

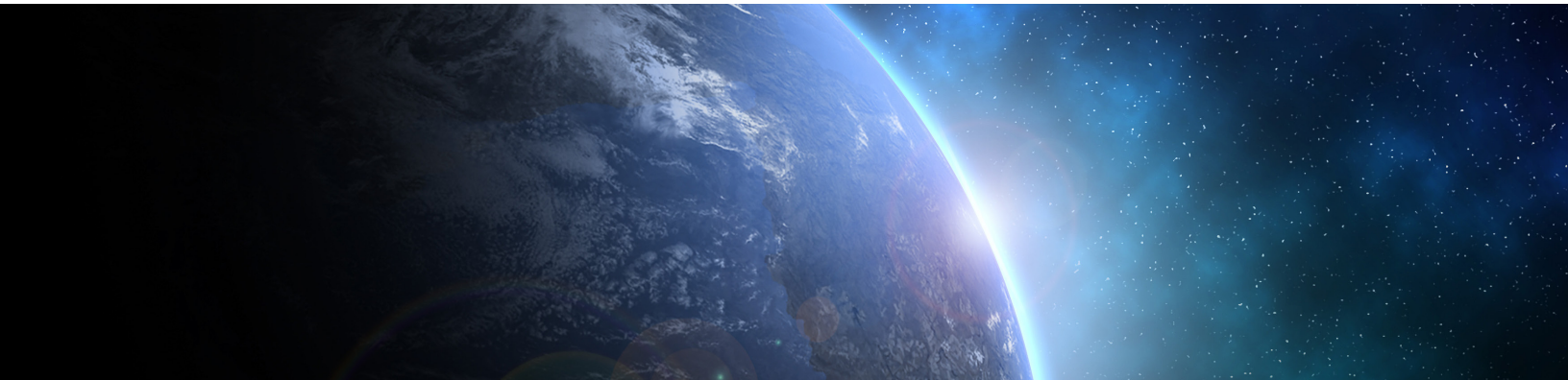
# Hexagon's Sustainability Strategy

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## Vision

Hexagon's vision is a future where data is fully and autonomously leveraged so that business, industry and humanity sustainably thrive.

A world where economic growth does not come at the expense of the planet and people. As a global leader in sensor, software and autonomous solutions, Hexagon is an enabler of sustainability, with solutions that improve efficiency, quality and safety across a broad array of industries and societies.



## Mantra – do well to do good

Hexagon is committed to a simple, yet powerful purpose: Putting data to work to empower an autonomous future. We believe that achieving an autonomous future will not only empower our customers to dramatically improve outcomes, but also foster a sustainable planet. By putting data to work towards an increasingly autonomous future, our “do well to do good” approach will drive sustainability through efficiency gains, increased safety, improved productivity and less waste — the very business outcomes our customers seek. We believe that sustainability and economic growth goes hand in hand and should be achieved in a cost-optimal way.

Hexagon's sustainability efforts are a natural, integrated part of its operations and core values. Hexagon believes that its sustainability journey is determined both by the role its products and solutions play in the market, as well as its own processes and actions. Hexagon takes a holistic approach to sustainability which includes its environmental, social and governance impacts (ESG) in the whole value chain. Sustainability is crucial to the company's success, and its work drives profitability and long-term shareholder value. All actions should be marked by a high level of expertise, good business ethics and accountability.

## Five areas of focus Hexagon believes it can have the greatest impact are:



## Enabling sustainable development through Hexagon's solutions

Hexagon's innovative solutions help solve some of the most urgent challenges of our lifetime. Its solutions portfolio drives sustainable value creation by putting data to work and empowering increasingly autonomous connected ecosystems. By achieving its commitments, Hexagon not only improve its customers' bottom lines, but also makes enormous strides towards improving safety and eliminating waste as it builds toward an increasingly smart, autonomous, connected future.

Hexagon's solutions portfolio includes precision measurement systems and simulation software that help customers optimise the use of raw materials and components, improve energy efficiency and extend product life cycles. The solutions are used to protect the environment and increase safety by monetisation of assets and predicting movements in structures in areas where natural disasters may have a serious impact on people and assets.

### Hexagon is committed to:



Making smarter use of the earth's resources by unleashing data to do its greatest work — boosting efficiency, productivity, quality and safety.



Supporting customers and society in their sustainability journey.

### Hexagon's action is to:



Implement sustainability assessment in the strategy and business planning process.



Increase investments in solutions for eMobility, renewable energy and safety.

