Hexagon AB

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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09/27/2024, 07:26 am

Contents

C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Hexagon is the global leader in digital reality solutions, combining sensor, software and autonomous technologies. We are putting data to work to boost efficiency, productivity, quality and safety across industrial, manufacturing, infrastructure, public sector, and mobility applications. Our technologies are shaping production and people-related ecosystems to become increasingly connected and autonomous – ensuring a scalable, sustainable future. The business is primarily formed around software and services, but also hardware. Key products include optimization, vizualisation and 3D modelling software, as well as scanners and total stations for metrology purposes.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ 1 year

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ 1 year

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ 1 year
[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

5400000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

SE0015961909

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

HEXA-B

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

549300WJFW6ILNI4TA80

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

[Add row]

(1.8) Are you able to provide geolocation data for your facilities?

(1.8.1) Are you able to provide geolocation data for your facilities?

Select from:

☑ No, not currently but we intend to provide it within the next two years

(1.8.2) Comment

We do not currently collect geolocation data for Hexagon sites, but are in the process of mapping the whole business down to local level which will mean that geolocation data will be used and shared in the coming two years.
[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

The mapping process covers all relevant upstream value chain suppliers and includes the names, country of origin, product type, material and spend (EUR) for key procurement suppliers (tier 1) all over the world to support supplier engagement and risk management. The mapping is carried out through internal ERP systems ensuring it also includes relevant factors such as relevance for business continuity and the outcome of supplier audits conducted. It also covers the exposure to conflict minerals for increased traceability.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply

☑ Preparation for reuse

☑ Recycling

☑ Waste to Energy

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

1

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The short-term time horizon for environmental issues is aligned with the financial planning time horizon. Hexagon's financial target is to reach an annual average sales growth of 8-12 per cent between 2022 - 2026. The targeted sales growth is driven by a combination of 5-7 per cent organic growth per year and 3-5 per cent structural growth per year from acquisitions. By keeping the short-term horizons aligned between financial and environmental issues, Hexagon allows greater flexibility and adaptability in its strategic approach.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Hexagon sets strategic sustainability targets for medium term, which is aligned with the defined medium-term time horizon for financial planning of 2-5 years. By using the same time horizon for financial planning as for its environmental issues planning, Hexagon can align the targets so that they are aligned and in best case also support each other, i.e. by seeking revenue stream or acquisitions from companies also enabling environmental gains such as lower CO2 use.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

25

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Hexagon sets strategic sustainability targets for long term. There are however no long-term financial or strategic time-horizon defined. The primary reasons for this is that the financial business landscape is constantly changing, while the challenges in the environmental landscape are considered similar over longer time periods. [Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Not location specific

(2.2.2.12) Tools and methods used

Other

☑ Desk-based research

☑ Internal company methods

☑ Materiality assessment

☑ Partner and stakeholder consultation/analysis

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Chronic physical

☑ Change in land-use

☑ Coastal erosion

☑ Soil degradation

☑ Soil erosion

☑ Water stress

Market

☑ Changing customer behavior

Technology

☑ Transition to water intensive, low carbon energy sources

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

In 2023, Hexagon initiated its first double materiality assessment to determine material topics and to be compliant with the Corporate Sustainability Reporting Directive (CSRD) standards. All operational assets were considered in the assessment. The double materiality assessment considers the social and environmental as well as financial impacts of the material issues, taking an outside-in and inside-out perspective of relevant opportunities and risks. The assessment consisted of three stages including due diligence preparation to identify potentially material topics, survey, workshop and interview assessment of sustainability impact on the company, people and environment, considering both risks, opportunities, dependencies and impacts. The assessment involved internal and external stakeholders, including shareholders, employees, suppliers, customers, subject matter experts, investors and community groups. In order to assess the nature, likelihood and magnitude of the effects, Hexagon considered the associated business risks and the respective weightings for each category and stakeholder, and the assessment was formed on qualitative input from the relevant parties as well as the associated financial metrics. For the most relevant areas, such as a key suppliers in a risk area who is also important from a procurement spend perspective, scenario-analysis is used to better understand the potential risks and opportunities that could arise through changed business environment, legislation and climate change.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

The RCP4.5 projects sea-level rise, a temperature increase that is unlikely to stay below 1.5C, and harmful impacts on ecosystems. For this reason, climate-related physical risks, e.g., extreme weather conditions that may become more frequent, including the risk of heavy precipitation, droughts, etc., have been included in our internal business risks assessments. Our insurance function works closely with our global insurance providers to identify local and global risks and to assess their impact to our assets and operations. The global scenario and hazard intensity values per type of risk according to SwissRe have been used to inform our understanding of physical risks linked to our operations globally and key facilities. Risks are identified and reported along with a detailed risk description, likelihood is assessed at least bi-annually. The potential financial impact is assessed according to the net sales that would be impacted. Mitigation plans are fed into functional and facilities Business Continuity plan. Our Business Continuity process includes consideration of strategic, financial, operational and environmental risks, including climate-change-related and water-related risks. These risks include impacts from climate change, such as storm, flood, water supply, which could have a significant financial impact on individual facilities. These interconnections between our environmental dependencies are included specifically within the risk catalogue against which our operations and key suppliers are assessed. Hexagon has also identified opportunities in the environmental challenges faced by most of our stakeholders, including our customers. This challenge is accelerating the need for low-carbon, high-efficiency solutions. For this reason, Hexagon has included in our business strategy the focus on providing solutions to enhance efficiency in the industries where our solutions are used. The reduction of materials, power and fuel, as well as the improvement in productivity, is obtained through digitalization and autonomy.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas of high ecosystem integrity

(2.3.4) Description of process to identify priority locations

Priority locations were considered as risk areas defined by the United Nations Environment Programme Finance Initiative (UNEPFI) and Transparency International which consider both environmental and social risks.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Credit risk

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Credit risk is the risk that counterparts may be unable to fulfil their payment obligations. Financial credit risk arises when investing cash and cash equivalents and when trading in financial instruments. Credit risk also includes the risk that customers will not pay receivables that the company has invoiced or intends to invoice. Through a combination of geographical and business segmental diversification of the customers the risk for significant customer credit losses is reduced. If the likelihood is above 5% it is considered to have a substantive effect on the organisation. The metric and thresholds are selected, reviewed, and updated annually.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ Absolute increase

(2.4.5) Absolute increase/ decrease figure

3

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

A revenue increase of 3 per cent or above which is lasting over a longer period of more than 6-12 months is considered an substantive revenue effect. The metric and thresholds are selected, reviewed, and updated annually.

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Employee turnover

(2.4.3) Change to indicator

Select from:

☑ Absolute increase

(2.4.5) Absolute increase/ decrease figure

15

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

As employee turnover we define the ratio of voluntary and involuntary attritions during the year to the total number of employees at the year-end. Should the voluntary turnover increase by more than 2% on annual basis it is considered to have a potentially substantive effect on Hexagon. The metric and thresholds are selected, reviewed, and updated annually.

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Strategic customers

(2.4.3) Change to indicator

Select from:

☑ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

5

(2.4.6) Metrics considered in definition

Select all that apply

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Hexagon has a favourable risk diversification in products and geographical areas, and no single customer or customer category is decisive for the Group's performance. The largest customer represents approximately 1 per cent of the Group's total net sales. Credit risk in customer receivables accounts for the majority of Hexagon's counterparty risk. Should strategic customers of more than 2% of revenues be at risk of being lossed it is considered as having a substantive effect. The metric and thresholds are selected, reviewed, and updated annually.

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Supplier risk. Hexagon's hardware products consist of components from several different suppliers. To be in a position to sell and deliver solutions to customers, Hexagon is dependent upon deliveries from third parties in accordance with agreed requirements relating to, for example, quantity, quality and delivery times. Erroneous or default deliveries by suppliers can cause delay or default in Hexagon's deliveries, which can result in reduced sales. Further, Hexagon uses subcontractors, distributors, resellers and other representatives. Hexagon may face risks, including reputational risks, if suppliers do not maintain a high level of business ethics in terms of, for example human rights working conditions and corruption. The metric and thresholds are selected, reviewed, and updated annually. [Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Hexagon's production sites are ISO14001 certified, meaning that they address water risks and have processes to handle water pollutants in an environmental friendly manner with proper discharge. This is achieved through an identification of potential water pollutions per each facility. Also, as part of the Hexagon Innovation Process, each product group within Geosystems receives a recycling passport, which reviews materials used while it confirms that each product complies with the EU Directives on Waste Electrical and Electronic Equipment (WEEE 2012/19/EU) and Restriction of the use of certain hazardous substances (2011/65/EU). The recycling passport gives information on the product groups' reusability, recyclability, treatment, and waste disposal. During this process, potential water pollutants are classified and managed.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Water pollutants is defined as Inorganic pollutants that are formed of non-biodegradable substances, often stemming from industrial, agricultural, and residential sources. Their potential impact are negative to the local environment if not managed and disposed of properly.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

☑ Upstream value chain

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Implementation of integrated solid waste management systems

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Reduction or phase out of hazardous substances

☑ Requirement for suppliers to comply with regulatory requirements

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

Hexagon minimizes the negative impacts of potential water pollutants through robust environmental management systems at its production sites, and has strict safety standards to comply with and go beyond legal requirements for water. As Hexagon's largest exposure to water risks are among its suppliers, as its own production is primarily formed by assembly of components, its potential water pollutants appear in its supply chain. As part of its Supplier Code of Conduct, suppliers are expected to act in compliance with applicable regulations and international standards for their environmental operations. Furthermore, it is expected that suppliers act in an environmentally conscious and resource-conserving manner, all required permits, licenses and registrations must be obtained and kept up to date. This is checked through regular audits and rigid onboarding processes for new suppliers.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

In in direct operations, Hexagon does not have any water intensive production, so even though the environmental risk exists they are not potentially negative for the company from a substantive perspective. Regarding the downstream or upstream operations, no supplier or partner carries more than 1% of revenue or critical components exposure for Hexagon, so even though they are exposed to water risks their eventual disruptions is not anticipated to have substantive effect on our organisation.

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Hexagon is a not production intensive company and has only limited exposure to plastics components, so would not either in its direct or upstream/downstream operations be substantially effected by any plastics disruptions such as new legislations or shortages.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Malaysia

☑ Singapore

☑ Taiwan, China

(3.1.1.9) Organization-specific description of risk

The flooding of certain areas in Taiwan have affected the accessibility to semiconductors which are an important component in many Hexagon products.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Relatively limited risks on financial position, performance and cash flows in the long term as Hexagon has diversified its supply chain and component base. On the medium term however, the eventual disruptions are expected to affect the production capacity and thus the potential of further growing revenues if resilient suppliers are not added to Hexagon's supplier base.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with suppliers

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

As the risk mitigation is the diversification of our supplier base, which is done by our existing procurement comoditiy managers, no cost calculation has been performed as the mitigation action will be performed with the existing team resources.

(3.1.1.29) Description of response

Hexagon's response has been to include within its bi-yearly supplier assessment of its most important suppliers climate-related risks. When the assessment of the risks is deemed "significant" to "very high", Hexagon has started to ask suppliers to develop an emergency or contingency plan to ensure that operations in the facility that can be potentially affected will carry on without major disruptions. Furthermore, if suppliers seem to have a high risk profile, our Procurement team seeks to further diversify the sourcing of the specific components that the risk supplier offers.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Drought

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ India

☑ Peru

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Ganges - Brahmaputra

☑ Krishna

☑ Lima

☑ Min Jiang

(3.1.1.9) Organization-specific description of risk

Due to the nature of our business, Hexagon does not have a water intensive business. However, we anticipate and assess water related risks of our main facilities by using the World Resources Institute's Aqueduct global water risk tool. We have mapped our footprint according to the level of baseline water stress of the local water area. Hexagon had 460 locations that were mapped in 2023, out of which 10 were in extremely high level of water stress, and 8 face a high level of stress. With the WRI Aqueduct tool Hexagon also mapped the seasonal variability of water availability at our key sites, which is very useful for our prioritization in water risk management. A new operational water target, which forms Hexagons commitments mandates sites in water stressed areas to implement a water management system and define mitigation actions

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Extremely low risks on financial performance and cash flows as Hexagon does not need water for its operations and is not water intense in its supply chain. In the medium term, however, we see the risk of higher investments needed in our facilities if local regulations require all business to retrofit their offices in order to harvest and recycle water for own use.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

180000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

360000

(3.1.1.25) Explanation of financial effect figure

We have made a high level estimate of the cost of adapting all of Hexagon's facilities which operate in Extremely High and in High risk water basins according to the Acqueduct tool. we have assumed the investment needs will be covered in a 5 year horizon, which is in line with our Mid Term planning process

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Establish organization-wide targets

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

The current response to this risks has been carried out with existing internal staff that are already involved in operational site management, including the site especific improvement programs

(3.1.1.29) Description of response

Hexagon has commited to reducing the stress of water and air quality from own operations and supply chain. As part of this commitment, Hexagon is developing a Water Management Programme for all its sites in high-risk areas in accordance to the WRI Water Acqueduct tool.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Germany

(3.1.1.9) Organization-specific description of risk

We have assessed the climate-related risks to our own facilities, considering the following events: river floods and coastal floods. The associated climate risk in each of the locations have been assessed according to its likelihood from low, medium, significant, high or very high. And the impact of these risks materializing have been assessed according to the potential financial effect in the revenues from Hexagon. Roughly 7% of Hexagon's revenues are steaming from operating locations that are at significant risks of flooding. And 4 % of the group revenues stem from facilities located in high-risk areas.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Roughly 7% of Hexagon's revenues are steaming from operating locations that are at significant risks of flooding. And 4 % of the group revenues stem from facilities located in high-risk areas. The 2 locations where this risk can materialise have developed contingency plans, with other facilities covering the production of these sites in the same region. Additional operating costs could be incurred due to the change of supply chain, but this increase in costs are also not expected to be more than 10% of the cost of goods sold of hardware produced in these facilities. Therefore, the anticipated effect on Hexagon's Financial position is expected to be minimal.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

15000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

90000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

85000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

260000

(3.1.1.25) Explanation of financial effect figure

The financial effects were assessed considering the potential loss of revenues from the facilities at risk and the total cost of goods sold of the hardware produced by these facilities. The shift of production to other production sites in the region could potentially increase cost by 10% and the inability of successfully transfer the production to these sites would result in a long term lost of the revenues associated to the sale of those products.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase geographic diversity of facilities

(3.1.1.27) Cost of response to risk

90000

(3.1.1.28) Explanation of cost calculation

The facilities affected produce hardware products, the production can be shift to other regional production sites, but the cost of transport and additional supply chain leg would increase the cost of producing these goods by an estimated 10% of total cost.

