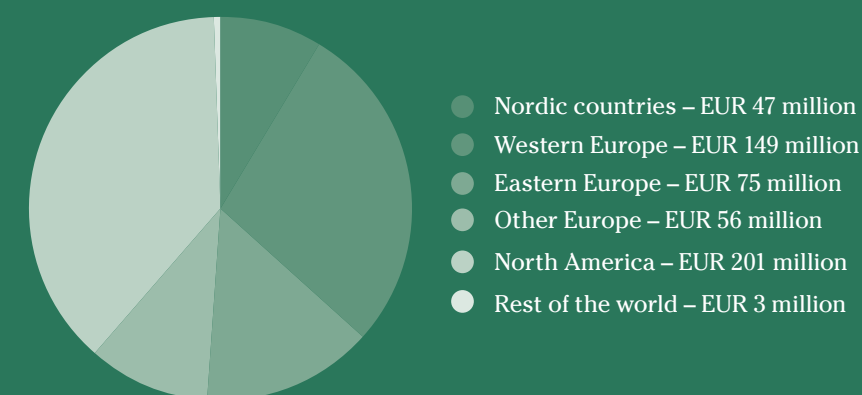
Sales MEUR



Result after financial items (MEUR)



Sales by region MEUR





Where farming starts