

2023

THULE GROUP ANNUAL REPORT



Active Life, Simplified.



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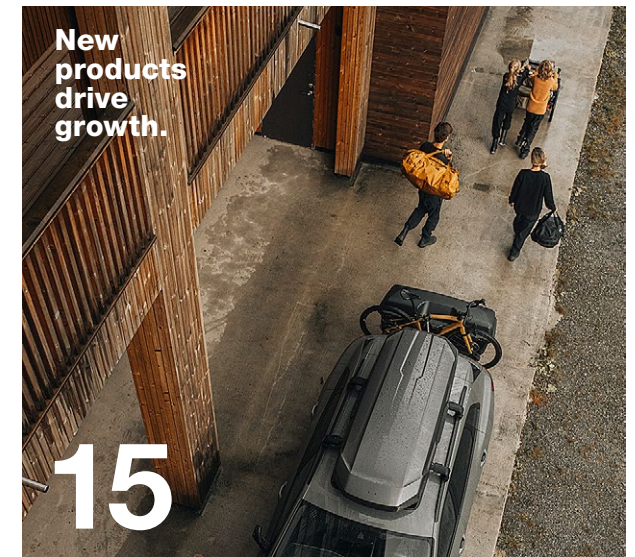
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The Sustainability Report is found on pages 28–42 and 94–111.
The Annual Report is found on pages 43–93 and is published in Swedish and English.
 The Swedish version is the original and has been reviewed by Thule Group's auditor.
 This version is an adjusted version for the layout of the statutory Annual Report submitted to the AGM, which is available in Esec-format.



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THULE GROUP IN BRIEF

Active Life, Simplified.

Thule Group is a world-leading global company that develops and manufactures premium products that facilitate an active outdoor life. Our products help you take your children, your dog and your gear with you on your adventure, trip, excursion or walk. Our products always make it easier for you to live an active life, whether in leisure time or in daily life.

Our products are linked to a range of activities, such as taking your bike on the car to the mountain-bike trail, your kayak to a nearby lake, your child by bike to

kindergarten, your luggage in one of our bags, or when you need a sense of personal space in your RV.

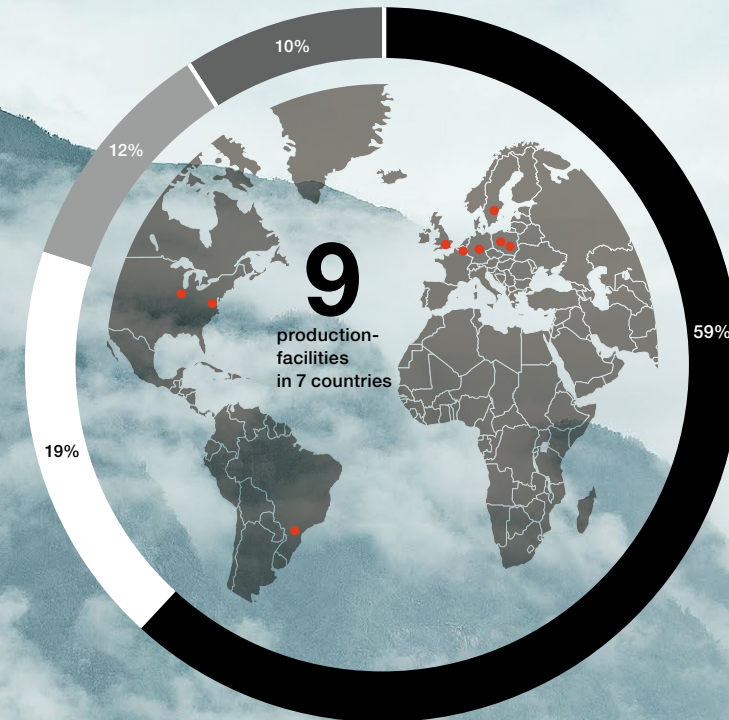
We have maintained a long-term focus on consumer-driven innovation and sustainable, profitable growth since we were founded in 1942 in Hillerstorp, Småland, Sweden. Today, the Thule brand attracts active people throughout the world.

We have the highest standards in terms of safety, function and respect for the environment. This is what drives us. We are curious

and passionate entrepreneurs, and believe that people have the power to move the world forward. At each product launch, our ambition is to reveal a glimpse of the future in each product category.


We are often global or regional market leaders within our product categories. By 2030, our company will be twice as big as today and we will have a presence in more product categories, but we will always have the same mantra – safety and function in Thule's classic and recognizable design.

Sales per product category



- 

● Sport & Cargo Carriers
Roof racks, roof boxes, bike carriers, water and winter sports, and rooftop tents
- 

● RV Products
Awnings, bike carriers and tents for RVs and caravans
- 

● Juvenile & Pet
Bike trailers, child bike seats, strollers, car seats and dog transport
- 

● Packs, Bags & Luggage
Luggage, backpacks and laptop bags for everyday use, hiking backpacks, camera bags and cases for consumer electronics

2,600

employees across the world

SEK 9_{bn}

sales

35

sales offices

138

markets



Thule Santu transport box (launched 2024) with bike rack, Thule Urban Glide stroller

2023 IN BRIEF

Good profitability, in a difficult market

Thule is doing well and is thriving, despite the difficult market in 2023. After a muted start to the year, sales and profitability improved in the latter six months. Cash flow reached a record level, and new Thule products continued to drive growth.

For the full-year 2023, sales declined 10 percent (15 percent after currency adjustment), while

the EBIT margin amounted to 16.5 percent (16.8). In the second half of the year, profitability was on par with pre-pandemic levels, despite the largest ever investments in product development, corresponding to 6.9 percent of sales for the full-year 2023.

Numerous initiatives were taken in the Group's long-term sustainability initiatives, which

are well integrated in its product development processes. For example, the premium-positioned bike carrier Thule Epos has a 50 percent lower carbon footprint than comparable products.

Inventory at year-end amounted to SEK 2,300 million, a reduction of just over SEK 800 million, which exceeded the target of SEK 600 million.



Thule Sapling Child Carrier backpack

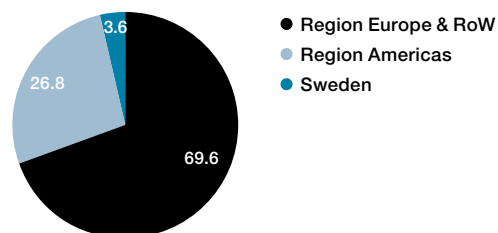
FINANCIAL INFORMATION IN BRIEF

- Net sales for 2023 amounted to SEK 9,132m (10,138), corresponding to a decrease of 9.9 percent.
- Operating income amounted to SEK 1,505m (1,706), corresponding to a margin of 16.5 percent (16.8).
- Net income amounted to SEK 1,099m (1,275).
- Cash flow from operating activities totaled SEK 1,850m (616).
- Earnings per share before dilution amounted to SEK 10.45 (12.19).

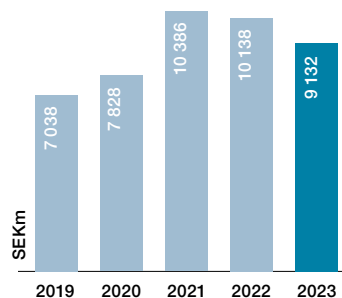
CLEAR PRIORITIES MOVING FORWARD

- Continue to focus on market-leading product development in order to drive sustainable and profitable growth.
- Greater focus on several product categories. In 2024, the product portfolio will be expanded with new launches in the categories of dog transportation and car seats.
- Increased visibility to consumers.
- Increased efficiency and capacity utilization in the supply chain, including the termination of several external warehouse services and the further reduction of inventory levels.
- Net-zero target 2050 approved by SBTi. Aim to reduce scope 1, 2 and 3 by 90 percent compared to base year 2019.

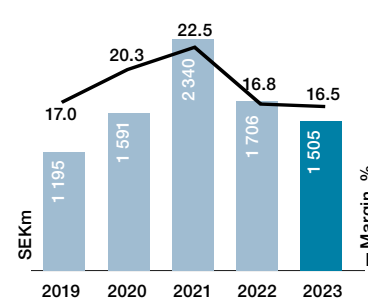
NET SALES PER GEOGRAPHICAL AREA, %



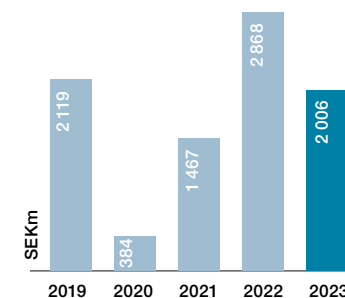
NET SALES, SEKm



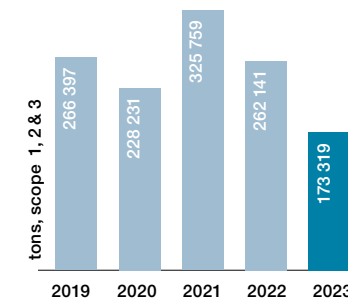
EBIT AND EBIT MARGIN



NET DEBT



GREENHOUSE GAS EMISSIONS





”
We are very confident in our coming product launches, with many products that will strengthen Thule as a lifestyle brand and further strengthen our position in the premium segment.”

A forward leaning Thule with major investments for the future

Thule is in a good place, despite a tough consumer market in 2023. After a weak start to the year, the sales and profitability trends improved during the second half of the year. Cash flow was at a record high level. New Thule products continued to drive sales growth and we have more product launches than ever planned for 2024.

2023 was characterized by a tough market, with higher interest rates, lower consumer spending, a war in Europe and more lately also in Gaza. Consumers' wallets are thinner and many retailers are struggling, with examples of retailer bankruptcies in several sectors. However, thanks to our strong market positions, our global premium Thule brand and our broad product portfolio, we delivered solid earnings despite a tough market, and our financial performance gradually improved during the year.

IMPROVED PERFORMANCE IN THE SECOND HALF

For the full year 2023, sales declined 15 percent, measured in constant currency. The EBIT margin was in line with previous year, and amounted to 16.5 percent (16.8). During the first six months, sales decreased significantly and consequently, so did profitability. However, performance improved in the second half of the year, with sales in line with the previous year and profitability improved towards pre-pandemic levels, despite record high investments in product development. Cash flow from operating activities was at an all-time high, totaling SEK 1.85 billion.

ENHANCED EFFICIENCY IN THE SUPPLY CHAIN

We have had a high focus on reducing inventory levels and I am pleased to see that this has resulted in a year-on-year decrease of SEK 801 million. Although this clearly exceeds our target to reduce levels by SEK 600 million, we still have

more streamlining work to do. We will exit several external warehouse services and are planning to decrease inventory levels by an additional SEK 200 million in 2024.

INNOVATION DRIVES GROWTH

The underlying trend, with an ever increasing interest in, and demand for, sports and outdoor life products, is strong and provides us with a long-term tailwind. We have strong market positions, and our investments are focused on quality and innovation.

We have strong market positions and invests particularly in quality and innovation. We invest ongoing to strengthen our own competitiveness. In this way we also create the best conditions for growing our market shares and our growth. This is done both through consumer-driven innovation and increased product quality. Consequently, the most gratifying aspect of our performance in 2023 was that new Thule products, such as our most premium-positioned bike carrier Thule Epos, performed well and drove sales growth during the year.

In 2023, we also made the largest product development investments in the history of the company, corresponding to 6.9 percent of sales. In 2024, we will be launching more new products than ever before. We will be launching new generations of several of our bestsellers, introducing entirely new innovative products in existing categories, and entering two new product categories with newly created premium

”
The passion for the brand, an active life outdoors and creating the best products, carries us forward regardless of the market situation, global concerns or new trends.”

Clear priorities for 2024

1. Invest in product development and innovation for continued growth
 2. Capture positions and market shares in more product categories, including new categories
 3. Increase our visibility to end consumers – show more of our product range to more people
 4. Further enhance supply chain efficiency
-

products – child car seats and dog transportation. We feel very confident in our launches and have identified many products that will strengthen Thule as a lifestyle brand and our positioning in the premium segment.

INCREASED VISIBILITY TO CONSUMERS.

The Thule brand is currently one of our strongest assets and we are focusing on increasing our visibility to consumers. Our direct-to-consumer (DTC) sales increased during the year in all product categories and in all markets where we offer e-commerce through thule.com. During the fourth quarter, we launched e-commerce operations in Austria and Spain, which immediately contributed to our sales growth. In Europe, our DTC sales increased 81 percent and, in the Americas, 32 percent. DTC is a way for us to present our full product portfolio to our consumers, and to reach new consumers who prefer to shop online. Our ambition is to continue to grow in all sales channels and our experience shows that they complement each other well.

APPROVED STRATEGY TOWARDS NET-ZERO EMISSIONS

We want to contribute to a more sustainable world by offering products that are manufactured and distributed responsibly, with the least possible impact on the climate and environment throughout their entire lifecycle. In late 2023, our net-zero climate target for 2050 was validated by the SBTi (Science Based Targets initiative), confirming that our strategy for 2030 and long-term net-zero target for 2050 are in line with the Paris Agreement. We have far-reaching sustainability ambitions that are based on hard work in all parts of our operations. One good example is the Thule Epos bike carrier, mentioned above. By designing the product to have a low carbon footprint, our development team successfully developed a product with approximately half the carbon emissions of comparable products. We have also invested in advancing our positions and knowledge in the field of human rights. In 2024, 80 percent of our employees will be provided with a full in-house training in this area.

PASSIONATE EMPLOYEES CREATE SUCCESS

We invest heavily in our own capabilities and our successes are generated by our 2,600 employees. Without my colleagues' curiosity, passion and desire to constantly find even better



solutions, we would not be in the position where we are today, with more than 1,000 patents and our position as the global market leader in our key product categories. In the next year alone, we will be launching new generations of several of our bestsellers, such as the Thule Motion roof box, the Thule Chariot multisport and bike trailer, the Thule Urban Glide stroller and our Thule Subterra luggage collection. This year, we will also introduce entirely new innovations such as Thule Outset, the world's first tow bar mounted tent, and Thule Sidehill, the world's first removable awning. In addition, we will be launching our first products within dog transportation and car seats. Many dedicated and inventive employees are behind this array of innovations and new products.

OUR FUTURE IS BRIGHT

During my first six months as CEO of Thule Group, I have had the opportunity to experience the Thule spirit more closely, and I am – if possible – even more convinced that our market-leading positions in several product categories will

soon be joined by more. The passion for the brand, an active life outdoors, and creating the most amazing products, carries us forward regardless of market conditions, global turmoil or new trends. Despite a challenging market in the short term, our future is bright. More and more people want to live active lives, giving us a long-term tailwind. We have strong market positions, and an outstanding ability to develop world-leading products that drive profitable growth. Our most important success factor is people – our employees, customers, end consumers and shareholders – who make everything possible. Together, we will build on our strengths and execute clear priorities to reach the next level of Thule Group's journey.

I look forward to an exciting 2024 together with you!

Malmö, March

Mattias Ankarberg
CEO and President

BUSINESS ENVIRONMENT AND MARKET

More and more people want to live active lives, which is driving the market forward

Thule is operating in a market with clear underlying growth – interest in sports and outdoor pursuits is increasing over time, throughout the world. At the same time, in the shorter perspective, the market is suffering from inflation and global uncertainties that affect consumer behavior and retailers alike.



Our products are used by people who prioritize an active life filled with experiences. Greater awareness of the benefits and joy of living an active life are resulting in people of all ages spending more money and time on sports and outdoor activities. This trend is also supported by a growing middle class in emerging markets and better health later in age in more mature markets, which enable an active life.

This means good potential for continued long-term growth in our classic product categories (roof racks, roof boxes and bike carriers for cars). In our newer product categories, such as strollers and sports bags, our market is growing, and we see some great opportunities to capture additional market share. In 2024, we will also be launching products in entirely new categories, such as car seats and dog transport, which meet the growing trend of an active and mobile lifestyle.

Five macrotrends that are impacting Thule Group

1

Appeal of physical activities outdoors

People around the world are increasingly attracted to physical outdoor activities, often with friends and family, and more time and money is being spent in pursuit of such experiences. This is true for ski trips with the family, bike rides with a sleeping child in the bike trailer, and extreme mountain bike trips with your best friends.

2

Brands connected to lifestyle create loyalty

Brands that are used in connection with positive feelings are strengthened, which makes it easier to build consumer loyalty, sales growth and healthy profitability. Lifestyle brands that aim to be more than just a product and deliberately work to create a stronger connection to their consumers have greater possibilities of being long-term winners. The Thule brand is global and strong, and has an extensive history, with generations of users creating a relationship with the brand and our products.

3

Focus on sustainability

Consumer expectations have become much more demanding to meet in terms of corporate sustainability, transparency, respect for human rights, product quality and customer service. With Thule Group's ambitious sustainability work, this means opportunities, and we work tirelessly to design increasingly sustainable products with high quality and life span. At the same time, we as a company want to increase the visibility of the work we do.

4

Standing out in the crowd

Today's consumers are inundated with information and messages through ever more channels and from ever more players. New shopping patterns and new ways of interacting with the consumer, through both digital and physical channels, have emerged in recent years. It is crucial for retailers to create value in order to avoid being considered an unnecessary middleman between brands and consumers.

For Thule Group, visibility and service level are key components for success. We work cost-efficiently by collaborating with the best retailers in each product category in each individual market. We are also aware that although many consumers truly appreciate our leading products, few know about our full range. Consequently, we have stepped up our efforts to improve our visibility to consumers through, for example, a greater focus on events, PR and direct-to-consumer (DTC) sales. DTC is a way to reach out with the full range of our product portfolio and to find new consumers who prefer to shop online.

5

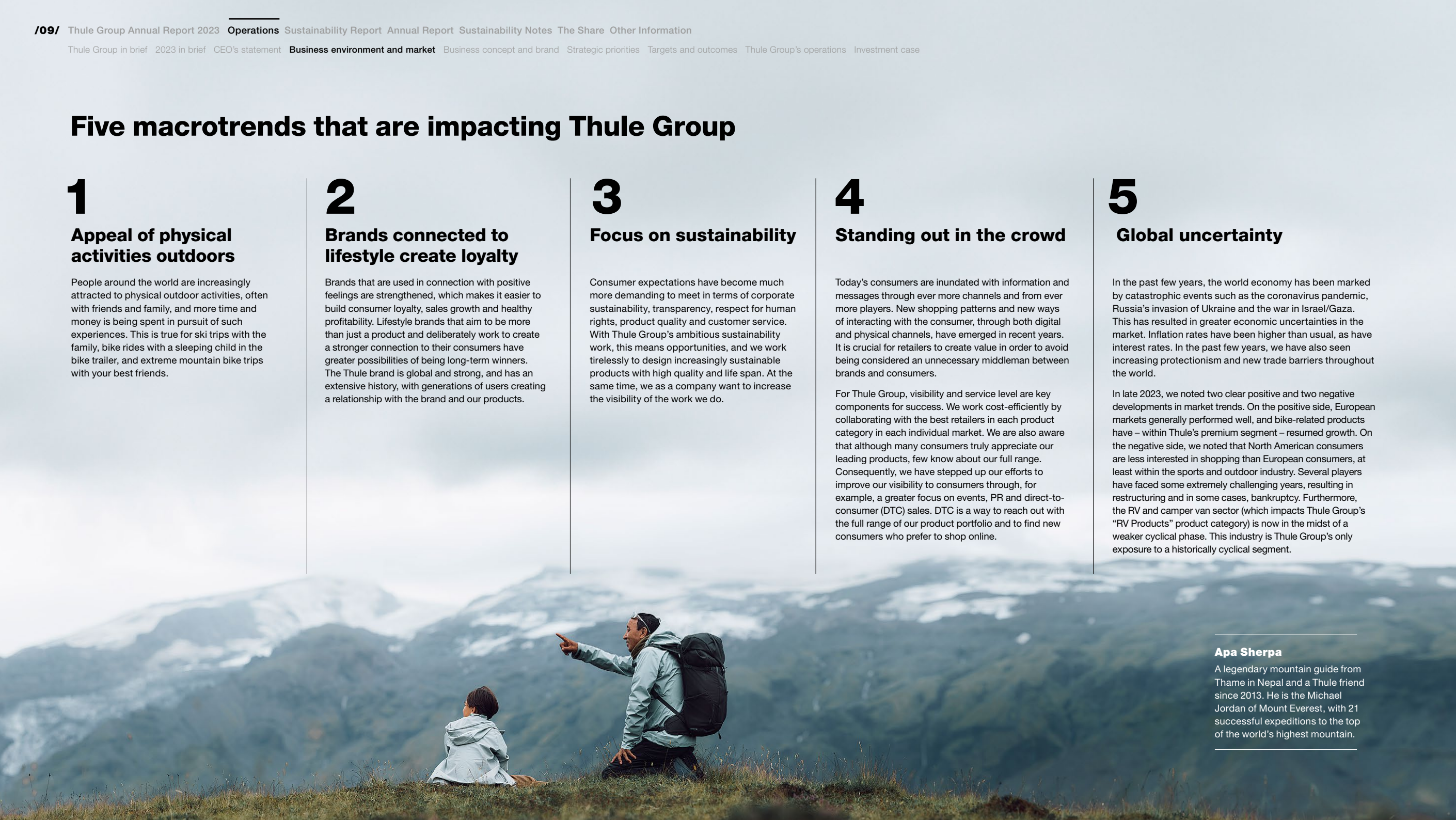
Global uncertainty

In the past few years, the world economy has been marked by catastrophic events such as the coronavirus pandemic, Russia's invasion of Ukraine and the war in Israel/Gaza. This has resulted in greater economic uncertainties in the market. Inflation rates have been higher than usual, as have interest rates. In the past few years, we have also seen increasing protectionism and new trade barriers throughout the world.

In late 2023, we noted two clear positive and two negative developments in market trends. On the positive side, European markets generally performed well, and bike-related products have – within Thule's premium segment – resumed growth. On the negative side, we noted that North American consumers are less interested in shopping than European consumers, at least within the sports and outdoor industry. Several players have faced some extremely challenging years, resulting in restructuring and in some cases, bankruptcy. Furthermore, the RV and camper van sector (which impacts Thule Group's "RV Products" product category) is now in the midst of a weaker cyclical phase. This industry is Thule Group's only exposure to a historically cyclical segment.

Apa Sherpa

A legendary mountain guide from Thame in Nepal and a Thule friend since 2013. He is the Michael Jordan of Mount Everest, with 21 successful expeditions to the top of the world's highest mountain.



Bring your life.

Garrett McNamara

Holder of the Guinness World Record for the largest wave ever surfed and Thule friend since 2012. His motto is: "It's never too early and never too late to find your passion and live your dreams".

Thule Group business concept and strong brand

Thule Group is a global lifestyle company with its roots in Småland, in the south of Sweden. We develop, manufacture, market and sell high-quality, smart and well-designed products for active people in 138 markets throughout the world.



87%

The Thule brand accounted for 87 percent of the Thule Group's sales in 2023.



Our business concept is to offer high-quality products with smart features and a sustainable design that make it easy for people across the globe to live an active life.

We have more than 80 years' experience in developing smart and high-quality products with a focus both on users and on the environment. Combined with our deep insight into trends in the sports and outdoor sector, we established a strong global brand and have become a leading player in all our product areas.

THE THULE BRAND DELIVERS RAPID GLOBAL GROWTH

Our largest and foremost brand, Thule, is used in all four of the Group's product categories and is closely tied to products that make it easier for people around the world to live an active life.

With product focus as a foundation, we have invested significant resources in the past few years toward long-term profitable growth, by strengthening production capacity, further improving agility and speed in the supply chain and creating good conditions for our retailers through inspiring and engaging marketing material.

SUCCESSFUL MARKETING AND CLOSE DIALOG

The basis for product design and development is having deep and substantial knowledge and experience of how consumers use and experience our products. This allows us to build the brand's DNA on safe, user-friendly and sustainably designed products for an active daily life in urban environments, as well as for an adventurous outdoor life on weekends and holidays.

Marketing and sales take place in brick-and-mortar stores as well as in digital channels, both through our retailers and directly to consumers via www.thule.com and social media. We make it easier for consumers to find the right products with inspiring settings and by focusing on smart buyer's guides and activity-based navigation, which captures their needs and interests.

We are continuing to strengthen the brand in our channels based on our motto *Bring your life*. We use fantastic products and inspiring images of our own ambassadors and our passionate users to demonstrate that Thule is both an urban and an outdoors brand.

Strategic priorities

Our strategy is based on creating long-term value through consumer-driven innovation, proven material and manufacturing competence, financial strength and a strong focus on sustainability throughout the entire value chain. Thanks to a strategy that our employees feel a sense of responsibility for and are passionate about achieving, we are building upon our strong position as a leading global lifestyle company.

Global brand A strong lifestyle brand with loyal customers

Our Thule brand is used in all our four product categories and is developed through a strong collaboration and affinity with our ambassadors and users globally. They can rely on our products to always meet high demands on function, aesthetics and performance, and to have circular lifecycles with low climate impact.

In other words, in line with our expectations and our aim to create and market products that facilitate an active everyday and leisure life.

Culture of innovation With a circular business model at the core

Our long-term success is built on consumer-driven innovation, where the product's entire lifecycle perspective is taken into consideration.

We safeguard the earth's resources, secure a long lifespan for our products and ensure that they can ultimately be dismantled and recycled.

With deep insights into consumers' product use, priorities, safety, quality and sustainable design, we ensure that our product portfolio is attractive to conscientious consumers throughout the world who make proactive choices.

Efficient manufacturing A safe and secure work environment

Manufacturing in our nine assembly plants is characterized by continuous and systematic safety work with a vision of zero injuries and accidents. The environment is highly automated and can manage significant fluctuations in demand.

Through constant improvements, we enhance the efficiency of all processes, while reducing the environmental and climate impact, internally and at our partners.

We believe in the power of people to move the world forward, and in the responsibility of companies to invest in people. Diversity, fairness and inclusivity are natural components of our corporate culture.

Net-zero CO₂ Committed employees drive development of net zero

Our work throughout our value chain is characterized by high ambitions. The environmental and climate targets for 2030, in line with the Paris Agreement, and our long-term net-zero target for 2050 are calculated in accordance with the GHG protocol and scientifically verified by the Science Based Targets initiative (SBTi).

We are systematically moving towards fossil-free operations by adopting ambitious targets that are clear to everyone.

Read more about our progress on page 14 and 32.

Financial strength Long-term stability and strong growth

Our strong financial position and efficient business model allows a long-term and flexible approach when pursuing growth.

We firmly believe that a focus on growth drives an organization to perform better and creates a winning culture. Thule Group's long-term growth target is to achieve sales of SEK 20 billion by 2030.

Read more about our financial targets on page 13.

Goal

To be the leading company in our industry that makes it easy for people to enjoy an active life.



TARGETS AND OUTCOMES

Financial targets

We create the prerequisites for continuous improvements by methodically following up and evaluating our operations against the business targets and our strategy. In 2022, Thule Group's Board of Directors adopted updated long-term financial targets for 2030, new long-term sustainability plans, and endorsed the ambition to achieve net-zero greenhouse-gas emissions throughout the value chain by 2050.

Sales

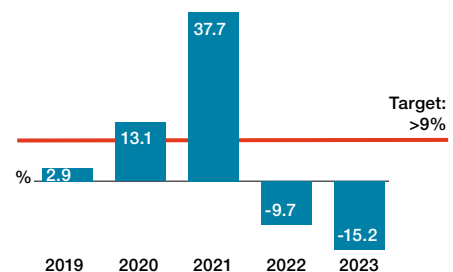
Sustainable, long-term sales growth is at the core of the company's value creation. A focus on growth drives an organization to perform better and fosters a winning culture.

LONG-TERM TARGET **SEK 20bn**

Corresponding to average currency-adjusted annual growth (CAGR*) of +9 percent from 2022 until 2030.

OUTCOME 2023 **-15.2%**

Currency-adjusted growth compared with 2022.



FUTURE FOCUS

- Continued investment in sustainable product development.
- Expansion into additional product categories.
- Become more visible to and sell more directly to consumers (DTC).

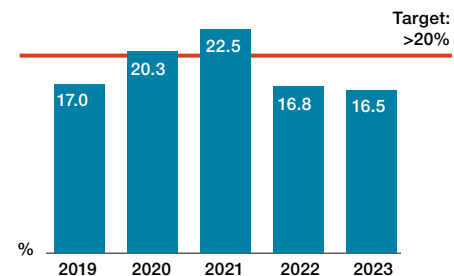
Profitability

As a brand-driven lifestyle company, our growth must drive profitability and strengthen our earnings.

LONG-TERM TARGET **>20%**

EBIT margin.

OUTCOME 2023 **16.5%**



FUTURE FOCUS

- Continued investments in automation in our production facilities.
- Optimization of warehouse capacity.
- Continued cost-conscious culture.

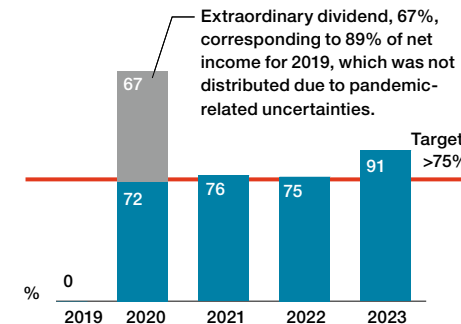
Dividend

We intend to distribute at least 75 percent, in relation to net profit, in the form of ordinary dividends.

LONG-TERM TARGET **>75%**

Proportion of annual net income to be distributed.

OUTCOME 2023 **91%**



FUTURE FOCUS

- Further reduced inventory values in 2024.
- Continued strong cash conversion.
- Responsible investments that provide good returns and maximize shareholder value.

*CAGR= Compound Annual Growth Rate

TARGETS AND OUTCOMES

Sustainability targets

Environmental and climate targets are closely linked to the Thule Group's Board of Directors' autumn 2020 decision to commit the company to the Science Based Targets initiative (SBTi), and the decision in autumn 2022 to commit to the global ambition to achieve net-zero greenhouse gas emissions throughout the value chain by 2050, in line with the Paris Agreement's target of keeping the earth's average temperature from rising more than 1.5°C.

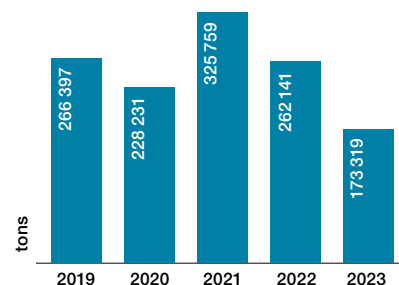
Greenhouse gases

We aim to reduce our environmental impact by reducing our emissions of direct and indirect greenhouse gases.

LONG-TERM TARGET **-90%**

By 2050, Thule Group is to have achieved an absolute reduction of 90 percent in greenhouse gases compared with 2019.

OUTCOME 2023 **-35%**



FUTURE FOCUS

- Reduce direct and indirect emissions an average of 30 percent per product by 2030 compared to a 2020 base year.
- Use of eco-design models, material emissions database and collection of previous life cycle assessments.
- Circular thinking through extended product lifetimes and modular focus in product families, which simplifies recycling and expands the offering of spare parts.
- Increase the share of recycled material or material with lower greenhouse gas emissions without compromising the product's safety or lifetime.

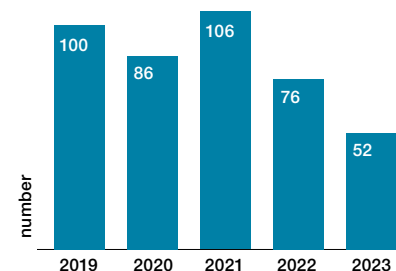
Health and safety

We are to provide safe and secure workplaces and have a zero-accident vision.

LONG-TERM TARGET **0**

Vision of zero accidents at our workplaces.

OUTCOME 2023 **-48%**



FUTURE FOCUS

- By 2024, all facilities are to be ISO-45001 certified.
- Further systematic management of the work environment with continuous incident reporting and follow-up.
- In-house training for increased awareness and learning.

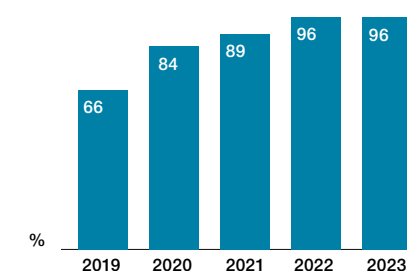
Supplier audits

We continuously audit our suppliers by means of annual risk assessments based on countries and product categories.

TARGET **>90%**

Audit of high-risk suppliers corresponding to >90 percent of the purchasing volume (SEK) from these groups on a rolling 12-month basis.

OUTCOME 2023 **96%**



FUTURE FOCUS

- Further categorization and risk analyses by country of operation and product category.
- Audits of risk suppliers and requirements for action in relevant cases.
- Focus 2024 to conduct more in-house courses to increase awareness of human rights risks throughout our value chain.



Thule Arcos load carrier box with bike carrier, Thule Motion roof box, Thule Chasm duffel bags

THULE GROUP'S OPERATIONS

2023 – new products drive growth

Thule Group's sales are managed and reported in two regions, Region Europe & Rest of World (RoW) and Region Americas, which altogether represent 138 markets. In both regions, the trend was characterized by a challenging bike market during the first six months, and far more positive signals in the second half of the year.

In 2023, sales in the first half of the year declined year-on-year. The main reason for the lower sales was the sharp slowdown in sales of bike-related products to retailers, who lowered their inventory following excessively large pre-season orders in 2022.

The trend turned upward during the second half of the year, when bike retailers' inventory of Thule products returned to healthier levels. The expected sales decrease in the product category, RV Products (products for recreation vehicles and caravans), stemming from the current weak period in the industry.

The underlying trend, with an increased interest in and demand for sports and outdoor products, remains strong and is providing us with long-term tailwinds.

We have strong market positions and are investing significant resources in quality and innovation. During the year, we invested 6.9 percent of sales in product development, which is the highest level, historically. We regularly invest in strengthening our own competitiveness in order to increase our market

share in all our product categories, and our growth, through consumer-driven innovations and by improving product quality in our plants, which fulfill stringent requirements on safety.

Sales for the Group declined SEK 1,006m to SEK 9,132m, corresponding to a decrease of 9.9 percent, (-15.2 percent after currency adjustment). The EBIT margin amounted to 16.5 percent (16.8). Cash flow from operating activities was very strong and totaled SEK 1.85 billion. During the year, we focused stringently on reducing inventory levels, which resulted in a reduction equivalent to more than SEK 800 million compared to the preceding year. Further reductions are planned for 2024.

Breakdown of sales performance across our two regions: Region Europe & RoW had a decline in sales of 11.9 percent after currency adjustment, and Region Americas had a decline in sales of 22.9 percent after currency adjustment.

Thule Group has shared global processes for product development, purchasing, manufacturing, logistics and marketing.

SALES BY REGION

SEKm	2023	2022	Change, %	
			Reported	Adjusted*
Thule Group	9 132	10 138	-9.9	-15.2
Region Europe & RoW	6 682	7 091	-5.8	-11.9
Region Americas	2 450	3 074	-19.6	-22.9

* Adjusted for changes in exchange rates

Product categories and sales

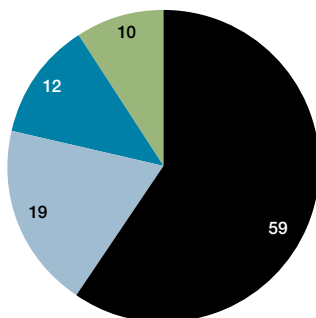
Thule Group offers a broad range of valued products that make it easier for people to live an active life filled with experiences. All products are developed and manufactured with a focus on safety, quality and sustainability.

Before the pandemic, our markets grew 2–5 percent each year, with greater variations in different product categories and geographic markets, depending on factors such as market maturity, standard of living, urbanization, the competitive landscape and brand recognition. In 2023, the bike sector was still being affected by excessive stocks built up in 2022 by retailers and stores. Other product categories continued to grow. Our assessment is that in 2024, the market will continue to be affected, but to a much lesser extent than in 2022, by the inventory adjustment in the bike sector, and greater general uncertainties about the economy.



Thule Motion roof box, Thule Roundtrip ski and boot bag

SALES BY PRODUCT CATEGORY, %



- **Sport&Cargo Carriers** – Roof racks, roof boxes, bike carriers, water and winter sports, and rooftop tents.
- **RV Products** – Awnings, bike carriers and tents for RVs and caravans.
- **Juvenile & Pet** – Bike trailers, child bike seats and strollers. In 2024, child car seats and dog transportation are being launched.
- **Packs, Bags & Luggage** – Luggage, backpacks and laptop bags for everyday use, hiking backpacks, camera bags and cases for consumer electronics.

	SPORT&CARGO CARRIERS		RV PRODUCTS		JUVENILE & PET		PACKS, BAGS & LUGGAGE	
	SHARE OF SALES THULE GROUP 2023 (2022)	59% (62)		19% (18)		12% (11)		10% (9)
	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas
	55% (57)	69% (70)	26% (24)	2% (5)	13% (13)	10% (8)	6% (6)	19% (17)
GROWTH AFTER CURRENCY ADJUSTMENT 2023 vs 2022	-19%		-11%		-8%		-9%	
	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas
	-16%	-24%	-6%	-69%	-7%	-14%	-7%	-11%

Region Europe & Rest of World

The region's largest markets are in Central, Western and Northern Europe, with sturdy growth occurring in Central Eastern Europe. Our products are sold through in-store and online retailers, and in many countries, through our own online sales at thule.com. The region accounts for 97 percent of our sales in the RV Products category. We have six assembly sites in the region that are strategically located near our major markets.

DECREASED SALES OF BIKE-RELATED PRODUCTS

In Region Europe & RoW, sales decreased 12 percent after currency adjustment, impacted by a weak first half of the year for bike-related products. Sales decreased significantly during the first half of the year, as bike retailers almost entirely stopped purchasing products in order to manage high inventory levels. Bike retailers' inventory of Thule products returned to healthy levels during the summer, and sales increased during the second half of the year in the region. For the full year, sales in all product categories decreased in 2023, and particularly for Sport&Cargo Carriers.

In Europe, growth continued for direct-to-consumer (DTC) sales in all product categories and all of the markets where it is launched. We launched sales via thule.com in Austria and Spain during the last quarter of the year, which immediately impacted sales. In total, DTC rose 81 percent during the year and accounted for 4 percent of sales in the region.



Sport&Cargo Carriers

Sales of ike carriers for the car were still burdened by the record year 2021, as retailers were too optimistic and built up too much inventory. The stock situation normalized during the summer of 2023 and, together with strong Thule products, contributed to good growth in, for example, bike carriers in the second half of 2023.

Thule Epos, our premium tow bar mounted bike carrier that was launched in the spring, contributed significantly to sales growth in the latter part of the year. Rooftop tents continued their positive long-term trend and continued to grow.

Change in sales from 2022: -16% (currency adjusted)



RV Products

RV Products is Thule Group's sole product category with exposure to a historically cyclical market segment.

The strong trend in RV Products from the past decade continued in the first half of 2023. However, in the second half of the year the business area was impacted by a weaker economy with higher prices and increased financing costs for consumers with less spending power. Sales in the OE channel continued at a brisk pace during the second half of the year, as manufacturers produced previously placed orders and orders ahead of the coming spring season, while sales in the aftermarket segment declined sharply.

Change in sales from 2022: -6% (currency adjusted)



Juvenile & Pet

In 2023, we saw a slight increase in bike trailers and child bike seats. Sales declined in our stroller category, largely due to a challenging year at the retailer level. Child bike seats adhered to the general bike trend and posted growth in the second half of the year.

Change in sales from 2022: -7% (currency adjusted)



Packs, Bags & Luggage

Sales of Thule branded products in this category continued to post solid growth, with the main contributing factor being higher sales of smaller bags for everyday use, such as our new collection of Thule Aion backpacks. Duffel bags were the fastest growing product group as travel continued to increase. There has also been a pronounced growth in the popularity of the Thule brand in Asia, where our bag collections are gaining market share.

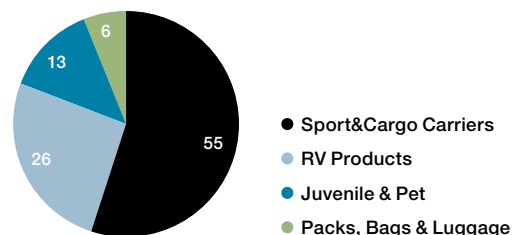
As expected, sales within categories linked to consumer electronics, such as camera bags and tablet cases (known as the Legacy categories), continued to decline, as expected.

Change in sales from 2022: -7% (currency adjusted)

SHARE OF TOTAL SALES

73%

PERCENTAGE OF SALES



SALES BY PRODUCT CATEGORY

SEKm	2023	2022	2021	2020	2019
Region Europe & RoW	6 682	7 091	7 440	5 721	5 057
Sport&Cargo Carriers*	3 667	4 090	4 694	3 496	2 988
RV Products	1 720	1 700	1 403	1 117	1 052
Juvenile & Pet	884	887	1 024	793	601
Packs, Bags & Luggage	412	415	320	315	417

* Includes other revenue, primarily pertaining to development work conducted for external customers.

Region Americas

This region is divided into North, South and Central America. It offers wide variations in active living both at national and at regional levels. The US is the region's largest market, while Canada has the highest per capita sales. Central and South America are geographically vast markets, with several South American countries mainly active in cycling and water sports.

Our products are sold through retailers – in stores and online. In the US, our products have been sold for more than ten years through our own online sales platform at thule.com. We have three proprietary assembly sites in the region – two in the north and one in the south.

ADVERSE IMPACT OF SLOWDOWN IN BIKE SECTOR

Region Americas declined 23 percent after currency adjustment. For the full year, sales decreased in all product categories, primarily accentuated by a decline in bike-related products. During the fourth quarter, there was a break in the trend and sales of bike-related products increased. The sales decline mainly occurred in North America, i.e., the US and Canada, while the performance of markets in Central and South America ranged from somewhat negative to somewhat positive.

Direct-to-consumers (DTC) sales continued to grow in Region Americas. In total, DTC accounted for 15 percent of sales in the region during the year and increased 32 percent.



Sport&Cargo Carriers

In Region Americas, performance during the year was clearly linked to bike retailers' inventory levels and behavior. In general, inventory levels normalized in Region Americas in 2023, but later in the year than in Europe.

In light of the challenging market trend, sales of bike carriers initially declined, but resumed growth during the fourth quarter. Sales of roof boxes and roof racks also declined during the year, but not as much as for bike carriers.

Change in sales from 2022: -24% (currency adjusted)



RV Products

In North America, we chose to have a niche product offering focused on smaller vehicles for active people. Accordingly, we are less dependent on the general RV market in North America.

Sales in this business area declined during the year, due to an extremely tough period faced by the industry. However, this product category accounts for only a minor portion of sales in Region Americas.

Change in sales from 2022: -69% (currency adjusted)



Juvenile & Pet

In 2023, this product category was impacted by the high inventory levels of bike-related products, which contributed to lower sales of bike trailers and child bike seats.

Sales of strollers increased, driven by continued strong sales of our award-winning jogging-and-activity stroller, Thule Urban Glide.

Change in sales from 2022: -14% (currency adjusted)



Packs, Bags & Luggage

Sales of Thule branded products in this category continued to post solid growth, including in Region Americas. Historically, the region has had greater exposure to categories linked to consumer electronics, such as camera bags and tablet cases (known as the Legacy categories). As expected and planned for, these product categories continued to decline.

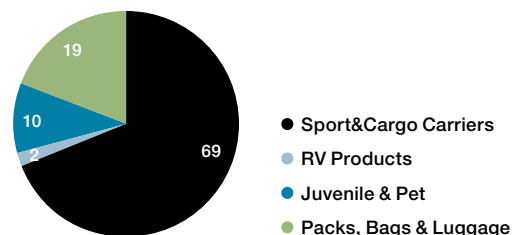
The strongest positive contributing factor was increased sales of smaller bags for everyday use, such as our new collection of Thule Aion backpacks, as well as cabin bags and duffel bags, which continued to post robust growth as travel continued to increase.

Change in sales from 2022: -11% (currency adjusted)

SHARE OF TOTAL SALES

27%

PERCENTAGE OF SALES



SALES BY PRODUCT CATEGORY

SEKm	2023	2022	2021	2020	2019
Region Americas	2 450	3 047	2 946	2 107	1 980
Sport&Cargo Carriers	1 695	2 129	2 227	1 540	1 409
RV Products	52	155	101	49	29
Juvenile & Pet	232	259	265	195	129
Packs, Bags & Luggage	471	504	354	323	414

PRODUCT CATEGORIES

Sales, development and long-term aims

Sport&Cargo Carriers – strong market development in all product categories

Thule Group is a market-leader in its largest product category, Sport&Cargo Carriers, with around half of the global market. We offer the market's widest range of products that attach to vehicles and make it easy to pack for your entire family's holiday in roof boxes, to bring all of your bikes to the mountain bike trail, your skis to the slopes, or kayaks down to the sea for an after-work kayak excursion.

We drive growth in this category through innovative product launches and intense focus on supporting retailers with store concepts, online tools and through inspiring marketing.

The market is positively influenced by the global sports and outdoor trend as well as by the need for people to bring new products with them when traveling, such as heavier e-bikes that require new, robust solutions. Some cities and countries are also investing significant resources to increase the use of bikes as a mode of transportation. This is driving higher demand for, and interest in, Thule's products linked to bike transport.

Sport&Cargo Carriers accounted for 59 percent (62) of the Group's sales in 2023 and by our assessment, the market will grow 2–5 percent annually over the long term.



Thule Epos bike carrier



PERFORMANCE AND LONG-TERM AMBITION

Market position:

Global market leader.

Long-term ambition:

Sustained stable growth by further strengthening our market-leading position.

Performance in 2023:

Sales decreased by 19 percent in local currency. In the second half of the year the market turned and Thule Epos contributed to good growth.

Focus 2024:

Further drive sales in our largest product category through a strengthened product portfolio with several launches in 2024. Upgrading several of our market-leading and most popular products.

- Thule Motion – a new generation of the world's best-selling roof box reaches consumers.
- Our latest and most premium-positioned bike carrier Thule Epos is expected to continue to drive growth.
- Inventory levels at retailers in the bike industry return to healthy levels.

RV Products – strong demand but challenges for RV manufacturers

In RV Products, we focus on the European market, which accounts for more than 97 percent of sales for Thule Group in this category. We are market leaders in awnings and bike carriers for RVs and campers, and we have an attractive product portfolio that also offers windbreaks and awnings for both types of vehicles. The trend with the greatest impact on the industry in the past few years, including before the pandemic, is the increased sale of smaller RVs. They are often used for both everyday and outdoor activities and clearly appeal to a new, often younger, target group.

Like every vehicle manufacturer around the world, RV manufacturers suffered through a shortage of semiconductors in 2020–2023, which meant they were unable to meet demand. This has generated long order backlogs and delays in deliveries at the same time as the costs for vehicles is increasing rapidly, making the market difficult to assess from a short-term perspective. Combined with inflation and higher interest rates, suppliers saw a weaker market in the second half of 2023.

Over the long term, the European market is estimated to have underlying growth of 2–3 percent, on average, for the next few years.



Thule VeloSwing. European RV Innovation Award 2024.

PERFORMANCE AND LONG-TERM AMBITION

Market position:

European market leader. Niche player in North America in the minor RV segment.

Long-term ambition:

To exceed the market trend.

Performance in 2023:

Sales decreased by 11 percent in local currency. The expected weakening of the market in the second half of the year was realized.

Focus 2024:

Further drive sales in our strong positions in the motorhome and caravan category through a further strengthened product portfolio with several launches in 2024.