(3.1.1.29) Description of response

Hexagon's response has been to include climate related risks in the emergency or contingency plan for all the facilities. This is part of Hexagon's risk management process. For each of the facilities on significant risk the plan outlines the detailed procedures in the event of a flood or other climatic event, helping to minimize confusion and delays if the situation takes place. It includes measures for personnel safety, rescue and protection of equipment, shifting critical goods to regional facilities and restoration of operability post-event.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Wildfires

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.9) Organization-specific description of risk

We have assessed the climate-related risks to our own facilities, considering wildfires. Wildfires can have a significant operational impact as they could hinder operations, delay production, or disrupt supply chain connected to our Ocean facility. This could lead to financial losses from reduction in output, increased costs, or liability claims. This risk has been associated as well to the physical Assets (building and operational machinery), which may require significant resource allocation for repair or replacement if affected. Furthermore, this risk could also affect staff safety, resulting in potential work absences, or impact employees' well-being, affecting productivity. The associated wildfire risk in each of the locations has been assessed according to its likelihood: low, medium, significant, high or very high. The impact of these risks materializing has been assessed according to the potential financial effect on Hexagon's revenues.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption in production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Roughly 9% of Hexagon's revenues are steaming from products manufacture at locations that are at risks of wildfires.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

0

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

90000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

500000

(3.1.1.25) Explanation of financial effect figure

The financial effects were assessed considering the potential loss of revenues from the facilities at risk and the total cost of goods sold of the hardware produced by these facilities. In the medium term, higher cost would be expected due to the shift of production to other production sites in the region could potentially increase cost by 10% and the inability of successfully transfer the production to these sites would result in a long term lost of the revenues associated to the sale of those products could be a unlikely scenario

(3.1.1.26) Primary response to risk

Policies and plans

☑ Amend the Business Continuity Plan

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Amending the Business continuity plans for the facilities has not been associated with any additional cost.

(3.1.1.29) Description of response

Hexagon's response has been to include climate related risks in the emergency or contingency plan for all the facilities. This is part of Hexagon's risk management process. For each of the facilities on significant risk the plan outlines the detailed procedures in the event of a flood or other climatic event, helping to minimize confusion and delays if the situation takes place. It includes measures for personnel safety, rescue and protection of equipment, shifting critical goods to regional facilities and restoration of operability post-event.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Australia

☑ Canada

☑ Switzerland

(3.1.1.9) Organization-specific description of risk

Faced with the risks of future carbon pricing mechanisms, Hexagon has assessed the potential financial impacts this could bring, although we operate in a sector with minimal carbon emissions. Introducing these carbon pricing mechanisms will represent a risk to increase operational cost, but will most likely become an opportunity to improve our processes and to increase sales of our existing portfolio, which enables GHG reductions in certain industries. Carbon pricing can reshape market

dynamics, potentially favoring carbon-light products and services over high-carbon alternatives, which Hexagon see as both a challenge and opportunity for innovation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated effect is the higher sales increase, as many of our products support efficient operations and GHG reduction in the industries we serve. However, we also see a risk of increased operating costs. This risk has been assessed at estimating the potential of Hexagon having its scope 1 emissions covered by future Carbon pricing / taxes mechanisms. Carbon pricing / tax system is already in operation in Switzerland. Due to the size of our operations in this market, Hexagon is already affected. The current system in Switzerland pose operations to pay a fine if GHG emissions are not reduced at least up to an agreed level with the local environmental authorities.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

150000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

300000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

225000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

750000

(3.1.1.25) Explanation of financial effect figure

Most of the financial impact from the CO2 pricing mechanisms will be positive, as it would increase the demand for our products. We however, also see a financial effects from Hexagon being subject to CO2 pricing mechanisms. The effects were assessed considering the likelihood of our operational scope 1 emissions being covered by carbon pricing mechanisms in the markets where we consider this risk likely at a short and medium term. In the short term only operations in Switzerland would be affected, but in the mid term we consider operations in other markets would also be subject to carbon pricing. The low and high estimations on the change of the operational cost have been considering a variable carbon market, with prices around 100 EUR per ton of CO2 equivalent.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

3500000

(3.1.1.28) Explanation of cost calculation

The cost associated to this response are directly linked to Capex for improvements in energy efficiency of the sites, as well as electrification of the heating systems wherever feasible.

(3.1.1.29) Description of response

Responding to this risk requires that our operations become best in class and as efficient as possible. This would reduce the costs associated to having to cover the CO2 pricing. To ensure the improvements to our operational footprint Hexagon has a program in place to optimize the scope 1 emissions from its major facilities. The cost associated to this response are directly linked to Capex for improvements in energy efficiency of the sites, as well as electrification of the heating systems wherever feasible. All investments have been mapped in the 5 year plan of the specific operational units.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1360000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 21-30%

(3.1.2.7) Explanation of financial figures

All of Hexagon major operational facilities have Business Continuation plans to ensure production is transfer to a facility without disruption. However, in order to assess the maximum impact possible from the risks, Hexagon's yearly revenues from the operations that represent a risk have been mapped in the potential case of the risk materializing.

Water

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

All of Hexagon major operational facilities have Business Continuation plans to ensure production is transfer to a facility without disruption. Currently, water-related risks are considered as having less than 1% eventual impact on financial metrics.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

United States of America

☑ Colorado River (Pacific Ocean)

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ Less than 1%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ Less than 1%

(3.2.11) Please explain

Water-related risks are not expected to impact Hexagon’s revenues significantly. After mapping all of Hexagon’s facilities and the major suppliers, we’ve assessed that less than 1% of our revenues would be affected in case issues in the supply chain due to water-related risks materialize.

Row 2

(3.2.1) Country/Area & River basin

China

☑ Other, please specify **:**Hongdao

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ Less than 1%

(3.2.11) Please explain

HongdaoWater-related risks are not expected to impact Hexagon's revenues significantly. After mapping all of Hexagon's facilities and the major suppliers, we've assessed that less than 1% of our revenues would be affected in case issues in the supply chain due to water-related risks materialize.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*There were no fines or penalties for any environmental violations at any level across the Hexagon organisations during the reporting year.*

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ No, and we do not anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Capital flow and financing

☑ Payment for ecosystem services (other than REDD+)

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Bahamas

☑ France

☑ Italy

☑ Spain

☑ United States Virgin Islands

(3.6.1.8) Organization specific description

Hexagon's subsidiary R-evolution has joined forces with Beneath The Waves to explore and ultimately scale the potential of the world's biggest nature-based carbon sink: seagrass meadows. Following successful validation of Beneath The Waves' initial research, the Bahamian Government is preparing to issue blue carbon credits that are the first of their kind, with Beneath The Waves as the end-to-end science partner and R-evolution as the supplier of multi-dimensional intelligent mapping service for seagrass mapping.Hexagon's solutions, which is why we consider sustainability as our greatest growth opportunity. Strengthening our performance on the sustainability side will feed directly into a stronger performance on the business side and vice versa.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:
☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated overall effect of the opportunity on Hexagon's financial position, performance and cash flows are limited due to the small scale of the business.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:
☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

2700000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

54500000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

6200000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

190000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

87000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

430000000

(3.6.1.23) Explanation of financial effect figures

In the medium term, we anticipate our financial position, performance, and cash flows to significantly benefit from our involvement in industries with robust decarbonization potential. Specifically, sectors with lower digitalization levels present an urgent need for adopting our solutions that combine efficiency enhancement and environmental benefits. In this scope, our specialized focus is on technologies for ecosystem services payments and geospatial monitoring. Further bolstering this potential is the expanding market for carbon sinks, driven by the EU taxonomy. With emphasis being placed on the monitoring and preservation of natural ecosystems and on improving efficiency in industries like agriculture, our innovations in geospatial monitoring and ecosystem services payments can be instrumental. Not only do they cater to direct regulatory compliance but also enable industries to capitalise on the growing trend of monetising ecosystem services. In the long term, the trend towards increasingly environmentally-friendly industry practices, largely driven by policy changes, distinctly augurs a positive financial impact. Our ability to couple the efficiency advantages rendered by our products with direct environmental benefits, notably verifiable through geospatial monitoring and actualized through ecosystem services payments, offers a robust, appealing value proposition. This strategy will align our financial prosperity with sustainability trends, paving the way towards a thriving, sustainable future.

(3.6.1.24) Cost to realize opportunity

341000

(3.6.1.25) Explanation of cost calculation

The cost are actual cost incour already to develop the services in year 2023. The calculations has been made according to the EU taxonomy cost definition, which includes Capitalised and non-capitalised costs that represent research and development, excluding depreciation and amortization.

(3.6.1.26) Strategy to realize opportunity

R-evolution is a Hexagon business venture solely dedicated to solving environmental challenges with profitability. The strategy is to pilot Hexagon solutions in specific areas, such as monitoring seagrass and other carbon sinks (such as forests), and scale up the practice case to other regions and areas. Considering the number of customers Hexagon has access to, which already uses geospatial content for different applications, the core competence is already in the group. The development of new services and solutions is being done by scientific institutions specialised in the specific fields of carbon sequestration, bathymetry, and natural habitat monitoring.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United Arab Emirates

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Unknown

(3.6.1.8) Organization specific description

The scarcity of fresh water is one of humanity's biggest challenges, and Hexagon's subsidiary R-evolution is working to alleviate that need. In collaboration with key industry partners, we're applying Hexagon's Smart Digital Reality to optimise desalination methods. This initiative seeks to propel advancements in desalination technology, create efficiency gains and promote sustainable practices on a global scale. The desalination initiative begins with a strategic technical partnership with Desolenator, a Dutch start-up that provides the world's first solar thermal desalination process, which produces high-quality desalinated water with zero harm to the planet.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Over medium term, the anticipated effect on financial position, performance and cash flows is positive, and the level heavily depends on the market penetration we can manage

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

550000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

1700000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

2700000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

5500000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

13000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

17500000

(3.6.1.23) Explanation of financial effect figures

In the medium term, we anticipate a positive impact on Hexagon's financial performance, and cash flows. This projection takes into account the desalination market potential, where the integration of our water-resilience solutions could yield maximum environmental and efficiency benefits as the water risks aggravate in the coming years. Our solutions, aimed at water resilience management, could not only help industries cut down their water-related risks but also improve their water usage efficiency and being able to desalinate water would enhance the level for this solution. In the longer term, the potential financial effect increases as water risk increase globally. This can potentially open up new channels for profit, driving our company towards a more profitable, sustainable future.

(3.6.1.24) Cost to realize opportunity

250000

(3.6.1.25) Explanation of cost calculation

The cost has been estimated as the equity share that Hexagon has invested in the startup that would work towards developing the integration of Hexagon's solutions with its solar desalination plant

(3.6.1.26) Strategy to realize opportunity

R-evolution is a business venture of Hexagon solely dedicated on solving environmental challenges with profitability. The strategy is to pilot Hexagon solutions in specific areas such as monitoring of seagrass in this example, and then to scale up the practice case to other regions and areas.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China

☑ United States of America

(3.6.1.8) Organization specific description

The area where Hexagon can have the greatest sustainability impact remains within the use of Hexagon technology by its customers. As entire industries are reshaping their business models and processes into becoming more efficient and productive, the broad portfolio of software and hardware solutions is put to the test to generate sustainable value across the world. Hexagon's core portfolio is dedicated to this very purpose, as its design and engineering, production software and metrology solutions increase efficiency throughout the lifecycles of manufactured products. Ultimately Hexagon is reducing resource inputs, emissions and waste for

customers in automotive, aerospace, construction, manufacturing, agriculture and mining, among other industries. Another example is Hexagon's geospatial technology, which is used to monitor and analyse changes to our planet, providing real-time data on deforestation, flooding, wildfires, melting glaciers and other effects of changing climate for authorities, city planners and research institutes all over the world. This also means that the increased need for technology that supports sustainability directly translates to an increased need for Hexagon's solutions, which is why we consider sustainability as our greatest growth opportunity. Strengthening our performance on the sustainability side will feed directly into a stronger performance on the business side and vice versa.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Hexagon's core value proposition is to drive efficiency across industries, which inherently results in significant carbon reductions. As pressure to combat climate change increases, we expect to see an amplified demand for our environmentally-friendly efficiency solutions. Our innovation strategy has a driver component which is the believe that investing in climate-friendly innovations not only benefits the planet but also has a positive impact on our financial position. This will be driven by 2 interlinked effects: 1. Increased Revenue The market is shifting more towards sustainable solutions. As more industries recognize the urgency of reducing their carbon footprints, the demand for our efficiency-driving technology is expected to rise. This will potentially result in increased sales, thus boosting our revenues. 2. Investor Attraction Our commitment to enhance sustainability in the industries we serve attracts more investors and secure more funding, which solidifies our financial

footing, which is returns ensures we can further fuel our innovation pipeline. In terms of cashflow, these dynamics translate into a positive impact. Increased revenue from higher demand for our products and solutions, combined with minimal increase in operational costs (as we can leverage our existing footprint to serve the growth). This will lead to higher net cash inflow.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

300000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

700000000

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

650000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

1000000000

(3.6.1.23) Explanation of financial effect figures

Over the medium term, the anticipated effect on the financial position, performance and cash flows is positive. The financial effects have been quantified for the mid-term, considering the industries with the biggest decarbonization potential, where the environmental and efficiency benefits from implementing our solutions would be highest, while considering the lower penetration level of digitalization in these industries as a driver for faster need for adoption. Over the long term, the anticipated effect is very positive as industries are turning into more environmentally friendly solutions that are greatly driven by changes in regulatory environments. The quantification of the financial effects of this opportunity over the long term looks at tying the efficiency gains that our products already offer the majority of the customers we serve and enhancing our offers with directly linked environmental benefits of the enhanced solutions.

(3.6.1.24) Cost to realize opportunity

60000000

(3.6.1.25) Explanation of cost calculation

The costs have been calculated considering the additional capital expenditures, licensing and personnel cost assumed to be at the average cost level of the Hexagon group during 2023 and extrapolated with the assumptions of macro conditions in the mid and long term.

(3.6.1.26) Strategy to realize opportunity

Hexagon plans to capitalize on the expanding sustainability market, bolstering our financial position while enabling our customers to reduce overall GHG emissions by championing climate change initiatives. We intend to harness this opportunity through a three-pronged strategy: 1. Sustainability Market Management: Our products hold a considerable value proposition to improve efficiency, which is, in several cases, directly linked to lowering GHG emissions from our customers' value chains. We aim to lucidly communicate this value through targeted marketing strategies, tapping into customers seeking sustainable solutions and engaging green investors. Furthermore, vigilant monitoring and adherence to trends and environmental regulations enable us to manage potential new markets. Our preemptive response to legislative changes ensures we promptly adapt our practices, and support our customer to also improve their footprint, mitigating risks of penalties. 2. Continued Innovation and Development: Our objective is to pioneer in the creation of advanced technology solutions that amplify efficiency and minimize CO2 emissions. Significant investment in R&D will drive the evolution of our product portfolio, keeping pace with market trends and catering to the escalating demand for sustainable offerings. 3. Strategic Partnerships: Our approach includes forging alliances with eco-conscious businesses and organizations. Such partnerships could widen our market reach, share expertise, and resources, as well as cultivate reciprocal benefits through innovative solutions. Hexagon has partnered with leading technology corporations to enable industrial digital twin solutions that unite reality capture, manufacturing twins, AI, simulation and visualization to deliver real-time comparison to real-world models. Digital twins are considered a key solution to optimize manufacturing processes, decrease associated scrap and waste, and help improve productivity, quality, safety and profitability when used with any simulated solution. Furthermore, Hexagon has partnered with universities, research institutes, and start-ups to accelerate the co-creation of solutions that will decarbonize society and the industries we serve.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

322347000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 1-10%

(3.6.2.4) Explanation of financial figures

This financial metric has been quantified based on the actual revenues from this opportunity booked in Hexagon for 2023. For consistency, the figure has been aligned to the definition/guidance of the EU taxonomy. The actual revenues of Hexagon solutions which reduce CO2 emissions and support resistance building in view of climate change have been sum. The services aligned cover: - Infrastructure enabling low-carbon road transport and public transport - Repair, refurbishment and remanufacturing (of electronic and optical products) - Electricity generation using solar photovoltaic technology - Data-driven solutions for GHG emissions reductions - Provision of IT/OT data-driven solutions - Conservation, including restoration, of ecosystems Hexagon forecast the growth of the revenues as this opportunity continues to materialism.

