



STIHL

SUSTAINABILITY STATEMENT 2025

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1. GENERAL INFORMATION

ESRS 2 - PRINCIPLES FOR PREPARATION

DISCLOSURE REQUIREMENT BP-1 - GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

STIHL Holding AG & Co. KG (hereinafter STIHL Group) is voluntarily publishing this Sustainability Statement which is based on the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). STIHL Group is releasing this voluntary reporting in order to systematically prepare for future regulatory requirements.

This statement's scope of consolidation includes all the companies within the scope of consolidation of the consolidated financial statements of STIHL Holding AG & Co. KG as well as the two 100%-owned participations Carl Benz Center Objekt GmbH & Co. KG, Stuttgart, and Carl Benz Center Neckarpark GmbH, Stuttgart. The extent of individual disclosures on concepts, measures, goals and metrics is explained in the relevant topic standard. STIHL is continuously developing its sustainability reporting and will gradually expand the level of detail in the years ahead.

For the double materiality analysis (DMA) STIHL Group looked at both the upstream and downstream value chains.

DISCLOSURE REQUIREMENT BP-2 - DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

TIME HORIZONS

The time frames used in this Sustainability Statement are based on the ESRS guidelines. With respect to the relevant reporting year, the short-term horizon refers to a period of up to one year; the medium-term horizon a period of one to five years; and the long-term horizon a period of more than five years in the future.

SOURCES OF ESTIMATES AND RESULT UNCERTAINTIES

STIHL Group advises that a range of estimation methods are used for several metrics. For each corresponding metric STIHL Group specifies the methods, assumptions and data sources on which the estimates are based as well as the type and magnitude of results uncertainty arising from them. This information is provided in the immediate context of the relevant metric.

GOVERNANCE

DISCLOSURE REQUIREMENT GOV-1 - THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

STRUCTURE

All companies in STIHL Group are consolidated under STIHL Holding AG & Co. KG. STIHL Group's operational business is managed by the five-member Board of Management of STIHL AG. Appointment to and dismissal from the Board of Management is conducted by the Supervisory Board. The responsibilities of the members of the Board of Management are regulated in the rules of procedure.

The strategic direction of the Group is decided by the STIHL AG Board of Management together with the Advisory Board of STIHL Holding AG & Co. KG. This consists of eight members including three shareholders (limited partners) of STIHL Holding AG & Co. KG, and five external representatives appointed by the shareholders. The Supervisory Board of STIHL AG has twelve members. In accordance with German co-determination law, this consists of six representatives each from among the shareholders and employees. The Annual General Meeting of STIHL AG elects the six shareholder representatives as proposed by shareholders. The workforce at the German sites elects four employee representatives every five years; two more are delegated by the IG Metall trade union.

RESPONSIBILITIES

Oversight of material sustainability-related impacts, risks and opportunities (IRO) is anchored at specific levels of the STIHL Group: The Board of Management bears overall responsibility for implementation of the corporate strategy and the Sustainability Strategy integrated into it (specified under SBM-1), while the Advisory Board and Supervisory Board exercise legal and regulatory control. Impacts, risks and opportunities form the basis for determining which sustainability topics are significant for STIHL Group: By means of the DMA, STIHL Group has identified the significant impacts its business activities have on the environment and society as well as the financial risks and opportunities for the company that arise as a result, and reports the outcome in this Sustainability Statement.

The Sustainability Officer and the Sustainability Steering Committee work hand-in-hand to coordinate the operational implementation of the Sustainability Strategy. The Sustainability Officer is the technical manager of the Steering Committee, which meets four times a year. Three of the five Board of Management members are represented on the steering committee, which means it is capable of making many sustainability decisions independently. If a resolution of the entire Board of Management is required, the Sustainability Officer prepares it and makes recommendations. The Steering Committee provides information and reports on all sustainability projects as well as initiating new projects as needed. The relevant departments are responsible for operational implementation of the Sustainability Strategy.

The Board of Management members in charge of Human Resources and Legal, Production and Materials Management, and Research and Development attend all Steering Committee meetings; the first two of these also function as sustainability topic champions on the Board of Management. Each Board of Management division is additionally represented on the Sustainability Steering Committee by a second-level manager, with committee membership further strengthened by other experts from STIHL Group. The Board of Management and Advisory Board adopt Group-wide target statements and metrics concerning significant impacts, risks and opportunities following the recommendation of the Steering Committee, and regularly arrange reports on the development of them. Internal and external sustainability expertise is available to them when needed.

COMPOSITION AND DIVERSITY

As at December 31, 2025, the Board of Management consists of five members, of which one is a woman and four are men. The proportion of Board of Management members who are women is 20 percent, and the proportion of men is 80 percent. The Supervisory Board consists of twelve members, of which four are women and eight are men. The proportion of Supervisory Board members who are women is 33 percent, and the proportion of men is 66 percent. The Advisory Board consists of eight members, two of whom are women. The proportion of Advisory Board members who are women is 25 percent, and the proportion of men is 75 percent.

SPECIALIST KNOWLEDGE

An important criterion for selecting committee members is that they have excellent qualifications: The members of the Board of Management, Supervisory Board and Advisory Board have in-depth specialist and regional expertise in the products and markets relevant to STIHL Group. These areas include forestry and gardening technology, mechanical and plant engineering, electronics and consumer goods. Employee representatives on the Supervisory Board contribute detailed knowledge about German production sites. For sustainability topics the committees make use of the specialist knowledge of the Sustainability Officer and the Steering Committee.

DISCLOSURE REQUIREMENT GOV-2 - INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The rules of procedure of the management and supervisory bodies of STIHL Group do not contain any separate regulations on sustainability. These concerns are integrated into existing governance processes and follow the same processes as other strategically relevant topics in terms of information flow, decision preparation and approval. The management and monitoring bodies receive regular information about all significant sustainability impacts, risks and opportunities. The Sustainability Officer reports to the Board of Management and Advisory Board on a quarterly basis, and on an ad hoc basis as required. Internal Auditing transfers the risk management results to the Chair of the Board of Management and periodically passes them on to the Advisory Board. The Compliance Officer updates the Board of Management on a quarterly basis. The global EHS manager (Environment, Health, Safety) collates relevant metrics related to environmental, work and safety matters for an annual review by management. These information flows ensure that effectiveness is transparently evaluated for concepts, actions, metrics and objectives in relation to all material impacts, risks and opportunities.

During the year under review, the management and supervisory bodies handled various sustainability matters including the following:

- Completed STIHL Group's Sustainability Strategy (specified under SBM-1) by adding target statements for all material topics
- Increasing the market-relevance of sustainability ratings
- Impact of regulations: EUBR (batteries), PPWR (packaging), CBAM (CO₂ taxation)
- Continuation of a project for sequestering CO₂ through forestation
- Biodiversity at our sites
- Business models for the circular economy
- Sustainable process chemicals
- Diversity

STRATEGY

DISCLOSURE REQUIREMENT SBM-1 - STRATEGY, BUSINESS MODEL AND VALUE CHAIN

STIHL Group is a world market and technology leader which operates internationally and develops, manufactures, produces, and distributes battery-powered, electrical, and petrol-powered tools for professional forestry and agriculture as well as for garden and landscape maintenance, the construction sector, and private garden owners. The product range is complemented by digital solutions and services. STIHL Group does not offer any products that are prohibited in specific markets. The top priority for STIHL Group is the safety of its customers and the provision of products which are legally compliant in the respective market.

STIHL Group's own business activities include research & development, procurement, production, quality management and sales, as well as all associated activities. More than 10,000 suppliers supply the global network of production companies located in eight countries. The products are generally distributed through servicing dealers and STIHL's own online shops, which will be expanded internationally in the next few years - with 40 of our own sales and marketing subsidiaries, around 100 importers, and more than 50,000 dealers in over 160 countries.

STIHL Group's main markets are North America, Europe and Latin America; Africa and Asia-Pacific are gaining in importance.

SUSTAINABILITY STRATEGY AND GOALS

STIHL Group understands sustainability as an integral part of its business model and incorporates it into its business strategy and innovations. In 2021 STIHL Group reaffirmed its strategic approach of continuously reducing the environmental impact of its business activities and systematically implementing due diligence obligations in the supply chain. With this in mind a Sustainability Strategy has been developed with internal and external stakeholders. This Sustainability Strategy has since become an integral part of the long-term corporate strategy which applies for the whole Group. It is thematically organized into three strategic focus areas with nine topic modules:

- **Ecosystems focus area:** Modules: Scope 1/2 GHG neutrality, Scope 3 GHG neutrality, biodiversity, products and sites
- **Circularity focus area:** Modules: Circular products, circular packaging, sustainable process chemicals
- **Due Diligence focus area:** Modules: Sustainable supply chains, diversity, workplace health & safety
- In the context of CSRD preparation the Governance topic module was added; this is not assigned to a focus area

STIHL Group applies a uniform approach for all topic modules. The starting point is target statements or topic module strategies which the Sustainability Officer develops together with the respective topic owners - the higher-level managers in the specialist departments - and which are approved by the Sustainability Steering Committee. On the basis of these, the topic owners define key performance indicators (KPIs) which are confirmed by the Steering Committee. The next step is the definition of targets: The topic owners develop target proposals which are approved by the responsible member of the Board of Management. The Sustainability Steering Committee is generally responsible for this approval; however, certain decisions are reserved for the overall Board of Management. After the target statements, KPIs and target values have been adopted, the derivation of concrete actions and implementation projects begins. The KPIs are in-

egrated into the company or division's KPI systems and monitored there on an ongoing basis. There are target statements available for all topic modules; some KPIs, goals and actions are still being developed.

Among other objectives, STIHL is making efforts to reduce the use of fossil fuels by 40 percent by 2030 (compared to 2019) and to be greenhouse gas neutral in its operations globally by 2050. Programs targeting efficiency and energy at the production sites are key components of the corporate strategy.

At the same time STIHL Group is driving forward the development and marketing of battery power tools. The proportion of sales from battery-powered power tools is already growing today; it is expected to rise to 80 percent by 2035. Power tools with combustion engines are also undergoing further technical development in parallel to this.

STIHL Group builds in resource efficiency even at the product design stage, by means of features such as durability, reparability and availability of spare parts. STIHL Group is simultaneously working on reducing packaging material and plastic with a view to achieving less material consumption and waste.

DISCLOSURE REQUIREMENT SBM-2 - INTERESTS AND VIEWS OF STAKEHOLDERS

STIHL Group defines stakeholders as groups and individuals who influence or are affected by the company's decisions. The most important stakeholders are: Owners and management, employees and the Works Council, suppliers and other service providers, specialist dealers, customers, financiers, authorities, municipalities, associations, non-governmental organizations, site neighbors, as well as the media and broader public. In the context of developing the Sustainability Strategy, STIHL Group systematically compiled the expectations and concerns of these groups – using methods including surveys, workshops and the evaluation of publicly available positions. The feedback obtained informed the determination of material topics and the three focus areas.

For example, there is continual stakeholder dialog taking place with customers concerning product requirements and safety; with scientists and municipalities concerning biodiversity and climate protection; and with banks on sustainability-related financial questions. The results are discussed in strategic committees and used to determine priorities for investments, product development and the design of supply chain and compliance standards.

DISCLOSURE REQUIREMENT SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In the year under review, STIHL Group conducted a double materiality analysis (DMA) along the entire value chain which identified material sustainability-related impacts, risks and opportunities in the areas of environment, social responsibility and corporate governance. These are explained in more detail in the individual topic standards. STIHL Group has taken into account both actual and potential negative and positive impacts. The results of the DMA do not indicate any significant differences between individual companies in STIHL Group or between countries or regions, which means that the impacts, risks and opportunities identified apply to the entire STIHL Group.