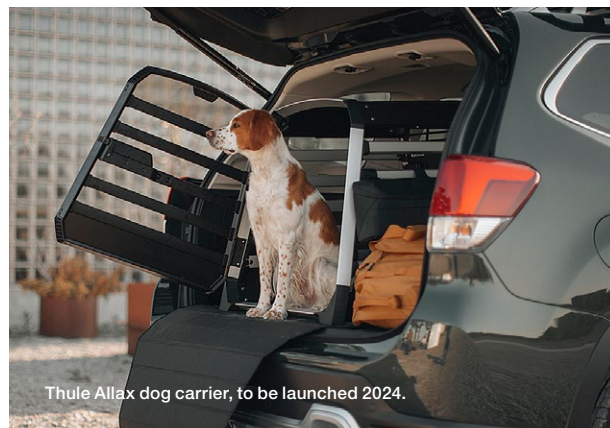
- Thule Sidehill – the world's first smart removable awning for motorhomes.
- Thule VeloTrack – smart bike holder that attaches to the car's rear door with capacity for electric bikes.
- Thule VeloSwing – already award-winning RV tow bar that swings to the side for easy access to the car's luggage.

Juvenile & Pet – category with stable growth

We are the international market leader in the premium segment bike trailers for children, the largest sub-category in Juvenile & Pet, and one of the three leading companies in child bike seats. We have noted a positive market trend in these categories for several years, driven by increased interest in biking all over the world. Although sales decreased in 2023, compared to exceptional levels during the pandemic years, we expect this category to continue to grow in the long term by around 5 percent per year in the coming years. The category is driven by a general increase in interest in bike commuting, large investments in urban infrastructure to further stimulate this, and a general increase in interest in active leisure time with the family.

Thule Group now has a complete offering of strollers and in the coming years, will launch a broad range of car seats and products that make it possible to bring the dog in the car or by bike.

With the expanded range, Thule is beginning to become a well-known brand across the world even in the premium segment of these categories, which is expected to grow approximately 5 percent annually.



Thule Allax dog carrier, to be launched 2024.



Thule Urban Glide – one of the world's best-selling all-terrain strollers.

PERFORMANCE AND LONG-TERM AMBITION

Market position:

Global market leader in bike-related children's products and growing player in strollers.

Long-term ambition:

Rapid growth driven by an expanded range, with the aim of expanding our market-leading position in bike-related products and becoming a major player also in premium strollers, and in the coming years, also in car seats and dog transport products.

Performance in 2023

Decreased turnover by 8 percent in local currency. The second half of the year saw a return to growth.

Focus 2024:

We are taking the step into two completely new product categories, car seats and dog transportation. At the same time, we are upgrading several of our market-leading and most popular products.

- Thule Chariot – the market's best bicycle stroller comes in a new generation.
- Thule Urban Glide – one of the world's best-selling strollers for the city as well as for all types of terrain.

Packs, Bags & Luggage – increased travel drives this category

Within the product category Packs, Bags & Luggage we offer a wide product range, everything from relatively basic cases for small electronic accessories to backpacks for everyday use at work, hiking backpacks for weekend trips or smart cabin bags for business trips.

The luggage and bag industry is highly fragmented with geographically limited brands and a few strong global players, usually with a broad product range that encompasses several categories.

During the last few years, Thule Group has focused on backpacks for everyday use in urban environments and we expanded our luggage offering to include carry-on bags and duffel bags for longer journeys, as well as launching different forms of sports bags, such as hiking backpacks, bike commuting bags and winter sports bags.

Sales in the traditional product categories under the Case Logic brand, such as camera bags and cases for tablets, continue to decrease in an overall shrinking market, and there is no sign that the negative trend will turn around. We are spending highly limited resources on development and marketing, at the same time as we are trying to fill the empty space left as competing brands cease to operate and disappear.

We estimate that the market for cabin bags and luggage will resume growth after the dramatic decline in 2020–2021. For other prioritized sub-categories, we assess that the market will be stable with growth of about 2–3 percent per year.



Newly launched Case Logic Invigo



Thule Paramount Backpack 24L

PERFORMANCE AND LONG-TERM AMBITION

Market position:

Stable, growing niche position in selected segments of everyday and leisure bags.

Long-term ambition:

Stable growth through expanded offering of computer backpacks and sports bags, as well as through the further establishment of the Thule brand within cabin bags and duffel bags. Profitable management of phaseout of Legacy categories.

Performance in 2023:

Reduced turnover by 9 percent in local currency. Strong growth of our Thule products in the category.

Focus 2024:

We continue our expansion of the product portfolio under the Thule brand and also upgrade our market-leading and most popular products.

- Thule Subterra – our best-selling luggage and bag collection launched in new versions.
- Thule Paramount – our popular bike bag and everyday backpack has both improved and become smarter.
- Thule Chasm – the iconic sports duffel bag appears in new versions.

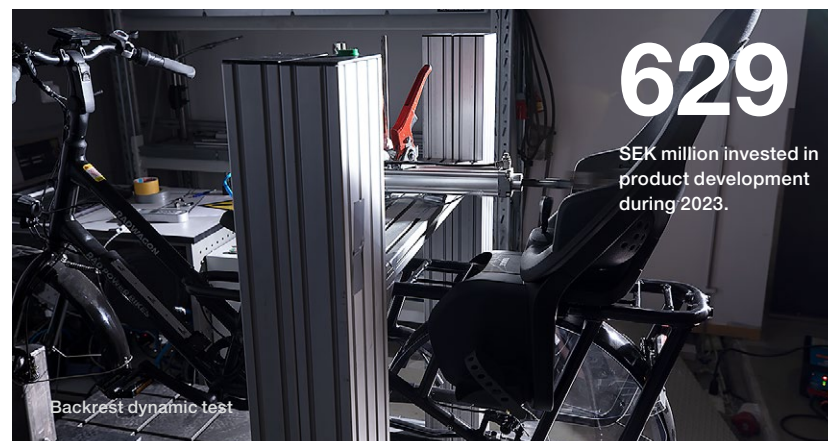
PRODUCT DEVELOPMENT AND SAFETY

Ambitions far beyond the company's borders

At Thule Group, we work ambitiously and methodically with product development in all product categories. Our ambition is that everyone who buys something from us should receive safe and high-quality products that also have a low environmental impact. This entails that we design and test our products before they reach the market, and we have been long-time participants in forums that develop industry standards in our various product categories throughout the world.



The crash test track in Thule Test Center, Hillerstorp, Sweden.



629

SEK million invested in product development during 2023.

Backrest dynamic test

The focus on product development, which is based on a structured and continuous process, will continue to be the main driver of our profitable growth. Even after the products are launched, they are again tested against the stringent requirements to ensure continuity in production quality.

In 2023, we invested a total of SEK 629 million (609) in product development, which corresponds to 6.9 percent (6.0) of the Group's sales during the year.

WE ARE ONE STEP AHEAD

Thanks to our active participation in various forums and working groups in which new standards and guidelines for our product categories are developed, we have deep insights and knowledge of future requirements in the 138 markets where we operate. We also work closely with leading manufacturers of

cars and RVs, as well as sports and outdoor products (bikes, kayaks and skis), who contribute valuable knowledge and information about requirements specifications for the next major product successes. In addition to industry developments, we value our close cooperation with consumers who provide us with deep insights into how our products are currently used and with ideas for future designs. To this knowledge base, we then add targets for carbon-footprint reduction, measured through our lifecycle analyses.*

CONCEPT AND DESIGN

Our product managers, designers and technical developers conduct virtual simulations combined with physical tests to generate rapid and in-depth feedback in ongoing development projects. In addition to our solid internal expertise and

* Life-cycle assessment is a method for obtaining an overall view of a product's total environmental impact in the course of its service life, from raw material extraction to the manufacturing processes, as well as all transportation and energy consumption pertaining to it.

advanced test equipment, we attach great importance to the early production of prototypes that are then used actively in real life – many of our employees are enthusiastic and skilled test pilots. All of these insights have a considerable impact on the design of the final products.

A DESIGN MINDSET FOR A LONG LIFE CYCLE

The basis for our sustainability agenda is well-conceived product design with a focus on quality that can hold up to several years of tough daily use. We are aware that the consumers who choose to purchase and use our products place great value in their responsible production and long lifespan. We also strive for our clear design language to be timeless and modern, and to make it easy to find and replace worn parts, or to sell on in a secondhand market as one's needs change.

PATENTS AND INNOVATION

We use structured development processes to secure that manufacturing is efficient and sustainable, and most of all, to achieve our ambitious targets for user-friendliness and safety. Over the years, we have proven that we are good at identifying

smart technical solutions that make life easier for users. One of the latest examples is the design and patent of technological solutions for the Thule Arcos tow bar mounted cargo box, which, among other things, allows the trunk to be opened without needing to fold the product, and which minimizes the car's fuel consumption. Thule Group currently has some 1,000 patents that protect our inventions throughout the product's long lifespan.

STRINGENT TESTS CREATE CONFIDENCE AMONG CUSTOMERS

To ensure that our products meet our stringent demands on safety, function and quality, structured tests are conducted in accordance with our Thule Test Program™. The tests are conducted at our Global Test Center in Hillerstorp, Sweden, which features a state-of-the-art crash-test facility and advanced equipment for vibration testing, fatigue testing and environmental testing. Thule Group's world-leading product development process strengthens competitiveness, and these comprehensive tests are particularly important in technically advanced product categories, such as car seats and dog crates, where crash safety is in focus.



INTERVIEW WITH ERIC GUSTAVSSON, VP PRODUCT COMPLIANCE

To say that the pace, complexity and ambitions of Thule Group's R&D projects are high, would be an understatement. What drives you and your team in your day-to-day work?

"We are really passionate about ensuring safety and quality in the market as a whole. Safety is when no child is placed in a bad car seat, and everyone can rely on the roof box to stay in place. Not just for those who are customers of Thule Group. It feels great to be in a position where we can actually make a difference."

It sounds idealistic, but surely you have an agenda as a market leader?

"I won't hide the fact that we don't like to come second in any test. We are competitive individuals who always want to be at the top of our game, and those of us who work in this field always want to make things a little smarter and better. We can always tweak things a little more. It's in our nature."

How do you continuously lower the carbon footprint for each product?

"Since we perform life-cycle assessments on our products, this is our starting point. We then see which materials we can possibly replace, whether we can switch to a supplier that uses more green energy, has shorter transportation distances, and who works with the weight of the product. In addition, we set clear requirements on which chemicals can be used in fabrics or colors. What we never do is compromise on safety, function and



ERIC GUSTAVSSON

Title: VP Product Compliance
Employed since: 2004

"We are competitive individuals who always want to be at the top of our game, and those of us who work in this field always want to make things a little smarter and better."

performance, and we systematically evaluate other aspects in detail."

It must feel great when the product is launched?

"That's not our approach. Every year, we gather all the quality managers and make a plan for assessing and quality-assuring our product families under each and every product category. In these assessments, we don't just look at whether they meet new legal requirements or our product specifications, but we imagine that we are discriminating customers who have saved money for at least six months to buy this particular product. We are only satisfied when we come to the conclusion that this imaginary customer would be satisfied with the product and its packaging as a whole."

Finally, do you have a favorite product that you are particularly proud of?

"The tow bar mounted bike carrier, Thule Epos. Extremely easy to use and received the highest possible score from the German e-magazine, AutoBild That's when even I was satisfied." ■

MANUFACTURING

Own manufacturing and a solid suppliers base

Since its foundation in 1942, Thule Group has focused on innovative product development and owning all rights to the products developed. With our clear focus on eco-design, materials know-how and quality, we have developed deep and reliable expertise in product development and manufacturing over the years.

The decision on where, how and by whom a product is to be manufactured is based on pragmatic, long-term reasoning, through which we as a Group choose when it is most logical to conduct the manufacturing inhouse and when it should be outsourced. Factors that influence such decisions include quality assurance, resource management, climate impact and the protection of intellectual property rights. The Group currently has nine extremely well-invested modern manufacturing sites that are located in or close to our large markets.

A STRONG GLOBAL SUPPLIER BASE

We have worked closely with our suppliers for many years to ensure increased efficiency, reduced emissions and constant improvements. High on the agenda are safe and secure workplaces, a conscious choice of materials (increased amounts of recycled materials and/or easily recycled materials), energy-efficient manufacturing methods, and optimized transport and packaging solutions.

FLEXIBLE STAFFING MODEL

Our structure, with our own assembly plants and a flexible staffing model, in and close to our most important markets remains a huge competitive advantage. This flexibility was required, since most of our key products have large seasonal volume fluctuations. Accordingly, in our own assembly plants,

we have three staffing levels with full-time personnel as the base, supplemented by seasonally employed in-house personnel and short-term personnel from external staffing companies for the absolute peaks.

INVESTMENTS FOR THE FUTURE

To secure that we can meet the challenges of the future, we make continuous investments to further build on our efficient, flexible and sustainable supply chain. For example, the new bike carrier models that were brought to market in spring 2023 are manufactured through a far more automated process than any previous model.

During the 2023, we invested a total of SEK 251m (444), corresponding to 2.7 percent (4.4) of sales. The investments were mainly in our factories in order to safely increase and streamline production. After the heavy investments in 2021 and 2022, when we conducted expansion to manage the significant increase in demand and prepared for new major product launches, the investment level has decreased in 2023. As of 2024, we plan to return to historical levels corresponding to 2–3 percent of sales.



CATEGORY	PRODUCTION STRATEGY
Sport&Cargo Carriers	Mainly in-house assembly with limited sourcing of finished goods
RV Products	Mainly in-house assembly with limited sourcing of finished goods
Juvenile & Pet	Combination of in-house assembly and sourcing of finished goods
Packs, Bags & Luggage	Mainly sourcing of finished goods

LOGISTICS

Efficient logistics – a strategic issue

Access to a resource-efficient and flexible supply chain for sustainable growth is about being able to meet increased demand with investments that ensure a high level of supplier precision and reducing the impact on people, the environment and the climate. This dual perspective strengthens our competitiveness and position in an increasingly demanding market with conscious consumers.

Logistics a strategically important issue, due to Thule Group's global sales, increased production, approximately 750 materials suppliers in 32 countries, Thule's high rate of innovation with product launches in new categories and growing e-commerce sales, as well as its net-zero strategy for long-term carbon emissions. It is also important for meeting customer expectations in terms of climate-smart and cost-efficient deliveries, and for achieving our own ambitious climate and development goals. At the same time, we are noting a trend for retailers to reduce their shared inventories and for more direct deliveries to be made to each individual store, which makes our work even more complicated.

EFFICIENT TRANSPORT

Through partnerships and close dialogues, we ensure that our entire chain meets national and international regulations and guidelines as well as our Code of Conduct. We work continuously to increase capacity levels, reduce the proportion of air freight and replace bulk road freight with rail shipments wherever possible.

We have introduced more in-depth reporting to let the data lead us to wiser decisions, and we have several initiatives in place:

- Air transport is being avoided and replaced by road and sea transport wherever possible. In the past two years, reducing air freight has contributed to over 85 percent less greenhouse gas emissions to air, from 6,556 tons CO₂eq in 2021, to 933 tons CO₂eq in 2023.
- Our focus is to consolidate deliveries and thereby reduce transportation.
- We are actively exploring more sustainable solutions for last-mile transportation and deliveries to customers. In spring 2024, we will welcome two new biogas trucks that will be used for local transportation around our factory in Hillerstorp.

For in-depth information about greenhouse gas emissions linked to our logistics solutions, see page 102.

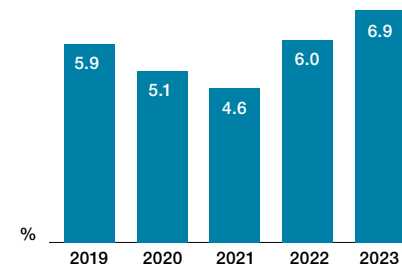


An investment case on a strong foundation

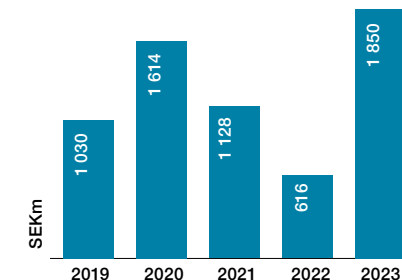
Thule Group's investment case is based on a history of more than 80 years in innovative product development, a globally recognized lifestyle brand and solid long-term efforts on climate and environmental issues as well as human rights. The company conducts efficient and flexible production in close proximity to the largest of the 138 markets where its products are sold. Growth benefits from a global trend that has been established for many years by which more people want to live an active life and there is a constantly growing interest in outdoor and leisure activities.



DEVELOPMENT COSTS AS % OF SALES



CASH FLOW FROM OPERATING ACTIVITIES, SEK M



THULE – A GLOBALLY RECOGNIZED PREMIUM BRAND

Thule's products have a premium position in all product categories and markets, and a well-established and loyal community of customers.

PROVEN CAPACITY FOR INNOVATION AND AWARD-WINNING DESIGN

Approximately 5 percent of the Group's sales is invested annually in product development. Half of its sales is derived from products that were launched in the past three years.

The high quality and functionality of the products, and their smart solutions, combined with a clear focus on safety and thoughtful eco-design, brings recurring international awards and success in external testing throughout the world.

EFFICIENT, FLEXIBLE AND SAFE MANUFACTURING AND SUPPLY CHAIN

Nine own production facilities close to the company's primary markets and proven ability over many years to flexibly and efficiently manage the entire supply chain, from the sourcing of raw materials to deliveries to customers and consumers, with a focus on employee safety and a strategy for achieving net-zero carbon emissions.

TOWARDS NET ZERO AND IMPROVED HUMAN RIGHTS

Due diligence, cost awareness and a concern for people and the environment have long been important aspects of the company's history. With long-term climate goals based on the Science Based Target initiative (SBTi), the Net Zero undertaking and the UN's 2030 Agenda for Sustainable Development, Thule Group drives a comprehensive and successful agenda that is appreciated by employees, investors, customers, consumers and other stakeholders.

FAVORABLE GLOBAL TRENDS

Vacationing and being more active in everyday life and during leisure time has been a positive trend for a number of years in large parts of the world. The trend is accentuated by people in mature markets being more active to more advanced age, a growing middle class in emerging markets and the constant development of new sports and outdoor activities, as well as an increased interest in, for example, cycling, hiking, paddling and camper van vacations.

Sustainability Report

Brooklyn Bell

Brooklyn Bell, professional freeride skier, designer and mountain bike cyclist based in the US, and one of Thule's enthusiastic ambassadors since 2021.

We are always moving forward towards ambitious targets

Our origins lay in the thick forests of Småland and we are curious and thorough engineers who measure everything we do so we can always be just a little better and find smarter functions with smaller carbon footprints. New knowledge breeds new ideas. By 2030 we will have an entirely new product portfolio. And by 2040 we will have created entirely new solutions – again. All to inspire people to live an active life. With respect and curiosity, we take responsibility for the environment, climate and human rights along the entire value chain.

SCIENCE BASED TARGETS INITIATIVE

Net zero emissions 2050, Scopes 1, 2 & 3

ECOVADIS

Top 5 percent of 65,000 companies in 160 countries

CARBON DISCLOSURE PROJECT (CDP)

118 suppliers participated

DOW JONES SUSTAINABILITY INDEX

since 2022



We work strategically and long-term according to the UN SDGs, supported by our Code of Conduct and policies that are well integrated into strategic as well as daily work throughout the entire value chain.

We have committed to the Science Based Targets initiative and have approved targets in line with the Paris Agreement and the long-term net zero emissions target. Continuous improvements are the basis of our efforts and in all of our development we have high ambitions and innovative ability. This year we revised our baseline, which confirms that our long-term targets remain firm and within the framework for SBTi's thresholds for revision. Our targets were validated by SBTi in January 2024.

We have a deep respect for the impact of our products and operations on the environment and climate. Our consumers should be able to trust that our products are safe and durable, and we strive for transparency with regard to how they are manufactured, which organizations like (Carbon Disclosure Project) CDP and Ecovadis can attest to.

According to Ecovadis, Thule Group is among the top 5 percent of the 65,000 companies in the 160 countries reviewed. Proof that we practice what we preach.

Our employees are to conduct their work in a safe and secure workplace, and the same applies to suppliers and sub-suppliers (tier 1 and 2). Thule Group annually evaluates a large number of suppliers to ensure good work environments and conditions for the many people who contribute to our high-quality products and satisfied customers.

We strive to have a long-term positive influence, both socio-economically and environmentally, in the areas where we operate. This applies for our operations as well as the suppliers we work with. We also conduct annual external reviews of suppliers to ensure a high level of ethics and environmental requirements are met and to ensure we are not violating any human rights.

Our owners need to know that their investments are sustainable over the long term, and Thule Group's inclusion in the Dow Jones Sustainability Index since 2022 is a testament to our commitments.

For more information about external assessments of our sustainability agenda, refer to pages 113–115.

We only have one strategy – and it is sustainable

Our strategy is based on creating long-term value through consumer-driven innovation, proven material and manufacturing competence, financial strength and a strong focus on environmental, social and ethical matters throughout the entire value chain. Thanks to a well-communicated strategy that our employees feel a sense of responsibility and committed to achieving, we are building upon our strong position as a leading global lifestyle company and that begins with our sustainable product development that pushes boundaries. Our products need to tolerate being used, repaired, sold and passed down, and material components ultimately need to be recyclable.



#bringyourlife | thewaltonadventure

INTERVIEW WITH KAJSA VON GEIJER

Kajsa von Geijer, you have been on a fantastic journey as Head of Sustainability at Thule Group for many years now. For example, Thule is now ranked among the top five percent of companies out of the 65,000 rated by Ecovadis across 169 countries.

What's the secret?

“It's like with anything else in life: hard work, being thorough and breaking challenges down into small pieces. We are scrupulous and methodical, combined with a genuine conviction that sustainability matters are important for Thule's success as well as for the individual on a personal level. It was actually our employees who raised this as one of our most important issues over ten years ago.”

Which accomplishment are you most proud of?

“That we have well-functioning project development and a production apparatus that has efficiently lowered our emissions. That we created a structure that enables translation of complex issues into daily activities and targets. And, not least, that there is such incredible engagement within the organization. All in all, we have balanced everything and made the right priorities without promising too much. That's what I'm proud of.”

What has been the biggest challenge?

“My ambition has been to stay updated on all the new sustainability frameworks and legislation, but given the high pace at which new directives and ordinances come to pass this has occasionally been challenging. Sometimes it was more important to just get things done without getting caught up in the details. This works because I'm authorized to make decisions, which is a precondition.

The productive dialogues and knowledge exchanges we had with our stakeholders, such as the financial market, banks,



KAJSA VON GEIJER

Title: SVP HR and Sustainability 2005–2023
Employed since: 2005

organizations and independent stakeholder organizations have also provided positive contributions to our development and created mutual understanding of what being at the top requires.”

Speaking of new regulations and requirements: how have you prepared for ESRS?

“We had an intense year where we developed a strategy to reduce greenhouse gases in our product development at a faster rate than we had initially planned. We achieved this by updating our process for ecodesign, among other things. We re-validated our SBTi commitments and we have reviewed all of the calculations and methods.

We have also introduced a new system for product development and training in human rights. Immediately related to ESRS, we also performed a double materiality assessment and stakeholder dialogues.”

How will Thule conduct work with topics like net zero emissions going forward?

“Those who are responsible for sustainability matters need to address the complexity of the issues, activate our net zero emissions strategy and work with human rights throughout the entire value chain. Continuing to develop our policies and control systems, combined with good leadership where the entire organization continues to contribute, will help us reach success in this area. My successor will have a really exciting job in a fantastic organization.”

You will be parting company with Thule Group this year. What will you miss the most?

“All of the talented and enthusiastic people who are curious and always want to learn more. I've had the privilege of working at an excellent company with generous colleagues who have shared their knowledge and their laughter. That's what I'll miss.” ■

Double materiality assessment

To identify the sustainability matters that are the most relevant for our operations and our stakeholders, in 2023 we performed an assessment of risks and opportunities throughout our entire value chain based on a double materiality perspective.

The analysis highlighted our most important financial, environmental and social effects in relation to the interests of our stakeholders. As a result of this process, we can now better prioritize a growing number of sustainability matters and allocate resources where they are needed most. The work

consisted of discussions on current sustainability matters in our operating environment and the topic areas that ESRS provides for support.

The result from the assessment is that Thule Group has material matters in all of the topical ESRS, which are distributed over a total of 27 material matters. The matrix reflects the matters and topics that have been addressed and how they have been prioritized.

THRESHOLDS

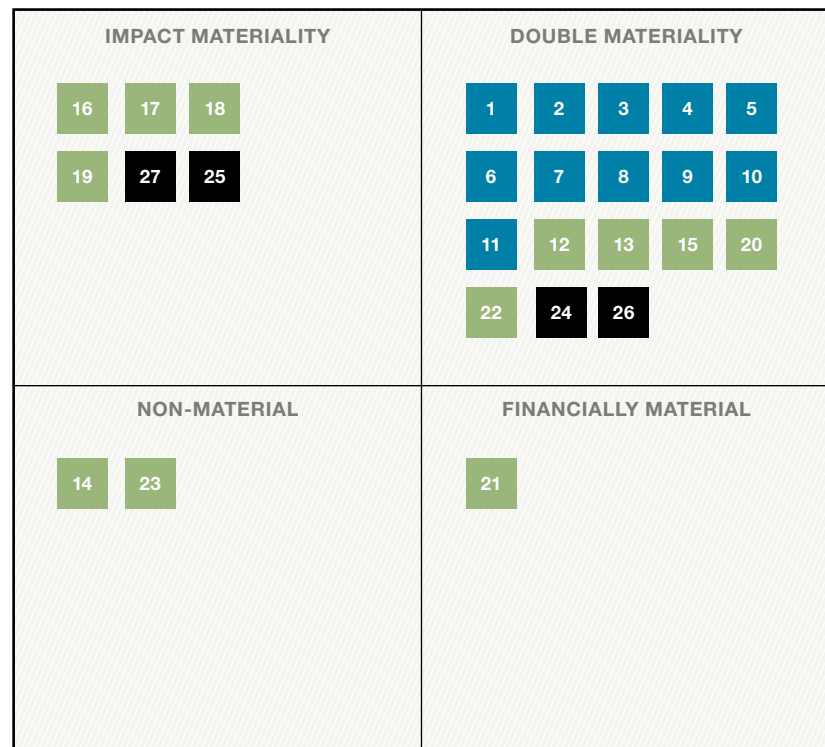
Thresholds were used to determine which sustainability matters are material for Thule Group.

STAKEHOLDER DIALOGUE

In 2023, a stakeholder dialogue was also performed based on the double materiality assessment. The documents were sent out to 102 recipients consisting of investors, Board members, suppliers, customers and other stakeholders. A total of 30

responded, which is less than in 2021 when we had 163 respondents. The most important areas that were identified were reducing GHG emissions, the supply chain, and health and safety. Internal stakeholders also highlighted the areas of human rights, logistics and waste. The clearest change from earlier surveys indicate that GHG emissions have become increasingly important.

DOUBLE MATERIALITY ASSESSMENT



ESRS	TOPIC	NO.	SUB-TOPIC/SUB-SUB-TOPIC
E1	Climate change	1	Climate change adaptation
		2	Climate change mitigation
		3	Energy
E2	Pollution	4	Pollution of air, water, soil, living organisms and food resources
		5	Substances of concern
E3	Water and marine resources	6	Water consumption
E4	Biodiversity and ecosystems	7	Climate change
		8	Pollution
E5	Circular economy	9	Resource inflows, including resource use
		10	Resource outflows related to products and services
		11	Waste
S1	Own workforce	12	Working conditions
		13	Equal treatment and opportunities for all
		14	Privacy
S2	Workers in the value chain	15	Working conditions
		16	Equal treatment and opportunities for all
		17	Other work-related rights
S3	Affected communities	18	Land-related impacts
		19	Cultural rights
S4	Consumers and end-users	20	Privacy
		21	Personal safety of consumers and/or end-users
		22	Non-discrimination
		23	Responsible marketing practices
G1	Business conduct	24	Corporate culture
		25	Protection of whistle-blowers
		26	Management of relationships with suppliers
		27	Corruption and bribery

Summary material matters:

Our largest positive impact

Mitigating climate change through our use renewable energy at our manufacturing sites, optimized shipments and reduced carbon footprint for our product categories. Reviewing our suppliers' sustainability in order to limit climate impact and highlight the importance of human rights. Our Codes of Conduct, including training in them, contribute to increased knowledge and requirements for development.

We work actively to increase the share of reused raw materials and to ensure that our own products can be disassembled and reused, thereby increasing circularity.

Our largest negative impact

We contribute to climate change through the GHG emissions caused by our shipments, business trips, purchased heat/cooling, electricity and purchased goods and services.

Example of material matters

The health and safety of our employees. Zero tolerance for accidents on the job. No discrimination. Gender equality in salaries and conditions.

Product safety. Child safety comprises a prioritized material matter since we produce products that protect children. The likelihood of a negative impact is low but the severity is high.

Sustainable growth permeates the entire value chain

A sustainable supply chain and cost-efficient, climate-smart distribution is high on our agenda. Thule Group has approximately 750 material suppliers in 32 countries – own manufacturing at nine facilities in seven countries, and sales to more than 26,000 stores in 138 markets. Through partnerships and close dialogues, we ensure that our entire chain meets national and international regulations and guidelines as well as our Code of Conduct, which sets high requirements.

THULE GROUP HAS A STRONG SUPPLIER BASE AROUND THE WORLD

We have worked closely with our suppliers for many years to ensure increased efficiency and continuous improvements. Together we promote safe and secure workplaces and reduce emissions along the entire value chain.

HIGHER AMBITIONS FOR REDUCED CLIMATE AND ENVIRONMENTAL IMPACT

In conjunction with Thule Group signing to commit to the SBTi, we have also joined the CDP (Carbon Disclosure Project) Supply Chain Program. This means that we have access to data, such as GHG emissions, directly from our suppliers.

Our partnership with SBTi is proof that we take our responsibility for mitigating climate change. While committing to the net zero emissions target is a natural part of our operations, we are also keenly aware that the task is a challenge that requires full energy and focus.

For 2023, 167 suppliers, equivalent to 90 percent of our spend, were requested to disclose sustainability information directly in CDP's Supply Chain platform, which had a 70 percent response rate.

MORE COMPLETE REPORTING OF OUR REDUCED CLIMATE IMPACT

For several years, we have invested heavily in sustainability. We have a strategy and a well-developed plan for how we will reduce the use of fossil fuel heating and energy at our manufacturing sites.

SCOPE 3 DOMINATES THE GROUP'S CLIMATE IMPACT.

Together with other players in the industry, we continuously strive to improve our reporting procedures and knowledge in terms of the effects of the raw materials we use in our products. This gives us a better basis for new decisions in our endeavor to reduce our environmental and climate impact by conducting product development work and close collaboration with suppliers. Suppliers in plastic, aluminum and steel manufacturing in particular are prioritized when we

work together to reduce emissions by developing materials and processes.

The total greenhouse gas emissions according to scope 1, 2 and 3 declined 88,822 tons in 2023 compared with the preceding year, which entails a reduction of 35 percent compared with the 2019 base year. The largest portion of GHG emissions comes from purchased materials and shipments.

CONSTANT FOCUS ON LOGISTICS

With global sales, larger production volumes, suppliers in 32 countries, product launches with new retailers in new categories and the growth of e-commerce, logistics account for most of the Group's GHG emissions. At the same time, retailers are reducing their shared inventory and direct deliveries to individual stores are on the rise.

EMISSIONS, GREENHOUSE GASES

	2023	2022	2021	2020	2019
Scope 1 Direct emissions, tons of CO ₂ eq	3 173	3 531	3 617	2 591	3 185
Scope 2 Indirect emissions own company, tons CO ₂ eq	215	35	60	66	272
Scope 3 Indirect emissions from logistics, business travel, purchased heating/cooling and electricity, tons of CO ₂ eq	18 669	28 034	31 548	30 247	24 081
Scope 3 Indirect emissions from purchased materials and goods, as well as capital goods, tons CO ₂ eq	151 262	230 541	290 534	195 327	238 859
Total (scope 1, 2 & 3), tons CO₂eq	173 319	262 141	325 759	228 231	266 397
<i>Change in total emissions (scope 1, 2 and 3), percentage change compared with 2019 base year, %</i>	-35	-2	22	-14	
Emissions relative to turnover (scope 1, 2 and 3), tons of CO ₂ eq/SEKm	19.1	25.9	31.4	29.2	37.9
<i>Change in emissions relative to turnover (scope 1, 2 and 3), percentage change compared with 2019 base year, %</i>	-50	-32	-17	-23	

CLIMATE GOALS FOR THE 2030 AGENDA IN ACCORDANCE WITH THE SBTi:

	Accumulated outcome 2023
A 46.2 percent absolute reduction of CO ₂ eq from our facilities (scope 1), compared to a 2019 base year.	-0.4 percent from 2019
The share of renewable electricity used at our plants (scope 2) is to continue active sourcing of 100 percent renewable electricity through 2030.	92 percent in 2023
Emissions of CO ₂ eq related to purchased material and services as well as upstream and downstream transportation (scope 3) to have a 28 percent absolute reduction, compared to the 2019 base year.	-35 percent from 2019
NET ZERO 2050 IN ACCORDANCE WITH THE SBTi:	
Scope 1, 2 and 3 targets: 90 percent absolute reduction (compared with base year 2019) and 10 percent carbon offset.	Reported from 2024

In 2023, we worked with the consulting firm AFRY to analyze the 2019 baseline to ensure qualitative goals and data.



PHASING OUT PFAS

All PFAS substances are difficult to break down and some can have harmful effects, both for humans and the environment. And all are synthetically produced and do not occur naturally in the environment. We are designing new products that exclude PFAS and updating existing ones to eventually eliminate the use of PFAS completely by 2024.

We have a goal to reduce our climate impact from shipments in the short and long term: We will:

- reduce CO₂eq emissions from shipments ten percent by 2030, compared with 2019 (scope 3).
- maintain a low share of emissions from air freight (max ten percent of total logistics emissions).
- partner with freight forwarders to transition to sustainable fuel for the last mile.

Emissions from transportation decreased 38 percent year-on-year. We continued optimize our deliveries to customers through a higher capacity utilization and fewer shipments. We

require managerial approval for booking air freight, which has led to a second consecutive year of reduced emissions over 60 percent (2,516 tons CO₂eq in 2022 compared with 933 tons CO₂eq in 2023).

We conduct active dialogues with our suppliers to find transportation alternatives with lower GHG emissions and emphasize that we consistently prioritize rail, electric or other sustainable solutions. The rapid development in the transportation sector will hopefully lead to new electric and hydrogen vehicles becoming more available in the future, which can further accelerate our work to reduce the climate impact of our shipments. For more details on scope 3 emissions for shipments, refer to page 102.

PHASING OUT PFAS

PFAS, or per- and polyfluoroalkyl substances, is a collective name for a large and complex group of compounds that contain more than 10,000 identified substances with a variety of characteristics and wide use in society. What they have in common is that they do not break down easily and some can have harmful effects for people as well as the environment. All PFAS substances are created synthetically and are not naturally occurring. As a part of our efforts to comply with quickly changing legislation, we design new products to exclude PFAS and actively update existing products to reduce their use in order to eventually eliminate PFAS use entirely by 2024.

WATER CONSUMPTION AND WATER MANAGEMENT

Thule Group has a long-term objective of reducing water consumption at all of its production facilities, increasing the share of recovered rainwater and ensuring that there are no emissions to the water used. Recovered rainwater is used at the facilities in Itupeva in Brazil, Huta in Poland and Menen in Belgium, and accounted for 4.2 percent of the Group's overall water consumption during the year, the same as the preceding year.

BIODIVERSITY

Our manufacturing sites for our direct operations are not built on or adjacent to protected areas or areas with high biodiversity value outside the protected area. Our operations are also guided by local, national or regional environmental laws and ordinances, where we perform environmental impact

assessments and minimize the risks of biodiversity loss by monitoring the impact on water, soil and air.

Thule Group is aware of the potential impacts on biodiversity that can arise upstream in our supply chain, since our products contain aluminum, steel, plastic and textiles, and since we use packaging from paper and synthetic material.

Our suppliers are governed by our Code of Conduct for suppliers, our environmental policy and stated biodiversity and chemical policy, which provide a comprehensive framework for suppliers regarding their impact on the natural environment, including biodiversity and impact on people. Suppliers must also follow Thule Group's human rights policy, which takes into account environmental rights, soil and forest rights as key values for Thule Group.

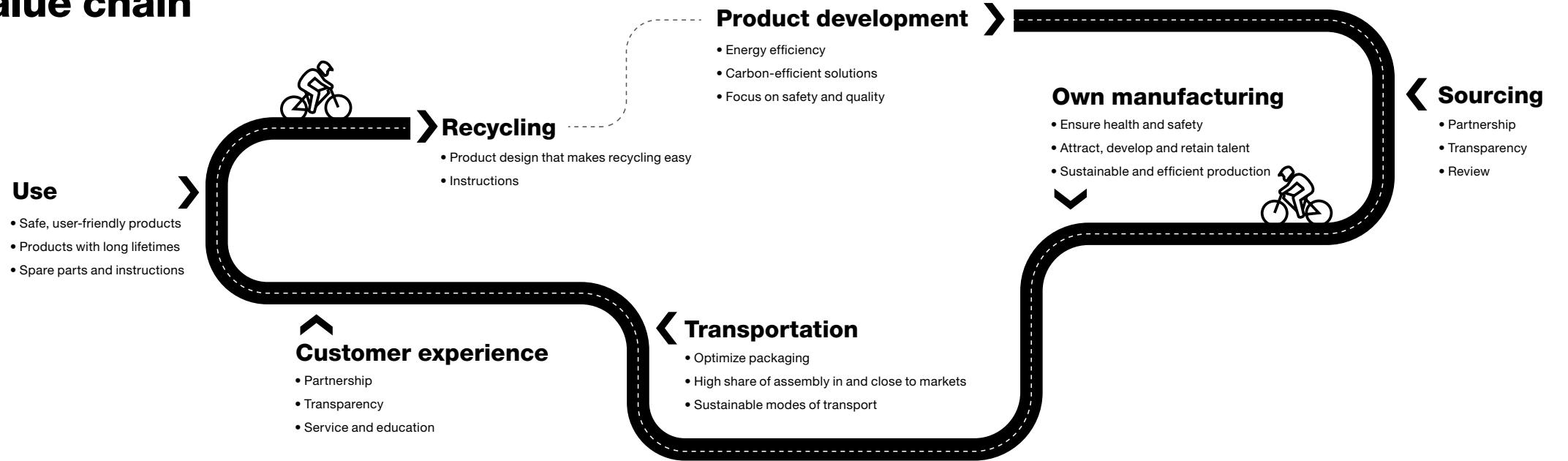
WASTE

Working together with local recycling companies enables efficient and profitable waste management that leads to a larger proportion of materials being recycled or reused. We also collaborate with our suppliers to reduce the amount of waste from packaging materials, for example. In 2023, the recycling rate was 99 percent (99).

In 2023, we improved our reporting of, inter alia, waste and recycling:

- For hazardous material, we provide information on whether the hazardous material is recycled or if it goes to incineration to better present how we manage the recycling of hazardous material. This also gives us the possibility to clarify the share of hazardous material that is not recycled.
- For recycling of non-hazardous material, we now include ground plastic from our roof box production.

Our responsibility and impact throughout the value chain



Our impact

Product development – Degree of influence: HIGH

Energy efficiency, carbon-efficient solutions, focus on safety and quality and on smart use of materials are central priorities. In 2023, we invested SEK 630m (6.9 percent of our revenue) in sustainable product development.

Our approach

- Design products based on a life cycle perspective – carbon-efficient from the cradle to the grave.
- Improve material use and the opportunity to recycle components.
- Develop functions that are safe and functional.
- Ensure that products are of high quality and can be used for a long time.

How we make a difference

By driving the development of products with lower carbon emissions and through innovations in safety and material use, we strengthen our competitive ability and reduce both waste and energy use.

Sourcing – Degree of influence: HIGH

Thule Group purchases raw materials and components from approximately 750 suppliers in 32 countries. We work continuously to choose the best suppliers to support our strategy of driving change and reducing risks in the supply chain.

- Run our operations according to best business practices and a high ethical standard and ensuring compliance with our Code of Conduct.
- Conduct regular audits and focus on sustainability.
- Encourage our suppliers to be innovative and share their good examples.
- High-quality, high-performance materials with low GHG emissions.

Partnership with our suppliers helps us achieve our sustainability goals and in parallel allows us to develop better products and drive cost savings. We encourage our suppliers to work with the same sustainability goals that we have, which helps us reduce negative effects and increase transparency in the supply chain.

Our impact

Our approach

How we make a difference

Own manufacturing – Degree of influence: **HIGH**

Thule Group has nine assembly plants in seven countries. Our sustainability agenda includes social, economic and environmental impact and our actions affect all parts of the value chain. Our direct GHG emissions account for a relatively small portion of our total climate impact and come primarily from energy use in our assembly plants.

- Strive to always conduct business according to ethical business methods and follow our Code of Conduct.
- Ensure health, safety and well-being.
- Attract, develop and retain the best talent in all portions of operations.
- Focus on always conducting operations sustainably and efficiently.

Our employees receive competitive remuneration, skills training and are offered career opportunities at the same time as society benefits from jobs and tax income. Efficient production close to our main markets means both reduced costs and lower climate impact.

Transportation – Degree of influence: **MEDIUM**

Approximately 9 percent* of our carbon emissions come from transportation, both upstream from our suppliers and downstream to our customers and consumers. Choice of packaging, co-loading and the length and method of transportation affect our carbon emissions positively or negatively.

- Reduce the share of air freight.
- Improve efficiency in the logistics chain.
- Optimize product packaging.
- Increase share of product assembly close to the market.
- Use more sustainable transportation methods for the last mile to the customer.

The ambition to increase the share of sustainable transportation and reduce the share of air freight is an important part of our effort to contribute to society's shared ambition to reduce carbon dioxide emissions. Optimizing logistics also effects our long-term financial sustainability.

Customer experience – Degree of influence: **MEDIUM**

We sell our products in more than 30,000 retailers in 138 markets, in physical stores and online. We strive to promote and increase the sales of the most sustainable product alternatives when it applies to safety as well as climate and environmental impact.

- Emphasize advantages of our most sustainable products.
- Provide tools and marketing methods that can be adapted for local use all over the world.
- Provide spare parts and instructions about how consumers can extend the lifetime of the product.

Through our transparency about the climate, environmental and social impact of our products, we help our customers and retailers meet consumer expectations.

Use – Degree of influence: **LOW**

Since a large portion of our sales come from products that are used on vehicles, a significant portion of our climate impact arises during use. Our ability to reduce this impact is entirely dependent on our knowledge of product design and ability to ensure the right material is chosen. The aspects are central for being able to meet our stringent requirements and standards for safety in the most sustainable manner. It is also important for the product to be easy to mount on and off.

- Ensure life cycle analyses based on actual use.
- Develop products with low climate impact that meet the quality requirements for tough environments.
- Provide spare parts and instructions about how consumers can extend the lifetime of the product.

Ensure product solutions that increase personal safety, while product guarantees, spare parts and instructions extend the lifetime of the product.

Recycling – Degree of influence: **MEDIUM**

When our products reach the end of their life cycle, material and components need to be recycling so they can begin a new cycle.

- Recycle as an integrated component of product specifications and design work.
- Ensure life cycle analyses based on actual use for all products.
- Follow changes in laws and regulations as well as trends in material development.
- Use more recyclable material in products.
- Promote circular approaches in partnerships with other companies.

Our products are largely manufactured out of aluminum, steel and plastic, which are all recyclable. We are investigating how we can use more recycled material while we meet our stringent safety requirements and standards. The goal is to reduce waste from our products and come closer to creating a circular value chain. We collaborate with industry organizations when it comes to using sustainable fabrics. Ease of disassembly is in focus as early as the design stage.

Life-cycle analysis at the product level

Our greatest opportunity to influence the products' long-term sustainability is during the development phase. By analyzing the materials, production methods, usage and recycling potential, we strive for our products to have as limited an impact on the climate and environment as possible without compromising on safety, quality and function.

Thule Group has a solid foundation of expertise within ecodesign. Life cycle analyses (LCA) are an integral part of our product development and apply to choice of materials, production and shipments. Our analyses show that our environmental impact can be principally linked to inherent raw materials, particularly aluminum, steel and plastic, and we strive continuously to use as little material, and maximize the use of recycled materials, as is technologically possible to still be able to guarantee safety and practical use. In 2023, we joined Worldly's platform for deeper knowledge into the impact of textiles on the environment and climate. The ambition is to perform even more detailed analyses as well as to include parameters such as water and chemical use. To ensure that we achieve our emissions reductions, we have revised how much we need to reduce emissions per product we develop.

LONG-TERM SUSTAINABILITY TARGETS PER PRODUCT

We will:

- Reduce direct and indirect GHG emissions an average of 30 percent per product by 2030 compared with a base year of 2019.
- Continue to set CO₂eq reduction targets for all new products to be launched based on comparable products.
- Eliminate PFAS in all textiles by no later than 2024.
- Measure the level of recycled content in all products.

From a sustainability perspective, the user phase is a relatively small part of climate and environmental impact in relation to

our products. Nonetheless, we place considerable focus on this because we want to ensure that the consumers can use our products reliably and sustainably over a long time. When developing cargo boxes for small cars, for example, it entails that we analyze how the vehicle's energy consumption is impacted by the box's placement, but also ensure that the rack is easy to mount and unmount, so that the user does not leave it in place when not in use, thereby leading to higher energy consumption than necessary.

INFORMATION TO CUSTOMERS THROUGH FUTURE DIGITAL PASSPORTS

Future requirements for digital product passports give us an opportunity to provide more information to our customers about how they can minimize their environmental impact in the user and recovery phases of a product's life cycle.

In the medium term, we want to be able to digitally guide our customers about:

- How they can extend the useful life of their product.
- How they can upgrade or repair their product. Thule Group ensures that spare parts are available ten years after the end of production.
- How they can use the product sustainably, with minimal impact on the environment and climate.
- How they can recycle their product.



REDUCED CLIMATE IMPACT AND CIRCULAR ECONOMY

The overall sustainability focus within product development is placed on climate and reduced environmental impact through ecodesign, conscious material choices and a circular approach. Our work is built on four cornerstones:

Manufacturing and logistics

Through, for example, a conscious choice of materials, for example increased amounts of recycled materials and/or easily recycled materials, energy-efficient manufacturing methods, optimized packaging solutions, and efficient and climate-smart transportation.

Use of product

We strive to reduce air drag on vehicle-related products to reduce energy consumption and facilitating attachment and removal to avoid products remaining on the vehicle when not in use.

Extended lifespan

Create a timeless design, improved corrosion resistance and opportunities for repairing products by making it easy to replace or repair key components. A longer useful life leads to higher secondhand value and greater likelihood of being resold.

Increased recycling possibilities

Focus on increasing the amount of recycled materials and materials that are easier to recycle, and designs that facilitate the separation of the product into various material types.

< Thule Aion carry-on.

Thule's entire Aion bag collection is manufactured from 100% recycled textiles. The Thule Aion carry-on is also manufactured from 50% recycled polycarbonate.

Life cycle analysis – then and now

We work continuously with life cycle analyses (LCAs) to learn more about our products and to identify where we can reduce our climate impact. We use the results from an LCA to make conscious decisions regarding design, material choice, logistics, etc., when developing new products. This work is essential if Thule as a business is going to be able to develop more sustainable products and achieve our goal to reduce our emissions from purchased materials and shipments 28 percent by 2030 compared with 2019.

When developing new products, current or similar versions are analyzed in order to establish what the largest impact is and how we can design to reduce the amount of CO₂eq per product. This was naturally the case when we developed our new,

premium bike carrier Thule Epos, which was launched in 2023. By comparing the CO₂eq impact of different materials, the following decisions were taken:

- Polyamide (PA) should be replaced with polypropylene (PP) to the greatest extent possible, since PP has a lower climate impact per kilo of material.
- Essential polyamide should be recycled.
- Aluminum components should be created using renewable energy.