Water

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

15079064

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

This financial metric has been quantified based on the actual revenues from this opportunity booked in Hexagon for year 2023. The figure has been aligned to the definition/guidance of the EU taxonomy for consistency. Hexagon forecast the growth of the revenues as this opportunity continues to matarialise.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The diversity policy for the Board of Directors is guided by the Code of Conduct as well as the Diversity and Inclusion Policy. The Nomination Committee applied rule 3.1 of the Code as the diversity policy related to the Committee's nomination work, which covers equal gender balance and an appropriate composition in general. Additional criteria, such as background, experience, previous leadership roles, relevant insights into Hexagon's industries and other customary attributes ware considered when nominating the directors.

(4.1.6) Attach the policy (optional)

Diversity Equity and Inclusion Policy.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Chief Sustainability Officer (CSO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Overseeing the setting of corporate targets

☑ Overseeing and guiding the development of a climate transition plan

☑ Monitoring the implementation of a climate transition plan

(4.1.2.7) Please explain

The Board of Directors is responsible for determining Hexagon's overall objectives, developing and monitoring the overall strategy, deciding on major acquisitions, divestments and investments, and ongoing monitoring of operations, which includes all sustainability-related targets and milestones towards reaching the targets. This responsibility is mandated to the CSO who takes action on climate change issues and is accountable to the progress.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Sustainability Officer (CSO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

The Board of Directors is responsible for determining Hexagon's overall objectives, developing and monitoring the overall strategy, deciding on major acquisitions, divestments and investments, and ongoing monitoring of operations, which includes all sustainability-related targets and milestones towards reaching the targets. The CSO is mandated by the BoD to drive initiatives related to water and is also accountable for its progress.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Sustainability Officer (CSO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

The Board of Directors is responsible for determining Hexagon's overall objectives, developing and monitoring the overall strategy, deciding on major acquisitions, divestments and investments, and ongoing monitoring of operations, which includes all sustainability-related targets and milestones towards reaching the targets. The CSO is mandated by the BoD to drive initiatives related to biodiversity and is also accountable for its progress.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Executive-level experience in a role focused on environmental issues

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Executive-level experience in a role focused on environmental issues

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Implementing a climate transition plan

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The CSO oversees Hexagon's sustainability topics. The CSO is a member of the Hexagon Executive Leadership team and is invited to the Board on all sustainability meetings, which are on quarterly basis. The approval process for major investments and capital expenditures, acquisitions and/or divestitures includes sustainability

considerations in the assessment. The CSO is also responsible for Hexagon's Sustainability department, there allowing setting, assessing, measuring and developing environmental goals, policies, targets and strategies.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing annual budgets related to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The CSO oversees Hexagon’s sustainability topics. The CSO is a member of the Hexagon Executive Leadership team and is invited to the Board on all sustainability meetings, which are on quarterly basis. The approval process for major investments and capital expenditures, acquisitions and/or divestitures includes sustainability considerations in the assessment. The CSO is also responsible for Hexagon's Sustainability department, there allowing setting, assessing, measuring and developing environmental goals, policies, targets and strategies.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Sustainability Officer (CSO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The CSO oversees Hexagon’s sustainability topics. The CSO is a member of the Hexagon Executive Leadership team and is invited to the Board on all sustainability meetings, which are on quarterly basis. The approval process for major investments and capital expenditures, acquisitions and/or divestitures includes sustainability considerations in the assessment. The CSO is also responsible for Hexagon's Sustainability department, there allowing setting, assessing, measuring and developing environmental goals, policies, targets and strategies.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ No, but we plan to introduce them in the next two years

(4.5.3) Please explain

Currently, the only monetary incentives at Hexagon are aimed at financial performance. At Hexagon, the core business and management of environmental issues goes hand in hand, as the core effect of the majority of Hexagon's solution aim to increase efficiency, lower resource inputs, decrease waste and also lower the risk of environmental accidents. As such, supporting the financial targets also supports sustainability, so no separate monetary incentives have been set, but this will be revised in the coming two years to further support the environmental targets set on group level.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

The only monetary incentives at Hexagon are aimed at financial performance. At Hexagon, the core business and management of environmental issues goes hand in hand, as the core effect of the majority of Hexagon's solution aim to increase efficiency, lower resource inputs, decrease waste and also lower the risk of environmental accidents. While water is considered important, there are currently no verified targets set related to water also meaning that there are not any monetary incentives in place. This will change in the future as the environmental reporting evolves, but likely not within the next coming two years.
[Fixed row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change
☑ Water

(4.6.1.2) Level of coverage

Select from:
☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Portfolio

(4.6.1.4) Explain the coverage

The policy covers direct operations and supply chain, but does not define its downstream operations. The coverage of the policy is based on the double materiality assessment conducted whre focus is put on the most critical areas where Hexagon can influence its operations, which is primarily in its upstream value chain and direct operation, including the product portfolio. Downstream operations is not included currently but is planned to be in the coming 2 years. There are no geographical exclusions in the environmental policy.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

Water-specific commitments

☑ Commitment to reduce or phase out hazardous substances

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water consumption volumes

☑ Commitment to water stewardship and/or collective action

Social commitments

☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

☑ Commitment to respect internationally recognized human rights

Additional references/Descriptions

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Hexagon Climate Strategy.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Global Reporting Initiative (GRI) Community Member

☑ Pledge to Net Zero

☑ Race to Zero Campaign

☑ Science-Based Targets Initiative (SBTi)

☑ UN Global Compact

(4.10.3) Describe your organization's role within each framework or initiative

As a technology company that is a Global Reporting Initiative (GRI) Community Member, Hexagon is expected to uphold and promote sustainable practices, transparency, and accountability in its operations in accordance with the GRI standards. As a member of the UN Global COmpact, member of the United Nations Global Compact (UNGC) is expected to align its operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. As a member of Pledge to Net Zero and Race to Zero Campaign, Hexagon actively sets and promotes targets in line with Net Zero emissions. The targets have been submitted to the SBTi and are currently being verified.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply
☑ Not assessed

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:
☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply
☑ Paris Agreement

(4.11.4) Attach commitment or position statement

Public statement in line with Paris Agreement.docx

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Unknown

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

The sustainability strategy of Hexagon is fully incorporated into the business strategy, which guides all decisions across the entire company. As such, all external engagement activities are consistent with the environmental commitments that are set.
[Fixed row]

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply
☑ GRI

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Value chain engagement
☑ Dependencies & Impacts
☑ Water accounting figures
☑ Content of environmental policies

(4.12.1.6) Page/section reference

KPI section, page 133 and onwards

(4.12.1.7) Attach the relevant publication

HEXA ASR23 Sustainability report 240611.pdf

(4.12.1.8) Comment

Hexagon has integrated its non-financial metrics and data into ints mainstream financial report, which are reported in accordance with the GRI and SASB frameworks, and to the best capability in line with the CSRD.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ First time carrying out analysis

Water

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Not an immediate strategic priority

(5.1.4) Explain why your organization has not used scenario analysis

Hexagon's focus is currently on building a robust framework for its sustainability activities and a transition plan for its overall emissions and environmental stress. Conducting scenario analysis is the next step in this process, but not yet undertaken.
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ Bespoke physical climate scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.6°C - 1.9°C

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

Direct interaction with climate

☑ On asset values, on the corporate

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Our insurance function works closely with our global insurance providers to identify local and global risks and to assess their impact to our assets and operations. The global scenario and hazard intensity values per type of risk according to our reinsurance models have been used to inform our understanding of physical risks linked to our operations globally and key facilities. Risks are identified and reported along with a detailed risk description, likelihood is assessed at least bi-annually. The potential financial impact is assessed according to the net sales that would be impacted. Mitigation plans are fed into functional and facilities Business Continuity plan. Our Business Continuity process includes consideration of strategic, financial, operational and environmental risks, including climate-change-related and water-related risks. These risks include impacts from climate change, such as storm, flood, water supply, which could have a significant financial impact on individual facilities. These interconnections between our environmental dependencies are included specifically within the risk catalogue against which our operations and key suppliers are assessed.

(5.1.1.11) Rationale for choice of scenario

The assessment was done considering the latest climate-related science, which assumes sea-level rise given that temperature increase is unlikely to stay below 1.5C. For this reason, climate-related physical risks, e.g., extreme weather conditions that may become more frequent, including the risk of heavy precipitation, droughts, etc., have been included in our internal business risks assessments.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ Bespoke physical climate scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☑ Facility

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.6°C - 1.9°C

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

(5.1.1.9) Driving forces in scenario

Finance and insurance

☑ Other finance and insurance driving forces, please specify :ability of key suppliers to withstand significant physical climate relate risks

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

A key aspect of our business continuity plans is the review of our key suppliers and the possibility that they would have to continue delivering the components we procure from them in adverse scenarios. Our insurance function works closely with our global insurance providers to identify local and global risks, and key suppliers facilities are assessed in regards to their exposure to climate-related physical risks and their (potential) inability to deliver our components in time.

(5.1.1.11) Rationale for choice of scenario

The assessment was done considering the latest climate-related science, which assumes sea-level rise given that temperature increase is unlikely to stay below 1.5C. For this reason, climate-related physical risks, e.g., extreme weather conditions that may become more frequent, including the risk of heavy precipitation, droughts, etc., have been included in the Suppliers Risks Assessments.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Within the scenario analysis different functional teams covering our full organisation assess the impacts from physical risks associated to climate change, such as storm, flood, water supply, which could have a significant financial impact on individual facilities. These interconnections between our environmental dependencies are included specifically within the risk catalogue against which our operations and key suppliers are assessed. For all major facilities that are exposed to high risk a Business Continuity plan has been defined. Less than 20% of our revenues seem to be at significant risks. Therefore, we consider the opportunities steaming from the decarbonisation of society as the biggest business growth that Hexagon has in the mid and long term. Furthermore, opportunities associated to climate change are also being considered. The identified opportunities are used to define the future needs of our product portfolio, including investments to ensure that Hexagon can leverage the growing demand of our solutions (which improves efficiency in the industries we serve, reducing in several cases the associated CO2 emissions of the footprint of these industries). The identified opportunities in each of the business segments that Hexagon operates are directly linked to the Mid Term Financial Planning of the company. Group wide employee training programs have been set in operation with the description of how climate change impacts our value chain. The training also gives indications of climate mitigation strategies associated to the different operating functions. Furthermore, to ensure Hexagon can properly mitigate the risks that have been identified related to climate change, and also ensure that the opportunities can materialised also key suppliers have taken part in this training program.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

The main value proposition that Hexagon brings to the industries it serves (including Oil & Gas) is efficiency and safety. By making the industry more efficient, Hexagon contributes to less GHG being released in the atmosphere and ensures that the maintenance applied in the O&G industry reduces failures (which could be a hazard and could represent oil spillage). Approximately 5% share of Hexagon's annual profits stems from oil & gas at the moment, such a commitment is not possible or realistic with the current financial targets.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Hexagon's main driver to have a climate transition plan is its Net-Zero target, which has been fully validated by the Science Based Target initiative (SBTi). Hexagon's dialogue with its main stakeholders, which is part of our double materiality assessment, enables us to focus on the most significant climate-related risks and opportunities, recognizing the varying nature of these risks and opportunities. By integrating this assessment into our decision-making processes, we can develop tailored risk management strategies that address the most pertinent risks in each division and identify opportunities for innovation and sustainability through focused, division-specific mitigation efforts. The collection of the assessment and detailed plan which will be integrated in our operations forms part of our Climate Transition Plan. We've recorded Scope 1, Scope 2 and specific categories of Scope 3 emissions for two reporting years. The data for year 2022 forms the baseline to measure Hexagon's Carbon Reduction Plan targets against, which covers all of Hexagon's operations. Hexagon's overall Net-Zero target is to reach net-zero greenhouse gas emissions across the value chain by 2050. We have programs in place across our full value chain to ensure progress towards our target is in line with our expectations. Furthermore, within our climate transition plan, Hexagon commits to - reduce absolute scope 1 and 2 GHG emissions 95% by 2030 from a 2022 base year. - increase active annual sourcing of renewable electricity from 34.8% in 2022 to 100% by 2027 and to continue active annual sourcing of 100% renewable electricity through 2030. - reduce scope 3 GHG emissions 51.6% per EUR value added by 2030 from a 2022 base year. - have 50% of its suppliers by spend covering purchased goods and services will have science-based targets by 2028. In addition, Hexagon is actively investing in CO_2 avoidance in the industries we serve to be enabled by the use of our products and solutions.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

To ensure meaningful progress towards CO_2 reduction, Hexagon has introduced a suite of initiatives to embed sustainability at all operational levels. This includes appointing an ESG Director within each division to lead carbon reduction and sustainability efforts. Each division now follows roadmaps tailored to their specific carbon reduction goals. In 2023, Hexagon launched a comprehensive Environmental Policy to formalize our commitment to environmental stewardship, highlighting

our efforts to reduce negative impacts and enhance resource efficiency. Our Supplier Code of Conduct further establishes clear expectations for climate-friendly practices across our supply chain. Within year 2024, Hexagon has been actively prioritizing additional carbon reduction initiatives to stay ahead of the curve. A detailed action plan has been developed, which includes setting site-specific greenhouse gas (GHG) reduction targets and identifying cost-effective measures to lower emissions. This includes initiatives to reduce fleet emissions, optimize vehicle usage, and minimize travel distances. A key aspect of this plan is the roll-out of the Sustainable Procurement Program, which ensures that our suppliers align with Hexagon's net-zero objectives through supporting them in developing their own CO_2 reduction strategies. Looking at the impact we have within our customer's operatios, Hexagon is quantifying CO_2 savings enabled by our solutions in line with the World Business Council for Sustainable Development (WBCSD) Avoided Emissions Guidelines. Expanding renewable energy use remains a focus, with further plans to expand the Archidona Solar Park and explore opportunities for on-site solar panel installations. We are also exploring carbon sequestration opportunities, alongside offsetting and insetting projects, to reinforce our commitment to deep decarbonization. All initiatives have been systematically integrated into Hexagon's Quarterly Business Review and are integrated in the yearly budget process, solidifying our long-term CO_2 reduction goals.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Hexagon 2023-Sustainability-Report.pdf,Hexagon AB - Net-Zero Approval Validation Report.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

More focus on selling Hexagon products and services to support customers in their sustainability transition. Sustainability is considered Hexagon's biggest business opportunity, so environmental opportunities have been integrated into the core strategy, and the strategy is thus considered very resilient against environmental risks and opportunities. Examples of products and services launched to mitigate and adapt to environmental challenges are eMobility and windfarm engineering services, as well as the optimiser feature for the MineOperate solution. To ensure Hexagon can further support to decarbonise the industries it serves, we started to quantify the GHG emissions avoided by the use of our products and Hexagon has included in its Mid Term Planning the opportunities associated with our markets.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