STIHL Group has defined the contents of this Sustainability Statement by combining the results of the DMA (see disclosures under IRO-1) with the Sustainability Strategy topic modules specified under SBM-1 as well as the Group's previous sustainability reporting. In doing so STIHL Group focused on quantitative data points. STIHL has aggregated the material impacts, risks and opportunities from the material topics of the DMA and topic modules of the Sustainability Strategy and reported on these. STIHL

has additionally compared the content of the 2024 Sustainability Report, which was prepared based on the standards of the Global Reporting Initiative, with the guidelines of the ESRS. The contents of the previous report which are voluntarily reportable under ESRS are also included in this statement. STIHL has taken this approach to ensure that the content of its sustainability reporting is transitioned as comprehensibly as possible.

MANAGEMENT OF IMPACTS, RISKS, AND OPPORTUNITIES

DISCLOSURE REQUIREMENT IRO-1 - DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

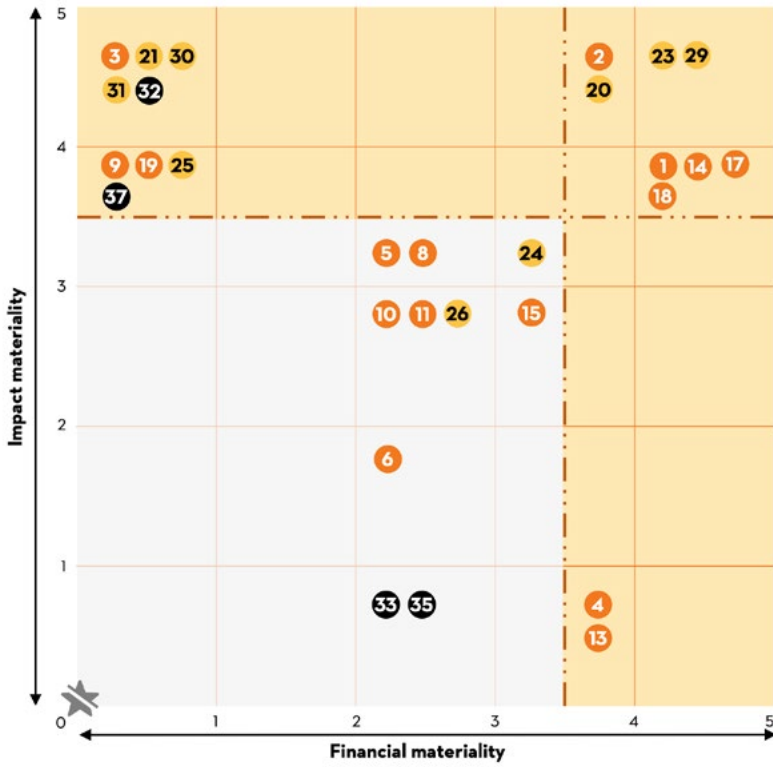
STIHL Group has a structured process for identifying and assessing sustainability impacts, risks and opportunities, based on a comprehensive analysis of the business model, value chain and stakeholders. The objective is to systematically and periodically determine what topics are material throughout the entire value chain.

Relevant topics were initially identified by means of a long list as per ESRS 1 AR.16 as well as with the involvement of internal departments. External sources such as competitive comparisons, customer feedback, existing reporting, media information and external analyses were also taken into account.

The impacts, risks and opportunities are assessed against clearly defined assessment metrics in a double materiality analysis (see chart). To assess impact materiality (“inside-out” perspective) scope, reach, immutability and probability are considered; for financial materiality (“outside-in” perspective) the scope of the financial impact and its probability of occurrence are taken into account. The inside-out perspective encompasses consequences that STIHL Group’s business activities have or may have for the environment and society; the outside-in perspective pertains to actual or potential financial consequences on STIHL Group’s business activities from environmental or social developments.

By way of deviation from the DMA results below, STIHL Group has not reported on the S4 topic standard in this declaration: It does not contain any of the quantitative data points that STIHL focused on in the first year of voluntary ESRS reporting (for the procedure used, see also the disclosures under SBM-3). STIHL Group prepared data collection for the material topic of “Substances of very high concern” in topic standard E2 in the year under review, but is not yet able to provide final quantitative information on this. As such this statement does not contain any disclosures on this topic. STIHL Group will gradually expand the level of detail in its reporting.

RESULTS OF THE STIHL GROUP DOUBLE MATERIALITY ANALYSIS



E1 Climate change	
1	Climate change adaptation
2	Climate change mitigation
3	Energy
E2 Pollution	
4	Pollution of air
5	Pollution of water
6	Pollution of soil
7	Pollution of living organisms and food resources
8	Substances of concern
9	Substances of very high concern
10	Microplastic
E3 Water and marine resources	
11	Water
12	Marine resources
E4 Biodiversity and ecosystems	
13	Direct impact drivers of biodiversity loss
14	Impacts on the state of species
15	Impacts on the extent and condition of ecosystems
16	Impacts and dependencies on ecosystem services
E5 Resource use and circular economy	
17	Resource inflows, including resource use
18	Resource outflows related to products and services
19	Waste
S1 Own workforce	
20	Working conditions
21	Equal treatment and opportunities for all
22	Other work-related rights
S2 Workers in the value chain	
23	Working conditions
24	Equal treatment and opportunities for all
25	Other work-related rights
S3 Affected communities	
26	Communities' economic, social and cultural rights
27	Communities' civil and political rights
28	Rights of indigenous peoples
S4 Consumers and end-users	
29	Information-related impacts for consumers and/or end-users
30	Personal safety of consumers and/or end-users
31	Social inclusion of consumers and/or end-users
G1 Business conduct	
32	Corporate culture
33	Protection of whistleblowers
34	Animal welfare
35	Political engagement
36	Management of relationships with suppliers including payment practices
37	Corruption and bribery

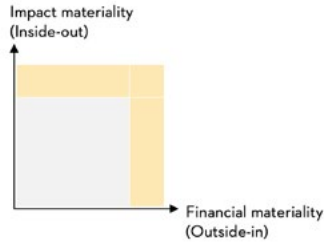
✳ not relevant

Application of a threshold of ≥ 3.5 separated material from not material sub-(sub-)topics over all sustainability matters:

□ not material □ material

Sub-topics belong to the following ESG category:

- Environmental (E)
- Social (S)
- Governance (G)



The governance of the process for evaluating impact, risk and opportunity is clearly regulated: The Sustainability Steering Committee is responsible for the process and methodology; departments (Topical Experts) carry out assessments; the final materiality decisions are made by the Board of Management based on suggestions from the Sustainability Officer. An annual DMA review is conducted with the inclusion of sustainability management, the six departmental managers relevant to the topic standards, and representatives from corporate strategy, risk management and corporate communications to ensure consistent results.

In the context of the DMA review the process for evaluating impacts, risks and opportunities is itself also reviewed and, if necessary, adapted to new regulatory, market-related or operational developments.

INTEGRATION OF THE DOUBLE MATERIALITY ANALYSIS RESULTS INTO COMPANY PROCESSES

Sustainability impacts and risks are an integral part of Group-wide risk management, which is regulated in a “Group Standard”. (Group Standards set out structures and processes which are binding and uniform for all companies in STIHL Group). Impacts and risks are fed into the risk inventory via the central risk management tool. Opportunities are transferred to the strategy and budget process by means of the DMA review and in this way integrated into strategic and operational corporate governance.

2. ENVIRONMENTAL INFORMATION

ESRS E1 - CLIMATE CHANGE

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The E1 topic standard is both operationally and strategically significant for STIHL Group. Climate-related impacts occur along the entire value chain and are relevant to both resilience to physical climate risks for sites and sales markets, and the transition to lower-emissions business and product solutions. Though extreme weather events can pose short-term risks to our own operations and upstream supply chains, there are also opportunities opened up by changing demand structures and the further development of alternative drive technologies. The positive and negative impacts, risks and opportunities identified are therefore closely connected to the energy and emissions intensity of the business activity as well as the company's long-term strategic alignment:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
E1 Climate change				
Adaptation to climate change	Climate resilience	Positive impact	Medium-term	Downstream value chain
Adaptation to climate change	Operational interruptions due to extreme weather conditions	Risk	Short-term	Upstream value chain, own operation
Adaptation to climate change	Increasing demand for cleaning and clearing equipment due to increasing incidence of natural disasters	Opportunity	Short-term	Own operations
Climate change mitigation	Reduced greenhouse gas emissions	Positive impact	Short-term	Own operations, downstream value chain
Climate change mitigation	CO ₂ emissions along the value chain	Negative impact	Short-term	Upstream and downstream value chain
Climate change mitigation	CO ₂ emissions from operational activities	Negative impact	-	Own operations
Climate change mitigation	Rückgang des Absatzvolumens aufgrund extremer Dürreperioden	Risk	Short-term	Own operations

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
Energy	Reduced dependence on fossil fuels	Positive impact	-	Own operations
Energy	High energy consumption and use of non-renewable energy sources	Negative impact	-	Own operations, downstream value chain

METHODOLOGICAL NOTE

The total net sales of STIHL Group, at EUR 5,479 million in 2025, are used to calculate the energy and greenhouse gas (GHG) intensities in this section. The manufacture of motor-driven power tools falls under category C (manufacturing) in the NACE EU classification system of economic industries. As such, as per the ESRS STIHL belongs to a sector which has a high climate impact, and the economic activity of which has a significant impact on the environment and contributes significantly to GHG emissions.

STIHL Group classifies climate-related risks into physical (e.g. storm, flooding, heat/drought, cold/frost) and transition-related risks (e.g. emissions regulations, market ramp-up of battery technologies), each from an inside-out and outside-in perspective. Physical climate risks arise directly from the physical impacts of climate change on the environment, assets, people and business processes. Transition-related risks arise from the transition to a low-CO₂ or climate-neutral economy and not from physical climate events.

The analysis in relation to physical climate risks includes 51 STIHL Group production and sales companies worldwide and was carried out by STIHL Group's property insurer. It is based on three different scientific scenarios for the development of CO₂ concentration in the atmosphere (Representative Concentration Pathways) and their potential effects in the areas of heavy rainfall, storm, heat, drought and rising sea levels. The analysis was first carried out in 2022 and then updated in the reporting year. The analysis of transition-related climate risks has been carried out internally by STIHL Group.

DISCLOSURE REQUIREMENT E1-1 - TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

STIHL Group has not yet defined a transition plan for its own business operations. It is currently unconfirmed when such a plan will be defined.

DISCLOSURE REQUIREMENT E1-2 - POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

STIHL Group pursues Group-wide strategies for climate change mitigation that have been binding since 2021 and which are regularly updated. These concepts relate to climate-related impacts, risks and opportunities in our own business operations as well as along the value chain, and prioritize the absolute reduction of greenhouse gas emissions rather than compensation measures.

The Sustainability Strategy defines the Group-wide focus areas. A Group Standard on EHS topics describes tasks, roles, responsibilities and collaboration within these topic

areas between STIHL headquarters and the local companies. The Group Standard specifies that certification of the environmental management system in accordance with ISO 14001, the occupational health and safety management system in accordance with ISO 45001 and the energy management system in accordance with ISO 50001 is to be pursued in the medium term in all relevant companies.