By using materials with lower CO₂eq intensity, emissions amounted to only 50 kg per bike carrier (in terms of materials). This is a 37.5 percent reduction compared with the Thule predecessor EasyFold XT 2B, which served as the reference product in this project. In the entire cradle-to-gate analysis, this is a 34 percent reduction.

Thule EasyFold XT 2B (2014)

KGCO₂eq EMISSIONS (CRADLE-TO-GATE)

A cradle-to-gate analysis was performed in 2023 for the Thule EasyFold XT 2B. The analysis includes materials, shipments from suppliers to Thule's manufacturing sites and emissions for producing a finished product. Since it is a cradle-to-gate analysis, the use phase or recycling are not included in the calculations.

LCA phase	kg CO ₂ eq/product*
Materials	80.0
Transport from suppliers to manufacturing sites	2.0
Production	6.4
Total	88.4

Thule Epos 2B (2023)

KGCO₂eq EMISSIONS (CRADLE-TO-GATE)

A cradle-to-gate analysis was performed in 2023 for the Thule Epos 2B (EROW version). The analysis includes materials, shipments from suppliers to Thule's manufacturing sites and emissions for producing a finished product. Since it is a cradle-to-gate analysis, the use phase or recycling are not included in the calculations.

LCA phase	kg CO ₂ eq/product*
Materials	50.0
Transport from suppliers to manufacturing sites	1.7
Production	6.4
Total	58.1



* To calculate emissions from shipments and the manufacturing process in Poland, emissions factors are used from DEFRA 2023. Impact of the material is calculated using supplier-specific values and values from ecoinvent 3.9 when necessary.

Employees who develop and thrive in a multicultural environment

Genuine concern for people and the environment is deeply rooted in our DNA, as is giving back to the society we operate in. We believe in the inherent power of people to push boundaries and find new solutions to today's challenges, but are simultaneously aware that to harness this power we need to create an inclusive and multi-cultural work environment where our employees thrive and develop.



Our culture permeates everything we do

Shared Passion for Smart Solutions that Enable an Active Life.

Thule Group is a global lifestyle company with a strong corporate culture and underlying values. We strive to always work a little smarter and more effectively to find ways forward for long-term sustainable development. How our values are followed in daily activities is essential for our continued success and long-term sustainable development. The Code of Conduct applies across our entire value chain and the guidelines are the same all over the world.

ATTRACT, DEVELOP AND RETAIN TALENT

The collective strength of our employees' skills and experiences form the basis of Thule Group's success. Thanks to our strong brand, healthy long-term growth, a clear focus on sustainability based on attractive products and genuine core values, we attract a variety of potential employees all over the world. Many people can identify with us, our brands and our products.

SKILLS DEVELOPMENT

Our employees are offered continuous skills development, training and support. This focuses primarily on technical skills, new software, project management, and health and safety as well as leadership training. It also addresses sustainability, Thule Group's Code of Conduct, specific sales tools and product presentations.

EMPLOYEE SURVEYS

Employees who are content and feel good, who are stimulated in their daily work and feel that they can make a contribution and develop, are a prerequisite for maintaining our strong position in the market.

Every other year, we conduct a comprehensive employee survey of all of our employees. The next employee survey will be conducted in March 2024.

SAFE AND SECURE WORKPLACES

Thule Group aims to provide safe work environments, and we aim for our employees to form a strong team focused on high quality and a comprehensive approach to sustainability, where we all contribute to identifying smarter ways to work. Together, we are creating a work environment that not only promotes safety, but positive collaboration, job satisfaction and a balance between work and leisure. In 2023, we had a substantial decrease in occupational accidents, primarily in Menen, Belgium, where we manufacture accessories for RVs and caravans. The investments we made in new, larger and additional production buildings created better flows and more space, which led to fewer accidents. In 2024, we will further elevate and systematize our health and safety efforts through ISO 45001 certification.

A WORKPLACE CHARACTERIZED BY DIVERSITY AND EQUALITY

We aim to offer all of our employees equal opportunities to develop at the company and incorporate an equality-centric approach to recruitment, salary and career development. In accordance with our recruitment policy, the range of candidates is to be based on diversity and equality. However, we never overlook the right skills that come from training and work experience.

Skills, ambition and potential are to govern our employees' career opportunities, regardless of gender, age and background. In 2023, 47 percent (42) of the Group's employees were women, and the management circle consists of 26 percent (29) women.

Today, Thule Group has an equally large attraction value among men and women, a positive trend that was strengthened for several years through proactive work and a broader product portfolio, but also because more women are graduating from universities and colleges with the skills we require.

A SUSTAINABILITY PERSPECTIVE ON HEALTH

By maintaining a holistic approach in terms of the different aspects of our employees' lives, we strive to help create conditions conducive to a good balance between their work and private life, as well as support an active lifestyle. We offer the use of, for example, working-hour banks for more flexible working hours, wellness allowance and opportunities for gym sessions during the work day, externally or at our own premises.

Many employees are engaged in activities in and outside their work, often physical activities where they can use our products. Being active, both mentally and physically, and living a healthy life, has a strong connection to how we perform and how we handle stress.

ZERO-TOLERANCE POLICY TOWARD HARASSMENT AND DISCRIMINATION

We have a zero-tolerance policy toward all forms of harassment and discrimination and our policy against discrimination and harassment clearly specifies how we manage these issues. All reported cases are handled by the local Health & Safety committee. During the year, no cases of discrimination or harassment were reported.

UN'S 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

We continuously strive to meet target 8 of the UN's 2030 Agenda, Decent work and economic growth. This applies to both Thule Group and our supply chain, where we work to ensure decent work conditions as well as to counteract all forms of forced or child labor. This applies to salaries in line with the market and agreements, the right to freedom of association and freedom of speech, a safe work environment, working hours and more. Through our own and external audits of our suppliers, we work to strengthen and maintain decent work conditions, which are a requirement for creating sustainable economic growth.

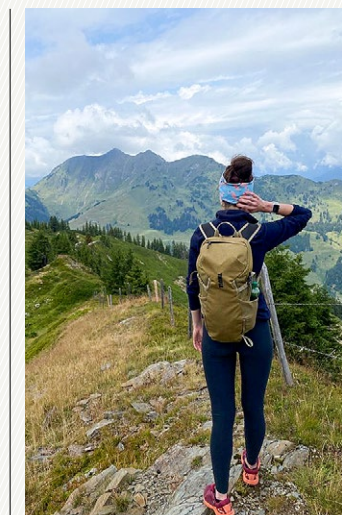
AN ACTIVE LIFE – EMPLOYEES EXPLAIN

Our employees the world over testify about the value of an active lifestyle. Many share their experiences with friends and acquaintances as well as on social media. We are very proud that our employees are strong ambassadors for our products – regardless of whether they are an active cyclist, love skiing in the mountains or take their children to preschool in one of our bike trailers. This allows for us to gain a better understanding of our consumers and their needs. Ideas for product improvements or new products are also submitted to the company's open internal idea database, where several employees have made it a habit to add comments and to recommend improvements based on their own experience.



Luca Vigano
Brand Manager,
Italy

"Active life for us means going out hiking and discovering new sights in the landscape, trying to re-connect with things that are relevant to us. Regenerating ourselves by experiencing adventures together."



Veronika Hamrozi
PR & Marketing Manager,
Czech Republic, Slovakia and Poland

"Being active and spending time in nature is important to me. To clear your mind and stay healthy. I love running, hiking, playing squash and yoga practice. Kayak and SUP are also super fun when on holiday."



Daniel Karlsson
Design Engineering Manager
Roof Tents, Cargo and Winter, Sweden

"Finding peace and quiet in daily life through exercise and being out in nature. That gives me balance, health and energy."

Business conduct

Responsible conduct in all parts of our value chain and in accordance with ambitious ethical values is thoroughly worked in to our processes and control systems. Legal requirements, rules and international standards are natural starting points, but our ambition goes further than that. We want to use our influence as a company to drive positive development in the entire value chain.

RESPONSIBILITIES AND GOVERNANCE

The Board is ultimately responsible for our sustainability efforts, and sets strategic direction, policies and long-term goals. Issues that fall under the sustainability umbrella are well integrated in Thule Group's strategy, business model and throughout the entire value chain. The Board regularly receives information about ongoing sustainability efforts and governance of the most material matters, such as the climate, and reports on progress in health and safety.

The Board has created Thule Group's Code of Conduct and Corporate Compliance Program. There are processes in place to identify and assess risks and procedures for how employees are to respond to suspected breaches. Additionally, the Board receives whistle-blowing information. The number of whistle-blower reports, kinds of issues and potential corrective and disciplinary measures after an investigation are reported to the Board at least once a year.

The CEO is responsible for integrating sustainability matters into operations and that continuous improvements are part of all processes. The Group's head of sustainability is responsible for coordination and following up on operational level and sustainability is an integrated part of every commercial manager's responsibility. Thule Group's board committee for the CSR program for suppliers performs an annual review of risks related to geographic locations, manufacturing processes and their connection to own product categories.

VARIABLE REMUNERATION RELATED TO SUSTAINABILITY

Variable remuneration for Group management is based on achievement of 20 and 40 percent of sustainability targets. The portion is governed by how well the individual can influence fulfillment of each target. Targets connected to variable remuneration outcomes include the quality of the reporting, reduction of greenhouse gases in product development, reduction of greenhouse gases in purchased materials and shipments, CSR audits conducted, and health and safety.

For other employees with variable remuneration, there is also a connection to achieved sustainability goals. In these cases, the sustainability component varies between 10 and 20 percent. Employee roles that have sustainability targets in their variable remuneration include, engineers who are responsible for product development and have a responsibility to reduce climate impact across the entire life cycle and heads of categories within purchasing who are to reduce the amount of greenhouse gases from purchased materials.

TRAINING

Our web-based education platform, Thule Group Online Academy, is an interactive system for providing education on matters such as Thule Group's Code of Conduct and anti-corruption. Completing the training is obligatory for all employees and Board members. The platform also provides all employees with access to current policy documents.

HUMAN RIGHTS

In spring 2023, we launched obligatory training in human rights through our Online Academy platform. It was developed in connection with Thule Group's new policy for human rights inspired by the UN Guiding Principles on Business and Human Rights, which identified risks in dialogues with our stakeholders. The policy requires that our own business operations, and those of our suppliers, identify risks and incidents related to human rights in vulnerable and marginalized communities as well as among indigenous people.

We do not tolerate any form of modern slavery, compulsory labor or child labor in our supply chain and we encourage respect for children's right to personal development and education. Our due diligence requirements when it comes to human rights also includes ensuring forest and water rights in local communities and preventing environmental damage to marginalized and vulnerable communities, including the use of forced evacuations. We require self evaluations for new suppliers, which are supplemented with internal or third-party audits. No incidents were reported in 2023.

During the year, 12 percent of employees completed the training. The goal for 2024 is to reach 80 percent. The policy is also communicated to our suppliers and the requirements are integrated in our due diligence process. In previous years, the questions addressed human rights within the framework of our Code of Conduct, with over 85 percent participation.

SPEAK UP – OUR WHISTLE-BLOWING SYSTEM

"Speak-Up" is the channel for our whistle-blowing system, which is maintained by a neutral third party and allows people to anonymously report suspicions of serious improprieties, for example irregularities or inappropriate actions that pertain to the company's vital interests. Employees and other external stakeholders are encouraged to report any form of suspicion. A link and more information about whistle-blowing is on the Group's website. Speak-Up complements other internal reporting channels. 0 (0) cases were reported through this channel in 2023.

INTERNAL GOVERNANCE DOCUMENTS

Strategic annual plan

The strategic annual plan includes business and financial sustainability plans for at least the next three years, and in many cases much longer. It also includes climate, environment and recycling goals, as well as social goals and health and safety initiatives.

Thule Group Code of Conduct

The Code of Conduct applies to the entire value chain. It offers guidance in how we should conduct ourselves in relation to our stakeholders, and describes the directives and principles we should follow. The Code assumes compliance with legislation and local regulations and is based on international standards such as the UN's Declaration of Human Rights, the Ten Principles of the UN Global Compact and the guidelines of the ILO and the OECD.

Thule Group Corporate Compliance Program

Thule Group Corporate Compliance Program describes distribution of responsibility and the overall structure of the Group's legal and ethical obligations in terms of issues such as anti-corruption, competition, the GDPR, trade sanctions and other policies.

Thule Group Corporate Governance Manual (TCGM)

Thule Group Corporate Governance Manual (TCGM) has been produced to support and guide the Group's various units in terms of applying and living up to core values and a shared standard in relation to legislation on health and safety, environment, product recalls, risk management and working and employment conditions.

Objective, detailed and regular evaluations are conducted of the Corporate Compliance Program (the company's compliance program), including anti-corruption, with a focus on the company's specific operating areas, geographic locations and legal obligations.

For information about the sustainability risks and risk management, refer to the Board of Directors' Report on pages 44–53.

ANTI-CORRUPTION

Our business operations are to be conducted according to all applicable laws and regulations and in such a way that high ethical standards are maintained. We do not pursue or accept business benefits based on illegal, inappropriate or unethical behavior. Thule Group's position and clear instructions are collected in the Thule Group Anti-Corruption Manual, which has been translated into nine languages and published on the website.

Employees who suspect that a violation of anti-corruption laws has occurred at the company are obligated to follow standard reporting procedures. During the year, no suspicious behavior was reported.

SUPPLIER ASSESSMENTS

Thule Group has approximately 750 suppliers in Europe, North America, Asia and South America. Risk assessments related to suppliers' geography, manufacturing processes and materials are conducted annually. Site visits and audits are also conducted regularly. During the year we created an updated

Code of Conduct for suppliers that will be implemented in 2024. The largest supplier flows will be prioritized.

We work continuously to ensure that our suppliers follow our values regarding human rights, labor conditions and freedom of speech. This also includes requirements to ensure forest and water rights in local communities where they operate and preventing environmental damage to marginalized and vulnerable communities, including the use of forced evacuations and security forces. We are also increasingly focusing on suppliers' environmental performance in terms of emissions reductions, energy consumption and safe chemical use in line with our list of permitted substances. In 2023, we collected emissions data from 156 suppliers, representing 90 percent of the purchasing volume, and we are working with key suppliers to set up emissions targets, monitor emissions reduction initiatives and to find materials with lower emissions.

Thule Group uses a list to rank suppliers as high, medium and low risk based on the supplier's country of origin. Suppliers in countries with high and medium risk are prioritized for CSR audits. The risk assessment is based on external countries' risk analyses and ratings in reports from Amfori BSCI, Robeco Sam, Human Freedom Index and Trafficking in Persons (TIPS). Finally, suppliers in high-risk countries with a manufacturing process classified as high risk.

SUPPLIER AUDITS

In 2023, we conducted 36 social audits, of which 29 were first-tier suppliers and seven were second-tier suppliers. In the follow-up audits, all deficiencies that had previously been identified were addressed.

Out of the 36 supplier audits, 23 suppliers had a result of over 85 percent, which is considered the highest level. Twelve suppliers had a result between 71 and 85 percent, which is a good result with only minor remarks. One of the audited suppliers had a result between 51 and 70 percent, which is below the desired level. Thule Group requires that corrections and improvements be implemented in the first quarter of 2024, otherwise the professional relationship with the supplier will be terminated. No suppliers were in the lowest category, with a score of less than 50 percent.

SELECTION FROM THE TAX POLICY

We do our utmost to meet local requirements in terms of tax compliance and we avoid any measure that would damage our brand or our reputation. At the same time, taxes are business costs and need to be handled as such. Our goal is pay the correct tax in each country where we operate. We strive to minimize our tax risks and maintain a fair and competitive tax rate through responsible and sustainable tax management. We report our tax expenses on quarterly and annual bases in accordance with international accounting standards.

We apply internationally accepted internal pricing methods based on the OECD's recommendations and we do our utmost to meet local requirements for internal pricing documentation that applies in the countries where we operate.

Our commercial needs are of the greatest importance and are monitored in each decision pertaining to tax. If there are different options for achieving the same commercial result, we will take tax effects into account together with other relevant factors, such as our responsibility and reputation as a good social actor, when weighing these alternatives. Thule Group will under no circumstance enter into an arrangement with, or establish itself in, jurisdictions that are perceived as tax havens purely for tax reasons. The tax policy in its entirety is available on the Group's website, thulegroup.com

TRADE SANCTION POLICY AGAINST RUSSIA

Since Russia's invasion of its neighbor Ukraine, Thule Group has terminated any trade with Russia. We are following the EU's Trade Sanction Policy. Our suppliers must ensure that materials do not come from Russia in earlier stages and we do not use agents who would sell our products in the Russian market.

INTERNAL GOVERNANCE DOCUMENTS

Four governance documents regulate the principles and values that guide our operations generally and in particular our sustainability initiatives.

- Strategic annual plan
- Thule Group Code of Conduct
- Thule Group Corporate Compliance Program
- Thule Group Corporate Governance Manual (TCGM)

OTHER POLICY INSTRUMENTS

- Whistle-blowing system "Speak-Up," which is managed by a neutral third party.
 - Our web-based education platform, Thule Group Online Academy, is an interactive system for providing education on matters such as Thule Group's Code of Conduct and anti-corruption.
-

Disclosures according to the EU Taxonomy Regulation for 2023

This section provides information about how the economic activities in the EU Taxonomy are applicable to Thule Group's operations, including how the substantial contribution criteria have been established.

See also Taxonomy tables on pages 108–111.

TAXONOMY-ELIGIBLE ACTIVITIES

Thule Group has a high ambition in terms of minimizing the environmental impact of our products and production processes. Our most important production processes, however, are not listed as an important sector within the Taxonomy Compass. For our 2023 Annual Report, Thule Group therefore decided that the KPI for turnover was not applicable. However, we have identified that some of our activities under sector seven of the Taxonomy Compass, Construction and real estate activities, meet the criteria for eligibility or adaptation. As a result, like last year, we have calculated CapEx and OpEx for climate change mitigation and adaptation for such activities according to the explanation below.

Objectives 3 through 6 of the Taxonomy were added

After a review of these four additional objectives, we identified that it is relevant for Thule Group to report on transition to a circular economy, since it corresponds to activities in sector 7. However, in 2023 we had no activities that were Taxonomy-eligible or -aligned with respect to the circular economy objective.

CAPEX – OBJECTIVES 1 AND 2

Like 2022, our reporting for calculating CapEx focused on the construction sector according to the EU's Taxonomy Compass. The following are activities that Thule Group found relevant to apply:

- 7.1 Construction of new buildings
- 7.2 Renovation of existing buildings
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 7.6 Installation, maintenance and repair of renewable energy technologies.

Taxonomy-eligible activities declined in 2023 compared with the previous year. This is mainly due to decreased construction projects within Thule Group. In total, Thule Group invested

SEK 351m in CapEx. Of the total investments, SEK 59m is Taxonomy-eligible, corresponding to 16.8 percent of total investments, and SEK 24m or 6.8 percent of total investments were Taxonomy-aligned.

For calculating the denominator related to the CapEx KPI, the amount is calculated based on accounting records that is consistent with our accounting policies regarding CapEx (refer to page 68, Right-of-use assets and page 69, Tangible and intangible assets in our 2023 Annual Report).

Below are the most important initiatives related to the Taxonomy:

- In 2023, the most important investments were the installation of solar panels at Hillerstorp (Sweden), Huta and Pila (Poland). The most recent installation at Hillerstorp made the facility 7.6 percent more self-sufficient in terms of energy. The installations at Huta and Pila made these facilities 6 percent and 35 percent more self-sufficient, respectively, in terms of energy.
- We also invested in more energy-efficient air compressors at our facilities in Hillerstorp and Seymour (USA) as well as in energy-efficient ventilation solutions that use the heat exchangers from our thermoforming processes.
- When it comes to Activity 7.4, Thule Group is investing in installing charging stations for electric cars. In December 2023, only Itupeva, Brazil and Forest Park, USA have yet to install charging stations for electric cars. Electric charging stations are essential for the transition to a fully electric vehicle fleet by 2025, which is a key component for reducing our scope 1 emissions.
- When it comes to Activity 7.5, we invested in smart thermostats at our facilities in Seymour, USA to improve energy efficiency.

OPEX

For calculating the denominator related to the OpEx KPI, Thule Group used the definition of OpEx provided in Section 1.1.3.1 of Annex I in the Commission Delegated Regulation¹ (EU) 2021/2178.

For calculating OpEx, Thule Group only used maintenance and repair activities from categories 7.2 through 7.6.

The numerator is equal to the applicable portions of operating costs included in the denominator for activities 7.2 through 7.6.

Based on the applications of the guidelines in Section 1.1.3.1 of Annex I in the Commission Delegated Regulation, the denominator for OpEx amounted to SEK 89.9m, of which SEK 6.5m, or 7.2 percent, was Taxonomy-eligible and SEK 2.4m, or 3 percent, was Taxonomy-aligned.

OTHER MEASURES TO IMPROVE THE ENVIRONMENTAL FOOTPRINT – TAXONOMY NON-ELIGIBLE ACTIVITIES

Thule Group also makes significant investments to improve its environmental impact in terms of minimizing its use of chemicals and Water as well as waste generation. These investments are not Taxonomy-eligible since they are primarily related to our manufacturing process but important for reducing our environmental impact. One example of such an investment is a new surface treatment line that replaces galvanization with cathodic dip coating (KTL) at our facility in Poland. We also invested in a new plastic mill in Neumarkt, Germany will use plastic waste to create new sheets as well as a water purification system in Menen, Belgium. While these activities improve our environmental footprint in terms of chemicals, waste and wastewater, they do not fall under any of the activities listed in the EU's Taxonomy Compass. These investments total SEK 26m, which we are excluding from Taxonomy-eligible and -aligned activities.

In 2023, we also introduced a process to increase the energy supply to Pila, to transition from fossil fuel to electric heat pumps for heating. While we are in the first stages of this investment, the actual investment will be reflected in Taxonomy-eligible and -aligned activities as of 2024.

MINIMUM SAFEGUARDS

Thule Group's taxonomy eligible and aligned activities are also compliant with the Minimum Safeguards requirements of the Taxonomy Regulation, which is aligned with the OECD Guidelines for Multinational Enterprises, the U.N Guiding Principles on Business and Human Rights, the eight fundamental conventions identified in the ILO Declaration on Fundamental Principles and Rights at Work, and the International Bill of Human Rights.

¹) L_2021443EN.01000901.xml (europa.eu)



Annual Report

Board of Directors' Report

The Board of Directors and the CEO and President of Thule Group AB (publ), Corp. Reg. No. 556770-6311, hereby submit the Annual Report and the consolidated financial statements for the 2023 fiscal year.

Operations and organization

Thule Group is a global sports and outdoor company that offers high-quality products with smart features and a sustainable design that make it easy for people across the globe to live an active life. Under the motto Active Life, Simplified – and with a focus on consumer-driven innovation and long-term sustainability – we develop, manufacture and market products within the product categories Sport&Cargo Carriers (roof racks, roof boxes and carriers for transporting cycling, water and winter sports equipment, and rooftop tents mounted on a car), Juvenile & Pet Products (car seats, strollers, bike trailers, child bike seats and dog transport), RV Products (awnings, bike carriers and tents for RVs and caravans) and Packs, Bags & Luggage (hiking backpacks, luggage and camera bags). Thule Group has about 2,600 employees at nine production facilities and 35 sales offices worldwide. The Group's products are sold in 138 markets and in 2023, sales amounted to SEK 9.1 billion.

Thule Group is a public limited liability company listed on the Nasdaq Stockholm Large Cap list. The head office is located in Malmö, Sweden.

Performance of the Group's operations, earnings and position – Group

NET SALES

Net sales for the full-year 2023 amounted to SEK 9,132m (10,138), corresponding to a decrease of 9.9 percent. Adjusted for exchange rate fluctuations, net sales for the Group decreased 15.2 percent.

Sales in the first half of the year declined substantially year-on-year. The main reason for the lower sales was the sharp slowdown in sales of bike-related products to retailers, who lowered their inventory following excessively large pre-season orders in 2022. The trend improved during the second half of the year, when bike retailers' inventories of Thule products returned to healthy levels. The expected sales decrease in RV Products stemming from the current weak period in the industry had a significant negative impact on the latter half of the year.

OPERATING INCOME

Operating income amounted to SEK 1,505m (1,706), corresponding to a margin of 16.5 percent (16.8). The operating margin after currency adjustment was 0.8 percentage points lower than the previous year. Gross income was positively impacted by considerably lower freight and material costs compared with the previous year, but negatively impacted by lower sales

and an underutilized production capacity. Higher expenses for product development and higher expenses for managing the high inventory levels impacted the margin.

PRODUCT DEVELOPMENT

The main portion of the Group's product development expenses are recognized through profit or loss as an expense as they arise. Expenses mainly comprise development and production of new products. Development expenses amounted to SEK 629m (609) in 2023.

SEASONAL VARIATIONS

During a normal year, Thule Group's sales and operating income are partially affected by seasonal variations. During the first quarter, sales in the Sport&Cargo Carriers category (roof boxes, ski racks, etc.) are affected by winter conditions. The second and third quarters are primarily impacted by how early the spring and summer arrive.

In the fourth quarter, seasonal variations are primarily attributable to sales of winter-related products (roof boxes, ski racks, snow sport backpacks, etc.) and sales of products in the bag category prior to major holidays. Thule Group has adapted its production processes and supply chain in response to these variations.

NET FINANCIAL ITEMS

Net financial items for the year amounted to an expense of SEK 84m (expense: 59). Exchange rate differences on

loans, and cash and cash equivalents amounted to SEK 21m (expense: 1). The net interest expense for borrowings was SEK 105m (expense: 58).

SALES TREND BY REGION

Region Europe & RoW (Rest of World)

Sales in Region Europe & RoW declined 12 percent (currency adjusted). Sales decreased significantly during the first half of the year, as bike retailers almost entirely stopped purchasing products in order to manage high inventory levels. Bike retailers' inventories of Thule products returned to healthy levels during the summer, and sales increased during the second half of the year in the region. For the full year, sales in all product categories decreased in 2023, and particularly for Sport&Cargo Carriers. Thule Epos, premium, award-winning tow bar mounted bike carrier that launched in the spring, contributed significantly to sales during the full year, despite the difficult bike market during the first half of the year.

In Europe, growth continued for online sales at thule.com in all of the markets where this channel is available. Direct sales to consumers (DTC) increased in all product categories. During the last quarter of the year sales via thule.com was launched in Austria and Spain, which immediately boosted sales. In total, DTC accounted for 4 percent of sales in the region and increased 81 percent during the year.

Sales decreased in most countries in the region for the full-year 2023. Growth was strongest in Poland and China.

Russia's continued invasion of Ukraine impacts most of the

world negatively, from both a human and a business perspective. Operation was terminated in Russia and Belarus shortly following the invasion of the neighboring country and sales to Ukraine have naturally been highly limited. These markets therefore comprised the region's weakest markets.

Region Americas

For the full-year 2023, sales declined 23 percent (currency adjusted). Sales decreased 32 percent during the first half of the year, while in the second half of the year the trend improved to a 9 percent decrease. Overall, sales decreased in all four product categories for 2023, primarily driven by a clear decline in bike-related products. The challenges in Region Americas bike retail mirrored the European situation. It is worth noting that sales for bike-related products increased in the fourth quarter, a break with the trend from previous quarters. In terms of geographic developments, the decrease in sales was driven by North America (the US and Canada). Performance in Central and South American markets ranged from somewhat negative to somewhat positive.

Positive growth continued in Region Americas for sales directly to consumers (DTC). In total, DTC accounted for 15 percent of sales in the region and increased 32 percent during the year.

SALES TREND BY PRODUCT CATEGORY

Sport&Cargo Carriers

Sales in this product category decreased 19 percent (currency adjusted) for the full year, where the largest product category – bike carriers – accounted for the majority of the decrease. There were significant variations during the year. In the first two

quarters of 2023, retailers significantly reduced their inventory levels of bike-related products, which is to be compared with a phase of aggressive inventory build-up during the same period in 2022. During the second half of 2023, several retailers had returned to healthy inventory levels, resulting in a recovery in orders. Orders during the second half of 2023 contributed to relatively strong growth within bike carriers. Thule Epos, the most recent and most premium bike carrier that was launched in spring 2023, contributed to sales growth during the last three quarters of the year.

Other product groups did not lose as much ground as bike carriers for the full year and the difference between quarters was not as significant, though the second half was generally stronger. One category showing growth was rooftop tents, which grew on a full-year basis in both regions.

RV Products

This category has a strong focus on Region Europe & RoW, which accounts for 97 percent of the Group's sales in the category.

RV Product sales declined 11 percent (currency adjusted). The strong trend in RV Products from the past decade continued in the first half of 2023. However, in the second half of the year RV Products was impacted by a weaker economy with increased financing costs for consumers. Sales in the OE channel continued well during the second half of the year, as manufacturers produced previously placed orders and ahead of the coming spring season, while sales in the aftermarket segment decreased significantly.

RV Products is Thule Group's only product category exposure to a historically cyclical market segment.

Juvenile & Pet Products

Sales in this product category declined 8 percent (currency adjusted), while its total share of the Group's sales increased one percentage point to 12 percent.

The product category was negatively impacted by the same trends in the first quarter that led to retailers' inventory build up in Sport&Cargo Carriers. During the first half of 2022, retail stores had increased their inventory of items like bike trailers and child bike seats, which significantly impacted their ability and desire to place orders in the second half of 2022 and in the beginning of 2023.

Packs, Bags & Luggage

Sales declined a total of 9 percent for the year (currency adjusted) in the product category. Thule branded products grew in volume and sales, where sales were lower in the Case Logic branded products and in older low-margin segments that are actively phased out.

FINANCIAL POSITION

On December 31, 2023, the Group's equity amounted to SEK 6,849m (6,553). During the year, equity was affected by the dividend of SEK 967m resolved on by the Annual General Meeting (AGM). The equity ratio amounted to 62.5 percent (56.1).

Net debt amounted to SEK 2,006m (2,868) on December 31, 2023. Total long-term borrowing amounted to SEK 2,038m (2,983), comprising loans from credit institutions of SEK 1,905m (2,816), gross, long-term lease liabilities of SEK 128m (170), capitalized financing costs of SEK 2m (3), and the long-term portion of financial derivatives of SEK 7m (1).

Total current financial liabilities amounted to SEK 136m (107) and comprised the short-term portion of financial derivatives, utilized overdraft facilities and lease liabilities. As of December 31, 2023, goodwill totaled SEK 4,857m (4,963). The decrease was attributable entirely to currency effects.

As of December 31, 2023, inventories totaled SEK 2,300m (3,129). Compared to prior year, the inventory value decreased SEK 829m.

As of December 31, 2023, deferred tax receivables amounted to SEK 281m (320), of which SEK 120m (118) pertained to capitalized loss carry forwards.

CASH FLOW

Cash flow from operating activities was SEK 1,850m (616) for the full year. Compared with the previous year, inventory is lower compared with a significant inventory build-up in 2022, which had a positive impact on working capital. Investments in tangible and intangible assets amounted to SEK 251m (443), net. During the year, a dividend of SEK 967m was distributed to the company's shareholders, of which SEK 486m was during the fourth quarter. As a result of the exercise of the 2020/23 warrant program, SEK 273m was received through the issue of shares. The Group's cash and cash equivalents at year end totaled SEK 94m (176). Moreover, the Group also has unutilized, binding loan commitments of SEK 2,288m (1,443) to finance the ongoing operations.

For more information about terms of the loans, see Note 22.

Parent Company

Thule Group AB's principal activity pertains to head office functions such as Group-wide management and administration. The comments below refer to the period January 1–December 31, 2023. The Parent Company invoices its costs to Group companies. The Parent Company reported net income of SEK 634m (684). Cash and cash equivalents and current investments amounted to SEK 0m (0). Long-term liabilities to credit institutions totaled SEK 1,903m (2,812).

The Parent Company's financial position is dependent on the financial position and development of its subsidiaries. The Parent Company is therefore indirectly impacted by the risks described in the Risks and risk management section.

SHARE OF SALES THULE GROUP 2023 (2022)	SPORT&CARGO CARRIERS		RV PRODUCTS		JUVENILE & PET		PACKS, BAGS & LUGGAGE	
	59% (62)		19% (18)		12% (11)		10% (9)	
	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas
	55% (57)	69% (70)	26% (24)	2% (5)	13% (13)	10% (8)	6% (6)	19% (17)
SHARE OF SALES THULE GROUP 2023 vs 2022	-19%		-11%		-8%		-9%	
	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas	Europe & RoW	Americas
	-16%	-24%	-6%	-69%	-7%	-14%	-7%	-11%

	Dec 31, 2023	Dec 31, 2022
Long-term loans, gross	2 033	2 986
Financial derivative liability, long-term	7	1
Short-term loans, gross	99	79
Financial derivative liability, short-term	34	28
Overdraft facilities	3	0
Capitalized financing costs	-2	-3
Accrued interest	1	2
Gross debt	2 175	3 092
Financial derivative assets	-75	-48
Cash and cash equivalents	-94	-176
Net debt	2 006	2 868

Significant events during the fiscal year

CEO AND CFO

In February 2023, it was announced that Mattias Ankarberg will replace Magnus Welander as CEO and President for Thule Group. Mattias Ankarberg assumed the role on August 9, 2023 the same time as Magnus Welander left his position. Toby Lawton, who was hired during 2023, assumed the role of CFO for Thule Group in January 2024.

NET-ZERO TARGETS FOR 2050

In 2023, the long-term net-zero target for 2050 was also approved by the Science Based Targets initiative. The approved target means that Thule Group will reduce greenhouse gas emissions in scopes 1, 2 and 3 by 90 percent absolute reduction (compared to the base year 2019) and 10 percent climate compensated. Reporting against this target will take place from 2024 onwards.

Risks and risk management

Like all business operations, Thule Group's operations are associated with different types of risk. Continuously identifying and evaluating risks is a natural and integrated part of the work approach, thus enabling us to control, limit and manage prioritized risks in a proactive manner.

The Group's ability to identify, map and prevent risk reduces the likelihood of adverse events having a negative impact on the company's operations. The goal of risk management is not necessarily to eliminate risk, but rather to safeguard meeting our business goals by way of a balanced risk portfolio.

Identifying, mapping, planning and managing identifiable risks all support management when taking strategic decisions. The risk assessment also aims to increase risk awareness across the entire organization, both for operational decision-makers and for the Board.

ORGANIZATION

The Board of Directors of Thule Group bears ultimate responsibility for the company's risk management. Risks relating to business development and long-term strategic planning as

well as the Group's work on sustainability and environmental initiatives and their related risks are managed and prepared by way of a prioritization proposal produced by Group management and prioritized ultimately by the Board. Prioritization is also allocated according to the assessed likelihood and level of impact should the risk materialize.

Group management reports ongoing risk issues such as the Group's financial status and compliance with the Group's finance policy to the Board. The Group's central finance department is responsible for the prioritization and management of financial risks.

Thule Group has a central function responsible for ensuring that the Group is appropriately protected by insurance for insurable risks. The Group's Code of Conduct and a number of more specific policies form the basis of ongoing operational risk management undertaken at every level of the organization.

RISK OVERVIEW

A number of risk areas have been identified in Thule Group's risk management process. The tables briefly describe the most significant risks, along with their counteracting factors and management, to limit their potential impact on operations. Each of these risks is also assessed according to the likelihood and level of impact should the risk materialize. These assessments are presented using a graded scale for each of the risks.

A description of how Group management evaluates and manages the primary risks in operations relate to a time frame of 1–3 years. A more detailed compilation of financial risks can be found in Note 4 on pages 73–75.

Thule Group has categorized identified risks according to industry and market-related risks, business-related risks, sustainability-related risks and financial risks.

Industry and market-related risks

Thule Group continually assesses and evaluates the risks that the company may be exposed to. In our compilation of industry and market-related risks, we include the management of business environment risks, both strategically through business and product development as well as operationally through daily sourcing, sales and marketing activities.

Operational risks

Operational risks are more important to the company in terms

of the level of our own potential impact. This is also one reason why risk management often involves internal regulations with policies, guidelines and instructions. Operational risks form part of our day-to-day work and are managed by the operational units. Operational risks refer to risks relating to the brand, suppliers, production and insurable risks.

Sustainability-related risks

Thule Group pursues operations that have both a direct and an indirect impact within the areas that the company has identified as being important to sustainable operations: environmental principles, social responsibility and corporate governance.

Thule Group pursues proactive environmental work within all of the Group's units, to ensure that the operations are conducted with the least possible impact on the environment.

Thule Group adheres to rules and principles for human rights, working conditions and anti-corruption rules through affiliation with the UN Global Compact. As part of corporate governance, all employees and the Board of directors receive training in the company's Code of Conduct. Thule Group also requires that the company's suppliers, consultants and other business partners apply the principles.

Financial risks

Thule Group's management of financial risks is centralized at the Group's finance department, which manages its activities within its established risk mandates and limits. Management is conducted in line with the guidelines in the Group's policies and regulations governing specific areas.

All policies and regulations within this area are updated and established annually by the company's Board of Directors. Read more about the accounting policies, risk management and risk exposure in notes 1 and 4 on pages 67–71 and 73–75.

Risks and risk management – description, likelihood and impact

LIKELIHOOD: LOW MEDIUM HIGH / IMPACT: LOW MEDIUM HIGH

INDUSTRY AND MARKET-RELATED RISKS

RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
General business cycle and its impact on demand		<ul style="list-style-type: none"> Changes in the business cycle, as well as interest rate changes and inflation, that lead to reduced spending power may have a negative effect on Thule Group's earnings. Significant regional and global events such as the coronavirus pandemic and changes in the security situation could materially impact the economies of affected areas, which could negatively impact the operations and earnings of Thule Group. A changing global security situation can lead to declining optimism among consumers around the world, which can lead to reduced interest in purchasing Thule products and thereby have a negative impact on Thule Group's earnings. RV Products is the Group's only cyclical product category, since purchases of products in this category normally coincide with the purchase of the vehicle (RV or caravan), which comprises a substantial financial investment for the consumer. In 2023, the product category was negatively impacted by increased costs for financing purchases due to higher interest rates around the world. 	<ul style="list-style-type: none"> Thule Group has sales in 138 markets, thereby reducing the impact risk of an event in any one market. The sports and outdoor industry's historically relatively limited exposure to rapid fluctuations during the business cycle allows time for adaptation. Thule's various product areas means reduced exposure to impact from the economic cycle. Thule Group's purchasing, manufacturing and retailing organization has proven flexibility, resulting in a very high degree of adaptability.
Competition legislation		<ul style="list-style-type: none"> Thule Group's guidelines on competition legislation can be contravened. Thule Group's strong position in certain product categories and in some markets may entail restrictions on acquisitions and other business decisions. 	<ul style="list-style-type: none"> Thule Group works continuously with training employees in the relevant legislation and regulations. Thule Group conducts continuous internal audits. Thule Group engages expert legal support in cases of uncertainty.
Competition		<ul style="list-style-type: none"> Thule Group's operations are exposed to competition. If this competition should increase, it could have an adverse impact on Thule Group's earnings. 	<ul style="list-style-type: none"> Activities such as product development, quality work and prize-winning designs as well as proven security of supply and comprehensive sustainability efforts, are focused on maintaining the Group's market position and strengthening its competitiveness.
Demand for underlying products		<ul style="list-style-type: none"> In some cases, demand for Thule Group's range is dependent on demand for other underlying products. If such demand should change, it could entail an adverse impact on Thule Group's earnings. 	<ul style="list-style-type: none"> Thule Group consistently monitors consumer trends and developments in adjacent industries to which the Group has a link, and is accustomed to quickly adapting to new trends, demand and needs. Thule Group's proven flexibility in its purchasing and logistics organization entails a very high degree of adaptability.
Reputation		<ul style="list-style-type: none"> Thule Group's sales and results are to a large degree dependent on the Group's reputation remaining positive. 	<ul style="list-style-type: none"> Thule Group conducts continuous preventative work by providing training and information about the Group's Code of Conduct. Procedures are in place encompassing how the products are developed and tested as well as how we ensure compliance with competition law and sustainability matters. The Group's quality work is certified in line with ISO 9001:2015 and in 2024 will be certified in line with ISO 45001. Thule Group has an established product recall policy in place with clear procedures and established steps for escalation and decision.

INDUSTRY AND MARKET-RELATED RISKS

LIKELIHOOD: LOW MEDIUM HIGH / IMPACT: LOW MEDIUM HIGH

RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
Local business risks in countries with operations	●○○/●○○	<ul style="list-style-type: none"> Thule Group's business is subject to local laws and regulations in countries where the Group is active. Violation of local laws and regulations could impede the Group's investments and result in increased costs. 	<ul style="list-style-type: none"> Thule Group's Code of Conduct is comprehensive and regulates local behavior. At the same time, Thule Group also implements various preventive measures to further reduce the risk of regulatory non-compliance.

OPERATIONAL RISKS

RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
Inability to retain and recruit qualified personnel and executive management	●○○/●●○	<ul style="list-style-type: none"> Being able to attract and retain qualified personnel and its executive management is vital to Thule Group's future operations. 	<ul style="list-style-type: none"> By promoting career development and other development opportunities for employees while offering market-rate and competitive remuneration, we safeguard our ability to attract the right resources and ensure that employees choose Thule Group as a long-term employer because they thrive and develop in the environment provided by the company. The risk of dependency on seasonal staff is reduced through increased automation, primarily of assembly lines.
Supply chain disruptions	●●○/●●○	<ul style="list-style-type: none"> Thule Group works with external suppliers primarily from Europe, Asia and North America. Any disruption in the logistics chain for raw material or component goods in our own production, finished products produced by suppliers or in deliveries from Thule Group to customers could adversely impact the Group's delivery commitments and sales. Several supply chains have faced significant pressures and capacity challenges in recent years. This risks delaying supplier deliveries to Thule Group as well as from the Group to customers. 	<ul style="list-style-type: none"> Thule Group collaborates closely with suppliers and freight forwarders, which enables the Group to be well-prepared and able to manage the risk of temporary supply-chain disruptions. Thule Group's proven flexibility in its supply chain entails a very high degree of adaptability. Thule Group's assembly facilities are strategically located close to the Group's main markets, which reduces exposure to supply chain risks for product deliveries to the Group's customers. Equally, a large proportion of Thule Group's suppliers are geographically located close to the Group's facilities, which increases flexibility and reduces the risk of supply chain challenges.
Commodity price risk	●●○/●●○	<ul style="list-style-type: none"> For the Group, it is primarily fluctuations in plastic, aluminum and steel prices that constitute a significant commodity price risk. 	<ul style="list-style-type: none"> The commodity price risk is managed through supplier contracts and through financial commodity contracts with terms of up to one year.
Disruption to critical IT systems, business processes and other digital infrastructure	●●○/●●○ 2022: ●○○/●●○	<ul style="list-style-type: none"> Disruption or failures in critical IT systems can directly impact production, logistics and our own online sales (DTC) for example, thereafter, leading to the risk of shortcomings relating to the delivery of products or information to customers and other stakeholders. 	<ul style="list-style-type: none"> The company has a structured Group-wide responsibility for IT security. The work follows a well-defined process for IT governance. Thule Group continuously endeavors to keep the systems well protected and also invests in recovery plans, data storage functions, IT security expertise and employee training in information security with the aim of increasing internal know-how and awareness of the risks posed by increased threats and attacks on the company's IT infrastructure.
Inability to limit access to IT systems and information	●●○/●●○ 2022: ●○○/●●○	<ul style="list-style-type: none"> Shortcomings pertaining to data protection can also lead to business-critical data becoming accessible to unauthorized parties. External breaches of the Group's IT environment entail increased risk of data loss, fraud and other irregularities. 	<ul style="list-style-type: none"> The General Data Protection Regulation (GDPR) has been implemented globally. Thule Group continuously strengthens its technical IT security. Continuous reviews and evaluations are conducted of the Group's systems and system providers as well as of procedures for data and information security.

OPERATIONAL RISKS



RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
Product safety		<ul style="list-style-type: none"> Thule Group offers a large number of products intended for use in urban environments, on the roads and in nature. These products are exposed to extreme stress. If any failures or faults were to arise in the products, this could result in damage to property or in the worst case people. The Juvenile & Pet Product Category (formerly Active with Kids) is growing steadily with more products. A growing portfolio of products for children also increases the risk of product safety issues. 	<ul style="list-style-type: none"> Thule Group complies with all laws and regulations that apply to the development and testing of the products in development. Thule Group implements detailed failure mode effect analyses (FMEAs) for all new products in development. Possible risks and their potential negative consequences are evaluated and defined in these analyses. Thule Group conducts extreme tests pursuant to Thule Test Standards. The requirements under Thule Test Standards are as or more stringent than the requirements contained in the relevant product safety regulations. Thule Group conducts a detailed follow-up on quality levels at suppliers and in their own assembly plants, and follows up and manages any end-user complaints. Thule Group regularly invests significant resources in its own Thule Test Center, where all of the company's products are tested during development and as finished products.
Dependency on external suppliers		<ul style="list-style-type: none"> In order to be able to manufacture, sell and deliver products, Thule Group is dependent on external suppliers. If these suppliers are affected by financial, legal or operations-related problems, this could in turn result in adverse impacts on Thule Group's deliveries. Deficiencies in quality and performance from suppliers can lead to consequences for Thule Group's products, their sustainability and safety-in-use for consumers. 	<ul style="list-style-type: none"> Thule Group conducts regular assessments of the status of external suppliers in order to predict and prepare its business and production for any potential changes. Thule Group continuously monitors changes in relevant regulations. Clear requirement specifications for external suppliers are used to assure follow-up of quality and business-related risks. The Group has its own dedicated quality organization (Supplier Quality), which maintains regular contact with and inspections of external suppliers, including physical meetings for local follow-up. Thule Group conducts regular tests of purchased material and our suppliers' products. These tests are performed both internally and with assistance from external parties.
Patent		<ul style="list-style-type: none"> As the Juvenile & Pet product category grows, this means increased exposure in a segment with well-established competitors as well as others that are new for Thule Group. This means increased risk of disputes over intellectual property such as patent rights. 	<ul style="list-style-type: none"> Thule Group has a department with proven expertise and experience in handling intellectual property such as brands and patents. There are clearly developed routines and processes to evaluate intellectual property risks and leverage opportunities at early stages of and throughout the product development process. Thule Group's development department has proven experience and expertise when it comes to developing new innovative solutions that are protected with patents and design patents.
Taxes		<ul style="list-style-type: none"> Operations are pursued in accordance with Thule Group's interpretation of applicable laws and tax regulations. If these interpretations should prove to be incorrect, they could have an adverse impact Thule Group's earnings. 	<ul style="list-style-type: none"> Thule Group has a clear tax policy that sets out the company's fundamental approach to and management of considerations in conjunction with tax questions. Thule Group has resources in place to ensure continuous assessments in ample time prior to any changes. Requisite provisions to cover any disputes that may arise are made in consultation with experts.