To manage and mitigate risks associated with climate change, Hexagon has adopted a supplier training initiative in the expectations and intiatives of Hexagon related to environmental management and carbon emissions. In order to focus our efforts in the partners with the highest impacts, we've prioritised our suppliers according to their strategic importance to our operations, the weight/ration of our procurement spend with these suppliers are their maturity level in regards for CO2 mitigations. As per end of 2023, 10.26% of our suppliers coverage by spend have submitted SBTi targets, and 7% of our have validated their net-zero targets by SBTi. Our plan is to reach at least 50% of our procurement spend to be covered with net-zero targets validated by SBTi. This is an important lever of our carbon reduction strategy, as more than 45% of Hexagon's carbon footprint is directly associated to the purchase of goods and services.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Eco-criteria have been adopted in R&D to lower emissions footprint and produce new solutions that better meet the sustainability needs of customers. As there is a growing need among customers to adopt new solutions and tools that help them in their journey to lower their environmental impact, so stakeholders can expect the investments into R&D related to environmental opportunities to continue increasing.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Hexagon see operational opportunities to lower costs and increasing employee retention by incorporating a transition plan for its operations, including processes for facility management and lowering the energy and water usage, and has also adopted vehicle fleet management initiatives to support Electric Vehicles to lower costs while supporting the climate transition plan.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Capital expenditures

☑ Capital allocation

☑ Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Hexagon has identified opportunities in the environmental challenges faced by most of our stakeholders, including our customers. This challenge is accelerating the need for low-carbon, high-efficiency solutions. For this reason, Hexagon has included in our business strategy the focus on providing solutions to enhance efficiency in the industries where our solutions are used. The reduction of materials, power and fuel, as well as the productivity improvement, is obtained through digitalization and autonomy. Hexagon has allocated capital into R&D projects and facility upgrades to better align with the expectations of customers and to reap the potential opportunities that could arise from decreasing costs and being exposed to new revenue streams from environmental friendly solutions adopted by customers. Part of these opportunities are: - Infrastructure enabling efficiency in road transport and public transport - Data-driven solutions for GHG emissions reductions - Provision of IT/OT data-driven solutions - Disaster / Emergency Services - Conservation of natural ecosystems and rehabilitation of carbon sinks. Hexagon seeks to support decarbonisation by acquiring companies with technologies that enable efficient workflows, which can potentially reduce CO2 footprint.

Row 3

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Direct costs

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Operational risks related to climate change, such as extreme weather conditions, risks that are also considered within the Business continuity plans and are part of the dialogue that Hexagon has with its suppliers. Upstream climate change risks and opportunities are also key aspect considered in our assessment of upstream scope 3 emissions. We have assessed the Purchase Goods and Services as the key contributor to our Corporate CO2 footprint. Therefore an expectation that we've

communicated to our suppliers is that by 2028, 50% of our procurement spent will be covered by suppliers with carbon reduction targets aligned to net-zero and committed to be validated by SBTi. We currently have roughly 20% of our total procurement spend covered by companies committed to net-zero reductions and more than 10% with SBTi validated reduction targets. In the cases of the suppliers that are exposed to high climate-related risks, we've included the topic within our Supplier planning, which in certain cases may lead to a higher level of inventory of the components manufactured by the specific supplier.

Row 4

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Hexagon facilities have started an improvement programme seeking to boost their resource efficiency and reduce their impact on the environment. By upgrading the facilities, many reduced their power consumption in 2023 compared to 2022, despite increased production. At the same time, Hexagon increased its total installed capacity of renewable energy production with photovoltaic energy and managed to increase the renewable energy produced to 34'800 MWh (35% increase compared to 2022). The improvement program is planned to run until 2027, when Hexagon has the objective to cover its power needs by 100% renewables and to have reduce the total energy consumption it needs to manufacture despite the expected business growth.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☑ Yes	*Select all that apply* ☑ A sustainable finance taxonomy	*Select from:* ☑ At both the organization and activity level

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change adaptation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:
☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

2800000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

0.05

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

1

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

10

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

6.33

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

93.66

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Hexagon used the EU delegated acts information to determine its eligible activities. Of the total 2023 revenue, 6.33% is eligible and 0.05% is aligned with the criteria defined in EU Taxonomy. Hexagon has interpreted its relevance in the EU Taxonomy into the following sections under Climate change mitigation, Climate change adaptation, Circular Economy, Biodiversity and Water: • Electricity generation using solar photovoltaic technology • Infrastructure enabling road transport and public

transport • Data-driven solutions for GHG emissions reductions • Provision of IT/OT data-driven solutions • Emergency Services • Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems • Conservation, including restoration, of habitats[1], ecosystems[2] and species • Repair, refurbishment and remanufacturing. The activity 4.1 Electricity generation using solar photovoltaic technology (the Archidona solar park) fulfils the EU Taxonomy criteria for alignment as it has substantial contribution to climate mitigation, meets the criteria for climate adaptation, biodiversity and circular economy set forth in Appendix A and D and also meets the criteria of the Minimum Safeguards set forth in the EU Taxonomy, as it has established processes and policies for due diligence of Human Rights, Corruption, Taxation and Fair Competition based on the EU Guiding Principles. The remaining eligible activities are not considered aligned as they do not meet the technical screening criteria set forth in the Delegated Act (2021) 2800 and (2023)2486. While the activities support climate change adaptation, mitigation, circular economy, biodiversity and water and do no significant harm to the other environmental goals, there is currently not enough data available to fully comply with all technical screening criteria set forth in the Delegated Act (2021) 2800 and (2023)2486. The allocation of the turnover for eligible activities was prepared by using product accounts. CapEx and OpEx were allocated by using cost types. All activities were isolated when allocating turnover, CapEx and OpEx to avoid double counting. The turnover KPI represents the proportion of the turnover derived from products or services that are taxonomy-eligible and taxonomy aligned. The taxonomy-eligible activities were screened for associated turnover. Turnover is derived from sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover. Hexagon revenue streams stem from the sales of information technology solutions in which hardware and software are integrated as well as services, licenses and other assignments. Revenue from agreements with customers is reported in the income statement as Net sales. CapEx is defined as investments in intangible assets excluding goodwill and tangible assets such as property, machinery and other equipment, together with the IFRS 16 right of use assets. The CapEx KPI represents the proportion of the capital expenditure of an activity that is taxonomy-eligible and taxonomy-aligned. The taxonomy-eligible activities were screened for associated CapEx using cost types. The taxonomy-aligned CapEx investments mainly consists of intangible assets. Own measures and purchased output from suppliers' economic activities have not been screened for eligibility in 2023. OpEx is defined as direct expenditures relating to the day-to-day servicing of assets of the property, plant, and equipment that are necessary to ensure the continued and effective use of such assets (e.g., research and development, building renovation measures, short-term lease, maintenance, and repair). The OpEx KPI represents the proportionof the operating expenditure of an activity that is taxonomy-eligible and taxonomy aligned. The taxonomy-eligible activities were screened for associated OpEx using cost types.
[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:

☑ Electricity generation using solar photovoltaic technology

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☑ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☑ Turnover

☑ CAPEX

☑ OPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☑ Activity enabling mitigation

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

2800000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

0.05

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

100

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

0.08

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

0.01

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

100

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

0.27

(5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

0.07

(5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

100

(5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

(5.4.2.27) Calculation methodology and supporting information

The activity 4.1 Electricity generation using solar photovoltaic technology (the Archidona solar park) fulfils the EU Taxonomy criteria for alignment as it has substantial contribution to climate mitigation, meets the criteria for climate adaptation, biodiversity and circular economy set forth in Appendix A and D and also meets the criteria of the Minimum Safeguards set forth in the EU Taxonomy, as it has established processes and policies for due diligence of Human Rights, Corruption, Taxation and Fair Competition based on the EU Guiding Principles.

(5.4.2.28) Substantial contribution criteria met

Select from:

☑ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The activity 4.1 Electricity generation using solar photovoltaic technology (the Archidona solar park) fulfils the EU Taxonomy criteria for alignment as it has substantial contribution to climate mitigation, meets the criteria for climate adaptation, biodiversity and circular economy set forth in Appendix A and D and also meets the criteria of the Minimum Safeguards set forth in the EU Taxonomy, as it has established processes and policies for due diligence of Human Rights, Corruption, Taxation and Fair Competition based on the EU Guiding Principles.

(5.4.2.30) Do no significant harm requirements met

Select from:

☑ Yes

(5.4.2.31) Details of do no significant harm analysis

The activity 4.1 Electricity generation using solar photovoltaic technology (the Archidona solar park) fulfils the EU Taxonomy criteria for alignment as it has substantial contribution to climate mitigation, meets the criteria for climate adaptation, biodiversity and circular economy set forth in Appendix A and D and also meets the criteria of the Minimum Safeguards set forth in the EU Taxonomy, as it has established processes and policies for due diligence of Human Rights, Corruption, Taxation and Fair Competition based on the EU Guiding Principles.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☑ Yes

(5.4.2.33) Attach any supporting evidence

Hexagon 2023-Sustainability-Report.pdf
[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.1) Details of minimum safeguards analysis

Conducted case by case through each relevant economic activity.

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

While being an enabler of sustainability, the significant majority of Hexagon's business activities are currently not defined in the EU Taxonomy and therefore will not be eligible with the screening criteria. Hexagon applied the precautionary principle to determine applicable eligible activities and excluded activities not clearly defined in the EU Taxonomy.

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:

☑ Yes
[Fixed row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

0

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

0

(5.9.3) Water-related OPEX (+/- % change)

0

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

0

(5.9.5) Please explain

Hexagon's exposure to water risks are very limited, and adding more Capex or Opex to this issue is currently not a strategic priority.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:
☑ No, but we plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:
☑ Judged to be unimportant or not relevant

(5.10.4) Explain why your organization does not price environmental externalities

Hexagon has a clear priority to reduce its scope 1 and scope 2 emissions. We do have engagement programs in place to reduce as well our scope 3 emissions, however the externalities to our direct operations have been given a second priority and for this reason the price is not yet included in our internal accounting system. [Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 26-50%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

The threshold for suppliers to present substantive dependency is all suppliers where Hexagon spends more than 400'000 EUR per year purchasing their products or services. Suppliers that are of strategic importance (meaning that they can not easily be replaced by another supplier) are also within the threshold we've defined as substantially dependant.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

1053

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Material sourcing

☑ Regulatory compliance

☑ Reputation management

☑ Business risk mitigation

☑ Strategic status of suppliers

☑ Product safety and compliance

☑ Supplier performance improvement

(5.11.2.4) Please explain

The prioritisation is done based on the total volume (considered Procurement Spend) and strategic importance of the supplier to the Hexagon portfolio. This ensures that the engagement level we have with suppliers cover our hot spots before expanding to the wider network in the value chain. Furthermore, Hexagon conducts sustainability audits of prioritized suppliers as defined by UNEPFI, which constitutes of Risk A and Risk B level countries. For Hexagon, the relevant suppliers are located in China, where all direct key suppliers are audited every three years on both human rights and environmental issues. In 2023, Hexagon had conducted sustainability supplier audits of 100% of its prioritized suppliers. The rationale behind this selection of prioritized suppliers is due to their increased risks of human rights and environmental violations according to the guidance provided by the United Nations body.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ No, we do not prioritize which suppliers to engage with on this environmental issue

(5.11.2.3) Primary reason for no supplier prioritization on this environmental issue

Select from:

☑ Not an immediate strategic priority

(5.11.2.4) Please explain

Water currently not part of supplier audit process
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Hexagon's compliance policies regarding supply chain management are set out in the Supplier Code of Conduct and in various Compliance Programme manuals and procedures. Hexagon selects suppliers based on an assessment of the overall competitiveness of the offering and if they live up to the goals and values expressed in

the United Nations Global Compact's ten principles in the areas of human rights, labour rights, environmental impact and anti-corruption. Compliance with the Supplier Code of Conduct, or other agreed equivalent standard, is a mandatory qualifying condition for Hexagon to enter a business relationship with a supplier. In addition, third party suppliers and subcontractors in Hexagon's global supply chain are contractually required to meet these obligations. When existing suppliers fail to comply with Hexagon's compliance requirements, Hexagon engages with the supplier and conducts an impact assessment to understand the root cause. Appropriate follow-up actions consist of taking suitable actions to ensure that the issue will not be repeated. Should infringements be deemed significant and intentional, Hexagon will terminate the supplier contract and seek a sourcing alternative. Key suppliers of manufacturing entities are evaluated through internal formal visits, reviews and evaluations to ensure that they strictly follow the Hexagon Supplier Code of Conduct. Third party assessment is used in cases where an issue cannot be verified directly with the supplier.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ No, but we plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Hexagon's Supplier Code of conduct estipulates that suppliers should act as environmental stewards. However, Hexagon does not currently include water specific criteria or requirements as part of the purchasing process as it is considered a low material risk according to the double materiality analysis conducted, however it plans to introduce such within the coming two years in order to align the with the highest standards in management of water issues.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Setting a science-based emissions reduction target

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Off-site third-party audit

☑ On-site third-party audit

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 76-99%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Environmental requirement to set Science-based targets was implemented in 2024, with the goal of above 80% in 2030. Updates on progress to the goal will be published annually.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Other capacity building activity, please specify **:quality improvement topics, which lead to waste reduction**

☑ Provide training, support and best practices on how to set science-based targets

☑ Support suppliers to develop public time-bound action plans with clear milestones

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Support suppliers to set their own environmental commitments across their operations

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 51-75%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Upstream climate change risks and opportunities are also key aspect considered in our assessment of upstream scope 3 emissions. We have assessed the Purchase Goods and Services as the key contributor to our Corporate CO2 footprint. Therefore an expectation that we've communicated to our suppliers is that by 2030, 80% of our procurement spent will be covered by suppliers with carbon reduction targets aligned to net-zero and committed to be validated by SBTi. We currently have 20% of our suppliers by total spent have already committed to a CO2 reduction and 10% of these spent has a near term CO2 reduction target validated by the SBTi. The company will work with its main tier-one suppliers with the aim of helping them achieve a reduction in their scope 1 and 2 GHG emissions aligned with a net-zero scenario by 2030. The program is focused on our most impactful tier-one material and service suppliers, accounting for 60% of Hexagon's procurement spend. The new target has implications for our business, as it expects our procurement practices to incorporate the sustainability of our suppliers with quantifiable details. At the same time, the project will make a positive difference beyond Hexagon's stewardship ambitions, as many of our suppliers have larger emissions footprints than Hexagon itself.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :50% of our procurement spent to be covered by CO2 reduction targets by 2028

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ No other supplier engagement

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:
☑ 26-50%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:
☑ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Upstream risks related to climate change, such as extreme weather conditions, risks that are also considered within the Business continuity plans and are part of the dialogue that Hexagon has with its suppliers. In the cases of the suppliers that are exposed to high climate-related risks, we've included the topic within our Supplier planning, which in certain cases may lead to a higher level of inventory of the components manufactured by the specific supplier.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:
☑ No, this engagement is unrelated to meeting an environmental requirement

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:
☑ No
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Other innovation and collaboration, please specify

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Hexagon has launched Sixth Sense, an open innovation platform where ambitious, scaling start-ups can connect with world-class companies to find scale and solve some of humanity's biggest challenges. Twice a year we invite proposals from scaling start-ups with a product and the ambition to scale it. These applications are themed around specific challenges – based on pressing demands our customers are facing and focusing on anything from sustainability to AI integration. The most innovative proposals are invited to pitch to Hexagon's panel of experts, of which around 10 are chosen for an intensive innovate-on-the-job scaling program to deliver a concrete project, supported by coaching, workshops and connections to Hexagon customers. Three concepts are provided the resources for true globalization, including more funding, worldwide office space, access to Hexagon's full suite of products and services and incorporation into Hexagon's ecosystem and exposure to Hexagon's coveted customer base.