STIHL Group has a total of twelve production companies:

1. ANDREAS STIHL AG & Co. KG, Waiblingen, Germany
2. Mogatec GmbH, Drebach, Germany
3. STIHL Kettenwerk GmbH & Co. KG, Waiblingen, Germany
4. STIHL Incorporated, Virginia Beach, Virginia, USA
5. STIHL Ferramentas Motorizadas Ltda., São Leopoldo, Rio Grande do Sul, Brazil
6. CS Cosmos STIHL Manufacturing, Inc., South Chicago Heights, Illinois, USA
7. ANDREAS STIHL Power Tools (Qingdao) Co., Ltd., Qingdao, China
8. STIHL Tirol GmbH, Langkampfen, Austria
9. ANDREAS STIHL Power Tools S.R.L., Oradea, Romania
10. Zama Precision Industry Manufacturing Philippines, Inc., Sto. Tomas, Philippines
11. ZAMA Precision Industry (Huizhou) Co., Ltd., Huizhou City, China
12. ZE Electronic Manufacturing Services Limited, Hong Kong

At the end of the reporting year, nine of these companies had an environmental management system certified in accordance with ISO 14001. This ensures that all environmental considerations are systematically addressed at these sites. Ultimate responsibility for implementation of the concepts is held by the Board of Management; coordination of operational implementation is carried out by the Sustainability Officer, who holds Group-wide responsibility, and the Sustainability Steering Committee; local persons responsible for the integrated management system are responsible for the operational implementation. Implementation and compliance are monitored by means of regular KPI reporting and external ISO auditing.

CLIMATE CHANGE MITIGATION

STIHL Group pursues the emissions reduction targets for Scopes 1, 2 and 3 specified under EI-4 and validated by the Science Based Targets initiative (SBTi). For Scope 1 and Scope 2 emissions STIHL has been making an annual financial contribution to climate change mitigation since 2023, investing in forestation projects and purchasing Gold Standard certificates. To achieve the SBTi-validated targets for Scopes 1 and 2, specific actions to reduce emissions are planned. There are also SBTi-compliant reduction pathways for Scope 3, which are binding for all relevant business areas along the value chain.

ADAPTATION TO CLIMATE CHANGE

For climate adaptation, physical climate risks are regularly assessed and the results incorporated into site-specific actions to increase resilience.

CONCEPTS FOR ENERGY AND TECHNOLOGY

The sites of ANDREAS STIHL AG & Co. KG (STIHL head office) operate an energy management system in accordance with ISO 50001 and are committed to efficient energy use and utilizing the most cost-effective state-of-the-art technology. In the year under review, more than 90 percent of the electricity purchased at the global production sites was from renewable sources, verified by guarantees of origin or comparable certification systems.

Further integral parts of the strategy to reduce fossil fuels and general energy demand include the expansion of photovoltaics, the use of surplus waste heat for production

processes and buildings, the conversion of heat networks to low temperatures, and the electrification of production and building infrastructure.

SUPPLY CHAIN AND PRODUCT CONCEPTS

Suppliers are required to disclose greenhouse gas emissions and introduce a carbon management system. At the product development stage STIHL Group prioritizes technologies with reduced greenhouse gas emissions in comparison to conventional drive systems, including battery power tools and products operated with biogenic fuels, wherein emissions benefits are determined by means of life cycle analyses.

DISCLOSURE REQUIREMENT E1-3 - ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

ACTIONS

In the year under review, STIHL Group implemented and continued various actions aligned to the decarbonization levers listed under E1-4.

SCOPES 1 AND 2

Gasoline, diesel and natural gas make up the Scope 1 emissions of the manufacturing companies in STIHL Group, with natural gas accounting for by far the largest share. The three largest emitters are the STIHL production companies in Germany, the USA and Brazil. STIHL Group is currently developing measures to reduce emissions for these companies. Based on internal forecasts and assuming implementation of these actions goes ahead as planned, the 2030 emissions reduction target specified under E1-4 is achievable for the entire STIHL Group. The Brazilian plant has already converted 40 percent of its natural gas requirements to locally sourced biomethane in order to reduce CO₂ emissions. In the reporting year STIHL Group also implemented Scope 1 actions in areas including electrification of production, increasing energy efficiency and introducing energy metering systems.

Scope 2 emissions are reduced mainly through changing energy provision at the production sites. At the end of the reporting year, all plants of the global production companies – with the exception of one site – purchased electrical energy from renewable sources, verified by guarantees of origin or comparable certificates. Changeover at the remaining site is scheduled to take place in 2026.

SCOPE 3

The most important lever for reducing emissions in Scope 3 is conversion of the portfolio to battery-electric drives: The usage phase (Scope 3.11) accounts for almost 70 percent of STIHL Group's total Scope 3 emissions. STIHL Group is pursuing the strategic goal of at least 80 percent of newly sold power tools being battery-powered by 2035. To achieve this goal, in the reporting year STIHL Group put new production capacities for battery products into operation and also expanded the range of battery models in the pro sector. As an additional lever for reducing emissions in Scope 3.11, STIHL Group is further developing biogenic fuels which can be used in existing STIHL power tools with combustion engines. STIHL Group is also working on technologies to increase fuel efficiency in combustion engines.

In the Scope 3.1 category (purchased goods and services, around 28 percent of total emissions), STIHL Group is carrying out a basic project to analyze lower-emission material alternatives.

RESOURCES

In the year under review, STIHL Group made investments (CapEx) of EUR 3,473,000 for actions in Scopes 1 and 2. These were focused on the areas of electrification of production, increasing energy efficiency and the introduction of energy metering systems.

STIHL is pursuing the above actions in Scope 3 not with the primary aim of reducing emissions, but as part of overarching strategic decisions to secure and expand revenue. Corresponding investments, for example in product development, therefore cannot be unequivocally assigned to actions for reducing emissions. STIHL Group is also currently unable to clearly separate out operating expenses (OpEx) for implementing the measures in all three scopes.

DISCLOSURE REQUIREMENT E1-4 - TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

In the 2022 base year, STIHL Group's emissions in Scopes 1-3 totaled 9,646,983 metric tonnes of CO₂eq. STIHL Group is pursuing Group-wide goals for greenhouse gas reduction, which are intended to bring the business model into line with the Paris Agreement. On October 6, 2025, the SBTi officially validated the following wording for the targets:

„SHORT-TERM

*STIHL Group is committed to reducing its absolute Scope 1 and Scope 2 greenhouse gas emissions by 68.43 percent by 2034 compared to the base year 2021.**

In addition, STIHL Group is committed to reducing its absolute Scope 3 greenhouse gas emissions by 35.0 percent by 2034 compared to the base year 2022.

**The target framework includes land-usage-related emissions as well as emissions removals from biogenic input materials.”*

The Scope 3 targets only relate to the categories relevant to STIHL Group (see E1-6). STIHL Group has aligned its reduction targets with a 1.5-degree-compatible decarbonization path in accordance with the Paris Agreement as a reference, supplemented by site-specific conditions that take into account technological, market-related, societal and regulatory developments in the countries and regions with STIHL companies. Extrapolated to 2030, the reduction targets are 47 percent in Scope 1 & 2 and 25 percent in Scope 3. STIHL Group has not yet adopted a science-based long-term target for 2050, nor has it adopted an overall GHG reduction target or intensity targets for Scopes 1-3.

The goals are operationalized as part of STIHL Group's Sustainability Strategy specified under SBM-1. In the focus area of ecosystems, STIHL Group has identified greenhouse gas neutrality in Scopes 1 & 2 and 3 as important topic modules. Decarbonization levers emerge as a result of the target statements in this Sustainability Strategy. STIHL Group has defined planned reduction contributions for these in each case. Progress is reviewed quarterly via energy and emissions monitoring and annually by the Sustainability Steering Committee.

DECARBONIZATION LEVERS	REDUCTION CONTRIBUTION ACHIEVED IN 2025 IN METRIC TONNES OF CO₂E_Q	POTENTIAL REDUCTION CONTRIBUTION IN METRIC TONNES OF CO₂E_Q BY 2034
Scope 1		
Proportional conversion of STIHL Brazil to biomethane	3,500	2,320
Electrification of combined heat and power plants, production processes and gas and oil heaters - STIHL Group	Not specified	32,000
Electrification of the fleet - STIHL Group	Not specified	7,500
Scope 2		
Switching to green electricity - STIHL Group	Not specified	58,000
Scope 3		
Fuel switchover: 1. Increase in battery share, 2. Increased efficiency of combustion engines, 3. Regenerative biocomponents in STIHL fuels	Not specified	2,200,000
Total	Not specified	2,299,820

PROGRESS

STIHL Group has already reached some important milestones: Since 2021, alongside its reduction actions the STIHL Group has invested in compensation projects (forestation projects and purchasing of emissions certificates) which have the function of “crediting” the balance sheet for the remaining emissions, though this compensation is not a substitute for emissions reduction.

In addition to the SBTi targets, an internal objective is adhered to: Fossil energy consumption to be reduced by 40 percent by 2030 compared to 2019.

In the reporting year fossil energy consumption in Scope 1 was around eight percent lower than in the 2019 reference year. The expansion of electricity generation from renewable sources at STIHL Group sites also advanced further in 2025: With annual production of 11,148 MWh, STIHL Group has generated around three percent of its total electricity consumption itself.

METHODOLOGICAL NOTES AND SOURCES FOR ESTIMATES AND RESULT UNCERTAINTIES

To calculate the reference value for energy consumption in 2019, the energy consumption of STIHL Group’s sales companies was estimated, as they were not included in the scope of consolidation at the time. The CS Cosmos STIHL Manufacturing Inc., Mogatec GmbH and ANDREAS STIHL Power Tools S.R.L., Oradea (Romania) production companies which have been included since 2019 are not taken into account when calculating the consumption trend.

DISCLOSURE REQUIREMENT E1-5 - ENERGY CONSUMPTION AND ENERGY MIX

ENERGY CONSUMPTION AND ENERGY MIX	2025
(1) Fuel consumption from coal and coal products (MWh)	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	38,352
(3) Fuel consumption from natural gas (MWh)	134,841
(4) Fuel consumption from other fossil sources (MWh)	0
5) Consumption from purchased or received electricity, heat, steam and cooling which is also from fossil sources (MWh)	28,087
(6) Total consumption of fossil energy (MWh) (sum of lines 1 to 5)	201,280
Proportion of fossil fuels in total energy consumption (in percent)	39
(7) Consumption from nuclear power sources (MWh)	1,360
Proportion of consumption from nuclear sources in total energy consumption (as a percentage)	0.26
(8) Fuel consumption for renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources, etc.) (MWh).	0
(9) Consumption from purchased or received electricity, heat, steam and cooling which is from renewable sources (MWh)	302,622
(10) Consumption of self-generated renewable energy other than fuel (MWh)	9,137
(11) Total renewable energy consumption (MWh) (sum of lines 8 to 10)	311,759
Proportion of renewable sources in total energy consumption (in percent)	61
Total energy consumption (MWh) (sum of lines 6, 7 and 11)	514,399

ENERGY INTENSITY PER NET REVENUE	2025
Total energy consumption from activities in climate-intensive sectors per net revenue from activities in climate-intensive sectors (MWh/€1 million)	93.88

METHODOLOGICAL NOTES AND SOURCES FOR ESTIMATES AND RESULT UNCERTAINTIES

For energy consumption and the resulting Scope 1 and 2 emissions calculated using emission factors, the STIHL Group only considers energy sources that are used in its own plants or those controlled by STIHL Group. Data is collected in megawatt hours (MWh) and follows the ESRS application notes, in particular with regard to converting units of volume or mass to heating value.

Some of the data provided are based on projections. Measured values from all STIHL companies are available for the quarters 1/25 to 3/25. For the 4/25 quarter, STIHL headquarters used estimated consumption differentiated by energy type. For calculation purposes, the consumption figures for the three previous quarters of 2025 were used in the same way as the consumption for the previous year 2024.