SUSTAINABILITY-RELATED RISKS



RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
Deficiencies in sustainability efforts		<ul style="list-style-type: none"> The confidence of society and the market in Thule Group's sustainability efforts is a prerequisite for successful operations. Deficiencies in sustainability work can have a considerable negative impact on customer relationships in, for example, the automotive or sport and leisure industries. A precondition for an investor collective's investment in a company is often that the company meets their sustainability requirements. 	<ul style="list-style-type: none"> Thule Group pursues comprehensive quality and sustainability initiatives that impose requirements on both our own operations and those conducted by suppliers. Thule Group continuously trains employees and suppliers in the Group's Code of Conduct. General sustainability targets relating to the environment, quality and social responsibility are monitored on a quarterly basis.
Energy consumption		<ul style="list-style-type: none"> Increased production may lead to increased energy consumption. Any shortcoming in the use of renewable energy could adversely impact the environment. 	<ul style="list-style-type: none"> Thule Group continuously measures the energy consumption at all of its facilities. Energy efficiency is a crucial factor for investments. When procuring energy, where possible, energy from renewable sources should be the first choice.
Environmental impact		<ul style="list-style-type: none"> Regulatory compliance in relation to relevant environmental law and other provisions on the environment are requisite to avoiding penalty fees and other sanctioning measures. Known, as well as currently unknown, clean-up costs could impact Thule Group's operations, earnings and financial position. Increased production leads to an increase in overall environmental impact related to the manufacture and distribution of the Group's products. 	<ul style="list-style-type: none"> Thule Group conducts systematic work to reduce the Group's general environmental impact and to ensure the group's operations are conducted in compliance with relevant environmental legislation and other environmental provisions. Thule Group pursues comprehensive quality and environmental management initiatives that impose requirements both on our own production and on that conducted by suppliers. As part of these efforts, the Group is gradually certifying all production facilities under the ISO 140001:2015 framework. The current status is always updated on the Group's website www.thulegroup.com/en/certificates. Thule Group works proactively to reduce environmental impact in all parts of the value chain, i.e., from the design of the products, through to the manufacturing and distribution process, consumers' usage and the final waste management of the products.
Climate risk		<ul style="list-style-type: none"> Over a longer time horizon, the long-term climate change that the world is undergoing could impact opportunities to enjoy an active life in terms of, for example, skiing in an alpine environment or water sports in polluted watercourses. 	<ul style="list-style-type: none"> Thule Group participates in several interest organizations and follows developments closely. Thule Group continuously renews its product portfolio to be able to follow trends in terms of consumer patterns as well as opportunities to carry out activities and live an active life.
Increased volume of shipments		<ul style="list-style-type: none"> Thule Group purchases products and components from 650 suppliers around the world. The company's products are sold in 138 markets. Overall, this inevitably entails the transportation of goods and components. The direct and indirect use of transportation services often involves the use of fossil fuels. The pandemic years entailed significant sales increases, which in turn entailed an increased transportation volume of input goods as well as finished products. A strained global logistics chain entails a risk of forcing more transportation to be conducted using energy-intensive modes of transport. An increased share of direct to customer (DTC) sales through Thule's own online channel means an increased number of short-distance shipments. 	<ul style="list-style-type: none"> Thule Group works to optimize necessary logistics flows. When procuring transportation services, emissions requirements constitute a vital parameter. Thule Group's assembly and warehouse facilities are strategically located close to the Group's main markets, helps optimize the company's logistics flows.

SUSTAINABILITY-RELATED RISKS

LIKELIHOOD: LOW MEDIUM HIGH / IMPACT: LOW MEDIUM HIGH

RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
Deficiencies in health and safety	<p>2022: </p>	<ul style="list-style-type: none"> The work environment, health and safety are central focus areas for Thule Group. Deficiencies in safety and the work environment entail an increased risk of ill health and incidents for the Group's employees. 	<ul style="list-style-type: none"> Thule Group conducts systematic work to safeguard and improve the work environment. Thule Group continuously monitors a number of parameters within the area of health and safety. Opportunities for improvements are discussed in the central and local Safety Committees. Improvements are continuously implemented and debriefed.
Deficiencies in gender equality, diversity and discrimination		<ul style="list-style-type: none"> Deficiencies in the implementation of and compliance with Thule Group's core values could lead to deficiencies in gender equality and diversity. Deficiencies in the right to organize can lead to conflicts with labor organizations as well as public opinion. 	<ul style="list-style-type: none"> Thule Group conducts recurring in-depth employee surveys and actively follows up on these results. The work is conducted with full transparency in relation to policies, employee manuals and the reporting of breaches related to discrimination. Thule Group has a well-established whistle-blowing function to enable employees, suppliers and customers to bring possible breaches of the Group's Code of Conduct to the Group's attention. Technical administration of the whistle-blowing function is through an external platform, which means, inter alia, that the service can be provided in the notifier's own language.
Violation of human rights	<p>2022: </p>	<ul style="list-style-type: none"> Thule Group is a global company. In some countries, insights into human rights may be limited. This entails a risk that the company could involuntarily contribute to violations of human rights. 	<ul style="list-style-type: none"> Thule Group is a participant in the UN Global Compact and therefore abides by its ten principles. The company's global Code of Conduct applies to all of Thule Group's Board members, senior executives (including Group Management), employees and, to the greatest extent possible, suppliers, business partners, sub-suppliers and customers. Thule Group's supplier strategy includes the company's sustainability aspects. Thule Group conducts CSR audits, both in-house and in partnership with the company Intertek.
Corruption	<p>2022: </p>	<ul style="list-style-type: none"> Corruption threatens sustainable economic and social development around the world, particularly in poor regions. Corruption may exist to various extents in some countries and in different sectors of society. Thule Group sells products in 138 countries, and purchases products and components from more than 650 suppliers. This means that we, like many other companies, run a risk of becoming involved in unethical business transactions, fraud and irregularities in areas encompassing sales and procurement processes. 	<ul style="list-style-type: none"> Thule Group applies zero tolerance to unethical business practices. The Group conducts obligatory courses on the Group's Code of Conduct for employees, suppliers and business partners. In addition, courses are held on the regulatory framework pertaining to anticorruption and other policies. Combined with the framework of internal control and monitoring, this provides the foundation for an ethical business approach and correct financial reporting. Thule Group applies global and local authorization manuals in order to avoid conflicts of interest. Thule Group applies procurement processes that ensure sound business ethics. Thule Group provides suppliers with training on the Group's Code of Conduct, and conducts CSR audits, both in-house and in partnership with the company Intertek, to monitor and audit compliance with the Code of Conduct.

FINANCIAL RISKS

LIKELIHOOD: LOW MEDIUM HIGH / **IMPACT:** LOW MEDIUM HIGH

RISK AREA	LIKELIHOOD/IMPACT	DESCRIPTION	COUNTERACTING FACTORS AND MANAGEMENT
Exchange rate risk	●●○/●●○	<ul style="list-style-type: none"> Thule Group is active internationally and exposed to exchange rate risk that arise from various currency exposures, mainly with respect to EUR/SEK, for which the Group has a positive net inflow. Exposure stems from transaction exposure as well as translation exposure. 	<ul style="list-style-type: none"> The central finance department is responsible for all hedging to reduce the effect of transaction exposure. The Group's policy with regard to translation exposure, is to hedge current net investments for each currency with loans in the same currency to the extent possible.
Interest rate risk	●○○/●○○	<ul style="list-style-type: none"> Interest rate risk is the risk that the value of financial instruments fluctuates due to changes in market interest rates and the risk that changes in the interest rate level will impact the Group's borrowing costs. 	<ul style="list-style-type: none"> This interest rate risk is managed by the Group's central finance department, which adheres to the company's finance policy. The finance policy stipulates the use of lock-in periods and the tool mainly comprises interest rate swaps.
Refinancing and liquidity risk	●○○/●○○	<ul style="list-style-type: none"> Refinancing risk refers to the risk that Thule Group is unable to refinance its operations at the desired moment, or that the cost of refinancing increases. Liquidity risk refers to the risk that Thule Group is unable to fulfill its payment commitments. 	<ul style="list-style-type: none"> The central finance department continuously monitors whether Thule Group is fulfilling the binding key figures linked to the company's loan facilities. The Group has a rolling eight-week liquidity plan that includes all divisions of the Group. The plan is updated monthly.
Credit risk	●○○/●○○	<ul style="list-style-type: none"> Credit risk is the risk that Thule Group's counterparties are unable to pay their liabilities and thereby cause losses for Thule Group. 	<ul style="list-style-type: none"> Customers undergo credit checks in accordance with the Group's credit policy and outstanding balances are monitored continuously.
Insurance risks	●○○/●●○	<ul style="list-style-type: none"> Insurance risks refer to potential difficulties signing adequate insurance protection to cover potential financial losses and liabilities associated with different aspects of Thule Group's operations that could be mitigated through insurance protection. The major insurance protection for Thule Group is insurance for product liability, and property and business interruption insurance. 	<ul style="list-style-type: none"> Through continuous internal and external evaluations of potential insurable risks, as well as close partnerships with expertise in the area, Thule Group maintains focus on its operations to identify potential risks and to customize insurance protection that provides adequate protection against the defined risks. Insurance protection is usually renewed annually.
Financial regulatory risks	●○○/●●○	<ul style="list-style-type: none"> Operations at Thule Group generate financial transactions, which need to follow established regulatory requirements in each market. If Thule Group fails to follow established laws and regulations, there is a risk for financial and legal consequences for the company. Financial and legal consequences for the company entail risks for the company's operations, financial stability and reputation. 	<ul style="list-style-type: none"> Thule Group regularly updates its policies and procedures for financial transactions and performs basic risk assessments when conducting financial transactions. Thule Group partners with expertise to stay informed about changes in regulation compliance. The company regularly holds training to ensure that employees are aware of, and follow, applicable regulations. Internal follow-up and evaluation is conducted according to Thule Group's Code of Conduct. External follow-up and evaluation is performed through bank procedures and disclosures in connection with Know Your Customer (KYC) and Anti-Money Laundering (AML).

Employees and remuneration

NUMBER OF EMPLOYEES

The average number of employees was 2,559 (2,799).

REMUNERATION TO SENIOR EXECUTIVES

Guidelines for remuneration to senior executives were approved by the 2023 Annual General Meeting. These guidelines as well as the expensed amounts are presented in Note 10.

INCENTIVE PROGRAM

Share-based incentive program 2023/2026, 2024/2027 and 2025/2028

Series 2023/2026 in the warrants program resolved on by the Annual General Meeting (AGM) for executive management and key employees of Thule Group was implemented in 2023. The program entails the issue of a maximum of 2,778,000 warrants, distributed in equal parts in three series, to Thule Group's wholly owned subsidiary Thule AB, for further transfer to the participants.

During the fourth quarter of 2023, 388,370 warrants in series 2023/2026 were acquired by 36 participants. The warrants were transferred at a price of SEK 26.72 per warrant, which corresponds to the fair market price calculated by an external party at the time of transfer. The warrants can be exercised for shares between June 15 and December 15, 2026 and the exercise price per share has been set at SEK 339.96, which corresponds to 120 percent of the volume-weighted average price according to Nasdaq Stockholm's official price list during the five trading days immediately preceding the transfer. The so-called roof price has been set at SEK 464.90, which corresponds to 164.1 percent of the same average share price. This means that if the market price of the company's share exceeds the roof price when the option is exercised, the exercise price shall be increased accordingly. 537,630 warrants in series 2023/2026 have been canceled.

The second series, 2024/2027, will be implemented during 2024, but no later than 15 June 2024 and the third series will be implemented during 2025, but no later than 15 June 2025.

Share-based incentive program 2020/2023

The previous incentive program, 2020/2023, concluded during the year and resulted in an increase in the number of shares

and votes in the company of 1,170,661. Thereafter, the total number of shares in the company amounted to 105,733,097 on December 31. Following the above, the company's share capital increased SEK 13,084 to SEK 1,181,710.

Environment

ENVIRONMENTAL IMPACT

Thule Group has a long history of environmental focus due to a commitment to develop high-quality products built to last for a long time, encourage employees with deep environmental engagement and manage its own nine production facilities, not only to legal requirements, but to the higher Thule Group standards. The most important sustainability-related matters are integrated into the company's business and operational plans and reported in the annual sustainability report.

The Group is subject to a number of European Union, national, regional and local environmental and occupational health and safety laws, rules and regulations relating to the protection of the environment and natural resources including, among other things, the management of hazardous substances and waste, air emissions, the discharge of water, transportation, remediation of contamination and workplace health and safety.

Thule Group's operations require the Group to maintain certain environmental licenses for the production of its products including metal-based products with surface treatments and plastics. In addition, Thule Group's manufacturing sites have generally been certified according to the ISO 9001 quality management standards and IATF 16949 as well as the ISO 14001 environmental management system.

The plants outside Sweden adapt their operations, apply for the necessary licenses and report to authorities in accordance with local laws. The Group's Swedish plant, with the production facility in Hillerstorp, conducts operations that require an environmental license in accordance with Swedish environmental legislation.

Thule Sweden AB conducts class C operations under a license for class B operations and is classified as mechanical manufacturing in the form of metal working in a workshop area of less than 18,000 square meters and guarantees that its impact in the form of, for example, noise, dust and emissions

to air and water, both in the immediate area and in general, from its manufacturing unit in Hillerstorp is minimal. Systems are in place for classifying and sorting waste at source and for handling industrial waste. The unit is also certified pursuant to the environmental management standards EN-ISO 14001:2015, EN-ISO 9001:2015 and IATF 16949:2016 (quality management system for automotive industry suppliers).

SUSTAINABILITY REPORT

The Group's sustainability report can be found on pages 28–42 and 94–111.

Future development

FORECAST

Thule Group does not present a financial forecast.

The Thule share, shareholders and proposed appropriation of profits

NUMBER OF SHARES AND QUOTIENT VALUE

The shares of Thule Group AB are listed on the Nasdaq Stockholm Large Cap list. The Group did not buy back or hold any treasury shares during the fiscal year. The number of shares approved, issued and fully paid as per December 31, 2023 was 105,733,097. The company has only one class of share. At general meetings of shareholders, each share carries one vote and each shareholder is entitled to vote for the full number of shares such a shareholder holds in the company.

All shares carry equal rights to the company's assets and profits. The quotient value (nominal value) of the share is SEK 0.01118 per share.

LARGEST SHAREHOLDERS

As of December 31, 2023, Thule Group AB had 29,120 known shareholders. On this date, the largest shareholders were AMF Försäkringar & Fonder (11.7 percent of the capital and votes), Swedbank Robur Fonder (8.0 percent of the capital and votes), Alecta (4.3 percent of the capital and votes),

Handelsbanken Fonder (3.7 percent of the capital and votes) and Vanguard (3.6 percent of the capital and votes).

ARTICLES OF ASSOCIATION

The Articles of Association contain no separate provisions pertaining to the appointment and dismissal of Board members, nor to amendment of the Articles of Association.

PROPOSED APPROPRIATION OF PROFITS

Parent Company

Proposed appropriation of the company's earnings.

At the disposal of the Annual General Meeting:

Share premium reserve, SEK	1,097,883,451
Net income, SEK	634,472,091
	1,732,355,542

The Board proposes that the profit brought forward be appropriated as follows:

Dividend to shareholders, SEK 9.50 x 105,733,097	1,004,464,422
To be carried forward, SEK	727,891,120
	1,732,355,542

Corporate Governance Report

Thule Group is a Swedish public limited liability company listed on the Nasdaq Stockholm Large Cap list. Thule Group's corporate governance is mainly regulated by the Swedish Companies Act and other Swedish laws, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code, "the Code" (available at www.corporategovernanceboard.se). The Code is to be applied to all Swedish companies whose shares are traded on a regulated marketplace in Sweden. Thule Group has applied the Code since November 26, 2014, when Thule Group's share started to be traded on Nasdaq Stockholm. The 2023 Corporate Governance Report describes Thule Group's corporate governance, management and administration as well as the internal control and risk management.

REGULATORY COMPLIANCE

External governance systems

The external governance systems that comprise the framework for corporate governance at Thule Group primarily comprise the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers, the Swedish Corporate Governance Code (the "Code") and other applicable rules and relevant legislation.

Internal governance systems

The Articles of Association adopted by the Annual General Meeting (AGM) and the documents on the rules of procedure for the Board of Thule Group, instructions for the CEO and instructions for the Remuneration and Audit Committees, as adopted by the Board of Directors, are the most important internal governance documents. In addition, the Group has a number of policies and instructions containing rules and principles for the Group's operations and employees.

Deviations from the Code

Companies are not obliged to at all times apply every rule in the Code, but are allowed the freedom to choose alternative solutions which they feel are better in their particular circumstances, provided they report every deviation, describe the alternative solution and explain the reasons for the deviation in its annual corporate governance report (the "comply or explain" principle). Thule Group did not deviate from the rules of the Code in 2023 and therefore has no such deviations to report.

GENERAL MEETING OF SHAREHOLDERS

Pursuant to the Swedish Companies Act (2005:551), the General Meeting is the company's highest decision-making body and the body where shareholders exercise their voting rights. Shareholders who are recorded in the share register on the record date and have notified the company of their intention to participate in the General Meeting not later than the date and time indicated in the notice are entitled to attend the Meeting

in person or by proxy. Resolutions are made at the General Meeting normally by a simple majority. However, in certain matters, the Swedish Companies Act stipulates that a certain level of attendance is required to form a quorum or a qualified majority of votes.

Annual General Meetings must be held within six months from the end of each fiscal year. Thule Group's Annual General Meeting is usually held in April. The Annual General Meeting resolves on such issues as the Articles of Association and is tasked with appointing Board members and the Chairman of the Board, electing auditors and resolving to adopt the income statement, balance sheet and the appropriation of the company's profits, and the discharge from liability of the Board and the CEO vis-à-vis the company. In addition, where necessary, the Annual General Meeting also resolves to adopt principles for the appointment and work of the Nomination Committee, and on principles for the terms of remuneration and employment for the CEO and other executive management.

An Extraordinary General Meeting can be held if specifically required. At the Annual General Meeting, shareholders have the opportunity to ask questions about the company and its results for the year just ended. In addition to annual general meetings (AGMs), extraordinary general meetings (EGMs) can be called. In accordance with the Articles of Association, notice of a general meeting is published in Post- och Inrikes Tidningar and on the company's website, www.thulegroup.com. In conjunction with notice being given, an announcement is made of the notification in Dagens Industri. The Articles of Association

contain no separate provisions pertaining to the appointment and dismissal of Board members, nor to amendment of the Articles of Association. For the complete Articles of Association, refer to the website www.thulegroup.com.

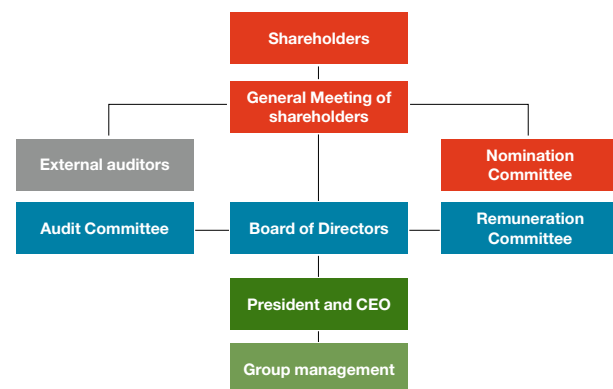
SHAREHOLDERS

Thule Group's share has been listed on Nasdaq Stockholm since November 26, 2014 and moved to the Large Cap list on January 1, 2017. At year end, the share capital amounted to SEK 1,181,710.22, divided between 105,733,097 shares. All of the shares are of the same class and all of the shares in the company carry equal rights in all respects. As of December 31, 2023, Thule Group AB had 29,120 known shareholders. On this date, the largest shareholders were AMF Försäkringar & Fonder (11.7 percent of the capital and votes), Swedbank Robur Fonder (8.0 percent of the capital and votes), Alecta (4.3 percent of the capital and votes), Handelsbanken Fonder (3.7 percent of the capital and votes) and Vanguard (3.6 percent of the capital and votes). Further information about the share and shareholders is available at www.thulegroup.com.

RESOLUTIONS AT THE 2023 ANNUAL GENERAL MEETING

The 2023 AGM was held on April 27, 2023. The complete minutes of and information about the 2023 AGM are available at www.thulegroup.com. The AGM resolved to adopt the submitted income statement and balance sheet and the consolidated income statement and consolidated balance sheet. In accordance with the Board's proposal, the AGM resolved

THULE GROUP'S CORPORATE GOVERNANCE STRUCTURE



to distribute a dividend of SEK 9.20 for the 2022 fiscal year. The dividend was distributed in two installments for a better adaptation to the Group's cash flow profile.

The AGM also resolved that the company's profit, together with earnings for 2022, were to be carried forward. The Meeting discharged the Board members and the CEO from liability and resolved on fees to Board members. The AGM approved the Board's proposal regarding the remuneration of executive management and resolved on a new incentive program in accordance with the Board's proposal.

ANNUAL GENERAL MEETING 2024

The 2024 Annual General Meeting will be held on April 26 in Malmö. For more information, refer to www.thulegroup.com.

NOMINATION COMMITTEE

The Nomination Committee is, in accordance with the principles decided by the AGM in April 2019, to be composed of five members comprising representatives from each of the four largest shareholders in terms of the number of votes as of August 31 every year, and the Chairman of the Board.

The Nomination Committee member representing the largest shareholder in terms of votes is to be appointed as Chairman unless the Committee unanimously appoints another. If more than three months prior to the Annual General Meeting, one or more of the shareholders who have appointed members to the Nomination Committee should cease to belong to the four largest shareholders in terms of votes, the members appointed by these shareholders are to vacate their membership and the shareholder/shareholders who has/have instead become among the four largest shareholders in terms of votes is/are to be entitled to appoint his/their representatives. If a member leaves the Nomination Committee before its work is completed and the Committee finds it desirable to appoint a replacement, the new member should be sourced from the same shareholder or, if this shareholder is no longer one of the largest shareholders in terms of votes, from the next shareholder in line. Changes in the composition of the Nomination Committee must be announced immediately.

The Nomination Committee's duties are to present proposals to the AGM regarding the Chairman of the Board and other Board members together with an explanatory statement for the proposal, to propose fees and other remuneration for Board

assignments for each of the Board members, including any remuneration for Committee work, to present proposals on auditors and their fees, to present a proposal for the Chairman of the AGM and, where appropriate, to propose changes to the appointment of the Nomination Committee. In addition, the Nomination Committee is to assess the independence of the Board members in relation to the company and the largest shareholders. The composition of the Nomination Committee for the AGM is normally announced on the company's website six months before the Meeting. No remuneration is paid to members of the Nomination Committee.

The company is to pay any necessary expenses that the Nomination Committee may incur in its work. The term of office for the Committee ends when the composition of the following Nomination Committee has been announced.

NOMINATION COMMITTEE PRIOR TO THE 2024 ANNUAL GENERAL MEETING

The composition of the Nomination Committee was published in a press release and on www.thulegroup.com on September 25, 2023. The Nomination Committee prior to the 2024 Annual

NOMINATION COMMITTEE

Name	Appointed by	Percentage of votes, Aug 31 2023, %
Anders Oscarsson	AMF Försäkring & Fonder	11.7
Bo Lundgren	Swedbank Robur Fonder	7.6
Helen Fasth Gillstedt	Handelsbanken Fonder	4.7
Carina Siberg	Alecta Tjänstepension	3.8
Hans Eckerström	Chairman of the Board of Thule Group	

General Meeting comprises Anders Oscarsson (AMF Försäkring & Fonder), Bo Lundgren (Swedbank Robur Fonder), Helen Fasth Gillstedt (Handelsbanken Fonder), Carina Silberg (Alecta) and Hans Eckerström (Chairman of the Board of Thule Group AB). After the 2023 Annual General Meeting and until the date on which this Annual Report was presented, the Nomination Committee held seven meetings. As a basis for its proposals to the 2024 Annual General Meeting, the Nomination Committee assessed whether the current Board was appropriately composed and meets the requirements imposed on the Board considering the company's operations, financial position and other circumstances. The Nomination Committee interviewed the company's Board members and discussed the main requirements that should be imposed on Board members, including the independence of members given the number of Board assignments that they have in other companies.

BOARD OF DIRECTORS

Composition in 2023

The Board's duty is to manage the company's affairs on behalf of the shareholders. Under the Articles of Association, the Board

of Thule Group is to comprise no fewer than three and not more than ten members appointed by the AGM for the period until the end of the next AGM. Six Board members were re-elected at the Annual General Meeting on April 27, 2023: Hans Eckerström, Helene Willberg, Heléne Mellquist, Mattias Ankarberg, Sarah McPhee and Johan Westman. Anders Jensen was newly elected. Therese Reuterswärd declined re-election.

Moreover, Hans Eckerström was elected Chairman of the Board. No member of Group management is a Board member. As Mattias Ankarberg assumed the role of CEO in August 2023, he stepped down from the Board. Both the CEO and the CFO of Thule Group participate at Board meetings.

Other officers of the company participate at Board meetings when presenting separate issues. In its reasoned statement ahead of the 2023 AGM, the Nomination Committee stated that it had applied rule 4.1 of the Swedish Corporate Governance Code on diversity policy. The objective of the policy is to ensure that the Board of Directors will, with consideration for the company's business, phase of development and other relevant circumstances, have an appropriate composition of Board members that collectively display diversity and breadth

BOARD COMPOSITION

Name	Year elected	Total fee, SEK (annual) ¹	Independent	Board meetings	Attendance Audit Committee	Remuneration Committee
Chairman						
Hans Eckerström	2009	1,480,000	Yes	12/12	1/1	10/10
Board members						
Heléne Mellquist	2016	475,000	Yes	11/12		10/10
Mattias Ankarberg ⁴	2018	430,000	Yes	7/7		4/4
Helene Willberg	2019	670,000	Yes	12/12	5/5	
Therese Reuterswärd ²	2020	–	Yes	3/3		
Johan Westman	2022	430,000	Yes	12/12		
Sarah McPhee	2022	530,000	Yes	12/12	5/5	
Anders Jensen ³	2023	430,000	Yes	8/9		

1) Fee resolved at the 2023 Annual General Meeting.

2) Therese Reuterswärd declined re-election at the 2023 Annual General Meeting.

3) Anders Jensen was elected as a Board member at the 2023 Annual General Meeting.

4) Mattias Ankarberg stepped down as Board member in conjunction with assuming the role of CEO in August 2023.

in respect of skills, experience and background, and an equal gender distribution. The 2023 AGM resolved to appoint the Board members in accordance with the Nomination Committee's proposal, entailing the election of seven members, three of whom were women and four men. Annual fees to the Board's members are decided by the AGM.

For 2023, fees amounted to SEK 1,390,000 to the Chairman of the Board and SEK 430,000 to each of the other Board members. The Chairman of the Audit Committee is to receive remuneration of SEK 240,000 for Committee work, while SEK 100,000 is to be paid to each of the other members. The Chairman of the Remuneration Committee is to receive remuneration of SEK 90,000 for Committee work, while SEK 45,000 is to be paid to each of the other members.

INDEPENDENCE OF THE BOARD

In accordance with the Code, a majority of the members of the Board elected by the General Meeting are to be independent in relation to the company and its management. The independence of the Board members is presented in the table Board composition.

Each member's assessment of his or her independence in relation to the company, its management and major shareholders is presented in the Facts about the Board and Group management section.

The composition of the Board meets the Code's requirements for independence.

RESPONSIBILITIES OF THE CHAIRMAN

The Chairman of the Board leads the Board's work and ensures that activities are conducted efficiently. The Chairman ensures that the Swedish Companies Act and other applicable laws and regulations are adhered to and that the Board receives the necessary training and improves its knowledge of the company. The Chairman monitors the operations in close dialog with the CEO, conveys opinions from shareholders to other Board members and serves as a spokesman for the Board.

The Chairman is also responsible for providing the other members of the Board with information and decision data and for implementing Board decisions.

In addition, the Chairman is responsible for ensuring that the work of the Board is evaluated every year and reported to the Nomination Committee.

BOARD RESPONSIBILITIES AND WORK

The duties of the Board of Directors are primarily set out in the Swedish Companies Act and the Code. In addition, the work of the Board is guided by rules of procedure that the Board adopts every year. The rules of procedure regulate the allocation of work and responsibility between the Board, Chairman of the Board and CEO, as well as stipulate procedures for financial reporting by the CEO.

The Board also adopts instructions for the Board's Committees. The Board is tasked with establishing strategies, business plans and budgets as well as submitting interim financial statements, annual accounts, and adopting policies and guidelines. The Board is also charged with following the financial developments, ensuring the quality of financial reporting and control functions and evaluating the company's operations based on the established goals and guidelines adopted by the Board. Finally, the Board also takes decisions regarding major investments and organizational and operational changes in the company.

Working closely with the CEO, the Chairman of the Board is tasked with monitoring the company's performance and acting as Chairman at Board meetings. The current rules of procedure state that the Board is to meet at least six times a year in addition to the statutory meeting following election. The Board held twelve meetings during the year, of which two were held per capsulam. All Board meetings follow a predetermined agenda. Attendance at Board meetings is presented in the table on the composition of the Board.

In 2023, the Board mainly addressed matters regarding the operations, budget, acquisitions, new CEO, strategic direction, sustainability and CSRD matters as well as and the management of company law issues.

BOARD COMMITTEES

The Board has two committees, the Remuneration Committee and the Audit Committee. The committees report on the issues addressed to the Board in connection with Board meetings. The work of the respective committees is carried out pursuant to written instructions and rules of procedure from the Board. Minutes of the committees' meetings are available to all Board members.

REMUNERATION COMMITTEE

The Remuneration Committee is tasked with preparing issues regarding remuneration and other terms of employment for the CEO and the company's executive management. The work involves the preparation of proposals for guidelines for items, such as: the allocation between fixed and variable remuneration, the relationship between performance and compensation, the main terms of bonus and incentive programs, conditions for other benefits, pensions, termination and severance pay, and the preparation of proposals for individual remuneration packages for the CEO and executive management.

Furthermore, the Remuneration Committee also monitors and evaluates the outcome of variable remuneration, and how the company complies with the remuneration guidelines adopted by the general meeting of shareholders.

Until the Annual General Meeting, the Remuneration Committee consisted of Hans Eckerström (Chairman), Heléne Mellquist and Mattias Ankarberg. In conjunction with the Annual General Meeting, Mattias Ankarberg stepped down from the Committee. The Remuneration Committee held ten meetings in 2023. The members' attendance at meetings of the Remuneration Committee is presented in the table Board composition.

AUDIT COMMITTEE

The main task of the Audit Committee is to ensure that the Board meets the supervision requirements relating to accounting and financial reporting, internal control regarding financial reporting, auditing, financial risk management and

prepares accounting and auditing matters. In addition, the Audit Committee monitors the impartiality and independence of the auditor and evaluates the audit work. The Audit Committee also assists the company's Nomination Committee when preparing proposals for auditors and recommendations for auditor's fees.

The Audit Committee in Thule Group comprises two members, Helene Willberg (Chairman) and Sarah McPhee. Helene Willberg has been Chair of the Audit Committee for all of 2023, with Hans Eckerström and Sarah McPhee as members until the Annual General Meeting. Helene Willberg and Sarah McPhee were thereafter appointed as members of the committee. The Audit Committee held five meetings in 2023. The members' attendance at meetings of the Audit Committee is presented in the table Board composition.

The Audit Committee meets all the requirements vis-à-vis auditing and accounting competence as stipulated in the Swedish Companies Act.

AUDITORS

The auditor is elected at the Annual General Meeting every year. The auditors review the company's and subsidiaries' financial reports and accounts as well as the administration of the Board and the CEO. The auditor participates at the Board meeting that addresses the year-end accounts. At this meeting, the auditor presents the financial information and discusses the audit with the Board members without the CEO and executive management attending. The auditor maintains continuous contact with the company and its management.

AUDIT FEES

SEKm	Group		Parent Company	
	2023	2022	2023	2022
Audit PwC	3.9	3.6	1.2	1.2
Audit in addition to audit assignment PwC	–	0.0	–	–
Tax consultancy PwC	0.6	–	0.6	–
Other services PwC	0.4	0.2	0.4	0.2
Total	5.0	3.8	2.2	1.4

Thule Group's auditors are to review the Annual Report and consolidated financial statements for Thule Group AB and the administration of the Board and the CEO. The auditors follow an audit plan that is discussed with the Audit Committee.

Reports were presented to the Audit Committee during the course of the audit and finally to the Board as a whole when the year-end report was adopted. The auditor is also to attend the Annual General Meeting and describe the audit activities and observations made in an auditor's report. The 2017 Annual General Meeting elected PricewaterhouseCoopers AB with Eric Salander as Auditor in Charge. In conjunction with the 2023 Annual General Meeting, PricewaterhouseCoopers AB was re-elected for a term of one year with Eric Salander as Auditor in Charge. During the year, the auditors performed certain audit-related consulting assignments in addition to the audit, mainly pertaining to incentive program issues. The appointed auditor is responsible for auditing all of the important subsidiaries in the Group.

CEO AND OTHER EXECUTIVE MANAGEMENT

The CEO is subordinate to the Board of Directors and is responsible for the day-to-day management and operations of the company. Magnus Welander was CEO until Mattias Ankarberg assumed the post in August 2023. The division of work between the Board of Directors and the CEO is set out in the rules of procedure for the Board of Directors and instructions for the CEO. The CEO is also responsible for the preparation of reports and compiling information from management for Board meetings and for presenting such material at Board meetings.

According to the instructions for financial reporting, the CEO is responsible for the financial reporting in Thule Group and consequently must ensure that the Board receives adequate information for the Board to be able to evaluate the company's and the Group's financial position. The CEO keeps the Board continuously informed of developments in Thule Group's operations, the development of sales, Thule Group's results and financial position, liquidity and credit status, important business events and all other events, circumstances or conditions that can be assumed to be of significance to the company's shareholders.

Information about remuneration, share-based incentive programs and terms of employment for the CEO and other executive management is available at www.thulegroup.com.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board's responsibility for the internal control is governed by the Swedish Companies Act, the Swedish Annual Accounts Act (1995:1554), and the Code.

Information regarding the most important aspects of the company's system for internal control and risk management in connection with financial reporting must each year be included in the company's Corporate Governance Report.

The procedures for internal control, risk assessment, control activities, and monitoring with respect to the financial reporting have been designed to ensure reliable overall financial reporting and external financial reporting in accordance with IFRS, applicable laws and regulations as well as other requirements, which apply to companies listed on Nasdaq Stockholm. This work involves the Board, Group management and other personnel.

Control environment

The Board has adopted instructions and governance documents aimed at regulating the roles and allocation of responsibility between the CEO and the Board. The way in which the Board monitors and ensures quality in the internal control is documented in the Board's rules of procedure and Thule Group's finance policy.

The control environment also includes the Board evaluating the performance and results of the operations through monthly and quarterly report packages. The reporting contain outcomes, budget comparisons, forecasts, operational targets, strategic plans, assessment and evaluation of financial risks, and analysis of important financial and operational key figures. The responsibility for the presentation of the report package to the Board and the responsibility for maintaining an effective control environment, and the day-to-day risk assessment and internal control over the financial reporting are delegated to the CEO. However, the Board is ultimately responsible. Managers at various levels in Thule Group's business areas are, in turn, responsible for ensuring compliance with established guidelines within their business area.

Risk assessment and control activities

The company conducts continuous risk assessment to identify risks in all areas of operation. These risks, which include the risk of both loss of assets as well as irregularities and fraud, are assessed regularly by the Board. The structure of control

activities is of particular importance in the company's work of preventing and discovering deficiencies. The assessment and control of risks also cover the operational management of each reporting unit, where meetings are held at least six times a year in connection with business review meetings. Thule Group's CEO and CFO, as well as local and regional management, participate at these meetings.

Information and communication

The company's governance documents for financial reporting primarily comprise guidelines, policies and manuals that are continuously updated and communicated to the appropriate employees via relevant information channels. A communication policy is in place for external information that provides guidelines on how such information is to be provided. The aim of the policy is to ensure that the company complies with the requirements for disseminating correct and complete information to the market.

Monitoring, assessment and reporting

The Board regularly assesses the information provided by Group management. Between Board meetings, the Board regularly receives updated information regarding Thule Group's performance. Thule Group's financial position, operations, development and capital expenditures are discussed at each Board meeting. The Board is also responsible for monitoring the internal control. This work includes ensuring that measures are taken to address any deficiencies, as well as follow-up of proposals for measures to which attention has been drawn in connection with the external audit.

Each year, the company carries out a self-assessment of the risk management and internal control work. This process includes a review of the manner in which established routines and guidelines are applied. The Board receives information regarding important conclusions drawn from this annual assessment process, and regarding any measures relating to the company's internal control environment.

Internal audit

Under paragraph 7.3 of the Code, the Board is to annually evaluate the need for a separate audit function, which is to ensure that financial reports are produced in accordance with legislation, applicable accounting standards and other

applicable requirements for listed companies. Considering the internal control activities that have been performed, the Board does not deem there to be any need to establish a separate internal audit function.

Board of Directors

Independence: All members are independent in relation to the company's owners.



HANS ECKERSTRÖM

Chair of the Board since 2022.

Born 1972.

Board member since 2007. (Board member in a former parent company of the Thule Group 2007–2009.)

CIO (Chief Investment Officer) at Aligro Planet Acquisition Company AB (publ).

Education and professional experience: M.Sc. Mechanical Engineering, Chalmers University of Technology. M.Sc. Business Administration, University of Gothenburg. Previously, Management Consultant at Arthur D. Little. Partner, NC Advisory AB and advisor to the Nordic Capital Funds, CIO for Aligro Planet Acquisition Company.

Other current Board appointments: Chair of Profoto Holding AB (publ). Board member of Swedbank AB (publ).

Previous Board appointments: Chair of Henry Lloyd Group AB, Nobia AB (publ), Brink International AB and Britax Childcare Limited. Board member of Nordstjernan AB, Nefab AB (publ), Cloetta AB (publ) and Aditro AB.

Board Committees Thule Group: Chair of the Remuneration Committee.

Holdings in Thule Group at March 1, 2024: Shares: 35,000 (legal person).

ANDERS JENSEN

Board member since 2023.

Born 1977.

CEO and President of Cary Group Holding AB.

Education and professional experience: Bachelor in Marketing from IHM Business School. Previously founder of Samglas AB, where he also was CEO and board member. He was appointed CEO of the company when Samglas was later acquired by Ryds Bilglas AB.

Holdings in Thule Group at March 1, 2024: Shares: 15,162 (own).

SARAH MCPHEE

Board member since 2022.

Born 1954.

Education and professional experience: B.Sc. in Economics from the Stockholm School of Economics and an M.A. from Stanford University. Previously CEO at SPP and Executive Vice President of Storebrand ASA and held several leading roles in AMF Pension, The Fourth Swedish National Pension Fund, Svenska Handelsbanken and GE Capital.

Other current Board appointments: Chair of the Board of Houdini Sportswear AB and Board member of Bure Equity AB and Karolinska institutet.

Previous Board appointments: Chair of the Board of The Fourth Swedish National Pension Fund and the Center for Business and Economic Studies (SNS), board member ACQ Bure AB, Atle AB, Axel Johnson Inc in USA, Grover GmbH, Klarna AB and SAXO Bank.

Board Committees Thule Group: Member of the Audit Committee.

Holdings in Thule Group at March 1, 2024: Shares: 650 (own), 1,900 (legal).

HELÉNE MELLQUIST

Board member since 2016.

Born 1964.

Executive Vice President and Chief Operating Officer Latour Group.

Education and professional experience: B.Sc. in International Business Administration, Gothenburg School of Economics. Executive Program IFL, Stockholm School of Economics. Previously CEO Volvo PENTA, Senior Vice President Volvo Trucks Europe and Volvo Trucks International, CEO and CFO at Rederi AB TransAtlantic and CFO at the International Division of Volvo Lastvagnar.

Other current Board appointments: Board member of Atlas Copco AB (publ).

Previous Board appointments: Board member of Alfa Laval AB (publ), Cavotec S.A. (publ), Partnertech AB and Opus Group AB (publ).

Board Committees Thule Group: Member of the Remuneration Committee.

Holdings in Thule Group at March 1, 2024: Shares: 1,740 (own).

JOHAN WESTMAN

Board member since 2022.

Born 1973.

CEO and President AAK (publ).

Education and professional experience: Master of Science in Industrial Engineering and Management from Chalmers University of Technology. Previously Senior Vice President Europe and Managing Director of the BlankLight division at Shiloh Industries, Inc. and held leading positions, including as CEO and president within the FinnvedenBulten Group. Additionally, Johan has many years of experience as a management consultant at Arthur D. Little.

Other current Board appointments: Chair of the Board of Absolent Air Care Group AB.

Holdings in Thule Group at March 1, 2024: Shares: 3,332 (own).

HELENE WILLBERG

Board member since 2019.

Born 1967.

Education and professional experience: B.Sc., Stockholm School of Economics. Previously, Country Head Alvarez & Marsal Sweden AB, and several leading roles at KPMG, including as CEO of KPMG Sweden and as Head of KPMG's Financial Advisory Services.

Other current Board appointments: Board member of Enzymatica AB (publ), Renewcell AB, Byggfakta Group Nordic HoldCo AB, Profoto Holding AB (publ), Nordic Paper Holding AB (publ), Indecap Holding AB and Infrea AB (publ).

Previous Board appointments: Aligro Planet Acquisition Company AB (publ), Footway Group AB (publ).

Board Committees Thule Group: Chair of the Audit Committee.

Holdings in Thule Group at March 1, 2024: Shares: 1,800 (own).

Group management



MATTIAS ANKARBERG
CEO & President
Assumed the role in August 2023.

Born 1976.

Employed at Thule Group since 2023, member of the Thule Group board 2018–2023.

Education and professional experience: M.Sc. in Economics and Business Administration, Stockholm School of Economics. Formerly CEO of Byggmax Group, leading positions at the H&M Group and Consultant at McKinsey & Company in Sweden and USA.

Current Board appointments: Chair of Sigrid Therapeutics AB.

Holdings in Thule Group at March 1, 2024: Shares: 10,000 (own), Warrants Series 2023/2026: 110,000 (own).

MAGNUS WELANDER
Ended the role in August 2023.

Born 1966.

Employed at Thule Group since: 2006.

Education and professional experience: Master of Science in Engineering Industrial Economics, Linköping Technical University. Previous CEO of Envirotainer, various senior positions within Tetra Pak in Italy and Italy and Australia.

Current Board appointments: Chairman of the board in Mips (publ).

Holding in Thule Group when he ended his role: Shares: 636,990 (through LeMore Invest AB).

RICKARD ANDERSSON
Director Supply Chain

Born 1977.

Employed at Thule Group since: 2008.

Education and professional experience: M.Sc. in Civil Engineering from Royal Institute of Technology (KTH), Stockholm. M.Sc. in Business Administration and Economics from Stockholm University School of Business, Stockholm. Former VP Supply Chain Region Europe & RoW at Thule Group and positions within Supply Chain at Hexpol and IKEA.

Holdings in Thule Group at March 1, 2024: Shares: 750 (own), Warrants Series 2023/2026: 20 000 (own).

FREDRIK ERLANDSSON
SVP Communications and IR

Born 1970.

Employed at Thule Group since: 2010.

Education and professional experience: University studies in political science and economics, Lund University and Copenhagen University. Former Corporate Relations Director at Diageo Plc., GM at Ehrenberg Marketing & Kommunikation Nordics; and chief of staff for national delegation to the European parliament in Brussels.

Previous Board appointments: Board member of Landskrona Stadshus AB. Municipal Executive Board City of Landskrona.

Holdings in Thule Group at March 1, 2024: Shares: 108,138 (own), Warrants Series 2023/2026: 1,000 (own).

KAJSA VON GEIJER
SVP HR and Sustainability
Ended the role in February 2024

Born 1964.

Employed at Thule Group since: 2005.

Education and professional experience: B.Sc. in Human Resource Development and Labour Relations, Lund University. Former HR Director Europe at FMC Food Tech, HR Director Nordic at Levi Strauss, Training & Development Manager at Nestlé Sweden AB, HR Manager at Trellex AB/ Svedala Svenska AB and HR Officer at Trelleborg AB.

Current Board appointments: Board member of Landskrona Stadshus AB. Municipal Executive Board City of Landskrona.

Holding in Thule Group when she ended her role: –

HILARY HARTLEY
President
Region Americas

Born 1967.

Employed at Thule Group since: 2021

Education and professional experience: BBA Marketing, University of Maine. Former President North America, Victorinox Swiss Army Inc., Vice President North America, Oakley / Luxottica, Managing Director, Oakley, Canada, Sales, Products and Marketing roles at Rossignol Ski Company.

Holdings in Thule Group: –

TOBY LAWTON
CFO
Assumed the role in January 2024.

Born 1974.

Employed at Thule Group since: 2024.

Education and professional experience: MA in Physics from Oxford University. Member of the Chartered Institute of Management Accountants and Association of Corporate Treasurers. Previously CFO Svenska Cellulose SCA (publ), CFO Renewcell AB (publ), CFO Vinda International Holdings Limited, CFO Asia Pacific and VP M&A in the SCA Group.

Holdings in Thule Group at March 1, 2024: Shares: 750 (own), Warrants Series 2023/2026: 40,000 (own).

JONAS LINDQVIST
Ended the role in December 2023.

Born 1962.

Employed at Thule Group since: 2020.

Education and professional experience: Education and professional experience Degree in economics, Lund University, EMBA, Stockholm School of Economics Stockholm and AMP, Harvard Business School. Previous CFO Arjo (publ), CFO Beijer Ref (publ).

Holdings in Thule Group when he ended his role: Shares: 2,000.

KARL-JOHAN MAGNUSSON
SVP Product Development

Born 1972.

Employed at Thule Group since: 1999.

Education and professional experience: Bachelor of Science In Mechanical engineering from Halmstad University, Sweden. Formerly various positions within product development and product management at Thule Group.

Current Board appointments: Engineering & supply at Turnils AB. Board member Stiftelsen Forum Finnveden.

Holdings in Thule Group at March 1, 2024: Shares: 1,365 (own), Warrants Series 2023/2026: 26,500 (own).

Financial statements

Consolidated income statement

January 1–December 31, SEKm	Note	2023	2022
Net sales	5, 6	9 132	10 138
Cost of goods sold		-5 395	-6 279
Gross income		3 737	3 859
Other operating revenue	7	–	–
Selling expenses		-1 820	-1 768
Administrative expenses		-412	-385
Operating income	8, 10, 11, 12	1 505	1 706
Financial revenue	13	79	32
Financial expenses	13	-163	-91
Income before taxes		1 420	1 647
Taxes	14	-321	-373
Net income		1 099	1 275
Net income pertaining to:			
Shareholders of Parent Company		1 099	1 275
Net income		1 099	1 275
Earnings per share, SEK	15		
before dilution		10.45	12.19
after dilution		10.44	12.12

Consolidated statement of comprehensive income

January 1–December 31, SEKm	Note	2023	2022
Net income		1 099	1 275
Other comprehensive income			
Items that have been carried over or can be carried over to net income			
Foreign currency translation		-109	827
Cash flow hedges		35	14
Net investment hedge		11	-87
Tax on components in other comprehensive income	14	-20	-5
Items that cannot be carried over to net income			
Revaluation of defined-benefit pension plans		-41	98
Tax pertaining to items that cannot be carried over to net income	14	8	-20
Other comprehensive income		-115	826
Comprehensive income		984	2 101
Comprehensive income pertaining to:			
Shareholders of Parent Company		984	2 101
Comprehensive income		984	2 101

Consolidated balance sheet

Per December 31, SEKm	Note	2023	2022
Assets			
Intangible assets	16	4 887	4 999
Tangible assets	17, 21	2 122	2 007
Long-term receivables		7	8
Deferred tax receivables	14	281	320
Total fixed assets		7 297	7 334
Inventories	18	2 300	3 129
Tax receivables		199	22
Accounts receivable	19	706	723
Prepaid expenses and accrued income		199	108
Other receivables		172	187
Cash and cash equivalents	25	94	176
Total current assets		3 669	4 345
Total assets		10 966	11 679

Per December 31, SEKm	Note	2023	2022
Equity and liabilities			
Equity			
	20		
Share capital		1	1
Other capital contributed		2 923	2 644
Reserves		719	801
Profit brought forward including net income		3 206	3 107
Total equity		6 849	6 553
Liabilities			
Long-term interest-bearing liabilities	21, 22	2 038	2 983
Provision for pensions	11	205	156
Deferred income tax liabilities	14	399	393
Total long-term liabilities		2 642	3 533
Short-term interest-bearing liabilities	21, 22	136	107
Accounts payable		649	576
Tax liabilities		78	114
Other liabilities		51	71
Accrued expenses and deferred income	23	513	631
Provisions	24	49	93
Total short-term liabilities		1 475	1 593
Total liabilities		4 117	5 126
Total equity and liabilities		10 966	11 679

Information about the Group's pledged assets and contingent liabilities is provided in notes 28 and 29.

Consolidated statement of changes in equity

Equity attributable to shareholders of Parent Company

SEKm	Share capital	Other capital contributed	Translation reserve	Hedge reserve	Profit brought forward including net income	Total equity
Opening balance, January 1, 2022	1	2 648	51	2	3 114	5 815
Comprehensive income						
Net income	–	–	–	–	1 275	1 275
Other comprehensive income	–	–	737	11	78	826
Comprehensive income	0	0	737	11	1 352	2 101
Transactions with the Group's owners						
Dividend	–	–	–	–	-1 359	-1 359
Buy back of warrants	–	-4	–	–	–	-4
Total contribution from owners	0	-4	0	0	-1 359	-1 363
Closing balance equity, December 31, 2022	1	2 644	788	13	3 107	6 553
Opening balance, January 1, 2023	1	2 644	788	13	3 107	6 553
Comprehensive income						
Net income	–	–	–	–	1 099	1 099
Other comprehensive income	–	–	-110	28	-33	-115
Comprehensive income	0	0	-110	28	1 066	984
Transactions with the Group's owners						
Dividend	–	–	–	–	-967	-967
New issue of shares	0	273	–	–	–	273
Warrants	–	6	–	–	–	6
Total contribution from owners	0	279	0	0	-967	-688
Closing balance equity, December 31, 2023	1	2 923	678	41	3 206	6 849

The translation reserve and hedge reserve are included in the item Reserves under equity in the balance sheet.

Consolidated statement of cash flow

January 1–December 31, SEKm	Note	2023	2022
Operating activities	25		
Income before taxes		1 420	1 647
Adjustments for items not included in cash flow		303	261
Paid income taxes		-509	-410
Cash flow from operating activities prior to changes in working capital		1 214	1 498
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories		801	-412
Increase (-)/Decrease (+) in receivables		-74	218
Increase (+)/Decrease (-) in liabilities		-91	-689
Cash flow from operating activities		1 850	616
Investing activities			
Acquisition of subsidiaries		-	-20
Acquisition of intangible assets		-	-1
Acquisition of tangible assets		-251	-443
Divestment of tangible assets		0	1
Cash flow from investing activities		-251	-464
Financing activities			
New issue of shares		273	-
Dividend		-967	-1 359
Warrants		6	-4
Borrowings		3	1 305
Debt repaid		-995	-78
Cash flow from financing activities		-1 679	-136
Net cash flow		-80	16
Cash and cash equivalents at beginning of year		176	149
Effect of exchange rates on cash and cash equivalents		-2	11
Cash and cash equivalents at end of year		94	176

Parent Company income statement

January 1–December 31, SEKm	Note	2023	2022
Other operating revenue	7	21	21
Administrative expenses		-84	-46
Operating income	8, 10, 11	-62	-24
Profit from financial items:	13		
Profit from participations in Group companies		600	650
Other interest income and similar profit/loss items		164	36
Interest expense and similar profit/loss items		-178	-55
Income after financial items		524	608
Appropriations	26	120	85
Income before taxes		644	693
Taxes	14	-9	-9
Net income		634	684

Parent Company statement of comprehensive income

January 1–December 31, SEKm	Note	2023	2022
Net income		634	684
Other comprehensive income			
Other comprehensive income		-	-
Comprehensive income		634	684

Parent Company balance sheet

Per December 31, SEKm	Note	2023	2022
Assets			
Fixed assets			
Financial fixed assets			
Participations in Group companies	27	1 000	1 000
Receivables from Group companies	31	3 499	4 410
Deferred tax receivables		7	6
Other long-term receivables		25	22
Total financial fixed assets		4 530	5 438
Total fixed assets		4 530	5 438
Current assets			
Receivables from Group companies	31	721	736
Other current receivables		10	13
Cash and bank balances		0	0
Total current assets		731	748
Total assets		5 261	6 186

Per December 31, SEKm	Note	2023	2022
Equity and liabilities			
Equity	20		
Restricted equity			
Share capital		1	1
Non-restricted equity			
Share premium reserve		1 098	1 102
Profit brought forward		–	–
Net income		634	684
Total equity		1 734	1 786
Long-term liabilities			
Provisions for other pensions		32	28
Liabilities to credit institutions	22	1 903	2 812
Liabilities to Group companies	31	0	0
Total long-term liabilities		1 935	2 841
Short-term liabilities			
Liabilities to credit institutions	22	0	0
Liabilities to Group companies	31	1 546	1 540
Other short-term liabilities		15	6
Accrued expenses and deferred income	23	31	12
Provisions	24	0	0
Total short-term liabilities		1 592	1 559
Total equity and liabilities		5 261	6 186

Parent Company statement of changes in equity

SEKm	Share capital	Share premium reserve	Profit brought forward	Net income	Total equity
Opening balance, January 1, 2022	1	1 569	0	895	2 466
Comprehensive income					
Net income	–	–	–	684	684
Total comprehensive income	0	0	0	684	684
Appropriation of profits	–	–	895	-895	0
Dividend	–	-468	-891	–	-1 359
Warrants	–	–	-4	–	-4
Closing balance equity, December 31, 2022	1	1 102	0	684	1 786
Opening balance, January 1, 2023	1	1 102	0	684	1 786
Comprehensive income					
Net income	–	–	–	634	634
Total comprehensive income	0	0	0	634	634
Appropriation of profits	–	–	684	-684	0
New issue of shares	0	273	–	–	273
Dividend	–	-277	-690	–	-967
Warrants	–	–	6	–	6
Closing balance equity, December 31, 2023	1	1 098	0	634	1 734

Parent Company cash flow statement

January 1–December 31, SEKm	Note	2023	2022
Operating activities	25		
Income before taxes		644	693
Adjustments for items not included in cash flow		-600	-650
Dividend received		650	900
Paid income taxes		0	0
Cash flow from operating activities prior to changes in working capital		694	943
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in receivables		-45	-69
Increase (+)/Decrease (-) in liabilities		31	-4
Cash flow from operating activities		680	870
Investing activities			
		–	–
Financing activities			
New issue of shares		273	–
Dividend		-967	-1 359
Warrants		6	-4
Borrowings		–	1 305
Debt repaid		-900	–
Debt repaid/borrowings to subsidiaries		907	-812
Cash flow from financing activities		-680	-870
Net cash flow		0	0
Cash and cash equivalents at beginning of year		0	0
Cash and cash equivalents at end of year		0	0



Notes

Note	page	Note	page	Note	page	Note	page
1 Significant accounting policies	67	9 Average number of employees and gender distribution in company management	77	17 Tangible assets	84	25 Cash flow statement	88
2 Assessments and assumptions	71	10 Remuneration of employees	77	18 Inventories	85	26 Appropriations	88
3 Measurement of financial assets and liabilities	72	11 Provision for pensions	80	19 Accounts receivable	85	27 Participations in subsidiaries	88
4 Financial risk management	73	12 Expenses divided by type of cost	81	20 Specific disclosures regarding equity	85	28 Pledged assets	89
5 Revenue	75	13 Net financial items	81	21 Leases	86	29 Contingent liabilities	89
6 Segment accounting	76	14 Taxes	81	22 Interest-bearing liabilities	87	30 Events after the balance sheet date	89
7 Other operating revenue	76	15 Earnings per share	83	23 Accrued expenses and deferred income	87	31 Related-party transactions	89
8 Audit fees	76	16 Intangible assets	83	24 Provisions	87		

Notes for Parent Company and Group

All amounts are in million Swedish kronor (SEKm) unless otherwise stated.

NOTE 1

Significant accounting policies

General information

Thule Group AB (publ), Corp. Reg. No. 556770-6311, is a Swedish registered, limited liability company with its registered office in Malmö, Sweden. The shares of Thule Group are listed on the Nasdaq Stockholm Large Cap list. The consolidated financial statements for the fiscal year January 1 to December 31, 2023 comprise Thule Group AB (Parent Company) and its subsidiaries.

The annual and consolidated accounts were approved for publication by the Board of Directors and the CEO & President on April 3, 2024.

The consolidated income statement, statement of comprehensive income, and the balance sheet, and the Parent Company income statement and balance sheet are subject to approval by the Annual General Meeting on April 26, 2024.

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as adopted by the EU. In addition, the Swedish Corporate Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups was applied. The Parent Company applies the same accounting policies as the Group except in cases listed below in the section "Parent Company accounting policies."

Refer to Alternative performance measures and other financial definitions on page 118 for alternative performance measures.

Basis of preparation of the consolidated financial statements

The Parent Company's functional currency is SEK, which is also the presentation currency for the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest million.

Assets and liabilities are recognized at historical cost, except for certain financial assets and liabilities, and contingent considerations that are measured at fair value. Financial assets

and liabilities measured at fair value consist of derivatives. A defined-benefit pension liability is recognized at the present value of the defined-benefit liability.

The preparation of the financial statements in accordance with IFRS requires management to make assessments and estimates, as well as assumptions, that affect the application of the accounting policies and the amounts of assets, liabilities, revenue and expenses recognized. The actual outcome may differ from these estimates and assessments.

Estimates and assumptions are reviewed regularly. Changes in estimates are recognized in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects the period in question and future periods.

Assessments made by management when applying IFRS that have a significant effect on the financial statements and estimates made that may involve material adjustments in the following year's financial statements are described in detail in Note 2. The accounting policies presented below have been consistently applied to all periods presented in the consolidated financial statements, unless otherwise stated below.

Amended accounting policies resulting from amended IFRS

Amended IFRSs that became effective from January 1, 2023 have had no material impact on the Group's accounting.

Standards, amendments and interpretations not yet applied

New and amended IFRSs adopted by the IASB that will be applied in the future are not expected to have any significant impact on the company's financial statements.

Classification

Fixed assets essentially comprise amounts that are expected to be recovered or paid more than twelve months after the balance sheet date, while current assets essentially comprise amounts expected to be recovered or paid within twelve months from the balance sheet date.

Long-term liabilities essentially comprise amounts that, at the end of the reporting period, the Group has an unconditional right to choose to pay more than twelve months after the end of the reporting period. If no such right should exist at the end of the reporting period, or if the liability is held for trading or is expected to be settled within the normal business cycle, the liability is recognized as a current liability.

Operating segment reporting

An operating segment is part of the Group that conducts business operations from which it generates revenue and incurs expenses and for which independent financial information is available. Furthermore, the earnings of an operating segment are followed up by the company's chief operating decision-maker, the CEO, and the company management for evaluating performance and for allocating resources to the operating segment.

Consolidated financial statements

The consolidated financial statements include the Parent Company and its subsidiaries. Subsidiaries are companies over which Thule Group AB has controlling influence. Controlling influence exists if Thule Group AB has power over the investee, is exposed to or has rights to variable returns from its involvement, and has the ability to use its power over the investee to affect the amount of the returns. Shares that potentially carry voting rights and any de facto control are taken into account in assessing the existence of a controlling influence.

Subsidiaries are recognized in accordance with the purchase method. This method entails that the acquisition of a subsidiary is considered to be a transaction whereby the Group indirectly

acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis determines the fair value of the acquired identifiable assets and assumed liabilities, as well as any non-controlling interests, on the acquisition date.

Subsidiaries are fully consolidated from the acquisition date until the controlling influence ends. In cases where the subsidiary's accounting policies are not the same as the Group's accounting policies, adjustments were made to the Group's accounting policies. Losses attributable to non-controlling interests are also allocated if the non-controlling interest is negative.

Elimination of intra-Group transactions

Intra-Group receivables and liabilities, revenue or costs and unrealized gains or losses arising from intra-Group transactions are eliminated in their entirety when preparing the consolidated financial statements.

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency at the exchange rate on the date of the transaction. The functional currency is the currency in the primary financial environments in which the Group companies operate their business. Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate that applies on the balance sheet date. Exchange rate differences arising on translation are recognized through profit or loss. Non-monetary assets and liabilities that are recognized at historic cost are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities measured at fair value are translated to the functional currency using the exchange rate on the date that fair value was determined. Exchange rate differences on operating receivables and operating liabilities are included in operating income, while exchange rate differences on financial receivables and liabilities are classified as financial items.

Translation of foreign subsidiaries

Assets and liabilities in foreign operations, including goodwill and other consolidated surplus and deficit values, are translated from the foreign operation's functional currency to the Group's presentation currency, SEK, at the existing exchange rate on the balance sheet date. Revenue and expenses in foreign operations are translated to SEK using an average exchange rate that is an approximation of the exchange rates prevailing on each individual transaction date.

Translation differences that arise in currency translations of foreign operations are recognized in other comprehensive income and accrued in a separate component in equity, called the translation reserve. When a foreign operation is divested, accumulated translation differences attributable to the business are realized, at which time they are reclassified from the translation reserve in equity to net income.

Net investment in a foreign operation

Monetary long-term receivables from foreign operations for which settlement is not planned or will likely not occur in the foreseeable future, are, in practice, part of the company's net investment in the foreign operations. Exchange rate differences arising on the monetary long-term receivable are recognized in other comprehensive income and accrued as a separate component in equity, called a translation reserve. When a foreign operation is divested, the accrued exchange rate differences attributable to monetary long-term receivables are included in the accrued translation differences that are reclassified from the translation reserve in equity to net income.

Revenue

Revenue is measured based on the compensation specified in the contract with the customer. The Group recognizes revenue when control of a product or service is transferred to the

customer. All revenue recognition takes place at one point in time. The Group's revenue is mainly attributable to goods.

Sales of products to retailers and distributors normally have short delivery times. Control of the goods passes to customers when these have been delivered and accepted by the customer. In conjunction with delivery of the products, invoices are normally prepared with customary payment terms depending on the product category and geographic market. Some contracts entitle the customer to discounts and certain contracts allow the customer to return goods under specific circumstances. For contracts that allow customers to return goods, revenue is recognized to the extent that it is highly likely that a substantial reversal of recognized revenue will not arise. Discounts and volume discounts affect the transaction price continuously.

Leases

The Group recognizes a right-of-use asset and a lease liability on the commencement date of a lease. The right-of-use asset is initially recognized at cost, which comprises the initial value of the lease liability plus any lease payments paid on or prior to the commencement date and plus any initial direct costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life and the lease term, which for the Group is normally the end of the lease term. In less usual cases, where the cost of the right-of-use asset reflects the Group's intention to exercise an option to purchase the underlying asset, the asset is depreciated until the end of its useful life. Right-of-use assets are included under the balance sheet item Tangible assets.

The lease liability – which is allocated to long-term and short-term components – is initially measured at the present value of the remaining lease payments over the estimated lease term. The lease term comprises the non-terminable period with the addition of further periods in the agreement if, on the commencement date, it is deemed reasonably certain that this option will be exercised. Lease liabilities are included in the respective balance sheet items long-term interest-bearing liabilities and short-term interest-bearing liabilities.

The lease payments are normally discounted at the Group's incremental borrowing rate, which in addition to the Group's credit risk, reflects the respective lease term, currency and quality of the underlying asset as collateral.

Lease payments are allocated between repayment of the liability and interest payments. The interest expense is recognized in profit or loss over the lease term so as to produce a fixed rate of interest on the remaining balance of the lease liability for each period.

The lease liability for the Group's premises with index-linked rent are calculated on the rent payable at the end of each reporting period. At this point in time, the liability is adjusted together with a corresponding adjustment to the carrying amount of the right-of-use asset. The liability and the asset value are adjusted in a corresponding manner in conjunction with any reassessment of the lease term.

This is done when the last date for terminating the lease of the premises in the previously assessed lease term has passed or, alternatively, when significant events occur or circumstances materially change in a manner within the Group's control, and which impact the assessment of the lease term.

Leases with a term of 12 months or less, or with an underlying asset of low value, are not recognized as right-of-use assets and lease liabilities. Lease payments for these leases are recognized as costs in a straight line over the lease term.

Financial revenue and expenses

Financial revenue and expenses comprise interest income on bank deposits and receivables and interest-bearing securities, interest expense on loans, exchange rate differences and the results from derivatives used in the financial operations.

Interest income on receivables and interest expense on liabilities are calculated using the effective interest rate method.

The effective interest is the interest rate that makes the present value of all estimated future receipts and disbursements during the expected fixed-rate period equal to the carrying amount of the receivables or liabilities. Interest income and interest expense include allocated transaction costs and any discounts, premiums and other differences between the original carrying amount of the receivables and liabilities and the amount that is settled on maturity and the estimated future receipts and disbursements during the contract period.

Taxes

Income tax includes both current tax and deferred tax. Income tax is recognized through profit or loss, except when the underlying transaction is recognized in other comprehensive income or in equity, whereby the associated tax effects are recognized directly in other comprehensive income or equity. Current tax is tax that is to be paid or received in the current year, using tax rates that are decided or decided in practice on the balance sheet date. Current tax also comprises current tax adjustments for prior periods. Deferred tax is calculated using the balance-sheet method, based on temporary differences between carrying amounts and tax bases of assets and liabilities. Temporary differences are not recognized in consolidated goodwill, nor are differences attributable to participations in subsidiaries that are not expected to be reversed in the foreseeable future. The measurement of deferred tax is based on how underlying assets and liabilities are expected to be recovered or settled. Deferred tax is calculated using the tax rates and tax rules established or decided in practice on the balance sheet date.

Deferred tax receivables relating to deductible temporary differences and loss carryforwards are recognized only to the extent that it is probable that they will be utilized. The value of the deferred tax receivables is reduced when it is no longer considered likely that they can be utilized. Any additional income tax relating to the dividend is recognized at the same date as the dividend is recognized as a liability.

Financial instruments

Financial instruments recognized in the balance sheet include assets such as cash and cash equivalents, loans and accounts receivable and derivatives. The liability side includes accounts payable, loans and derivatives. A financial asset or financial liability is recognized in the balance sheet when the company becomes a contracting party in accordance with the instrument's contractual conditions. A receivable is recognized when the company has performed and a contractual obligation exists for the counterparty to pay, even if an invoice has not yet been sent. A liability is recognized when the counterparty has performed and a contractual obligation exists for the company to pay, even if an invoice has not yet been received. A financial asset is derecognized from the balance sheet when the contractual rights are realized, expire or the company loses control of them. The same applies to a portion of a financial asset. A financial liability is derecognized from the balance sheet when the contractual obligation is met or extinguished in another manner. The same applies to portions of a financial liability. A financial asset and a financial liability are offset and recognized at a net amount in the balance sheet only when a legal right exists to offset the amounts and there is an intent to settle the items in a net amount or simultaneously realize the asset and settle the liability.

With the exception of derivatives, the acquisition or disposal of financial assets is recognized when the transaction is completed (cash settlement approach). Derivatives are recognized when an agreement has been entered into (trade date accounting).

Classification and measurement

Financial instruments are initially recognized at cost corresponding to the instrument's fair value plus transaction costs for all financial instruments except those that belong in the measured at FVTPL category, which are measured at fair value excluding transaction costs. The classification determines how the financial instrument is measured after initial recognition as described below. The classification of financial assets that are debt instruments is determined by the business model of the portfolio in which the financial asset is included and the nature of the contractual cash flows. Thule Group's business model for all such financial assets aims to collect the principal amount and any interest accrued on the principal. The contractual cash flows from these assets consist solely of principal amounts and interest, and accordingly are classified as financial assets measured at amortized cost.

All financial liabilities are classified under amortized cost except derivatives, which are classified as FVTPL.

Derivatives are initially measured at fair value, meaning that transaction costs are charged to net income for the period. After initial recognition, derivatives are recognized in the manner described below. If the derivative is used for hedge accounting and this is effective, then changes in the value of the derivative are recognized on the same line in net income for the year as the hedged item. When the derivative is part of a cash flow hedge and the hedged item has as yet not impacted the result, the value changes are recognized in other comprehensive income and accumulated in the hedge reserve in equity. Even if hedge accounting is not applied, the result from derivatives is recognized as revenue or expense in operating income or in net financial items based on the purpose of the derivative and how its use is related to an operating or a financial item. For hedge accounting, the ineffective portion is recognized in the same manner as changes in the value of the derivative that is not used for hedge accounting. If hedge accounting is not applied when using interest rate swaps, then the interest coupon is recognized as interest and other changes in the value of the interest rate swap are recognized as other financial revenue or other financial expense.

Financial assets at fair value through profit or loss

Assets in this category are continually measured at fair value with value changes recognized through profit or loss. This category comprises two sub-categories: obligatory recognition at fair value and other financial assets that the Group has initially decided to place in this category identified as recognized at fair value. Financial instruments in this category are continuously measured at fair value, with changes in value recognized through profit and loss. The first sub-group includes derivatives with a positive fair value, with the exception of derivatives that are an identified and effective hedging instrument.

The Group has only used assets in the obligatory recognition at fair value sub-category.

Financial assets at amortized cost

The category includes accounts receivable, short-term receivables and cash and cash equivalents. Cash and cash equivalents comprise cash and immediately available funds at banks and similar institutions, and short-term liquid investments that have a term of less than three months from the date of acquisition and have limited risk for value fluctuations. Accounts receivable are recognized after deduction of expected credit losses. Discounting is not applied because of the short term, which is why the amortized cost corresponds to the nominal value.

Financial liabilities at fair value through profit or loss (FVTPL)

This category comprises two sub-groups: financial liabilities subject to obligatory recognition at FVTPL and other financial liabilities that the Group has decided to place in this category. The first

category includes the Group's derivatives with negative fair value except for derivatives that are an identified and effective hedging instrument. Changes in fair value are recognized through profit or loss. The Group only uses the category for derivatives.

Financial liabilities at amortized cost

Loans and other financial liabilities, for example, accounts payable, are included in this category. The liabilities are initially recognized at fair value and thereafter at amortized cost through application of the effective-interest method.

Derivatives and hedge accounting

The Group's derivatives have been acquired to financially secure risks for interest rate, raw material and exchange rate exposures that the Group is exposed to. To meet the IFRS 9 requirements for hedge accounting, an economic relationship must exist with the hedged item.

Moreover, the hedge is required to effectively offset the value changes or cash flows pertaining to the hedged item, hedging documentation must have been prepared and the credit risk is not permitted to dominate value changes in the hedging instrument. Gains and losses for hedging are recognized through profit or loss at the same time period that gains and losses are recognized for the hedged entries. Hedge accounting is applied for loans used as hedging instruments for currency hedging of the translation risk for net investments in foreign operations, for transaction exposure in foreign currency and to hedge the cash flow risk of interest payments.

Receivables and liabilities in foreign currency

Currency forward contracts are used to hedge receivables or liabilities against exchange rate risk. Hedge accounting is not used to protect against exchange rate risk since a financial hedge is reflected in the accounting in that both the underlying receivable or liability and the hedging instrument are recognized at the exchange rate on the balance sheet date and exchange rate fluctuations are recognized through profit or loss. Exchange rate fluctuations for receivables and liabilities are recognized in operating income, while exchange rate fluctuations for financial receivables and liabilities are recognized in net financial items.

Hedging of forecast sale/purchases in foreign currency

Currency forward contracts used for hedging a highly probable forecast sale/purchase in foreign currency are measured at fair value in the balance sheet. Changes in value for the period that comprise an effective hedge are recognized in other comprehensive income and the accumulated changes in value in a specific component of equity (hedge reserve) until the hedged flow affects net income, at which point the hedging instrument's accumulated change in value is reclassified to operating income. Ineffectiveness is recognized through profit or loss on an ongoing basis.

Cash flow hedging against interest rate risk

Interest rate swaps are used for hedging against uncertainty in highly probable forecast interest rate flows for borrowing at variable interest rates, where the company receives a variable interest rate and pays a fixed interest rate. The Group applies hedge accounting.

Interest rate swaps are measured at fair value in the balance sheet. Interest coupons are continuously recognized through profit or loss as part of interest expenses, whereby the cash flows from hedging instruments meet the cash flows from the hedged item.

To the extent they comprise an effective hedge, the unrealized changes in the fair value of interest rate swaps are recognized in other comprehensive income and are included as part of the hedge reserve until the hedged item affects net income and as long as the criteria for hedge accounting are met. Any ineffectiveness is recognized in net financial items on an ongoing basis.

Hedging exchange rate risk in foreign net investments

Investments in foreign subsidiaries (net assets including goodwill) have, to some extent, been hedged by borrowing in foreign currency that was translated at the closing day rate on the balance sheet date. Translation differences on hedging instruments for the period are recognized in other comprehensive income to the extent that the hedging is effective, and accumulated changes are recognized in a specific component of equity (translation reserve). This neutralizes translation differences that affect other comprehensive income when the Group is consolidated.

Tangible assets

Tangible assets in the Group are recognized at cost less accumulated depreciation and any impairment losses. The cost includes the purchase price and expenses directly attributable to the asset in order to make it operational and ready for use as intended with the acquisition. Borrowing costs that are directly attributable to the purchase, construction or production of assets that take considerable time to complete for intended use or sale are included in the cost. Tangible assets that consist of components with various useful lives are treated as separate components of tangible assets. The carrying amount of tangible assets is removed from the balance sheet when it is scrapped or divested or when there is no future financial benefits expected from the use or scrapping/divestment of the asset. Gains or losses arising on the divestment or scrapping of an asset comprise the difference between the sales price and the carrying amount of the asset, less direct selling expenses. Gains and losses are recognized in operating income.

Additional expenses are added to the cost only if it is likely that future financial benefits associated with the asset will accrue the Group and the cost can be calculated in a reliable manner. All other additional expenses are recognized as costs in the period in which they arise. An additional expense is added to the cost if the expense is for replacement of identifiable components or related parts. Even in situations where a new component is created, the expense is added to the cost. Any carrying amounts of replaced components, or parts of components, that have not been depreciated are scrapped and expensed in conjunction with the replacement. Repairs are regularly expensed.

Intangible assets**Goodwill**

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is distributed to the Group's operating segments which make up the Group as a whole and the need for impairment is tested annually.

Other intangible assets

Other intangible assets acquired by the Group are recognized at cost less accumulated amortization and any impairment losses. Expenses for internally generated goodwill and brands are recognized through profit or loss as a cost when incurred.

Payroll expenses that are directly attributable to the purchase, construction or production of assets that take considerable time to complete for intended use or sale are included in the cost.

Cost of system development and research and development are only recognized as an asset in the balance sheet if the product or process is technically and commercially usable and the company has sufficient resources to complete development and then use or sell the intangible asset.

Other product development expenses are recognized through profit or loss as costs when incurred. The majority of the Group's development expenses are attributable to the maintenance and development of products and are recognized through profit or loss when incurred.

Depreciation/amortization**Principles of depreciation for tangible assets**

Useful lives	Group	Parent Company
Buildings and land improvements	35–40 years	–
Plant and machinery	7–15 years	–
Equipment, tools, fixtures and fittings	3–7 years	–

Depreciation takes place on a straight-line basis over the estimated useful life of the asset. Land is not depreciated. Leased assets are also depreciated over the estimated useful life or, if shorter, over the contracted lease period. The Group applies component depreciation, which means that the estimated useful life of the components is the basis for depreciation. The residual value and useful life of an asset is determined annually.

Principles of amortization for intangible assets

Useful lives	Group	Parent Company
Capitalized development expenses	5–10 years	–
IT systems	5–7 years	–
Other intangible assets	5–10 years	–

Goodwill and other intangible assets with an indeterminate useful life or that are still not ready to be used, are tested for impairment annually or as soon as indications appear indicating that the asset in question has decreased in value.

Intangible assets with definite useful lives are amortized from when they are available for use.

Amortization is recognized through profit or loss straight-line over the estimated useful lives of the intangible assets. The residual value and useful life of an asset is determined annually.

Inventories

Inventories are measured at the lowest of cost and net realizable value. The cost of inventories is calculated by the first-in, first-out principle (FIFO) and includes expenses from the acquisition of the inventory assets and the transportation of them to their current place and condition. For manufactured goods and work in progress, the cost includes a reasonable share of indirect expenses based on normal capacity. Net realizable value is the estimated sales price in the ordinary course of business, less estimated cost of completion and sale.

Impairment

At each balance-sheet date, the carrying amount of the Group's assets is tested to determine whether there is an indication for a need for impairment. If evidence exists, the asset's recoverable amount is calculated. The recoverable amount of goodwill and other intangible assets with indeterminate useful lives is calculated annually. IAS 36 is used for impairment losses of assets other than financial assets and financial guarantees, which are recognized according to IFRS 9, assets held for sale and disposal groups, which are recognized according to IFRS 5, inventories and deferred tax receivables. The carrying amount of the excluded assets listed above is calculated according to the respective standard.

An impairment loss is recognized if the recoverable amount is lower than the carrying amount. An impairment loss is charged to profit or loss.

The recoverable amount is the higher of fair value less selling expenses and the value-in-use. When determining the value-in-use, future cash flows are discounted using a discount factor that takes into consideration risk-free interest and the risk associated with the specific asset. For an asset that does not generate essential cash flows, irrespective of other assets, the recoverable amount of the cash-generating unit that the asset belongs to is calculated. A cash-generating unit is primarily performed for goodwill and then other assets in the unit are amortized proportionally. All financial assets, except those in the financial asset category that are measured at fair value through profit or loss, are tested for impairment. For each reporting date, the Group calculates the expected credit losses (ECLs) pertaining to a financial asset or group of financial assets over their remaining lifetime. All financial assets subject to the impairment rules are short-term, and accordingly, the Group has chosen to apply the simplified model in which ECLs are recognized for the remaining lifetime of the assets from the date of initial recognition. The ECL levels are based on customers' payment history, together with loss data for the same period. Historical losses are then adjusted to take into account current and forward-looking information on macroeconomic factors that may impact customers' ability to pay. Accounts receivable and contract assets are written off when no reasonable expectation exists of reimbursement. Indicators of no reasonable expectation of recouping the claim include, inter alia, that the debtor fails with the repayment plan or that contractual payments are significantly delayed.

Credit losses on accounts receivable and contract assets are recognized as loan losses – net of operating income.

Earnings per share

The earnings per share calculation is based on the consolidated net income attributable to the shareholders of Parent Company and the weighted average number of shares outstanding during the year. When calculating earnings per share after dilution, earnings are adjusted as well as the average number of shares in order to take into consideration the impact from the dilutive potential common shares.

Remuneration of employees**Pensions**

The majority of the Group's pension obligations are met through continuous payments to independent insurance companies that administer the plans, known as defined-contribution pension plans. The responsibility for the amount of future pension payments lies with the external insurance companies. The Group has no further responsibility than paying the premium. A pension expense, which corresponds to the contributions paid, is continuously recognized for defined-contribution pension plans. The expense is recognized in the period in which the employee performed the services to which the contribution refers. Some of the Group's subsidiaries in Sweden have defined-benefit plans that are unfunded.

These defined-benefit pension plans include a commitment regarding future pension benefits, the amount of which is determined by such factors as final salary and service period. The employer bears all material risks for meeting this commitment. The Group's net obligation for defined-benefit plans is calculated separately for each plan by estimating the future remuneration that the employees have earned through their employment in both present and earlier periods; this remuneration is discounted to present value.

The discount rate used by the Group to calculate the defined-benefit pension liabilities in Sweden comprises the market interest rate on the balance sheet date of Swedish mortgage bonds with a term corresponding to the duration of the Swedish pension obligations. The calculation is performed by a qualified actuary using the Projected Unit Credit Method. The special employer's contribution is part of actuarial assumptions and is therefore recognized as a portion

of net obligations. The portion of special employer's contribution that is calculated on the basis of the Pension Obligation Vesting Act for legal entities is recognized, for reasons of simplification, as an accrued expense instead of as a part of net obligations. Actuarial gains and losses may arise when determining the present value of the obligation. These will arise when the actual result differs from the previously made assumption or when assumptions are changed. Revaluation effects are recognized in other comprehensive income. Other retirement pensions according to ITP/ITPK in Sweden are guaranteed for the Group through premium payments to Alecta. According to a statement from the Swedish Corporate Reporting Board, UFR10, this must be reported as a multi-employer defined-benefit plan. For the 2023 fiscal year, the Group did not have access to information from Alecta that made it possible to recognize this plan as a defined-benefit plan. Accordingly, the plan has been recognized as a defined-contribution plan.

Bonuses

A provision is recognized for the anticipated cost of profit share and bonus payments when the Group has a contractual or informal duty to make such payments as a result of services received from employees, the conditions for remuneration are deemed to be fulfilled and the obligation can be reliably calculated.

Remuneration if employment is terminated

A cost for remuneration in connection with the termination of employment is recognized earliest when the Group can no longer retract the offer to the employees or when the Group recognizes restructuring costs.

Share-based remuneration

Within the framework of the 2020/2023 share-based incentive program, participants have received a retention bonus in the form of a gross salary supplement from the company that in total corresponds to the amount paid by the participant for the warrants. Such payment was conditional upon continued employment in the Group at the time of payment and that the participant has not terminated their employment. The cost for the above, including social security costs, has been recognized in profit or loss.

Provisions

A provision differs from other liabilities in that there is uncertainty about the time of payment and the amount of settlement. A provision is recognized in the balance sheet when there is an existing legal or informal obligation resulting from a past event and when it is probable that an outflow of financial resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are made based on the best estimate of what will be required to settle the existing obligation on the balance sheet date.

Contingent liabilities

A contingent liability is recognized when there is a possible obligation that originates from past events and whose occurrence is only confirmed by one or more uncertain future events or when there is an obligation that is not recognized as a liability or a provision because it is not likely that an outflow of resources will be needed.

Parent Company accounting policies

The Parent Company prepares its Annual Report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for Legal Entities. RFR 2 stipulates that the Parent Company, in the annual

accounts for the legal entity, is to apply all IFRS and statements adopted by the EU to the extent that this is possible within the framework of the Annual Accounts Act and the Pension Obligations Vesting Act and taking into consideration the connection between accounting and taxation. The recommendation stipulates the permissible exceptions from and additions to IFRS. Based on RFR 2, the Parent Company has decided not to apply IAS 9 to the legal entity.

Amended accounting policies

Unless otherwise stated below, the Parent Company's accounting policies for 2023 changed in accordance with the amendments described above for the Group.

Differences between the Group's and the Parent Company's accounting policies

The differences between the accounting policies of the Group and the Parent Company are stated below. The accounting policies for the Parent Company stated below have been consistently applied in all periods presented in the financial statements of the Parent Company.

Classification and presentation format

The income statement and the balance sheet for the Parent Company are presented following the format of the Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences compared with the consolidated financial statements that apply in the Parent Company's income statement and balance sheets primarily comprise reporting of financial revenue and expenses, fixed assets, equity, as well as the presence of provisions as a separate heading in the balance sheet.

Subsidiaries

Participations in subsidiaries are recognized in the Parent Company according to the cost method. This means that transaction charges are included in the carrying amount for holdings in subsidiaries. In the consolidated financial statements, transaction costs are recognized directly through profit or loss when they arise, while in the Parent Company, financial fixed assets are measured at cost less any impairment.

Net investments

Exchange rate differences on monetary items that comprise part of the Parent Company's net investment in foreign operations are recognized through profit or loss.

Leased assets

In accordance with the exception under RFR 2, the Parent Company does not apply IFRS 16. As the lessee, lease payments are recognized in a straight line over the lease term and are therefore not recognized as right-of-use assets and lease liabilities in the balance sheet.

Anticipated dividends

Anticipated dividends from subsidiaries are reported in cases where the Parent Company has the exclusive right to determine the size of the dividend and has made a decision on the size of the dividend prior to publication of the Parent Company's financial statements.

Taxes

In contrast to the Group, untaxed reserves in the Parent Company are recognized in the balance sheet without any specification between equity and deferred tax liabilities. Correspondingly, the Parent Company does not specify the portion of appropriations to deferred taxes in the income statement.

Group contributions

Group contributions are recognized as appropriations.

NOTE 2

Assessments and assumptions

The preparation of the annual accounts and the application of accounting standards are, in some cases, based on assessments, estimates and other assumptions that management considers to be reasonable under the current conditions. For obvious reasons, these assessments and assumptions are based on experiences and expectations of future events. If different assessments and assumptions were made, the results might be different.

Goodwill

An assessment is made every year as to whether goodwill requires impairment. Impairment testing is performed through estimation of the recoverable amount. Assumptions about future cash flows and estimates of parameters are made as a basis for the calculation. These are explained in Note 16.

Taxes

Deferred tax is calculated on the temporary differences between the tax and carrying amounts of liabilities and assets and on loss carryforwards. There are two types of assessments and assumptions in these calculations that can affect the deferred tax recognized. The first is the assessments and assumptions made to determine the carrying amount and, the second, the assessments made to determine the possibility of using existing loss carryforwards on future taxable profits. The budget and strategic plan for future years were also taken into consideration in the assessment of loss carryforwards. For more information, refer to Note 14.

NOTE 3

Measurement of financial assets and liabilities

Fair value and carrying amounts in the balance sheet.

Group 2023	Carrying amount			Fair value				Total
	FVTPL	Derivatives used in hedge accounting	Amortized cost	Level 1	Level 2	Level 3		
Financial assets at fair value	Obligatory							
Interest rate derivatives	–	12	–	–	12	–	–	12
Currency derivatives	5	58	–	–	63	–	–	63
Total	5	70	0	0	75	0	0	75
Financial assets at amortized cost								
Accounts receivable	–	–	706	–	–	–	–	706
Cash and cash equivalents	–	–	94	–	–	–	–	94
Total	0	0	799	0	0	0	0	799
Financial liabilities at fair value								
Interest rate derivatives	–	7	–	–	7	–	–	7
Currency derivatives	24	11	–	–	34	–	–	34
Total	24	18	0	0	41	0	0	41
Financial liabilities at amortized cost								
Bank borrowings	–	–	1 903	–	–	–	–	1 903
Overdraft facilities	–	–	3	–	–	–	–	3
Accounts payable	–	–	649	–	–	–	–	649
Total	0	0	2 554	0	0	0	0	2 554

Group 2022	Carrying amount			Fair value				Total
	FVTPL	Derivatives used in hedge accounting	Amortized cost	Level 1	Level 2	Level 3		
Financial assets at fair value	Obligatory							
Interest rate derivatives	–	35	–	–	35	–	–	35
Currency derivatives	4	10	–	–	14	–	–	14
Total	4	44	0	0	48	0	0	48
Financial assets at amortized cost								
Accounts receivable	–	–	723	–	–	–	–	723
Cash and cash equivalents	–	–	176	–	–	–	–	176
Total	0	0	899	0	0	0	0	899
Financial liabilities at fair value								
Interest rate derivatives	–	–	–	–	–	–	–	0
Currency derivatives	2	27	–	–	29	–	–	29
Total	2	27	0	0	29	0	0	29
Financial liabilities at amortized cost								
Bank borrowings	–	–	2 812	–	–	–	–	2 812
Overdraft facilities	–	–	–	–	–	–	–	0
Accounts payable	–	–	576	–	–	–	–	576
Total	0	0	3 388	0	0	0	0	3 388

Information is provided below about how fair value is determined for financial instruments that are measured at fair value on the balance sheet (see above). The following three-level hierarchy is used to determine fair value:

Level 1: according to prices quoted in an active market for the identical instrument.
Level 2: from either direct or indirect observable market information not included in Level 1.
Level 3: from inputs unobservable in the market.

The following summarizes the methods and assumptions that are primarily used to determine the fair value of the financial instruments presented above.

Derivatives

Currency

The fair value of a forward contract is determined beginning with quoted rates. The market price, calculated by using the current rate adjusted for the interest rate spread between currencies and number of days, is compared with the contract's rate to determine the fair value.

The market value of currency options is calculated using the Black & Scholes model.

Interest rates

The fair value of interest rate swaps is based on an intermediary institution's measurement, whose fairness is tested by discounting estimated cash flows according to the conditions and due dates of the contract, using the market interest rate for identical instruments on the balance sheet date.

Accounts receivable and accounts payable

The carrying amount reflects the fair value of accounts receivable and accounts payable with a remaining term of less than 12 months. Accounts receivable and accounts payable with a term exceeding 12 months are discounted when determining fair value.

Interest-bearing liabilities

The fair value of financial liabilities that are not derivatives is calculated using future cash flows of principal amounts and interest rates discounted to the current market interest rate on the balance sheet date. The carrying amount agrees with the fair value of the Group's borrowing when the loans have variable interest rates and the credit spread is not such that carrying amount materially deviates from fair value.

Note 4

Financial risk management

Thule is continuously exposed to various financial risks through its international operations. Financial risks refer to fluctuations in the company's earnings and cash flow due to changes in exchange rates, interest rate levels, raw material prices, refinancing and credit risks. The Group's finance policy for managing financial risks is prepared by the Board and creates a framework of guidelines and regulations in the form of risk mandates and limits on the financial operations. The Board decides on a finance policy annually. The Group's finance department centrally manages responsibility for the Group's financial transactions and risks. The overall goal of the finance department is to provide cost efficient financing, to map out financial risks that affect the Group, and to minimize negative impacts on the Group's earnings that stem from market risks. The Board's Audit Committee prepares, on behalf of the Board, the practical application of the policy in consultation with the Group's CFO.

Organization and activities

The Group's finance operations are coordinated by the subsidiary Thule Holding AB, which acts as an internal bank for the Group's financial transactions in the currency and interest rate markets.

Refinancing and liquidity risks

Refinancing and liquidity risks are risks that payment commitment cannot be met due to insufficient liquidity or difficulties in obtaining credit from outside sources. The Group has a rolling eight-week liquidity plan that includes all divisions of the Group. Results are reported regularly on a weekly basis. The plan is updated monthly. The liquidity plan is used to manage liquidity risk and as a tool for following the cash flow from the operational and financial business. In-depth analyses are made against previous years in order to measure trends and noticeable deviations. The objective is for the Group to be able to manage its financial obligations in upturns and downturns with a buffer for unforeseeable expenses and without risking the Group's reputation.

The Group policy is to minimize its borrowing need by centralizing surplus liquidity via the Group's cash pools that have been established by the central finance department. Liquidity risks are centrally managed for the entire Group by the central finance department. The central finance department manages a Group-wide, monthly netting process to minimize the number of payment transactions and thereby related expenses. In countries with several operational companies, the surpluses and deficits are matched at the country level using cash pools. There were cash pools during the year in Sweden, Poland and the US. The central finance department manages liquidity in, as well as between, these cash pools.

A syndicate with two Scandinavian banks finances the Group through a revolving credit facility. In addition, the Group has an overdraft facility with another Scandinavian bank outside the syndicate. The revolving credit facility is contingent on compliance with financial and commercial undertakings, which are tested regularly. The covenants tested quarterly are the leverage ratio and interest coverage ratio.

The Group's fixed-term credit commitments amounted to SEK 4,287m (4,328), which includes a revolving credit facility of SEK 4,087m and an overdraft facility of SEK 200m.

Credit facilities	Notional value	Notional value, SEKm	Utilized	Available
Syndicated credit commitments, term until 2025	EUR 370m	4 087	2 107	2 088
Bilateral credit commitment, term until 2024	SEK 200m	200	0	200
Total		4 287	2 107	2 288
Available cash and cash equivalents				94
Liquidity reserve				2 382

Unutilized credit commitments totaled SEK 2,288m (1,443).

Including cash flows for future interest payments, the Group's financial liabilities amounted to SEK 2,950m (3,922) at year end with a term structure as set out in the following table.

Term structure of financial liabilities – undiscounted cash flows

2023, SEKm	Total	3 months				
		<1 month	1-3 months	months -1 year	1-5 years	>5 years
Long-term liabilities to credit institutions incl. interest payments	1 928	–	–	–	1 928	–
Derivatives	41	24	3	7	7	–
Short-term liabilities to credit institutions incl. interest payments	71	0	21	50	–	–
Overdraft facilities	3	3	–	–	–	–
Accounts payable	649	–	649	–	–	–
Lease liabilities	258	–	1	102	128	26
				3		
2022, SEKm	Total	<1 month	1-3 months	months -1 year	1-5 years	>5 years
Long-term liabilities to credit institutions incl. interest payments	3 069	–	20	80	2 968	–
Derivatives	29	3	10	16	–	–
Short-term liabilities to credit institutions incl. interest payments	0	–	–	–	–	–
Overdraft facilities	0	–	–	–	–	–
Accounts payable	576	–	576	–	–	–
Lease liabilities	249	–	1	78	113	57

Market risk

Market risk is the risk that the fair value of, or future cash flows from, a financial instrument could fluctuate due to changes in market prices. IFRS has divided market risks into three types: exchange rate risk, interest rate risk and other price risks. The market risks that primarily impact the Group consist of interest rate risk, exchange rate risk and commodity price risk. The Group's objective is to manage and control the market risks within established parameters while optimizing earnings through risk-taking within stated limits. The parameters are established with the purpose that the market risks in the short term (up to 12 months) only impact the Group's earnings and position marginally. In the long term, however, lasting changes in exchange rates, interest rates and raw material prices have an impact on consolidated earnings.

The Group applies hedge accounting, where all relevant criteria are met, to remove the accounting mismatch between the hedging instrument and the hedged item. Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are measured at fair value through profit or loss.

Exchange rate risk

The risk that fair values and cash flows can fluctuate when the value of currencies changes is called exchange rate risk. The Group is exposed to different types of exchange rate risks.

Transaction exposure

The largest exposure comes from the Group's sale and purchase in foreign currencies. These exchange rate risks consist of risk in the value fluctuations of financial instruments, accounts receivable or accounts payable, and the exchange rate risk in expected and contractual payment flows. These risks are called transaction exposure.

The Group's total transaction exposure, net, amounts to about SEK 3,104m (3,337) annually. The single most important currency relationship is EUR/SEK, in which the Group has a positive net inflow. The central finance department is responsible for all hedging to reduce the effect of exchange rate fluctuations.

The Group's transaction exposure and hedged amounts on the balance sheet date distributed by currency were as follows:

Transaction exposure and hedged amounts, SEKm

Dec 31, 2023 Currency	Exposure	Hedged amounts – maturity 2024	Exposure after hedge	Average hedged rate
EUR/SEK	1 461	826	635	11.70
CNY/SEK	-309	-153	-155	1.45
PLN/SEK	-291	-128	-163	2.56
CNY/CAD	-274	-130	-144	5.28
USD/EUR	-126	-63	-63	0.92
GBP/SEK	201	92	109	13.51
Other	442	134	308	–
Total	3 104	1 525	1 578	

Dec 31, 2022 Currency	Exposure	Hedged amounts – maturity 2023	Exposure after hedge	Average hedged rate
EUR/SEK	2 103	1 146	957	10.91
CNY/SEK	-111	-57	-54	1.44
PLN/SEK	-240	-140	-99	2.25
USD/EUR	-171	-49	-121	0.93
GBP/SEK	226	91	135	12.62
USD/CAD	-272	-94	-178	1.35
Other	215	94	121	–
Total	3 337	1 671	1 666	

The Group uses currency forward contracts and currency options to optimize its exchange rate risk management.

The fair value of the Group's currency derivatives outstanding (currency forward contracts and currency options) was SEK 46.9m (negative: 15.6) as per December 31, 2023. All currency derivatives outstanding fall due in 2024. Hedge accounting is used for currency forward contracts. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments of the hedged item and the hedging instrument to ensure that the relationship meets the requirements. When the Group hedges sales/purchases in foreign currency, hedge relationships are contracted where the critical terms of the hedging instrument match the terms of the hedged item, and thereby conducting a qualitative assessment of the hedge relationship's effectiveness. The critical terms are the notional value and the currency of the hedging instrument, and the expected cash flows from the hedged item. The hedge ratio is 1:1 since the currency forward and option contracts are denominated in the same currency as the extremely likely projected future cash flows.