(5.11.9.6) Effect of engagement and measures of success

Increased investments and focus on innovation supporting sustainability challenges across all key industries of Hexagon has been reported. Measure of success is the number of companies having seen their innovation and scale-ups supported by Hexagon, currently more than 10.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Hexagon has several solutions that help nations protect and restore its water resources. One key example used in the information campaign for customers is related to Tragsatec,an environmental protection entity owned by the state and based in Madrid. Tragsatec had to figure out what the top contributing factors were to the region's land and water decline and propose a plan of action. It also needed to address the impact of global warming in Spain, including recurring droughts, extreme weather and desertification. Tragsatec decided to use an all-in-one solution for geospatial data management provided by Hexagon to autonomously connect, manage and publish the data needed to map the region. They also used a situational awareness solution to visualise and analyse the data in a public digital twin. Once the data was visualised, the team ran simulations in the digital twin to understand how floods and other events would impact river dynamics, terrain and the Menor Sea. As a result, areas of concern could be identified and mitigation measures implemented to improve the health of the local environment and population. The success of the customer case study has provided the rationale for sharing it with other customers in order to also help with their water protection efforts.

(5.11.9.6) Effect of engagement and measures of success

Tangible effects of engagement is currently limited as the customer interaction dialogue began in 2023, while the measures of success will be an assessment of mitigation measures implemented by the customer to improve the health of the local environment and population.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Hexagon holds regular training sessions on sustainability and environmental management with its investor community through 1-1 meetings, agenda items on investor conferences and participations in surveys.

(5.11.9.6) Effect of engagement and measures of success

Hexagon assesses its eventual impact in this stakeholder engagement through the ESG ratings provided by the respective investors and their third party vendors, making sure its environmental commitments and progress are measured and evaluated yearly.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :ICC Sweden, International Chamber of Commerce

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 76-99%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Hexagon regularly meets with ICC Sweden to share best practice on envrionmental activities and commitments with its member companies, driving environmental action and supporting upcoming regulation related to environment. ICC is considered a key player in influencing policies on both national and European level and is an important stakeholder to drive sustainable change.

(5.11.9.6) Effect of engagement and measures of success

Tangible effects of engagement is currently limited as the stakeholder dialogue began in 2023, Hexagon will get back with status update on progress yearly.
[Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Change to supplier operations

☑ Assess life-cycle impact of products or services to identify efficiencies

(5.12.5) Details of initiative

Not started.

(5.12.6) Expected benefits

Select all that apply

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 1-3 years

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

Initiative not yet started, but could benefit both parties in its sustainability journey.
[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

	Environmental initiatives implemented due to CDP Supply Chain member engagement	Primary reason for not implementing environmental initiatives	Explain why your organization has not implemented any environmental initiatives
	Select from: ☑ No, but we plan to within the next two years	*Select from:* ☑ No standardized procedure	*Currently researching best practice for mutually beneficial initiatives but not yet begun any initiatives.*

[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Hexagon's organisational reporting cover all its divisions and subsidiaries. These are fully consolidated, following the control-based approach and the company has completed a company-wide emissions inventory that covers all its production sites and offices. Hexagon chose this consolidation approach as it provides the most accurate overview of its GHG emissions, and as the company also ha no material holdings in any other companies outside of its operational control, making financial control or equity control consolidation approach less applicable.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Hexagon's organisational reporting cover all its divisions and subsidiaries. These are fully consolidated, following the control-based approach and the company has completed a company-wide emissions inventory that covers all its production sites and offices. Hexagon chose this consolidation approach as it provides the most accurate overview of its GHG emissions, and as the company also ha no material holdings in any other companies outside of its operational control, making financial control or equity control consolidation approach less applicable.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Hexagon's organisational reporting cover all its divisions and subsidiaries. These are fully consolidated, following the control-based approach and the company has completed a company-wide emissions inventory that covers all its production sites and offices. Hexagon chose this consolidation approach as it provides the most accurate overview of its GHG emissions, and as the company also ha no material holdings in any other companies outside of its operational control, making financial control or equity control consolidation approach less applicable.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Hexagon's organisational reporting cover all its divisions and subsidiaries. These are fully consolidated, following the control-based approach and the company has completed a company-wide emissions inventory that covers all its production sites and offices. Hexagon chose this consolidation approach as it provides the most accurate overview of its GHG emissions, and as the company also ha no material holdings in any other companies outside of its operational control, making financial control or equity control consolidation approach less applicable.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

☑ Yes, an acquisition

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

Acquisitions: LocLab, Projectmates, Comernal Software, Qognify, Cads Additive, HARD-LINE Divestment: A business within the Safety, Infrastructure and Geospatial division providing help-desk support and services.

(7.1.1.3) Details of structural change(s), including completion dates

During 2023, Hexagon acquired the following companies: • LocLab, a leader in 3D digital twin content creation, October 2023 • Projectmates, provider of SaaS-based enterprise construction project management software, January 2023 • Comernal Software, a software development center, July 2023 • Qognify, a leading provider of physical security and enterprise incident management software solutions, April 2023 • Cads Additive, a provider of specialised software for metal additive manufacturing (AM), June 2023 • HARD-LINE, a global leader in mine automation, remote-control technology and mine production optimization, July 2023 [Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

– There has been no change in methodology, but there are changes in the extrapolations for Scope 1 and 2 emissions. Additionally, new categories have been added for Scope 3 emissions to provide a more accurate and complete overview. The new Scope 3 include the categories of Capital Goods and Investments.
[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 2, market-based

☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

The 2022 environmental data for energy consumption, GHG emissions, water and waste has been restated to increase accuracy and year-over-year comparability. Significance threshold 2% and above.

(7.1.3.4) Past years' recalculation

Select from:
☑ Yes
[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply
☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
☑ The Greenhouse Gas Protocol: Scope 2 Guidance
☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:
☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:
☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Scope 2 CO2 emissions are calculated with the location-based and the market-based methodology in accordance with the GHG Protocol Scope 2 guidance. Location-based emissions are calculated using average country/region emission factor (source IEA and eGrid). Market-based emissions are calculated using residual mix electricity emission factor for European counties (source AIB) and the USA (source Green-e) and average country emission factors for all other countries (source IEA). To capture the CO2 emissions from energy consumption for sites not covered (offices with low number of people in them), we estimated the Scope 1 and 2 by associating CO2 emissions per employee for the covered sites and extrapolating to the number employees in the sites not covered. Scope 2 indirect CO2 emissions include emissions from electricity in all our facilities, purchased district heating and electric vehicles in the company car fleet.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:
☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

14784

(7.5.3) Methodological details

All Hexagon's GHG emissions inventory is calculated in accordance with the GHG Protocol. Scope 1 direct CO2 emissions include emissions from stationary combustion, vehicles of internal combustion engines in the company car fleet. The company operates numerous small offices with 5-10 FTEs or fewer. Due to the minimal consumption and difficulty in gathering energy, electricity, waste and water data from these small offices, we decided to set a threshold and focus on offices with more than 35 FTEs and all manufacturing sites. We then extrapolated to include all the small offices not directly covered. Energy data was collected from bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. The data provided included the type and the total amount of fuel they consumed within the reporting year. Emission from stationary combustion were calculated using the emission factor for the corresponding type of fuel (natural gas, burning oil, etc.), with the source of the emission factors being Defra 2023. To capture the CO2 emissions from stationary combustion for sites not covered (offices with low number of people in them), we calculated Scope 1 by associating CO2 emissions per employee in facilities covered and extrapolating to the

number of employees in the sites not covered. Scope 1 emissions data from the company's vehicle fleet were collected for both company-owned and fully leased vehicles. The data collected was the kilometers driven within the reporting year by the type of fuel. The average emission factor for each type of fuel car (petrol, diesel, etc.) was then used to calculate the total CO2 emissions, with source of the emission factors being Defra 2023. Therefore, the reported number covers 100% of our operations.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

38306

(7.5.3) Methodological details

Scope 2 emissions from electricity consumption are calculated using electricity data (from electricity bills) in KWh by country. Data was collected from electricity bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from energy consumption for sites not covered (offices with a low number of people in them), we estimated the Scope 2 by associating CO2 emissions per employee and extrapolating to the number of employees in the sites not covered. Therefore, the reported number covers 100% of our operations. Scope 2 indirect CO2 emissions include emissions from electricity in all our facilities, purchased district heating and electric vehicles in the company car fleet. Scope 2 CO2 emissions are calculated with the location-based and the market-based methodology in accordance with the GHG Protocol Scope 2 guidance. Location-based emissions are calculated using average country/region emission factor (source IEA and eGrid).

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

36800

(7.5.3) Methodological details

Scope 2 emissions from electricity consumption are calculated using electricity data (from electricity bills) in KWh by country. Data was collected from electricity bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from energy consumption for sites not covered (offices with a low number of people in them), we estimated the Scope 2 by associating CO2 emissions per employee and extrapolating to the number of employees in the sites not covered. Therefore, the reported number covers 100% of our operations. Scope 2 indirect CO2 emissions include emissions from electricity in all our facilities, purchased district heating and electric vehicles in the company car fleet. Scope 2 CO2 emissions are calculated with the location-based and the market-based methodology in accordance with the GHG Protocol Scope 2 guidance. Market-based emissions are calculated using residual mix electricity emission factor for European counties (source AIB) and the USA (source Green-e) and average country emission factors for all other countries (source IEA).

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

170484

(7.5.3) Methodological details

All Scope 3 emissions are calculated in line with the GHG Protocol Corporate Value Chain (Scope 3) Standards. Purchased goods emissions are calculated for our major purchased products using the average-data method and their associated cradle to-gate emission factor. To capture 100% of our emissions in this category we extrapolated to our total spending on purchased goods.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

36503

(7.5.3) Methodological details

Emissions from the production of capital goods purchased by our company are calculated using the average spend-based method for our total spending on capital goods in line with the GHG Protocol Corporate Value Chain (Scope 3) Standards. The emissions are reported on a cradle-to-gate basis.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

12362

(7.5.3) Methodological details

The emissions for this category are calculated using the average-data method. Specifically, emissions were calculated using the energy consumption data in KWh by energy course (natural gas, diesel, electricity by county etc.) and the associated upstream emission factor (Well-to-tank). For electricity, CO2 emissions are calculated using the average country upstream emission factor (source IEA). For fuels, CO2 emissions are calculated using the upstream (WTT) emission factor for the corresponding type of fuel (source Defra). To capture the CO2 emissions for sites not covered, we associated CO2 emissions per employee and extrapolated to the number employees in the sites not covered.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

14257

(7.5.3) Methodological details

These emissions are calculated for our major purchased products using the distance-based method. For calculating the CO2 emissions, we applied the appropriate mass-distance emission factor for the mode of transport used (source Defra). Air, marine and road transport were the main modes of transport used for upstream transportation. The transport-related emissions have been calculated on a well-to-wheel basis. To capture 100% of our emissions in this category, we extrapolated to

our total spend on purchased goods. We allocated the emissions for Upstream & Downstream transportation and distribution according to the definition provided from the GHGP Scope 3 Standard.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

798

(7.5.3) Methodological details

These emissions are calculated using the waste-type specific method. We gathered actual waste data in kg by type of waste (hazardous, non-hazardous, residual), type of treatment (landfill, recycle, incinerated) and the corresponding emission factor (source Defra and Ecoinvent 3.8). Waste data was collected from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from waste generated for sites not covered, we associated CO2 emissions per employee and extrapolated them to the number employees in the sites not covered.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

22054

(7.5.3) Methodological details

Business travel emissions have been provided by the travel agency. The modes of transport that have been used for business purposes are airplanes, trains, buses, and rental cars. No hotel stays emissions have been included and all the emissions have been calculated on a well-to-wheel basis.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

20535

(7.5.3) Methodological details

Employee commuting emissions are calculated for our major company sites (globally represented) that cover one third of our employees using the average-data method. To capture the CO2 emissions for sites not covered, we associated CO2 emissions per employee and extrapolated to the number of employees in the sites not covered. The modes of transport that have been used for employee commuting are cars, train and motorcycles. The emissions have been calculated on a well-to-wheel basis.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Hexagon includes the emissions from leased assets in its Scope 1 & Scope 2 inventories.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

10515

(7.5.3) Methodological details

These emissions are calculated for our major products sold using the distance-based method, in a well-to-wheel basis. For calculating the CO2 emissions, we applied the appropriate mass-distance emission factor for the mode of transport used (source Defra). Air and road transport were the main modes of transport used for downstream transportation. To capture 100% of our emissions in this category, we extrapolated to our total revenues from hardware sold products.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Hexagon directly sell its products to the end user. After the sale, no further processing is required, therefore, this category is not applicable to our company.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

61470

(7.5.3) Methodological details

These emissions are associated with the products sold by Hexagon during the year and aggregated over their lifetime. These emissions are related to energy consumption of products over their entire life. We calculated the emissions in this category, for our major products using their technical characteristics (electricity

consumption in KWh) and the main assumption was a 10-year lifetime (even though more of our products have a lifetime more than 15 years). The emission factors applied was the average country electricity emission factor, for the main markets that the products sold as defined (source IEA). To capture the CO2 emissions for the products that are not covered, we extrapolated based on the total revenues from hardware sold products. The emissions reported are direct use-phase.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

157

(7.5.3) Methodological details

Most hardware products have a lifetime longer than 15 years, so we can re-furbish the products and resale them even after 10 years of use. When the products have come to their end of life, we seek to recycle major components. The pieces that are not recycled are disposed. The waste-type specific method was used for the calculation.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Hexagon does not lease any of its assets to other entities (acting as lessor), therefore this category is not applicable to our company.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Hexagon is not a franchisor, therefore this category is not applicable to our company.

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

132

(7.5.3) Methodological details

Hexagon's investment footprint is assessed by evaluating the proportional share of equity held in each investee.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

No other upstream

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

No other downstream
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

16457

(7.6.3) Methodological details

All Hexagon’s GHG emissions inventory is calculated in accordance with the GHG Protocol. Scope 1 emissions from energy consumption are calculated using energy data in KWh by energy source (natural gas, diesel, etc.). Energy data was collected from bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from energy consumption for sites not covered (offices with low number of people in them), we estimated the Scope 1 by associating CO2 emissions per employee and extrapolating to the number of employees in the sites not covered. Scope 1 emissions data from the company's vehicle fleet were collected for both company-owned and fully leased vehicles. Therefore, the reported number covers 100% of our operations.

Scope 1 direct CO2 emissions include emissions from stationary combustion and vehicles of internal combustion engines in the company car fleet. Scope 1 CO2 emissions are calculated using the emission factor for the corresponding type of fuel (source Defra 2023).