DISCLOSURE REQUIREMENT E1-6 - GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

GHG EMISSIONS	2025
Scope 1 greenhouse gas emissions	
Gross Scope 1 GHG emissions (t CO ₂ e)	40,087
of which from natural gas	27,332
of which from heating oil	1,032
of which from fuels	8,170
of which from refrigerants	3,553
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (percent)	0
Scope 2 greenhouse gas emissions	
Gross Scope 2 GHG emissions (t CO ₂ e), location-based reporting	78,737
of which from electricity	78,185
of which from district heating	552
Gross Scope 2 GHG emissions (t CO ₂ e), market-based reporting	17,107
of which from electricity	16,949
of which from district heating	158
Significant Scope 3 greenhouse gas emissions	
Total indirect (Scope 3) gross GHG emissions (t CO ₂ e)	7,620,165
1 - Purchased goods and services	1,818,523
3 - Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	27,155
4 - Upstream transportation and distribution	48,092
5 - Waste generated in operations	2,248
6 - Business travel	7,400
7 - Employee commuting	25,783
9 - Downstream transportation and distribution	26,153
11 - Use of sold products	5,604,883
12 - End-of-life treatment of sold products	59,930
Total GHG emissions	
Total GHG emissions (location-based) (t CO ₂ e)	7,738,989
Total GHG emissions (market-based) (metric tonnes of CO ₂ e)	7,677,359
GHG INTENSITY PER NET REVENUE (IN METRIC TONNES OF CO₂EQ/€1 MILLION)	
Total GHG emissions (location-based) per net revenue	22
Total GHG emissions (market-based) per net revenue	10

METHODOLOGICAL NOTES AND SOURCES FOR ESTIMATES AND RESULT UNCERTAINTIES

STIHL Group records greenhouse gas emissions taking into account the GHG Protocol Corporate Standard.

Scope 1

Data from the head office and STIHL companies worldwide were used for the calculation of emissions from fossil energy consumption; this information was generated either on the basis of billing documents from local energy supply companies or from our own measurements. The term “head office” covers STIHL Group’s nine German sites which include production or production-related activities. To create a uniform reference value, these energy consumptions were initially converted into MWh by means of technical literature. Then, on the basis of scientifically sound and internationally recognized specific emission factors (DEFRA 2025), they were converted into metric tonnes of CO₂ equivalents (t CO₂eq). For quarters 1-3/2025, actual consumption values were used, while for Q4/2025 consumption values were carefully estimated. This process took into account that the types of energy used for heating purposes were subject to increased requirements in Q4 compared to Q2 and Q3.

The refrigerant consumption figures for Q4/2025 which form the basis for the emissions calculation were estimated by STIHL headquarters on the basis of data provided by the individual companies: For this purpose, the average of the three previous quarters was used, in each case adjusted for maintenance work in systems with refrigerants planned for Q4. The individual GWP (Global Warming Potential) value as per DEFRA was used for each refrigerant.

Scope 2

STIHL Group calculates location-based emissions (location-based reporting) on the basis of the actual electricity mixes of the regional electricity grids at the locations. This is based on data from the International Energy Agency (IEA). STIHL calculates market-based emissions (market-based reporting) on the basis of the electricity products purchased by the respective STIHL location and the available proofs of origin. If no data were available with respect to the electricity products used, IEA data were used.

Uncertainties in results arise mainly due to potential increased or reduced consumption in Q4/2025, for example due to above-average increases in requirements for heating energy, higher production capacity utilization or added and/or decommissioned production facilities or buildings with a documentation status that was not yet updated at the time of recording.

Scope 3

STIHL Group only discloses emissions from the Scope 3 categories relevant to the company:

Scope 3-1 - Purchased goods and services:

Emissions from production sites are calculated using purchasing data: If weight data for the purchases are available, the emissions are calculated using emission factors from the Ecoinvent database, based on volume. For all other purchases, monetary emission factors from Exiobase are used to determine emissions based on invoice values. The goods and services purchased by the distribution center in Dieburg are also calculated on a monetary basis using exiobase emission factors. Emissions for all other sales locations are extrapolated on the basis of the Scope 3.1 emissions calculated for Dieburg and the respective employee numbers. Depending on the data quality, uncertainty factors are assigned to and added to the emissions calculations.

Scope 3-3 - Fuel and energy-related activities:

For converting energy consumptions, STIHL Group uses the emission factor stated in the DEFRA database

Scope 3-4 – Upstream transportation and distribution:

STIHL receives the data for the majority of its logistics emissions directly from transport service providers. Emissions from other transports are extrapolated using invoice data and corresponding uncertainty factors.

Scope 3-5 – Waste generation in operations:

Waste volumes are recorded annually per site. Emissions are calculated per waste category using EPA emission factors. Wastewater volumes are calculated using DEFRA emission factors.

Scope 3-6 – Business travel:

Business travel is only recorded for STIHL head office. An emission factor for each employee is extrapolated from this information. Emissions are extrapolated, with corresponding uncertainty factors, for all other locations based on the number of employees and assuming similar travel behavior. The head office itself receives reports on flights made during the financial year, including associated emissions, via a travel agency. For head office business travel with private cars the total number of kilometers driven is recorded. Emissions from business travel with company cars, on the other hand, are included in the quantity data for Scope 1 and 2.

Scope 3-7 – Employee commuting:

The data are based on an employee survey from 2019 in one part of STIHL Group and were extrapolated taking uncertainty factors into account. STIHL Group is currently reviewing new approaches for validating the data.

Scope 3-9 – Downstream transportation and distribution:

STIHL receives information concerning the majority of its logistics emissions directly from transport service providers. Emissions from remaining transportation are extrapolated using invoice data and corresponding uncertainty factors.

Scope 3-11 – Use of sold products:

STIHL Group records the emissions of all products in the balance sheet once, in their year of manufacture, as if they were reaching the end of their useful life in the same year. This refers to the emissions from all the power tools manufactured across all their hours of operation. This model assumption means that the stated emissions tend to be higher than the actual ones, as many STIHL products are not expected to reach the end of their useful life. The operating hours of petrol-powered tools are extrapolated on the basis of emissions legislation. STIHL Group uses a comparable method for calculating the emissions of battery-powered and corded products. The balance sheet is subsequently adjusted as soon as all production quantities are available in full. The current estimate is therefore subject to a relatively high uncertainty factor.

Scope 3-12 – End-of-life treatment of sold products:

This is a rough estimate based on the average material proportions in STIHL products. This was carried out for STIHL battery power tools, projected onto the total weight of all products and provided with an uncertainty allowance. As a result, the data tend to be higher than the actual values. For materials that can be salvaged, recycling rates that are standard on the market have been assumed based on publicly available data.

DISCLOSURE REQUIREMENT E1-7 - GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

REMOVAL

In 2025 STIHL Group permanently captured a total of 5,667 metric tonnes of CO₂ eq in biomass by means of forestation and agroforestry projects in collaboration with Fairventures and TREEO. These projects remove CO₂ via photosynthetic binding in mixed stocks of native tree species, and sequester the carbon for the long term in surface and underground biomass. The actions are classified as nature-based solutions and do not require transportation of the removed gases.

FINANCIAL CONTRIBUTION

In the 2025 financial year STIHL purchased emissions reduction certificates in an amount equal to the market-based Scope 1 and Scope 2 emissions from 2025. These will be retired in the 1st quarter of 2026. The certificates all originate from Gold Standard projects. Their use is functionally separate from internal mitigation actions, and as such the achievement of STIHL's emissions targets is considered separately.

CO₂ CERTIFICATES

In the year under review STIHL Group retired more than 57,200 metric tonnes of CO₂eq certificates outside the value chain. STIHL plans to retire 45,000 metric tonnes of CO₂eq in 2026.

METHODOLOGICAL NOTES

Removal

Fairventures Worldwide and TREEO use methods and tools recognized in the United Nations Clean Development Mechanism (CDM) (AR-AMS0007, AR Tools 14 and 15). The risk of non-permanent carbon sink performance is minimized by means of annual individual tree monitoring. Carbon sequestration is also determined through annual measurements of individual trees in the TREEO app: This is carried out by means of an algorithm that utilizes photos to calculate tree trunk diameters and an allometric formula to ascertain their height. Volume and carbon sequestration can be calculated from diameter and height. With the help of a reference map, photos and GPS data, the CO₂ storage capacity is calculated for each individual tree and recorded in the TREEO Story Board. This is reported in the financial statement based on the GHG Protocol.

SOURCES OF ESTIMATES AND RESULT UNCERTAINTIES

Operating errors in the app may occur during TREEO monitoring of individual trees. This is largely minimized by process steps implemented in the software. There is still a risk that not all trees are captured. If it is not possible to measure entire planting areas, measurements from the previous year are used. If individual trees are not measured, the data are corrected with the measurement in the subsequent year. In all cases, the figures presented and published are based exclusively on monitoring data; no estimates, projections or similar are used. Result uncertainties can also arise due to tree groups, i.e. a false low reading occurs because only the main trunk is recorded, but not the neighboring trees. Trees on neighboring plots of land may also be recorded, for example if the plot boundaries in the forest are unclear. This risk is minimized by georeferencing and corresponding algorithms.

VALIDATION

In the reporting year the external service provider Control Union Certifications Germany GmbH validated the effectiveness of the projects in accordance with the requirements of ISO14064-3:2019. To this end it reviewed the Project Design Documents of Fairventures Worldwide and the on-site implementation for compliance with the requirements of ISO14064-2:2019 and CDM AR-AMS007.

ESRS E2 - ENVIRONMENTAL POLLUTION

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The E2 topic standard is material for STIHL Group, most significantly in connection with the materials, chemicals and drive technologies used. Environmental impacts can occur both in the upstream value chain and in our own operations and avoiding short-term negative effects requires measures including careful chemicals management. At the same time, there are opportunities for STIHL Group in the downstream value chain if the customer market increasingly demands lower-emissions power tools. The identified impacts and opportunities are therefore closely linked to STIHL Group's product and technology strategy:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
E2 - Pollution				
Substances of very high concern	Harmful effects of chemical substances	Negative impact	Short-term	Upstream value chain, own operation
Air pollution	Growth in battery product sales	Opportunity	Short-term	Downstream value chain

DISCLOSURE REQUIREMENT E2-1 - POLICIES RELATED TO POLLUTION

At the highest level, a STIHL Group Standard on EHS topics regulates collaboration, processes and conduct within the company. It is binding for all production and sales locations of STIHL Group with the exception of three companies. The handling of substance regulations is regulated in a Group-wide standard which defines central specifications for the handling of substances of very high concern. In the year under review, the application of existing requirements continued to be implemented and expanded. The environmental management system at nine of the twelve STIHL production companies is certified in accordance with ISO 14001. These companies are therefore subject to the ISO specifications as well as those from the Group Standards. The management systems are audited annually and recertified every three years.

This process includes ensuring that all STIHL production facilities and buildings are built in line with the latest standards of technology and all legal requirements, and that they have early detection and warning systems as well as defined processes in case of environmental incidents.

STIHL Group deals with the sub-aspect of process chemicals as a topic module of the Sustainability Strategy: The target statement for this includes reducing the hazard potential, ensuring safe processes and production processes as well as resource-friendly handling of these chemicals. The specifications of the European Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the EU's Restriction of Hazardous Substances Directive (RoHS) are decisive here.

DISCLOSURE REQUIREMENT E2-2 - ACTIONS AND RESOURCES RELATED TO POLLUTION

STIHL Group pursues various measures for substitution or respectively minimization of the use of Substances of Very High Concern (SVHC) in production processes and products. In order to further improve the data and decision-making basis for measures and targets in production, STIHL Group is currently working on Group-wide introduction of a harmonized system for hazardous substance management. The intention is that this will encompass the collection, classification and reporting of SVHCs in accordance with the REACH Regulation along the entire value chain. This particularly includes the integration of more detailed supplier data as well as training of the relevant specialist departments.

In order to minimize risks to people and the environment even in the upstream supply chain, STIHL Group sets out specifications for products that go beyond legal requirements in various areas, in the form of a Group-wide "Works Norm on Substance Bans". A STIHL Works Norm is an internal specification which is binding for the company and that describes technical requirements, specifications or procedures in cases where external standards (e.g. DIN, ISO) are not sufficient or specific company requirements apply. In this specific instance it stipulates that SVHCs above a certain concentration are not only subject to declaration to the STIHL Group in accordance with the REACH Regulation, but that their use in STIHL products is prohibited to the extent that this is technologically feasible. STIHL Group also sets stricter limit values for polycyclic aromatic hydrocarbons (PAHs) than the legislator. STIHL Group requires its suppliers to declare the use of per- and polyfluoroalkyl substances (PFAS). The substance ban status is tracked centrally via corresponding entries in the Group-wide SAP system.