If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the dollar-offset method to assess effectiveness.

Translation exposure

There are also exchange rate risks in the conversion of assets and liabilities of foreign subsidiaries to the Parent Company's functional currency, called translation exposure. The total translation exposure was SEK 4,734m (5,038). The largest translation exposures were in USD, EUR and PLN. The translation exposure in USD was SEK 1,915m (1,959), in EUR SEK 1,223m (1,221) and in PLN, SEK 909m (1,255).

The Group's policy is to hedge net investments with external loans but otherwise not to hedge translation exposure. The currency effects that the loans give rise to are recognized as a financial currency effect in the income statement. The currency effect in 2023 was SEK 11.0m (negative: 87.4). However, the Group applies hedge accounting and SEK 11.0m (negative: 87.4) of the total of SEK 11.0m (negative: 87.4) was transferred to the translation reserve for net investment hedging.

Net investment – total effect for 2023

Currency	Net investment – hedged item	External loans	Currency effect of external loans, SEKm	Hedging instruments	Hedging effectiveness	Effective-ness EQ in SEKm	Ineffect-iveness in SEKm
EUR	110.8	(100.0)	11.0	(100.0)	100%	11.0	0.0

The translation impact of the conversion of the liabilities and assets of foreign subsidiaries in 2023 was negative SEK 110m (positive: 737) after taking into account the effects of hedging.

Sensitivity analysis – exchange rate risk

Compared with the closing exchange rates applied as per December 31, 2023, a 10 percent strengthening of the SEK against other currencies would have negatively impacted equity by SEK 473m (negative: 504).

A 10 percent strengthening of the SEK against other currencies, compared with the average exchange rates in 2023 (not taking into consideration any correlation between currencies), would mean a negative change in EBITDA of SEK 183.9m (negative: 221.3) (transaction and translation effects). The following table shows the effect broken down by currency:

Sensitivity analysis for exchange rate risk on EBITDA 2023, SEKm

Currency	Transaction effect	Translation effect	Total effect
EUR	-148.1	-32.1	-180.2
CAD	-2.8	-27.1	-30.0
GBP	-10.1	-7.3	-17.4
PLN	100.9	-71.9	29.1
CNY	25.3	21.0	46.3
USD	-7.4	-4.1	-11.5
Other	-21.1	-0.9	-20.2
Total	-63.2	-120.7	-183.9

Interest rate risk

Interest rate risk is the risk that the value of financial instruments fluctuates due to changes in market interest rates and the risk that changes in the interest rate level will impact the Group's borrowing costs. Interest rate risk can lead to a change in fair values and changes in cash flows. A significant factor that affects the interest rate risk is the fixed-rate period. This interest rate risk is managed by the Group's central finance department. According to the finance policy, the objective of the long-term liability portfolio is for the average fixed-rate period to be between six months and three years. The average fixed-rate period was 1 year and 8 months (1 year and 3 months) as per December 31, 2023. The maturity structure of the interest rate derivatives outstanding is spread over the period from June 2024 through December 2027. ISDA agreements were signed with all lenders.

The fair value of the Group's interest rate derivatives outstanding (interest rate swaps and interest rate floors) was SEK 5.2m (34.6) as per December 31, 2023. Hedge accounting is used for interest rate derivatives. The Group enters into interest rate swaps that have similar critical terms as the hedged item. The hedging ratio is 1:1. Critical terms can include reference rates,

reset dates, payment dates, maturities and notional values. The Group does not hedge 100 percent of its loans, and therefore only identifies the proportion of the outstanding loans up to the notional values of the swaps. Swaps outstanding covered 45 percent (30) of the variable loan capital outstanding. As all critical terms matched throughout the year, the economic relationship was 100 percent effective.

Sensitivity analysis – interest rate risk

The impact on the Group's results in the form of interest expense during the coming 12-month period in the event of an interest rate uptick/downtick of 1 percentage point on the balance sheet date is SEK -10.7/+10.7m (-19.9/+19.9) – given the interest-bearing liabilities that exist on the balance sheet date.

An interest rate change of +/-1 percentage point on the balance sheet date would result in a change in the market value of interest rate derivatives of SEK +23.7m (+25.1)/-22.7m (-25.5). The change in market value impacts equity if hedge accounting can continue to be applied.

Commodity price risk

Commodity price risk refers to continuously fluctuating prices of input goods from our suppliers and its possible impact on earnings. For the Group, it is primarily fluctuations in aluminum, plastic and steel prices that constitute a significant commodity risk. In 2023, 51 percent (47) of total direct materials consisted of plastic, aluminum and steel. They consist of a number of different subcategories with various degrees of processing that often cannot be tied to a direct market price. Of the three exposures, only aluminum, in principle, is directly associated with a traded market index.

In 2023, the Group purchased raw materials and components for SEK 2,828m (4,401). Total purchases of raw materials amounted to SEK 1,413m (2,090). Direct purchases of raw materials amounted to SEK 862m (1,304) and indirect purchases of raw materials (share of value added of the total value of raw materials) amounted to SEK 551m (786). Direct purchases of aluminum amounted to SEK 295m (423) and indirect purchases of aluminum amounted to SEK 295m (423). Direct purchases of plastic amounted to SEK 348m (477) and indirect purchases of plastic amounted to SEK 232m (318). Direct purchases of steel amounted to SEK 219m (404) and indirect purchases of steel amounted to SEK 24m (45).

However, a significant portion of the supplier contracts for these categories are indexed, which means that if the market price for a raw material changes, then the Group's purchase prices will increase or decrease. Direct materials amounted to 72 percent (75) of the Group's cost of goods sold.

Credit risk

The Group's financial operation creates exposure to credit risks. Primarily counterparty risks in connection with receivables from banks arise when purchasing derivatives and deposits to these banks. The exposure can be attributable to surplus values in derivatives.

In order to reduce credit risk, the derivatives are spread between different counterparties. The ISDA agreements permit the offset of derivative assets and derivative liabilities per counterparty, which reduces credit risk. ISDA agreements were signed with all counterparties for settlement of mutual obligations to deliver and pay, and thereby reduce credit risk.

Group 2023, SEKm	Financial assets	Financial liabilities
Amount recognized in balance sheet	75.0	41.4
Danske Bank	-18.1	-18.1
Nordea	-12.1	-12.1
SEB	-9.1	-9.1
Swedbank	-2.1	-2.1

Amount after netting 33.6 0.0

Group 2022, SEKm	Financial assets	Financial liabilities
Amount recognized in balance sheet	48.2	29.1
Danske Bank	4.1	4.1
Nordea	-8.2	-8.2
SEB	1.2	1.2
Swedbank	-8.9	-8.9

Amount after netting 36.3 17.3

The credit risk in derivatives on the balance sheet date was SEK 75.0m (48.2) and corresponded to the total positive market value of the derivatives. The credit risk in cash and bank balances was SEK 94m and corresponded to the Group's cash and cash equivalents.

Credit risk in accounts receivable

Refer to Note 19 Credit risk in accounts receivable.

Net debt

As of December 31, 2023, net debt amounted to SEK 2,006m (2,868).

Net debt consists of the Group's interest-bearing liabilities, including accrued interest and financial derivative liabilities less cash and cash equivalents, interest-bearing short-term receivables and financial derivative assets.

Note 5

Revenue

The Group generates revenue from the sale of products to external customers. Sales are organized in two regions, Region Europe & RoW and Region Americas, and are divided into four product categories: Sport&Cargo Carriers – this category includes roof racks, roof boxes, bike carriers and racks for water and winter sports transported by car and rooftop tents to be mounted on vehicles. Computer and camera bags, hiking backpacks and luggage are recognized under Packs, Bags & Luggage. Bike trailers, strollers, child bike seats and dog transport are included under the product category Juvenile & Pet. Awnings, bike carriers and tents for RVs and caravans are recognized under RV Products. For further information, refer to Note 6 Segment accounting.

Other revenue primarily pertains to development work conducted for external customers.

Group, SEKm	2023	2022
Revenue from contracts with customers		
Product categories		
Sport&Cargo Carriers	5 343	6 195
Packs, Bags & Luggage	883	919
RV Products	1 772	1 855
Juvenile & Pet Products	1 115	1 146
Other	19	24
Total	9 132	10 138

Geographic markets:	2023	2022
Sweden	327	334
Other Nordic countries	283	349
Germany	2 470	2 431
Other Europe	3 237	3 585
USA	1 847	2 247
Other North America	415	608
Central/South America	181	171
Asia/Pacific Rim	326	367
Rest of World	46	45
Total	9 132	10 138

All revenue recognition takes place at one point in time. Information about receivables and contract assets from contracts with customers are set out below:

Contract balances:	2023	2022
Receivables included in accounts receivable	706	723
Contract assets	138	29

Contract assets primarily pertain to the Group's right to compensation for not yet invoiced development performed on behalf of customer at the balance sheet date.

The contract assets are transferred to receivables when the rights become unconditional. This is generally when the Group issues an invoice to the customer. Contract assets are included in the balance sheet item Prepaid expenses and accrued income.

Note 6 Segment accounting

The Group's operations are divided into operating segments based on the parts of the operations that are followed up by the company's CEO. Thule Group comprises one segment. Though the Group has shared global processes for product development, purchasing, manufacture, logistics and marketing, its sales are managed in two regions, Region Europe & RoW and Region Americas. Internal monthly follow-up focuses on the Group as a whole, in addition to certain geographic sales data, which is presented at other levels than Group level.

Group, SEKm	2023	2022
Sales to customers	9 132	10 138
Region Europe & RoW	6 682	7 091
Region Americas	2 450	3 047
EBITDA	1 763	1 906
Depreciation/amortization and impairment	-259	-200
Operating income	1 505	1 706
Financial revenue	79	32
Financial expenses	-163	-91
Taxes	-321	-373
Net income	1 099	1 275

Sales are divided into four product categories: Sport&Cargo Carriers, Packs, Bags & Luggage, Juvenile & Pet Products and RV Products. For additional information on the various product categories, refer to Note 5 Revenue.

The information presented for the segments' revenue pertains to the geographic areas based on the location of customers. The table is available under Note 5 Revenue. No single customer exceeds 10 percent of external revenue. Information regarding the assets is based on the geographic areas grouped according to the location of the assets.

Fixed assets – Group, SEKm	2023	2022
Sweden	539	496
Other Nordic countries	–	–
Germany	93	98
Other Europe	953	844
USA	316	332
Other North America	4	5
Central/South America	1	1
Asia	1	3
Total	1 907	1 778

The assets in the above table refer to owned tangible assets.

Note 7 Other operating revenue

SEKm	Group		Parent Company	
	2023	2022	2023	2022
Re-invoicing of expenses	–	–	21	21
Total	0	0	21	21

Note 8 Audit fees

Audit fees, SEKm	Group		Parent Company	
	2023	2022	2023	2022
Audit PwC	3.9	3.6	1.2	1.2
Audit in addition to audit assignment PwC	0.0	0.0	0.0	–
Tax consultancy PwC	0.6	–	0.6	–
Other services PwC	0.4	0.2	0.4	0.2
Total	5.0	3.8	2.2	1.4
Audit, Other	0.9	0.8	–	–
Total	0.9	0.8	–	–

Audit assignments pertain to a review of the Annual Report and accounts, and the administration by the Board of Directors and the CEO, other work assigned to the company's auditors, and advice or other assistance required due to observations made during the review or implementation of such other assignments. Everything else is considered other assignments.

Note 9

Average number of employees and gender distribution in company management

Parent Company	2023	Of whom,	2022	Of whom,
		men		men
Sweden	6	5	6	5
Subsidiaries				
	2023	Of whom,	2022	Of whom,
		men		men
Sweden	585	381	578	377
Europe	1 433	794	1 719	947
North America	445	256	401	183
South America	35	27	39	30
Asia	55	28	56	27
Total subsidiaries	2 553	1 486	2 793	1 564
Total	2 559	1 491	2 799	1 569

Gender distribution for Board members and other executive management

Board members, %	2023	Group		Parent
		2022	2023	Company
Women	17	14	49	57
Men	83	86	51	43

CEO and other executive management, %

	2023	2022	2023	2022
Women	14	14	17	17
Men	86	86	83	83

Note 10

Remuneration of employees

SEKm	2023	Group		Parent Company	
		2022	2023	2022	2023
Salaries and other remuneration	1 228	1 157	50	27	
Social security	336	312	17	10	
Pension expenses – defined-contribution plans	55	50	6	6	
Pension expenses – defined-benefit plans	17	21	–	–	
Total	1 636	1 541	73	43	

Salaries and other remuneration, pension expenses and pension obligations for the Board and executive management

Remuneration and benefits 2023, SEKt	Basic salary incl. changes in vacation pay liability, fees	Variable remuneration	Pension expenses	Other remuneration	Severance pay	Total
Chairman of the Board						
Hans Eckerström	1 489	–	–	–	–	1 489
Board members						
Mattias Ankarberg*	268	–	–	–	–	268
Anders Jensen	322	–	–	–	–	322
Sarah McPhee	521	–	–	–	–	521
Heléne Mellquist	471	–	–	–	–	471
Therese Reuterswärd	104	–	–	–	–	104
Johan Westman	426	–	–	–	–	426
Helene Willberg	661	–	–	–	–	661
CEO*						
Mattias Ankarberg	3 796	1 105	990	59	–	5 950
Magnus Welander	6 074	2 543	2 107	135	8 820	19 679
Other executive management (6 individuals)	16 369	3 314	3 794	2 310	3 068	28 856
Total	30 501	6 962	6 891	2 504	11 888	58 747

*Mattias Ankarberg assumed the role of CEO and President for Thule Group on August 9, 2023 (some work and handover has taken place before this date) and stepped down from the Board as of the same date. Magnus Welander was CEO until the date on which Mattias Ankarberg took over the post.

Pension obligations for the former CEO (Magnus Welander) amounted to SEK 28,693t (26,458) on December 31. Pension obligations for other executive management amounted to SEK 6,601t (4,882).

The previously expensed retention bonuses and other remuneration included in the warrants program 2020/2023 totaling SEK 10,370t have been disbursed to the other executive management who met the terms and conditions for this remuneration.

Remuneration and benefits 2022, SEKt	Basic salary incl. change in vacation pay liability, fees	Variable remuneration	Pension expenses	Other remuneration	Total
Chairman of the Board*					
Bengt Baron	299	–	–	–	299
Hans Eckerström	1 259	–	–	–	1 259
Board members					
Mattias Ankarberg	445	–	–	–	445
Sarah McPhee	371	–	–	–	371
Heléne Mellquist	465	–	–	–	465
Therese Reuterswård	411	–	–	–	411
Johan Westman	311	–	–	–	311
Helene Willberg	631	–	–	–	631
CEO					
Magnus Welander	8 979	662	2 968	314	12 921
Other executive management (6 individuals)	15 910	3 008	3 582	1 990	24 491
Total	29 081	3 670	6 550	2 304	41 605

* The following individuals held the position of Chairman for parts of 2022: Bengt Baron four months and Hans Eckerström eight months.

Remuneration of the Board

According to a resolution of the General Meeting, fees to the members of the Board, excluding Committee work, are to be paid as follows: SEK 1,390,000 to the Chairman of the Board and SEK 430,000 to each of the Board members elected by the Meeting.

The Chairman of the Audit Committee is to receive remuneration of SEK 240,000 for Committee work, while SEK 100,000 is to be paid to each of the other members. The Chairman of the Remuneration Committee is to receive remuneration of SEK 90,000 for Committee work, while SEK 45,000 is to be paid to each of the other members. Expensed remuneration is presented in the table above.

Guidelines for remuneration to the CEO and other executive management

Thule Group applies the following guidelines for remuneration of senior executives, resolved at the Annual General Meeting held on April 27, 2023.

The executives covered by the guidelines are the CEO and the other members of the Group Management. The basis for the remuneration to members of the Group Management shall be the sustainability of the company within a commercial financial development, organizational structure to provide for a professionalism that is adapted to the company's strategic objectives and also to provide the company with the adequate competence and resources at any given time. The remuneration to the Group Management shall comprise of fixed salary on market terms and variable remuneration, intended to stimulate the fulfilment of objectives of the company's commercial and sustainable development, pension benefits and competitive other benefits. The total remuneration shall be on market terms, be competitive and reflect the individual's performance and responsibilities.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory such rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

In accordance with separate resolutions by the general meeting, long-term share-based incentive schemes are established in the company. These schemes are excluded from these guidelines. The purpose of the share-based incentive schemes is, among other things, to stimulate a sustainable and favourable value development of Thule Group's share that will benefit the shareholders. The basis of the incentive schemes is the company's strategic plan and sustainable development and constitute an incentive to fulfil the growth objectives that the company stipulated in its strategic three year plan.

Fixed salary shall be on market terms. The variable remuneration may comprise of annual variable cash remuneration and long-term variable cash remuneration. Annual variable cash remuneration shall be measured during a calendar year and be conditional upon the fulfilment of predefined and measurable objectives, whereby EBIT results are weighted between 40–90 percent, sales development or other financial objectives such as cash flow, capital tied up or similar are weighted between 0–50 percent and sustainability development objectives with 10–50 percent. Set personal objectives may correspond to a maximum of 20 percent. The annual variable remuneration shall amount to a maximum of 75 percent of the annual fixed salary for the CEO and 60 percent for the other executives.

If and to the extent the general meeting does not resolve to implement long-term share-based incentive schemes, variable remuneration may also consist of a long-term variable cash remuneration that is implemented annually. To participate in the scheme for long-term variable remuneration, an own investment is required by the participant. Long-term variable remuneration must

be measured over a period of at least three calendar years and be conditional upon the fulfilment of predefined and measurable objectives during the measurement period, and the payment is conditional on a predetermined fulfilment of objectives within sustainability. The long-term variable remuneration must, with regard to each measurement period, be amount to a maximum of 150 percent of the fixed salary.

The terms and conditions for variable remuneration shall be designed so that the Board of Directors may choose, under exceptional economic circumstances, to limit or refrain from payment of variable remuneration if such a measure is considered reasonable.

For members of the Group Management, pension benefits, including health insurance (Sw: sjukförsäkring), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 35 percent of the annual fixed salary.

Other benefits may include, among other things, life insurance, medical insurance (Sw: sjukvårdsförsäkring), company car and fuel benefit. Such benefits may amount to a maximum of 15 percent of the annual fixed salary.

Severance payments may be made when the employment is terminated by Thule Group. Members of the Group Management shall have a period of notice of not more than 12 months, in combination with severance pay corresponding to a maximum of 12 months fixed salary. No severance payment will be made when the employment is terminated by the employee.

In the preparation of the Board of Directors' proposal for these remuneration guidelines, remuneration and employment conditions for employees of the company have been taken into account, in that information on the employees' total income, the components of the remuneration and increase and growth rate over time has constituted part of the basis of decision in the Remuneration Committee and the Board of Directors in evaluating the reasonableness of the guidelines and the limitations following from these. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

The Board of Directors has established a Remuneration Committee. The Committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every four years and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the Group Management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the Remuneration Committee are independent of the company and its management. The CEO and other members of the Group Management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

The Board of Directors may temporarily resolve to derogate from the guidelines, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's longterm interests and sustainability, or to ensure the company's financial viability.

Remuneration of the CEO

Remuneration is paid to the CEO in the form of basic salary, variable remuneration, pension and other benefits. Basic salary for Magnus Welander (CEO January – August 8, 2023) amounted to SEK 8,820t per year and for Mattias Ankarberg (CEO from August 9, 2023) amounted to SEK 8,340t per year. Variable remuneration can amount to a maximum of 75 percent of basic salary. Any bonus payments and the amount of bonus are related to the degree of fulfilment of annual, predefined financial and sustainability targets. The financial targets are linked to sales growth and EBIT, and the sustainability targets to the company's sustainability initiatives.

A mutual period of notice of six months applies to the CEO. Full salary and other employment benefits are paid during the period of notice, regardless of whether or not the CEO has an obligation to work. Severance pay corresponding to 12 monthly salaries is also paid if employment is terminated by the company.

Pension benefits are paid at 30–35 percent of basic salary. In 2023, the pension benefit amounted to 35 percent of basic salary for Magnus Welander and to 30 percent of basic salary for Mattias Ankarberg. To the extent that premiums are not fully tax deductible for the company, excess premiums are to be agreed as direct pension, insured through endowment insurance pledged to the CEO.

Other executive management

Remuneration is paid in the form of basic salary, variable remuneration, pension and other benefits. For other executive management, variable remuneration may amount to between 40 and 60 percent of basic salary. Any bonus payments and the amount of bonus are determined based on the degree of fulfillment of annual, predefined financial targets, sustainability targets and individual targets. The financial targets are linked to sales growth and EBIT. The sustainability targets are linked to the company's sustainability initiatives and individual targets based on personal performance.

Other executive management has a mutual period of notice of six months. Full salary and other employment benefits are paid during the period of notice. Severance pay corresponding to between 6 and 12 monthly salaries is also paid if employment is terminated by the company.

Pension benefits at 27–35 percent of basic salary are paid for executive management employed in Sweden. To the extent that premiums are not fully tax deductible for the company, excess premiums are to be agreed as direct pension, insured through endowment insurance pledged to the senior executive. Pension benefits at 12–15 percent of basic salary can be payable for executive management employed in the US.

Remuneration Committee

The Remuneration Committee is to assist the Board by submitting proposals on remuneration issues and continuously monitoring and evaluating remuneration structures and levels for the CEO and other executive management.

Incentive program

Share-based incentive program 2023/2026, 2024/2027 and 2025/2028

The Annual General Meeting 2023 resolved in line with the Board's proposal to introduce an incentive program for executive management and key employees of Thule Group. The program entails that a maximum of 2,778,000 subscription warrants, distributed in equal parts in three series, shall be issued to Thule Group AB's wholly owned subsidiary Thule AB for further transfer to the participants. Series 2023/2026 was implemented in the fourth quarter of 2023 and a total of 388,370 warrants were acquired by 36 participants. The warrants were transferred at a price of SEK 26.72 per warrant, which corresponded to the fair market price calculated by an external party at the time of transfer. The warrants can be exercised for shares between June 15 and December 15, 2026 and the exercise price per share has been set at SEK 339.96, which corresponds to 120 percent of the volume-weighted average price according to Nasdaq Stockholm's official price list during the five trading days immediately preceding the transfer. The so-called roof price has been set at SEK 464.90, which corresponds to 164.1 percent of the same average share price. This means that if the market price of the company's share exceeds the roof price when the option is exercised, the exercise price shall be increased accordingly. 537,630 warrants in series 2023/2026 have been cancelled.

The second series, 2024/2027, will be implemented during 2024, but no later than 15 June 2024 and the third series, 2025/2028, will be implemented during 2025, but no later than 15 June 2025. Within the frameworks of the respective series, participants may receive a retention bonus in the form of a gross salary supplement from the company that corresponds in total to the amount paid by the participant for the warrants, conditional upon continued employment at the time of payment and that the participant has not terminated the employment. The maximum dilution effect if all 2,778,000 subscription warrants are exercised is approximately 2.7 percent.

Share-based incentive program 2020/2023

The previous incentive program, 2020/2023, concluded during the year and resulted in an increase in the number of shares and votes in the company of 1,170,661. Thereafter, the total number of shares in the company amounted to 105,733,097 on December 31. Following the above, the company's share capital increased SEK 13,084 to SEK 1,181,710.

Executive management's holdings of warrants in Thule Group AB are presented below.

Warrants 2023	Opening balance, warrants outstanding	Warrants acquired during the year	Warrants exercised during the year	Warrants that matured / cancelled during the year	Warrants bought back during the year	Closing balance, warrants outstanding
Group management						
CEO						
Mattias Ankarberg*	–	110 000	–	–	–	110 000
Magnus Welander	204 498	–	-204 498	–	–	0
Other executive management						
Toby Lawton**	–	40 000	–	–	–	40 000
Jonas Lindqvist	119 290	–	-119 290	–	–	0
Fredrik Erlandsson	72 426	1 000	-72 426	–	–	1 000
Kajsa von Geijer	72 426	–	-72 426	–	–	0
Karl-Johan Magnusson	30 769	26 500	-30 769	–	–	26 500
Rickard Andersson	72 426	20 000	-72 426	–	–	20 000
Other participants						
Other participants	535 944	190 870	-482 818	–	-53 126	190 870
Unsold warrants	982 221	537 630	–	-1 572 977	53 126	0
Total	2 090 000	926 000	-1 054 653	-1 572 977	0	388 370

* Mattias Ankarberg assumed the role of CEO on August 9 2023 in conjunction with Magnus Welander's departure.

** Toby Lawton took up the role as CFO on January 2, 2024 in conjunction with Jonas Lindqvist's departure.

As of December 31, 2023, the number of redeemable warrants was 0. The market value of the warrants was calculated by using an established valuation model (Black-Scholes) with the following preconditions.

Market value per Series:

2023/2026	SEK 26.72
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Conditions of valuation 2023/2026:

Exercise price	SEK 339.96 (based on 120 percent of the volume-weighted average price according to Nasdaq Stockholm's official price list for shares in the company during the period November 13 through November 17, 2023), with a roof price of SEK 464.90, which corresponds to 164.1 percent of the above volume-weighted average share price.
Volatility	30 percent (based on statistical data for comparable, listed companies).
Risk-free interest	3.18 percent (based on Swedish government bonds with matching maturities to the warrants).

No dividend estimate is applied in the valuation, instead the option terms entail conversion of the exercise price and the number of shares to which each option entitles subscription for at each dividend date.

Note 11

Provision for pensions

Group

Post-employment remuneration, such as pensions and other remuneration, is usually paid through regular payments to independent authorities or agencies that thus take over the obligations to the employees, meaning through defined-contribution plans.

Other pension plans in the Group comprise defined-benefit plans where the obligation remains with the Group. Defined-benefit plans primarily exist in Sweden through the ITP plan in accordance with the PRI System (retirement pension).

The ITP plan is encompassed by collective agreement between the Confederation of Swedish Enterprise and PTK.

The defined-benefit ITP plan (ITP2) primarily comprises a retirement pension for life. It is based on final salary on retirement. The benefit amounts to 10 percent of final salary on incomes of up to 7.5 income base amounts, 65 percent of final salary on incomes of between 7.5 and 20 income base amounts and 32.5 percent of final salary on incomes of between 20 and 30 income base amounts. No retirement pension benefit is paid on incomes over 30 income base amounts. Companies in the Group have decided to insure the ITP2 retirement pension by making provisions to an account for pensions in the balance sheet, alongside credit insurance with PRI Pensionsgaranti. In addition to the ITP2 retirement pension, the plan also includes a family pension, disability pension, complementary retirement pension (ITPK) and group life insurance benefits (TGL) for which companies in the Group continuously pay premiums to Alecta/Collectum. According to a statement from the Swedish Corporate Reporting Board (UFR 10), the defined-benefit ITP in Alecta is defined as a multi-employer defined-benefit plan. For the 2023 fiscal year, the Group did not have access to information from Alecta that made it possible to recognize these pension obligations as defined-benefit. Accordingly, these obligations are recognized as defined-contribution pension obligations.

A surplus or a deficit with Alecta may entail a refund to the Group or lower or higher future contributions. At the end of the year, Alecta's surplus in the form of the collective consolidation level was 157 percent (172). The collective consolidation level comprises the market value of the manager's assets as a percentage of the insurance commitments calculated according to the manager's actuarial calculation assumptions.

For the portion of the ITP plan in Sweden that the Group recognizes as a liability via credit insurance with PRI, the Group is exposed to interest rate risk and long lifetime risk.

For defined-benefit plans, the Group's expenses and present value of outstanding obligations are calculated on the balance sheet date using actuarial calculations. The table below provides information about the most significant actuarial assumptions, recognized expenses during the fiscal year and the value of obligations at the end of the period.

	Group	
Assumptions in actuarial calculations, %	2023	2022
Discount rate	3.10	3.90
Expected rate of salary increase, above inflation	1.75	1.75
Rate of inflation	1.65	1.75

The discount rate used by the Group to calculate the defined-benefit pension liabilities in Sweden comprises the market interest rate on the balance sheet date of Swedish mortgage bonds with a term corresponding to the duration of the Swedish pension obligations.

For Sweden, the updated mortality assumption, DUS 23 (DUS 21), is used. The average remaining life expectancy for a 65-year-old man today is 22 (20), and the average remaining life expectancy for a 65-year-old woman today is 24 (23).

In addition to the impact from amended actuarial assumptions such as a change in the discount rate, etc., actuarial gains and losses arose due to an adjustment of experience-based effects. Experience-based effects refer to actual salary increases compared with assumed increases, actual personnel turnover rate compared with the assumed personnel turnover rate, etc. The distribution between actuarial gains and losses that are dependent on changes in assumptions and experience-based gains and losses are shown below.

	Group	
Changes in assumptions, SEKm	2023	2022
Gains (-) and losses (+) due to changes in financial assumptions	26	-105
Gains (-) and losses (+) due to changes in demographic assumptions	4	-
Experienced-based gains (-) and losses (+)	12	7
Recognized in other comprehensive income	41	-98
		Group
Carrying amount of defined-benefit pension plans, SEKm	2023	2022
Present value of unfunded obligations	205	156
Provision for pensions	205	156

	Group	
Changes in present value of obligation for defined-benefit plans, SEKm	2023	2022
Obligation per January 1	156	244
Service cost during current period	11	17
Interest expense	6	4
Pension payments	-10	-11
Actuarial gains (-) and losses (+)	41	-98
Obligation per December 31	205	156

In 2024, the costs are expected to amount to SEK 21m (17). At the end of 2023, the average duration of the Swedish pension obligation was approximately 22 (22) years.

The present value of the Group's pension obligations is sensitive to changes in the discount rate

(interest rate risk). A decline in the discount rate will lead to the present value of the obligations increasing and an increase in the discount rate will lead to the present value of the obligation declining. The table below presents the impact on the present value of the obligations in the event of a 1.0-percentage-point increase and decrease in the discount rate.

SEKm	Group
1.0 percent increase in discount rate	-34
1.0 percent decrease in discount rate	45

	Group	
Expenses for defined-benefit plans, SEKm	2023	2022
Service cost during current period	11	17
Interest expense	6	4
Recognized in income statement	17	21

	Group	
Pension expense recognized in the following lines in income statement, SEKm	2023	2022
Selling expenses	11	17
Financial expenses	6	4
Total	17	21

Defined-contribution pension plans

In Sweden, the Group has defined-contribution pension plans for employees that are entirely funded by the companies.

Abroad, there are defined-contribution plans that are partly funded by the subsidiaries and partly covered through contributions paid by employees. Payments to these plans are carried out on a regular basis according to the rules of the respective plan.

	Group		Parent Company	
Defined-contribution pension plans, SEKm	2023	2022	2023	2022
Expenses for defined-contribution plans	55	50	6	6
Total	55	50	6	6

Note 12

Expenses divided by type of cost

SEKm	2023	Group 2022
Changes in inventory of finished products and work in progress	465	-318
Raw materials and manufacturing supplies	-4 354	-4 413
Expenses for remuneration of employees	-1 762	-1 732
Depreciation/amortization	-259	-200
Other expenses	-1 717	-1 770
Total expenses for goods sold, sales and administration	-7 627	-8 432

Note 13

Net financial items

SEKm	2023	Group 2022	Parent Company 2023	Parent Company 2022
Profit from participations in Group companies	-	-	600	650
Interest income	58	32	164	36
Net exchange rate fluctuations	21	0	0	0
Financial revenue	79	32	764	686
Interest expenses	-156	-84	-120	-53
Other financial expenses	-2	-2	-59	-2
Interest expenses on defined-benefit pension obligations	-6	-4	0	0
Net exchange rate fluctuations	0	-1	0	0
Financial expenses	-163	-91	-178	-55
Net financial items	-84	-59	586	632

Of interest expenses SEK 104m (27) pertained to the category of financial liabilities recognized at amortized cost and SEK 16m (12) pertained to the category of financial liabilities measured at fair value. Interest coupons for financial derivatives are netted, meaning that both receipts and payments are recognized as interest expense.

Note 14

Taxes

Recognized in income statement, SEKm	2023	Group 2022	Parent Company 2023	Parent Company 2022
Current tax expense/tax revenue				
Tax expense for the year	-286	-335	-9	-9
Deferred tax expense/tax revenue				
Deferred tax pertaining to temporary differences and loss carryforwards	-36	-38	0	0
Total recognized tax expense (-)/tax revenue (+)	-321	-373	-9	-9

Effective tax rate reconciliation, SEKm	2023 (%)	2023	2022 (%)	Group 2022
Income before taxes		1 420		1 647
Tax according to current tax rates for Parent Company	20.6	293	20.6	339
Impact of other tax rates on foreign subsidiaries	2.6	37	1.3	21
Non-deductible expenses	2.1	30	0.5	8
Non-taxable income	-0.2	-2	0.0	-1
Increase in loss carryforwards without corresponding capitalization of deferred tax	0.0	0	0.0	0
Utilization of previously non-capitalized loss carryforwards	-1.5	-21	-0.1	-2
Tax attributable to previous years	-0.3	-4	0.4	6
Effect of amended tax rates/regulations	0.0	0	0.0	0
Other	-0.8	-11	0.0	0
Recognized effective tax	22.6	321	22.6	373

The effective tax rate for 2023 amounted to 22.6 percent (22.6).

Effective tax rate reconciliation, SEKm	2023 (%)	2023	2022 (%)	Parent Company 2022
Income before taxes		644		693
Tax according to current tax rates for Parent Company	20.6	133	20.6	143
Non-taxable income	-19.2	-124	-19.3	-134
Recognized effective tax	1.4	9	1.3	9

Recognized in statement of comprehensive income

Group, SEKm	2023			2022		
	Before tax	Taxes	After tax	Before tax	Taxes	After tax
Foreign currency translation	-109	-10	-119	827	-20	807
Hedge reserve	35	-7	28	14	-3	11
Net investment hedge	11	-2	9	-87	18	-69
Actuarial gains and losses	-41	8	-33	98	-20	78
Other comprehensive income	-104	-11	-115	852	-25	826

Recognized in balance sheet

Deferred tax receivables and liabilities pertain to the following:

Group, SEKm	Deferred tax receivables		Deferred tax liabilities		Net	
	2023	2022	2023	2022	2023	2022
Tangible assets	14	14	-21	-18	-8	-4
Intangible assets	14	22	-16	-15	-2	7
Inventories	54	57	0	0	54	57
Receivables	2	11	0	0	2	11
Liabilities	72	80	0	0	72	80
Other	5	17	0	-1	5	17
Loss carryforwards	120	118	-	-	120	118
Tax allocation reserves	-	-	-361	-360	-361	-360
Tax receivables/liabilities	281	320	-399	-393	-118	-73

Deferred tax on leases has been netted in the above tables. Gross deferred tax receivables amounted to SEK 53m and deferred tax liabilities amounted to SEK 52m.

Changes in deferred tax, net, recognized as follows, SEKm

	2023	2022
Deferred tax, net, on January 1	-73	-45
Recognized in profit or loss:	-36	-38
of which, temporary differences	-45	-6
of which, loss carryforwards	9	-32
Recognized in other comprehensive income	0	-20
Currency effect	-8	29
On December 31	-118	-73

Non-recognized deferred tax receivables

Deductible temporary differences and loss carryforwards for which no deferred tax receivables have been recognized in the balance sheet:

Group, SEKm	2023	2022
Tax deficit	714	835
	714	835

Deferred tax receivables have not been recognized for the above tax deficit, since it is unlikely the Group will utilize them for deductions against future taxable gains. All loss carryforwards are due no earlier than 2027 or are unlimited in time.

Global minimum level of taxation

The majority of countries where Thule Group is established have introduced similar rules on minimum taxation. In Sweden, this has been implemented through Law No. SFS 2023:875 on supplementary tax. The law comprises an implementation of Council Directive (EU) 2022/2523, which in turn is based on the model rules on minimum taxation and related guidance such as the OECD/G20 Inclusive Framework (IF). Essentially, the rules on minimum taxation entail calculating the effective tax rate in each country where the group is established. An additional amount of tax (a "top-up tax") is collected if the effective tax rate is less than 15 percent, primarily through legislation in the low-tax country and secondly, in the absence of such local rules, in the country in which the parent company is resident. The rules apply for the first time for the income year 2024.

The Group has applied a temporary mandatory exception (IAS 12) to the requirements to recognize deferred tax attributable to the top-up tax and will recognize any top-up tax in the period in which it arises.

Based on circumstances at the end of 2023, Thule Group has assessed the expected effect of these rules for the income year 2024. The assessment is that the rules on minimum taxation will have no material impact on Thule Group's tax expense for the income year 2024.

Note 15**Earnings per share**

	2023	2022
Earnings per share before dilution		
Net income attributable to Parent Company shareholders, SEKm	1 099	1 275
Average number of shares outstanding, thousand	105 176	104 562
Earnings per share before dilution, SEK	10.45	12.19
Earnings per share after dilution		
Net income attributable to Parent Company shareholders, SEKm	1 099	1 275
Average number of shares outstanding, thousand	105 267	105 179
Earnings per share after dilution, SEK	10.44	12.12

Earnings per share before dilution

The calculation for earnings per share is based on net income attributable to the Parent Company shareholders and on a weighted average number of shares outstanding.

In thousands of shares	2023	2022
Total number of shares issued as of January 1	104 562	104 562
Impact of issues	614	–
	105 176	104 562

Earnings per share after dilution

The calculation for earnings per share after dilution is based on net income attributable to the Parent Company shareholders and on a weighted average number of shares outstanding.

In thousands of shares	2023	2022
Weighted average number of shares	105 176	104 562
Impact of warrants	91	617
	105 267	105 179

Note 16**Intangible assets**

Group, SEKm	Goodwill	Intangible assets	Total
Accumulated cost			
Opening balance, January 1, 2022	4 518	258	4 776
Other investments	–	1	1
Other changes/reclassifications	–	-23	-23
Exchange rate differences for the year	445	14	458
Closing balance, December 31, 2022	4 963	250	5 213
Opening balance, January 1, 2023	4 963	250	5 213
Other investments	–	0	0
Exchange rate differences for the year	-106	-4	-109
Closing balance, December 31, 2023	4 857	246	5 103
Accumulated amortization and impairment			
Opening balance, January 1, 2022	0	-220	-220
Other changes/reclassifications	–	23	23
Amortization for the year	–	-6	-6
Exchange rate differences for the year	–	-10	-10
Closing balance, December 31, 2022	0	-213	-213
Opening balance, January 1, 2023	0	-213	-213
Amortization for the year	–	-5	-5
Exchange rate differences for the year	–	3	3
Closing balance, December 31, 2023	0	-216	-216
Carrying amounts			
As of January 1, 2022	4 518	38	4 556
As of December 31, 2022	4 963	36	4 999
As of January 1, 2023	4 963	36	4 999
As of December 31, 2023	4 857	30	4 887

Amortization and impairment are included in the following rows of the income statement

SEKm	2023	2022
Cost of goods sold	1	1
Selling expenses	2	2
Administrative expenses	3	3
Total	5	6

The Group does not have any internally generated intangible assets. The total development expenses for the year amounted to SEK 629m (609).

Impairment testing of goodwill

Goodwill is tested if there is any need for impairment as soon as such indications occur. Furthermore, an annual test is performed regardless of the occurrence of indications. Impairment testing is performed through estimating the recoverable amount and comparing it with the carrying amount.

Impairment testing 2023

In the impairment test, the cash-generating unit's estimated value-in-use constitutes the recoverable amount. The current weighted average cost of capital (WACC), estimated at 8.3 percent (7.5) after tax and 9.9 percent (8.9) before tax, is used in the present value calculation of the value-in-use. The requirement for return on equity is determined according to the Capital Asset Pricing Model and interest for debt/equity ratio reflects a market-based borrowing cost. Used leverage ratio has been set at 20 percent. The estimates that form the basis of calculating the value-in-use were based on budgets determined by company management for the coming year and on strategic plans established by the Board for the next three years. The cash flow for the subsequent years has been extrapolated, assuming an annual growth rate of 3 percent (3).

Important variables in forecasting cash flows**Growth rate**

Thule Group's growth rate year 1–3 is based on sales volume growth. These assumptions are based on planned launches of new products, planned price increases, marketing investments and historical experience. The market growth used is expected to follow the general growth rate of each market.

Level of performance

Raw material costs for the larger categories were reviewed. Forecasted payroll expenses are based on expected inflation, a degree of real income growth, planned efficiency enhancements in the Group's production and impacts of planned recruiting. The forecast is also based on the effective handling of the Group's working capital and necessary replacement investments. The recoverable amount exceeds the carrying amount. On analysis of the impairment need for goodwill, the company performed a sensitivity analysis through a +2 percentage point adjustment of the discount rate and a -2 percentage point adjustment of sales growth. The variables were sensitivity tested in combination with each other, and the sensitivity analysis indicated no need for any impairment.

Note 17**Tangible assets**

The Group's tangible assets comprise owned and leased assets:

SEKm	Note	2023	2022
Owned tangible assets		1 907	1 778
Right-of-use assets	21	215	228
		2 122	2 007

Group, SEKm	Buildings and land	Plant and machinery	Equipment, tools, fixtures and fittings	Construction in progress	Total
Accumulated cost					
Opening balance, January 1, 2022	915	828	206	202	2 152
Other investments	45	44	32	355	476
Acquisitions	20	0	0	0	20
Divestments and scrapping	-4	-31	-9	0	-44
From in progress	188	153	26	-367	0
Exchange rate differences for the year	80	58	21	9	168
Closing balance, December 31, 2022	1 246	1 052	276	198	2 773
Opening balance, January 1, 2023	1 246	1 052	276	198	2 773
Other investments	21	21	18	210	269
Divestments and scrapping	-1	-52	-13	0	-66
From in progress	27	215	8	-251	0
Exchange rate differences for the year	14	5	-4	9	24
Closing balance, December 31, 2023	1 306	1 242	285	167	3 000

Group, SEKm	Buildings and land	Plant and machinery	Equipment, tools, fixtures and fittings	Construction in progress	Total
Accumulated depreciation and impairment					
Opening balance, January 1, 2022	-274	-429	-147	0	-852
Divestments and scrapping	3	31	7	-	41
Depreciation for the year	-34	-66	-18	-	-118
Exchange rate differences for the year	-22	-29	-14	-	-66
Closing balance, December 31, 2022	-328	-494	-172	0	-995
Opening balance, January 1, 2023	-328	-494	-172	0	-995
Divestments and scrapping	1	46	13	-	60
Depreciation for the year	-41	-100	-23	-	-163
Exchange rate differences for the year	2	0	3	-	5
Closing balance, December 31, 2023	-365	-548	-179	0	-1 093
Carrying amounts					
As of January 1, 2022	641	399	59	202	1 300
As of December 31, 2022	918	558	105	198	1 778
As of January 1, 2023	918	558	105	198	1 778
As of December 31, 2023	941	693	106	167	1 907

Note 18 Inventories

Group, SEKm	Dec 31, 2023	Dec 31, 2022
Raw materials and consumables	587	651
Products in progress	259	301
Finished goods and goods for resale	1 453	2 178
Total	2 300	3 129
Change in recognized inventory obsolescence		
	2023	2022
On January 1	225	168
Provision for obsolescence	232	109
Impairment of inventories	-44	-31
Reversal of previous years' reserves	-75	-34
Currency effect	-4	13
On December 31	334	225

Note 19 Accounts receivable

Thule Group applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for accounts receivable. The approach also entails an assessment of expected credit losses (ECLs) as opposed to events incurred. When assessment of a customer on an individual basis is not reasonable, an assessment is made using ECLs based on payment history and age analysis of accounts receivables past due.

Based on the above, the loss allowance for accounts receivable as per December 31, 2023 follows in the table below.

Age analysis of provision for doubtful receivables

Group, SEKm	Dec 31, 2023
Not past due	-1
1–30 days past due	-1
31–60 days past due	-2
More than 60 days past due	-16
Total	-21

Group, SEKm	Dec 31, 2023	Dec 31, 2022
Accounts receivable, gross	727	784
Less provision for doubtful receivables	-21	-60
Accounts receivable, net	706	723

There was no significant concentration of credit exposure on the balance sheet date. The majority of the Group's customers primarily comprise medium-sized customers.

Age analysis of accounts receivable, SEKm	Dec 31, 2023	Dec 31, 2022
Not past due	605	642
1–30 days past due	67	63
31–60 days past due	19	27
More than 60 days past due	35	51
Less provision for doubtful receivables	-21	-60
Total	706	723

Fair value of accounts receivable agrees with the carrying amount. The credit quality of receivables with no provision is considered to be high.

Changes in the provisions for doubtful receivables are as follows, SEKm	2023	2022
On January 1	-60	-60
Provision for doubtful receivables	-12	-10
Receivables written off during the year as uncollectible	3	2
Reversal of previous years' reserves	48	10
Currency effect	1	-2
On December 31	-21	-60

Note 20 Specific disclosures regarding equity

Thousand shares	2023	2022
Issued January 1	104 562	104 562
Issued December 31 – paid	105 733	104 562

The shares of Thule Group AB are listed on the Nasdaq Stockholm Large Cap list. The Group did not buy back or hold any treasury shares during the fiscal year. The number of shares approved, issued and fully paid as per December 31, 2023 was 105,733,097. The company has only one class of share. At General Meetings of shareholders, each share carries one vote

and each shareholder is entitled to vote for the full number of shares such a shareholder holds in the company. All shares carry equal rights to the company's assets and profits. The quotient value (nominal value) of the share is SEK 0.01118 per share.

Capital management

Under the Board's policy, the Group's financial target is to maintain a financial position that is conducive to maintaining investor, creditor and market confidence and to constitute a stable foundation for continued development of business operations.

The Board seeks to maintain a balance between the higher returns, that may be possible with higher levels of borrowings, and the advantages and security offered by a sound capital structure. The key metric that the company's management and external stakeholders mainly assess with respect to capital structure is the net debt to EBITDA ratio. Thule Group aims to maintain an effective long-term capital structure, defined as the net debt to EBITDA ratio (adjusted for items affecting comparability). This key metric is monitored on a regular basis via the internal reporting to management and the Board. Net debt in relation to EBITDA totaled 1.1 (1.5) as per December 31, 2023.

Group Translation reserve

The translation reserve includes all exchange rate differences arising on the translation of the financial statements from foreign operations that have prepared their financial statements in a different currency to the currency in which the consolidated financial statements are presented. The Parent Company and Group present their financial statements in Swedish kronor (SEK). Furthermore, the translation reserve comprises exchange rate differences arising from the revaluation of liabilities that were recognized as hedging instruments of a net investment in a foreign business.

Hedge reserve

The hedge reserve includes the effective portion of the accumulated net change in fair value of a cash flow hedging instrument attributable to hedge transactions that have not yet occurred.

Parent Company Restricted reserves

Restricted reserves may not be reduced through dividends. Aside from the share capital, the Parent Company has no restricted reserves.

Non-restricted equity

The following reserves, together with net income, comprise non-restricted equity – the amount that is available for shareholder dividends.

Share premium reserve

When shares are issued at a premium, meaning that a higher amount than the quotient value is paid for the share, an amount corresponding to the surplus of the quotient value of the share is recognized in the share premium reserve.

Profit brought forward

Profit brought forward comprises profit brought forward from the preceding year and earnings after deductions for any dividends paid during the year.

Note 21

Leases

The Group's tangible assets comprise owned and leased assets:

SEKm	Note	2023	2022
Owned tangible assets	17	1 907	1 778
Right-of-use assets		215	228
		2 122	2 007

Group, SEKm	Properties	Plant and machinery	Equipment, tools, fixtures and fittings	Total
Accumulated right-of-use assets				
Opening balance, January 1, 2022	238	0	100	338
Right-of-use assets acquired for the year	70	0	40	112
Right-of-use assets divested for the year	-11	0	-18	-29
Exchange rate differences for the year	23	0	5	28
Closing balance, December 31, 2022	321	0	127	449
Opening balance, January 1, 2023	321	0	127	449
Right-of-use assets acquired for the year	37	0	45	82
Right-of-use assets divested for the year	-3	0	-34	-38
Exchange rate differences for the year	-9	0	1	-8
Closing balance, December 31, 2023	346	0	140	486
Accumulated depreciation and impairment				
Opening balance, January 1, 2022	-112	0	-47	-159
Right-of-use assets acquired/divested for the year, net	10	0	18	27
Depreciation for the year	-41	0	-34	-76
Exchange rate differences for the year	-11	0	-3	-13
Closing balance, December 31, 2022	-154	0	-67	-221
Opening balance, January 1, 2023	-154	0	-67	-221
Right-of-use assets acquired/divested for the year, net	3	0	31	35
Depreciation for the year	-51	0	-39	-90
Exchange rate differences for the year	6	0	-1	5
Closing balance, December 31, 2023	-195	-1	-75	-271
As of January 1, 2022	126	0	53	179
As of December 31, 2022	167	0	61	228
As of January 1, 2023	167	0	61	228
As of December 31, 2023	150	0	64	215

The Group leases several types of assets, primarily premises and vehicles, but assets also include machinery and IT equipment to a limited extent. No leases include covenants or other limitations over and above collateral in the leased asset.

Lease liabilities

Group, SEKm	Dec 31, 2023	Dec 31, 2022
Short-term	99	79
Long-term	128	170
Lease liabilities in the balance sheet	227	249

Refer to Note 4 Financial risk management for the maturity analysis of lease liabilities.

Amounts recognized through profit or loss

Group, SEKm	2023	2022
Depreciation and impairment of right-of-use assets	-90	-76
Interest on lease liabilities	-5	-5
Variable lease payments not included in the measurement of the lease liability	-8	-5
Costs for short-term leases	-1	-2
Costs for low-value leases, not low-value short-term leases	-1	-1

The total cash flow for leases in 2023 was SEK 103m (87).

Property leases

The Group leases buildings and land for its offices, warehouses and factories. The leases extend for periods of 1–24 years for offices, 1–13 years for warehouses and 3–20 years for factories.

Some leases include lease payments based on changes in a local price index. Accordingly, the Group is to some extent exposed to possible future increases in variable lease payments based on indices or interest that are not included in the lease liability until they enter force. When index- or interest-linked adjustments of lease payments enter force, the lease liability is remeasured and adjusted against the right-of-use asset. Some leases also require the Group to pay fees pertaining to property taxes levied on the lessor. These fees are set each year.

Extension and termination options

Some leases contain extension and termination options that the Group could choose to exercise or allow to expire. When the Group makes an assessment that sufficient financial inducement exists to extend a contract, an assumption is made from the start of the contract that it will be extended if possible. Extension options can only be used by the Group, not by the lessor. It is assumed that the extension option will not be used for contracts where the Group's assessment at the start of the contract was that the extension option held no significant financial incentives. The Group re-examines whether it is reasonably certain that an extension option will be exercised if there is an important event or significant changes in circumstances that are within the Group's control.

The Group's office leases extend for periods of 1–24 years. The majority of these contracts offer extension options, whereby the Group must notify the lessor that the Group intends to exercise an extension option at least 1 year before the contract expires. Other contracts are subject to automatic renewal unless the Group uses a termination option within a stated period prior to the end of the contract. This period varies among the contracts between 3, 6, 9 or 12 months.

The Group's warehouse leases mainly extend for periods of 1–13 years. Following the first period, most contracts can be extended for one or more periods of 1–5 years. Some of the contracts are automatically renewed unless terminated 1–9 months prior to the end date of the contract, while in other contracts the Group must actively notify the lessor of the choice to exercise an extension option no later than 1 year before the end date of the contract.

For offices and warehouses, in the majority of cases, the Group considers that it is not reasonably certain that the contracts will be renewed beyond the first period. In other words, the lease term is usually assessed as one period and is only extended if or when this assessment changes. The recognized lease liability for these contracts amounted to SEK 56m (64) and SEK 84m (93), respectively.

The Group also has contracts for factory leases. These extend for periods of 3–20 years, with options for the Group to extend for further periods. For the majority of factory leases, the Group's assessment is that it is reasonably certain that further periods will be used. The recognized lease liability for these contracts amounted to SEK 23m (30).

Over the year, lease liabilities decreased SEK 24m as a result of utilizing options that were not previously included in the lease liability. Significant changes could arise in the future if the lease term of the Group's material property leases should be subjected to retesting.

Other leases

The Group also leases plant and machinery as well as other technical installations and equipment, tools, fixtures and fittings. These categories mainly comprise vehicles, machinery and IT equipment with respective lease periods of 1–7, 2–5 and 1–5 years. While residual value guarantees and extension options arise, these are of limited and non-material scope.

Payments for short-term leases of equipment and vehicles, and all low-value leases, are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value leases include IT equipment, small forklifts and other small pieces of equipment.

Note 22

Interest-bearing liabilities

Long-term interest-bearing liabilities, SEKm	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Long-term liabilities to credit institutions	1 903	2 812	1 903	2 812
Leases	128	170	–	–
Long-term derivative liabilities	7	1	–	–
Total	2 038	2 983	1 903	2 812

Short-term interest-bearing liabilities, SEKm

Short-term liabilities to credit institutions	–	–	–	–
Overdraft facilities	3	–	–	–
Leases	99	79	–	–
Short-term derivative liabilities	34	28	–	–
Total	136	107	0	0

Term structure of liabilities, SEKm

Overdraft facilities	3	–	–	–
1 year	133	107	–	–
2–3 years	1 978	2 879	1 903	2 812
4–5 years	11	48	–	–
More than 5 years	49	57	–	–
Total	2 174	3 090	1 903	2 812

Note 23

Accrued expenses and deferred income

SEKm	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Employee-related expenses	224	283	26	11
Bonuses to customers	115	154	–	–
Other items	174	194	5	1
Total	513	631	31	12

Note 24

Provisions

SEKm	Group		Parent Company	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Restructuring expenses	0	1	–	–
Guarantee commitments	42	85	–	–
Other provisions	6	7	–	–
Total	49	93	–	–

SEKm	Restructuring expenses	Other provisions	Guarantee commitments
Carrying amount at beginning of year	1	7	85
New provisions	–	–	–
Amounts utilized during the period	-1	–	-42
Currency effect	0	-1	-1
Carrying amount at end of period	0	6	42

Note 25

Cash flow statement

SEKm	2023	Group		Parent Company	
		2022	2023	2022	2023
Interest paid net	-95	-64	-7	-28	
Adjustments for items not included in cash flow					
Anticipated dividends from subsidiaries	-	-	-600	-650	
Depreciation/amortization and impairment of assets	293	200	-	-	
Capital gain/loss from divestment of operations/shares/equipment	6	2	-	-	
Unrealized and other financial items	5	59	-	-	
Total	303	261	-600	-650	

Reconciliation of liabilities attributable to financing activity

SEKm	Opening balance, January 1, 2023	Cash flows	Concluded agreements entered into, net	Financing costs	Exchange rate differences	Closing balance Dec 31, 2023
Long-term liabilities to credit institutions	2 812	-900	-	1	-11	1 903
Leases	249	-95	77	-	-4	227
Overdraft facilities	0	3	-	-	-	3
Derivative liabilities	29	-	-	-	12	41
Total according to balance sheet	3 090	-992	77	1	-3	2 174

Cash and cash equivalents

SEKm	2023	Group		Parent Company	
		2022	2023	2022	2023
The following sub-components are included in cash and cash equivalents:					
Cash and bank balances	92	176	-	-	
Short-term investments, equal to cash and cash equivalents	2	0	-	-	
Total according to balance sheet	94	176	0	0	

Note 26

Appropriations

Parent Company, SEKm	2023	2022
Group contribution received	120	85
Total	120	85

Note 27

Participations in subsidiaries

Parent Company, SEKm	Dec 31, 2023	Dec 31, 2022
Opening cost	1 000	1 000
Closing accrued cost	1 000	1 000
Closing carrying amount of direct holdings of participations in subsidiaries	1 000	1 000

Name	Corp. Reg. No.	Registered office	Share of equity, %
Thule AB	556770-6329	Malmö	100
Thule Holding AB	556662-7138	Malmö	100
Thule Towing Systems AB	556259-0298	Malmö	100
Thule NV		Menen	100
Thule Organization Solutions Asia Pacific Ltd.		Hong Kong	100
Thule Trading (Beijing) Co. Ltd		Beijing	100
Thule Organization Solutions S.A.		Louvain-La-Neuve	100
Thule Organization Solutions S.A.R.L		Rosny-Sous-Bois	100
Thule Organization Solutions BV		Utrecht	100
Thule Finans AB	556043-6858	Malmö	100
Thule Sp.zo.o.		Huta	100
Thule Japan KK		Tokyo	100
Thule S.r.o		Prague	100
Thule Sweden AB	556076-3970	Gnosjö	100
Thule Brasil Comercial e importadora Ltda.		São Paulo	100
Thule Sweden Fastighet AB	559228-7469	Gnosjö	100
Thule IP AB	556578-1282	Malmö	100
Thule Merchandizing AB	556849-4016	Malmö	100
Thule Brasil Distribuidora Ltda		São Paulo	100
Thule Sport Rack Beheer B.V.		Staphorst	100
Thule Canada Holding LLC		Wilmington, Delaware	100
Thule Canada Inc.		Granby	100
Thule Holding ApS		Copenhagen	100
Brink Nordisk Holdings ApS		Copenhagen	100
Thule Inc.		Seymour	100
Thule Holding Ltd.		Haverhill	100
Thule Outdoor Ltd.		Haverhill	100
Thule Deutschland Holding AB	556662-7419	Malmö	100
Thule GmbH		Neumarkt	100

Note 28

Pledged assets

There are no pledged assets in the Group.

Note 29

Contingent liabilities

Group, SEKm	Dec 31, 2023	Dec 31, 2022
Bank guarantees	24	24
Pension liability, PRI	3	2
Other guarantee commitments	33	37
Total contingent liabilities	60	64

Note 30

Events after the balance sheet date

Toby Lawton assumed the role as CFO on January, 2024. No other significant events have occurred after the balance sheet date.

Note 31

Related-party transactions

All of the Group companies presented in Note 27 are considered to be related parties. Transactions take place between Thule Group companies concerning deliveries of goods and services, and the provision of financial and intangible services. Market terms and pricing are applied to all transactions. All intra-Group transactions are eliminated. The Parent Company's transactions with subsidiaries comprise the transactions presented below.

Parent Company

Receivables from and liabilities to subsidiaries, SEKm	Dec 31, 2023	Dec 31, 2022
Long-term interest-bearing receivables	3 499	4 410
Short-term interest-bearing receivables	721	736
Long-term interest-bearing liabilities	–	–
Short-term interest-bearing liabilities	-1 546	-1 540
Total	2 673	3 605

Thule Group AB issued warrants as part of an incentive program for management. Warrants have been issued to and subscribed for by Thule Group AB's subsidiary, Thule AB.

For information regarding remuneration and benefits paid to executive management and the Board, refer to notes 10 and 11.

Assurance

The income statements and balance sheets will be presented to the Annual General Meeting on April 26, 2024 for adoption.

The Board of Directors and the CEO & President affirm that this Annual Report was prepared in accordance with generally accepted accounting policies in Sweden and that the consolidated financial statements were prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and the Council issued on July 19, 2002 on the application of international accounting standards. The Annual Report and consolidated financial statements provide a true and fair view of the Parent Company's and the Group's financial position and earnings. The Board of Directors' Report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and earnings, and describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Malmö, April 3, 2024

Hans Eckerström
Chairman of the Board

Anders Jensen
Board member

Sarah McPhee
Board member

Heléne Mellquist
Board member

Johan Westman
Board member

Helene Willberg
Board member

Mattias Ankarberg
CEO & President

Our auditor's report was submitted on April 3, 2024

PricewaterhouseCoopers AB

Eric Salander
Authorized Public Accountant
Auditor in Charge

Neda Feher
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Thule Group AB (publ), corporate identity number 556770-6311

Report on the annual accounts and consolidated financial statements

OPINIONS

We have audited the annual accounts and consolidated financial statements of Thule Group AB (publ) for the year 2023 except for the corporate governance statement on pages 54–59. The annual accounts and consolidated financial statements of the company are included on pages 43–90 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 54–59. The statutory administration report is consistent with the other parts of the annual accounts and consolidated financial statements.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated financial statements are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

AUDIT SCOPE

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgments; for example, in respect of

significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates. Based on this, we determined which companies within the Group were deemed to be significant and determined audit activities to be performed on these companies. In total, 9 companies have been deemed to be significant. Entities that have not been deemed as significant, have been reviewed by the Group audit team. The majority of the entities not included in the Group audit are subject to statutory audits in their respective countries. During the year, the Group audit team had digital and physical meetings with some of the significant entities in the Group with the aim of gaining understanding of the operations in these countries, compliance of the Group's internal control framework, including the process for financial reporting. The Group audit team has, in addition and amongst other things, executed an audit of the parent company, the consolidation, the annual financial statements and significant assumptions and estimates. Based on the performed audit activities mentioned above, we deem that we have obtained sufficient audit evidence to provide an opinion on the financial reports as a whole.

MATERIALITY

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

KEY AUDIT MATTERS

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated financial statements of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated financial statements as a whole, but we do not provide a separate opinion on these matters.

KEY AUDIT MATTER

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Impairment testing of goodwill

As of 31 December 2023, the Group reported goodwill amounting to MSEK 4,857, which is specified in Note 16 where the allocation of goodwill and other intangible assets is presented. The reported value has been the subject to an impairment test, which contained both complex and major aspects of estimates. The impairment test has been prepared for the Group as the cash-generating unit.

These tests imply that the Group is required to undertake future assessments regarding both the operation's internal and external premises and plans. Examples of such estimations include future cash flows, which amongst other things, requires assumptions on future product launches, price increases and marketing activities.

In Note 1, section Impairments and Note 16, there is a description as to how the Group has made its assessment, and there is also a report on significant assumptions regarding the sustainable growth rate and the cost of capital (WACC), as well as regarding sensitivity analyses.

In executing our audit, we have focused on whether there is a risk for an impairment requirement as regards to goodwill. We have reconciled important assumptions with the company's budget and strategic plan, which includes evaluating management's assumptions and estimates. This has been done through an analysis of how well previous years' assumptions have been proven to be correct, and we have challenged the assumptions associated with those aspects which have the greatest impact on the impairment assessment, such as growth, earnings margins and cost of capital (WACC).

We have also, through our own sensitivity analyses, tested the headroom margins for the cash-generating unit and based on these tests, we have assessed the risk of an impairment requirement. As a part of our audit, we have also assessed the calculation model applied by management. We have also assessed the accuracy of the disclosures included in the annual financial statements.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED FINANCIAL STATEMENTS

This document also contains other information than the annual accounts and consolidated financial statements and is found on pages 1–42 and 94–120. The other information also consists of the Remuneration report which we have received before the date of this auditor's report and which has been published on the company's website before the publishment of this document. This information, in addition to the sustainability report and our statement regarding this report, do not constitute a part of the annual report. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and consolidated financial statements does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and

consolidated financial statements, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated financial statements. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTOR'S AND THE CHIEF EXECUTIVE OFFICER

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated financial statements and that they give a fair presentation in accordance with the Annual Accounts Act and,

concerning the consolidated financial statements, in accordance with IFRS as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated financial statements, The Board of Directors and the Chief Executive Officer are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors' responsibilities and tasks in general, among other things oversee the company's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated financial statements.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

THE AUDITOR'S AUDIT OF THE ADMINISTRATION OF THE COMPANY AND THE PROPOSED APPROPRIATIONS OF THE COMPANY'S PROFIT OR LOSS

OPINIONS

In addition to our audit of the annual accounts and consolidated financial statements, we have also audited the administration of the Board of Director's and the Chief Executive Officer of Thule Group AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Chief Executive Officer be discharged from liability for the financial year.

BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

RESPONSIBILITIES OF THE BOARD OF DIRECTOR'S AND THE CHIEF EXECUTIVE OFFICER

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs.

This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Chief Executive Officer shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

AUDITOR'S RESPONSIBILITY

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the Esef report

OPINION

In addition to our audit of the annual accounts and consolidated financial statements, we have also examined that the Board of Directors and the Chief Executive Officer have prepared the annual accounts and consolidated financial statements in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Thule Group AB (publ) for the financial year 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

BASIS FOR OPINIONS

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Thule Group AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE BOARD OF DIRECTOR'S AND THE CHIEF EXECUTIVE OFFICER

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Chief Executive Officer determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4 (a) of

the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Chief Executive Officer, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Chief Executive Officer.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

THE AUDITOR'S EXAMINATION OF THE CORPORATE GOVERNANCE STATEMENT

The Board of Directors is responsible for that the corporate governance statement on pages 54–59 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated financial statements and are in accordance with the Annual Accounts Act.

PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Thule Group AB (publ) by the general meeting of the shareholders on the 27 April 2023 and has been the company's auditor since the 26 April 2017.

Malmö 3 April 2024

PricewaterhouseCoopers AB

Eric Salander
Authorized Public Accountant
Auditor in charge

Neda Feher
Authorized Public Accountant

About the Sustainability Report

The sustainability report for Thule Group (publ) is part of the 2023 Annual and Sustainability Report and the information pertains to January 1, 2023 – December 31, 2023. The report includes all manufacturing sites and offices.

The Sustainability Report is prepared in reference to the sustainability reporting guidelines from the Global Reporting Initiative (GRI), GRI Standards 2021. The report also includes the statutory sustainability report in reference to Chapter 6, Section 11 of the Swedish Annual Accounts Act. Thule Group's climate data regarding greenhouse gas emissions have been third party verified by South Pole.

Data for scopes 1 and 2 includes all nine manufacturing sites and their offices as well as local offices with more than twelve employees.

Scope 3 includes emissions from purchased materials in the four categories: aluminum, steel, plastic, packaging and textiles; upstream and downstream shipments and distribution; business trips and capital goods; and indirect emissions from purchased heat and electricity.

The number of employees, promotions and employee turnover are reported with reference to the GRI Standards' guidelines. In the Sustainability section we report the actual number of employees broken down by gender, age, new hires, promotions and employee turnover. In the financial section of the Annual Report, the number of employees is given as an average in reference to the Annual Accounts Act. There are no major differences between the reporting methods. Employee data includes all of the aforementioned locations as well as smaller offices in Japan, China, France, the Czech Republic and the Netherlands.

All environmental data is collected quarterly and consolidated annually. Social data is collected annually, apart from accidents, working hours and incident reports, which are reported monthly. The sustainability report is published annually. The 2022 Group Annual and Sustainability Report was published on March 31, 2023. This report was published on April 5, 2024.

ANALYSIS AND DISCLOSURES BASELINE SBTi

In 2023, Thule Group carried out an analysis and evaluation where emissions from the baseline year 2019 were evaluated based on today's perspective and knowledge. This exercise was carried out in reference to SBTi recommendations and guidelines, where companies re-evaluate their emissions every fifth year, or more frequently, in order to note any structural or methodology changes and to verify that any new guidance from SBTi regarding goals for a specific sector are incorporated.

Thule Group has not undergone any structural changes and the primary changes in the emissions calculation were in methodology, due to increased knowledge about materials leading to the incorporation of new emissions factors and methods for scopes 1, 2 and 3.

Emission calculations of scopes 1, 2 and 3 year 2019 were updated and aligned with the current method for years 2022 and 2023, where a more detailed categorization of purchased material was applied. The updated calculations led to the conclusion that introducing more exact emissions factors does not qualify as a methodological change, even if minor

structural changes were carried out, mostly in the separation of purchased materials for scope 3 emissions.

This structural refinement, together with application of new emissions factors, led to an observable difference of 3.3 percent in scope 3 emissions in 2019, which is under the SBTi threshold of 5 percent. Thule Group does not need to reformulate existing short-term SBTi targets.

CONTACT FOR THE SUSTAINABILITY REPORT:

Hawwa Nashfa
hawwa.nashfa@thule.com

GRI Index

Statement of use: Thule Group AB has provided the information in this GRI content index for January 2023 to December 2023 with reference to the GRI Standards.

GRI 1 applied: GRI 1: Foundation 2021

GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
GRI 2: General disclosures				
2-1 Organizational details	4, 44, 54			
2-2 Entities included in the organization's sustainability reporting	94			
2-3 Reporting period, frequency and contact point	94			
2-4 Restatements of information	94			
2-5 External assurance	112–115			
2-6 Activities, value chain and other business relationships	34–35			
2-7 Employees	99	1–6	5, 8	
2-8 Workers who are not employees	99	1–6	5, 8	
2-9 Governance structure and composition	54–58	1–6	5, 8	
2-10 Nomination and selection of the highest governance body	55			
2-11 Chair of the highest governance body	58			
2-12 Role of the highest governance body in overseeing the management of impacts	40–41			
2-13 Delegation of responsibility for managing impacts	40			
2-14 Role of the highest governance body in sustainability reporting	40–41, 112			
2-15 Conflicts of interest	58		16	
2-16 Communication of critical concerns	40–41			
2-17 Collective knowledge of the highest governance body	58			
2-18 Evaluation of the performance of the highest governance body	54–57			
2-19 Remuneration policies	40, 56	1–6	5, 8	
2-20 Process to determine remuneration	56	1–6	5, 8	
2-21 Annual total compensation ratio	99	1–6	5, 8	
2-22 Statement on sustainable development strategy	7, 30			

GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
2-23 Policy commitments	40–41		16, 17	
2-24 Embedding policy commitments	29–31, 40–41		16, 17	
2-25 Processes to remediate negative impacts	32–35			
GRI 2: General disclosures				
2-26 Mechanisms for seeking advice and raising concerns	40–41		16	
2-27 Compliance with laws and regulations	40–41, 47–51		16, 17	
2-28 Membership associations	100		16, 17	
2-29 Approach to stakeholder engagement	31	3	11, 16, 17	
2-30 Collective bargaining agreements	100	3	11, 16, 17	
GRI 3: Material topics 2021				
3-1 Process to determine material topics	31			
3-2 List of material topics	31, 95–98			
3-3 Management of material topics	31–41			
GRI 201: Economic performance 2016				
201-1 Direct economic value generated and distributed	60–65		8	
201-2 Financial implications and other risks and opportunities due to climate change	50		8, 13	
201-3 Defined benefit plan obligations and other retirement plans	80		8	

GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
GRI 202: Market presence 2016				
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	100	1-6	5, 8, 10	
202-2 Proportion of senior management hired from the local community	100		5, 8, 10, 11	
GRI 204: Procurement practices 2016				
204-1 Proportion of spending on local suppliers	100		9, 11	
GRI 205: Anti-corruption 2016				
205-1 Operations assessed for risks related to corruption	107		10, 11, 16	
205-2 Communication and training about anti-corruption policies and procedures	40		10, 11, 16	
205-3 Confirmed incidents of corruption and actions taken	107		10, 11, 16	
GRI 206: Anti-competitive Behavior 2016				
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	107		10, 11, 16	
GRI 207: Tax 2019				
207-1 Approach to tax	41, 49, 82		16	
207-2 Tax governance, control and risk management	41, 49, 82		16	
207-3 Stakeholder engagement and management of concerns related to tax	41, 68, 81-82		16	
GRI 301: Materials 2016				
301-1 Materials used by weight or volume	101	7-9	12	
301-2 Recycled input materials used	101	7-9	12	
GRI 302: Energy 2016				
302-1 Energy consumption within the organization	101	7-9		
302-3 Energy intensity	101	7-9	6, 12	
302-4 Reductions of energy consumption	101	7-9	6, 12	

GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
GRI 303: Water and effluents 2018				
303-1 Interactions with water as a shared resource	33, 101	7-9	6, 12	
303-2 Management of water discharge-related impacts	33, 101	7-9	6, 12	
303-3 Water withdrawal	101	7-9	6, 12	
303-4 Water discharge	101	7-9	6, 12	
303-5 Water consumption	101	7-9	6, 12	
GRI 304: Biodiversity 2016				
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	33	7-9	6, 12	
304-2 Significant impacts of activities, products and services on biodiversity	33	7-9	12, 13, 14, 15	
GRI 305: Emissions 2016				
305-1 Direct (Scope 1) GHG emissions	32-37, 102	7-8	7, 12, 13	
305-2 Energy indirect (Scope 2) GHG emissions	32-33, 102	7-8	7, 12, 13	
305-3 Other indirect (Scope 3) GHG emissions	32-33, 102	7-8	7, 12, 13	
305-4 GHG emissions intensity	33, 102	7-8		
305-5 Reduction of GHG emissions	32-37, 102	7-8	7, 12, 13	
GRI 306: Waste 2020				
306-1 Waste generation and significant waste-related impacts	33, 103	7-9	12	
306-2 Management of significant waste-related impacts	33, 103	7-9	12	
306-3 Waste generated	103	7-9	12	
306-4 Waste diverted from disposal	103	7-9	12	
306-5 Waste directed to disposal	103	7-9	12	

GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
GRI 308: Supplier environmental assessment 2016				
308-1 New suppliers that were screened using environmental criteria	41, 107	7-8	12	
308-2 Negative environmental impacts in the supply chain and actions taken	41, 107	7-8	12	
GRI 401: Employment 2016				
401-1 New employee hires and employee turnover	103-104	6	5, 8, 10	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	104	6	5, 8, 10	
401-3 Parental leave	104	6	5, 8, 10	
GRI 402: Labor/Management Relations 2016				
402-1 Minimum notice periods regarding operational changes	104	6	5, 8, 10	
GRI 403: Occupational Health and Safety 2018				
403-1 Occupational health and safety management system	39, 105	1-2, 4-6	8, 12	
403-2 Hazard identification, risk assessment and incident investigation	39, 105	1-2, 4-6	8, 12	
403-4 Worker participation, consultation and communication on occupational health and safety	38-41, 105	1-2, 4-6	8, 12	
403-5 Worker training on occupational health and safety	39-40, 105	1-2, 4-6	8, 12	
403-8 Workers covered by an occupational health and safety management system	39, 105	1-2, 4-6	8, 12	
403-9 Work-related injuries	39, 105	1-2, 4-6	8, 12	
GRI 404: Training and education 2016				
404-1 Average hours of training per year per employee	105	1-6	5, 8, 10	
404-2 Programs for upgrading employee skills and transition assistance programs	38-41, 105	1-6	5, 8, 10	
404-3 Percentage of employees receiving regular performance and career development reviews	105	1-6	5, 8, 10	

GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
GRI 405: Diversity and equal opportunity 2016				
405-1 Diversity of governance bodies and employees	39, 58-59, 106	1-6	5, 8, 10	
405-2 Ratio of basic salary and remuneration of women to men	106	1-6	5, 8, 10	
GRI 406: Non-discrimination 2016				
406-1 Incidents of discrimination and corrective actions taken	39, 107	1-6	5, 8, 10	
GRI 407: Freedom of association and collective bargaining 2016				
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	39-41, 107	1-6	5, 8, 10	
GRI 408: Child labor 2016				
408-1 Operations and suppliers at significant risk for incidents of child labor	40-41, 107	1-6	5, 8, 10, 11	
GRI 409: Forced or compulsory labor 2016				
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	40-41, 107	1-6	5, 8, 10, 11	
GRI 411: Rights of indigenous peoples 2016				
411-1 Incidents of violations involving rights of indigenous peoples	107	1-6	5, 8, 10, 11	
GRI 413: Local communities 2016				
413-1 Operations with local community engagement, impact assessments, and development programs	39-40, 106	1-6	5, 8, 10, 11	
413-2 Operations with significant actual and potential negative impacts on local communities	39-41	1-6	5, 8, 10, 11	

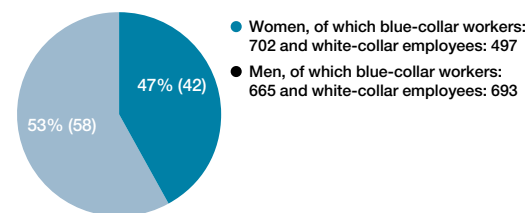
GRI Standards: Disclosure	Location	UN GC Principle	UN Sustainable Development Goal	Comments and omissions
GRI 414: Supplier social assessment 2016				
414-1 New suppliers that were screened using social criteria	40–41, 107	1–6, 8	5, 8, 10, 11	
414-2 Negative social impacts in the supply chain and actions taken	40–41, 107	1–6, 8	5, 8, 10, 11	
GRI 416: Customer health and safety 2016				
416-1 Assessment of the health and safety impacts of product and service categories	23–24, 32	1–6, 9	9, 12	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	107	1–6, 9	9, 12	
GRI 417: Marketing and labeling 2016				
417-1 Requirements for product and service information and labeling	23–24	1–6, 9	9, 12	
417-2 Incidents of non-compliance concerning product and service information and labeling	107	1–6, 9	9, 12	
417-3 Incidents of non-compliance concerning marketing communications	107		9, 12	
GRI 418: Customer privacy 2016				
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	107		9, 12	

Sustainability Notes

GRI 2-7: Employees

Employees by region and gender, 2023	Total No. of employees 2023	Men	Women	% of Women
Poland	785	324	461	59
Other Europe	709	440	269	38
North America	368	155	213	58
Sweden	611	388	223	36
South America	32	24	8	25
Asia	52	27	25	48
Total	2 557	1 358	1 199	47

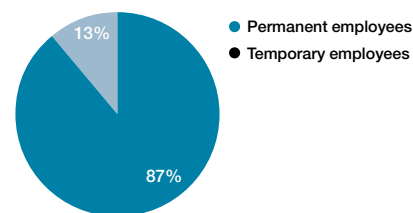
Type of work 2023 (2022), % of men and women



Temporary employment contracts are applied in high season, especially for blue-collar workers.

Employees by type of contract, 2023	Number	%
Full-time workers on permanent contracts, men	1 253	49
Full-time workers on permanent contracts, women	966	38
Part-time workers on permanent contracts, men	143	6
Part-time workers on permanent contracts, women	128	5
Workers on seasonal/temporary contracts, men	23	1
Workers on seasonal/temporary contracts, women	44	2
Total	2 557	

Type of contract



GRI 2-8: Workers who are not employees

December 31, 2023	Number
Number of agency workers	58
Number of consultants	50
Number of student interns/apprentices	55
Total	163

GRI 2-21: Annual total compensation ratio

GRI 2-21a: The compensation ratio between highest paid executive and average salary level for total number of employees.

18

GRI 2-21b: Ratio of salary increase for highest paid executives and average salary increase for other employees.

3

GRI 2-28: Membership associations

Thule Group is a member of, or partner in, several organizations that undertake initiatives to increase sustainability and ensure positive developments in the sports and outdoor industry, as well as sustainable societal development in general.

UN Global Compact



Thule Group is a participant of the UN Global Compact, an initiative which companies are invited to support and respect ten principles for sustainable development in the realm of human rights, labor standards, the environment and anti-corruption. As a participant, we commit to publishing a report on how we have contributed to and how we are developing in relation to the ten principles.

The Global Recycled Standard (GRS)



A voluntary product standard for tracking and verifying the content of recycled materials in a final product. The standard applies to the full supply chain and addresses traceability, environmental principles, social requirements, chemical content and labeling. Thule Group is committed to sourcing 100 percent of the material we use in our backpacks, bags and luggage from recycled polyester textiles and recycled nylon textiles from Global Recycled Standard certified sources by the end of the year 2024.

Outdoor Foundation



The Outdoor Foundation, established by the Outdoor Industry Association (OIA) in North America, encourages young people to active outdoors and aims to inspire and grow future generations of outdoor enthusiasts.

bluesign®



bluesign® is a certification system for sustainable textile production. The ambition is to eliminate harmful substances from the manufacturing process by setting standards for environmentally friendly and safe production, and bluesign® also offers training for the staff of member companies. Not only does this ensure that the final textile product meets stringent consumer safety requirements, but it also creates confidence among consumers who receive and value sustainable products. The system is based on five principles: resource productivity, consumer safety, occupational health and safety, and emissions to air and water.

European Outdoor Conservation Association



The European Outdoor Conservation Association (EOCA) works to protect wilderness areas in Europe by preserving rivers, creeks and other wetlands. We collaborate with several players involved in the sports and outdoor industry via EOCA to preserve sensitive natural areas.

CDP



CDP (Carbon Disclosure Project) is a non-profit global organization which collects and compiles company reporting about its environmental impact, governance, strategy, risks and opportunities. The Thule Group fills in the annual climate change form which CDP then makes an assessment of and scores. A number of other organizations that do sustainability assessments with ESG as a basis uses CDP as an important source of information. In the 2023 evaluation, the Thule Group was graded C and recognized among 20 percent of the companies in its peer group that reached awareness level.

Leave No Trace



Leave No Trace is an international movement, non-profit organization and education program dedicated to protecting the outdoors by teaching people to enjoy it responsibly. The organization accomplishes this mission by delivering cutting-edge education and research to millions of people across the country every year.

Conservation Alliance



The Conservation Alliance works to protect wilderness areas in North America by preserving rivers, streams and other wetlands.

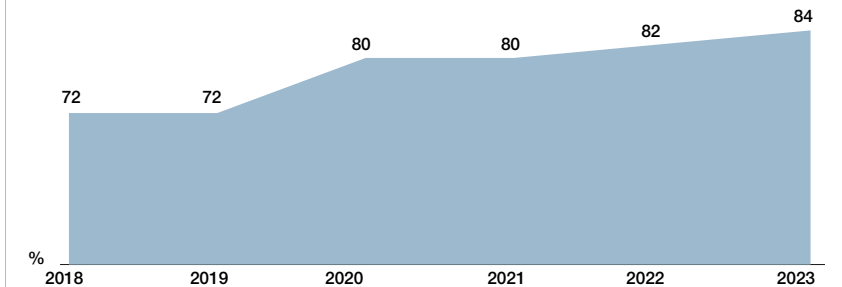
Mistra Sport & Outdoors



Thule Group is a trade and industry representative at Mistra Sport & Outdoors – a research project aimed at making sports and outdoor pursuits more sustainable. This organization includes many key stakeholders of Sweden's outdoor, tourism and sporting activities.

GRI 2-30: Collective bargaining agreements

Employees covered by collective bargaining agreements

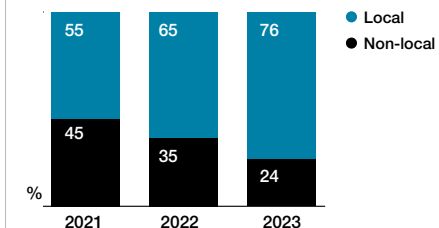


GRI 202: Market presence 2016

Employees by type of contract, 2023

GRI 202-1 Percentage of employees who earn above the local minimum wage	100%
Ratios of standard entry level wage compared with local minimum wage and gender	1
GRI 202-2 Proportion of senior management hired from the local community	100%

GRI 204-1: Procurement practices



Local procurement of products has a number of advantages, such as lower costs and CO₂ emissions due to shorter transportation routes, increased flexibility and shorter lead times. It also supports the local communities where we have located our manufacturing sites.

GRI 301: Materials

GRI 301-1: Materials used by weight or volume

	tons	Emissions, tons of CO ₂ eq
Steel	6 412	16 225
Aluminum	9 864	62 730
Plastic	10 435	49 679
Textiles	2 569	16 424
Packaging	5 564	6 203
Total	34 844	151 262

Year-on-year, the volume of purchased material declined 34 percent in 2023. Therefore, emissions from purchased material also decreased substantially in 2023 compared with a total of 224,404 tons CO₂ in 2022.

GRI 301-2: Recycled input materials used

%	2023	2022	2021
Plastic	47	8	13
Paper packaging	10	29	26
Textiles	5	2	3

The data in this table shows the total percentage of recycled material used per material category in 2023, out of the total weight of purchased materials. The percentage of recycled plastic material increased significantly in 2023, which was fully in line with our strategy.

GRI 302: Energy

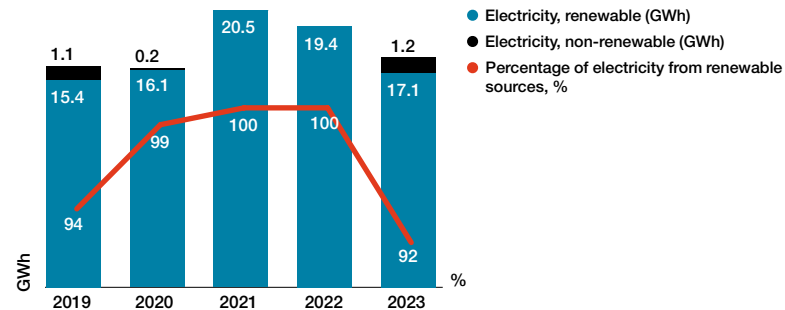
Energy (GWh) and energy intensity (GWh/SEKm)

GWh	2023	2022	2021	2020	2019
Fuel, renewable*	2.7	1.3	2.3	1.5	1.0
Fuel, non-renewable**	10.9	10.5	11.3	8.2	13.9
Purchased electricity	17.1	19.4	20.6	16.2	16.4
Purchased heating	0.3	0.29	0.32	0.25	0.25
Energy intensity (GWh/SEKm)	0.00339	0.00311	0.00332	0.00335	0.00448

** Renewable fuel includes biogas and ethanol.

** Non-renewable fuel includes diesel, gasoline, heating oil, LPG and natural gas.

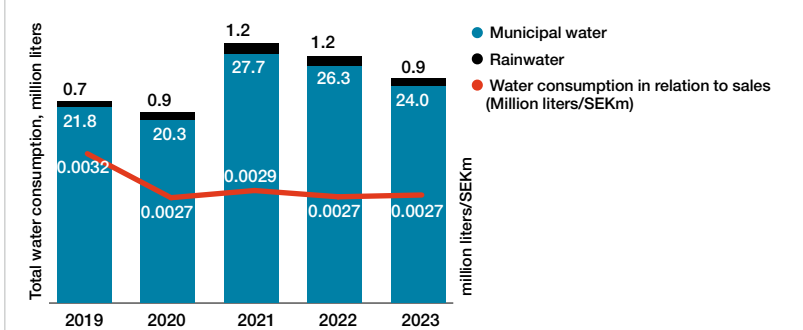
Electricity (GWh) and proportion from renewable sources, %



In 2023, Thule Group achieved 91 percent sourcing of renewable electricity. We have a serious commitment to our Scope 2 target on achieving 100 percent active sourcing of renewable electricity by 2030. We were unable to secure renewable electricity in 2023 for one of our manufacturing sites as a result of short-term market supply issues. This meant that the overall percentage of renewable electricity purchased was slightly lower in 2023 as a result of us not being able to secure renewable electricity for this site. We have now secured a renewable electricity supply for this site for 2024, and we are on track to fulfill our SBTi commitments by 2030.

GRI 303: Water and effluents

Water withdrawal, water consumption, million liters



Water discharge

We have reported on third party water discharge since 2022 i.e discharge to municipal water treatment systems and not to the natural environment.

Water recycling

Despite the fact we have relatively small amounts of recycled water used in closed-loop production systems, we are reporting on this measure to adhere to the GRI requirements. As explained above, most of the water is discharged into municipal systems. We recycled 860 000 liters of water were during the year.

GRI 305: Emissions

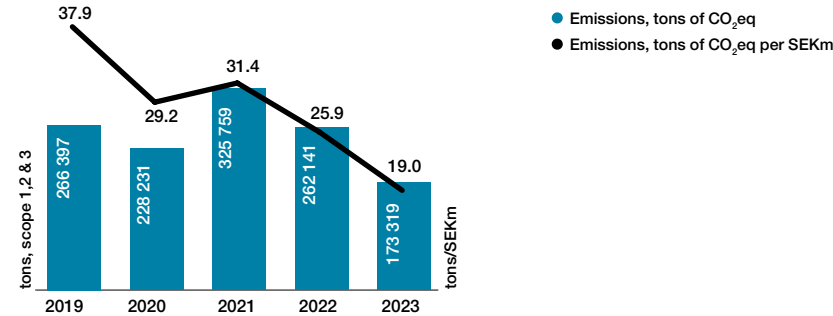
Note that we use 2019 as the baseline year for reporting GHG emissions with regard to our SBTi 2030 climate targets and our net zero commitment. All emissions are included in the base year, which includes the category Purchased goods, which we have started reporting in this year's report and which we will continue to report in the coming years. During the year, an analysis and evaluation were performed where emissions from the baseline year 2019 were evaluated based on today's perspective and knowledge. The findings showed no basis for adjusting the values.

We continue to improve our data collection procedures and our collective know-how, both in-house and within the sector, on the climate impact arising from raw materials and industrial processes. This is reflected in a general quality improvement in our reported data and in our R&D and purchasing procedures. In particular, we are continuing R&D work in collaboration with certain main suppliers with the aim of developing products that use materials and components with a lower climate impact. An example of one such initiative comprises the start, in our European production, of sourcing low GHG emission aluminum, which will reduce the overall climate impact of our operations, in the third quarter.

Emissions, tons of CO₂eq

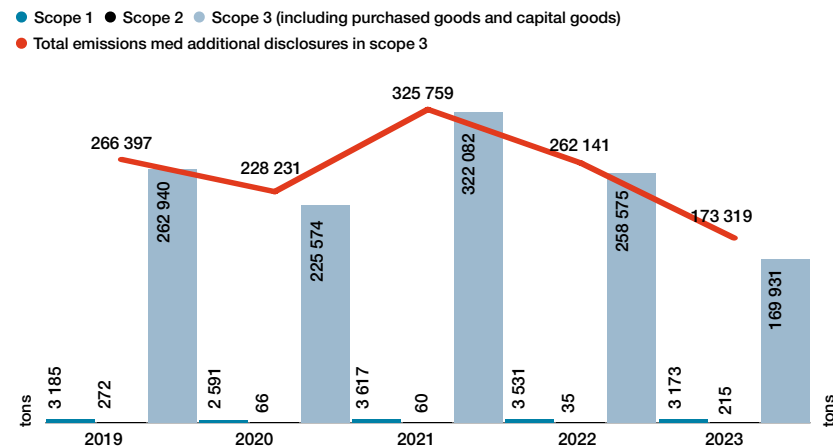
	2023	2022	2021	2020	2019
Direct emissions (Scope 1)	3 173	3 531	3 617	2 591	3 185
Indirect emissions (Scope 2)	215	35	60	66	272
Total Scope 1 & 2	3 388	3 566	3 677	2 656	3 458
Scope 3 (logistics, business travel, purchased heating and electricity)	18 669	28 034	31 548	30 247	24 081
Scope 3 (purchased goods and capital goods)	151 262	230 541	290 534	195 327	238 859
Total Scope 3	169 931	258 575	322 082	225 574	262 940
Total	173 319	262 141	325 759	228 231	266 397

Emissions and sales, tons of CO₂eq



Compared to our 2019 baseline, emissions per SEKm decreased 50 percent. In addition to changes in production volumes and sales, the trend of emission reduction per SEKm reflects our commitment to purchasing lower emission materials, raising energy efficiency in our production and operations, switching to more electric vehicles, using smarter logistics and reducing business travel.

Scope 3 emissions, tons CO₂eq



Scope 3 encompasses GHG emissions from logistics, business travel, purchased heating, electricity, and purchased goods and capital goods.

Logistics – emissions, tons of CO₂eq

	2023	2022	2021	2020	2019
Rail	76	275	654	424	155
Air	933	2 516	6 556	6 705	3 163
Sea	2 794	5 945	5 730	7 745	7 147
Road	11 082	15 233	15 838	13 298	9 941
Total	14 884	23 969	28 778	28 172	20 407

Logistics

Thule Group actively reduces emissions from upstream and downstream transportation in the supply chain. In 2023, several measures were implemented aimed at reducing emissions from logistics in Scope 3. We have:

- reduced the number of shipment dates to customers to enable freight coordination and to reduce the number of shipments;
- continued to use the “air cargo approval system,” which requires approval from a manager before booking air cargo, reducing emissions from flights from 2,516 tons of CO₂eq (2022) to 933 tons (2023); and
- are actively exploring opportunities to use low CO₂eq emission alternatives for our shipments. Through ongoing dialog with our suppliers, we highlight the considerable value that we, as a customer, place on rail transportation, electric power and other sustainable solutions compared with traditional diesel power. We also monitor the market with the hope that electric- and hydrogen-powered vehicles will become more ubiquitous and accessible going forward.
- We have evaluated and optimized our routes in EROW.

The year-on-year emissions reductions in 2023 are attributable to:

- a reduced share of air freight;
- a reduced number of shipments due to lower production volumes; and
- adjustment of incorrect data in past reporting.

GRI 306: Waste

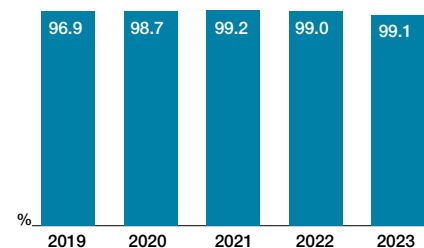
Thule Group also reports under extended producer responsibility (EPR) regulations in more than ten European countries, including Sweden, the UK, Germany, France, the Netherlands, Spain, Austria, Belgium, Italy, the Czech Republic and other countries.

In 2023, we reported 3.4 million tons of products related to recycled materials, including plastics, packaging, electrical components and batteries. Thule Group actively maximizes the recyclability of materials used in its products as part of contributing to the circular economy and reducing waste in our industry.

Waste, tons

tons	2023	2022	2021	2020	2019
Hazardous waste – recycled	288	240	77	16	0
Hazardous waste – energy recovery, incineration and reuse	830	314	–	–	–
Hazardous waste – non-recycled	8	12	220	194	239
Non-hazardous waste – landfill (fabric, ceramics, other)	60	77	86	98	225
Non-hazardous waste – recycled materials (plastic, metal, packaging, wood, plastic regrind)	5 840	7 538	9 233	6 709	6 458
Non-hazardous waste – with energy recovery	664	1 049	1 048	624	509
Total Waste	7 690	9 230	10 663	7 641	7 432

Recycling rate, %



Each manufacturing unit has a target of maintaining a reuse rate of not less than 98 percent through clear processes for reusing process-related waste. Thule Group has exceeded this target every year since 2020.

GRI 401-1: New employee hires

New employee hires by function	Number	% of total employee hires	% of total No. of employees	Total No. of employees
Blue-collar workers	249	63	18	1 367
White-collar employees	149	37	13	1 190
Total	398		16	2 557

New employee hires by age group	Number	% of total employee hires	% of total No. of employees	Total No. of employees
<30 years	218	55	36	608
30–50 years	136	34	9	1 458
>50 years	44	11	9	491
Total	398		16	2 557

New employee hires by region	Number	% of total employee hires	% of total No. of employees	Total No. of employees
Europe	334	84	16	2 105
Americas	63	16	16	400
Asia	1	0	2	52
Total	398		16	2 557

New employee hires by gender	Number	% of total employee hires	% of total No. of employees	Total No. of employees
Women	182	46	15	1 199
Men	216	54	16	1 358
Total	398		16	2 557

GRI 401-1: Employee turnover

Employee turnover by function	Total	of whom, women	of whom, men	% of total No. of employees	Total No. of employees
Blue-collar workers	203	72	131	15	1 367
White-collar employees	150	60	90	13	1 190
Total	353	132	221	14	2 557

Employee turnover by age group	Total	of whom, women	of whom, men	% of total No. of employees	Total No. of employees
<30 years	139	44	95	23	608
30–50 years	159	59	100	11	1 458
>50 years	55	29	26	11	491
Total	353	132	221	14	2 557

Employee turnover by region	Total	of whom, women	of whom, men	% of total No. of employees	Total No. of employees
Europe	252	100	152	12	2 105
Americas	98	29	69	25	400
Asia	3	3	0	6	52
Total	353	132	221	14	2 557

Employee turnover by gender	Total	% of total No. of employees	Total No. of employees
Women	132	11	1 199
Men	221	16	1 358
Total	353	14	2 557

GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees

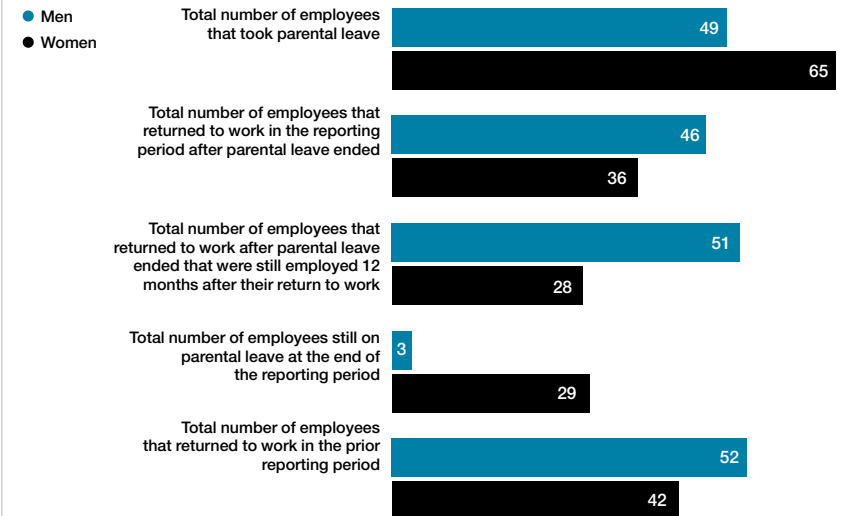
Thule Group strives to create an inclusive and fair work environment at all its premises world-wide. The benefits offered depend on local regulations and company policy. Thule Group offers full-time employees job security and stability. Some of the benefits that can be offered to full-time employees may include, but are not limited to, the following:

- **Sick care benefits:** Full-time employees are often covered by health insurance.
- **Pension plans:** Full-time employees often have access to retirement savings plans/pension plans.
- **Possibilities for career advancement:** Full-time employees can benefit from training and growth possibilities at the company.
- **Paid Time Off (PTO):** Full-time employees usually receive paid holidays, sick leave and public holidays.
- **Life insurance:** Some of our legal entities offer private life insurance, while other entities provide life insurance under collective agreements pursuant to the agreement on benefits and insurance.

GRI 401-3: Parental leave

Percentage of employees entitled to parental leave, total	Women, %	Men, %
Return to work rate	78	98
Still employed after 12 months	75	100

Actual number of employees



GRI 402-1:

Minimum notice periods regarding operational changes

Thule Group attaches considerable importance to the well-being of our employees, even in the event of organizational changes. In the event of such a change, we take into account a range of factors, including human rights, national laws and collective agreements, when determining the minimum notice period required. Moreover, we ensure compliance with the company's code of conduct, which guarantees the protection of our employees' rights during all organizational change processes.

GRI 403: Occupational Health and Safety

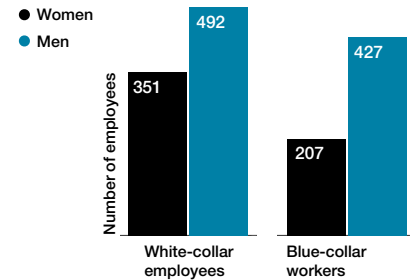
Thule Group prioritizes health and safety training programs to ensure that all employees possess the necessary knowledge and skills to work safely. Work-related injuries were reduced significantly in 2023 due to the implementation of the ISO 45001 management system throughout the company. Our internal audits also identified areas for improvement and encouraged employees to participate in health and safety activities.

GRI 403-1: Occupational health and safety management system

Thule Group's production facility at Haverhill in the UK is ISO 45001 certified. With the aim of becoming ISO 45001 certified, the remaining production sites will work with occupational health and safety management in 2024 under the direct guidance of Thule Group's Health and safety Committee.

GRI 403-5: Worker training on occupational health and safety

During the year, 1,477 employees received OHS training, of which 64 percent were men and 49 percent women. By function, 42 percent of blue-collar workers and 58 percent of white-collar employees received OHS training.



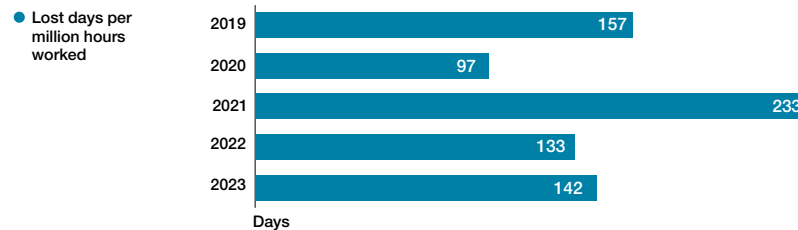
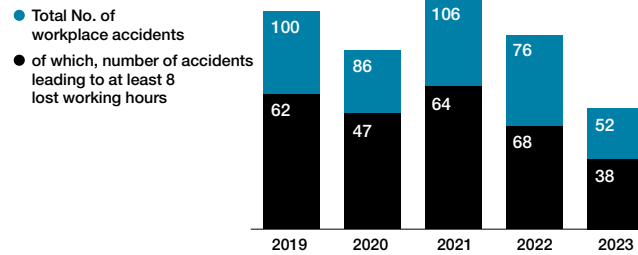
GRI 403-8: Workers covered by an occupational health and safety management system

All of Thule Group's employees are covered by occupational health and safety management systems at our production facilities.

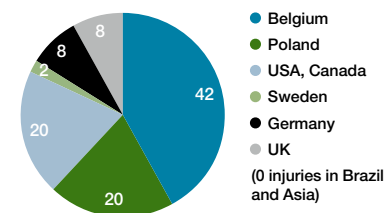
GRI 403-9: Work-related injuries

Work related accidents and injuries 2019–2023

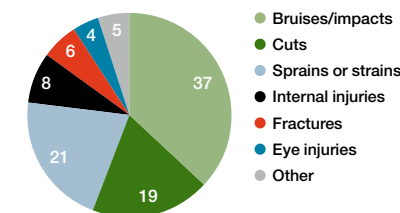
Work-related fatalities 0
Rate of high consequence work-related injuries (excluding fatalities): 0
Total hours worked: 4 490 055



No. of workplace accidents by region



Types of work-related injuries, %



GRI 404: Training and Education

GRI 404-1: Average hours of training per year per employee

The average hours of training each year per employee is 8 hours.

Employees	Total hours training	Training hrs per employee	Training hrs blue-collar	Training hrs white-collar
Women	7 363	6.15	3 287	4 076
Men	13 166	9.69	7 776	5 390

GRI 404-2: Programs for upgrading employee skills and transition assistance programs

Thule Group offers a substantial range of programs aimed at improving and expanding employees' skills. Thule Online Academy is a comprehensive online platform through which we offer training in policies, procedures, management development, leadership, professional qualifications, industry qualifications and IT training. We also provide access to courses offered by third-party suppliers to meet specific requirements, such as communication, product development, leadership, calibration, geometric dimensioning and tolerance (GD&T) training and software improvement training. We offer blue collar workers training on health and safety matters, including forklift operation, manual handling, refresher courses on laser operations, welding parameters, pipe bending and welding specifications.

We prioritize continuous competence development of our employees' skills and knowledge, by collaboratively identifying their development needs. This ongoing dialogue ensures that training initiatives are targeted and effective, and that we remain an attractive employer.

Transition assistance programs to facilitate management of career endings due to redundancy: We understand the importance of supporting employees when changing jobs. Our unemployment benefit and adjustment support programs include professional guidance and resources to assist with financial planning during unemployment as well as severance pay, and adjustment and outplacement advice.

Transition assistance programs to facilitate management of career endings due to retirement: We provide access to webinars on financial management and pension planning as well as unemployment assistance.

GRI 404-3: Percentage of employees receiving regular performance and career development reviews

- Total percentage who received a performance and career development review: 80%.
- Percentage of women who received a performance and career development review: 83%.
- Percentage of men who received a performance and career development review: 78%.

GRI 405: Diversity and equal opportunity

GRI 405-1: Employees by function

Function	Number in managerial positions	Percentage of women, %
Administration	50	52
Women	26	
Men	24	
Operations & procurement	76	17
Women	13	
Men	63	
Sales & marketing	69	20
Women	14	
Men	55	
Product development & product management	56	21
Women	12	
Men	44	

GRI 405-1: Diversity of governance bodies and employees

	Men	Women	% of Women
The Board			
>50 years	1	3	
30–50 years	2	1	57
<30 years	0	0	
Executive level			
>50 years	6	1	
30–50 years	2	0	11
<30 years	0	0	
Top management			
>50 years	29	9	
30–50 years	41	20	36
<30 years	0	0	
Mid level			
>50 years	138	122	
30–50 years	325	379	51
<30 years	84	73	
Entry level			
>50 years	168	135	
30–50 years	383	308	45
<30 years	182	152	
Total	1 358	1 199	

GRI 405-2: Ratio of basic salary and remuneration of women to men

Employee category	Ratio
Executive level	99.05
Top management	105.56
Mid level	94.51
Entry level	99.00

GRI 413-1: Operations with local community engagement, impact assessments and development programs

Our engagements with the local community are inspired by the following criteria:

1. Is it a community engagement activity that promotes an active life?
2. Is it an activity that promotes Thule Group's core values?
3. Is it an activity that is inclusive, including people from vulnerable groups?
5. Does it involve nature?

We collaborate with local programs and organizations, and give them time to inform our employees about the different local community projects to which our employees can contribute. In 2023, we spent SEK 1.5m on local community organizations such as RBU in Sweden (Sweden's National Association for Disabled Children and Adolescents), Ståda Sverige (Clean Sweden), and UNHCR. We arranged a day packed with activities for 70 children and adults at Kolmården in Sweden. We also held a fundraising event to raise awareness of breast cancer.

Our colleagues in Poland took part in a forest planting action, with 1,000 small tree seedlings planted near our site. For the past four years, our employees have participated in a local charity sporting event – the Miki Run. This is an initiative that brings together local businesses and institutions to support to those in need. We have worked with local foundations like Złotowianka Foundation, which helps people with disabilities to train Frame Running. We also partner with local schools to offer placements at our plants in Huta and Pila.

In 2023, we participated in a fundraising event together with Polestar, Garmin, Reilly Circus and others to raise GBP 250,000 for Action Medical Research, which funds vital research to save children's lives by developing treatments, vaccinations and cures. Over 600 guests 20 world and national cycling champions attended the event in London.

In December, our German colleagues asked 100 children and young people from three different social institutions to write their wishes on slips of paper which we hung on two Christmas trees at Thule's office in Germany. We then made sure that the children's wishes came true.

Thule Group in Americas actively engages with Affirmative Action plans, and promotes equal employment opportunities. We are also part of the Manufacturing Association, Employer HR Association, and OSHA Commission. We engage in local food drives, local charity events such as Toys for Tots, Coat Drive, and engage with local boy scouts, police and fire brigades, and other charitable organizations.

We have also carried out volunteer work cleaning beaches, bird sanctuaries, and hiking and cycling trails.

Incident reporting:

GRI 205-3	Confirmed incidents of corruption and actions taken	0
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	0
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	0
GRI 406-1	Incidents of discrimination and corrective actions taken	0
GRI 411-1	Incidents of violations involving rights of indigenous peoples	0
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	0
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	2
	<p>WEEE labels: The customer requested an update of Waste from Electrical and Electronic Equipment (WEEE) labels in accordance with their company regulations. We ensured that the product labels were corrected to comply with the WEEE requirements.</p> <p>EN label for the European market: In addition, the customer requested verification of the EN (European Norm) label for the European market. We reviewed and adjusted the product labels to meet the necessary standards.</p>	
GRI 417-3	Incidents of non-compliance concerning marketing communications	0
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	0

GRI 308 & 414: Supplier assessments

GRI 308-2, 414-2: Number of supplier assessments by country

	Number of audits
Cambodia	3
China	21
Mexico	1
Poland	5
Taiwan	3
Hungary	1
Vietnam	2
Total	36

GRI 308-2, 414-2: Supplier assessments

Score	Number of audits
>85%	23
71%–85%	12
51%–70%	1
<50%	0

Thule Group conducts an annual risk assessment to determine which suppliers are relevant for our CSR audit program.

- All suppliers are ranked by spend.
- Suppliers are categorized by country of operation at the levels: high, medium and low risk.
- Suppliers with high-risk processes and suppliers who supply specific product categories have been identified. This process enables Thule Group to focus on suppliers in countries with medium to high risk and with specific processes and product categories.

In 2023, 36 suppliers were audited (29 direct suppliers, two tier 2 suppliers and 5 new suppliers). All of the audited suppliers implemented the corrective measures. If a supplier scores below 50 percent, we limit further purchases from the supplier and conduct a new audit within six months.

GRI 411-1:

Incidents of violations involving rights of indigenous peoples

Thule Group's human rights policy and Code of Conduct for suppliers require that our own business operations, and those of our suppliers, identify risks and incidents related to human rights in vulnerable and marginalized communities as well as among indigenous people. Our due diligence requirements when it comes to human rights also includes ensuring forest and water rights in local communities, and preventing environmental damage to marginalized and vulnerable communities, including the use of forced evacuations.

During the year, zero incidents of violations involving the rights of indigenous peoples were reported.

Employee survey

Employee satisfaction index, employee survey 2022

No new employee survey was conducted in 2023. In 2022, 84 percent of employees participated in the employee survey. The overall satisfaction index for 2022 was 78. Participation in the survey: 1,134 white-collar employees and 1,023 blue-collar workers.

	Satisfaction index
Workplace climate	75
Work environment	82
Leadership	78
Organization	78
Core values	81
Total Satisfaction index	78

Taxonomy tables

EU Taxonomy: Turnover

January 1st–December 31st				Substantial Contribution Criteria						DNSH* criteria (h)						Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Code (a) (2)	Turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)					
Economic Activities (1)	SEKM	%	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	

A. Taxonomy-eligible activities																		
Environmentally sustainable activities (Taxonomy-aligned) (A.1)																		
A.1 Turnover of environmentally sustainable activities (Taxonomy-aligned)	0	0	0	0	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0	
Of which Enabling	0	0	0	0	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0	E
Of which Transitional	0	0	0	0	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																		
Activities (1)			0	EL	EL			EL										
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	0	0	0	0	0	0	0	0									%	
A. Turnover of Taxonomy eligible activities (A1+A2)	0	0	0	0	0	0	0	0										

B. Taxonomy-non-eligible activities			
Turnover of Taxonomy-non-eligible activities		9 132.0	100
Total		9 132.0	100

* Does Not Significantly Harm

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.
 N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
 N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

EU Taxonomy: CapEx

January 1st–December 31st				Substantial Contribution Criteria						DNSH* criteria (h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEKM	%	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. Taxonomy-eligible activities

A.1. Environmentally sustainable activities (Taxonomy-aligned)

7.1 Construction of new buildings	CCM7.1/CCA7.1	2,0	0,5	Yes	Yes	N/EL	N/EL	No	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0	0	0
7.2 Renovation of existing buildings	CCM7.2/CCA7.2/CE7.2	4,6	1,2	Yes	Yes	N/EL	N/EL	No	N/EL	–	Yes	Yes	Yes	Yes	–	Yes	18	0	0
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM7.3/CCA7.3	3,7	1,0	Yes	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Yes	No	Yes	No	No	Yes	1	0	0
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	2,9	0,8	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	–	Yes	–	–	–	–	Yes	0	0	0
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM7.5/CCA7.5	0,0	0,0	Yes	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Yes	–	–	–	–	Yes	0	0	0
7.6 Installation, maintenance and repair of renewable energy technologies	CCM7.6	10,6	2,8	Yes	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Yes	–	–	–	–	Yes	1	0	0
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		24	6	6	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes	20		
Of which Enabling		0,0	0	0	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0	0	
Of which Transitional		0								Yes	Yes	Yes	Yes	Yes	Yes	Yes	0		0

A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)

7.1 Construction of new buildings	CCM7.1/CCA7.1/CE7.1	11,7	3,3	EL	EL	N/EL	EL	N/EL	N/EL								1		
7.2 Renovation of existing buildings	CCM7.2/CCA7.2/CE7.2	4,7	1,3	EL	EL	N/EL	EL	N/EL	N/EL								0		
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM7.3	5,3	1,5	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	2,9	0,8	EL	N/EL	N/EL	No	N/EL	N/EL								0		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM7.5/CCA7.5	0,0	0,0	EL	EL	N/EL	No	N/EL	N/EL								0		
7.6 Installation, maintenance and repair of renewable energy technologies	CCM7.6	10,6	3,0	EL	EL	N/EL	No	N/EL	N/EL								0		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		35,2	10,0	9	0	0	0	0	0								1		
A. CapEx of Taxonomy eligible activities (A1+A2)		59	15	15	0	0	0	0	0								0		

B. Taxonomy-non-eligible activities

CapEx of Taxonomy-non-eligible activities		292,0	83
Total		351,0	100

* Does Not Significantly Harm

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

EU Taxonomy: OpEx

January 1st–December 31st				Substantial Contribution Criteria						DNSH* criteria (h)						Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
		SEKM	%	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N;N/EL (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. Taxonomy-eligible activities

A.1. Environmentally sustainable activities (Taxonomy-aligned)

7.1 Construction of new buildings	CCM7.1/CCA7.1/CE7.1	0	0.0	Yes	Yes	N/EL	N/EL	No	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0		
7.2 Renovation of existing buildings	CCM7.1/CCA7.1/CE7.1	0.3	0.3	Yes	Yes	N/EL	N/EL	No	N/EL	–	Yes	Yes	Yes	Yes	–	Yes	0.2		
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM7.3	1.5	1.7	Yes	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Yes	No	Yes	No	No	Yes	2.2		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	0.1	0.1	Yes	N/EL	N/EL	N/EL		N/EL	–	Yes	–	–	–	–	Yes	0		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM7.5/CCA7.5	0.0	0.0	Yes	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Yes	–	–	–	–	Yes	0		
7.6 Installation, maintenance and repair of renewable energy technologies	CCM7.6	0.5	0.5	Yes	Yes	N/EL	N/EL	No	N/EL	Yes	No	No	No	No	No	Yes	0.4		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2.4	2.6	2.6	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes	2.8		
Of which Enabling		0.0	0	0	0	0	0	0	0	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0	0	
Of which Transitional		0								Yes	Yes	Yes	Yes	Yes	Yes	Yes	0		0

A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)

7.1 Construction of new buildings	CCM7.1/CCA7.1/CE7.1	0.0	0.0	EL	EL	N/EL	N/EL	EL	N/EL								0		
7.2 Renovation of existing buildings	CCM7.1/CCA7.1/CE7.1	2.0	2.2	EL	EL	N/EL	N/EL	EL	N/EL								0		
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM7.3	1.5	1.7	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	0.1	0.1	EL	N/EL	N/EL	N/EL	No	N/EL								0		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM7.5/CCA7.5	0.0	0.0	EL	EL	N/EL	N/EL	No	N/EL								0		
7.6 Installation, maintenance and repair of renewable energy technologies	CCM7.6	0.5	0.5	EL	EL	N/EL	N/EL	N/EL	N/EL								0		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4.1	4.5	4.54	0	0	0	0	0								0		
A. OpEx of Taxonomy eligible activities (A1+A2)		6.5	7.2	0	0	0	0	0	0								0		

B. Taxonomy-non-eligible activities

OpEx of Taxonomy-non-eligible activities		83.4	93
Total		89.9	100

* Does Not Significantly Harm

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

EU Taxonomy:

Additional tables for economic activities that contribute to the majority of the environmental objectives

Proportion of turnover/Total turnover	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0	0.0
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

Proportion of CapEx/Total CapEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	6.0	15.0
CCA	5.0	13.0
WTR	0.0	0.0
CE	0.0	2.0
PPC	0.0	0.0
BIO	0.0	0.0

Proportion of OpEx/OpEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	2.6	7.0
CCA	2.6	6.9
WTR	0.0	0.0
CE	0.0	0.3
PPC	0.0	0.0
BIO	0.0	0.0

EU Taxonomy:

Nuclear and fossil gas related activities

Nuclear energy related activities		Yes/No
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Thule Group AB (publ), corporate identity number 556770-6311.

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the statutory sustainability report for the year 2023 on pages 28–42 and 94–111 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

OPINION

A statutory sustainability report has been prepared.

Malmö, 3 April 2024

PricewaterhouseCoopers AB

Eric Salander

Authorised Public Accountant

Auditor-in-charge

Neda Feher

Authorised Public Accountant

External sustainability assessments

The following external institutes and companies evaluate Thule Group each year in terms of sustainability and ESG results.

CDP



CDP (Carbon Disclosure Project) is a non-profit charity that collects and compiles companies' reports on their environmental impact, governance, strategy, risks and possibilities. Thule Group completes the annual climate change questionnaire that CDP later evaluates and scores. A number of other organizations that produce sustainability assessments based on ESG use CDP as an important data source.

Thule Group was awarded a score of C in the 2023 assessment and was recognized in the top 20 percent of companies for awareness in the activity group Leisure and home manufacturing.

DOW JONES SUSTAINABILITY EUROPE INDEX



In 2022, Thule Group was included as one of only 12 Swedish companies in the S&P Dow Jones Sustainability Europe Index (DJSI). The Dow Jones Sustainability Europe Index lists the top 20 percent of companies in terms of sustainable development among the 600 most important European companies in the S&P Global Broad Market Index. Thule Group was included in the Industry group "Consumer Durables & Apparel."

ECOVADIS



EcoVadis is a company that supplies sustainability assessments of companies with global supply chains.

Thule Group received EcoVadis' second-highest rating of Gold for our sustainability work. Thule Group received 76 of a maximum of 100 points and thus belongs to the best 5 percent of all (more than 65,000) companies in 160 countries reviewed by EcoVadis.

GAIA



Gaia is a subsidiary of the French firm EthFinance. Gaia conducts annual assessments and scores the sustainability work of SMEs.

Thule Group scored 76 out of a maximum score of 100.

ISS-OEKOM



ISS-oekom is a company within the ISS Group that conducts annual sustainability assessments and provides ratings for global companies.

Thule Group received a rating of C+ (Prime) of the maximum A+.

MSCI



MSCI is a global company that provides various stock market indices and assessments. Each year, MSCI ESG Research LLC assesses and evaluates Thule Group's sustainability work.

Thule Group has received the highest rating, AAA, since 2016.

NASDAQ LISTING CENTER



Nasdaq Listing Center is a subsidiary of Nasdaq Inc., which owns and operates nine global stock exchanges. Each year, Nasdaq Listing Center collects the listed companies' ESG data to ensure stock market transparency.

Thule Group is transparent in terms of sharing ESG data and actively participates in this annual data collection by updating the data already registered and, where appropriate, updating with additional data. The Nasdaq Listing Center does not give the participating companies ratings or points, but rather collects ESG data to facilitate investors in making decisions.

SUSTAINALYTICS



Sustainalytics is a Dutch company that uses public ESG data to assess and score companies annually on their sustainability work.

Thule Group has been given an ESG risk rating of 7.3 on a scale up to a maximum of 40+ Severe risk. The Group is assessed as being at negligible risk of ESG factors experiencing a material financial impact due to its low exposure and robust management of material ESG matters. The company is known for its strong corporate governance, which lowers total risk.

Assurance Statement: AA1000

This is a statement from the independent assurance by South Pole of Thule Group's 2023 reporting of greenhouse gas (GHG) emissions.

BACKGROUND AND CRITERIA

The assurance provider South Pole was engaged by Thule AB ('Thule') to provide independent assurance of Thule Group's GHG reporting for the calendar year 2023. The GHG inventory has been developed by Thule based on GRI Standards. The scope of this assurance covers and is limited to GHG accounting and reporting.

The GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition, 2004), and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, developed by the World Business Council for Sustainable organisation. Development and the World Resources Institute, have been used as criteria for reviewing Thule Group's GHG inventory. This assurance is based on the AA1000AS v3 with Type 2 moderate-level assurance.

RESPONSIBILITY

Thule has sole responsibility for the content of its GHG inventory. Thus, the information reviewed is the sole responsibility of Thule. South Pole's responsibility is to provide an independent assessment of the completeness and accuracy of the GHG inventory based on the AA1000AS v3 assurance process.

INTENDED USER

The intended users of this assurance statement are, among others, the management, and stakeholders of Thule Group.

METHODOLOGY

The greenhouse gas accounting was performed by Thule through a platform provided by a separate third-party organisation. The scope of the assurance made by South Pole is the independent and objective review of these reported GHG emissions. A review of the submitted documentation was undertaken and other available documents were checked by the members of the verification team. All data input entered into the platform were assumed correct by the South Pole team due to no visibility of raw data.

In addition to reviewing the processes by which Thule Group defines the sustainability issues relevant to and material for its operations and stakeholders, the verification process checked the following for the GHG emissions:

- definition of system boundaries and completeness of climate impact accounting;
- relevance of input data;
- accuracy of emission factors;
- accuracy of climate impact calculations of owned sources, purchased electricity and heat, and other indirect sources; and
- accuracy and reliability of assumptions.

GHG EMISSIONS COVERED BY THE ASSURANCE

The organisation boundaries include Thule AB and all subsidiaries collectively referred to as 'Thule Group'. The sites along with third-party warehouses included are found below.

Location	Country	Type of facility
Malmö HQ	Sweden	HQ office, store x2 (including Stockholm store)
Itupeva	Brazil	Roof box manufacturing, offices, warehouse/DC
Calgary	Canada	Warehouse, offices
Granby	Canada	Warehouse
Rosny/Viry	France	Sales office
Neumarkt	Germany	Roof box manufacturing, offices
Forest Park	United States	Roof box manufacturing, offices
Milford	United States	Warehouse
Seymour production site (assembly)	United States	Assembly, offices
Seymour production site (fabrication)	United States	Manufacturing
Tokyo	Japan	Office
Menen	Belgium	Manufacturing, offices, warehouse
Hong Kong	Hong Kong	Sourcing office
Longmont	United States	Office, R&D
Louvain-la- Neuve	Belgium	Sales office, PB&L R&D
Veghel	Netherlands	Sales office
Haverhill	United Kingdom	Roof box manufacturing, offices, warehouse
Prague	Czech Republic	Sales office
Pila	Poland	Assembly, offices, warehouse
Huta Szkłana	Poland	S&CC Manufacturing/ assembly, offices, warehouse
Hillerstorp	Sweden	S&CC Manufacturing/ assembly, R&D, offices, test centre, warehouse
Beijing	China	Sourcing office
Shanghai	China	Sourcing office
Shelton	USA	S&CC Manufacturing, Warehouse
Shenzhen	China	Sourcing office
WDC	USA	Warehouse/DC (3rd party)
Venlo	Netherlands	Warehouse (3rd party)
Rest of World	China	Warehouse (3rd party)

Thule Group reports its emissions using the operational control approach. The operational boundary includes 100 % of its direct emissions, i.e., Scope 1 and Scope 2 indirect emissions, except for small offices (with less than 12 employees) and partially for Scope 3 indirect emissions. The Scope 3 indirect emissions sources included in the South Pole assurance are:

- Purchased goods and services;
- Fuel and energy-related activities;
- Upstream transportation and distribution;
- Business travel; and
- Downstream transportation and distribution;

The reporting period covered 01 January 2023 to 31 December 2023.

Adherence to AA1000AS principles

Based on the work conducted, nothing has come to our attention demonstrating that Thule Group did not adhere to the Accountability Principles, as discussed below.

INCLUSIVITY

Thule Group's prioritised stakeholder groups include the Board of Directors, Group management, investors, employees, retailers, customers, consumers, suppliers, business partners and research institutions. A stakeholder dialogue was performed in November 2023 via an interactive ranking survey sent to several stakeholders. Stakeholder Dialogues are performed every second year, or otherwise per group management's request.

MATERIALITY

Most important issues identified in the 2023 stakeholder dialogue were (in order of highest to lowest): GHG emissions, supply chain (environmental impacts in the supply chain and human rights issues such as child labour and forced labour) health and safety, product, logistics and transport, waste, Community, Anti-corruption, Diversity, Water, Biodiversity, Governance, and Risk. For all aforesaid issues except Biodiversity, Thule Group has data collection, progress monitoring, and in most cases relevant targets as well.

RESPONSIVENESS

Thule Group has formed various working groups for monitoring and reporting tasks that have been further developed and spread throughout key functions, and various sub-targets have been set for specific functions such as purchasing, logistics, supply chain, product development, and human resource. To reduce its climate impact, Thule Group has been investing in ways to reduce its dependence on fossil fuels, improve energy efficiency, and use of low-emission materials, low-emission suppliers, and activities. Some of Thule Group's targets and their related status are outlined in Table 1.

TABLE 1. THULE GROUP'S TARGETS AND STATUS

Target	Achievement
Scope 1 emissions (target of 46.2% reduction by 2030 compared to 2019 base year)	Decreased from 3,185 tCO ₂ e in 2019 to 3,173 tCO ₂ e in 2023.
Scope 2 emissions (target of 100% renewable electricity through 2030)	Most purchased electricity for Thule Group sites was certified renewable in 2023.
Scope 3 emissions (target of 28% reduction by 2030 compared to 2019 base year)	Decreased from 262,940 tCO ₂ e in 2019 to 169,931 tCO ₂ e in 2023.

IMPACT

Thule Group performs an internal review quarterly of its progress in the key focus areas. The yearly results are communicated to the stakeholders in Thule Group Annual Reports, containing a sustainability section along with reporting of progression towards key targets.

Adherence to GHG Protocol principles

Based on the scope and methods of the review, we can conclude that Thule Group calculated its carbon footprint in 2023 in accordance with the principles of the GHG Protocol.

RELEVANCE AND COMPLETENESS

Thule Group's carbon footprint reflects the company's GHG emissions well, and all material GHG emission sources are accounted for within the boundary, especially with the inclusion of purchased goods and services. Exclusions have been disclosed and justified.

CONSISTENCY AND TRANSPARENCY

Thule Group uses consistent methodologies and has provided transparent documentation on boundaries, data, assumptions, and methods used.

ACCURACY

The carbon footprint is deemed to have achieved sufficient accuracy. The emission factors have been chosen with a conservative approach.

Conclusions

Based on the boundaries of the review and the methods used, South Pole comes to the following conclusions:

1. Thule Group has calculated and reported its 2023 carbon footprint following the principles covered by the GHG Protocol Corporate Accounting and Reporting Standard.
2. Thule Group has implemented processes and procedures that follow the guidelines of the GHG Protocol and the AA1000 Accountability Principles Standard.
3. Based on the completed review, no issues or circumstances emerged that gave us any reason to deem that Thule Group's 2023 GHG reporting did not meet the current standard's requirements and criteria.

All relevant emission sources within the chosen system boundary were accounted for. Where estimates were deemed necessary to measure GHG emissions, Thule Group provided

satisfactory comments on the mode of estimation. The emission factors, units and calculation formulas were correct.

In terms of the reliability of performance data, nothing came to our attention to suggest that these data and claims had not been properly collated from the information reported at an operational level, nor that the assumptions used were inappropriate. Thule Group has a process whereby data is collected from each site, including processed reports provided by the third-party service providers for logistics and consolidated at the Group level. The choice of assumptions and emission factors followed a conservative approach. Emission factors were derived from credible sources and were found to be applied correctly. A few corrections in the data and emission factors have been carried out by Thule Group based on findings by the verification team.

TABLE 2. GROUP'S TOTAL CALCULATED GHG EMISSIONS 2023

Scope	Market-based	Location-based
Scope 1	3,173 tCO ₂ e	
Scope 2	215 tCO ₂ e	5,192 tCO ₂ e
Scope 3	169,931 tCO ₂ e	1,335 tCO ₂ e (energy-related emissions only)

Recommendations

Without affecting our assurance opinion, we would also provide the following recommendations:

- As a recommendation South Pole would like Thule to consider if the scope of calculated emissions can be revisited. Only operational waste is included, which means GHG Protocol category 12. End of life treatment of sold products is excluded. Since Thule is a manufacturing and product selling company the treatment of the final product will also have a GWP (Global Warming Potential) impact.
- Capital goods were excluded from the inventory for 2023. A revisit to this for upcoming years is a recommendation from South Pole.

- There has been an increased number of Business trips using spend-based emission factors (both in terms of amount of trips and percentage of total trips). The recommendation is to increase activity (pkm and/or fuel) data for upcoming calculations for business travel for better data quality.

Independence of assurance

Thule Group and South Pole do not exchange any type of services that could affect their independence or cause conflict of interest for this work. South Pole was neither engaged in the data collection process nor the GHG emissions calculations.

About South Pole

South Pole has more than 16 years of experience in providing decarbonisation pathways across a wide range of industries, sectors, and scopes. Our assurance team has extensive knowledge and experience in corporate GHG accounting, the development of carbon management plans, carbon emission reductions and carbon offsetting strategies, as well as good knowledge of relevant standards such as the GHG Protocol, ISO 14064-1, and AA1000 v3.

South Pole

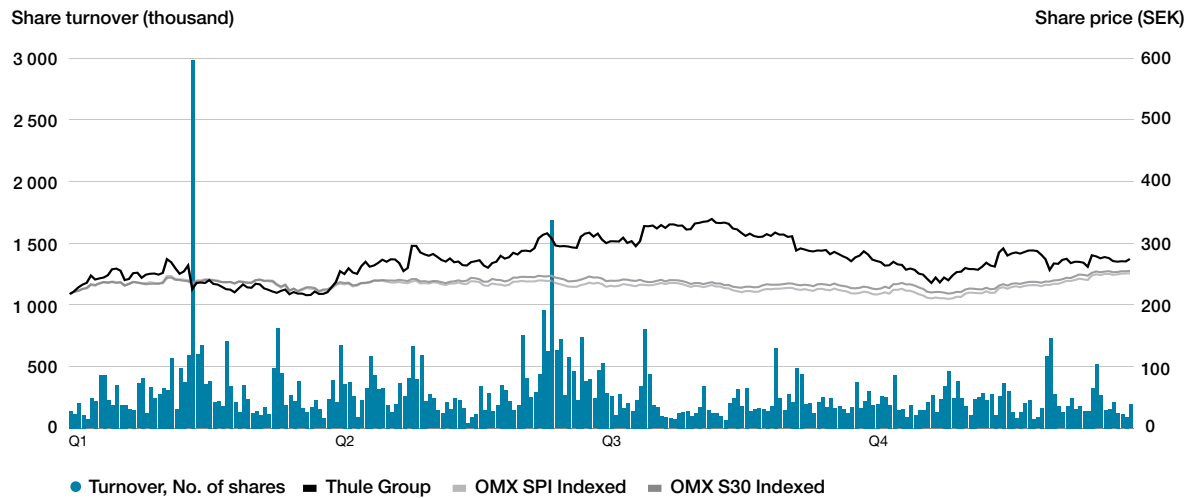
Stockholm & Singapore, 13 March 2024

Magnus Kagg
Senior Managing Consultant

Amani Gupta
Managing Consultant

The share and shareholders

SHARE TURNOVER AND SHARE PRICE 2023



During 2023 the share value increased 26.1 percent compared with the OMXS30, which was up 17.3 percent, and the OMXSPI, up 15.5 percent. For the five-year period starting in 2018, the company's total return was 97.4 percent compared with the OMXS30GI at 90.8 percent.

Thule Group's share has been listed on Nasdaq Stockholm since November 26, 2014. As of December 31, 2023, Thule Group had 29,120 (30,625) shareholders, of whom 309 (85.8 percent of shares) were financial and institutional investors, 27,518 (28,966), representing 5.0 percent (4.9) of shares, were private Swedish individuals and 1,294 (1,401) shareholders (1.5 percent of shares) were legal entities.

The remaining shareholders (7.7 percent of shares) cannot be classified. Foreign owners accounted for 49.5 percent (44.8) of the votes and capital. The ten largest owners represented 46.2 percent (48.8) of the votes and capital.

The highest price paid during the period between January 1 and December 31, 2023 was SEK 340.20 (556.50) and the lowest price paid was SEK 212.50 (199.60). During the period January 1 to December 31, 2023, Thule Group's share price increased 26.1 percent (-60.3).

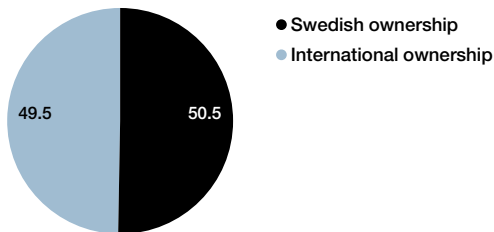
As of December 31, 2023, Thule Group's share capital amounted to SEK 1,181,710,222. The number of common shares was 105,733,097. According to the Articles of Association, share capital may not amount to less than SEK 500,000 or more than SEK 2,000,000, divided between a minimum of 44,737,320 and a maximum of 178,949,280 shares.

Thule Group's Articles of Association contain a central securities depository clause and the company's shares are registered with Euroclear Sweden AB, which means that Euroclear Sweden AB administers the company's share register. All shares carry equal rights to the company's profits and shares of surpluses in the event of liquidation.

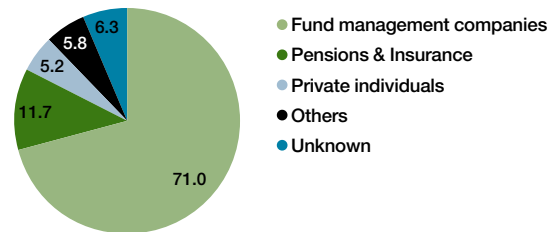
10 LARGEST OWNERS

	No. of shares	Capital and votes, %
AMF Pension & Fonder	12 387 510	11.7
Swedbank Robur Fonder	8 496 602	8.0
Alecta Tjänstepension	4 590 000	4.3
Handelsbanken Fonder	3 946 222	3.7
Vanguard	3 833 508	3.6
Nordea Fonder	3 465 858	3.3
SEB Fonder	3 275 594	3.1
Columbia Threadneedle	3 221 435	3.0
ODIN Fonder	3 022 024	2.9
Spiltan Fonder	2 611 429	2.5
Ten largest owners	48 850 182	46.2
Other	56 882 915	53.8
Total	105 733 097	100.00

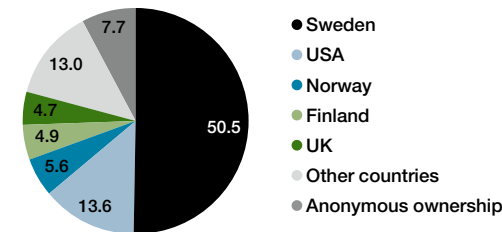
SHARE OF VOTES AND CAPITAL, SWEDISH AND INTERNATIONAL OWNERS, %



SHARE OF VOTES AND CAPITAL, %



OWNER BREAKDOWN, COUNTRIES IN CAPITAL, 7 LARGEST, %



SHARE TURNOVER IN THE LARGEST MARKETPLACES

SEKm	No. of shares	Share, %
Cboe	125 336 230	54.3
Nasdaq OMX	70 977 538	30.8
London Stock Exchange	22 062 762	9.6
Aquis Stock Exchange	4 820 390	2.1
ITG Posit	2 899 055	1.3
Liquidnet EU Limited Equity MTF	2 458 605	1.1
Sigma x	1 559 356	0.7
Instinet Blockmatch Europe	594 023	0.3
Boerse Berlin Equiduct Trading	7 383	0.00
Total	230 715 342	100.00

Information to shareholders

Financial calendar

2024

Thule Group's Annual Report 2023 to be published	April 5
Quiet period	Mar 27 – Apr 25
Interim report Jan to Mar, 2024	Apr 26
Annual General Meeting	Apr 26
Quiet period	Jun 17 – Jul 16
Interim report Apr to Jun, 2024	Jul 17
Quiet period	Sep 23 – Oct 22
Interim report Jul to Sep, 2024	Oct 23

2025

Quiet period	Jan 8 to Feb 6, 2025
Year-end report	Feb 7, 2025

The Annual General Meeting (AGM) of Thule Group AB (publ) will be held on April 26, 2024. Information about the resolutions passed by the General Meeting will be published in the customary General Meeting press release after the General Meeting.

RIGHT TO ATTEND THE GENERAL MEETING

Shareholders who wish to attend the Annual General Meeting must:

- be recorded in the share register prepared by Euroclear Sweden AB (the Swedish Central Securities Depository) on Thursday, April 18, 2024; and
- notify the company if they intend to attend in person at the Meeting venue or notify participation by casting their postal vote not later than Monday, April 22.

To be entitled to participate in the General Meeting, shareholders with nominee-registered shares must – in addition to submitting a notice to attend the General Meeting – request to be temporarily included in the share register prepared by Euroclear. Voting rights registered by nominees no later than April 22, 2024, will be taken into consideration when producing the share register.

VOTING BY MAIL

The Board of Directors has resolved that shareholders must be able to exercise their voting rights through postal votes pursuant to the provisions of the Articles of Association. A special form is to be used for postal voting.

The postal voting form is available on the Group's website: www.thulegroup.com.

Completed and signed postal voting forms can be sent by mail to the address:

Thule Group AB (publ)
Annual General Meeting 2024
c/o Euroclear Sweden
Box 191, SE-101 23 Stockholm

or by e-mail to generalmeetingservice@euroclear.com. The completed forms must be delivered to Euroclear no later than April 22, 2024, preferably before 4:00 p.m.

Shareholders who are natural persons can also submit their postal votes electronically by using BankID authentication

at Euroclear Sweden AB's website: <https://anmalan.vpc.se/EuroclearProxy/>.

Such electronic votes must be submitted no later than April 22, 2024. Shareholders may not enclose any special instructions or terms and conditions with their postal votes. The entire postal vote will be rendered invalid should this be the case.

Additional instructions and terms and conditions are provided on the postal voting form and are available at <https://anmalan.vpc.se/EuroclearProxy/>.

POWER OF ATTORNEY

In the event that a shareholder is postal voting through a proxy, a written and dated power of attorney signed by the shareholder must be attached to the postal voting form.

A Form of Proxy can be provided on request and is also available at the Group's website: www.thulegroup.com. If the shareholder is a legal entity, a registration certificate or other authorization document must be attached to the form.

ENTITLEMENT OF SHAREHOLDER TO DISCLOSURES

The Board of Directors and the President shall, if a shareholder should so request and if the Board of Directors deems that this can be undertaken without causing material damage to the company, disclose information at the General Meeting about circumstances that could impact the assessment of an item of business on the agenda, circumstances that could impact the assessment of the financial position of the company or its subsidiaries, and the company's relationship to other Group companies.

IR CONTACT

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Financial definitions and alternative performance measures

Financial definitions

CAGR

(Compounded Annual Growth Rate)
A measure of the growth rate achieved over a defined period as if the growth rate were the same each year over the defined period (expressed in percent).

Earnings per share

Net income for the period divided by the average number of shares during the period.

EBIT margin/Operating margin

EBIT as a percentage of net sales/Operating income as a percentage of net sales.

EBIT – Operating income

(Earnings before interest and taxes) Income before net financial items and taxes.

EBITDA – Operating income before depreciation/amortization/impairment

(Earnings before interest, taxes, depreciation and amortization) Income before net financial items, taxes, depreciation/amortization and impairment of tangible and intangible assets.

Equity ratio

Equity as a percentage of total assets.

Gross income

Net sales less cost of goods sold.

Gross margin

Gross income as a percentage of net sales.

Leverage ratio

Net debt divided by EBITDA (LTM).

This APM is a debt ratio that indicates how many years it would take to repay the company's debt, provided that its net debt and EBITDA are constant, without factoring cash flows pertaining to interest, tax and investments.

LTM

Rolling 12-month.

Net debt

Gross debt less cash and cash equivalents. Gross debt is the total of long- and short-term borrowing, derivative instruments, capitalized transaction costs and accrued interest.

Net debt is a metric used for monitoring the debt trend and the scope of refinancing requirements. Since cash and cash equivalents can be used to repay debt at short notice, net debt is used instead of gross debt as a metric for total loan financing.

Net sales growth, currency-adjusted

The change in net sales for the period adjusted for currency effects.

Organic growth, currency-adjusted

The change in net sales for the period adjusted for structural changes and currency effects. Organic growth excludes the effects of structural changes in the Group's structure and exchange rates, which enables the comparison of net sales over time, excluding the effects of acquisitions for example.

Alternative performance measures

Alternative performance measures are used to describe the underlying development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by Group management and the Board of Directors to measure the company's financial performance. These performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement.

	2023	2022
Organic growth, currency-adjusted		
Change in net sales, %	-9.9	-2.4
Exchange rate fluctuations, %	-5.2	-7.3
Net sales, currency-adjusted growth, %	-15.2	-9.7
Structural changes	-	-
Organic growth, %	-15.2	-9.7
EBITDA		
Operating income (EBIT), SEKm	1 505	1 706
Add back of depreciation/amortization and impairment, SEKm	259	200
EBITDA, SEKm	1 763	1 906
Net debt		
Long-term interest-bearing liabilities, gross, SEKm	2 033	2 986
Derivative liabilities, long-term, SEKm	7	1
Short-term interest-bearing liabilities, SEKm	102	79
Derivative liabilities, short-term, SEKm	34	28
Capitalized financing costs, SEKm	-2	-3
Accrued interest, SEKm	1	2
Gross debt, SEKm	2 175	3 092
Derivative assets, SEKm	-75	-48
Cash and cash equivalents, SEKm	-94	-176
Net debt, SEKm	2 006	2 868
Leverage ratio		
Net debt, SEKm	2 006	2 868
EBITDA, SEKm	1 763	1 906
Leverage ratio, X	1.1	1.5
Equity ratio		
Equity, SEKm	6 849	6 553
Total assets, SEKm	10 966	11 679
Equity ratio, %	62.5	56.1

Five-year overview

	2023	2022	2021	2020	2019
Results and key figures					
Net sales, SEKm	9 132	10 138	10 386	7 828	7 038
Net sales growth, %	-9.9	-2.4	32.7	11.2	8.5
Net sales growth, currency-adjusted, %	-15.2	-9.7	37.7	13.1	3.9
Net sales organic growth, currency-adjusted, %	-15.2	-9.7	37.7	13.1	2.9
Gross income, SEKm	3 737	3 859	4 160	3 230	2 829
Operating margin, %	40.9	38.1	40.1	41.3	40.2
EBITDA, SEKm	1 763	1 906	2 493	1 737	1 383
Operating income (EBIT), SEKm	1 505	1 706	2 340	1 591	1 195
Operating margin, %	16.5	16.8	22.5	20.3	17.0
Net income, SEKm	1 099	1 275	1 790	1 166	883
Financial position and key figures					
Total assets, SEKm	10 966	11 679	10 192	8 448	8 285
Equity, SEKm	6 849	6 553	5 815	5 253	4 330
Net debt, SEKm	2 006	2 868	1 467	384	2 119
Leverage ratio, x	1.1	1.5	0.6	0.2	1.5
Equity ratio, %	62.5	56.1	57.1	62.2	52.3
Cash flow					
Cash flow from operating activities, SEKm	1 850	616	1 128	1 614	1 030
Investments excl. business acquisitions, SEKm	251	444	507	173	161
Other Key figures					
Weighted average number of shares, million	105.2	104.6	104.6	103.8	103.2
Earnings per share before dilution, SEK	10.45	12.19	17.12	11.23	8.56
Ordinary dividend as percentage of earnings per share, %	91	75	76	71	-
Ordinary dividend as percentage of net income, %	91	75	76	72	-
Extraordinary dividend as percentage of net income, %	-	-	-	67	-
Average number of employees	2 559	2 799	3 303	2 669	2 422





Thule Outset, award-winning tent for mounting on the towbar, received the IF Design award 2024. Launch in spring 2024.