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

14784

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

The 2022 GHG emissions have been restated to increase accuracy and year-over-year comparability.All Hexagon's GHG emissions inventory is calculated in accordance with the GHG Protocol. Scope 1 direct CO2 emissions include emissions from stationary combustion and vehicles of internal combustion engines in the company car fleet. The company operates numerous small offices with 5-10 FTEs or fewer. Due to the minimal consumption and difficulty in gathering energy, electricity, waste and water data from these small offices, we decided to set a threshold and focus on offices with more than 35 FTEs and all manufacturing sites. We then extrapolated to include all the small offices not directly covered. Energy data was collected from bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. The data provided included the type and the total amount of fuel they consumed within the reporting year. Emission from stationary combustion were calculated using the emission factor for the corresponding type of fuel (natural gas, burning oil, etc.), with the source of the emission factors being Defra 2023. To capture the CO2 emissions from stationary combustion for sites not covered (offices with low number of people in them), we calculated Scope 1 by associating CO2 emissions per employee in facilities covered and extrapolating to the number of employees in the sites not covered. Scope 1 emissions data from the company's vehicle fleet were collected for both company-owned and fully leased vehicles. The data collected was the kilometers driven within the reporting year by the type of fuel. The average emission factor for each type of fuel car (petrol, diesel, etc.) was then used to calculate the total CO2 emissions, with source of the emission factors being Defra 2023. Therefore, the reported number covers 100% of our operations.
[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

33497

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

31906

(7.7.4) Methodological details

Scope 2 emissions from electricity consumption are calculated using electricity data (from electricity bills) in KWh by country. Data was collected from electricity bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from energy consumption for sites not covered (offices with a low number of people in them), we estimated the Scope 2 by associating CO2 emissions per employee and extrapolating to the number of employees in the sites not covered. Therefore, the reported number covers 100% of our operations. Scope 2 indirect CO2 emissions include emissions from electricity in all our facilities, purchased district heating and electric vehicles in the company car fleet. Scope 2 CO2 emissions are calculated with the location-based and the market-based methodology in accordance with the GHG Protocol Scope 2 guidance. Location-based emissions are calculated using average country/region emission factor (source IEA and eGrid). Market-based emissions are calculated using residual mix electricity emission factor for European counties (source AIB) and the USA (source Green-e) and average country emission factors for all other countries (source IEA).

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

38306

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

36800

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

The 2022 GHG emissions have been restated to increase accuracy and year-over-year comparability. Scope 2 emissions from electricity consumption are calculated using electricity data (from electricity bills) in KWh by country. Data was collected from electricity bills from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from energy consumption for sites not covered (offices with a low number of people in them), we estimated the Scope 2 by associating CO2 emissions per employee and extrapolating to the number of employees in the sites not covered. Therefore, the reported number covers 100% of our operations. Scope 2 indirect CO2 emissions include emissions from electricity in all our facilities, purchased district heating and electric vehicles in the company car fleet. Scope 2 CO2 emissions are calculated with the location-based and the market-based methodology in accordance with the

GHG Protocol Scope 2 guidance. Location-based emissions are calculated using average country/region emission factor (source IEA and eGrid). Market-based emissions are calculated using residual mix electricity emission factor for European counties (source AIB) and the USA (source Green-e) and average country emission factors for all other countries (source IEA).
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

177635

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

1

(7.8.5) Please explain

All Scope 3 emissions are calculated in line with the GHG Protocol Corporate Value Chain (Scope 3) Standards. Purchased goods emissions are calculated using the average-data method and industry average cradle to-gate emission factor. To calculate purchased goods emissions we used the total weight and the type of the major products we purchased and their associated emission factor. Emissions were calculated using Ecoinvent and Defra GHG emission factors in kgCO2e per kg of product. To capture 100% of our emissions in this category we extrapolated to our total spending on purchased goods.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

29236

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from the production of capital goods purchased by our company are calculated using the average spend-based method for our total spending on capital goods in line with the GHG Protocol Corporate Value Chain (Scope 3) Standards. The emissions are reported on a cradle-to-gate basis and were calculated using GHG emission factors in kgCO2e per EUR.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9598

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The emissions for this category are calculated using the average-data method. Specifically, emissions were calculated using the energy consumption data in KWh by energy course (natural gas, diesel, electricity by county etc.) and the associated upstream emission factor (Well-to-tank). For electricity, CO2 emissions are calculated using the average country upstream emission factor (source IEA). For fuels, CO2 emissions are calculated using upstream (WTT) GHG emission factor for the corresponding type of fuel (source Defra). To capture the CO2 emissions for sites not covered, we associated CO2 emissions per employee and extrapolated to the number employees in the sites not covered.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

14533

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

These emissions are calculated for our major purchased products using the distance-based method. For calculating the CO2 emissions, we used shipping weight and distance data and we applied the appropriate mass-distance emission factor in kgCO2e per tonne.km for the mode of transport used (source Defra). Air, marine and road transport were the main modes of transport used for upstream transportation. The transport-related emissions have been calculated on a well-to-wheel basis. To capture 100% of our emissions in this category, we extrapolated to our total spend on purchased goods. We allocated the emissions for Upstream & Downstream transportation and distribution according to the definition provided from the GHGP Scope 3 Standard.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

566

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

These emissions are calculated using the waste-type specific method. We gathered actual waste data in kg by type of waste (hazardous, non-hazardous, residual), type of treatment (landfill, recycle, incinerated) and applied their corresponding emission factor in kgCO2e per kg (source Defra and Ecoinvent 3.9). Waste data was collected from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. To capture the CO2 emissions from waste generated for sites not covered, we associated CO2 emissions per employee and extrapolated them to the number employees in the sites not covered.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

29064

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Business travel emissions have been provided by the travel agency. The modes of transport that have been used for business purposes are airplanes, trains, buses, and rental cars. No hotel stays emissions have been included and all the emissions have been calculated on a well-to-wheel basis.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

24282

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

30

(7.8.5) Please explain

Employee commuting emissions are calculated for our major company sites (globally represented) that cover one third of our employees using the average-data method. The modes of transport that have been used for employee commuting are cars, train and motorcycles. For the calculation we used the number of employees commuting by each mode of transport and an average distance they travel in km for 225 days per year. The emissions were calculated using Defra GHG conversion factors, using a kgCO2e per person.km emission factor. The emissions have been calculated on a well-to-wheel basis. To capture the CO2 emissions for sites not covered, we associated CO2 emissions per employee and extrapolated to the number of employees in the sites not covered.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Hexagon includes the emissions from leased assets in its Scope 1 & Scope 2 inventories.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

11267

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

10

(7.8.5) Please explain

These emissions are calculated for our major products sold using the distance-based method, in a well-to-wheel basis. For calculating the CO2 emissions, we used shipping weight and distance data, and we applied the appropriate mass-distance emission factor in kgCO2e per tonne.km for the mode of transport used (source Defra). Air and road transport were the main modes of transport used for downstream transportation. To capture 100% of our emissions in this category, we extrapolated to our total revenues from hardware sold products. We allocated the emissions for Upstream & Downstream transportation and distribution according to the definition provided from the GHGP Scope 3 Standard.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Hexagon directly sell its products to the end user. After the sale, no further processing is required, therefore, this category is not applicable to our company.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

64090

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Methodology for direct use phase emissions, please specify :Many of our products consume energy (mostly electricity) during use, so we used the method for products that directly consume energy (fuel or electricity) during use.

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

These emissions are associated with the products sold by Hexagon during the year and aggregated over their lifetime. These emissions are related to energy consumption of products over their entire life. We calculated the emissions in this category, for our major products using their technical characteristics (electricity consumption in KWh) and the main assumption was a 10-year lifetime (even though more of our products have a lifetime more than 15 years). The emission factors applied was the average country electricity emission factor, for the main markets that the products sold as defined (source IEA). To capture the CO2 emissions for the products that are not covered, we extrapolated based on the total revenues from hardware sold products. The emissions reported are direct use-phase.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

157

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Most hardware products have a lifetime longer than 15 years, so we can re-furbish the products and resale them even after 10 years of use. When the products have come to their end of life, we seek to recycle major components. The pieces that are not recycled are disposed. These emissions were calculated using the waste-type specific method, and by applying for type of product and treatment method their corresponding emission factor in kgCO2e per kg (source Ecoinvent 3.9).

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Hexagon does not lease any of its assets to other entities (acting as lessor), therefore this category is not applicable to our company.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Hexagon is not a franchisor, therefore this category is not applicable to our company.

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

137

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Investment-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Hexagon's investment footprint is assessed by evaluating the proportional share of equity held in each investee.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No other upstream

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

No other downstream
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

170484

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

36503

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

12362

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

14257

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

798

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

22054

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

20535

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

10515

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

61470

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

158

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

132

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

The 2022 Scope 3 GHG emissions has been restated to increase accuracy and year-over-year comparability. The categories Upstream & Downstream leased assets, Franchises and Investments are not relevant to our organization and therefore there are no GHG emissions from these categories.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:*

	Verification/assurance status
	☑ No third-party verification or assurance

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

Hexagon Annual Report and Sustainability Report 2023.pdf

(7.9.1.5) Page/section reference

129

(7.9.1.6) Relevant standard

Select from:
☑ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

Hexagon Annual Report and Sustainability Report 2023.pdf

(7.9.2.6) Page/ section reference

129

(7.9.2.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

2353

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

4.6

(7.10.1.4) Please explain calculation

*We purchased more renewable energy certificates and produced more renewable electricity on-site this year. As a result, we managed to reduce our emissions by 2,353 tCO2e compared to last year. Our total Scope 1 and Scope 2 emissions for the previous year were 50,526 tCO2e. Therefore, this represents a 4.6% decrease, calculated as (2,353/50,526) * 100.*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

2714

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

5.4

(7.10.1.4) Please explain calculation

*We reduced our electricity consumption in our facilities, resulting in a decrease of our market-based Scope 2 GHG emissions by 2,714 tCO2e compared to last year. Our total Scope 1 and Scope 2 emissions for the previous year were 50,526 tCO2e. Therefore, this represents a 5.4% decrease, calculated as (2,714/50,526) * 100.*

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

892

(7.10.1.2) Direction of change in emissions

Select from:
☑ Increased

(7.10.1.3) Emissions value (percentage)

1.8

(7.10.1.4) Please explain calculation

*Our Scope 1 GHG emissions from stationary combustion have increased by 892 tCO2e since the previous year. Our total Scope 1 and Scope 2 emissions for the previous year were 50,526 tCO2e. Therefore, the increase represents 1.8%, calculated as (892/50526) *100.*

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Change not applicable for this category

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

780

(7.10.1.2) Direction of change in emissions

Select from:
☑ Increased

(7.10.1.3) Emissions value (percentage)

1.5

(7.10.1.4) Please explain calculation

*Our GHG emissions from company-owned vehicles have increased by 780 tCO2e compared to the previous year. Our total market-based Scope 1 and Scope 2 emissions for the previous year were 50,526 tCO2e. Therefore, this represents a 1.5% increase, calculated as (780/50,526) * 100.*
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ No

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Australia

(7.16.1) Scope 1 emissions (metric tons CO2e)

162.4

(7.16.2) Scope 2, location-based (metric tons CO2e)

533.2

(7.16.3) Scope 2, market-based (metric tons CO2e)

663

Austria

(7.16.1) Scope 1 emissions (metric tons CO2e)

23.1

(7.16.2) Scope 2, location-based (metric tons CO2e)

13.5

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

Belgium

(7.16.1) Scope 1 emissions (metric tons CO2e)

79.8

(7.16.2) Scope 2, location-based (metric tons CO2e)

53.5

(7.16.3) Scope 2, market-based (metric tons CO2e)

56.7

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

40.8

(7.16.3) Scope 2, market-based (metric tons CO2e)

40.8

Canada

(7.16.1) Scope 1 emissions (metric tons CO2e)

622.4

(7.16.2) Scope 2, location-based (metric tons CO2e)

592.7

(7.16.3) Scope 2, market-based (metric tons CO2e)

592.7

Chile

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

36.2

(7.16.3) Scope 2, market-based (metric tons CO2e)

36.2

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

70.1

(7.16.2) Scope 2, location-based (metric tons CO2e)

11137.9

(7.16.3) Scope 2, market-based (metric tons CO2e)

10898.3

Denmark

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

14.7

(7.16.3) Scope 2, market-based (metric tons CO2e)

51.3

Finland

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

2.8

(7.16.3) Scope 2, market-based (metric tons CO2e)

18.4

France

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

54.4

(7.16.3) Scope 2, market-based (metric tons CO2e)

114.7

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

354.1

(7.16.2) Scope 2, location-based (metric tons CO2e)

1310.8

(7.16.3) Scope 2, market-based (metric tons CO2e)

216.5

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

5.6

(7.16.2) Scope 2, location-based (metric tons CO2e)

2691.8

(7.16.3) Scope 2, market-based (metric tons CO2e)

2691.8

Indonesia

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

66.3

(7.16.3) Scope 2, market-based (metric tons CO2e)

66.3

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

290.2

(7.16.2) Scope 2, location-based (metric tons CO2e)

555.9

(7.16.3) Scope 2, market-based (metric tons CO2e)

326.5

Japan

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

195.4

(7.16.3) Scope 2, market-based (metric tons CO2e)

195.4

Kazakhstan

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

11.3

(7.16.3) Scope 2, market-based (metric tons CO2e)

11.3

Mexico

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

51.8

(7.16.3) Scope 2, market-based (metric tons CO2e)

51.8

Netherlands

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

2.2

(7.16.3) Scope 2, market-based (metric tons CO2e)

3

Norway

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0.2

(7.16.3) Scope 2, market-based (metric tons CO2e)

19.4

Peru

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

7.4

(7.16.3) Scope 2, market-based (metric tons CO2e)

7.4

Poland

(7.16.1) Scope 1 emissions (metric tons CO2e)

11.7

(7.16.2) Scope 2, location-based (metric tons CO2e)

11.2

(7.16.3) Scope 2, market-based (metric tons CO2e)

14.8

Republic of Korea

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

179

(7.16.3) Scope 2, market-based (metric tons CO2e)

179

Singapore

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

686.6

(7.16.3) Scope 2, market-based (metric tons CO2e)

469.9

South Africa

(7.16.1) Scope 1 emissions (metric tons CO2e)

0.8

(7.16.2) Scope 2, location-based (metric tons CO2e)

91.2

(7.16.3) Scope 2, market-based (metric tons CO2e)

91.2

Spain

(7.16.1) Scope 1 emissions (metric tons CO2e)

98.4

(7.16.2) Scope 2, location-based (metric tons CO2e)

59.6

(7.16.3) Scope 2, market-based (metric tons CO2e)

32.6

Sweden

(7.16.1) Scope 1 emissions (metric tons CO2e)

12945.9

(7.16.2) Scope 2, location-based (metric tons CO2e)

8680.8

(7.16.3) Scope 2, market-based (metric tons CO2e)

8815.6

Switzerland

(7.16.1) Scope 1 emissions (metric tons CO2e)

959.6

(7.16.2) Scope 2, location-based (metric tons CO2e)

305.7

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

United Kingdom of Great Britain and Northern Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

208

(7.16.2) Scope 2, location-based (metric tons CO2e)

389.7

(7.16.3) Scope 2, market-based (metric tons CO2e)

541.7

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

624.4

(7.16.2) Scope 2, location-based (metric tons CO2e)