In the reporting year under review STIHL Group also adopted an action plan for the substitution of SVHCs in production. This involved all SVHCs used in production processes being documented, classified according to risk and prioritized according to urgency of substitution. The hazardous substance key figures for SVHC and SoC developed for classification are currently being piloted in some production areas; the continuous reduction of them will function as a KPI in the future. The roadmap for further implementation is in progress.

All STIHL production companies covered by ISO certification also regularly carry out substitution testing for SoC (Substances of Concern) and SVHC in order to minimize the risk of environmental pollution. These checks are not relevant for sales companies as they do not have in-house production.

DISCLOSURE REQUIREMENT E2-3 - TARGETS RELATED TO POLLUTION

STIHL Group wishes to discontinue use of SVHCs in its products, insofar as this is technically possible. STIHL Group has defined this requirement in the Works Norm described in more detail under E2-2, which is binding for all suppliers.

As part of the update of the aforementioned Works Norm, STIHL Group has defined substance-specific declaration obligations for PFASs in components/products. Progress data on this is expected to be available from 2026.

ESRS E4 - BIODIVERSITY AND ECOSYSTEMS

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In the course of the materiality analysis the E4 topic standard was identified as relevant as STIHL Group manufactures products for agriculture, forestry and landscape maintenance. Potential impacts on biodiversity and ecosystems were identified that can occur both at company sites and during product use. From the perspective of STIHL Group, actions to promote biodiversity deliver both ecological benefits and long-term market opportunities. At the same time there is a risk that improper usage of products could lead to negative impacts on ecosystems as well as reputational risk. As such the impacts, risks and opportunities identified are related to product responsibility and the long-term alignment of the business model:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
E4 - Biodiversity and protection of ecosystems				
Impacts on species	Restoration of habitats	Positive impact	-	Downstream value chain
Impacts on species	Reputational boost	Opportunity	Short- to medium-term	Own operations, downstream value chain
Direct drivers of biodiversity loss	Additional revenue from cutting tools and trimmers	Opportunity	Long-term	Downstream value chain
Direct drivers of biodiversity loss	Reputation harm due to misuse of forestry tools	Risk	Long-term	Downstream value chain

DISCLOSURE REQUIREMENT E4-1 - TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN STRATEGY AND BUSINESS MODEL

In addition to the double materiality analysis specified under ESRS 2, STIHL Group also conducted a resilience analysis in the reporting year to assess the impacts of biodiversity and ecosystem-related risks and opportunities on its current business model and Group strategy. This analysis confirmed the DMA results: Biodiversity and ecosystems are among the topics which are material for STIHL Group. On the one hand STIHL Group profits from the benefits of ecosystems being utilized and suffers considerable negative consequences if they are restricted or eliminated. On the other hand, the business activities themselves have an impact on biodiversity.

Since 2021, "Biodiversity Products and Locations" has been a topic module of STIHL Group's Sustainability Strategy and also part of the long-term corporate strategy that applies to all production and sales companies across the Group. The topic module's target statement describes goals relating to the two main dimensions of biodiversity: The promotion of it at STIHL sites and

the influence that STIHL products have on biodiversity and ecosystems. The STIHL Group Board of Management holds strategic responsibility for the overall corporate strategy, while the Group-wide Sustainability Officer and the Sustainability Steering Committee are operationally responsible for the Sustainability Strategy.

DISCLOSURE REQUIREMENT E4-2 - POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

In the year under review STIHL Group developed a Group-wide guideline titled “Biodiversity at STIHL sites”. This is intended to empower the sites to identify their own potential and implement biodiversity-promoting actions.

The guidelines contain

- basic information about ecological relationships and the strategic relevance for STIHL,
- an overview of how sites may negatively influence biodiversity,
- a catalog of actions that can be used to offset negative influences and promote biodiversity
- as well as a process mechanism for planning, implementing and monitoring the business’ own biodiversity concepts and implementation actions.

It supports the worldwide production and sales companies in carrying out location-related ecological optimization.

DISCLOSURE REQUIREMENT E4-3 - ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS

RECORDING AND EVALUATION OF AREAS (LOCATIONS)

In the year under review STIHL started using software to fully document details all of its property assets. Both the proportion of sealed surface area and areas of biodiversity are recorded in order to enable targeted improvements in the course of future site developments.

In the reporting year, costs of EUR 7,500 relate to compensation action in connection with biodiversity and ecosystems.

RAISING AWARENESS OF BIODIVERSITY-FRIENDLY PRODUCT USE

To support proper handling of its power tools, STIHL relies on ensuring greater awareness among sales staff, customers and the general public. Whether the use of a power tool has the effect of promoting or harming biodiversity is largely dependent on the specifics of how it is used – for example duration, power level or speed.

With this in mind STIHL has

- developed training materials for biodiversity-friendly power tool use,
- implemented product communications actions
- and continued to collaborate with academic and other public partners.

Projects here include both basic research into biodiversity-friendly management of areas – for example in the municipal sector – and technical optimization of individual power tool categories.

DISCLOSURE REQUIREMENT E4-4 - TARGETS RELATED TO BIODIVERSITY AND ECOSYSTEMS

STIHL had not yet adopted concrete, measurable and results-oriented biodiversity targets by the end of 2025. The groundwork for doing so is currently being laid with the initiation of digital pro-

perty management and area analyses which are currently in progress. STIHL Group is planning to develop and implement actions to improve biodiversity from this foundation. The basic objective is to achieve integration of biodiverse areas to the fullest extent possible under the condition that operational business requirements are met.

DISCLOSURE REQUIREMENT E4-5 - IMPACT METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS CHANGE

As at December 31, 2025, 13 STIHL Group sites are located adjacent to FFH (flora fauna habitats) areas in accordance with the European Habitats Directive. These sites cover a total area of 1,030,000 m². There were no identified negative impacts to these areas from the sites.

METHODISCHE HINWEISE UND QUELLEN FÜR SCHÄTZUNGEN UND ERGEBNISUNSIHERHEITEN

Die zugrundeliegenden Daten stammen aus einem im Aufbau befindlichen System für die digitale Liegenschaftsverwaltung. Lokale Ansprechpartner an allen Standorten der STIHL Gruppe tragen die Flächen in das System ein und werten dazu Werkspläne aus. Die Bestimmung der Auswirkungen der Standorte auf die FFH-Gebiete basiert auf dem Fachwissen der STIHL Verantwortlichen. Entsprechend bestehen hier Ergebnisunsicherheiten.

ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

In view of the material-intensive value creation that takes place, this topic standard is of particular relevance for STIHL Group. The type and manner of resource use, product design, and control of material flow along the value chain result in both environmental and economic impacts. Efficiency gains, the use of secondary raw materials and recyclable materials, as well as a stronger orientation towards circularity can open up positive effects and short-term opportunities in our own operations and in the downstream value chain, though they also pose a risk in terms of adjustment of existing business models. The identified impacts, risks and opportunities are directly related to the operational business and strategic further development of STIHL Group:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
E5 - Resource use and circular economy				
Resource inflows, including use	Intensive use and depletion of natural raw materials	Negative impact	-	Upstream value chain
Resource inflows, including use	Savings through the use of environmentally friendly components	Opportunity	Short-term	Own operations

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
Resource outflows	Reduced consumption of natural and limited resources	Positive impact	Medium-term	Own operations, downstream value chain
Resource outflows	Decline in revenue due to adaptation to a sustainable business model	Risk	Short-term	Downstream value chain
Resource outflows	Spare parts supply	Opportunity	Short- to medium-term	Downstream value chain
Waste	Reduced waste generation	Positive impact	Medium-term	Downstream value chain

DISCLOSURE REQUIREMENT E5-1 - POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

“Circularity” is one of three focus areas in the STIHL Group’s Sustainability Strategy, which has been in force since 2021. The focus area includes the three modules “Circular Products”, “Circular Packaging” and “Sustainable Process Chemicals”. STIHL Group has defined all modules with target statements. Strategic responsibility for the Sustainability Strategy is with the Board of Management. Sustainability Management coordinates operational implementation, while Product Development, Purchasing and Quality Management handle operational implementation at departmental level.

Rather than setting up Group-wide concepts and then breaking them down, for some topic modules of the Sustainability Strategy it makes more sense to start at the action level and then consolidate results and findings into a higher-level, Group-wide policy. This also applies to the procedure for resource use and the circular economy. Because of this approach, as at December 31, 2025, STIHL Group does not have a concept that covers all the requirements of this standard.

Nevertheless, alongside strategic anchoring of the subject, there are various principles, guidelines and specifications in use which are relevant to resource use and the circular economy. STIHL Group is guided by the 5 Rs: Reduce, reuse, repair, refurbish, and recycle. With this in mind STIHL Group focuses on durable, repairable design, long-term availability of spare parts and expanding the use of secondary raw materials and recyclable packaging. At regulatory level, circular economy principles are reinforced by means of a STIHL Works Norm concerning the product development process which was enhanced in the year under review, the quality assurance strategy, the right-to-repair principle to which the STIHL Group is committed, as well as the Group Standard regarding procurement and the Supplier Code of Conduct. STIHL has also collated initial experiences with product refurbishment in pilot projects. Risk-based supplier management with self-disclosures on sustainability matters, audit obligations and escalation levels already incorporates regulatory requirements such as the CBAM (EU Carbon Border Adjustment Mechanism), EUDR (EU Deforestation Regulation) and EU Battery Regulation. These mechanisms for the upstream supply chain together effectively ensure that suppliers of STIHL Group also contribute to strengthening circularity principles in the company. STIHL Group does this with the aim of mitigating negative impacts from the intensive use of natural and limited resources, and

to capitalize on opportunities such as making savings through the use of secondary raw materials and recyclable materials.

DISCLOSURE REQUIREMENT E5-2 - ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

STIHL Group implements various actions in connection with resource use and the circular economy:

- With respect to increasing the proportion of secondary raw materials used, two projects were started in the reporting year which seek to thoroughly evaluate the proposal on the one hand and improve the data basis for it on the other.
- A pilot project with a brushcutter played out the implementation of circular product design to the fullest extent possible.
- Reduced material use, the elimination of plastics and the use of recycled materials for packaging were also further tested and transferred to series production in the reporting year in preparation for entry into force of the EU Packaging Regulation 2026 for various products.
- STIHL Group is engaged in cross-industry initiatives such as Cobalt for Development and the Responsible Minerals Initiative to promote the responsible extraction of raw materials. Cobalt for Development works closely with local authorities to establish pilot mines that meet international environmental, health and safety standards. The Responsible Minerals Initiative implements an audit program which systematically assesses environmental, social and governance risks in smelters and refineries.
While Cobalt for Development works directly in the mines and makes concrete progress in extraction by means of training, improved environmental management and community programs, the Responsible Minerals Initiative supports global supply chains and creates more transparency and environmental compliance via audits and clear standards. Together, both initiatives help to ensure that the raw materials used in STIHL products – especially for battery technology – are extracted and processed in an ever-more environmentally friendly manner.
- STIHL Group works with specialist service providers worldwide for the recycling of battery packs.

DISCLOSURE REQUIREMENT E5-3 - TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

The target statement for the “Circular Products” module defines increasing the proportion of secondary raw materials, a long service life and good circularity of STIHL products. For STIHL, good circularity also means good repairability, the use of secondary raw materials, the use of materials that are generally easy to recycle (e.g. metal rather than plastic), the use of few different materials and as many monomaterials as possible, as well as good separability at the end of service life – all with the overriding proviso that the products do not suffer any functional losses.

The target statement for “Circular Packaging” aims to reduce the overall use of materials – and in particular to reduce the proportion of plastic – use as much recycled material as possible and ensure that the packaging is highly compatible with circularity.

STIHL Group has not yet fully developed measurable quantitative targets for this target statement. In the products area there is often a lack of complete or meaningful material data sheets from suppliers. On the other hand, on the packaging side the percentage reduction of plastic content and increase in the recycled material share are defined as KPIs. However these metrics cannot yet be compiled, as data stocks must first be cleaned up and a technical solution evaluating them needs to be created.

DISCLOSURE REQUIREMENT E5-4 - RESOURCE INFLOWS

For production of its power tools STIHL Group mainly purchases series materials from five categories. In the year under review, metals and plastics together accounted for 63 percent of the monetary procurement volume for production materials, while batteries and electronic modules accounted for a further 28 percent. The remaining share is attributable to oils, lubricants and cleaning agents. These disclosures encompass the seven pure STIHL production companies in STIHL Group.

DISCLOSURE REQUIREMENT E5-5 - RESOURCE OUTFLOWS

STIHL Group does not manufacture power tools which have been explicitly designed to meet the principles of circularity. However, durability, reliability, high-quality workmanship and repairability are among the quality principles of STIHL Group. Repairability is systematically assessed throughout the Group in accordance with a Group-wide Works Norm, which also provides for mandatory service assessments of preproduction units. Customers can obtain spare parts from more than 50,000 specialist STIHL dealers or the online shop - even after a series has been discontinued, parts for it are currently available for at least ten years.

3. SOCIAL INFORMATION

ESRS S1 - OWN WORKFORCE

DEFINITION

STIHL Group defines the company's workforce as the total number of employees excluding temporary workers as at December 31, 2025. The total workforce includes the active core workforce (divided into the core workforce and temporary employees), trainees and dual students, student employees and employees who are currently inactive (e.g. due to long-term illness or parental leave).

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The S1 topic standard is material for STIHL Group as a manufacturing company with a high proportion of qualified employees. Appropriate working conditions as well as the promotion of equal treatment and equal opportunities support the motivation and commitment of all employees, while also securing availability of expertise, the organization's performance and stable operations. The identified impacts and opportunities are closely related to STIHL Group's business model and strategic alignment:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
S1 - Own workforce				
Working conditions	Employee satisfaction and motivation	Positive impact	-	Own operations
Working conditions	Reduced production downtime and inefficiencies	Opportunity	Short-term	Own operations
Equal treatment and equal opportunities	Increased specialist expertise	Positive impact	-	Own operations
Equal treatment and equal opportunities	Creating an inclusive and welcoming work environment	Positive impact	-	Own operations

DISCLOSURE REQUIREMENT S1-1 - POLICIES RELATED TO OWN WORKFORCE

Occupational health and safety as well as diversity are part of STIHL Group's Sustainability Strategy and also the Group-wide corporate strategy as topic modules of the "Diligence" focus area.

STIHL Group manages significant impacts on the company's workforce through a system of interlinked concepts and guidelines. These apply to all employees worldwide, irrespective of contract type, location or function. Core components here are the Group Standards on HR policy and EHS topics (Environment, Health, Safety), the management systems for occupational health and safety in five out of the twelve production companies which are certified in accordance with ISO 45001 and regularly audited, the STIHL Code of Conduct and the International HR Strategy. In addition, the Statement on Respect for Human Rights and Environmental Obligations expresses STIHL Group's self-image as a values-based company.

In the human rights statement, STIHL Group commits to sustainable and responsible economic activity along the entire value chain. This fundamental belief applies to all employees in the company. The corresponding due diligence obligations are anchored in the Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG), which obliges the company to comply with human rights and environmental requirements in its own business area and in its supply chains. In this context STIHL Group has made express commitments to respect human rights (UN Guiding Principles on Business and Human Rights, International Bill of Human Rights), environmental standards and international frameworks such as the ten principles of the UN Global Compact and the five fundamental principles of the International Labor Organization (ILO): Freedom of association and the right to collective bargaining, the elimination of all forms of forced or compulsory labor, the effective abolition of child labor, the elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment.

The STIHL Code of Conduct reflects these commitments in requirements that are binding for all employees of STIHL Group. It is accessible to all internal and external stakeholders of STIHL Group via the intranet or the company website.

STIHL Group's HR policies explicitly address diversity. Diversity is anchored in the Sustainability Strategy as a separate topic module: The goal is a culture in which all employees in the company can grow and reach their full potential. The above-mentioned Group Standard sets out structures and responsibilities that define how diversity is to be implemented in the company and which global and local roles work together in this process. The standard specifies topic areas for which the local companies should develop their own actions such as regional diversity initiatives, training courses or networking. However, a Group-wide uniform diversity concept with a common understanding of terms is not yet available.

STIHL Group has defined women - including female students and female temporary workers in production - as particularly vulnerable groups. No specific concepts apply for them. STIHL Group instead focuses on the implementation of uniform standards including for vulnerable groups.

DISCLOSURE REQUIREMENT S1-2 - PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

STIHL Group maintains various formalized and informal procedures for exchanging information with employees and their representatives. In particular these include existing Works Councils and comparable employee representative organizations at several sites. These bodies are regularly involved in decision-making and change processes, insofar as this is provided for by law. Operational responsibility for incorporating the perspecti-

ves of the company's workforce is held by local HR management.

Employees can additionally raise concerns, interests or complaints in various ways. For example suggestions for improvement can be submitted via the "Idea+" platform. The "Integrity Line" compliance platform (see S1-3) is available for reporting potential legal and regulatory violations. These channels are open to all employees of the company.

To assess the mood and priorities of the workforce, STIHL Group conducted the Group-wide "Global Pulse Check" employee survey for the first time in the year under review; it will be repeated annually from 2026 onwards. The results are used to derive actions and are communicated to relevant corporate units.

At local level, regular exchange formats take place with varying frequency depending on the location. These include annual works meetings (townhall meetings) at which managers can provide information about current developments and employees can ask questions.

STIHL Group strives to regularly review and further develop the effectiveness of the participation formats used.

DISCLOSURE REQUIREMENT S1-3 - PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

COMPLIANCE

Among its actions for countering negative impacts STIHL Group has a remedy process anchored in the form of the Group-wide "Integrity Line" compliance whistleblower system, which can be used to report potential violations of laws and regulations. The core of the procedure is structured case management, wherein reports are recorded using unique case numbers, reviewed by the competent authority and appropriate measures are taken if necessary. Suitable remediation actions may include, for example, organizational and technical measures up to and including sanctions under labor law. This procedure ensures that incidents are adequately processed and similar incidents are prevented in the future. Experience from resolved incidents and lessons learned are incorporated into the continuous improvement of the procedure.

STIHL Group has been operating the "Integrity Line" digital whistleblower system since the end of 2022. This system is available to all employees of the company, business partners and other third parties at all hours and enables the reporting of justified suspicions of compliance violations, either anonymously or with a named reporter. All Group companies are technically connected to it. The platform is hosted on an external server and centrally controlled and monitored by the Compliance department at head office. A non-retaliation principle is in place to protect all whistleblowers who report in good faith and employee representatives from any form of retaliation.

Employees are regularly informed and trained in use of the whistleblower system, for which STIHL Group uses various formats such as digital learning, face-to-face training and internal communication platforms. The whistleblower system is also signposted on the intranet. The digital version of the Code of Conduct can be accessed via a link. The aim is to ensure all employees are able to understand the reporting channels, how the whistleblower system works and its importance for compliance, as well as to promote an open "speak-up" culture and ensure that new regulatory requirements are taken into account.

Other channels are available in addition to the "Integrity Line":

- Direct contact persons: Dedicated "business partners" in local HR departments for each worker; in addition, managers, local compliance officers as well as a central

Compliance department, which can be reached via the email address compliance@stihl.de

- Employee representatives: Works Councils and comparable employee representative boards which address concerns of employees in the context of consultations, plant and safety inspections and risk assessments

OCCUPATIONAL HEALTH AND SAFETY

The concepts specified under S1-1 define the process via which STIHL Group carries out hazard and risk assessments for work on and with machines and other activities. The responsible managers and safety officers work together to assess risks guided, trained and supported by occupational safety specialists. STIHL Group derives actions and targets to further increase occupational safety from these assessments. New findings are immediately incorporated into the safety instructions for employees. Before entering STIHL plants external parties such as visitors and employees of external companies are also provided with information about potential sources of danger as well as instructions concerning safety precautions and rules.

Reports of accidents and incidents are forwarded to the relevant health and safety departments for the sites. Such incidents are investigated with the involvement of the affected persons and their supervisors as well as with the Works Council within the statutory regulatory framework.

DIVERSITY

Für die Meldung begründeter Verdachtsfälle zu Rechts- und Regelverstößen im Themenfeld Vielfalt können Beschäftigte der STIHL Gruppe die o. g. Compliance-Kanäle nutzen. An den deutschen Standorten gibt es weitere Ansprechpersonen in der AGG-Beschwerdestelle (Allgemeines Gleichbehandlungsgesetz) des Stammhauses sowie den Schwerbehindertenvertretungen.

DISCLOSURE REQUIREMENT S1-4 - TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS

PERSONNEL DEVELOPMENT

During the year under review STIHL Group continued to roll out Group-wide tools and processes that give all employees uniform rights and opportunities as the context of personnel development and further training. This includes a consistent personnel development process with self-assessments and third-party assessments as well as an annual appraisal for all employees. The HR Online system for those HR processes which are uniform Group-wide will be available at all STIHL Group locations by the end of 2027. STIHL Group provides employees in all departments and at all hierarchical levels with programs for further training and development. In the reporting year there was a focus on supporting the technological transformation of STIHL Group towards more battery-powered products through the requisite training of employees in production, among other areas.

OCCUPATIONAL HEALTH AND SAFETY

All employees undertake safety training at least once a year. By implementing campaigns such as “10 minutes for safety”, STIHL Group also establishes health and safety as a permanent and firmly established topic in team meetings. Training on fire safety exercises, hazardous goods and load securing, for example, are included in the STIHL further training catalog. New managers are required to complete a two-day training course on occupational safety and health protection. Continuous communications about the topic are delivered to all employees via posters and employee information; it is also an integral part of the Board of Management report and the management report at

works meetings. Employees can submit suggested improvements to occupational safety at any time via STIHL Idea Management.

DIVERSITY

STIHL Group has not yet developed actions to promote diversity that are uniform across the Group. The Group Standard specified under S1-1 defines structures, responsibilities and topic areas. Within this framework a wide range of training, mentoring and networking programs exists – for example “Female Leadership” and “Women Network @STIHL”. However, STIHL Group generally applies a decentralized approach which gives individual companies the freedom to develop specific measures.

STIHL Group has not yet developed Group-wide procedures and metrics to measure the effectiveness of the described actions.

DISCLOSURE REQUIREMENT S1-5 - TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

STIHL Group has introduced several measurable goals to manage significant impacts on its own employees, promote positive effects and systematically address risks and opportunities. The Group-wide company target is a maximum occupational accident rate of 4.5 per year, i.e. the number of occupational accidents with lost time per 1,000,000 working hours. The rate serves as a material indicator for the effectiveness of occupational health and safety management and also enables international comparability as well as the identification of opportunities for improvement and remediation actions.

In personnel development, STIHL Group has set itself the target of filling key positions which become vacant with its own employees wherever possible.

In the reporting year STIHL Group integrated a question about perceptions of diversity into its first Group-wide employee survey, the “Global Pulse Check”. This made it possible to determine the proportion of company employees who agree with the statement “At work, I am treated with respect”.

DISCLOSURE REQUIREMENT S1-6 - CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

At the end of the reporting year STIHL Group employed a total of 20,194 people. Of these, 69.2% were men (13,977) and 29.9% were women (6,047). 0.8% of employees (170) did not indicate their gender.

Total inventory and gender distribution as at the reporting date December 31, 2025

GENDER	NUMBER OF EMPLOYEES (HEADCOUNT)
Male	13,977
Female	6,047
Other	0
Not specified	170
Total number of employees	20,194

Number of employees in countries where the company has at least 50 employees, who make up at least 10 percent of the company's total number of employees

COUNTRY	NUMBER OF EMPLOYEES (HEADCOUNT)
Germany	6,538
Brazil	3,433
USA	2,553

Employees by type of contract and gender (headcount)

FEMALE	MALE	OTHER (*)	NOT STATED	TOTAL
Number of employees				
6,047	13,977	0	170	20,194
Number of permanent employees				
5,114	12,411	0	167	17,692
Number of temporary employees				
933	1,566	0	3	2,502
Number of full-time employees				
5,053	13,309	0	163	18,525
Number of part-time employees				
777	456	0	4	1,237

(*) Gender as given by employees themselves.

Full-time employees by gender and region in 2025 (headcount)

	WESTERN EUROPE 1	WESTERN EUROPE 2	EASTERN EUROPE	NORTH AMERICA	SOUTH AMERICA	EAST ASIA	AFRICA/ MIDDLE EAST	OCEANIA	OTHER	TOTAL
Female										
	1,420	177	102	767	690	1,794	23	46	34	5,053
Male										
	5,738	399	238	1,715	2,658	2,266	41	96	158	13,309
Other (*)										
	0	0	0	0	0	0	0	0	0	0
Not specified										
	0	0	0	163	0	0	0	0	0	163

(*) Gender as given by employees themselves.

Part-time employees by gender and region in 2025 (headcount)

	WESTERN EUROPE 1	WESTERN EUROPE 2	EASTERN EUROPE	NORTH AMERICA	SOUTH AMERICA	EAST ASIA	AFRICA/MIDDLE EAST	OCEANIA	OTHER	TOTAL
Female										
	633	30	3	1	99	1	0	5	5	777
Male										
	328	13	0	0	110	1	0	0	4	456
Other (*)										
	0	0	0	0	0	0	0	0	0	0
Not specified										
	2	0	0	2	0	0	0	0	0	4

(*) Gender as given by employees themselves.

DEFINITIONS

Permanent employees refers to all employees with an open-ended contract. Temporary employees are employees who have a fixed-term employment contract (with an end date). Part-time employees are employees whose contractually agreed weekly working hours are less than the standard weekly working hours of the relevant STIHL company.

METHODOLOGICAL NOTES AND SOURCES FOR ESTIMATES AND RESULT UNCERTAINTIES

The STIHL Group uses information from a personnel reporting tool that is uniform Group-wide. Some STIHL companies, accounting for around 10 percent of employees, are not connected to this tool. These companies use Excel to report their figures to STIHL headquarters monthly. STIHL Group nonetheless assumes the data quality here to be high.

STIHL Group does not employ anyone without guaranteed working hours.

The sum of all inputs about full-time and part-time employment amounts to less than the total number of employees: STIHL Group does not include inactive employees, i.e. employees who did not work any hours in the reporting year due to long-term illness or parental leave, for example.

DISCLOSURE REQUIREMENT S1-9 - DIVERSITY METRICS

Diversity metrics for the top management level

GENDER	NUMBER	PROPORTION
Male	163	84 %
Female	31	16 %
Other gender	0	0 %
Not stated	0	0 %

DEFINITION

STIHL Group clusters all employees into six hierarchical levels. STIHL Group defines the top two levels (Board of Management and Positions of Group Interest, PGI) as the top management level.

SOURCES OF ESTIMATES AND RESULT UNCERTAINTIES

The worldwide companies of STIHL Group use their own classifications for positions from middle management to the respective hierarchical levels. A position evaluation system established throughout the Group is used as a guideline, but is currently only fully developed and bindingly applied with respect to top management roles. STIHL Group is currently working on standardizing the underlying criteria to improve data quality.

Age distribution of all employees

AGE GROUP	NUMBER	PROPORTION
Under 30	3,936	-
30-50	12,112	-
Over 50	4,004	-

METHODOLOGICAL NOTE

The age of all employees is included as at the reporting date December 31, 2025.

SOURCES OF ESTIMATES AND RESULT UNCERTAINTIES

The total number of employees in this data point is lower than the above because there is no age information supplied for 142 employees. This may be due to missing disclosures or to the fact that employees of some STIHL national companies can object to the disclosure of such information for data protection reasons. Since the data basis for the number is incomplete, STIHL Group cannot provide validated information concerning the proportional breakdown of the age groups.

DISCLOSURE REQUIREMENT S1-14 - HEALTH AND SAFETY METRICS

Persons among the company's workforce who, based on legal requirements and/or recognized standards or guidelines, are covered by the company's health and safety management system (as a percentage)	95
Deaths of workers due to work-related injuries and illnesses (number)	0
Reportable occupational accidents of employees (number)	165
Reportable occupational accidents of employees (rate)	4.4

DEFINITIONS

Management system

An occupational health and safety management system is a structured, continuous process within an organization that aims to systematically identify and assess occupational accidents, work-related illnesses and health hazards, and prevent them by means of appropriate measures. It sets out responsibilities, processes and targets and thereby supports the company in permanently integrating health and safety into all operational processes.

Work-related injuries and illnesses

Injuries and illnesses that occur as a result of or in connection with work activities, and which are recognized as such by the relevant government agencies/accident insurance companies.

Workplace accidents

Accidents with lost time of at least one full working day that occur in direct connection with work activities, and which are recognized as such by the relevant government agencies/accident insurance companies.

ESRS S2 - WORKFORCE IN THE VALUE CHAIN

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The S2 topic standard is material for STIHL because of its global procurement structures: Appropriate working conditions in the upstream value chain contribute to maintaining stable supply relationships and avoiding production risks, while deficiencies in health, safety or the upholding of fundamental workers’ rights can lead to negative impacts and risks to business and reputation. The identified impacts, risks and opportunities are closely connected to the STIHL business model and the dependence on a reliable supply chain:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
S2 - Workforce in the value chain				
Working conditions	Impairment of health and safety	Negative impact	-	Upstream value chain
Working conditions	Stable staffing levels to avoid production bottlenecks	Opportunity	Medium-term	Upstream value chain
Other rights in connection with workers in the value chain	Risk of child labor and forced labor	Negative impact	Short-term	Upstream value chain

STIHL investigates human rights and environmental risks and their potential impacts annually and on an ad hoc basis if changes in business activities require it, or if there is substantiated knowledge of human and environmental rights violations by indirect and direct suppliers. The identified risks influence the design of STIHL's procurement strategy as well as the global site and supplier structure. STIHL takes these risks into account when making decisions about supplier selection, localization strategies and prioritizing raw materials in order to minimize risks for workers and ensure that supply chains are stable in the long term.

The most important characteristics for the risk analysis of STIHL suppliers from a sustainability perspective are human rights and environmental risks at country and product group level. Regular risk analyses assess human rights and work-related risks along the value chain. The implementation and selection of the criteria under consideration are based on the OECD guidelines: Among others, these criteria include geographical origin, industry and the criticality of individual materials for STIHL. The human rights risk situation is assessed via a range of means including international country ratings and indices.

STIHL has defined the following potential human rights and environmental risks in its human rights statement: Violations of occupational health and safety, harmful soil, water and air pollution, restrictions on freedom of association for all workers, and unequal treatment. Countries with increased risk exposure include China and India. STIHL Group has taken measures to minimize these risks, including the introduction of control mechanisms and participation in initiatives such as Cobalt for Development (see E5.2).

Workforce in the STIHL value chain are people who work for the company in both upstream and downstream areas – for example at suppliers, service providers, business partners or in company shareholdings. This encompasses all forms of workforce that carry out various physical or mental tasks for STIHL. STIHL Group is aware that employees in the value chain are exposed to higher risks in certain countries and industries. A detailed categorization of employees in the value chain is currently not available and needs to be completed for ESRS requirements to be met in full. This particularly relates to the detailed description of the types of employees affected and the linking of identified risks and opportunities to specific employee groups.

In the upstream value chain, the employees of our suppliers could potentially be affected by significant negative impacts. This not only concerns the employees in the production facilities of our direct suppliers, but also the people in the upstream stages of the supply chain – right through to raw material extraction and processing.

STIHL's control mechanisms and complaints channels are designed to record serious social and environmental harm in our own business operations and our direct business partners. Actions are already being taken in the deeper supply chain, e.g. membership of Cobalt for Development. The material risks for STIHL are dependent on the negative impacts identified. These could lead to bottlenecks or delays in the supply chain or damage the company's reputation.

DISCLOSURE REQUIREMENT S2-1 - POLICIES RELATED TO VALUE CHAIN WORKERS

The scope of STIHL's corporate due diligence in accordance with the LkSG and the human rights statement listed under S1-1 expressly extends to the value chain in addition to the company's own business area. At the end of 2025 STIHL Group's direct supply chain comprised just over 10,000 suppliers from more than 55 countries. Suppliers in the indirect supplier base ("Tier X suppliers") can ultimately also be included in the scope of the due diligence obligations, provided that STIHL Group has substantiated knowledge of human rights or environmental abuses at these suppliers.

In its human rights statement STIHL Group expressly commits itself to the UN Guiding Principles on Business and Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. This results in binding requirements for suppliers that are set out in the Supplier Code of Conduct, which has existed since 2015 and was comprehensively revised in 2022. For new suppliers, signing the SCoC is one of the prerequisites for inclusion in the supplier pool; all existing suppliers must sign it as part of requalification. The Code of Conduct is based on the International Bill of Human Rights, the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work. It prohibits child labor and forced labor, and demands fair and safe working conditions, non-discrimination, environmental protection, corruption prevention and data protection. The human rights requirements for the STIHL value chain are operationalized in the Group Standard on procurement. This obliges all STIHL employees in Procurement to apply the SCoC requirements in a binding manner. The Group Standard also defines remediation mechanisms and procedures (see S2-3).

DISCLOSURE REQUIREMENT S2-3 - PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR VALUE CHAIN WORKERS TO RAISE CONCERNS

The Sustainable Supply Chain Methodology, based on the LkSG, sets out the framework for procedures with regard to workers in the value chain: It defines the tools and processes that STIHL has introduced or established to ensure its due diligence obligations are met in the value chain. The foundation for corporate due diligence is formed through regular analyses of human rights and environmental risks. STIHL conducts these annually as well as on an ad hoc basis if its business activities change or if there are indications of possible violations by direct or indirect suppliers. Risk identification follows a risk-based approach with systematic data capture. Relevant risks are identified using external sources (e.g. country and commodity group risks) as well as internal information, and assessed using appropriateness criteria. In the procurement area, supplier self-assessment questionnaires (SAQs) and audit data are incorporated into the analysis. If a supplier's self-assessment raises concerns with respect to the implementation of due diligence obligations in accordance with the LkSG, the causes are analyzed and actions defined. Direct suppliers are subject to sustainability audits.

To collect primary data from suppliers, STIHL has introduced the "Integrity Next" platform, which is used to check and monitor supplier compliance with the relevant sustainability and compliance standards via SAQs. The platform is currently in use at STIHL's head office and in all production companies worldwide. In the separate business areas, all sites must complete the questionnaires once a year and on an ad hoc basis. Within the supply chain a distinction is made between direct and indirect suppliers: Direct existing suppliers must complete an SAQ for medium to extreme risk exposure. The same applies for existing indirect suppliers where increased risk exposure has been determined and there is an ongoing business relationship or a significant purchasing volume; the same criteria are applied for new indirect suppliers. For direct new suppliers it is mandatory to complete an SAQ and pass an approval audit which includes a sustainability audit. By the end of 2025 around 80 percent of the invited suppliers had submitted information on the platform. Information about "Integrity Next", the Code of Conduct and sustainability audits are requirements in the approval process for new suppliers and also part of the requalification audit for existing suppliers.

Employees in the global STIHL value chain can also use the "Integrity Line" whistleblower system (see S1-1) to report suspected violations of human and environmental rights or contact STIHL's compliance officers via routes including the central email address compliance@STIHL.de. Details of the whistleblower system are communicated to the supply chain via the Supplier Code of Conduct, delivery schedules and purchase orders in SAP. STIHL currently has no reliable information on whether complaints channels exist at all stages of the supply chain and whether all employees are informed about

them there. Suppliers are not obliged to inform their employees about the STIHL whistleblower system nor to set up their own. Surveys or satisfaction analyses which increase supply chain employees' confidence in the "Integrity Line" are not currently being carried out.

The Group Compliance Officer reports regularly to the Board of Management on the number and content of the reported suspected cases, the remediation actions implemented and their completion or ongoing status.

DISCLOSURE REQUIREMENT S2-4 - TAKING ACTION ON MATERIAL IMPACTS ON VALUE CHAIN WORKERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO VALUE CHAIN WORKERS, AND EFFECTIVENESS OF THOSE ACTION

With regard to sustainability matters, Supplier Management aims to identify and implement instances of potential for improvement at STIHL suppliers. In the year under review STIHL used procedures such as the SAQs and audits specified under S2-3 to identify material risks and manage them by means of customized remediation measures. STIHL integrates the determination of such remediation actions in a multi-stage risk management process for suppliers in accordance with LkSG requirements:

- 1. Early risk identification:** Initial risk assessment before supplier approval
- 2. Continuous monitoring:** Regular reassessment and sustainability audits based on SAQs
- 3. Planning and implementation of remediation actions:** Training, action plans based on SAQ rating and audit findings with defined deadlines. The termination of business relationships remains possible as a last resort, but was not required in the reporting year 2025.
- 4. Effectiveness check and conclusion:** In accordance with the LkSG requirements, remediation actions are only considered to be completed once their effectiveness has been checked and documented. Depending on the severity of the violations, this is done by means of a new on-site audit or via supporting documentation. The obtained findings are used for continuous system improvement.
- 5. Integration into the due diligence system:** Systematic anchoring in governance standards

During the year under review STIHL continued to engage in regular dialog with relevant stakeholders such as suppliers, industry initiatives and civil society organizations with a view to addressing human rights risks and to further develop prevention measures. For example STIHL is involved in Cobalt for Development (C4D) and the Responsible Minerals Initiative, as well as SustaiNet, a network of industrial companies for the exchange of information and best practices. The companies regularly exchange information in working groups on subjects such as regulatory requirements (LkSG, EUDR), further organizational development or measures for CO2 reduction.

DISCLOSURE REQUIREMENT S2-5 - TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

STIHL is currently developing a central metric for scoring suppliers' sustainability. A measurable, results-oriented target is therefore not yet available for this.

SERIOUS HUMAN RIGHTS VIOLATIONS IN THE VALUE CHAIN

STIHL defines cases of forced labor, human trafficking and child labor as serious human rights violations. No corresponding human rights violations in the value chain were reported to the STIHL Group for the reporting year.

4.

GOVERNANCE INFORMATION

ESRS G1 - BUSINESS CONDUCT

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 GOV-1 - THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES IN CONNECTION WITH BUSINESS CONDUCT

A central element of business conduct within the meaning of ESRS G1 is ensuring that STIHL acts in compliance with rules and with integrity. Compliance – understood as compliance with legal requirements and internal guidelines – forms the binding framework for all employees of the company. Compliance with all applicable laws and regulations in all the countries that STIHL operates in is one of the company's maxims. It is our shared responsibility to ensure the enduring success of the business and protect the reputation of STIHL Group.

As part of its legal duties, the Supervisory Board monitors the effectiveness of the Compliance Management System (CMS) as well as the policies and processes for responsible business conduct in accordance with G1. For this purpose, the Board of Management reports to it at least once a year as well as on an ad hoc basis where needed about material compliance matters, progress and actions, and can decide on compliance-related actions independently as needed.

The Advisory Board has an advisory function in compliance matters. To this end the Board of Management reports to it on relevant compliance topics at least once a year as well as on an ad hoc basis where needed, and within this framework supports the further development of the principles for integrity and responsible conduct.

The Board of Management bears overall responsibility for compliance with legal requirements and internal guidelines as well as for implementation of the principles of responsible business conduct. It ensures that appropriate structures, resources and controls are in place to prevent, detect and appropriately respond to violations of business ethics and compliance. The Group Compliance Officer is responsible for the operational design and implementation of the CMS. This officer reports regularly as well as on an ad hoc basis when needed to the Board of Management and ensures the preparation of compliance-related information which is relevant to the Board of Management, Advisory Board and Supervisory Board.

DISCLOSURE REQUIREMENT IN CONNECTION WITH ESRS 2 SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL IN CONNECTION WITH GOVERNANCE AND CORPORATE CULTURE

The G1 topic standard is of material importance for STIHL as an internationally active industrial company with complex value creation and supply chains. A consistent corporate culture and adherence to basic principles of corporate governance support the proper management of business activities and help to ensure compliant conduct. Prevention

of corruption and bribery is particularly material in the context of global procurement and sales structures as well as diverse business relationships, given that violations can particularly have negative impacts on fair competition conditions, sustainable economic activity and the economic stability of the company. The material impacts identified are closely related to STIHL's business model and strategic alignment:

ESRS SUBTOPIC	IRO DESCRIPTION	IRO CATEGORY	TIME HORIZON	POSITION IN THE VALUE CHAIN
G1 - Business conduct				
Corporate culture	Good working environment	Positive impact	-	Own operations
Corruption and bribery	Fair distribution of natural resources and appropriate management of public revenue	Positive impact	-	Own operations
Corruption and bribery	Undermining fair and free competition and endangering sustainable economic activity	Negative impact	-	Own operations, downstream value chain

DISCLOSURE REQUIREMENT G1-1 - BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

STIHL has implemented Group-wide concepts to anchor a culture of integrity, legal compliance and fairness. This is especially based on the Employee Code of Conduct and Group Standards on anti-corruption and compliance management. They are part of the unified CMS.

CORPORATE CULTURE AND VALUES

STIHL's corporate culture is based on integrity, responsibility and transparency. Managers function as role models and convey the importance of acting in accordance with the rules. Internal communication formats and programs support these values being embedded in day-to-day work.

TRAINING AND IMPLEMENTATION

Employees are trained on relevant compliance topics in the context of training courses, particularly on the STIHL Code of Conduct and other regulations, the topic of corruption prevention and the STIHL "Integrity Line" whistleblower system. The formats and contents of the training courses vary depending on the function and area of responsibility, to ensure employee awareness is raised on a needs-dependent basis.

GOVERNANCE STRUCTURES

Operational coordination of the CMS is the responsibility of the Group Compliance Officer who works closely with Internal Audit, Risk Management, Legal and local Compliance contacts and reports to the Board of Management member for Human Resources and Legal. The Board of Management bears overall responsibility for compliance with all legal requirements.

WHISTLEBLOWER SYSTEM AND HANDLING OF VIOLATIONS

A whistleblower system which is internally and externally accessible facilitates confidential reporting and anonymity if desired. STIHL absolutely does not tolerate discrimination or punishment being exercised towards people reporting in good faith. All reports are processed in accordance with a defined review and investigation process. Findings are incorporated into ongoing further development. In the year under review a new Group Standard for anti-corruption was introduced, replacing local standards.

DISCLOSURE REQUIREMENT G1-3 - PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Details on the STIHL whistleblower system are provided under S1-3. As a result only governance-related responsibilities, reporting lines and monitoring mechanisms related to the prevention and detection of corruption and bribery are presented below.

STIHL's Group-wide CMS is based on the aspects of prevention, early detection and reaction. It focuses on combating corruption as well as compliance with antitrust laws. The Group-wide Employee Code of Conduct is an important measure for preventing violations of the law. It is available in seven language versions, ensuring STIHL reaches all of the company's employees worldwide. STIHL also links to it on the company website. STIHL has formulated a separate Code of Conduct for suppliers (specified under S 2-1). Business partners must accept the STIHL Supplier Code of Conduct; compliance with it is monitored based on risk, and reviewed on an auditable basis as needed.

The "three lines of defense" model is used within STIHL Group to ensure an integrated and functional compliance control and monitoring system. In this model the local operational management of the specialist departments for the respectively defined area of tasks and responsibility is responsible as the first line of defense for matters including identification, assessment, control and reduction of risks in the course of day-to-day business. The second line of defense particularly involves the risk management and compliance functions which expand and monitor the controls implemented in the first line of defense. The third line of defense is Internal Audit, an objective and independent audit and advisory body which ensures the adequacy and effectiveness of the risk management, control and monitoring structure of the first and second lines of defense.

The three lines of defense approach ensures early detection of suspected cases of corruption. In addition, the "Integrity Line" whistleblower platform specified under S 1-3 is available as a channel for reporting suspected cases. Whistleblowers enjoy full protection against discrimination or retaliation, provided that they are making a report in good faith. STIHL ensures that received reports are treated confidentially and are only reviewed by authorized roles.

Alongside the topic of anti-corruption, the Code of Conduct is the focus of STIHL's compliance training courses. Since 2024 a mandatory, target-group-specific annual e-learning course on the Code of Conduct has been rolled out throughout the entire Group. In addition to the above-named focus areas, it also covers the topics of antitrust law and human rights. In terms of educational design the e-learning works to ensure the greatest possible learning success by means of practical case studies, decision-making support and a final quiz. To emphasize the overriding importance of compliance for STIHL, it also includes a video statement from the Board of Management member for Human Resources and Legal Affairs. The training is mandatory for all Group employees with an administrative focus to their activities. This also includes those functions that STIHL considers to be particularly risk-prone with regard to corruption and bribery due to their area of responsibility and activity, i.e. management, purchasing, sales, marketing and finance. The level of coverage of these high-risk functions was approximately 96 percent in the reporting year.

METHODOLOGICAL NOTES AND SOURCES FOR ESTIMATES AND RESULT UNCERTAINTIES

STIHL has estimated the specified level of coverage. It is based on the assumption that at least one person is employed in each of the five high-risk functions in each of STIHL Group companies as per the scope of consolidation. This results in an estimated total of 275 risk-associated positions for STIHL Group. Five functions of the STIHL company in Brazil that had not yet rolled out the e-learning course were deducted from this total for the reporting year, as well as an estimated number of other functions at locations where not all employees with an administrative focus had completed the training course in the reporting year. For the latter, it is unclear whether they are among the risk-associated functions. The actual level of coverage may therefore be higher.

DISCLOSURE REQUIREMENT G1-4 - INCIDENTS OF CORRUPTION OR BRIBERY

STIHL employees were not convicted of any corruption or bribery in the year under review. Accordingly, no fines were imposed on STIHL.

GLOSSARY OF STIHL-SPECIFIC TERMS

Group Standard

Group Standards (GS) refer to internal documents of the STIHL rules and regulations that set out binding and uniform specifications for all STIHL Group companies worldwide with regard to technical content, structures and/or processes.

STIHL head office

This designation refers to STIHL Group's nine German sites with production or production-related activities, in Waiblingen, Ludwigsburg, Tengen, Prüm, Fellbach and Kernen in Remstal. This concerns all locations of the ANDREAS STIHL AG & Co. KG Group company.

PRC

Production-related companies - the manufacturing companies within STIHL Group.

Works Norm

A STIHL Works Norm (SWN) is an internal binding specification which describes technical requirements, specifications or procedures where external standards (e.g. DIN, ISO) are not sufficient or STIHL-specific requirements apply. SWNs can also be contractually agreed with suppliers and then also apply with respect to these business partners.