## Operating sustainably to improve its own environmental footprint

As a global leader in sensor, software and autonomous solutions with operations in more than 50 countries worldwide, Hexagon seeks to have a positive impact on the environment by acting sustainably and addressing environmental challenges in its internal operations and supply chain. But Hexagon is committed to do so much more by being a part of the solution – investing in green-tech projects that accelerates the transition to a greener economy. By upholding high standards of environmental sustainability processes, Hexagon supports activities

that aim to reduce its environmental footprint, better meet customer requests, attract and retain talent, generate savings, mitigate environmental risks, and fuel innovation. To future-proof Hexagon's portfolio, products and solutions are produced in the most energy-efficient way and life cycle perspectives are taken into account in the R&D process. Hexagon will be involved in the climate plans and policies of its customers and of government agencies, displaying leadership and to the greatest extent possible to inspire the industry toward a greener approach.

### Hexagon is committed to:



Reducing greenhouse gas emissions in its operations and supply chain.



Reducing waste in factories and offices and implementing processes for sustainable resource management.



Reducing the stress of water and air quality from its own operations and supply chain.



Strictly following chemical safety regulations including the EU Directive on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH, EC1907/2006) at divisions that fall under such operational contexts.



Integrating sustainability considerations into product development, design and production processes.



Creating a culture of sustainability among employees.



Being a role model in the management of environmental issues.

### Hexagon's action is to:



Implement an environmental management system (ISO 14001 certification or equivalent) in its major production facilities.



Implement a company car policy with objectives to reduce GHG emissions.



Increase share of renewables in energy mix.

### Hexagon's goal is to:



Become carbon neutral in its scope 1 and 2 emissions by 2030.



Become carbon neutral in its whole value chain (scope 1, 2 and 3) by 2050.



## Driving sustainability in its supply chain

Hexagon is committed to sourcing responsibly and respecting human rights in its own operations and supply chain, extending beyond legal compliance. To ensure Hexagon's suppliers adheres to the same strict standards, all suppliers must comply with the Hexagon Supplier Code of Conduct which is based on the UN Global Compact principles on human rights, labor conditions, the precautionary principle and responsibility concerning the environment and anti-corruption.

### Hexagon is committed to:



Ensuring that all suppliers adhere to the Hexagon Supplier Code of Conduct based on the UN Global Compacts principles.



Deploying best efforts around responsible business and due diligence of its suppliers, including identifying risk areas in its supply chain and guidance on responsible sourcing of minerals.



Ensuring that all suppliers undertake due diligence within their supply chain.

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### Hexagon's action is to:



Train employees and suppliers in their respective Codes of Conduct.



Conduct routine supplier risk assessments and sustainability supplier audits.



Implement a Conflict Mineral Reporting Template for all relevant suppliers to track and document the source of origin of the minerals contained in its components.

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### Hexagon's goal is to:



Conduct sustainability supplier audits on 100 per cent of its direct suppliers in risk areas by 2023.





## Driving sustainability through its culture and people

Attracting, hiring, developing and long-term retention of the best employees in the industry is key to Hexagon's success. The company employs more than 21,000 people globally, many of whom are highly skilled engineers and software developers. Hexagon is committed to a diverse workplace mirroring the international nature of the business – with employees, customers and suppliers across the world. As a global organisation, Hexagon recognises and respects employees' differences, and strives to build a working environment where different values and perspectives are actively harnessed to create the best solutions for the equally diverse customer base. By promoting diversity, Hexagon will also increase access to a greater range of talent. The Hexagon Code of Business Conduct and Ethics helps govern issues such as fair employment, diversity, discrimination, harassment and health and safety.

### Hexagon is committed to:



Ensuring Health and Safety for its employees.



Creating an "including culture" with a diverse workforce.



Not tolerating discriminatory structures in the organization.



Becoming an attractive employer in order to attract the best and most professional employees.

### Hexagon's action is to:



Implement gender diversity criteria in recruitment process.



Implement training in diversity and inclusion for all employees.

### Hexagon's goal is to:



Achieve at least 30 per cent women in leading positions by 2025.



## Engagements that support societal challenges

As a global company, Hexagon has the ability and responsibility to give back to society. Hexagon supports and actively engages with the communities where it operates through philanthropic activities and charitable organisations. Local initiatives range from donating technologies to non-profits, training and supporting environmental research, partnering with universities to develop future talent, and sponsorship of community events.

### Hexagon is committed to:



Engaging in societal development issues where Hexagon can make the greatest impact.

### Hexagon's action is to:



Implement a CSR programme focused on environment, education, innovation and diversity.