5711.4

(7.16.3) Scope 2, market-based (metric tons CO2e)

5699.4
[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

Row 1

(7.17.1.1) Business division

Geosystems: Hexagon’s Geosystems division provides a comprehensive portfolio of digital solutions that capture, measure, and visualise the physical world and enable data-driven transformation across industry ecosystems. Our reality-capture technologies create digital worlds from different views, whether a single dimension between two walls in a house, cadastral boundaries of properties or 3D shapes of cities, infrastructures, utilities, entire countries or even crime scenes.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

3918.1

Row 2

(7.17.1.1) Business division

Safety, Infrastructure & Geospatial: Hexagon's Safety, Infrastructure & Geospatial division improves the resilience and sustainability of the world's critical services and infrastructure. Our technologies transform complex data about people, places and assets into meaningful information and capabilities for better, faster decision-making in public safety, utilities, defense, transportation and government.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

1010.9

Row 3

(7.17.1.1) Business division

Autonomy & Positioning: Hexagon’s Autonomy & Positioning division pioneers end-to-end solutions for assured autonomy and positioning on land, sea and air. Our portfolio, delivers intelligent positioning across vital industries such as agriculture, defence, automotive, nearshore and oil and gas marine and autonomy.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

645.2

Row 4

(7.17.1.1) Business division

Manufacturing Intelligence: Hexagon's Manufacturing Intelligent division's technologies empower makers to redefine the world we know through manufacturing innovation. From concept to end of life, our solutions deliver optimization across the entire value chain, transforming design, simulation, testing, material selection, manufacturing design planning, production, inspection and real-world performance.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

8243.6

Row 5

(7.17.1.1) Business division

Asset Lifecycle Intelligence: Hexagon's Asset Lifecycle Intelligence division helps clients design, construct, and operate more profitable, safe, and sustainable industrial facilities. We empower customers to unlock data, accelerate industrial project modernization and digital maturity, increase productivity, and move the sustainability needle.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

371.7

Row 6

(7.17.1.1) Business division

Group Functions: Hexagon’s Group functions consist of Finance (group accounting, treasury and tax), Business and Technology Development (Innovation Hub), Legal, Strategy, Marketing, Sustainability and Investor Relations.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

1891.1

Row 7

(7.17.1.1) Business division

Mining: Hexagon's Mining division empowers mines to connect all parts of their business with technologies that make sense of data in real-time, while integrating, automating, and optimizing critical workflows that deliver a competitive edge. Our mining technologies provide surveying, design, fleet management, production optimization & collision avoidance capabilities in a single, life-of-mine solution that connects people & processes, reduces costs, improves safety & productivity of mine sites.

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

375.9
[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Natural gas consumption at sites*	*3717.1*
Row 2	*Own vehicle fleet*	*11063.1*
Row 3	*LPG consumption at sites*	*2.2*
Row 4	*Burning Oil consumption at sites*	*597.3*
Row 5	*Diesel consumption at sites*	*18.9*

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

Row 1

(7.20.1.1) Business division

Geosystems: Hexagon’s Geosystems division provides a comprehensive portfolio of digital solutions that capture, measure, and visualise the physical world and enable data-driven transformation across industry ecosystems. Our reality-capture technologies create digital worlds from different views, whether a single dimension between two walls in a house, cadastral boundaries of properties or 3D shapes of cities, infrastructures, utilities, entire countries or even crime scenes.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

2373.2

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

2211

Row 2

(7.20.1.1) Business division

Safety, Infrastructure & Geospatial: Hexagon's Safety, Infrastructure & Geospatial division improves the resilience and sustainability of the world's critical services and infrastructure. Our technologies transform complex data about people, places and assets into meaningful information and capabilities for better, faster decision-making in public safety, utilities, defense, transportation and government.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

3419.1

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

3495.3

Row 3

(7.20.1.1) Business division

Autonomy & Positioning: Hexagon’s Autonomy & Positioning division pioneers end-to-end solutions for assured autonomy and positioning on land, sea and air. Our portfolio, delivers intelligent positioning across vital industries such as agriculture, defence, automotive, nearshore and oil and gas marine and autonomy.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

781

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

859.4

Row 4

(7.20.1.1) Business division

Manufacturing Intelligence: Hexagon's Manufacturing Intelligent division's technologies empower makers to redefine the world we know through manufacturing innovation. From concept to end of life, our solutions deliver optimization across the entire value chain, transforming design, simulation, testing, material selection, manufacturing design planning, production, inspection and real-world performance.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

14725.2

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

13016.8

Row 5

(7.20.1.1) Business division

Asset Lifecycle Intelligence: Hexagon's Asset Lifecycle Intelligence division helps clients design, construct, and operate more profitable, safe, and sustainable industrial facilities. We empower customers to unlock data, accelerate industrial project modernization and digital maturity, increase productivity, and move the sustainability needle.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

431.1

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

497.5

Row 6

(7.20.1.1) Business division

Group Functions: Hexagon’s Group functions consist of Finance (group accounting, treasury and tax), Business and Technology Development (Innovation Hub), Legal, Strategy, Marketing, Sustainability and Investor Relations.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

10907

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

10924.7

Row 7

(7.20.1.1) Business division

Mining: Hexagon's Mining division empowers mines to connect all parts of their business with technologies that make sense of data in real-time, while integrating, automating, and optimizing critical workflows that deliver a competitive edge. Our mining technologies provide surveying, design, fleet management, production optimization & collision avoidance capabilities in a single, life-of-mine solution that connects people & processes, reduces costs, improves safety & productivity of mine sites.

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

860.2

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

901.2
[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity
Row 1	*Electricity consumption*
Row 2	*Electric Vehicles in company's car fleet*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

16457

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

31906

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

33497

(7.22.4) Please explain

The “Consolidated accounting group” includes all entities for which Hexagon reports in its annual financial statements. This comprises Hexagon and its consolidated subsidiaries. We have included emissions data only for Hexagon and its consolidated subsidiaries in our emissions inventory. Therefore, all reported emissions fall under this category.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Hexagon has not included any emissions data from associates, joint ventures, or unconsolidated subsidiaries, as our emissions reporting is limited to Hexagon and its consolidated subsidiaries. Thus, no emissions data are reported for this category. Accordingly, the values in each column for the “All other entities” row are 0. [Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ No

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:

☑ Diversity of product lines makes accurately accounting for each product/product line cost ineffective

(7.27.2) Please explain what would help you overcome these challenges

In order to efficicently calculating emissions related to specific product lines and solutions, an A and B test would need to be conducted which currently is not feasible.

Row 2

(7.27.1) Allocation challenges

Select from:

☑ Customer base is too large and diverse to accurately track emissions to the customer level

(7.27.2) Please explain what would help you overcome these challenges

A unified and coherent system across the organisation for assessing customer emissions would be required in order to provide specific customer-level data.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ Yes

(7.28.2) Describe how you plan to develop your capabilities

Hexagon has initiated an Avoided Emissions framework to calculate how much emissions customers could reduce by iusing Hexagon solutions. This program will be expanded to cover more solutions and areas of Hexagon's product portfolio..
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

21068.9

(7.30.1.4) Total (renewable and non-renewable) MWh

21068.9

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

16672

(7.30.1.3) MWh from non-renewable sources

72181.1

(7.30.1.4) Total (renewable and non-renewable) MWh

88853.1

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

1607.6

(7.30.1.4) Total (renewable and non-renewable) MWh

1607.6

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

18279.6

(7.30.1.3) MWh from non-renewable sources

93250

(7.30.1.4) Total (renewable and non-renewable) MWh

111529.6
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No sustainable biomass was consumed

Other biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No other biomass was consumed

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No other renewable fuels were consumed

Coal

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No coal was consumed

Oil

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

2376.5

(7.30.7.8) Comment

In this category, we have included the consumption of burning oil and diesel in our facilities.

Gas

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

18692.4

(7.30.7.8) Comment

In this category, we have included the consumption of natural gas and LPG in our facilities.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

No other non-renewable fuels were consumed

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

21068.9

(7.30.7.8) Comment

Total consumption includes natural gas, LPG, diesel, and heating oil consumed by our company within the reporting year
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

34833.5

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

34833.5

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

1607.6

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ Italy

(7.30.14.2) Sourcing method

Select from:
☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify :mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1252.4

(7.30.14.6) Tracking instrument used

Select from:
☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Italy

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 3

(7.30.14.1) Country/area

Select from:
☑ China

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

391

(7.30.14.6) Tracking instrument used

Select from:
☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ China

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 4

(7.30.14.1) Country/area

Select from:

☑ France

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

124.4

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ France

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 5

(7.30.14.1) Country/area

Select from:

☑ Germany

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1321.4

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Germany

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 6

(7.30.14.1) Country/area

Select from:

☑ Germany

(7.30.14.2) Sourcing method

Select from:

☑ Direct line to an off-site generator owned by a third party with no grid transfers (direct line PPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Hydropower (capacity unknown)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2118

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Germany

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 7

(7.30.14.1) Country/area

Select from:

☑ Spain

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

283.3

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Spain

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 8

(7.30.14.1) Country/area

Select from:
☑ United Kingdom of Great Britain and Northern Ireland

(7.30.14.2) Sourcing method

Select from:
☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

406

(7.30.14.6) Tracking instrument used

Select from:
☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United Kingdom of Great Britain and Northern Ireland

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 9

(7.30.14.1) Country/area

Select from:

☑ Singapore

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

560.5

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Singapore

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 10

(7.30.14.1) Country/area

Select from:

☑ Austria

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

101.8

(7.30.14.6) Tracking instrument used

Select from:
☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Austria

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 11

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

15.9

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 12

(7.30.14.1) Country/area

Select from:
☑ Switzerland

(7.30.14.2) Sourcing method

Select from:
☑ Financial (virtual) power purchase agreement (VPPA)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify **:**mix of wind, solar and hydropower

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2338.8

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Switzerland

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower

Row 13

(7.30.14.1) Country/area

Select from:
☑ Switzerland

(7.30.14.2) Sourcing method

Select from:
☑ Direct line to an off-site generator owned by a third party with no grid transfers (direct line PPA)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Hydropower (capacity unknown)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7757.9

(7.30.14.6) Tracking instrument used

Select from:
☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Switzerland

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

mix of wind, solar and hydropower
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Australia

(7.30.16.1) Consumption of purchased electricity (MWh)

818.5

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

818.50

Austria

(7.30.16.1) Consumption of purchased electricity (MWh)

101.8

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

101.80

Belgium

(7.30.16.1) Consumption of purchased electricity (MWh)

392.6

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

392.60

Brazil

(7.30.16.1) Consumption of purchased electricity (MWh)

304.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

304.10

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

5010.4

(7.30.16.2) Consumption of self-generated electricity (MWh)

202.9

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5213.30

Chile

(7.30.16.1) Consumption of purchased electricity (MWh)

96.6

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

96.60

China

(7.30.16.1) Consumption of purchased electricity (MWh)

18175.4

(7.30.16.2) Consumption of self-generated electricity (MWh)

1378.7

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

19554.10

Denmark

(7.30.16.1) Consumption of purchased electricity (MWh)

118.8

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

118.80

Finland

(7.30.16.1) Consumption of purchased electricity (MWh)

35.3

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

35.30

France

(7.30.16.1) Consumption of purchased electricity (MWh)

1041.7

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1041.70

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

3756.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

26

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

3782.10

India

(7.30.16.1) Consumption of purchased electricity (MWh)

3756.4

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

3756.40

Indonesia

(7.30.16.1) Consumption of purchased electricity (MWh)

84.6

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

84.60

Italy

(7.30.16.1) Consumption of purchased electricity (MWh)

1967

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1967.00

Japan

(7.30.16.1) Consumption of purchased electricity (MWh)

420.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

420.10

Kazakhstan

(7.30.16.1) Consumption of purchased electricity (MWh)

23.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

23.10

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

127.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

127.10

Netherlands

(7.30.16.1) Consumption of purchased electricity (MWh)

6.9

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

6.90

Norway

(7.30.16.1) Consumption of purchased electricity (MWh)

38.6

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

38.60

Peru

(7.30.16.1) Consumption of purchased electricity (MWh)

39.9

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

39.90

Poland

(7.30.16.1) Consumption of purchased electricity (MWh)

17.3

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

17.30

Republic of Korea

(7.30.16.1) Consumption of purchased electricity (MWh)

391.3

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

391.30

Singapore

(7.30.16.1) Consumption of purchased electricity (MWh)

1791.2

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1791.20

South Africa

(7.30.16.1) Consumption of purchased electricity (MWh)

101.3

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

101.30

Spain

(7.30.16.1) Consumption of purchased electricity (MWh)

395.6

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

395.60

Sweden

(7.30.16.1) Consumption of purchased electricity (MWh)

20548.9

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

20548.90

Switzerland

(7.30.16.1) Consumption of purchased electricity (MWh)

11848.9

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

11848.90

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

1889.2

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1889.20

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

15554.4

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

15554.40
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0000089

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

48363

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

5435200000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

11

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Change in revenue

(7.45.9) Please explain

We have made significant progress in our initiative to increase renewable energy consumption. On-site renewable electricity production and consumption increased from 1,263.8 MWh in 2022 to 1,607.6 MWh in 2023, representing a 27% increase. Additionally, the renewable electricity we purchased rose from 10,462.1 MWh in 2022 to 16,672 MWh in 2023, a 59% increase. Simultaneously, our annual revenues grew from 5,160.5 million EUR in 2022 to 5,435.2 million EUR in 2023. As a result, our emissions intensity ratio has decreased.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Energy usage

(7.52.2) Metric value

20.5

(7.52.3) Metric numerator

MWh

(7.52.4) Metric denominator (intensity metric only)

Million EUR Revenue

(7.52.5) % change from previous year

12

(7.52.6) Direction of change

Select from:
☑ Decreased

(7.52.7) Please explain

we track the energy intensity ratio per revenues in million EUR

Row 2

(7.52.1) Description

Select from:

☑ Waste

(7.52.2) Metric value

2754.6

(7.52.3) Metric numerator

MT

(7.52.5) % change from previous year

10

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

we track total waste generated in Metric Tonnes
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

☑ Intensity target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Hexagon AB - Net-Zero Approval Validation Report.pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

08/28/2024

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

☑ Carbon dioxide (CO2)
☑ Perfluorocarbons (PFCs)
☑ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply
☑ Scope 1
☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:
☑ Market-based

(7.53.1.11) End date of base year

12/31/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

14784

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

36800

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

51584.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

95

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

2579.200

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

16457

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

31906

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

48363.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

6.57

(7.53.1.80) Target status in reporting year

Select from:

☑ Revised

(7.53.1.81) Explain the reasons for the revision, replacement, or retirement of the target

Revised to meet criteria of SBTi.

(7.53.1.82) Explain target coverage and identify any exclusions

This target is company-wide and covers 100% of our Scope1 and Scope 2 emissions, with no exclusions.

(7.53.1.83) Target objective

Absolute target: Reduce absolute Scope 1 and Scope 2 GHG emissions 95% by 2030 from a 2022 base year.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Almost all parts of Hexagon's value chain are considered in the carbon programme. The Scope 1 reduction plan involves increasing the share of "clean" vehicles in the company fleet. The Scope 2 reduction plan involves reducing electricity consumption by upgrading some of our major facilities, increasing on-site renewable power generation, and switching power sources to renewable or complementing with RECs until we reach 100% renewable electricity by 2027. In addition to a 95% reduction in Scope 1 and 2 emissions, the key enablers are purchased goods, logistics, business travel, and employee commuting. Hexagon will implement activities and change its processes to achieve long-term carbon reduction. This means that Hexagon's supplier engagement programme and service providers will be critical in the progress plan, as well as enabling and incentivising employees to adopt new and more environmentally friendly ways of commuting and travelling for work. By 2030, the carbon programme is estimated to achieve roughly 100,000 tonnes of annual carbon emission reduction.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

Hexagon AB - Net-Zero Approval Validation Report.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

08/28/2024

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Nitrogen trifluoride (NF3)

☑ Sulphur hexafluoride (SF6)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 15: Investments

☑ Category 2: Capital goods

☑ Category 6: Business travel

☑ Category 7: Employee commuting

☑ Category 11: Use of sold products

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

☑ Category 1: Purchased goods and services

☑ Category 5: Waste generated in operations

☑ Category 12: End-of-life treatment of sold products

☑ Category 4: Upstream transportation and distribution

☑ Category 9: Downstream transportation and distribution

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per unit revenue

(7.53.2.12) End date of base year

12/30/2022

(7.53.2.15) Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.000033

(7.53.2.16) Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.0000071

(7.53.2.17) Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0.0000024

(7.53.2.18) Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000028

(7.53.2.19) Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

2e-7

(7.53.2.20) Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

0.0000043

(7.53.2.21) Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

0.000004

(7.53.2.23) Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

0.000002

(7.53.2.25) Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

0.0000119

(7.53.2.26) Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

0

(7.53.2.29) Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

0

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.0000677000

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000677000

(7.53.2.36) % of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

100

(7.53.2.37) % of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

100

(7.53.2.38) % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

100

(7.53.2.39) % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

100

(7.53.2.40) % of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

100

(7.53.2.41) % of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

100

(7.53.2.42) % of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

100

(7.53.2.44) % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

100

(7.53.2.46) % of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

100

(7.53.2.47) % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

100

(7.53.2.50) % of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

100

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/31/2030

(7.53.2.56) Targeted reduction from base year (%)

51.6

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000327668

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

12.6

(7.53.2.62) Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.0000327

(7.53.2.63) Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.0000054

(7.53.2.64) Intensity figure in reporting year for Scope 3, Category 3: Fuel- and energy-related activities (metric tons CO2e per unit of activity)

0.0000018

(7.53.2.65) Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000027

(7.53.2.66) Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

1e-7

(7.53.2.67) Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

0.0000053

(7.53.2.68) Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

0.0000045

(7.53.2.70) Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000021

(7.53.2.72) Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

0.0000118

(7.53.2.73) Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

0

(7.53.2.76) Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

0

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.0000664000

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000664000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

3.72

(7.53.2.83) Target status in reporting year

Select from:

☑ New

(7.53.2.85) Explain target coverage and identify any exclusions

The target covers all of our Scope 3 emissions worldwide. The categories excluded have been assessed as not relevant to our organization and therefore have zero emissions. Specifically: Upstream Leased Assets: Emissions from leased assets are included in our Scope 1 & Scope 2 inventories. Processing of Sold Products: Our products are sold directly to the end user and require no further processing. Downstream Leased Assets: We do not lease any assets to other entities. Franchises: Hexagon is not a franchisor. Therefore, these categories are not relevant to our company.

(7.53.2.86) Target objective

Reduce Scope 3 GHG emissions 51.6% per EUR value added by 2030 from a 2022 base year.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Almost all parts of Hexagon's value chain are considered in the carbon programme1. In addition to a 95% reduction of its Scope 1 and 2 emissions, the key enablers are purchased goods, logistics, business travel and employee commuting where Hexagon will implement activities and change its processes in order to achieve long-term carbon reduction. This means that Hexagon’s supplier engagement programme and service providers will be critical in the progress plan, as well as enable and incentivise employees in new and more environmentally friendly ways of commuting and travelling at work. By 2030, the carbon programme is estimated to achieve roughly 100,000 tonnes of annual carbon emission reductions.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.2.1) Target reference number

Select from:

☑ Int 2

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

Hexagon AB - Net-Zero Approval Validation Report.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

08/28/2024

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Nitrogen trifluoride (NF3)

☑ Sulphur hexafluoride (SF6)

☑ Hydrofluorocarbons (HFCs)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 15: Investments
☑ Category 2: Capital goods
☑ Category 6: Business travel
☑ Category 7: Employee commuting
☑ Category 11: Use of sold products
☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
☑ Category 1: Purchased goods and services
☑ Category 5: Waste generated in operations
☑ Category 12: End-of-life treatment of sold products
☑ Category 4: Upstream transportation and distribution
☑ Category 9: Downstream transportation and distribution

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per unit revenue

(7.53.2.12) End date of base year

12/31/2022

(7.53.2.15) Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.000033

(7.53.2.16) Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.0000071

(7.53.2.17) Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0.0000024

(7.53.2.18) Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000028

(7.53.2.19) Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

2e-7

(7.53.2.20) Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

0.0000043

(7.53.2.21) Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

0.000004

(7.53.2.23) Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

0.000002

(7.53.2.25) Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

0.0000119

(7.53.2.26) Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

0

(7.53.2.29) Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

0

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.0000677000

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000677000

(7.53.2.36) % of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

100

(7.53.2.37) % of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

100

(7.53.2.38) % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

100

(7.53.2.39) % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

100

(7.53.2.40) % of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

100

(7.53.2.41) % of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

100

(7.53.2.42) % of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

100

(7.53.2.44) % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

100

(7.53.2.46) % of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

100

(7.53.2.47) % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

100

(7.53.2.50) % of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

100

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/30/2050

(7.53.2.56) Targeted reduction from base year (%)

97

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000020310

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

90

(7.53.2.62) Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.0000327

(7.53.2.63) Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.0000054

(7.53.2.64) Intensity figure in reporting year for Scope 3, Category 3: Fuel- and energy-related activities (metric tons CO2e per unit of activity)

0.0000018

(7.53.2.65) Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000027

(7.53.2.66) Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

1e-7

(7.53.2.67) Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

0.0000053

(7.53.2.68) Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

0.0000045

(7.53.2.70) Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000021

(7.53.2.72) Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

0.0000118

(7.53.2.73) Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

0

(7.53.2.76) Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

0

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.0000664000

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000664000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

1.98

(7.53.2.83) Target status in reporting year

Select from:

☑ New

(7.53.2.85) Explain target coverage and identify any exclusions

The target covers all of our Scope 3 emissions worldwide. The categories excluded have been assessed as not relevant to our organization and therefore have zero emissions. Specifically: Upstream Leased Assets: Emissions from leased assets are included in our Scope 1 & Scope 2 inventories. Processing of Sold Products: Our products are sold directly to the end user and require no further processing. Downstream Leased Assets: We do not lease any assets to other entities. Franchises: Hexagon is not a franchisor. Therefore, these categories are not relevant to our company.

(7.53.2.86) Target objective

Reduce Scope 3 GHG emissions 97% per EUR value added by 2050 from a 2022 base year.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Almost all parts of Hexagon's value chain are considered in the carbon programme1. In addition to a 95% reduction of its Scope 1 and 2 emissions, the key enablers are purchased goods, logistics, business travel and employee commuting where Hexagon will implement activities and change its processes in order to achieve long-term carbon reduction. This means that Hexagon’s supplier engagement programme and service providers will be critical in the progress plan, as well as enable and incentivise employees in new and more environmentally friendly ways of commuting and travelling at work. By 2030, the carbon programme is estimated to achieve roughly 100,000 tonnes of annual carbon emission reductions.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

08/28/2024

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Int2

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

Hexagon AB - Net-Zero Approval Validation Report.pdf

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

This target is company-wide and covers 100% of our Scope1 and Scope 2 emissions, with no exclusions. The target also covers 100% of our Scope 3 emissions worldwide. The categories excluded have been assessed as not relevant to our organization and therefore have zero emissions. Specifically: Upstream Leased Assets: Emissions from leased assets are included in our Scope 1 & Scope 2 inventories. Processing of Sold Products: Our products are sold directly to the end user and require no further processing. Downstream Leased Assets: We do not lease any assets to other entities. Franchises: Hexagon is not a franchisor. Therefore, these categories are not relevant to our company.

(7.54.3.11) Target objective

Hexagon commits to maintain a minimum of 95% absolute scope 1 and 2 GHG emissions from 2030 through 2050 from a 2022 base year. Hexagon also commits to reduce scope 3 GHG emissions 97% per EUR value added by 2050 from a 2022 base year.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.17) Target status in reporting year

Select from:

☑ New

(7.54.3.19) Process for reviewing target

Limited assurance by third party on annual basis.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*0*	*0*

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Implementation commenced	*10*	*410000*
Implemented	*0*	*0*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Company policy or behavioral change

☑ Supplier engagement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

0
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

A mandated and funded initiative in avoided emissions to support lower emissions.
[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:
☑ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:
☑ No

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

	Level of aggregation
Row 1	*Select from:* ☑ Product or service

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:
☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:
☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 1-25

(9.2.2) Frequency of measurement

Select from:
☑ Yearly

(9.2.3) Method of measurement

Water withdrawal volumes are obtained from the water utility provider's bills.

(9.2.4) Please explain

In 2023, environmental data was collected from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. In order to cover the full scope of Hexagon's operations, values have been extrapolated for energy consumption, GHG emissions, water and waste. The extrapolation was performed on employees (FTEs) basis for sites not covered in the reporting system.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

We do not track water withdrawals by volume and source because our water is primarily supplied by municipal sources.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

We do not monitor the quality of water withdrawals because our usage is primarily from municipal supplies. This water is already subject to stringent quality regulations and treatments, ensuring it meets necessary standards. Our operations do not involve processes that require specific water quality monitoring, as our primary usage includes activities such as drinking water, sanitation, and garden maintenance. Consequently, additional water quality tracking is not necessary for our current operational needs.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 1-25

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

In our organization, we do not measure the exact volume of water discharged due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities

(9.2.4) Please explain

In our organization, we do not measure the exact volume of water discharged due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

We do not track the volumes of discharged water by destination because all of our water is directed to municipal sewers.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

We do not track the volumes of discharged water by destination because all of our water is directed to municipal sewers.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

We do not track the volumes of discharged water by destination because all of our water is directed to municipal sewers.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

In our organization, we do not measure the volume of water discharged by quality due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

In our organization, we do not measure the temperature of water due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 1-25

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

In our organization, we do not measure the exact volume of water discharged due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities

(9.2.4) Please explain

In our organization, we do not measure the exact volume of water discharged due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

Currently, we do not monitor the recycled/reused water from our facilities. However, at two of our manufacturing sites and one of our largest facilities, there is an onsite water recycling system implemented. We plan to gather more detailed information about our water recycling efforts in the future.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

We do not measure WASH services as the majority of sites are leased and not under operational control.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

263.39

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Change in accounting methodology

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Facility closure

(9.2.2.6) Please explain

In 2023, environmental data was collected from all manufacturing sites and all the facilities under our operational control with more than 35 FTEs. In order to cover the full scope of Hexagon's operations, values have been extrapolated for energy consumption, GHG emissions, water and waste. The extrapolation was performed on employees (FTEs) basis for sites not covered in the reporting system. The reported value cover 100% of our company.

Total discharges

(9.2.2.1) Volume (megaliters/year)

250.22

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ This is our first year of measurement

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Unknown

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Facility closure

(9.2.2.6) Please explain

In our organization, we do not measure the exact volume of water discharged due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities

Total consumption

(9.2.2.1) Volume (megaliters/year)

13.17

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ This is our first year of measurement

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Unknown

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Facility closure

(9.2.2.6) Please explain

In our organization, we do not measure the exact volume of water discharged due to the nature of our operations. Our water use is limited to everyday activities such as drinking and watering gardens. Consequently, we estimate that 5% of our water withdrawal is consumed, with the remaining 95% being discharged into municipal sewers. This estimation is based on our understanding of typical water usage patterns in our facilities, which do not require water for core operational activities
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	Please explain
	Select from: ☑ Unknown	*Hexagon has not yet conducted an assessment of where its water is withdrawn, but aim to do so in the coming years.*

[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

(9.3.4) Please explain

Hexagon has not yet conducted a water assessment of its facilities or upstream value chain, but will aim to conduct a such assessment in high-risk areas in the coming 2-5 years.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

(9.3.4) Please explain

Hexagon has not yet conducted a water assessment of its facilities or upstream value chain, but will aim to conduct a such assessment in high-risk areas in the coming 2-5 years.
[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☑ No facilities were reported in 9.3.1

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	5435200000	*20635559.44*	*Efficiency expected to increase as the nature of Hexagon's revenues are expected to increase in software business.*

[Fixed row]

(9.12) Provide any available water intensity values for your organization's products or services.

Row 1

(9.12.1) Product name

n/a

(9.12.2) Water intensity value

0

(9.12.3) Numerator: Water aspect

Select from:
☑ Water withdrawn

(9.12.4) Denominator

0

(9.12.5) Comment

No water intensity value for Hexagon's products are available
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
	Select from: ☑ Yes

[Fixed row]

(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Row 1

(9.13.1.1) Regulatory classification of hazardous substances

Select from:
☑ Annex XVII of EU REACH Regulation

(9.13.1.2) % of revenue associated with products containing substances in this list

Select from:
☑ Less than 10%

(9.13.1.3) Please explain

A very limited % of products at Hexagon are associated with hazardous material.
[Add row]

(9.14) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
	Select from: ☑ No, and we do not plan to address this within the next two years	*Select from:* ☑ Judged to be unimportant, explanation provided	*Hexagon does not mass produce components or products with high water use in the production.*

[Fixed row]

(9.15) Do you have any water-related targets?

Select from:

☑ No, and we do not plan to within the next two years

(9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future?

(9.15.3.1) Primary reason

Select from:

☑ Important but not an immediate business priority

(9.15.3.2) Please explain

Hexagon's business is not founded on high water usage. The majority of the water usage is within the upstreams value chain, and setting targets for Hexagon's own water usage would not have material affect on the total water stress, so supply chain engagements is the proposed way forward for Hexagon to make a positive impact for water usage.
[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☑ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ No	*Hexagon does not operate near such area*
UNESCO World Heritage sites	*Select from:* ☑ No	*Hexagon does not operate near such area*
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ No	*Hexagon does not operate near such area*
Ramsar sites	*Select from:* ☑ No	*Hexagon does not operate near such area*
Key Biodiversity Areas	*Select from:* ☑ No	*Hexagon does not operate near such area*
Other areas important for biodiversity	*Select from:* ☑ No	*Hexagon does not operate near such area*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Base year emissions

☑ Emissions breakdown by business division

☑ Fuel consumption

☑ Year on year change in absolute emissions (Scope 1 and 2)
☑ Year on year change in emissions intensity (Scope 1 and 2)

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

(13.1.1.4) Further details of the third-party verification/assurance process

r limited assurance procedures in accordance with ISAE 3410 Assurance Engagements on Greenhouse Gas Statements issued by IAASB. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the GHG emission data, and applying analytical and other limited assurance procedures. The audit firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

	Additional information
	n/a

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Strategy and Sustainability Officer

(13.3.2) Corresponding job category

Select from:
☑ Chief Sustainability Officer (CSO)
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute