Sustainability Statement

This document is an extract from Hexagon's Annual and Sustainability Report 2025, comprising the sustainability-related sections only. It is not intended to represent the complete Annual and Sustainability Report. All sustainability information included in the full report is reproduced here in its entirety. Page numbers refer to the original report.

Sustainability at Hexagon

Hexagon's sustainability strategy is based on the belief that long-term business success and sustainable development go hand in hand. It integrates sustainability across the business model, product innovation, value chain, and culture. Built on the two pillars Empowering change and Creating change, the strategy guides responsible growth, resource efficiency, social responsibility, and collaboration with customers, partners, and society.

Our sustainability pillars: a dual-track strategy

Change we empower

Enabling sustainability through our solutions

- Sustainability criteria in product innovation.
- Innovations to optimise efficiency, productivity, quality, and safety at scale.

Empowering other stakeholders to accelerate change

- Engaging industry-specific platforms.
- Distribution partners programme.
- Accelerating green-tech with R-evolution.

Change we create

Improving sustainability across our value chain

- Business area-specific Net-Zero Roadmap.
- Resource efficiency improvements.
- Sustainable Procurement Programme.

Driving sustainability through our culture and our people

- Inclusive and performance-driven culture.
- Social responsibility through education and partnerships.

Sustainability targets

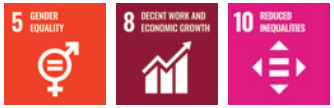
At Hexagon, sustainability guides our vision and operations. We create long-term value by integrating environmental, social, and governance (ESG) principles into our decision-making, addressing global challenges while fostering resilience, innovation, and ethical growth. Our focus includes reducing environmental impact, promoting social equity, and upholding strong corporate governance.

Environmental

- Reduce absolute Scope 1 and Scope 2 GHG emissions by 95% by 2030 from a 2022 base year.
- Reduce Scope 3 GHG emissions by 51.6% per unit of revenue by 2030 from a 2022 base year.
- Increase annual sourcing of renewable electricity from 34.8% in 2022 to 100% by 2027.
- Reach net-zero GHG emissions across the value chain by 2050.
- Reduce Scope 3 GHG emissions by 97% per unit of revenue by 2050 from a 2022 base year.

Social

- Achieve at least 30% women in leadership positions by 2025.



Governance

- 50% of suppliers by spend covering purchased goods and services will have science-based targets by 2028.
- Key suppliers in high-risk areas will be audited every three years.

Read more about Hexagon's ambitious goals to reduce its carbon footprint, validated by the Science Based Targets initiative (SBTi) in the Sustainability Statement on pages 76–175.

Our Impact in 2025

Environment

Avoided Emissions Framework

Avoided Emissions Framework implemented for key product lines, enabling 49 million tCO_2e of avoided emissions for customers to date.

↘ **29%**
Reduction in Scope 1 and 2 emissions

↘ **6%**
Reduction in Scope 1 emissions

↗ **74%**
Ratio of renewable electricity used in operations

↘ **11%**
Decrease of combustion cars in company car fleet

↘ **18%**
Reduction in Scope 3 emissions

Social

Company-wide training held in:

- AI upskilling.
- Hexagon's Compliance Programme.
- Sustainability @Hexagon.
- Cyber security.

↗ **3 pp**
Increase in under-represented gender in leadership positions

89,240
hours of employee training delivered

Governance

7
AI guiding principles established to ensure safe, ethical and transparent AI across products and operations.

114
Suppliers audited on ESG-related topics

25,068
Employees and contractors trained in Hexagon's Code of Business Conduct

Sustainability Milestones and Roadmap

	2023	2024	2025	2026	2027	2030
Employees	All employees trained in Diversity, Equity & Inclusion (DEI)	All employees trained in inclusive behaviours	**>25%** women in leadership positions	Improved employee engagement score	–	–
Energy	**~35,000 MWh** renewable energy produced	**50%** of renewable electricity	**24%** reduction in power consumption versus 2022 baseline	**>85%** of renewable electricity	**100%** of renewable electricity	**100%** of renewable electricity
Climate change	Guidance of green vehicles in car fleet	Green vehicle framework implemented in main markets	Physical climate risks and transition assessments performed	CO_2 reduction targets part of employee incentive programme	–	**95%** reduction in Scope 1 and Scope 2 GHG emissions
Nature	–	Waste management programme in manufacturing sites	Water management programme for sites in high-risk areas	–	Biodiversity action plan implemented in major facilities	Zero waste to landfill ambition
Products	Eco-design training started in hardware R&D	Avoided emissions by product line	**49 MtCO_2e** avoided emissions in customer use	Sustainability framework implemented in R&D projects	Doubled sale of circular products	–
Suppliers	**100%** of key suppliers in high-risk countries audited	Key suppliers in high-risk areas audited every three years	114 key suppliers assessed on environmental and social impacts	Human Rights Due Diligence conducted across the value chain	**20%** CO_2 reduction in logistics emissions	**> 80%** of procurement spend covered by suppliers with SBTi-validated targets

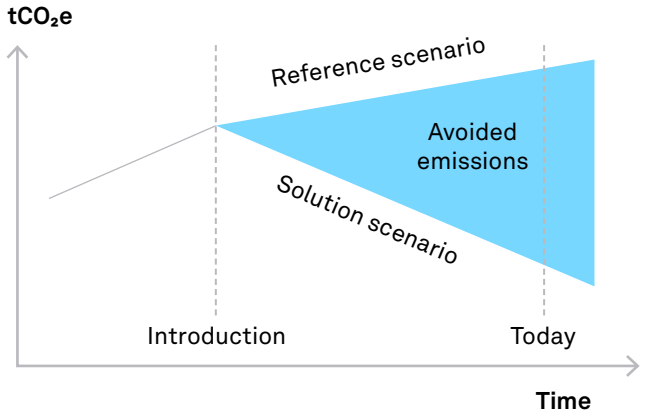
Avoided Emissions Framework

What are the climate benefits of Hexagon's portfolio?

Carbon emissions need to decrease rapidly to meet the goals of the Paris Agreement. Hexagon has established ambitious science-based targets to reduce its carbon footprint, which are described in detail in the Sustainability Statement.

Due to the urgency of the climate crisis, and recognising that operational reductions alone are not sufficient to drive the scale of change required, Hexagon initiated an effort in 2024 to quantify the carbon benefits of its solutions, reflecting the belief that its greatest climate impact lies in enabling decarbonisation across the industries it serves. Leveraging its portfolio of data-driven automation, digital twin, computer-aided engineering and geospatial intelligence technologies, Hexagon helps customers optimise resource use, improve energy efficiency and reduce material waste across industrial, infrastructure and renewable energy value chains. These capabilities position Hexagon as a provider of enabling clean technologies, delivering measurable emission reductions beyond its own operations. By assessing these impacts through recognised frameworks, Hexagon enhances transparency around the climate value of its innovation while supporting industrial transformation at scale. Emission reductions achieved by customers as a result of using Hexagon's solutions are referred to as avoided emissions.

Figure 1 – Avoided emissions



Avoided emissions are quantified by comparing a solution scenario with a defined reference scenario, as illustrated in Figure 1.

Hexagon prioritises this initiative for the following reasons:

- It contributes to Hexagon's social licence to operate by demonstrating the positive impact of Hexagon's solutions.
- It enables investors to build impactful portfolios.
- It highlights areas for investment and future growth.

Quantifying and reporting avoided emissions represent an important opportunity to reshape Hexagon's portfolio.

Checking eligibility

Hexagon's quantification of avoided emissions complies with the Guidance on Avoided Emissions from the World Business Council for Sustainable Development (WBCSD). It defines three compulsory eligibility gates for reporting:

- **Gate 1: Climate action credibility**
  Hexagon has a solid climate strategy, SBTi-validated carbon reduction targets, site-specific roadmaps and regular reporting.

- **Gate 2: Climate science alignment**
  The solution must have mitigation potential, not contribute to fossil fuel exploitation, and be compatible with the goals of the Paris Agreement. To pass this gate, Hexagon demonstrates that each solution has mitigation potential, in alignment with the EU taxonomy and the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6).

- **Gate 3: Contribution legitimacy**
  The solution must directly and significantly contribute to reducing emissions.

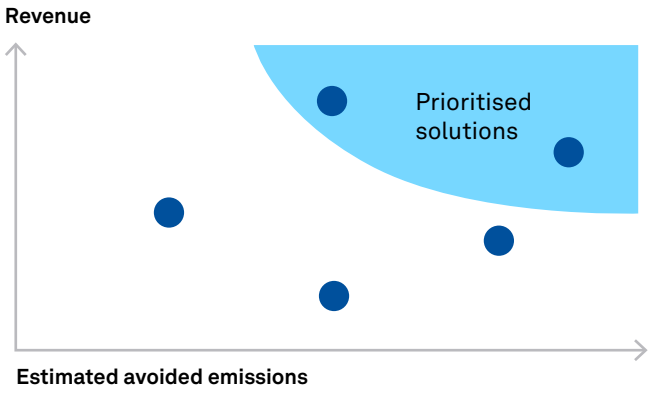
Process and progress

In 2024, Hexagon started scanning its portfolio for solutions with a distinct mechanism to avoid emissions. The solutions have been prioritised according to their financial impact and estimated avoided emissions; see Figure 2. For every prioritised solution, customers have been selected and contacted.

Together with customers, Hexagon has quantified avoided emissions for approximately 30 solutions[1], spanning multiple industries[2] and 16 countries[3].

In 2025, Hexagon achieved a nearly comprehensive understanding of the portfolio's potential to avoid emissions. Most quantified avoided emissions come from the Computer-Aided Engineering solutions of Hexagon's Design & Engineering business unit and the geospatial solutions of Hexagon's Safety, Infrastructure, and Geospatial business area. In addition, Hexagon set up a framework for prioritising, quantifying, and reporting avoided emissions.

Figure 2 – Prioritising solutions



Reporting on selected customer use cases only

Case studies have shown that avoided emissions can differ considerably between customers, even when the solution and its use case are comparable. For example, looking at 2024 avoided emissions:

- One RADAN customer avoided more than 13 times as many emissions as another one.
- One Digimat customer avoided 4 times as many emissions as another one.
- The avoidance of HxGN InService customers lies between 35 tCO_2e and 1,200 tCO_2e.
- ERDAS IMAGINE customers avoid between 3,800 tCO_2e and 660,000 tCO_2e.

Therefore, avoiding scaling to a product level ensures a high level of specificity. Representing a fraction of Hexagon's customers, the reported avoided emissions are a lower bound of actual avoided emissions.

A new methodology for renewables

Moreover, Hexagon developed a new approach to calculating the avoided emissions from renewables. It addresses a few shortcomings of traditional approaches, such as:

- **Ignoring repowering:** Renewables that replace existing renewables do not avoid emissions.
- **Neglecting growing energy demand:** As electricity demand increases, some of the energy generated by renewables serves growing demand rather than replacing fossil fuels.
- **Zero-emission renewables:** Being able to more accurately quantify avoided emissions is crucial for informed decision-making and the trustworthiness of carbon credits.

Solution developer vs. key component

Most solutions require multiple stakeholders to deliver avoided emissions. Following the WBCSD guidance, Hexagon will not perform quantitative allocation in those cases. Instead, Hexagon differentiates between:

- Use cases in which Hexagon is solely responsible for the solution ("solution developer") and
- Use cases in which Hexagon supplies an essential part of the solution ("key component").

Nearly all of Hexagon's reported avoided emissions stem from the provision of key components, with the exception of RADAN, TubeInspect, and Hexagon's refurbishing business.

Outlook

Hexagon will continue to conduct customer case studies and quantify the carbon benefits of its solutions. However, the focus will be on shaping the portfolio based on the avoided emissions results and scaling decarbonisation in the industries Hexagon serves.

1) HxGN InService, M.App Enterprise, RADAN, Virtual Test Drive, Digimat, wind turbine gearbox design, HxGN EAM, ERDAS IMAGINE, GeoMedia, various Hexagon mining, surveying, building construction and machine control solutions, various stationary and portable metrology solutions including TubeInspect, HxGN AgrOn
2) Agriculture, automotive, construction, energy, forestry, manufacturing, mining, the public sector, and utilities
3) Austria, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Romania, Switzerland, The Netherlands, the United States, and the United Kingdom

Avoided Emissions Framework – Customer examples that enable positive climate impact

Accelerating renewables

By far the most impactful project is Hexagon's gearbox design for wind turbines, which accounts for over 90 per cent of Hexagon's 2024 avoided emissions. Between 2011 and 2023, the gearbox design was used to install 16.6 GW of wind power in China and India. The avoided emissions have been calculated relative to a scenario in which the electricity grid would have supplied the generated energy.

For the Austrian city of Klagenfurt, Hexagon created a digital twin that enabled feasibility and economic analyses of rooftop solar panels. Since its introduction in 2021, the solar power growth rate has been 50 percentage points above the Austrian average.

In East Lothian, Scotland, a Hexagon partner has leveraged Hexagon's geospatial platform, M.App Enterprise, to calculate the most effective locations for electric vehicle charging stations. Between 2019 and 2024, the growth rate of supplied charging energy outperformed the UK's annual electric vehicle growth rate by 60 percentage points.

ArcelorMittal, one of the world's largest steel and mining companies, leveraged Hexagon solutions to improve geo-modelling, mine planning, and mining operations. Compared to the latest Life of Mine (LoM) plan before introducing Hexagon solutions, ArcelorMittal has reduced the cumulated actual mined waste between 2019 and 2023 by 26 per cent. This reduction translated into savings of more than 27 million litres of diesel, corresponding to an average annual reduction of over 14,000 tCO_2e.

Reducing fossil fuel consumption

HxGN InService is an integrated outage management system that helps prevent and quickly resolve outages. Hexagon has conducted case studies with ten North American customers. Looking at the System Average Interruption Duration Index (SAIDI), an important reliability metric, their outage performance is between 26 per cent and 69 per cent better than the province/country average. Fewer outage hours reduce the need to run fossil-fuel-powered generators. Conservative assumptions predict 3,700 tCO_2e avoided emissions in 2024.

The Leica MC1 solution was used on a dozer during capping earthworks on a 25 km section of a motorway in Romania. The system's millimetre-grade accuracy drastically increased productivity, virtually eliminating the rework that typically consumes extra time and fuel. This precision resulted in an 18.5 per cent boost in productivity on the project, leading directly to saving 3,278 litres of diesel, and resulting in a total avoided emissions of 9 tCO_2e for the motorway section.

Hexagon's fully automated monitoring solution used by SEP Rail Services helps the company reduce fossil fuel consumption by minimising the need for frequent site visits and worker commuting. The system replaces the 126 rides per project required by the semi-automated solution with only 44 rides, reducing total travel distance by more than 65 per cent, from 25,200 km to 8,800 km per project. By leveraging remote, real-time data capture via the Leica TM60 and GeoMoS software, the solution reduces transportation emissions, contributing to a substantial avoidance of 1.4 tCO_2e per project, amounting to 17 tCO_2e for 12 projects conducted in 18 months.

Avoided Emissions Framework – Customer examples that enable positive climate impact

Reducing scrap in manufacturing

Hexagon's CAD/CAM software RADAN helps reduce material input for metal sheet laser cutting applications. Compared to the competitor solution two Hexagon customers have used before, RADAN reduced material input by 15 per cent and 18.8 per cent, respectively, resulting in a combined 946 tCO_2e reduction in 2024.

Manufacturing electric scooters requires tube bending. By introducing TubeInspect, a Hexagon customer in France reduced annual scrap count by 93 per cent. TubeInspect is a camera-based metrology solution that calculates bending correction data in real time and feeds it directly back to the bending machines.

Using materials with a lower carbon footprint

Digimat is material modelling software which allows two customers to replace conventional automotive materials with high-performance plastics. Due to high annual production volumes, more than 8,000 tCO_2e can be avoided. For all five parts under consideration, the emissions savings are accompanied by additional benefits, such as weight savings, cost savings, and shorter production cycle times. Having reliable and validated digital material models is a prerequisite for widespread adoption within the automotive industry.

Optimising mining operations

Hexagon's Mining Fleet Management System (FMS) enhances the operational efficiency of mining trucks by matching truck and digger capacities, automating task assignments, and coordinating fleet movements. A comparative study of contractor operations in an Indonesian gold mine revealed a 32 per cent improvement in fuel intensity, resulting in 22,600 tCO_2e of avoided emissions in 2024.

Conserving forests

Three Indian states use Hexagon's ERDAS IMAGINE to monitor forest areas, conserve existing forests and supervise afforestation activities. Hexagon customers collectively manage 9 per cent of Indian forests. Yet, only 2 per cent of India's primary forest loss occurred in these states, resulting in more than 700,000 tCO_2e avoided in 2024. Data show that deforestation visibly slowed after the introduction of the Hexagon solution.

Case study

Precision for progress: Powering the future with clean energy

Hexagon's partnership with the ITER organisation exemplifies how collaboration accelerates technological innovation to address society's most pressing challenges. By contributing advanced metrology solutions, including Hexagon's Leica Absolute Laser Trackers, the Absolute Scanner AS1 and Hexagon's SpatialAnalyzer software, we enable the precise assembly of ITER's experimental reactor – a critical step towards achieving fusion power production at scale. This cooperation not only supports the development of clean, limitless energy but also demonstrates Hexagon's commitment to leveraging cutting-edge technologies that drive progress for a sustainable future. When realised, fusion energy has the potential to transform society by providing abundant, carbon-free power and significantly reducing global greenhouse gas emissions, helping to avoid millions of tonnes of CO_2 emissions annually.

49

$MtCO_2e$

avoided by customers through Hexagon's solutions to date

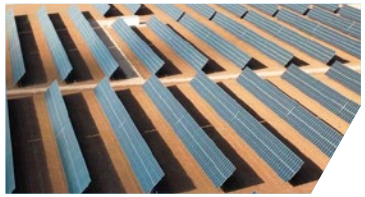
Hexagon R-evolution – shaping planet resilience

R-evolution is the green tech business venture of Hexagon AB, positioned to put technology and data to action for planet resilience through profitable impact projects and solutions across the globe.

Aligned with Hexagon's broader clean technology ambition, R-evolution expands the Group's innovation footprint by translating advanced digital, automation and geospatial capabilities into scalable environmental solutions. Positioned at the intersection of technology, data and sustainability, it demonstrates how Hexagon's expertise can move beyond operational optimisation to actively support renewable energy systems, water resilience, ocean intelligence and biodiversity protection. By combining entrepreneurial execution with measurable impact, R-evolution strengthens Hexagon's role within the global clean technology landscape and reinforces the company's commitment to delivering profitable innovation that accelerates the transition toward a low-carbon and nature-positive economy.

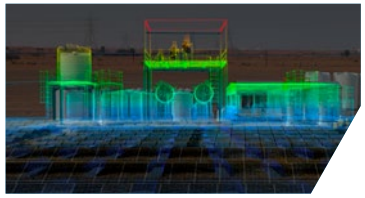
The initiatives address the world's pressing challenges, optimising renewable energy production in Spain, digitalising desalination in the Middle East, creating digital twins of the seabed to measure carbon capture and making nature visible with Green Cubes for biodiversity conservation across Latin America. In 2025, the focus of R-evolution has been Green Cubes, with significant progress to make nature visible for the extraction industry.

Renewable energy



Archidona Málaga 16.44 MWp
Running 40 hectares industrial solar PV production to have first-hand experience and real product test bed for scale with a world leading digital twin plant.

Desalination



Al Ain Dubai 1,000 m³ daily water production
The digital twin for the world's first circular solar thermal desalination system to produce high-quality desalinated water with zero harm to the planet.

Ocean

The Bahamas 3,300 km² mapped
Discovered with the help of tiger sharks, marine scientists and Hexagon's bathymetric LIDAR – on track to be the largest nature-based carbon project in the world.

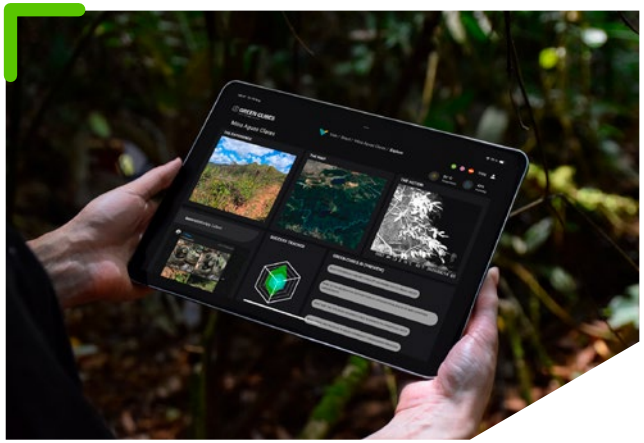
Forest

Green Cubes activated in Costa Rica, Brazil and Guatemala
World-leading immersive experience and real impact for biodiversity conservation, leveraging Hexagon measurement technologies from satellite to soil.

Green Cubes momentum – making nature visible

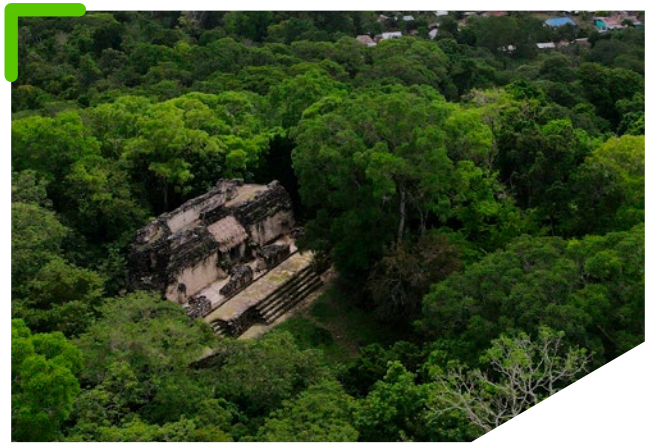
Leading customers for sustainable mining in Brazil

In 2025, Green Cubes Digital Reality took off, enabling a trusted and transparent 3D environmental monitoring solution to accelerate restoration and enhance environmental reporting for the extraction industry. Green Cubes makes nature visible so responsible mining customers can operate efficiently while safeguarding biodiversity and restoring ecosystems. Green Cubes measures and AI processes data from space to soil and fuses it into a single pane of glass in the Green Cubes digital twin platform. Customer momentum grew in 2025 as Vale and Samarco, two of the world's biggest iron ore producing companies, activated Green Cubes on restoration sites at Mina de Águas Claras (Vale) and Mina Alegria in Brazil (Samarco). Together with Vale and Samarco, Green Cubes is setting a new environmental standard for sustainable mining across Latin America.



Unlocking natural capital in Guatemala

Green Cubes expanded to the heart of Guatemala's forests, through a pioneering partnership with The Association of Forest Communities of Petén (ACOFOP). ACOFOP is a community-based, non-profit association working to conserve and sustainably manage forest areas in the Maya Biosphere Reserve (RBM) in northern Guatemala. With Green Cubes, ACOFOP will make Green Cubes available for sponsorship across areas within the Maya Biosphere Reserve, near the Yaloch Lagoon and Biological Station, within the El Esfuerzo community forest concession. The Green Cubes Sponsorship Programme unlocks natural capital, showcasing the richness of the forests and their invaluable contribution to keeping ecosystems alive.



Activated science ecosystem with Hidden Biodiversity: Universe (HUB)

Green Cubes was activated to support the conservation of the last 8% of the Atlantic Rainforest in Brazil. Over 25 km² were 3D mapped down to 5 cm accuracy and it is supporting leading biodiversity research through a strategic collaboration with the Antonelli Foundation and Project ARAÇÁ. As part of the conservation activities at ARAÇÁ, the Antonelli Foundation has initiated Hidden Biodiversity: Universe (HUB), an initiative that acts as a creative and collaborative platform, bringing biodiversity science to life through storytelling, immersive media, and public engagement. Complementing the reclamation and conservation efforts at ARAÇÁ, where Green Cubes contributes world-leading technology for biodiversity monitoring, Green Cubes also supports the HUB initiative, helping to communicate the immersive experience by making nature visible.

Introduction

This year, Hexagon's Sustainability Statement has been further developed to provide a more structured and transparent overview of the Group's environmental, social and governance performance. The Sustainability Statement has been prepared in accordance with the Swedish Annual Accounts Act, and the sustainability disclosures have been significantly expanded to align with the requirements of the European Sustainability Reporting Standards (ESRS), the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy. It also serves as Hexagon's statutory Sustainability Statement.

How to read this report

- Each chapter title includes an ESRS code that indicates the corresponding overarching standard.
- The ESRS content index (IRO-2) on page 171 provides an overview of all disclosure requirements covered in this report.
- Where historical data are available and applicable related to ESRS, Hexagon has presented quantitative comparisons with the previous year's figures to enhance transparency and traceability.

General basis for preparation

BP-1 General basis for preparation of the Sustainability Statement

The Sustainability Statement has been prepared at the consolidated level by the Group Sustainability Team at Hexagon. The scope of the consolidation aligns with that of the consolidated financial statements, encompassing the Parent Company and all entities over which Hexagon has a controlling influence. The same principles for determining control and consolidation have been applied. No subsidiaries included in the consolidation are exempt from individual or consolidated sustainability reporting.

The Sustainability Statement addresses Hexagon's own operations as well as relevant aspects of the upstream and downstream value chain. Impacts, risks, and opportunities (IROs) have been identified and assessed across the value chain as part of Hexagon's double materiality analysis (DMA). The applicability of policies, actions, targets, and metrics beyond Hexagon's own operations varies depending on the topic and the nature of the impacts. Further details on how these elements extend into the value chain are provided in the respective topical disclosures throughout the report.

Hexagon has opted not to withhold any information related to intellectual property, know-how, or innovation results that are material from a sustainability perspective. Regarding ongoing developments or matters under negotiation, Hexagon has no information to report as of the date of this Sustainability Statement.

Disclosures in relation to specific circumstances

BP-2 Disclosures in relation to specific circumstances

Time horizons

Hexagon uses the time horizon definitions specified in ESRS 1 for its general business and climate transition assessments: short term refers to less than one year, medium term to 1-5 years, and long term to more than 5 years. However, for the assessment of physical climate risks, Hexagon adopts a different set of time horizons: short term covers 0-5 years, medium term spans 5-15 years, and long term extends 15-25 years. This set of longer time horizons are chosen due to the uncertainty in short-term climate projections and the dynamic nature of new hazards and the intensification of existing ones, as well as to better align with existing physical climate risk assessments used for insurance purposes.

Value chain estimations

Hexagon uses value chain estimations where direct data from upstream or downstream partners are not fully available. Estimates are based on sector-specific emission factors, proxy data from comparable suppliers, and extrapolations from partial datasets. Assumptions and methodological limitations are disclosed where relevant, and Hexagon is working to increase primary data collection and improve data quality across the value chain.

For example, Scope 3 carbon emissions data are subject to a high level of uncertainty due to reliance on third-party data, limited visibility into supply chain activities, and estimations. This uncertainty is mitigated by using consistent data sources and estimation methods, as well as applying industry-standard reporting guidance. Read more under E1-6 on pages 115–117.

Sources of estimation and outcome uncertainty

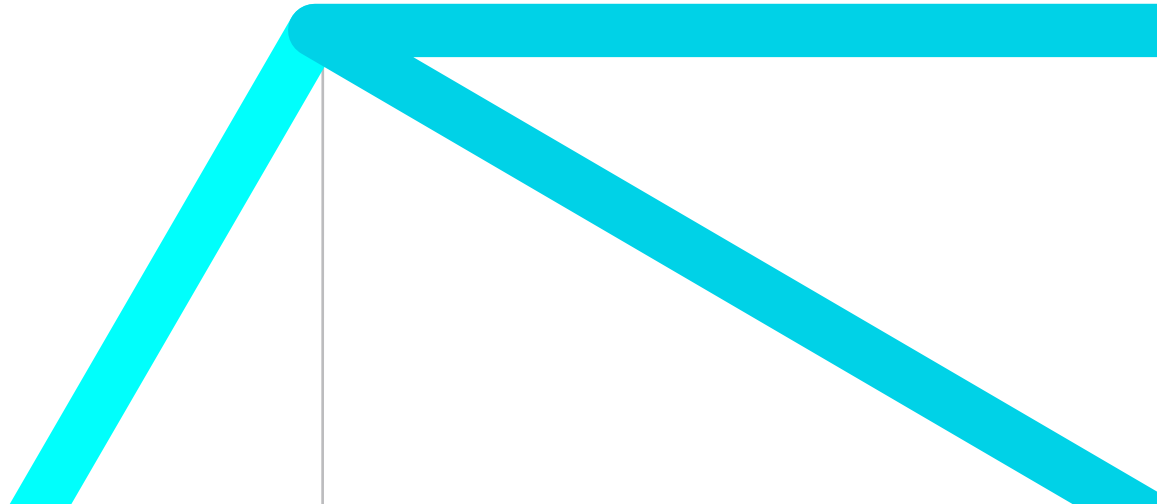
Hexagon has evaluated its quantitative metrics and monetary amounts and does not identify any that are subject to a high level of measurement uncertainty.

Changes in preparation or presentation of sustainability information

The sustainability disclosures in this report have been significantly expanded to align with the requirements of the CSRD and ESRS for the first time in 2025. Hexagon has updated the presentation of sustainability information, including adjustments to the report structure to reflect ESRS requirements and the company's double materiality assessment. Additionally, the Sustainability Statement is now included in the Directors' report, unlike in previous reporting periods.

Hexagon has applied the phase-in provisions permitted under ESRS 1 Appendix C for the current reporting period. In accordance with these provisions, the company has deferred or limited certain disclosures, as outlined below:

- **SBM-3:** Qualitative-only disclosure of anticipated financial effects related to material IROs and their interaction with the company's strategy and business model.
- **E1-9:** Omission of full disclosure during the first reporting year.
- **E5-6:** Omission of full disclosure during the first reporting year.
- **S1-7, S1-8, S1-11, S1-12, S1-13, S1-14, S1-15:** Omission of the datapoints specified in these disclosure requirements.



Reporting errors in prior periods

During the preparation of this first ESRS report, certain reporting errors were identified in the sustainability data for the 2024 reporting period. These errors primarily related to formatting and conversion issues and the use of extrapolated data in cases where complete underlying data were not available at the time of reporting. The root causes were identified as system limitations, manual data processing, and data availability constraints.

Corrections were made to disclosures relating to the number of employees, water consumption, the number of company cars, and greenhouse gas emissions under Scope 1, Scope 2 and Scope 3, including emissions from company car travel, energy use at facilities, and business travel. The impact of these corrections is assessed as non-material, as the total reported figures for the Group did not change by more than 1.5 per cent. Comparative figures have been restated in the 2025 reporting period to enhance the accuracy and comparability of the disclosed information. Actions have been taken to strengthen internal systems and reporting processes to improve data quality in future reporting periods.

Inclusion of non-material information

Hexagon has chosen to include certain information related to water, although the topic has been assessed as non-material based on the double materiality assessment in accordance with the ESRS. Water has been reported in previous years and is included for reasons of continuity and transparency, as well as in response to requests from investors and stakeholders. As the topic is assessed as not material, water is not part of the formal Sustainability Statement prepared in accordance with the ESRS. The related disclosures are therefore marked in grey to enable the reader to distinguish this information from the formal Sustainability Statement. Hexagon reports water withdrawals, discharges, and practices in accordance with GRI 2021, as in previous years.

Incorporation by reference

The following disclosures and datapoints have been incorporated by reference:

Disclosure	Page / Paragraph
G1-3 Prevention and detection of corruption and bribery	Page 42/Directors' report, Managing risks
SBM-1 § 40(a) iii. Strategy, business model and value chain	Page 210/Financial statements, Note 28
SBM-1 § 40(b) Strategy, business model and value chain	Page 187/Financial statements, Note 3
S1-6 § 50 (f) Characteristics of the undertaking's employees	Page 210/Financial statements, Note 28

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Information on how Hexagon's economic activities have been assessed for the EU Taxonomy eligibility and alignment, as well as the integration of Taxonomy considerations into strategic and investment decisions, is disclosed on pages 120–124 – EU Taxonomy Regulation Report 2025.

For information regarding other disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements, see Appendix on pages 171–175.

The roles and responsibilities of the Board and Management

GOV-1 The role of the administrative, management and supervisory bodies

Composition and diversity

Hexagon's Board of Directors (hereinafter referred to as the Board), the company's highest administrative body below the Annual General Meeting (AGM), currently consists of nine non-executive members and does not include employee representatives. Gender diversity on the Board is 44 per cent female and 56 per cent male, while the percentage of independent board members is 67 per cent.

The Executive Management Team, responsible for day-to-day operations and strategic execution, currently comprises 14 members, including the President and CEO. Gender diversity on the Executive Management Team is 7 per cent female and 93 per cent male.

Board and management members collectively bring a wide range of experience relevant to Hexagon's sector, products, and global operations. This includes expertise in technology and software, industrial and manufacturing operations, financial management, corporate governance, international business, sustainability, and innovation. Their combined expertise ensures effective strategic oversight, operational leadership, and support for Hexagon's objectives across its markets and value chain.

In 2025, the Board underwent changes with the appointment of two new members. One has been appointed as Vice Chairman of the Board, while the other has joined as a Member of the Board and the Audit Committee. The Executive Management Team also saw changes with the appointment of a new President and CEO, two new Business Area Presidents, and a new Chief Strategy Officer. These changes enhance Hexagon's leadership capacity and support the company's strategic objectives.

Roles and responsibilities

The Board of Directors holds ultimate responsibility for Hexagon's sustainability strategy and ESG governance. It is informed of relevant sustainability topics at all meetings, at least quarterly, and approves major changes to Hexagon's sustainability framework, including updates to ESG targets. The Board oversees the establishment of targets related to material sustainability impacts, risks, and opportunities, and monitors progress toward these targets. In addition, the Board is involved in the approval process for major investments, capital expenditures, acquisitions, and divestitures, incorporating sustainability considerations.

The Hexagon Audit Committee serves as the oversight body for sustainability-related matters. It assesses strategic sustainability risks and opportunities, ensures company-wide implementation of the sustainability framework, and oversees ESG management and internal controls.

Operational responsibility for sustainability is assigned to Hexagon's Chief Financial Officer (CFO), who reports directly to the Board. The CFO is a member of the Executive Management and participates in all Audit Committee meetings. The CFO oversees the Hexagon Sustainability Department and ensures that sustainability matters are integrated into management processes and company-wide governance.

At the business area level, sustainability topics are reviewed and reported in the Quarterly Business Review (QBR) for all business areas. This process ensures accountability across the Executive Management and alignment with ESG targets. The ESG Steering Committee, composed of representatives from each business area

and key corporate functions, discusses material company-wide sustainability topics and proposes initiatives and investments to the Executive Management.

The Hexagon Sustainability Department, led by the Head of Sustainability who reports to the CFO, defines the Group's sustainability strategy and targets. The department monitors developments in sustainability through engagement with stakeholders, investors, customers, NGOs, and policymakers. Material topics are identified through a double materiality assessment, considering both environmental and social impacts as well

as financial implications from an inside-out and outside-in perspective.

This governance structure, combining oversight from the Board and Audit Committee with operational execution through the CFO, ESG Steering Committee, and Sustainability Department, ensures that Hexagon systematically manages, monitors, and reports on material IROs.

Sustainability skills and expertise

Hexagon ensures that its administrative, management, and supervisory bodies have the necessary skills and expertise to oversee sustainability matters. The Board of Directors and Executive Management collectively possess sustainability-related expertise gained through direct experience in ESG governance, participation in relevant training programmes, and access to external advisors when specialised knowledge is required.

The Sustainability Department, led by the CFO, provides the administrative, management, and supervisory bodies with relevant expertise through guidance, training, and the development of governance structures. The department supports all ESG programmes, develops tools and training, and oversees the implementation of the company's sustainability improvement roadmap. The department also manages the procurement of renewable and carbon reduction credits, ensuring that strategic sustainability initiatives are executed effectively. These sustainability-related skills and resources are directly aligned with Hexagon's material impacts, risks, and opportunities. By combining internal expertise, structured governance, and access to external advisors, Hexagon ensures that oversight and decision-making on ESG matters are informed, comprehensive, and effective across the company's operations and value chain.

Sustainability oversight

GOV-2 Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Hexagon's administrative and management bodies are regularly updated on material sustainability impacts, risks, and opportunities. During each Board meeting, the CFO presents ESG progress updates, which include information on new and ongoing initiatives and emerging risks. This process ensures that the Board remains informed about the implementation of due diligence processes, the effectiveness of policies, and progress against metrics and targets.

The Board takes sustainability IROs into account when overseeing Hexagon's overall strategy, evaluating major transactions, and reviewing the company's risk management processes. Potential trade-offs related to material ESG issues are considered in strategic decision-making, ensuring that sustainability considerations are integrated throughout the organisation's governance and operational practices.

Governance body	Frequency of updates	2025 Meetings	Information provided	Primary topics discussed	Material IROs discussed	Actions taken
Board of Directors	At least quarterly	4	– Policies and compliance programme	– Governance – Climate reduction plan – Supplier due diligence	– Labour rights and human rights due diligence gaps in the supply chain – Ethical and compliance challenges in a global workforce – Exposure to corruption-related legal and financial liabilities	– Approved sustainability goals – Reviewed value chain governance – Reviewed progress against established targets to ensure continued alignment
Audit Committee	At least quarterly	6	– ESG regulatory landscape update – DMA and IROs overview – ESG performance review at Hexagon level	– Governance and regulatory compliance – Risks and opportunities assessment – Climate reduction plan – Supplier due diligence – Own workforce engagement	– Human rights due diligence gaps posing legal and reputational risks – Financial and reputational risks from governance gaps – Stricter regulations and cost pressure for manufacturing – Extreme weather events and regulatory changes increasing financial risk	– Approved Double Materiality Assessment – Provided oversight of progress toward meeting forthcoming regulatory requirements
Executive Management	At least quarterly	6	– DMA and insights from stakeholder assessments – Strategy definition and review – Update on ESG operational improvements in each of the Business Areas	– Sustainability strategy and positioning – Employee engagement – Environmental management – Supplier assessments	– Greenhouse gas emissions from transport, production, and use phase – Solutions enhancing efficiency – Advanced technologies enhancing climate adaptation – Digital solutions enhancing energy efficiency and sustainability – Electronic waste posing an environmental risk if not managed properly	– Translated Hexagon's strategic targets into concrete operational roadmaps – Implemented key initiatives to drive measurable improvements, including authorising the purchase of renewable energy – Monitored progress across all relevant sub-topics to ensure alignment and accountability

Incentive schemes

GOV-3 Integration of sustainability-related performance in incentive schemes

Up to the end of 2025, Hexagon did not apply any incentive schemes or remuneration policies tied to sustainability matters for members of its administrative, management, or supervisory bodies. Consequently, no performance was assessed against specific sustainability-related targets, and no associated metrics or remuneration components were reported.

Beginning in 2026, Hexagon initiated the integration of sustainability criteria into its compensation and incentive frameworks. This step reflects Hexagon's commitment to aligning executive performance with long-term environmental and social objectives and ensuring that sustainability becomes an integral part of our governance and value creation strategy.

Due diligence processes

GOV-4 Statement on due diligence

The Environmental Policy, Conflict Minerals Policy, Diversity, Equity and Inclusion Policy, Anti-Human-Trafficking Policy, and Modern Slavery Act define Hexagon's approach to sustainability governance and human rights due diligence. The Code of Business Conduct and Ethics (the Code) and the Supplier Code of Conduct (the Supplier Code) offer additional guidance on implementing sustainability due diligence in daily operations. Hexagon also adopts a comprehensive approach to sustainability during acquisitions, integrating ESG considerations into both due diligence and post-transaction integration to ensure responsible business practices and alignment with the company's sustainability objectives. Information regarding Hexagon's sustainability due diligence is presented throughout the Sustainability Statement and summarised in the table below.

Core elements of due diligence	Page
Embedding due diligence in strategy, governance and business model	
GOV-2	81
GOV-3	82
SBM-3	96–97
Engaging with affected stakeholders	
GOV-2	81
SBM-2	89–92
IRO-1	93–95
MDR-P	84
S1-2	138–139
S2-2	158–159

Core elements of due diligence	Page
Identifying and assessing adverse impacts	
SBM-3	96–97
IRO-1 E1, E2, E3, E4, E5, G1	94
Taking actions to address those adverse impacts	
SBM-3	96–97
E1-3	108–110
E5-2	127
S1-3	139–140
S1-4	140–142
S2-3	160
S2-4	160–161

Core elements of due diligence	Page
Tracking effectiveness of these efforts and communicating	
E1-4	111–112
E1-5	113–114
E1-6	115–117
E5-3	128
E5-5	129
S1-5	143
S1-6	144–145
S1-8	146
S1-9	147
S1-10	148
S1-13	149–150
S1-14	151
S1-16	152
S1-17	153
S2-5	161

Risk management and internal controls

GOV-5 Risk management and internal controls over sustainability reporting

Hexagon has established a framework for risk management and internal control to ensure the accuracy and reliability of sustainability reporting. This framework aligns with international standards, including the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD) guidelines, and the ESRS. The framework is applied company-wide across all legal entities and business areas and is reviewed on an annual basis as part of Hexagon's sustainability reporting cycle.

The sustainability risk management and internal control processes encompass all material environmental, social, and governance (ESG) factors across Hexagon's operations. The scope of these processes covers all business entities, operational sites, and functions contributing to sustainability data and disclosures. The detailed control methodologies applied for each ESG topic are described in the respective sections of this Sustainability Statement.

Key components include:

Data collection and validation:

ESG data is collected and validated from all business entities and operations using a consolidation tool.

Governance and accountability:

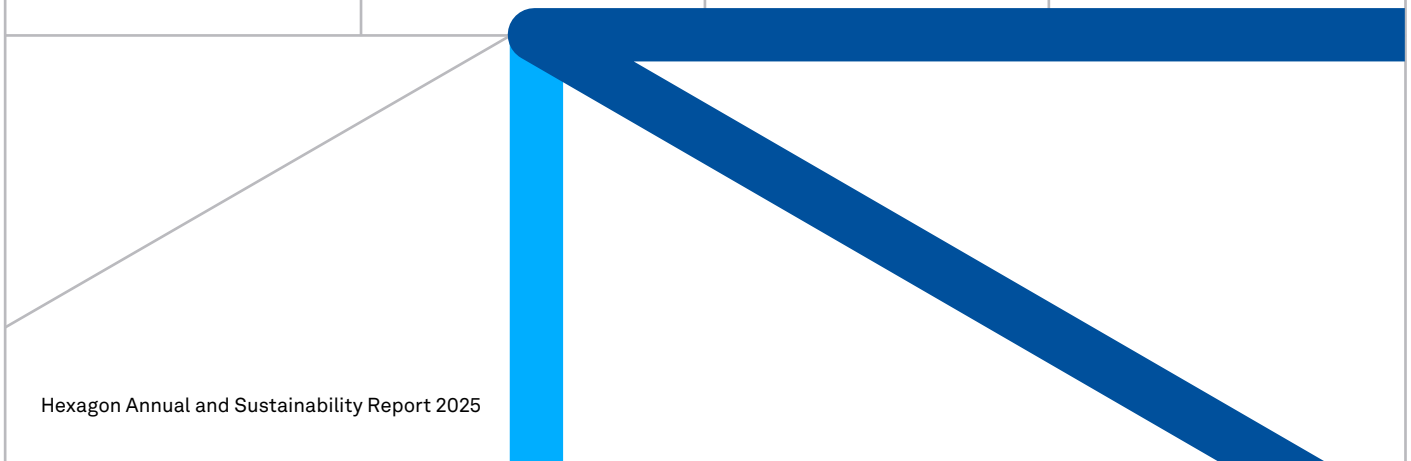
A Sustainability Lead for each Business Area oversees control design and implementation, while operational teams ensure data quality.

Internal review and external assurance:

Internal audits and third-party assurance reviews verify compliance with reporting standards and identify areas for improvement.

Reporting framework:

Roles, responsibilities, and ESG indicators required for reporting are defined in Hexagon's Sustainability Reporting Guidance.



Sustainability reporting risks are identified through consultations with internal stakeholders and analysis of system-related factors, such as data availability and integration between entities and consolidation systems. Risks are prioritised as high, medium, or low, with resources allocated to address the most critical risks first. Mitigation strategies include integrating data collection into operational procedures, providing employee training, ensuring transparent stakeholder communication, implementing automated data collection systems, and conducting periodic internal and external audits. The main sustainability reporting risks identified are data management integration between IT systems and manual errors in data input at the entity level.

Findings from sustainability risk assessments and internal controls are systematically integrated into Hexagon's sustainability reporting process and broader management system to drive continuous improvement. Identified risks and improvement areas are addressed through updates to operational processes, systems, and stakeholder engagement practices.

Results from these assessments are reported through Hexagon's established governance framework. The Sustainability Department consolidates relevant figures and provides regular updates to the Chief Strategy Officer, the Chief Financial Officer, the Audit Committee, and the Board of Directors. This ensures effective oversight, informed decision-making, and accountability for sustainability reporting across the organisation.

Sustainability policies and governance documents

MDR-P Policies adopted to manage material sustainability matters

The table presents Hexagon's sustainability-related Group policies and does not constitute an exhaustive list of all governing documents. The policy documents are approved by the Board of Directors and apply to all employees, contractors, and third parties acting on Hexagon's behalf, establishing a mandatory framework that defines minimum standards and governance principles and is operationalised through procedures, guidelines, and internal controls relevant to each topical area. In developing the policies, Hexagon relied on established practices and did not conduct a formal stakeholder engagement process. All policies are publicly available on Hexagon's webpage to potentially affected stakeholders and stakeholders who need help to implement them. Each policy is described further at a topical level in the following sections.

Policy	Description	Scope	Third-party standards & external initiatives
Conflict Minerals Policy > S2	Describes how Hexagon upholds the highest standards of ethics and compliance across all its business activities and regions of operation. It outlines Hexagon's commitment to responsible sourcing and respect for human rights throughout its own operations and supply chain, demonstrating a dedication that goes beyond mere legal compliance.	All legal entities, all employees, third-party employees, and business partners who act on Hexagon's behalf.	OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
Diversity, Equity and Inclusion Policy > S1	Indicates that Hexagon conducts its operations in a manner that respects human rights and supports the labour standards established by the International Labour Organisation ("ILO"). Furthermore, the policy emphasises Hexagon's commitment to fostering a work environment that encourages employees to develop their talents and careers, exercise creativity, and achieve high performance. It also highlights Hexagon's proactive efforts to recruit, develop, and retain talented individuals from diverse backgrounds.	All legal entities, all employees, third-party employees, and business partners who act on Hexagon's behalf.	International Labour Organisation (ILO) United Nations Universal Declaration of Human Rights
Environmental Policy > E1, E5 and S2	Describes how Hexagon strives to create a positive environmental impact by actively addressing global environmental challenges. The policy outlines several key focus areas, including climate action, energy efficiency, circular economy practices, air quality improvement, water management, biodiversity protection, sustainable innovation, cultural sustainability, responsible leadership, and respect for communities.	All legal entities, all employees, third-party employees, suppliers, and business partners who act on Hexagon's behalf.	REACH, EC 1907/2006 ISO 14001 Science Based Targets Initiative (SBTi)
Hexagon Anti-Human-Trafficking Policy > S2	Explains Hexagon's responsibility to uphold the highest standards of ethics and compliance across all business activities and regions of operation. The policy aims to prevent human trafficking within its business and supply chain, ensuring compliance with applicable laws and regulations while respecting internationally recognised human rights standards and principles.	All employees, third-party employees, and business partners who act on Hexagon's behalf.	UN's Global Compact
Hexagon Code of Business Conduct and Ethics > E5, S1 and G1	The purpose of the Code is to support sound decision-making in everyday work. It serves as a guide by outlining Hexagon's expectations and requirements for all activities conducted on its behalf. The Code provides guidance on maintaining an ethical workplace, securing data and assets, acting with integrity, operating sustainably, communicating appropriately, and ensuring proper record keeping. It also reinforces the core values that define Hexagon's culture and conduct.	All legal entities, all employees, third-party employees, suppliers, and business partners who act and work on Hexagon's behalf.	OECD Responsible Business Conduct UN's Global Compact
Modern Slavery Statement > S1	Describes the management of modern slavery risks within Hexagon's business and supply chain and is intended to be read alongside the Modern Slavery Policy. The statement outlines Hexagon's business operations and supply chains, compliance programmes and policies, due diligence processes, risk assessment and management practices, performance indicators, and training initiatives.	All legal entities, all employees, third-party employees, and suppliers.	Section 54(1) of the Modern Slavery Act 2015
Supplier Code of Conduct > E5, S2 and G1	Outlines the standards Hexagon upholds and the principles it expects its suppliers to follow. It addresses human rights, fair labour practices, environmental responsibility, and zero tolerance for corruption. These shared commitments foster long-term, responsible growth for suppliers.	All suppliers.	UN's Global Compact International Labour Organisation (ILO)
Unfair Discrimination and Harassment Policy > S1	Describes how Hexagon fosters a work environment that upholds and protects the dignity of all employees, as well as individuals who work with or provide services to the company. It is designed to ensure a workplace free from discrimination and harassment, while offering employees clear channels to report any instances of unfair treatment.	All legal entities, all employees, third-party employees, and business partners who act on Hexagon's behalf.	–

Strategy

SBM-1 Strategy, business model and value chain

Hexagon's solutions drive productivity, quality, safety, and sustainability across industries like aerospace, agriculture, automotive, construction, manufacturing, and mining. Its sustainability strategy is built on two pillars: empowering change and creating change. Through empowering change, Hexagon enables customers and stakeholders to drive sustainable transformation by leveraging solutions that enhance efficiency, safety, and resource use across industries. Through creating change, Hexagon advances sustainability within its own operations and value chain, fostering a culture of sustainability among its employees and partners.

Empowering change

The company empowers customers in manufacturing, construction, government, transportation, automotive, and utilities to utilise cutting-edge technology to address existing challenges, improving outcomes while minimising environmental impact. Solutions such as construction software, production software, and metrology tools enhance efficiency throughout the lifecycle of products and infrastructure, reducing resource consumption, emissions, and waste across industries. Hexagon's geospatial technology is instrumental in monitoring and analysing environmental shifts, providing data on deforestation, flooding, wildfires, glacial melting, and other climate-related impacts. This critical information aids authorities, urban planners, and research organisations worldwide in addressing and mitigating these challenges while keeping workers and societies safe. Additionally, Hexagon's investments in green tech start-ups through R-evolution accelerate the transition to a sustainable future.

Enabling sustainability through our solutions

- Sustainability criteria in product innovation
- Innovations to optimise efficiency, productivity, quality, and safety at scale

Empowering other stakeholders to accelerate change

- Engaging with industry-specific platforms
- Distribution Partners Programme
- Accelerating green-tech with R-evolution

Creating change

Hexagon achieves improvements in its sustainability performance by setting ambitious carbon reduction targets that address energy consumption and the company vehicle fleet, leading to operational improvements worldwide. The company also upholds rigorous ESG criteria in its sourcing and supplier contracts. Additionally, Hexagon fosters sustainability by cultivating an inclusive culture that encourages innovation and supports employee retention.

Improving sustainability across our value chain

- Business area-specific net-zero roadmap
- Resource efficiency improvements
- Sustainable procurement programme

Driving sustainability through culture and people

- Inclusive and performance-driven culture
- Social responsibility through education and partnerships

Empowering smart technologies

Hexagon's primary contribution to a sustainable future is through its solutions. By leveraging its broad product portfolio and competencies, Hexagon generates sustainable value across nearly all industries and regions worldwide. No business, industry or geographic area is unaffected by the struggle to tackle the environmental and social challenges of the 21st century. This is why Hexagon's technologies and capabilities are becoming increasingly relevant in creating sustainable business practices that benefit society and the planet as a whole.

Every day, Hexagon's solutions are shaping entire industries to become more connected and autonomous. Unique combinations of sensors and software leverage automation, Artificial Intelligence (AI) and other technologies to harness data in ways that enable more efficient processes and improved decision-making. The result is fewer inputs, less waste, reduced emissions, increased safety, and better preparedness – making entire industries more sustainable.

Hexagon is composed of four business areas:

Manufacturing Intelligence:

Provides metrology, production software, and data-driven analytics solutions that optimise manufacturing processes, enhance precision, improve efficiency, and reduce waste across the entire product life cycle.

Autonomous Solutions:

Develops advanced autonomous technologies that combine positioning, perception, and AI to enable safer, more productive, and precise operations across industries such as agriculture, mining, and transportation.

Octave:

Provides software that connects data, events, and workflows to enhance situational awareness, anticipate risks, and improve reliability, decision-making, and safety across the full life cycle of critical assets and infrastructure.

Geosystems:

Offers reality capture, measurement, and visualisation solutions that enable accurate digital twins, improve efficiency, and support informed decision-making across infrastructure, construction, and mapping projects.

All four business areas help solve some of the most urgent challenges of our time. By unleashing data to do its greatest work, boosting efficiency, productivity, quality, and safety, Hexagon is making smarter use of the Earth's resources and enabling sustainable development. None of Hexagon's products or services are banned in any markets.

Information about Hexagon's employees can be found in S1-6, on pages 144–145 and in Note 28 on page 210 of the financial statements. A breakdown of total revenue by significant ESRS sectors is available in Note 3 on page 187 of the financial statements.

Acquisitions

Acquisitions are a key part of Hexagon's growth strategy, with sustainability integrated throughout the due diligence and integration processes. Each target company is assessed based on its market position, customer reputation, growth and profitability potential, and alignment with Hexagon's R&D roadmap and strategic objectives. Sustainability performance is evaluated, including internal controls, business practices, human rights, environmental and employee issues, anti-corruption regulations, and export controls. The due diligence process combines internal expertise and external specialists in areas such as intellectual property, labour and employment law, anti-corruption, international trade, and real estate, ensuring a thorough assessment of risks, opportunities, and potential synergies.

After acquisition, companies are integrated into Hexagon's processes and methods, adopting the Code and Compliance Programme, which covers areas such as human rights, environmental responsibility, and anti-corruption. All acquired companies are included in the financial and sustainability reporting after integration. Operational integration may include compliance training, financial and operational reviews, and onboarding procedures. All employees are informed about the Code and are expected to always adhere to its principles.

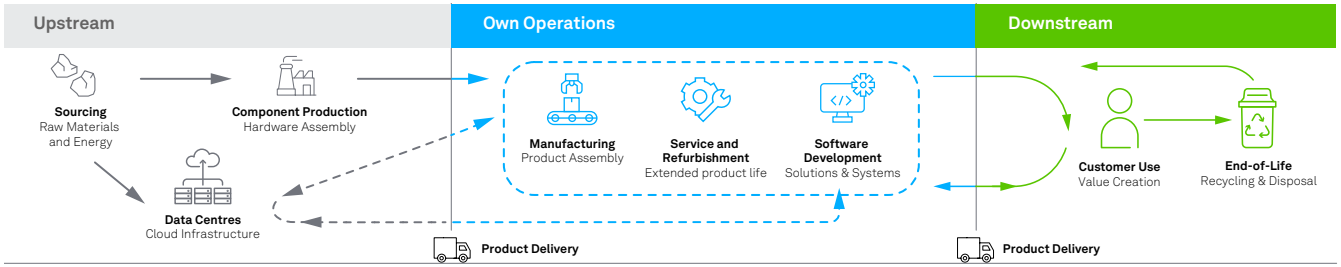
Corporate targets related to the sustainability strategy

Hexagon has seven targets connected to its sustainability strategy, of which five are related to environmental sustainability, one to social sustainability, and one to social and governance sustainability. Achievement of the objectives is monitored through annual evaluations conducted by the Board and executive management, enabling assessment of progress and identification of areas requiring additional action.

The targets are presented in the table below, and further described in relation to each topic.

Focus areas	Period	Target	Commitment
Environment	2022–2050	Reach net-zero greenhouse gas emissions across the value chain by 2050.	Hexagon continuously monitors and reports on environmental performance across the organisation and supports a precautionary approach to environmental challenges. It focuses on reducing GHG emissions in operations and supply chain, improving energy efficiency, minimising waste and hazardous materials, and implementing processes for sustainable resource management. Hexagon also works to reduce stress on water and air quality, integrates sustainability into product design, development, and production processes, and leverages technology innovation, investment, and venture capital to profitably grow and accelerate green-tech business opportunities.
	2022–2030	Reduce absolute Scope 1 and Scope 2 GHG emissions by 95% by 2030 compared to the base year 2022.	
	2022–2027	Increase active annual sourcing of renewable electricity from 34.8% in 2022 to 100% by 2027.	
	2022–2030	Reduce Scope 3 GHG emissions by 51.6% per EUR value added by 2030 compared to the base year 2022.	
	2022–2028	50% of suppliers by spend covering purchased goods and services will have science-based targets by 2028.	
Social	2021–2025	Achieve at least 30% women in leading positions by 2025.	Hexagon ensures employee health and safety, upholds freedom of association and collective bargaining, eliminates forced or compulsory labour, child labour, and discrimination, fosters a sustainability culture through training, attracts and retains talent, and respects human rights throughout its operations and value chain in line with the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.
Social and Governance	2026	Audit key suppliers in high-risk areas at least once every three years.	Hexagon ensures strict adherence to the Code for employees and suppliers, combats all forms of corruption including bribery and extortion, and supports the protection of internationally recognised human rights.

Value chain



Upstream operations

Hexagon's upstream value chain includes sourcing and production activities for its hardware and software businesses. It starts with the procurement from global suppliers of raw materials and specialised accessories, such as minerals, metals, and plastics used in electronic components. This stage can impact ecosystems and influence local communities through resource extraction and labour practices. Key stakeholders include suppliers and workers in mineral mining, smelting, material processing, and accessory production worldwide.

The next stage is component production, where suppliers fabricate specialised parts and sub-assemblies like electronic boards, batteries, and optical components. These activities mainly occur in Switzerland, Taiwan, China, and Poland. Potential impacts include energy consumption, industrial emissions, and working conditions in manufacturing facilities. Components are usually stored by third-party logistics providers and transported by shipping companies or freight carriers.

For Hexagon's software offerings, upstream activities also involve operating data centres that store and process data generated by Hexagon's solutions. These facilities are managed globally by cloud infrastructure providers and rely on utility companies and energy partners for electricity supply. Data centres may drive high energy and water demand, affecting natural resources and local communities through land use and infrastructure development. Key stakeholders include infrastructure providers, data centre workers, and nearby communities.

Own operations

Hexagon's own operations include manufacturing, software development, and service and refurbishment activities that support the use of its solutions.

Manufacturing focuses on assembling specialised hardware components into finished products at Hexagon's sites, most of which are located in Switzerland, the United States, Germany, China, Poland, and Singapore. Activities involve integrating pre-manufactured components using advanced machinery and skilled staff. Manufacturing operations require energy, generate waste, and shape employment opportunities for Hexagon's workforce. Key stakeholders include Hexagon's employees in research, development, and manufacturing, as well as local communities.

Service and refurbishment operations include maintaining, calibrating, and repairing products to extend their useful life and ensure precision. Hexagon aims to reuse major components through refurbishment programmes, conducted in Switzerland, Singapore, the United States, China, and Spain. Potential impacts include resource use for spare parts and technician exposure to hazardous materials. Key stakeholders include Hexagon's own workforce at service, calibration, and refurbishment centres.

Software development involves creating digital solutions and platforms that are either stand-alone or integrated with Hexagon's hardware, primarily in Germany, India, Switzerland, and the United States. While physical environmental impacts are limited, software development can affect working conditions, mental health, and the global distribution of tech-related jobs. The main stakeholders are Hexagon's own workforce focused on solutions development.

Downstream operations

Hexagon's downstream activities cover customer use and end-of-life management of its products, ensuring long-term value while minimising environmental impacts.

Customer use refers to the deployment of Hexagon's products by end-users, typically lasting over ten years for many product families. Key impacts include increased safety standards and improvements in operational efficiency and energy use. Key stakeholders include Hexagon's own workforce in sales countries, distribution and installation partners, and customers. The use of Hexagon solutions contributes to reduced resource consumption, lower carbon emissions, and greater efficiency across industries.

End-of-life activities involve the disposal, recycling, or refurbishment of products when further use or reuse of components is no longer feasible, generating electronic waste and pollution risks if unmanaged. Hexagon mitigates impacts by repairing, refurbishing, and recycling products to extend their life cycle and recover valuable components. Key stakeholders include Hexagon's own workforce at service centres and workers in waste management and recycling facilities where products reach their end of life.

Stakeholders' interests and views

SBM-2 Interests and views of stakeholders

Hexagon's key stakeholders include both internal and external parties, encompassing both its own operations and the downstream and upstream value chain. Hexagon continuously engages with these stakeholders, and the stakeholders involved can be found in the tables on the following pages.

Hexagon distinguishes between affected stakeholders—those who experience actual or potential impacts from Hexagon's operations or value chain—and users of the sustainability statement, who rely on the disclosures for economic, regulatory, or strategic decision-making. Affected stakeholders include employees, suppliers and supply-chain workers, technology and R&D partners, customers, end-users, local communities, and the natural environment. Users of the sustainability statement include investors, regulators, and Hexagon's Executive Management and Board of Directors, who draw on the sustainability information to support investment assessments, compliance oversight, and strategic governance.

Each Business Area is responsible for mapping the stakeholders and collecting relevant information. Stakeholder engagement is a crucial component of Hexagon's ongoing sustainability due diligence process. Hexagon has engaged with both its own workforce and workers in the value chain to understand risks and impacts associated with working conditions, equal treatment, opportunities, and other work-related rights. Furthermore, Hexagon has been validating different ESG topics for more than 114 suppliers and has used these validations as a starting point to draft improvement plans collaboratively with the suppliers.

The administrative, management, and supervisory bodies are informed about the views and interests of affected stakeholders in relation to sustainability-related impacts at all meetings, at least on a quarterly basis. While the insights from the stakeholder dialogues have not yet led to changes in the company's business model or strategy during the reporting period, they play an important role in shaping Hexagon's understanding of stakeholder expectations and emerging sustainability topics.

Upstream Stakeholders

Stakeholder type	Profile description	Method of engagement	Purpose of engagement	How Hexagon is using their input
Suppliers	Providers of raw materials, technology components, and software necessary for Hexagon's products and solutions.	– Supplier programme. – Collection of data on conflict minerals/sourcing. – Integration of ESG-related topics in the Supplier Code, on-site audits, and ESG Self-Assessments.	– To ensure ethical sourcing, enhance sustainability in the supply chain, and foster collaborative growth aligned with ESG principles.	– Understand the needs and priorities of suppliers and partners, creating mutually beneficial partnerships; adopt and implement ESG frameworks, such as the Supplier Code and third-party certifications. – Identify potential risks or gaps in the supply chain and enhance policies for ethical sourcing and sustainable procurement; develop and implement robust standards for labour rights, human rights, and environmental stewardship. – Proactively address risks related to compliance, resource scarcity, and geopolitical challenges; strengthen risk management through contingency planning and decision-making processes. – Increase transparency in sourcing practices, ensuring compliance with global standards and customer expectations; build and maintain a traceable and accountable supply chain, showcasing Hexagon's commitment to integrity. – Identify areas where suppliers may need support or training in sustainability practices. Provide tools, workshops, and resources to help suppliers adopt and meet Hexagon's sustainability standards. – Identify high-performing suppliers and partners who excel in sustainability practices.
Technology and R&D Partners	Institutions or companies providing research, innovation, and technological solutions.	– Best practice exchange. – Collaborative working groups to set standards. – Technical function groups and guidance committees.	– To co-develop innovative solutions, enhance product offerings, and drive sustainability through advanced technologies.	– Collaborate to design pioneering, sustainability-focused solutions that address complex challenges. – Refine product offerings to enhance the efficiency, usability, and environmental impact of Hexagon's technologies. – Partner on projects to tackle industry-wide sustainability priorities and inspire new approaches. – Strengthen market leadership to maintain Hexagon's position as a trailblazer in technological and ESG advancements.
Regulators and Policymakers	Entities setting frameworks that shape the operational environment (e.g., CSRD, ESRS, and environmental standards).	– Seminars and events. – Materiality assessment. – Function groups and guidance committees.	– To ensure compliance with laws and standards, align with emerging regulations, and proactively address sustainability mandates.	– Align Hexagon's ESG practices and disclosures with regulatory frameworks such as CSRD, ESRS, and TCFD. Incorporate their input to address gaps in compliance, ensuring all legal requirements are met and maintained. – Use insights from regulators to stay ahead of evolving legislation and policy trends in sustainability. – Proactively adjust Hexagon's strategies to address future regulatory changes, reducing risks of non-compliance and operational disruptions. – Utilise regulatory guidance to refine Sustainability Statements, ensuring they are accurate, comprehensive, and aligned with required disclosure standards; provide clear and consistent information to meet the expectations of regulators, investors, and other stakeholders. – Integrate ESG risks into Hexagon's enterprise risk management processes, ensuring robust systems to address issues like climate change, human rights, and governance challenges; create contingency plans and strengthen Hexagon's resilience to regulatory pressures. – Position Hexagon as an industry leader in regulatory adherence and sustainability; share best practices and lessons learned from regulatory engagement to encourage sector-wide improvements in ESG compliance.

Own Operations

Stakeholder type	Profile description	Method of engagement	Purpose of engagement	How Hexagon is using their input
Employees	All employees, including management and workforce in various business areas. They are impacted by policies on DEI, well-being, career development, and sustainability-driven goals.	– Employee survey. – Collection of H&S data. – Employee councils (DEI). – Compliance and ethics channel (whistleblower).	– To ensure fair working conditions, foster well-being, increase employee retention, attract top talent, and align workforce efforts with sustainability goals.	– Gather feedback to improve DEI initiatives, training programmes, and employee satisfaction metrics. – Design and implement targeted communication strategies to help employees understand the deeper value of ESG principles, such as how sustainability contributes to long-term business success, innovation, and societal impact. – Collaborate with employees to identify practical ways ESG principles can be embedded into their daily tasks and decision-making processes. – Incorporate ESG-related goals into performance metrics and job responsibilities, enabling employees to see the direct relevance of their contributions. – Use employee insights to identify opportunities for innovation tied to sustainability, such as reducing waste in processes, improving energy efficiency, or designing more sustainable products and solutions. – Bridge the gap between ESG and employee impact: how their feedback and actions directly contribute to the company's overall sustainability achievements.
Executive Management and Board of Directors	Senior management responsible for integrating sustainability into strategy and decision-making.	– ESG topics in Board of Directors, Audit Committee and Executive Management meetings. – Quarterly business area performance reviews. – Business strategy workshops. – Meetings and employee events.	– To integrate sustainability into strategic decision-making and ensure alignment with regulatory standards.	– Shape corporate strategies, allocate resources, and align governance structures with ESG goals. – Use leadership input to ensure compliance with frameworks like CSRD, ESRS, and TCFD while proactively preparing for emerging regulatory trends. – Refine the alignment of ESG initiatives with the company's broader strategic goals, ensuring sustainability becomes a core element of business strategy rather than a compliance exercise. – Prioritise ESG efforts that align with business growth, risk mitigation, and competitive advantage. – Create or enhance governance structures based on leadership insights, such as embedding sustainability metrics into leadership accountability frameworks. – Collaborate with executives to cascade ESG principles through all organisational layers, ensuring their influence drives a culture of sustainability. – Gather leadership feedback to refine sustainability reporting practices, ensuring clarity, transparency, and alignment with investor and stakeholder expectations, and to develop compelling narratives that demonstrate Hexagon's commitment to sustainability and long-term value creation.
Shareholders/ Investors	Institutional and individual investors seeking transparency on ESG performance and alignment with global sustainability goals.	– Materiality assessment. – Regular meetings. – Seminars and events.	– To provide transparency on ESG performance and manage risks tied to financial and sustainability goals.	– Build stronger relationships with investors by demonstrating how their feedback is integrated into Hexagon's ESG strategy. Incorporate feedback into reporting frameworks and strategic planning to align with investor priorities. – Encourage ongoing dialogue to ensure that evolving investor priorities are continuously addressed and to enhance Hexagon's reputation as a trustworthy, forward-thinking company committed to both sustainability and financial success. – Refine ESG disclosures, ensuring alignment with global reporting frameworks such as CSRD, ESRS, GRI, and TCFD. – Provide clear, accessible, and comparable data on ESG performance to address investor expectations for transparency and reliability. – Incorporate shareholder insights to design sustainability strategies that balance financial performance with long-term value creation. – Ensure that ESG risks and opportunities are integrated into enterprise risk management frameworks, with regular updates provided to shareholders, and demonstrate how ESG initiatives contribute to mitigating those risks, enhancing profitability, and opening new market opportunities. – Create or promote investment products or projects tied to sustainability, such as green bonds, and showcase the financial potential of ESG-driven innovations to attract impact-focused investors.

Downstream Stakeholders

Stakeholder type	Profile description	Method of engagement	Purpose of engagement	How Hexagon is using their input
Customers	Businesses and individuals utilising Hexagon's digital reality and autonomous technologies.	– Double materiality assessment. – Industry-specific customer events. – Customer engagement programmes and User Group meetings. – Avoided Emissions Framework.	– To meet their expectations for innovative, sustainable solutions and enhance customer satisfaction.	– Identify customer needs and preferences for sustainable and innovative solutions in digital reality and autonomous technologies; tailor solutions that help them achieve their own ESG targets, such as improving energy efficiency, using ecodesign or reducing carbon footprints. – Develop products that directly address environmental and societal challenges, ensuring alignment with customer values and market demands. Provide tools, data, and insights that empower customers to integrate sustainability into their operations effectively. – Leverage customer input to explore and develop solutions for new applications, such as renewable energy management, biodiversity monitoring, or circular economy initiatives. – Tailor messaging to highlight how Hexagon's solutions contribute to environmental and societal impact, addressing customers' priorities for sustainability and innovation. – Create case studies, success stories, and testimonials that resonate with current and prospective clients. – Partner with customers to co-develop solutions that address specific challenges, leveraging their insights to create more targeted and impactful offerings; use customer collaboration to refine features, test prototypes, and expand Hexagon's innovation ecosystem.
End-Users	Individuals or groups benefiting indirectly from Hexagon's products (e.g., industries leveraging technology for better environmental performance).	– Materiality assessment. – Avoided Emissions. – Industry-specific customer events. – Customer engagement programmes. – User Group meetings.	– To ensure solutions meet their needs, enhance their ability to address sustainability challenges, and improve user experience.	– Ensure Hexagon's products deliver meaningful environmental and operational benefits. – Make technologies more accessible, efficient, and aligned with real-world applications. – Tailor product offerings based on their experiences to better support end-user goals and sustainability challenges. – Build trust by demonstrating how their input shapes Hexagon's innovations and amplifies positive outcomes.
Local Communities	Local and global communities impacted by Hexagon's operations, initiatives, and technologies.	– Surveys. – Community-based events, feedback areas.	– To contribute positively to societal well-being and address local environmental and social concerns.	– Design initiatives that address the specific needs and priorities of local and global communities, ensuring Hexagon's projects contribute meaningfully to societal well-being; focus on creating partnerships and programmes that support education, skill development, and local economic growth. – Identify environmental challenges in areas where Hexagon operates and adapt operations to minimise negative impacts; support projects like biodiversity conservation, pollution reduction, and resource efficiency, fostering trust and goodwill. – Measure and monitor impact: assess the effectiveness of Hexagon's projects and initiatives, ensuring that they are delivering measurable and meaningful benefits to communities; develop KPIs for social and environmental impact based on community priorities and regularly report progress.
Nature	Ecosystems, biodiversity, and natural resources impacted by Hexagon's operations, along with the broader environmental landscape that benefits from the company's products and solutions.	– Collaboration with environmental NGOs, governmental bodies, and academic institutions. – Integration of nature-related metrics into Hexagon's product features, such as real-time ecosystem data and predictive analytics.	– To ensure Hexagon's products support the management of natural resources and biodiversity, advancing global sustainability goals and ecosystem preservation.	– Refine and enhance nature-focused products to improve ecosystem management capabilities. – Integrate feedback into feature development, enabling more effective monitoring of natural habitats. – Use insights to align product innovations with environmental impact goals and regulatory requirements. – Support organisations in achieving sustainability targets through advanced data solutions for nature management.

Double materiality assessment process

IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

Methodologies and assumptions

Hexagon's double materiality assessment (DMA) assesses actual and potential social and environmental impacts, as well as financially material risks and opportunities, through both an inside-out and outside-in perspective. The assessment was designed to identify key sustainability-related impacts, as well as financial risks and opportunities arising from the company's operations, while aligning with ESRS.

As part of the assessment, Hexagon also identified and assessed its dependencies on natural, human, and social resources, including energy and raw materials, skilled labour, digital infrastructure, and stable social and regulatory systems, and distinguished these dependencies from the company's impacts on people and the environment.

The DMA was conducted at Group level, covering all subsidiaries and geographies, and included both direct operational impacts and significant parts of the value chain. Focus was given to areas where environmental and social impacts were deemed most significant. Stakeholders across Hexagon's value chain were engaged throughout the assessment, and external experts were consulted on topics such as climate change, human rights, and supply chain management.

Process

The double materiality assessment followed a process consisting of three main stages:

Preparation and identification of potential material topics

The assessment began with a due diligence phase to identify potentially material topics. This included a review of ESRS topics, Sustainability Accounting Standards Board (SASB) sectors, as well as peer disclosures, to ensure a comprehensive understanding of the sustainability landscape and best practices.

Assessment through stakeholder engagement and analysis

Hexagon engaged affected stakeholders and internal experts through surveys, workshops, and interviews to assess both impact and financial materiality. Stakeholder groups included employees, customers, suppliers, investors, and community representatives identified as being directly affected by Hexagon's activities or value chain. The methodology was refined in 2025 to focus specifically on affected stakeholders, ensuring that the perspectives of those experiencing actual or potential impacts were prioritised. For resource use and circular economy, no quantitative impact assessments or consultations with affected communities have yet been conducted; the analysis is therefore based on qualitative stakeholder input and internal analyses.

Defining and prioritising material impacts, risks, and opportunities

Hexagon prioritised impacts, risks, and opportunities using ESRS IRO-1 criteria. Actual negative impacts were assessed based on severity (scale, scope, and irremediability), while potential negative impacts were assessed based on severity and likelihood, with severity taking precedence for human rights–related topics. Actual positive impacts were evaluated based on scale and scope, and potential positive impacts additionally on likelihood. Financial materiality was assessed by evaluating the likelihood and magnitude of potential financial effects on growth, performance, cash flow, access to finance, and cost of capital.

Impacts, risks, and opportunities are evaluated using defined quantitative thresholds to determine materiality. For impact materiality, scale and scope are assessed on a 0–4 scale, likelihood on a 1–3 scale for potential impacts, and irremediability is applied as a binary factor to reflect the severity of irreversible impacts. These criteria are combined into impact scores for actual and potential, positive and negative impacts, which are assessed against a predefined materiality cut-off score of 3 on average. Impacts meeting or exceeding the threshold are classified as highly relevant, while those below the threshold may be monitored where potential risks are identified. For negative impacts, severity considerations take precedence, ensuring that impacts affecting people or the environment are not deprioritised due to lower likelihood.

Stakeholder importance is reflected through severity-based scoring rather than differentiated weighting of stakeholder groups. All affected stakeholders identified through the stakeholder mapping process are considered equally in the assessment, in line with ESRS requirements. The extent to which stakeholders are affected is captured through the scale and scope criteria, while irremediability reflects the potential for lasting harm. Stakeholder mapping informs the identification and prioritisation of impacts by highlighting where effects are most severe or widespread across Hexagon's operations and value chain, directly influencing scoring outcomes and the determination of material topics.

The assessment consolidated potential material topics into a matrix based on their financial materiality for Hexagon and their societal and environmental impact.

Hexagon assessed whether impacts associated with each material topic arose from its own operations or through its business relationships. Climate change, resource use and circularity, and business conduct were found to involve impacts originating in both Hexagon's direct activities and its value-chain relationships, while impacts on workers in the value chain arise specifically through upstream business partners and suppliers.

Hexagon assesses how its sustainability impacts and dependencies create risks and opportunities by assessing how negative impacts and critical dependencies may lead to operational, regulatory, market, or reputational risks. It also evaluates positive impacts and strategic dependencies for opportunities related to innovation, efficiency, resilience, and stakeholder value, ensuring that impacts and dependencies directly inform the identification of risks and opportunities. Sustainability-related risks were assessed using Hexagon's standard risk-prioritisation criteria and evaluated alongside strategic, financial, and operational risks, determining their priority relative to other risk types based on impacts, dependencies, and potential business effects.

Topic-specific process

In accordance with ESRS 1 Appendix C, Hexagon reports below the process used to identify and assess IROs for each topical ESRS standard, regardless of materiality outcome.

E1 Climate change
Hexagon identifies climate-related IROs through its climate resilience analysis, aligned with TCFD. The process includes assessment of physical and transition risks, stakeholder input, regulatory developments, and value chain dependencies. Impacts are evaluated using the DMA scoring criteria for severity, likelihood, and financial effects. Climate-related physical and transition risks, together with Hexagon's climate change resilience analysis, are described in more detail under E1 SBM-3 on page 99.

E2 Pollution
Hexagon assesses pollution-related IROs by screening operational activities and value chain processes for potential emissions to air, soil and water, hazardous substances, and waste-related impacts. Internal experts review regulatory requirements, stakeholder concerns, and sector-specific pollution pathways. The DMA scoring criteria are applied to determine materiality.

E3 Water and marine resources
Hexagon identifies water-related IROs by analysing operational water use, potential discharge impacts, and dependencies on water availability and quality. Internal assessments are complemented by stakeholder input and geographic risk screening. The DMA scoring criteria are applied to determine materiality. Relevant considerations currently indicate low exposure, but the topic is monitored.

E4 Biodiversity and Ecosystems
Hexagon evaluates biodiversity-related IROs by assessing land use, ecosystem dependencies, and potential impacts from operations and the value chain. Screening includes regulatory developments, stakeholder expectations, and sector-specific biodiversity pressures. The DMA scoring criteria are applied to determine materiality. Current exposure is assessed as limited but monitored.

E5 Resource Use and Circular Economy
Hexagon identifies IROs related to resource use and circularity by analysing material consumption, waste generation, product lifecycle considerations, and dependencies on raw materials. Stakeholder input and internal assessments inform the evaluation. The DMA scoring criteria are applied to determine materiality. This topic has been assessed as material for Hexagon.

G1 Business Conduct
Hexagon assesses business conduct-related IROs by reviewing ethics, compliance, anti-corruption, responsible business practices, and governance processes across the value chain. Stakeholder expectations, regulatory requirements, and internal risk assessments inform the analysis. The DMA scoring criteria are applied to determine materiality. Business conduct has been assessed as material for Hexagon.

Integration and reporting

The double materiality assessment was led by Hexagon's Sustainability team and included workshops with functional experts and senior leaders. Identified IROs were reviewed and approved by management and the Board of Directors.

The results of the assessment are integrated into Hexagon's enterprise risk management framework, contributing to the overall risk profile and guiding strategic decision-making. Opportunities identified through the assessment are embedded into the business strategy to create value for both Hexagon and wider society. Hexagon continuously monitors identified impacts, risks, and opportunities through its enterprise risk management and sustainability governance processes. Material topics and mitigation measures are reviewed during quarterly business reviews at business area level and annually as part of the double materiality assessment update. This ensures that the assessment remains current and aligned with changes in Hexagon's operations, value chain, and external environment.

The assessment identified the following material topics:

- Climate Change (E1)
- Resource Use and Circular Economy (E5)
- Own Workforce (S1)
- Workers in the Value Chain (S2)
- Business Conduct (G1)

The topics Pollution (E2), Water and marine resources (E3), Biodiversity and ecosystems (E4), Affected communities (S3) and Consumers and end-users (S4) were assessed as not material for Hexagon and are therefore not reported on in this report. These topics will continue to be monitored and reassessed as part of future updates to the double materiality assessment.

DMA overview by topic

Annual review and updates

The DMA is reviewed annually to ensure continued relevance of identified impacts, risks, and opportunities. The 2025 assessment introduced refinements including:

- Explicit focus on affected stakeholders rather than all information users, in order to increase relevance of input gathered and to strengthen the overall quality of the reporting.
- Limiting the positive impacts reported to those that significantly exceed regulatory requirements and are considered sufficiently material.
- Distinction between actual and potential impacts, reflected in the updated reporting.

Impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities

ESRS	Sub-Topic	IRO name	IRO type	Affected Stakeholder	Time Horizon	Value Chain Impact
E1 Climate Change	Adaptation to Climate Change	Advanced Technologies enhancing climate adaptation	↗ Actual positive impact	Customers	Short- and medium-term	Upstream, Own Operations and Downstream
		Extreme weather events and regulatory changes increasing financial risk	△ Financial risk	Suppliers and investors	Short-term	Upstream, Own Operations and Downstream
	Climate Change Mitigation	Solutions enhancing efficiency	↗ Actual positive impact	Customers	Short-term	Own Operations and Downstream
		Greenhouse gas emissions from transport, production and use phase	↘ Actual negative impact	Nature and local communities	Medium-term	Upstream, Own Operations and Downstream
		Stricter regulations and cost pressure for manufacturing	△ Financial risk	Executive Management	Medium-term	Upstream, Own Operations and Downstream
	Energy	Energy-intensive manufacturing process and use phase	↘ Potential negative impact	Nature and local communities	Short-term	Upstream, Own Operations and Downstream
		Digital solutions enhancing energy efficiency and sustainability	○ Financial opportunity	End-users	Medium-term	Downstream
E5 Resource Use and Circular Economy	Waste	Electronic waste posing an environmental risk if not managed properly	△ Financial risk	Executive Management	Medium-term	Downstream
S1 Own Workforce	Working Conditions	Workforce sustainability risks impacting costs and compliance	△ Financial risk	Executive Management	Short-term	Own Operations
	Equal Treatment and Opportunities for All	Challenges in pay equity, career progression, and workplace inclusion	↘ Actual negative impact	Employees	Short-term	Own Operations
S2 Workers in the Value Chain	Other Work-Related Rights	Labour rights and human rights due diligence gaps in the supply chain	↘ Potential negative impact	Suppliers and value chain workers	Short-term	Upstream, Own Operations and Downstream
		Human rights due diligence gaps posing legal and reputational risks	△ Financial risk	Investors, Executive Management and BoD	Medium-term	Upstream, Own Operations and Downstream
G1 Business Conduct	Corporate Governance	Ethical and compliance challenges in a global workforce	↘ Potential negative impact	Suppliers, employees and local communities	Short-term	Upstream, Own Operations and Downstream
		Financial and reputational risks from governance gaps	△ Financial risk	Executive Management and BoD	Short-term	Upstream, Own Operations and Downstream
	Corruption and Bribery	Exposure to corruption-related legal and financial liabilities	↘ Potential negative impact	Local communities and Executive Management	Short-term	Upstream, Own Operations and Downstream
		Financial and legal risks from third-party corruption	△ Financial risk	Executive Management and BoD	Short-term	Upstream, Own Operations and Downstream

The identified IROs have been reviewed and updated during the year, as described under IRO-1 on pages 93–95. Existing actions, targets, policies, and metrics were developed prior to these updates and have continued to guide Hexagon's management of material IROs in this year's report. The updated IROs will be considered in the coming year as part of Hexagon's ongoing evaluation and refinement of its approach to addressing impacts, risks, and opportunities. The IROs are presented in line with the minimum disclosure requirements, where policies, actions, metrics, and targets are applied together with the corresponding disclosure requirements at the topical level.

A comprehensive overview of all disclosure requirements is provided in the ESRS Content Index in the Appendix on pages 171–175.

Effects on the business model, value chain and strategy

The identified material IROs have current and anticipated effects on Hexagon's business model, value chain, strategy and decision-making. Environmental IROs related to climate change, energy use, emissions and waste influence operational efficiency, cost structures, regulatory compliance and product development. Ongoing investment in efficiency, innovation and resilience is therefore a strategic priority.

Social IROs related to own workforce conditions and labour and human rights in the value chain affect the undertaking's ability to attract and retain skilled employees, ensure continuity of supply and manage legal and reputational risks. Governance IROs are critical to maintaining the undertaking's licence to operate, effective decision-making and access to capital.

Origin and connection of impacts

Material environmental impacts originate primarily from Hexagon's operational activities, including manufacturing, logistics and the use phase of products, and are directly linked to the business model. Positive impacts related to climate adaptation and energy efficiency are connected to the undertaking's product and service offerings.

Material social impacts originate from own workforce practices and from the global supply chain supporting the undertaking's operations, while governance-related impacts arise from internal governance structures and compliance processes.

Nature of involvement

Hexagon is involved in material impacts through both its own activities and its business relationships. Own activity impacts relate mainly to operations, workforce management, governance practices and technology development. Impacts through business relationships primarily arise upstream in the supply chain, particularly in relation to labour and human rights, while downstream impacts are linked to customer use of products and services, including energy consumption and waste.

Resilience of the business model and strategy

Based on the assessment of material environmental, social and governance IROs, Hexagon considers the business model to be generally resilient in the short to medium term. Climate change adaptation and mitigation, energy use and waste management may require incremental adjustments to operations and investment priorities, but are not expected to alter the business model.

Social IROs related to own workforce and workers in the value chain could affect operational continuity and reputation if not effectively managed; resilience is therefore dependent on continued implementation and monitoring of labour standards and supplier controls.

Governance-related IROs are considered critical to maintaining the undertaking's licence to operate and access to capital. Existing governance structures are viewed as a key enabler of strategic resilience.

Financial effects

During 2025, Hexagon generated approximately EUR 330 million in revenues from the listed opportunities and expects annual growth of 4–5 per cent in the coming years, reflecting the company's stable market position. No significant investments were made beyond those already disclosed in the EU Taxonomy table. Based on current assessments, Hexagon does not anticipate any material risks that would lead to significant changes in cash flow or liabilities in 2026. Likewise, no major CapEx is expected to address IROs, aside from future facility-improvement investments that are not yet quantified and are planned to begin after 2028.

Hexagon has not yet quantified the current financial effects associated with its risks and opportunities. This assessment is planned to be carried out during 2026 and 2027, as part of Hexagon's ongoing work to strengthen the evaluation and integration of financial effects into its sustainability-related disclosures.

Avoided emissions

Avoided emissions refer to the greenhouse gas reductions that occur when customers use Hexagon's solutions and achieve a reduction in their carbon footprint, shifting the focus from Hexagon's own footprint to the measurable climate benefits enabled across its value chain. By empowering customers to reduce material waste, optimise energy use, enhance productivity, and accelerate the deployment of low-carbon technologies, Hexagon's portfolio demonstrates a clear decarbonisation impact.

This aligns directly with the IRO "Solutions enhancing efficiency", as many avoided-emission mechanisms stem from improving energy and material efficiency across industries. It also links to the IRO "Digital solutions enhancing energy efficiency and sustainability", since Hexagon's digital, AI-enabled, and engineering technologies, such as simulation tools, renewable energy design optimisation, and advanced geospatial intelligence, enable customers to accelerate the transition to cleaner systems and achieve quantifiable avoided emissions.

Environment

E1 Climate change

Material impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Hexagon's climate-related IROs are closely connected to the company's strategy and business model. As customers across industries increasingly demand solutions that support decarbonisation, regulatory compliance, and resource efficiency, Hexagon's technologies play a growing role in enabling lower-carbon operations. At the same time, Hexagon recognises that its own operations and supply chain give rise to climate-related impacts and risks that must be actively managed. Hexagon's primary IROs stem from its advanced technologies and solutions that enhance climate adaptation and energy efficiency, creating positive impacts and financial opportunities. At the same time, energy-intensive manufacturing, product-use emissions and rising regulatory and energy-cost pressures drive negative impacts and financial risks.

Managing climate-related risks and leveraging opportunities requires engagement across the value chain and beyond. Hexagon regularly engages with a broad range of stakeholders, including customers, suppliers, investors, shareholders, regulators, policymakers, industry peers, R&D partners, and employees, to ensure that emerging expectations, technological developments and regulatory requirements are reflected in strategic planning. Engagement with suppliers helps strengthen climate performance in the upstream value chain, while dialogue with investors and regulators informs long-term planning and supports responsible growth.

These insights shape Hexagon's approach to managing climate-related IROs and underpin the actions taken to enhance resilience across the business. The company continues to monitor global climate developments and adjust its strategic priorities as needed to address risks, reduce environmental impacts, and leverage opportunities arising from the transition to a low-carbon economy.

IRO Table

IRO name	IRO type	Description	Time Horizon	Business Model & Value Chain Impacted: Business Area	Upstream	Own Operations	Downstream	Target
Climate change adaptation								
Advanced Technologies enhancing climate adaptation	↗	Hexagon's advanced technologies support climate adaptation across the value chain. In Hexagon's own operations, geospatial analytics, simulations and digital twins are used in R&D and product development to assess climate risks and design more resilient solutions. In the upstream value chain, suppliers and technology partners use Hexagon's sensing, positioning and simulation tools to monitor environmental conditions and strengthen climate-risk management. Downstream, Hexagon's geospatial insights, intelligent positioning and digital twins enable customers to improve climate-risk assessments, emergency response and the resilience of infrastructure exposed to extreme weather.	Short- and medium-term	GEO, SIG	Suppliers and technology providers	R&D and product teams	Governments, businesses, and emergency services	Assessment planned for 2026
Extreme weather events and regulatory changes increasing financial risk > Physical risk	△	Extreme weather events and supply chain disruptions increase costs, affect Hexagon's own production, and negatively impact order fulfilment. Stricter regulations and climate-related financial losses may reduce demand and raise compliance costs.	Short-term	All	Suppliers, contract manufacturers, and logistics providers	Production sites, infrastructure, and supply chain management	Clients in key sectors	Target to be set in 2026
Climate Change Mitigation								
Solutions enhancing efficiency	↗	Hexagon's solutions enhance material and energy efficiency, lowering emissions across the industries served. Location intelligence improves efficiency in day-to-day operations, optimises public transport, and supports EV adoption, while simulations enable material- and energy-efficient product design. Reality capture and digital modelling improve construction precision, reducing waste, energy use, and emissions.	Short-term	All	–	Manufacturing, data processing, energy use, and product development	Clients in various sectors for low-emission design	Assessment planned for 2026
Greenhouse gas emissions from transport, production and use phase	↘	Some components of hardware production rely on raw materials such as rare earth metals, which have environmental impacts during extraction and processing. In addition, the shipping and transportation of products contribute to Scope 3 emissions, challenging climate mitigation efforts. On-site fuel and power needs, as well as business travel, further increase the overall carbon footprint. During the use phase of the products, both hardware and AI-powered simulations require energy, increasing electricity demand and associated carbon emissions.	Medium-term	MI, GEO, AS	Raw material extraction and refining	Employee commuting and corporate travel	Shipping and transportation	Reduce absolute Scope 1 and 2 GHG emissions by 95% by 2030 from a 2022 base year Reduce Scope 3 GHG emissions by 51.6% per EUR value added by 2030 from a 2022 base year
Stricter regulations and cost pressure for manufacturing > Transition risk	△	Stricter climate-mitigation regulations, such as emissions limits, carbon pricing and energy-efficiency requirements, may increase manufacturing and compliance costs in Hexagon's own operations, raise cost pressures for suppliers, and lead to higher costs for customers. These impacts can affect demand, competitiveness and margins across the value chain.	Medium-term	MI, GEO, AS	Regulatory pressures on suppliers for emissions reduction	Manufacturing emissions and compliance requirements	Market shifts and customer demands for low-carbon solutions	50% of suppliers by spend covering purchased goods and services will have science-based targets by 2028
Energy								
Energy-intensive manufacturing process and use phase	↘	Hexagon's software solutions require significant computing power, leading to high electricity consumption in data centres, cloud storage, and edge computing infrastructure. GNSS receivers, LiDAR scanners, high-precision sensors, metrology tools, and autonomous system components require energy-intensive manufacturing processes, contributing to the overall carbon footprint.	Short-term	MI, GEO, AS	Energy use in supplier and contract manufacturer production processes	In-house manufacturing and assembly, and energy consumption from Hexagon's internal data processing and IT infrastructure	Electricity use for charging hardware	Increase active annual sourcing of renewable electricity from 34.8% in 2022 to 100% by 2027
Digital solutions enhancing energy efficiency and sustainability	○	Reality capture, geospatial intelligence, and digital twins enhance construction, manufacturing, and renewable energy projects by driving higher energy efficiency. Intelligent positioning and EV integration optimise logistics for low-carbon mobility. IoT and digital twin solutions help industries reduce energy use, cut waste, and improve sustainability.	Medium-term	All	–	–	Clients in renewables, transportation, and industrial sectors	Avoided emissions framework expanded to all product lines by 2025

↗ Actual positive impact ○ Financial opportunity △ Financial risk ↘ Potential negative impact ↘ Actual negative impact

Climate change resilience analysis

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

In 2025, Hexagon conducted a climate change resilience analysis in line with the Task Force on Climate-related Financial Disclosures (TCFD) to understand how climate-related risks and opportunities could impact its operations. This analysis is essential, as such risks can directly influence financial performance and strategic priorities. By addressing them, Hexagon strengthens operational resilience, informs strategic decision-making, and supports long-term sustainable growth.

Scope of the resilience analysis

The resilience analysis covered Hexagon's value chain, including upstream, own operations, and downstream activities. Physical and transition risks were assessed at different levels to reflect their nature and materiality. Physical risks were evaluated at site level across 100 locations, comprising 81 Hexagon sites and 19 key supplier sites, selected based on spend exceeding EUR 5 million and focusing on hardware components. Transition risks were assessed at the business area level across Hexagon's three business areas: Autonomous Solutions, Geosystems, and Manufacturing Intelligence. This approach ensured that the assessment captured site-specific exposure to climate hazards while also considering strategic, operational, and market-level transition risks across the broader organisation.

Within the scope, Hexagon evaluates how its emissions contribute to climate change and integrates this understanding into its assessment of transition risks, such as potential regulatory tightening, carbon pricing developments and customer demand shifts, to determine which activities, assets, and value-chain areas are most exposed to climate-related impacts.

The assessment used three climate scenarios:

High-emission scenario

Physical risks

Continued reliance on fossil fuels leads to substantial emissions. Global warming exceeds 4°C, increasing the frequency and severity of extreme weather events, corresponding to SSP5-8.5.

Business-as-usual scenario

Physical and transitional risks and opportunities

Socio-economic and technological developments follow historical trends, resulting in an estimated global warming of 2.7–3°C, corresponding to SSP2-4.5.

Net Zero by 2050 scenario

Transition risks and opportunities

Rapid decarbonisation and global climate policies lead to net zero emissions by 2050. Warming is limited to around 1.5°C, creating significant transition risks and opportunities for low-carbon solutions, corresponding to SSP1-1.9.

All risks and opportunities were assessed under three different time horizons, where short-term relates to 0–5 years, medium-term to 5–15 years, and long-term to 15–25 years.

Methodology of assessment

The resilience analysis informs Hexagon's strategic planning, supports adaptation of business models, and meets non-financial disclosure requirements. The process comprised four phases:

1) Scoping: Selection of climate scenarios, time horizons, and sites for assessment.

2) Qualitative analysis: Evaluation of physical and transition risks. Physical risks were assessed at site level by external experts. Transition risks were assessed at business area level using scenario data, stakeholder interviews, and sectorial information.

3) Quantitative analysis: For physical risks, financial losses were quantified for 30 priority sites. For transition risks, financial impacts were quantified for carbon pricing and electricity costs.

4) Resilience and reporting: Review of mitigation and adaptation measures, development of recommendations for integration into non-financial disclosures, and assessment of further quantification opportunities.

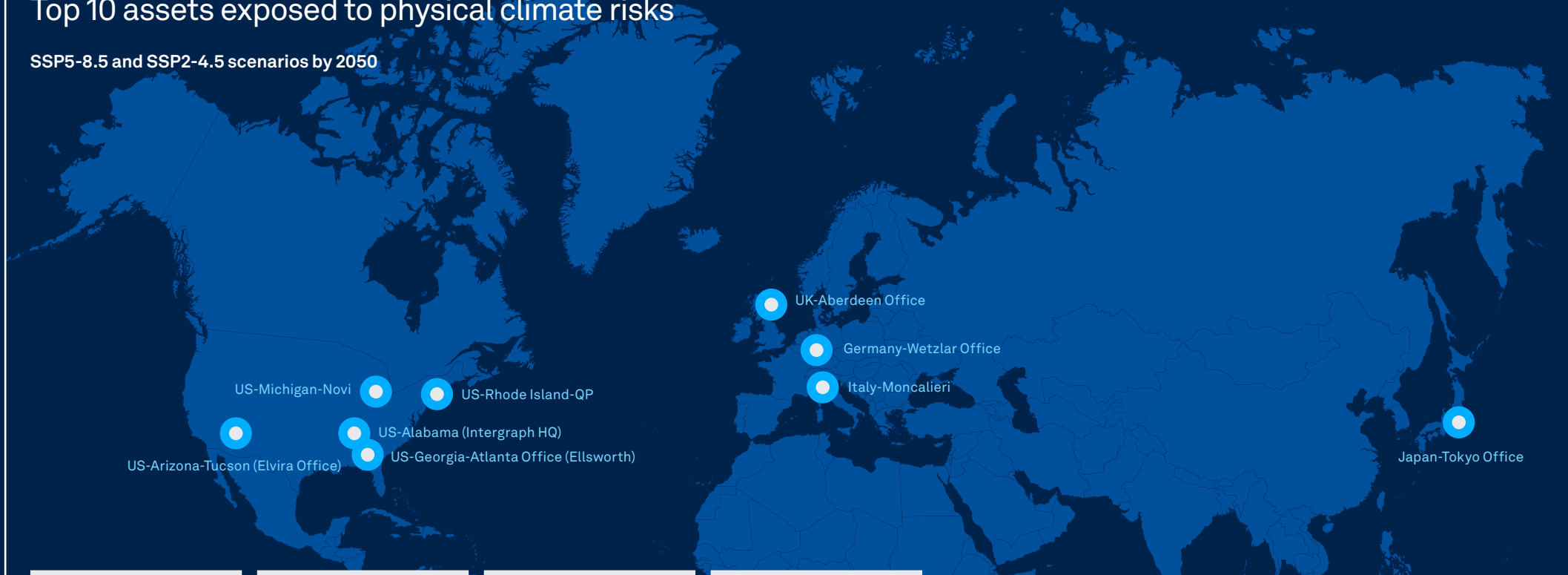
Physical climate-related risks

Hexagon identified physical climate-related risks as material for operations and supply chains, putting significant value at risk. The assessment covered acute risks, including floods, storm surges, and windstorms, as well as chronic risks such as rising temperatures, sea-level rise affecting infrastructure, and resource availability. Financial implications were quantified using hazard-specific damage curves and models, considering potential losses to buildings, components, and stock.

The methodology accounted for variations in building characteristics, materials, maintenance conditions, and exposure of contents and inventory, as well as the potential for business interruption resulting from site damage or impacts to surrounding infrastructure. Likelihood, magnitude, and duration of physical risks were assessed using site-specific data and vulnerability models, with geographic location explicitly considered. Exposure to physical climate risks was rated in five levels, ranging from not exposed to very high exposure. The scenario analysis included both a high-emission scenario (SSP5-8.5) and a business-as-usual scenario (SSP2-4.5). The current quantification reflects gross risk per site and does not yet incorporate adaptation measures, which would need to be considered in a site-level analysis to estimate net risk.

Top 10 assets exposed to physical climate risks

SSP5-8.5 and SSP2-4.5 scenarios by 2050



US-Alabama (Intergraph HQ)
Safety, Infrastructure & Geospatial

Key climate risks
- Precipitation
- Tornado
- Hail

US-Rhode Island-QP
Manufacturing Intelligence

Key climate risks
- Precipitation
- Storm surge
- Hail

US-Michigan-Novi
Manufacturing Intelligence

Key climate risks
- Hail

US-Georgia-Atlanta Office (Ellsworth)
Geosystems

Key climate risks
- Hail
- Tornado

US-Arizona-Tucson (Elvira Office)
Autonomous Solutions

Key climate risks
- Hot days

UK-Aberdeen Office
Autonomous Solutions

Key climate risks
- Wind

Italy-Moncalieri
Manufacturing Intelligence

Key climate risks
- Flood

Germany-Wetzlar Office
Manufacturing Intelligence

Key climate risks
- Flood

Singapore-Woodlands Sector Office
Geosystems

Key climate risks
- Precipitation

Japan-Tokyo Office
Geosystems

Key climate risks
- Precipitation

Transitional climate-related risks

Transition risks were assessed across Hexagon's operations and value chain, focusing on policy, legal, technological, market, and reputational changes associated with the transition to a lower-carbon economy. Key risks include carbon pricing, electricity costs, compliance requirements, and failing to align products with customers' decarbonisation goals.

Climate-related scenario analysis was used to identify and assess transition-related risks, applying both the Net Zero 2050 scenario (SSP1-1.9), aligned with the Paris Agreement 1.5°C goal, and a business-as-usual scenario (SSP2-4.5). Site- and business-area-level workshops supported the identification of exposed assets and operations and informed the qualitative assessment of their sensitivity, potential magnitude, likelihood and duration of exposure.

No assets or business activities were identified as incompatible with a transition to a climate-neutral economy. However, some low-sensitivity risks, such as reputational impacts from increased resource use driven by AI and increased energy demand from AI solutions, were excluded from the qualitative results. The assessment process enables Hexagon to prioritise adaptation and mitigation measures to address transition risks across its operations and value chain.

Results of the climate-related risk analysis

The assessment of physical climate-related risks shows that Hexagon's sites and supply chain are increasingly exposed to disruptions due to extreme weather events such as flooding, windstorms and storm surges. Even under the business-as-usual scenario, several key manufacturing locations could face significant financial losses and business interruptions.

The assessment of transitional climate-related risks indicates that Hexagon's most significant risks across all climate scenarios are rising procurement costs and potential shortages of critical raw materials. Under the Net Zero scenario, compliance costs and stakeholder demands are also expected to increase, while failure to align with customers' evolving needs represents an additional risk. Conversely, Hexagon can benefit from growing demand for technologies and solutions that support customers' carbon transition. Quantitative analysis of carbon taxes and electricity costs shows that these factors are not expected to materially affect the company's financial performance.

Conclusion

The resilience assessment concludes that Hexagon has established a solid foundation to manage climate-related risks and seize emerging opportunities. Potential areas for improvement include strengthening governance, implementing more proactive supply chain resilience measures, advancing adaptation planning across business areas in its own operations, strengthening requirements and incentives for supplier decarbonisation to secure Hexagon's Scope 3 targets, and further quantifying the benefits and contributions of Hexagon's solutions. These findings will be evaluated and further developed throughout the coming years.

Transition plan for climate change mitigation

E1-1 Transition plan for climate change mitigation

Hexagon is committed to driving the global transition to a low-carbon and sustainable economy and is aligned with the 1.5°C goal under the Paris Agreement. This commitment is reflected in Hexagon's climate transition plan, which has been approved by the administrative, management and supervisory bodies and defines the company's pathway to net-zero greenhouse gas (GHG) emissions across the value chain by 2050. The plan is anchored in Hexagon's validated Science Based Targets initiative (SBTi) targets, encompassing both near-term and long-term targets. These include a 95 per cent reduction in absolute Scope 1 and 2 emissions and a 51.6 per cent reduction in Scope 3 emissions per EUR value added by 2030, followed by maintaining at least a 95 per cent reduction in Scope 1 and 2 emissions and a 97 per cent reduction in Scope 3 emissions per EUR value added by 2050. Together, these targets form the foundation of Hexagon's net-zero trajectory and guide strategic and operational decisions along its transition pathway.

Hexagon's core value proposition for the industries it serves centres on improved efficiency and enhanced safety. By enabling customers to optimise operations, reduce energy use, and prevent equipment failures that could lead to environmental incidents, Hexagon contributes to lower GHG emissions across the value chain. To reduce its own emissions, Hexagon focuses on continuous technology improvements and energy-efficient initiatives that systematically lower its carbon footprint. To drive this effort, Hexagon has defined five decarbonisation levers supported by seven key actions, targeting areas such as business travel, electricity use, vehicle fleet, product design, and supplier engagement. The defined levers are described in the table, and in more detail under E1-3 on pages 108–110.

Lever type	Key actions
Energy efficiency	**1. Facility improvement programmes:** to increase resource efficiency and reduce environmental impact.
Use of renewable energy	**2. Renewable energy programme:** increasing on-site renewable energy capacity, such as through photovoltaic installations, to reach 100 per cent renewable electricity by 2027. **3. Minimising carbon emissions from cloud storage:** to reduce "cloud waste" by mapping and reducing unnecessary emissions, purchasing server capacity hosted with green energy, and optimising the use of existing computing and storage resources.
Fuel switching	**4. Transition of company car fleet:** the fleet of company vehicles accounts for around 70 per cent of Scope 1 emissions. Transitioning its fleet to electric vehicles (EVs) could significantly reduce its carbon footprint. Hexagon aims to switch the remaining vehicle fleet to electric or full hybrid no later than 2030.
Supply-chain decarbonisation	**5. Supplier Engagement Programme:** aiming for 50 per cent of key suppliers, measured by spend, to establish science-based targets by 2028.
Product change	**6. Extending product life cycles:** all used equipment is inspected and fully serviced to ensure the same reliability as new products. These are redistributed to over 120 countries. More than 100 service centres worldwide provide repairs. **7. ESG criteria in the design process:** new solutions are developed through the Hexagon Innovation Process (HIP) to drive efficiency and effectiveness through continuous improvement.

Hexagon's Taxonomy-aligned CapEx relates to electricity generation using solar photovoltaic technology and investments supporting the development of solutions that reduce greenhouse gas emissions and mitigate climate change. These investments mainly target Scope 1 and Scope 2 emission reductions and facilitate a shift toward a more energy-efficient and low-carbon operating model.

Hexagon has identified a set of investments essential for implementing the climate transition plan, including the transition to a green vehicle fleet, resource-efficiency improvements in manufacturing facilities, and an expansion of renewable energy generation. Together, these are required to enable the achievement of Hexagon's 95 per cent Scope 1 and Scope 2 reduction target. The five-year investment outlook is based on key assumptions, including energy demand growth in line with increased hardware-related sales, stable operational footprint, labour and utility cost inflation, and decreasing technology costs as renewable energy solutions gain broader adoption.

The Taxonomy-aligned activity CCM 4.1 (electricity generation using solar photovoltaic technology), represented by the Archidona solar park, fully meets the technical screening criteria and constitutes 0.02 per cent of total revenue. It makes a substantial contribution to climate change mitigation, satisfies DNSH criteria for climate adaptation and biodiversity, and supports circularity through durable, recyclable and easily refurbishable components. Over time, Hexagon aims to grow revenue related to climate mitigation and adaptation through solutions such as digital twins and geospatial analytics.

Hexagon has also identified eligible but currently non-aligned economic activities, accounting for 6.14 per cent of total revenue. These include infrastructure enabling road and public transport; data-driven solutions for GHG emission reductions; provision of IT/OT data-driven solutions and new leases of real estate and cars; as well as repair, refurbishment and remanufacturing activities. As of 2025, Hexagon did not have a defined plan or objective to align its economic activities with the criteria established in Commission Delegated Regulation 2021/2139.

Hexagon has assessed its assets, product portfolio and investment plans and confirms that the company does not have any GHG-intensive activities or economic activities related to coal, oil or gas. Consequently, there are no locked-in emissions that could jeopardise the company's net-zero targets. Ongoing operations and products are low-emission by design or are included within Hexagon's SBTi-validated reduction plan. The company continues to monitor and mitigate value-chain emissions through renewable energy sourcing, vehicle fleet electrification and supplier engagement, ensuring that no activities generate unmanaged transition risk. Hexagon's operations and business practices are not covered by Article 12 of the Commission Delegated Regulation (EU) 2020/1818 and are therefore not excluded from EU Paris-aligned Benchmarks.

The climate transition plan is embedded in, and aligned with, Hexagon's overall business strategy and financial planning. The plan is rooted in Hexagon's SBTi-validated Net-Zero target and informed by insights from the double materiality assessment, which identifies the most significant climate-related risks and opportunities across the organisation and its value chain. These insights shape strategic priorities, guide operational decision-making and support business-area-specific risk management strategies that enable both innovation and sustainable growth. Hexagon considers its ability to adapt its strategy and business model to climate change to be robust. The company maintains stable access to financing at competitive terms, has defined pathways for redeploying, upgrading, or decommissioning assets, and continues to evolve its product and service portfolio to support the transition.

To operationalise these priorities, the transition plan outlines the long-term investments and organisational initiatives required to achieve Hexagon's Scope 1, Scope 2 and Scope 3 targets. These include renewable electricity sourcing, facility efficiency improvements, electrification of operations, product development initiatives, and supplier engagement. As a result, decarbonisation objectives are fully embedded in Hexagon's multi-year financial planning processes, influencing capital allocation, resource planning and portfolio development to ensure alignment with the company's ambition to reach net-zero emissions across the value chain by 2050. Financial resources, including OpEx and CapEx, allocated to implementation of the transition plan will be disclosed for the fiscal year 2026.

Following a review of the target outcomes, Hexagon confirms that its implementation of the transition plan is progressing according to plan. An explanation of Hexagon's progress is provided on the following pages.

Policies related to climate change

E1-2 Policies related to climate change mitigation and adaptation

Environmental Policy

Hexagon's Environmental Policy constitutes the company's overarching policy for managing material impacts, risks, and opportunities related to climate change mitigation and adaptation. Its primary purpose is to reduce the environmental impact of Hexagon's operations by proactively addressing global environmental challenges across its operations and value chain. The key components of the policy include climate action, energy efficiency, circular economy practices, air quality improvement, water management, biodiversity protection, sustainable innovation, cultural sustainability, responsible leadership, and respect for communities. Effective environmental management is underpinned by collaboration with diverse stakeholders, including customers, authorities, researchers, and NGOs.

The policy formalises Hexagon's commitment to minimising GHG emissions through reduction targets validated by SBTi, confirming alignment with global climate goals. The policy further outlines commitments to enhance energy efficiency, adopt renewable energy sources, and embed sustainability in product design and operational processes. Key actions include implementing ISO 14001 certified environmental management systems in major production facilities, monitoring energy use and emissions, and ensuring suppliers adhere to environmental requirements through audits and engagement programmes.

The policy applies to all Hexagon legal entities, employees, and third-party personnel engaged to provide services on Hexagon's behalf, including consultants and business partners. Supplier adherence is expected via the Supplier Code, with corrective actions or termination applied in cases of non-compliance. The policy establishes processes for monitoring compliance, identifying potential environmental risks, and taking corrective actions where required, ensuring that climate mitigation and adaptation measures are actively managed. The policy is publicly available on Hexagon's webpage to potentially affected stakeholders and stakeholders requiring assistance with implementation.

Governance of the environmental policy is established at Group level, with implementation managed by the Business Areas and supported by corporate functions. The Head of Sustainability is responsible for gathering inputs from relevant stakeholders to identify potential updates, which are reviewed with the Compliance function and submitted to the Board of Directors for approval.

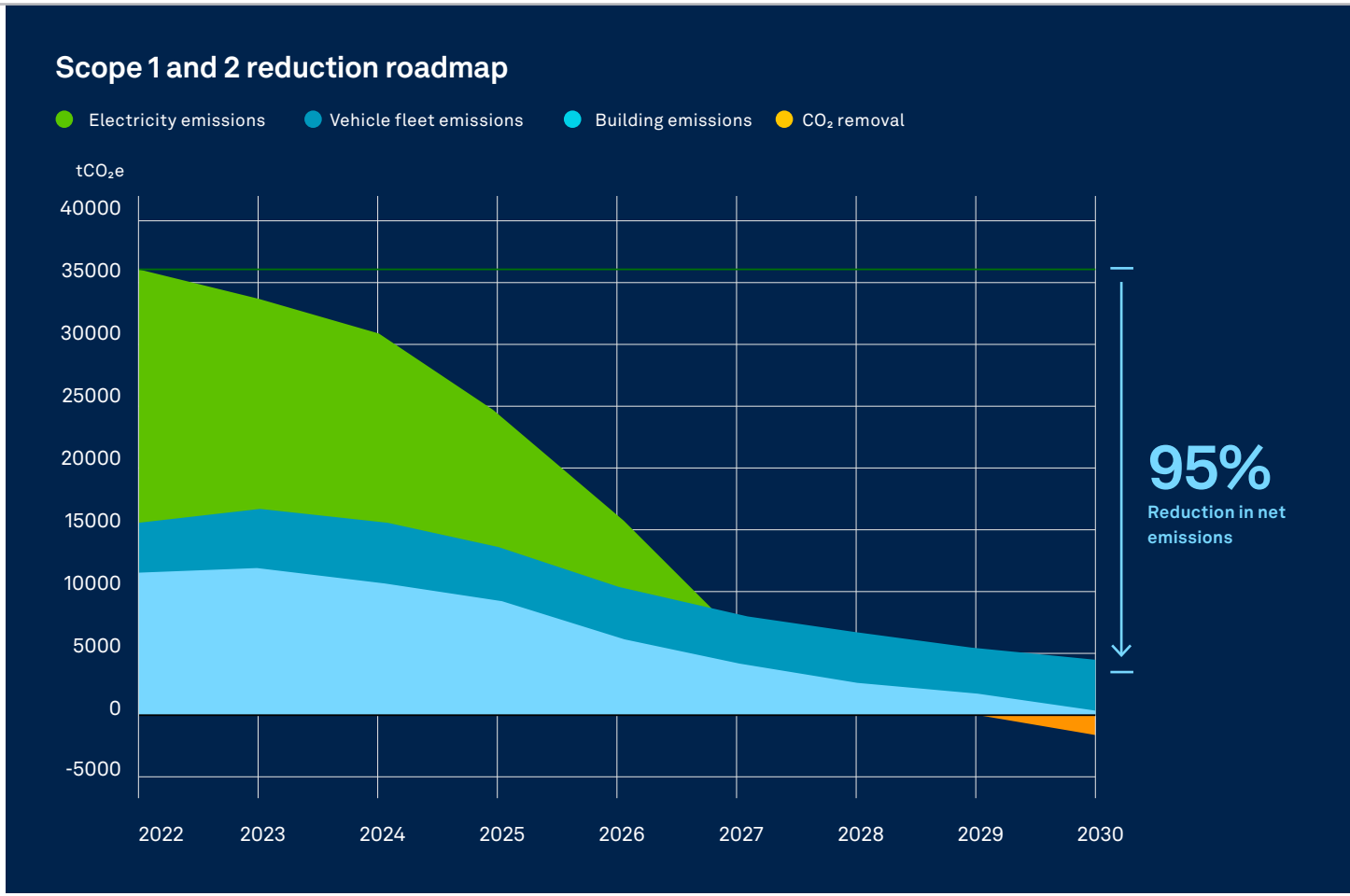
The policy references and aligns with relevant third-party standards and external initiatives, such as SBTi, ensuring that Hexagon's environmental management practices meet internationally recognised benchmarks.

Additional relevant steering documents connected to climate change include Hexagon's Code and Supplier Code. These documents are further described under G1-1, on pages 165–169. Together, the Environmental Policy, the Code and the Supplier Code address all of the identified IROs within the topic of climate change.

> Further information on the Environmental Policy is presented under ESRS 2 on page 84, E5-1 on page 126 and S2-1 on page 157.

Climate change actions and resources

E1-3 Actions and resources in relation to climate change policies



Overview of actions and resources

Hexagon's climate scenario assessment underpins its climate strategy, covering the full value chain and identifying climate-related risks, opportunities, and capability gaps across all business areas. Each area has designated sustainability leaders responsible for implementing actions, tracking progress, and ensuring alignment with corporate climate objectives.

All key mitigation actions are planned for completion by 2030 at the latest in line with Hexagon's near-term climate targets. Each action is expected to deliver measurable reductions in GHG emissions, as summarised in the table below and detailed in subsequent sections.

Each mitigation action is expected to contribute to achieved and future reductions in GHG emissions. However, Hexagon is not reporting consolidated quantitative estimates of GHG emission reductions for the reporting year, as underlying assumptions and targets are currently being updated. As a result, any estimates disclosed at this stage may change and would not provide a reliable basis for decision-making. Revised estimates of achieved and expected GHG emission reductions will be included in next year's Sustainability Statement.

Hexagon has estimated the incremental CapEx and OpEx required for its climate mitigation actions, including current investments and planned expenditures. The incremental CapEx and OpEx are not considered material or eligible for separate reporting and have therefore been incorporated into existing business plans and financial positions. If additional resources or investments are needed, they will be incorporated into the financial planning process. Any material impact on financial statements will be identified and disclosed according to existing financial reporting standards.

No CapEx targets under the Climate Delegated Act have been formally established to date.

Climate mitigation measures

1

Facility improvement programmes

All Hexagon production facilities have launched improvement programmes focused on increasing resource efficiency and reducing environmental impact. These programmes include actions specifically designed to reduce the emissions intensity of core operations. In 2025, many facilities reduced their power consumption compared to 2024, despite increased production. At the same time, Hexagon expanded its total installed capacity for renewable energy through photovoltaic energy systems, increasing renewable energy production to approximately 35,492 MWh, representing an 11.2 per cent CAGR (Compound Annual Growth Rate) compared to 2022. To ensure reductions in Scope 2 emissions, Hexagon has entered into green power purchase agreements (PPAs) for its major facilities, covering its own operations. Hexagon is upgrading energy-inefficient equipment, assuming a 5 per cent year-on-year improvement despite business growth. In areas where direct access to renewable energy is not feasible, Hexagon meets demand through the purchase of Renewable Energy Certificates (RECs), thereby supporting investment in renewable energy projects.

Additionally, the majority of production sites have achieved ISO 14001 certification, ensuring that environmental management is applied systematically and with a focus on continuous improvement across all operations. At two of Hexagon's largest production sites in Europe, important milestone activities are:

- **Electricity Savings:** Implementation of LED lighting and other energy-saving measures led to an 18 per cent reduction in electricity consumption, saving 249 tCO_2e annually.
- **Gas Reduction:** Upgrades to heating systems and installation of better-insulated windows resulted in a 30 per cent decrease in gas use, cutting emissions by 142 tCO_2e per year.
- **Photovoltaic Panels:** Planned rooftop solar installations are expected to cover 44 per cent of electricity needs and reduce emissions by 179 tCO_2e annually.
- **Paper Reduction:** Digitalisation efforts have reduced paper consumption by 92 per cent over the past decade, saving 4 tCO_2e annually.

2

Renewable energy programme

Hexagon is systematically increasing its active annual sourcing and production of renewable electricity, with the objective of reaching 100 per cent renewable electricity by 2027. This includes expanding on-site renewable energy capacity, such as through photovoltaic installations at multiple sites over the next three years. In addition, Hexagon plans to adopt the Global Energy Attribute Certificate (EAC) framework to cover 40 per cent of its renewable power needs.

3

Minimising carbon emissions from cloud storage

A significant portion of Hexagon's operations is software-related, meaning that cloud computing and storage, both with external providers and internal servers, account for a substantial part of the company's total carbon footprint. To reduce "cloud waste," which refers to unnecessary consumption of cloud resources that increases costs without providing significant value, Hexagon initiated a project with a major cloud provider. The initiative aims to map and reduce unnecessary emissions by purchasing server capacity hosted on servers powered by green energy and by optimising the use of existing computing and storage resources.

Climate mitigation measures

4

Transition of company car fleet

Hexagon operates a fleet of company vehicles, which account for around 70 per cent of Scope 1 emissions from its own operations. Most of these emissions are generated by traditional petrol and diesel vehicles, contributing to climate change. Hexagon is committed to transitioning its fleet to electric vehicles (EVs) to significantly reduce its carbon footprint, switching the remaining vehicle fleet to electric or full hybrid no later than 2030. In addition to lowering GHG emissions, the transition is expected to reduce operational costs related to fuel consumption and maintenance.

5

Supplier Engagement Programme

A significant share of Hexagon's Scope 3 emissions comes from its supply chain, making supplier engagement a key area for emissions reduction. To support this approach, Hexagon has supplier screening processes in place to identify and prioritise suppliers with higher emissions profiles and climate-related risks. Recognising the impact of supplier operations, Hexagon launched a comprehensive Supplier Engagement Programme in 2024 covering all direct procurement suppliers, setting an ambitious target for 50 per cent of key suppliers to establish and commit to emissions reduction goals aligned with the Paris Agreement by 2028. Through this initiative, Hexagon fosters a collaborative approach to sustainability, providing suppliers with resources and guidance to set meaningful and achievable targets.

6

Extending product life cycles

To extend product life cycles and minimise unnecessary waste, Hexagon operates programmes across its hardware business areas covering the entire value chain. At the Certified Pre-Owned Equipment Centre (CPEC) within the Geosystems business area, all used equipment, including Total Stations, GPS, HDS, and construction tools, is inspected and fully serviced by Hexagon's technical team to ensure the same reliability as new products. These refurbished products are then redistributed to over 120 countries, significantly extending their useful life and avoiding the need for new component production.

The CPEC operates according to the principles of reduce, reuse, and recycle, promoting product circularity and making sustainable tools globally accessible. All refurbishments are conducted by Hexagon experts and supported by a professional warranty to guarantee quality. Within the Manufacturing Intelligence business area, more than 100 service centres worldwide provide fast and efficient repairs for coordinate measuring machines, fostering a customer culture of updating and refurbishing equipment to extend product life cycles. Initiatives aimed at accurately quantifying and assessing both achieved and expected net carbon emissions savings associated with extended product life cycles are currently under review.

7

ESG criteria in the design process

A robust design phase is critical to ensure that sustainability is embedded throughout the lifecycle of Hexagon's products. New solutions are developed through the Hexagon Innovation Process (HIP), which drives efficiency and effectiveness in hardware, software, and service products through continuous improvement. Beyond quality and cost management, ESG criteria are applied during product development to enable teams to assess the environmental impact of alternatives while prototyping new or upgraded solutions.

This process includes conducting lifecycle assessments (LCAs) to evaluate materials' water use, energy use, and climate impact, along with logistics, manufacturing, usage, and end-of-life scenarios. The ambition is to include supplier component data as well, enabling a full cradle-to-gate environmental impact assessment, supporting decision-making and driving sustainable sales. Both upstream and downstream value chains are therefore considered. Initiatives aimed at accurately quantifying and assessing both achieved and expected net carbon emissions savings associated with ESG criteria in the design process are currently under review.

Climate change targets

E1-4 Targets related to climate change mitigation and adaptation

Hexagon's climate strategy is founded on science-based targets designed to drive significant emissions reductions across the entire value chain. The targets are externally validated by SBTi and address both direct operational emissions and broader value chain impacts. The targets are aligned with limiting global warming to 1.5 °C, and performance is monitored to ensure accountability and to maintain momentum in the transition toward a low-carbon, sustainable economy. Hexagon's GHG emission reduction targets are gross targets and do not include carbon credits or avoided emissions to achieve these targets.

As part of Hexagon's ongoing strategic development, the full set of climate targets will be reviewed following the proposed spin-off of Octave, expected at the end of H1 2026, to ensure continued relevance and alignment with Hexagon's future operational structure. In line with this, all climate-related targets focus on mitigating GHG emissions and are supported by the climate actions outlined under E1-3 on pages 108–110. Expected decarbonisation levers and their overall quantitative contributions to achieve the GHG emissions reduction targets are described under E1-1 on pages 105–106.

The goal to reduce Scope 3 emissions by 97 per cent per euro of value added by 2050 reflects Hexagon's ambition to make its operations and value chain far more carbon-efficient. In practice, this target means that by 2050, the company aims to reduce greenhouse-gas emissions across its entire value chain by 97 per cent relative to each euro of revenue it generates, thereby making its Scope 3 activities nearly carbon-neutral on an intensity basis.

Near-Term Targets

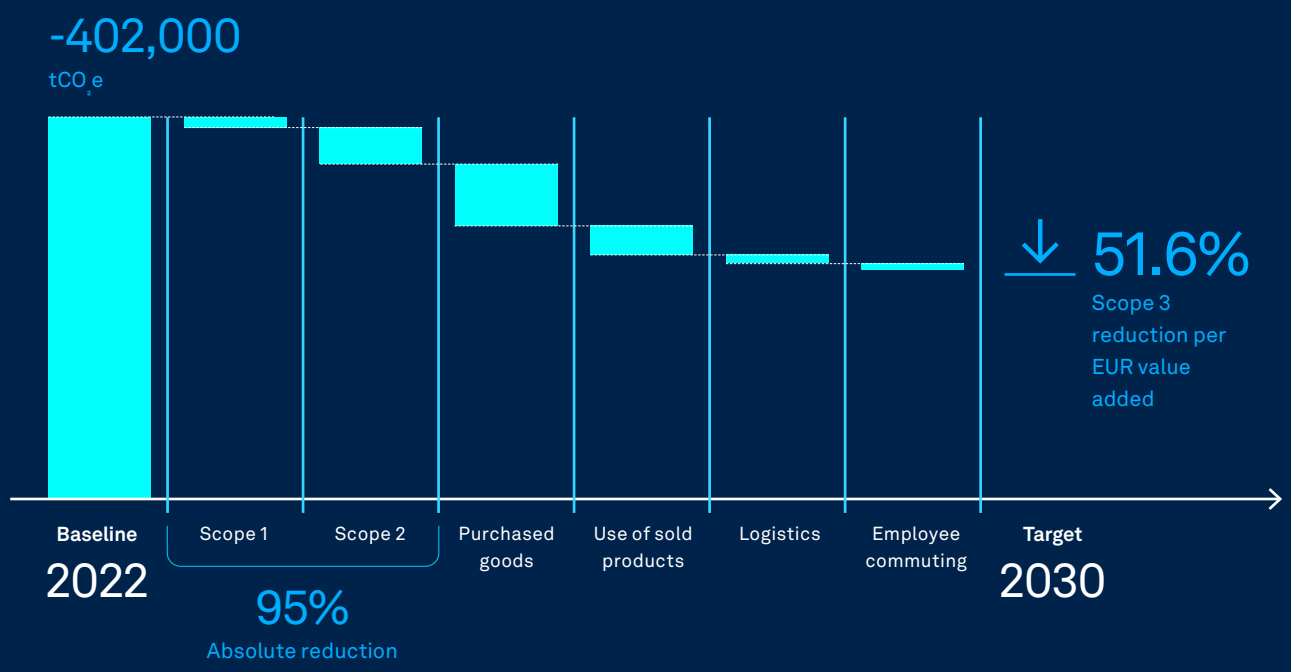
Hexagon has set the following near-term targets, to be achieved by 2030 from a 2022 base year:

- Reduce absolute Scope 1 and Scope 2 (market-based) GHG emissions by 95 per cent
- Reduce Scope 3 GHG emissions by 51.6 per cent per EUR value added
- Increase active annual sourcing of renewable electricity from 34.8 per cent in 2022 to 100 per cent by 2027, and maintain 100 per cent through 2030
- Ensure that 50 per cent of suppliers by spend covering purchased goods and services have science-based targets by 2028

Long-Term Targets

Hexagon has set the following long-term targets, to be achieved by 2050 from a 2022 base year:

- Maintain a minimum 95 per cent reduction in Scope 1 and Scope 2 (market-based) GHG emissions from 2030 through 2050
- Reduce Scope 3 GHG emissions by 97 per cent per EUR value added by 2050



Targets

Hexagon's overall target is to achieve net-zero GHG emissions across the value chain by 2050. This long-term commitment aligns with the Paris Agreement and is supported by science-based targets. To achieve this ambition, Hexagon has established both near-term targets and long-term targets, supported by decarbonisation levers and actions.

Hexagon has selected 2022 as the base year for both its near-term and long-term climate targets. No normalisations or adjustments were applied to the 2022 base year. Based on available data, 2022 appears to be aligned with the two preceding years on record. This assessment supports the use of 2022 as a reference point for tracking progress toward Hexagon's science-based GHG reduction targets. When setting the targets, Hexagon has considered potential future developments (for example shifts in customer preferences and demand, new technologies and regulatory factors) and how these could impact its GHG emissions over both the short and long term. For example, Hexagon predicts an overall increased use of electric vehicles in its markets and greater accessibility to carbon-free electricity for its facilities, which should support adoption of electric vehicles in the workforce and decrease the carbon emissions of its production sites. In the event of a significant change in the scope of future developments, targets will be reassessed and adapted accordingly. The measurement of the metrics is not validated by an external body other than the assurance provider. Also, no external stakeholder was involved in setting the targets.

Emission reduction roadmap – yearly milestones

	Scope 1	Scope 2	Scope 3	
	Direct emissions	Electricity	Upstream	Downstream
2025	All employees completed training on CO_2	>50% energy from renewables	Eco-design criteria in product innovation and development	Eco-design criteria in product innovation and development
2027	At least 50% reduction in Scope 1	100% energy from renewables	20% reduction in logistics emissions	20% reduction in logistics emissions Double sales of circular products
2030	At least 90% reduction in Scope 1		>50% procurement spend covered by suppliers with SBTi-validated targets	
2050	Net-zero in value chain →			

Performance

To ensure the journey towards net-zero in the full value chain by 2050 is on track, Hexagon's sustainability targets are broken down with milestones for Scope 1, Scope 2 and Scope 3 for the years 2025, 2027, 2030, and 2050. The initiatives include training for all employees in CO_2 emissions reduction activities, a programme for expanding the use of renewable energy at all facilities and offices, criteria for product development, supplier requirements, and reduction targets for downstream and upstream logistics-related carbon emissions.

In line with GHG accounting standards, Hexagon separately discloses CO_2 emissions (Scopes 1, 2 and 3) and CO_2 offsets/credits. Targets and performance are reviewed annually, and in the event of a significant change in scope, they are reassessed and adapted accordingly.

Following a review of the 2025 target outcomes, Hexagon confirms that it met its established objectives, supported by the implementation of mandatory CO_2-emissions training for all employees in 2023 and by achieving a renewable energy share exceeding 38 per cent. In addition, a company-wide eco-design criterion was introduced in 2025; however, its effectiveness has not yet been assessed, and the results of the initiative remain to be determined.

Energy consumption

E1-5 Energy consumption and mix

In 2025, Hexagon continued its efforts to reduce carbon emissions and improve energy efficiency across its operations. Compared to its 2022 baseline, Hexagon has made measurable progress in key areas. See page 109 under E1-3 for more information on facility improvement programmes.

Key developments include a reduction in energy intensity relative to net revenue from 23.7 per cent in 2022 to 19.2 per cent in 2025. Over the same period, Hexagon increased the share of renewable energy in total consumption from 9.6 per cent to 38.5 per cent.

Hexagon does not currently track electricity sourced from nuclear power, consumption from nuclear sources, and fuel consumption for renewable sources including biomass, nor did it perform estimations for these sources for 2025. The company plans to include this data starting in the 2026 report.

	Unit	2025	2024	2023	2022	YoY change
Total non-renewable energy consumption	**MWh**	**64,187.2**	**95,190.7**	**93,005.9**	**110,332.9**	**-33%**
Share of non-renewable sources in total energy consumption	**%**	**61.5**	**85.4**	**83.6**	**90.4**	**-24 pp.**
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	**4,739.8**	**5,537.4**	**-**	**-**	**-14%**
Consumption of self-generated non-fuel renewable energy	MWh	**4,926.5**	**1,676.3**	**1,607.6**	**1,263.8**	**194%**
Total renewable energy consumption	**MWh**	**40,103.5**	**16,227.4**	**18,279.6**	**11,725.9**	**147%**
Share of renewable sources in total energy consumption	**%**	**38.5**	**14.6**	**16.4**	**9.6**	**23 pp.**
Total energy consumption	**MWh**	**104,290.7**	**111,418.1**	**111,285.5**	**122,058.8**	**-6%**

Energy intensity per net revenue	Unit	2025	2024	2023	2022	YoY change
Energy intensity	MWh/ MEUR	**19.2**	**20.6**	**20.5**	**23.7**	**-7%**

Accounting principles

Hexagon reports energy consumption for all subsidiaries and operations under operational control with more than 35 full-time employees (FTEs). For sites not directly covered, energy use is extrapolated based on employee numbers to ensure full coverage across Hexagon's operational footprint. The data has been collected via Hexagon's ESG reporting system, developed and aligned with the financial reporting system for ESG data gathering and calculation purposes. This methodology is applied consistently for all environmental data. Hexagon's core activities lie within software, digital services, and assembly, which are not classified under the high-impact climate sectors defined by ESRS. As such, the company is not considered part of a high climate impact sector.

Energy data is primarily based on meter readings and invoices. Energy measured in mass or volume units is converted to MWh using recognised international conversion factors and lower heating values. All energy is reported as final consumption, representing the amount of energy used.

Non-renewable sources

Energy from non-renewable sources includes fossil fuels used in Hexagon's own operations, such as heating of facilities, and electricity purchased from non-renewable sources. Feedstocks and fuels not combusted for energy purposes are excluded, although Hexagon may choose to disclose such consumption separately. Self-generated energy consumed on-site is counted only once, while energy sold to third parties is not included in Hexagon's reported consumption.

Renewable sources

Energy from renewable sources includes electricity generated from Hexagon's photovoltaic installations, as well as electricity and heating procured through green power purchase agreements (PPAs) for major facilities. Energy is classified as renewable only if contractual proof of origin exists, such as Guarantees of Origin (GOs) or Renewable Energy Certificates (RECs). In regions where direct access to renewable electricity is not available, Hexagon procures energy certificates to support investments in renewable energy projects.

Only energy with a clearly documented renewable origin is classified as renewable. Where the renewable origin cannot be verified through contractual instruments, energy is reported as non-renewable. This approach aligns with ESRS principles for transparent and conservative reporting.

Energy intensity

Energy intensity is calculated as total energy consumption (MWh) divided by net revenue (MEUR), where net revenue refers to total net sales.

Direct and indirect GHG emissions

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Hexagon reports its Scope 1, Scope 2, and Scope 3 greenhouse gas emissions in accordance with the GHG Protocol. This reporting provides a comprehensive and transparent overview of the Group's direct and indirect climate impacts, while enabling the monitoring of progress toward Hexagon's emission reduction targets and alignment with the EU's climate objectives. In addition, the report includes GHG emission intensity metrics, offering further insight into the efficiency of Hexagon's operations relative to its activities.

In 2025, Hexagon recorded significant progress towards its carbon reduction targets approved by the Science Based Targets initiative (SBTi). These targets include reducing absolute Scope 1 and Scope 2 GHG emissions by 95 per cent by 2030, and lowering Scope 3 emissions intensity (per EUR value added) by 51.6 per cent by 2030, using 2022 as the base year.

Furthermore, Hexagon made substantial progress toward these goals. Market-based Scope 1 and Scope 2 emissions were reduced by 37 per cent compared with the 2022 baseline, demonstrating strong momentum toward the long-term 2030 target. Over the same period, total Scope 3 emissions decreased by 16 per cent, accompanied by a 22 per cent reduction in Scope 3 GHG intensity per million EUR of value added. These developments reflect the company's continued efforts to decarbonise operations and its broader value chain in line with its SBTi-approved commitments.

Emissions from business travel increased by 56 per cent over the same period, primarily due to typically low travel activity in 2022 following the COVID-19 pandemic.

	Unit	Base year 2022	2023	2024	2025	% change last year	% change base year	Targets 2030	Targets Net Zero target 2050	Targets Annual target, pp. base year
Scope 1 GHG emissions (direct GHG emissions)										
Gross Scope 1 GHG emissions	tCO_2e	14,561.7	14,251.8	15,032.6	14,153.9	-6%	-3%	1,099	1,099	11.6 pp
Emissions covered by the EU Emissions Trading System	%	0	0	0	0	-	-	-	-	
Scope 2 GHG emissions (indirect GHG emissions)										
Gross Scope 2 GHG emissions, location-based	tCO_2e	38,502.6	33,458.3	31,323.0	27,020.1	-14%	-30%	-	-	
Gross Scope 2 GHG emissions, market-based	tCO_2e	37,100.6	31,929.5	30,972.7	18,540.6	-40%	-50%	1,484	1,484	12.0 pp
Significant Scope 3 GHG emissions (indirect GHG emissions)										
Total gross Scope 3 GHG emissions	tCO_2e	349,331.2	359,804.9	357,878.2	295,039.7	-18%	-16%	-	-	
1. Purchased goods and services	tCO_2e	170,483.6	177,634.8	177,716.6	135,953.9	-23%	-20%	-	-	
2. Capital goods	tCO_2e	36,502.6	29,236.2	23,028.2	14,111.4	-39%	-61%	-	-	
3. Fuel- and energy-related activities	tCO_2e	12,427.0	9,568.4	9,454.9	7,891.7	-17%	-36%	-	-	
4. Upstream transportation and distribution	tCO_2e	14,256.8	14,532.5	14,539.2	16,959.4	17%	19%	-	-	
5. Waste generated in operations	tCO_2e	797.5	541.5	814.8	974.7	20%	22%	-	-	
6. Business travel	tCO_2e	22,053.9	28,348.7	38,504.7	34,476.4	-10%	56%	-	-	
7. Employee commuting	tCO_2e	20,535.5	24,282.1	25,566.6	22,785.5	-11%	11%	-	-	
9. Downstream transportation	tCO_2e	10,514.6	11,267.1	10,158.1	13,390.7	32%	27%	-	-	
11. Use of sold products	tCO_2e	61,470.0	64,090.3	57,782.2	48,196.0	-17%	-22%	-	-	
12. End-of-life treatment of sold products	tCO_2e	157.8	166.2	165.2	165.9	0%	5%	-	-	
15. Investments	tCO_2e	132.0	137.0	147.7	134.2	-9%	2%			
Total GHG emissions										
Total GHG emissions, location-based	tCO_2e	402,395.5	407,515.0	404,233.8	336,213.6	-11%	-22%	-	-	
Total GHG emissions, market-based	tCO_2e	400,993.5	405,986.1	403,883.5	327,734.1	-29%	-37%	-	-	
GHG intensity per net revenue										
Total GHG emissions per net revenue, location-based	tCO_2e/MEUR	78.0	75.0	74.8	62.0	-17%	-21%			
Total GHG emissions per net revenue, market-based	tCO_2e/MEUR	77.7	74.7	74.8	60.4	-19%	-22%			
Scope 1 & Scope 2 GHG emissions										
Scope 1 & Scope 2 emissions, location-based	tCO_2e	53,064.3	47,710.1	46,355.6	41,174.0	-11%	-22%			
Scope 1 & Scope 2 emissions, market-based	tCO_2e	51,662.4	46,181.3	46,005.3	32,694.5	-29%	-37%			
Scope 1 & Scope 2 intensity per net revenue										
Scope 1 & Scope 2 emissions per net revenue, location-based	tCO_2e/MEUR	10.3	8.8	8.6	7.6	-12%	-26%			
Scope 1 & Scope 2 emissions per net revenue, market-based	tCO_2e/MEUR	10.0	8.5	8.5	6.0	-29%	-40%			

Accounting principles

Organisational Boundaries

Hexagon's organisational reporting boundaries cover all its business areas and subsidiaries. These are fully consolidated, following the control-based approach.

Operational Boundaries

Hexagon has completed a company-wide Scope 1, Scope 2, and Scope 3 emissions inventory covering all production sites and offices. GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), the GHG Protocol Scope 2 Guidance, and the GHG Protocol Scope 3 Corporate Value Chain Standard.

GHG composition and emission factors

All relevant greenhouse gases (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, and NF_3) have been included in the Scope 1, Scope 2, and Scope 3 calculations. The emission factors used refer to the full global warming potential (GWP) and are translated into CO_2 equivalent. Due to the type of business performed by the Company (assembly of hardware equipment), Scope 3 emissions are the main area containing non-CO_2 GHGs.

The latest published GWP values are used to calculate carbon dioxide equivalents for non-CO_2 emissions. Emission factors are updated annually.

Scope 1 and Scope 2

Scope 1 and Scope 2 emissions from energy consumption are calculated using energy data in kWh by source. Scope 1 emissions are calculated using the emission factor for the respective fuel type (source: Defra 2024). Scope 2 emissions are calculated using both location-based and market-based methodologies in line with the GHG Protocol Scope 2 Guidance.

- **Location-based emissions** are calculated using average country/region emission factors (sources: IEA, eGrid).
- **Market-based emissions** are calculated using residual mix electricity emission factors for European countries (source: AIB) and the USA (source: Green-e), and average country factors for other regions (source: IEA).

For sites not directly covered (for example smaller offices), Scope 1 and Scope 2 emissions are estimated by assigning CO_2 emissions per employee and extrapolating to the total number of employees at those sites.

- **Scope 1** includes emissions from stationary combustion and vehicles in the company car fleet with internal combustion engines.
- **Scope 2** includes emissions from electricity in all facilities, purchased district heating, and electric vehicles in the company car fleet.

Scope 3

Scope 3 emissions are calculated in accordance with the GHG Protocol Scope 3 Standard, split into 15 subcategories. Transport-related emissions are reported on a well-to-wheel basis and include upstream and downstream transportation, business travel, and employee commuting. Approximately 28 per cent of Scope 3 emissions are calculated using primary data from suppliers or other actors in the value chain. The remaining Scope 3 emissions are estimated using secondary data derived from activity data and the Ecoinvent database.

Accounting principles (continued)

Relevant Scope 3 categories for Hexagon include:

- **Purchased goods and services (1):** Calculated for major purchased products using the average-data method with cradle-to-gate emission factors. Extrapolated to total spending on purchased goods.
- **Capital goods (2):** Calculated using the average spend-based method for total spending on capital goods, reported on a cradle-to-gate basis.
- **Fuel- and energy-related activities (3):** Calculated from energy consumption data (kWh) with upstream emission factors (well-to-tank). For electricity, country-average upstream factors are used (source: IEA). For fuels, emission factors correspond to each fuel type (source: Defra). Extrapolation for sites not covered is based on emissions per employee.
- **Upstream transportation (4):** Calculated for major purchased products using the distance-based method and mass-distance emission factors (source: Defra). Air, marine, and road transport are included. Extrapolated to total spending on purchased goods.
- **Waste generated in operations (5):** Calculated using actual waste data by type and treatment method with corresponding emission factors (sources: Defra, Ecoinvent 3.8). Extrapolated for sites not covered using emissions per employee.
- **Business travel (6):** Emissions provided by the travel agency; includes air, train, bus, and rental cars. Hotel stays are excluded.
- **Employee commuting (7):** Calculated for major sites covering one-third of employees using the average-data method. Extrapolated for other sites based on emissions per employee.
- **Downstream transportation (9):** Calculated for major products sold using the distance-based method and mass-distance emission factors (source: Defra). Includes air and road transport. Extrapolated based on total revenues from sold products.
- **Use of sold products (11):** Based on electricity consumption over product lifetimes, assuming a 10-year lifetime, even though many products exceed 15 years. Average country electricity emission factors are applied (source: IEA). Extrapolated based on total revenue from sold products.
- **End-of-life treatment (12):** Products are refurbished and resold where possible. Non-recyclable components are disposed of.

Scope 3 categories considered non-material for Hexagon include:

- **Upstream leased assets (8):** Hexagon does not have any leased assets that are outside of the Group's control.
- **Processing of sold products (10):** Hexagon is primarily selling technical solutions to customers, meaning that the number of physical products sold that require further processing by clients is not material.
- **Downstream leased assets (13):** Hexagon does not have any leased assets that are outside of the Group's control.
- **Franchises (14):** Hexagon does not operate with franchises.
- **Investments (15):** The level of investments is limited and does not generate any significant emissions.

GHG intensity

GHG intensity based on net revenue has been calculated as total Scope 1, Scope 2 (reported separately on a market- and location-based basis), and Scope 3 emissions divided by reported net revenue in MEUR. Net revenue is calculated in accordance with IFRS 15, as described in the Financial statements on page 177.

GHG removals and mitigation projects

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

Hexagon's strategy for achieving net-zero includes the use of carbon removals for the portion of emissions that are difficult to abate. These typically involve direct air capture, bioenergy with carbon capture and storage (BECCS), or nature-based solutions with durable storage. Carbon removals will be implemented through direct investments in removal technologies or projects, rather than through the purchase and cancellation of market-based carbon credits for offsetting purposes.

For emissions that are currently hard to abate, such as those from on-site combustion heaters, Hexagon plans to use carbon removals to neutralise the residual emissions. At present, the purchase of carbon credits for permanent removals has not yet commenced.

In parallel, Hexagon utilises carbon credits as part of its broader climate mitigation strategy for challenging-to-reduce emissions in the value chain. For example, in 2025, Hexagon has been investing in Sustainable Aviation Fuel (SAF) to partially mitigate the CO_2 emissions associated with its business travel. In 2025, Hexagon mitigated 49,000 $kgCO_2$ by purchasing SAF. This approach demonstrates a commitment to addressing Scope 3 emissions where direct reductions are difficult. However, Hexagon will not use carbon credits as a substitute for mitigation projects within its own operations or value chain, and such credits will not be applied to meet required GHG emission reductions. As such, SAF is not discounted from Scope 3 calculations regarding business travel presented under E1-6.

For the 2025 reporting year, Hexagon does not report on data indicating whether the SAF used is sourced from within or outside the EU, nor whether the SAF projects qualify for corresponding adjustments under Article 6 of the Paris Agreement. Hexagon will collect and disclose this information in the 2026 reporting cycle.

Residual emissions are expected to be neutralised by permanent carbon removals by 2050, in line with Hexagon's net-zero ambitions. The strategy ensures that the use of removals and carbon credits complements, rather than replaces, the company's GHG reduction targets outlined on pages 111–112 under E1-4.

Internal carbon pricing

E1-8 Internal carbon pricing

Hexagon applies an internal carbon pricing (ICP) scheme to support decision-making and to incentivise the implementation of climate-related policies and targets. The internal carbon price assigns a monetary value to the GHG emissions associated with Hexagon's operations, enabling the Company to account for the environmental externalities of business decisions and promote low-carbon investments.

Type of ICP scheme

Hexagon currently applies an implicit internal carbon price, initially as a shadow price with plans to evolve into a carbon levy by 2028. The shadow price is used to guide investment decisions, CapEx, procurement, operational planning, and risk management, ensuring that the carbon impact is financially considered alongside traditional cost metrics.

The ICP is applied across 100 per cent of Scope 1 and Scope 2 emissions and 11.6 per cent of Scope 3, covering category 6 Business Travel. The scheme covers all operational geographies and Hexagon entities, representing approximately 20 per cent of Hexagon's total GHG emissions in 2025. The corresponding volumes covered are approximately 14,154 tCO_2e for Scope 1, 18,541 tCO_2e for Scope 2, and 34,476 tCO_2e for Scope 3.

Carbon prices and assumptions

The internal carbon price is determined by benchmarking against established global carbon pricing mechanisms, including carbon offsets, the EU Emissions Trading System (ETS), renewable energy credits, and carbon removal credits. Prices are selected based on observed and forecasted market trends, alignment with carbon taxes, scenario analyses, and the cost of renewable energy procurement.

For 2025, the internal price was set at 70 EUR/tCO_2e and is projected to rise to 90 EUR/tCO_2e by 2030, with potential scenarios reaching up to 350 EUR/tCO_2e by 2040. This evolutionary approach reflects anticipated increases in the cost of compliance with carbon regulations and the financial impact of emissions reduction measures. The pricing methodology is reviewed annually to ensure it remains consistent with market conditions and climate science-based trajectories.

Integration into strategic and financial planning

The internal carbon price is used to guide business decisions, drive energy efficiency, incentivise low-carbon investment, and identify cost-effective decarbonisation opportunities. It informs both historical analyses of CO_2 costs (Scope 1 and Scope 2) and forward-looking evaluations of potential projects in Energy, Mobility, and Other operational categories. By selecting the lowest carbon alternative in planning and investment decisions, Hexagon strengthens climate-aligned decision-making, supports the achievement of its net-zero targets, and manages financial risks associated with future carbon regulations.

EU Taxonomy Regulation Report 2025

For the 2025 reporting year, Hexagon will continue to use the same regulation as in 2024, meaning the EU Taxonomy regulation prior to the amendments of the delegated act as of July 4, 2025, and will continue applying its established methodology for EU Taxonomy reporting to ensure consistency, comparability, and efficiency across the Group. This approach supports a practical, transparent, and proportionate application of the EU Taxonomy requirements, while ensuring that reporting remains aligned with the Company's existing processes and internal controls.

Hexagon deems its Taxonomy eligible revenue for 2025 to be approximately 6.17 per cent of its total turnover. While being an enabler of sustainability, the significant majority of Hexagon's business activities are currently not clearly defined in the description of the economic activities within the EU Taxonomy and therefore will not be eligible. Hexagon applied the precautionary principle to determine applicable eligible activities and excluded activities not matching precisely with the definitions in the EU Taxonomy, its Delegated Act, and supporting NACE code classifications.

Hexagon used the EU Delegated Acts information to determine its eligible activities. Of the total 2025 revenue, 6.17 per cent is eligible and 0.02 per cent is aligned with the criteria defined in the EU Taxonomy. Hexagon has interpreted its relevance in the EU Taxonomy into the following sections under Climate Change Mitigation, Circular Economy, and Water:

- Electricity generation using solar photovoltaic technology (CCM 4.1)
- Data-driven solutions for GHG emissions reductions (CCM 8.2)
- Provision of IT/OT data-driven solutions (CE 4.1)
- Manufacture, installation, and associated services for leakage control technologies enabling leakage reduction (WTR 1.1)
- Repair, refurbishment, and remanufacturing (CE 5.1)
- Acquisition and ownership of buildings (CCM 7.7)
- Transport by motorbikes, passenger cars, and light commercial vehicles (CCM 6.5)

For the reporting year 2025, the eligible economic activity "Electricity generation using solar photovoltaic technology" is associated with the Archidona solar park Hexagon acquired in 2021.

The eligible economic activity "Data-driven solutions for GHG emissions reductions" is associated with isolated activities related to Hexagon's applied solutions for eMobility and wind farm engineering services, as well as the optimiser feature for the MineOperate solution.

The eligible economic activity "Provision of IT/OT data-driven solutions" is associated with Hexagon's solutions suite at Intergraph Smart Construction, iConstruct, EAM, SDx, PAS and Jovix.

The eligible economic activity "Manufacture, installation, and associated services for leakage control technologies enabling leakage reduction" is associated with the HxGN NetWorks solutions suite.

The eligible economic activity "Repair, refurbishment and remanufacturing of electronic and optical products" is associated with Hexagon's Certified Pre-Owned Equipment Centre.

The eligible economic activity "Acquisition and ownership of buildings" is associated with new building leases, found in Hexagon 2025 Annual Report note 16.

The eligible economic activity "Transport by motorbikes, passenger cars and light commercial vehicles" is associated with new car leases, found in Hexagon 2025 Annual Report note 16.

Alignment:

In line with the EU Taxonomy criteria for CCM 4.1 Electricity generation using solar photovoltaic technology, the R-evolution Archidona Solar Park meets the requirements for substantial contribution to climate change mitigation. The Taxonomy identifies electricity generation exclusively from solar photovoltaic systems as the defining substantial contribution criterion for this activity. The Archidona Solar Park operates entirely through the production of electricity using solar photovoltaic technology, with no other business activities or generation sources involved. As a result, the facility inherently satisfies the substantial contribution criteria established for this economic activity under the EU Taxonomy. Further, the activity meets the criteria for DNSH regarding climate change adaptation and biodiversity set forth in Appendices A and D. It also meets the criteria for circular economy as it uses equipment

and components of high durability and recyclability that are easy to dismantle and refurbish. It also meets the criteria of the Minimum Safeguards as it has established processes and policies for due diligence regarding Human Rights, Corruption, Taxation and Fair Competition based on the EU Guiding Principles. In addition, Hexagon has not faced any court convictions regarding these topics.

The remaining eligible activities are not considered aligned as they do not meet the technical screening criteria set forth in the Delegated Acts (2021) 2800 and (2023) 2486. While the activities may support at least one of the environmental goals 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 Acts (2021) 2800 and (2023) 2486.

Total turnover corresponds to net sales in the consolidated income statement in the Hexagon 2025 Annual Report. 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 the sale of products and the provision of services after deducting sales rebates, value-added tax, and other taxes directly linked to turnover. Hexagon's revenue streams stem from the sales of information technology solutions in which hardware and software are integrated, as well as services, licences, 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 IFRS 16 right-of-use assets. The total CapEx amount can be found in the Hexagon 2025 Annual Report in notes 14–16. The CapEx KPI represents the proportion of capital expenditure associated with activities that are taxonomy-eligible and taxonomy-aligned.

Taxonomy-eligible activities were screened for associated CapEx using cost-type classifications in the general ledger. Cost types are mapped to the EU Taxonomy CapEx categories (a–c), enabling Hexagon to identify whether an investment relates to internally owned assets, leased assets, or purchases from external suppliers. This cost-type mapping forms the basis for screening all reported economic activities for taxonomy eligibility and alignment.

Right-of-use asset additions were first allocated to CE 4.1, CCM 8.2, CE 5.1 and WTR 1.1 in accordance with their underlying leased asset types. Remaining cost types associated with external supplier purchases were assessed under CapEx category (c) ('purchase of output from taxonomy-eligible economic activities'). Through this screening, Hexagon identified CapEx contributions to activities CCM 7.7 and CCM 6.5. These activities are therefore reported under CapEx category (c) and arise from purchases of goods and services linked to the respective taxonomy-eligible activities.

Taxonomy-aligned CapEx investments continue to consist mainly of intangible assets.

OpEx is defined as direct expenditures relating to the day-to-day servicing of assets of 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 leases, maintenance, and repair). The OpEx KPI represents the proportion of 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. 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.

Row	Nuclear and fossil gas-related activities	Yes/No
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Row	Fossil gas-related activities	Yes/No
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Turnover

Financial year 2025		2025		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')								
Economic activities	Code (2)	Turnover	Proportion of Turnover, year 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2024	Category enabling activity	Category transitional activity
(1)	(2)	(3) MEUR	(4) %	(5) Y; N; N/EL	(6) Y; N; N/EL	(7) Y; N; N/EL	(8) Y; N; N/EL	(9) Y; N; N/EL	(10) Y; N; N/EL	(11) Y/N	(12) Y/N	(13) Y/N	(14) Y/N	(15) Y/N	(16) Y/N	(17) Y/N	(18) %	(19) E	(20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1.	1.13	0.02%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	0.02%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.13	0.02%	0.02%	-	0%	-	0%	-	-	-	-	-	-	-	-	0.02%		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Transitional		-	-	-						-	-	-	-	-	-	-	-		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Provision of IT/OT data-driven solutions	CE 4.1.	280.14	5.16%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								4.91%		
Data-driven solutions for GHG emissions reductions	CCM 8.2.	4.98	0.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.10%		
Repair, refurbishment and remanufacturing	CE 5.1.	6.94	0.13%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.12%		
Manufacture, installation and associated services for leakage control	WTR 1.1.	41.26	0.76%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.91%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**333.31**	**6.14%**	**0.09%**	**-**	**0.76%**	**-**	**5.29%**	**-**								**6.04%**		
A. Turnover of Taxonomy-eligible activities (A1+A2)		**334.45**	**6.17%**	**0.11%**	**-**	**0.76%**	**-**	**5.29%**	**-**								**6.06%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**5,090.15**	**93.83%**																
TOTAL		**5,424.60**	**100%**																

CapEx

Financial year 2025		2025		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')								
Economic activities	Code (2)	CapEx	Proportion of CapEx, year 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2024	Category enabling activity	Category transitional activity
(1)	(2)	(3) MEUR	(4) %	(5) Y; N; N/EL	(6) Y; N; N/EL	(7) Y; N; N/EL	(8) Y; N; N/EL	(9) Y; N; N/EL	(10) Y; N; N/EL	(11) Y/N	(12) Y/N	(13) Y/N	(14) Y/N	(15) Y/N	(16) Y/N	(17) Y/N	(18) %	(19) E	(20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1.	0.45	0.06%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	0.00%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.45	0.06%	0.06%	-	0%	-	0%	-	-	-	-	-	-	-	-	0.00%		
Of which Enabling		-	-	-						-	-	-	-	-	-	-	-		
Of which Transitional		-	-	-						-	-	-	-	-	-	-	-		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Provision of IT/OT data-driven solutions	CE 4.1.	27.81	3.64%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								3.87%		
Data-driven solutions for GHG emissions reductions	CCM 8.2.	0.00	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Repair, refurbishment and remanufacturing	CE 5.1.	0.00	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.00%		
Manufacture, installation and associated services for leakage control	WTR 1.1.	1.79	0.23%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.81%		
Acquisition and ownership of buildings	CCM 7.7	50.15	6.56%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	21.06	2.76%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**100.81**	**13.20%**	**9.32%**	**-**	**0.23%**	**-**	**3.64%**	**-**								**4.68%**		
A. CapEx of Taxonomy-eligible activities (A1+A2)		**101.26**	**13.26%**	**9.38%**	**-**	**0.23%**	**-**	**3.64%**	**-**								**4.68%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**662.64**	**86.74%**																
TOTAL		**763.90**	**100%**																

OpEx

Financial year 2025		2025		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')								
Economic activities	Code (2)	OpEx	Proportion of OpEx, year 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year 2024	Category enabling activity	Category transitional activity
(1)	(2)	(3) MEUR	(4) %	(5) Y; N; N/EL	(6) Y; N; N/EL	(7) Y; N; N/EL	(8) Y; N; N/EL	(9) Y; N; N/EL	(10) Y; N; N/EL	(11) Y/N	(12) Y/N	(13) Y/N	(14) Y/N	(15) Y/N	(16) Y/N	(17) Y/N	(18) %	(19) E	(20) T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1.	0.12	0.02%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	Y	Y	0.07%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.12	0.02%	0.02%	-	0%	-	0%	-	-	-	-	-	-	-	-	0.07%		
Of which Enabling		-	-	-						-	-	-	-	-	-	-	-		
Of which Transitional		-	-	-						-	-	-	-	-	-	-	-		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Provision of IT/OT data-driven solutions	CE 4.1.	38.90	8.13%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								8.44%		
Data-driven solutions for GHG emissions reductions	CCM 8.2.	1.92	0.40%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.54%		
Repair, refurbishment and remanufacturing	CE 5.1.	0.00	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.00%		
Manufacture, installation and associated services for leakage control	WTR 1.1.	2.53	0.53%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.65%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**43.36**	**9.06%**	**0.40%**	**%**	**0.53%**	**-**	**8.13%**	**-**								**9.63%**		
A. OpEx of Taxonomy-eligible activities (A1+A2)		**43.48**	**9.09%**	**0.43%**	**%**	**0.53%**	**-**	**8.13%**	**-**								**9.70%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**435.06**	**90.91%**																
TOTAL		**478.54**	**100%**																

E5 Resource use and circular economy

Material impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Hexagon has identified a financial risk related to resource use and circular economy arising from the generation and management of electronic waste across its operations and value chain. If not managed properly, electronic waste may lead to increased costs associated with safe disposal, recycling and compliance with increasingly stringent regulatory requirements. Operating in multiple jurisdictions, Hexagon recognises that this risk is more pronounced in regions with strict e-waste legislation and enforcement, such as the European Union under Directive 2012/19/EU on waste electrical and electronic equipment (WEEE), as well as jurisdictions including California and Japan.

These insights inform Hexagon's approach to resource management and circularity and support the company's efforts to manage regulatory exposure and control costs over time. Through established processes and collaboration with third parties, Hexagon seeks to ensure compliant handling of electronic waste in accordance with applicable laws and regulations.

Recognising that electronic waste can pose significant environmental risks if not managed properly, Hexagon is committed to ensuring responsible end-of-life treatment of its products. Our approach focuses on reducing waste, supporting safe disposal, and promoting circular practices wherever possible.

IRO Table

				Business Model & Value Chain Impacted				
IRO name	IRO type	Description	Time Horizon	Business Area	Upstream	Own Operations	Downstream	Target
Waste								
Electronic waste posing an environmental risk if not managed properly	△	Electronic waste can pose a financial risk to Hexagon, potentially driving up costs for safe disposal, recycling, and compliance with increasingly strict environmental regulations. These risks will likely be most pronounced in regions with stringent e-waste laws, such as the European Union under the WEEE Directive, and in jurisdictions like California or Japan, where enforcement and penalties are high.	Medium-term	MI, GEO, AS	–	–	Electronic products not discarded properly	Ambition of zero waste to landfill by 2030

△ Financial risk

Policies related to resource use and circular economy

E5-1 Policies related to resource use and circular economy

Hexagon has established three policies that address resource use and circular economy: the Environmental Policy, the Hexagon Code of Business Conduct and Ethics and the Supplier Code of Conduct. Together, these policies address efforts to transition away from virgin resource use, promote the sustainable sourcing and use of renewable resources, and manage identified financial risks related to electronic waste, which could pose environmental and regulatory challenges if not properly handled. All policies are publicly available on Hexagon's webpage to potentially affected stakeholders and stakeholders who need help to implement them.

Environmental Policy

The Environmental Policy sets out Hexagon's commitments related to resource use and circular economy, including reducing waste through recycling, reuse of resources and sustainable resource management. It also describes the Used-Equipment Programme, which promotes the recycling and reuse of products, thereby supporting circularity and extending product life cycles. In addition, suppliers are required to commit to principles related to circularity and responsible resource management as part of the policy. The governance structure supports the effective implementation of the Environmental Policy by emphasising circular economy principles for resource optimisation and by fostering active partnerships across the supply chain to help manage environmental risks.

> Further information on the Environmental Policy is presented under ESRS 2 on page 84, E1-2 on page 107 and S2-1 on page 157.

Hexagon Code of Business Conduct and Ethics

The Code outlines Hexagon's responsibility to implement processes that support sustainable resource management, including efforts to reduce waste and minimise its environmental footprint. ISO 14001-certified environmental management systems have been implemented at major production facilities, reinforcing the integration of sustainability considerations into product development, design, and production. These systems incorporate principles aligned with the circular economy. The Code also requires suppliers to comply with Hexagon's Supplier Code, which sets expectations related to resource conservation and circularity across the value chain.

> Further information on the Code is presented under ESRS 2 on page 84, S1-1 on page 135 and G1-1 on page 166.

Supplier Code of Conduct

The Supplier Code sets expectations for suppliers to operate in an environmentally responsible and resource-efficient manner, including through the development and use of climate-friendly products and processes. Suppliers are encouraged to implement ISO 14001 certification or equivalent environmental management systems, which typically include targets for reducing the use of virgin resources and increasing recycled content. Suppliers are also expected to continuously improve their sustainability performance, which may involve increased use of secondary materials and reduced reliance on virgin resources. The Supplier Code further states that Hexagon conducts supplier audits and risk assessments, which may include evaluation of recycled and virgin resource use. Non-compliance may result in corrective actions or termination of the business relationship.

> Further details on the Supplier Code are presented under ESRS 2 on page 84, S2-1 on page 156 and G1-1 on page 166.

Actions and resources related to resource use and circular economy

E5-2 Actions and resources related to resource use and circular economy

Hexagon has implemented a range of actions to support resource use and circular economy, both through formal policies and through action plans at facility and business area level. Prior to 2025, Hexagon introduced its Waste Management Guidance, which requires all facility sites to continually improve recovery and recycling rates for both non-hazardous and hazardous waste. Facilities are expected to implement the most effective local handling and waste management practices available. Hexagon works with multiple recycling and waste management companies, reflecting the use of different certified service providers across locations. All sites generating hazardous waste are responsible for ensuring proper handling and treatment using certified third-party service providers to maintain high standards of safety and compliance. Leveraging refurbishment sites and robust waste management initiatives, Hexagon aims to foster a circular economy, minimise environmental impact, and improve resource efficiency across its operations. No significant operational or capital expenditures have been forecasted in relation to these initiatives.

In 2025, Hexagon undertook the following key actions, intended to be completed by 2030:

- Further improved the criteria for eco-design in the Hexagon Innovation Process, with company-wide scope, with the intention of reducing electronic waste in the coming years by ensuring new products are designed for durability, repairability, and improved end-of-life material recovery.
- Created sustainable packaging guidance addressing material use and recyclability, within the Geosystems Business Area, helping reduce electronic waste in the coming years by minimising associated packaging volumes and increasing the use of recyclable materials.
- Performed an assessment of the level of products refurbished within the Manufacturing Intelligence and Geosystems Business Areas to evaluate current take-back programmes and identify opportunities to increase circular product flows, aiming to reduce electronic waste by extending product lifetimes and enabling greater reuse.

In addition to these actions, Hexagon continues to maintain waste management programmes at all manufacturing sites, expand data collection on purchased materials, and integrate circular economy considerations into research and development processes. This supports the reduction of electronic waste by improving waste handling, increasing material transparency, and embedding circularity into product development.

During 2026, Hexagon plans to expand the coverage of waste records for end-of-life products and review opportunities to scale up the take-back programme across business areas. These initiatives are part of the company's broader objective of aiming for zero waste to landfill by 2030.

A key highlight of 2025 was the continued progress of the Used-Equipment Programme at the Certified Pre-Owned Equipment Centre (CPEC) within the Geosystems Business Area. Through this take-back programme, used products are refurbished and serviced before being reintroduced to more than 120 markets worldwide, significantly extending product lifecycles and reducing the need for new component sourcing and production. In 2025, CPEC grew its turnover by 8.5 per cent compared to 2024, and successfully refurbished and sold 17,153 units, including total stations, GPS receivers, construction instruments, and laser scanners, representing more than a threefold increase compared to 4,831 units sold in 2024.

Resource use and circular economy targets

E5-3 Targets related to resource use and circular economy

Hexagon has established two voluntary targets related to resource use and circular economy:

- Achieve zero waste to landfill from its operations by 2030, supporting the reduction of electronic waste through improved waste diversion, enhanced resource recovery, and responsible end-of-life handling of materials and components.
- Double circular sales by the end of 2027, compared to the 2022 baseline, covering refurbished products and components, thereby reducing electronic waste by extending product lifecycle and increasing the share of products returned, renewed, and kept in circular use.

The zero waste to landfill ambition addresses resource outflows in the production phase, while the target to double circular sales focuses on extending the functional life of Hexagon's products and thereby contributes to the circular economy. Both targets align with the waste hierarchy, specifically the layers of prevention, reuse, and recycling, and are supported by commitments set out in the Environmental Policy, the Code, and the Supplier Code.

The targets were developed in alignment with the EU Circular Economy Action Plan and are supported by ISO 14001 principles and GRI standards. They are based on internal data sources, including waste tracking and sales data related to refurbished business activities. Key assumptions underpinning the targets include stable regulatory frameworks and continued technological innovation in recycling and product lifecycle extension.

The targets also reflect the broader context of sustainable development by contributing to SDG 12 "Responsible Consumption and Production" and SDG 13 "Climate Action", while supporting local waste management systems and compliance with regional regulatory requirements. Furthermore, the environmental targets are grounded in conclusive scientific evidence demonstrating the role of circularity in reducing resource depletion and emissions. To ensure their relevance and practicality, Hexagon has engaged customers, suppliers, and internal teams through workshops and collaborative forums.

Hexagon has not set targets related to increasing circular product design, increasing the circular material use rate, minimising the use of primary raw materials, or enhancing sustainable sourcing and use of renewable resources.

In 2025, Hexagon's progress toward its resource-efficiency targets shows mixed results. The objective of achieving zero waste to landfill by 2030 is currently not on track, as waste volumes increased from 637 MT in the 2022 base year to 949 MT in 2025.

The main factor behind the increase in waste sent to landfill was the end-of-life treatment of granite, an inert natural material, at one of Hexagon's manufacturing facilities, where no cost-efficient recycling option was available locally. This upward trend indicates that further action will be required to align with the long-term reduction pathway. At the same time, Hexagon is demonstrating meaningful progress toward doubling circular sales by 2027. Circular sales of refurbished products and components reached 132 per cent of the 2022 baseline, reflecting strengthened circular business practices and positive momentum towards the 200 per cent target. Waste metrics are not validated by any external body other than the assurance provider. There were no changes in targets and corresponding metrics or underlying measurement methodologies or assumptions during 2025.

Target	Baseline value		Target 2027	Target 2030	Outcome 2025
	Base year	Total	Total	Total	Total
Achieve zero waste to landfill from its operations (metric tonnes)	2022	637	-	0	949
Double circular sales covering refurbished products and components (%)	2022	100%	200%	-	132%

Resource outflows

E5-5 Resource Outflows

Hexagon recognises that resource outflows include not only waste generated from its operations but also the products and materials it places on the market throughout their life cycle. Hexagon has identified downstream waste as a material topic and recognises the ESRS E5-5 requirement to report product durability, repairability and recyclable-content rates. At present, the company does not yet have the systems and data needed to produce these indicators to ESRS quality and auditability standards. Work is underway to establish consistent methodologies and data-collection processes, enabling full reporting from the 2026 reporting year. Hexagon is therefore disclosing this limitation transparently for the 2025 reporting cycle. While this work progresses, the company's current disclosures focus on operational waste streams, which represent the primary measurable component of its resource outflows today.

Hexagon's operational resource outflows currently consist primarily of three main waste streams:

- **Hazardous waste**, defined as waste with properties that make it dangerous or capable of having a harmful effect on human health or the environment. Examples include paints, oils, solvents, and electronic waste such as discarded electronic components. There is no radioactive waste in Hexagon's operations.
- **Non-hazardous waste**, which does not pose a risk to human health or the environment. This includes general office waste, food waste, and packaging materials such as wood, paper, and cardboard.
- **Residual waste**, which is a subset of non-hazardous industrial waste generated from manufacturing activities, such as metal scrap, stone, and glass.

Waste generated by Hexagon is managed through the following treatment methods:

- **Recycling**, which refers to the reprocessing or recovery of waste materials or components to produce new products or materials for subsequent use. Incineration with energy recovery is included in this category, although it is considered the least preferred recycling option.
- **Landfilling**, which represents the final disposal of waste in engineered sites above or below ground.
- **Incineration without energy recovery**, which involves the controlled burning of waste at high temperatures in specialised facilities to reduce waste volume.

	2025			2024		
Waste stream	Hazardous waste, MT[1]	Non-hazardous waste, MT[1]	Total waste generated, MT[1]	Hazardous waste, MT[1]	Non-hazardous waste, MT[1]	Total waste generated, MT[1]
Diverted from disposal						
Preparation for reuse	-	-	-	-	-	-
Recycling	29.2	1,450.7	**1,479.9**	7.7	1,205.4	1,213.1
Other recovery options	-	-	-	-	-	-
Total diverted from disposal	**29.2**	**1,450.7**	**1,479.9**	**7.7**	**1,205.4**	**1,213.1**
To disposal						
Incineration	123.9	427.4	**551.3**	4.0	720.9	724.9
Landfill	23.6	925.8	**949.4**	26.9	771.0	797.9
Other disposal operations	0	0	-	0	0	-
Total disposal	**147.5**	**1,353.2**	**1,500.7**	**30.8**	**1,491.9**	**1,522.7**
Total waste	**176.7**	**2,803.9**	**2,980.6**	**38.5**	**2,697.3**	**2,735.8**
Per cent of non-recycled waste (%)	83.5	48.3	**50.3**	80.1	55.3	55.7

1) MT: Metric Tonnes

Accounting principles

The data on waste has been collected through Hexagon's ESG reporting system, which is developed and aligned with the financial reporting system for the purpose of ESG data collection and calculation. This methodology is applied consistently across all environmental data.

Hexagon is currently enhancing its methodologies and data collection processes for preparation for reuse and other recovery operations waste streams. As these processes are still being established, no reliable estimates can be disclosed for the reporting year. Hexagon expects to include this information in future reporting periods as data availability and calculation methods continue to develop.

Non-material environmental disclosure: Water

Water Stewardship

Hexagon's operations consist mainly of offices, laboratories, and assembly-based manufacturing, rather than water-intensive processes. Our direct footprint is therefore modest: all sites source water primarily from municipal networks and use it primarily for employee sanitation and drinking. Two high-risk basin locations, China (Qingdao Office) and India (Gurugram Office), use rainwater for landscaping, and all facilities monitor their water consumption at least monthly.

Even with low withdrawals, water remains essential to our daily operations and business continuity. Therefore, we aim to minimise local impacts, safeguard availability, and support good water quality across our operations and supply chain. Continuous improvement remains central to our stewardship efforts. Select sites have installed rainwater tanks for non-potable use and are expanding collection capacity. Some facilities already use low-flow taps and toilets, and recirculated cooling systems. Monthly tracking enables early identification of anomalies, with local teams investigating and addressing deviations.

Employees are encouraged to report leaks and adopt conservation habits through signage, training, and our sustainability programme, which provides role-specific guidance on reducing water use at work and at home.

Water consumption	Unit	2025
Rainwater & Runoff-water harvesting system available on-site	No. of sites	2.0
Water recycling system available on-site	No. of sites	4.0
Water consumption per revenue	m³/€m	37.8
Water consumption per employee	m³/No.	8.4
Percentage of sites in high or extremely high-water-stress areas	%	13%

Risk awareness and resilience

In 2025, Hexagon undertook a comprehensive water risk assessment covering 105 facilities worldwide. Using the WRI Aqueduct tool and the WWF Water Risk Filter, each location was screened for basin-level physical, regulatory, and reputational risks. This Level 1 assessment identified one facility in an extremely high-risk basin and 13 in high-risk basins. Level 2 site-level evaluations were then conducted at these 14 facilities, using detailed questionnaires to assess water practices, exposure, and stewardship maturity. This structured process enables prioritisation of interventions where they are most needed.

All 14 sites rely solely on municipal water supply and do not withdraw water from surface or groundwater sources. Six are assembly-based operations with negligible process water use, while the remainder are office-based. Water is used primarily for sanitation and drinking, with consumption measured monthly. Some sites harvest rainwater, wastewater is discharged to municipal systems, and waste-handling practices prevent contamination.

To strengthen long-term resilience, this assessment was complemented with a scenario-based analysis of Hexagon's 30 most critical sites, focusing on water availability and flood hazards. The analysis identified 12 sites with very high hazard levels. Over the following two years, water will be incorporated as a topic in these sites' business continuity plans.

To translate these insights into action, Hexagon has developed a three-phase Water Stewardship Action Plan.

Phase 1 Focuses on immediate improvements—detecting leaks, installing low-flow fixtures, and raising awareness.

Phase 2 Introduces medium-term initiatives such as expanding rainwater harvesting, installing recirculation systems, and exploring grey-water reuse where feasible.

Phase 3 Aligns with the Alliance for Water Stewardship Standard and WWF/UN guidance, setting context-based targets and assessing certification for facilities in high-risk basins.

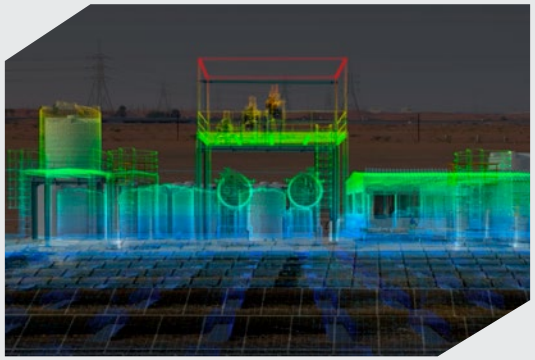
Customer and value chain impact

Agriculture

Section Control kit: Automatically controls individual spray sections and adjusts application based on machine movement, reducing overlap, preventing over-application, and ensuring accurate input use during spraying operations.

Irrigation and field operations

HxGN AgrOn Machine Monitoring and AgrOn Control Room: These tools provide centralised, real-time visibility of all field operations by collecting detailed data on machine activity, operational status, and workflow progress across multiple locations. They enable managers to track productivity, detect deviations from planned operations, and coordinate interventions quickly, supporting overall farm efficiency, resource management, and informed decision-making.



Desalination systems

R-evolution's solar-thermal desalination project shows how digital twins and sensor technology can deliver scalable, sustainable water solutions.

Hexagon's solutions help customers optimise resource use and improve operational efficiency.

Transparency and compliance

Hexagon reports water withdrawals, discharges, and practices in accordance with GRI 303, SASB, and CDP guidance. Its operations withdraw only third-party water and discharge wastewater exclusively to municipal treatment systems; no on-site treatment is required. Hexagon recorded zero material non-compliance incidents related to effluent quality or water permits in 2025.

While Hexagon has not set absolute reduction targets, reflecting the low materiality of water in its operations, the company will develop context-specific targets in 2026 for high-risk basins as its stewardship programme matures.

Social

S1 Own workforce

Material impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Hexagon's own workforce includes all employees across its global operations. All groups within its own workforce, meaning those in an active employment relationship with the company excluding interns, that could be materially affected by Hexagon's activities are included in the scope.

The material negative impact identified relates primarily to challenges in pay equity, career progression, and workplace inclusion. These issues are considered systemic and reflective of broader sector-wide patterns within technology-driven industries, rather than isolated incidents. Addressing these impacts requires continuous efforts to ensure equitable access to development opportunities, prevent discrimination, and support a culture of inclusion. To mitigate this negative impact, Hexagon invests in employee development, AI-enabled upskilling, leadership training, and initiatives to strengthen an inclusive culture. These measures aim to reduce disparities, enhance professional growth, and support long-term employability and engagement across the workforce. Hexagon has also identified a material risk related to workforce sustainability that may affect costs and compliance, including financial risks from talent shortages, rising recruitment costs, and challenges in adhering to evolving labour laws. Gaps in human rights due diligence could also result in regulatory penalties or reputational concerns. Investments in AI upskilling and fostering an inclusive work culture are essential to mitigate these risks, supporting workforce resilience, productivity, and the company's long-term strategic objectives.

IRO Table

IRO name	IRO type	Description	Time Horizon	Business Model & Value Chain Impacted: Business Area	Upstream	Own Operations	Downstream	Target
Working conditions								
Workforce sustainability risks impacting costs and compliance	△	Hexagon may encounter financial risks related to workforce sustainability, including talent shortages, rising recruitment costs, and compliance with evolving labour laws. Investments in AI upskilling and fostering an inclusive work culture are essential to mitigate legal and reputational risks. Failure to adapt could reduce employer attractiveness, increase salary costs, and impact productivity. Gaps in human rights due diligence may also result in regulatory penalties and raise investor concerns.	Short-term	All	–	Own workforce	–	Assessment planned for 2026
Equal Treatment and Opportunities for All								
Challenges in pay equity, career progression, and workplace inclusion	↘	Gender pay gap and disparities in career progression may persist despite equality commitments. Unequal access to training and gaps in workplace accessibility can limit opportunities for some employees. Harassment, discrimination, and a lack of diversity in leadership require ongoing efforts to ensure inclusivity and fair representation.	Short-term	All	–	Own workforce	–	Achieve at least 30% women in leadership positions by 2025

↘ Actual negative impact △ Financial risk

Strategy and business model

The identified impacts and risks are closely linked to Hexagon's business model and strategy. As a technology-driven company, Hexagon depends on highly skilled employees, strong innovation capacity, and a diverse workforce capable of supporting rapid transformation. The Creating Change strategic pillar emphasises sustainability and inclusion across operations and the value chain, meaning that workforce-related impacts both originate from and influence strategic priorities. Similarly, under the Empowering Change pillar, Hexagon's ability to deliver sustainability transformation relies on attracting, developing, and retaining talent with advanced digital and AI-related competencies. Workforce impacts therefore inform decisions on capability-building, upskilling programmes and culture development, ensuring long-term competitiveness and alignment with the strategic direction.

No material impacts on Hexagon's own workforce arising from the company's climate-related transition plans have been identified. Current transition measures do not involve restructuring, employment loss, significant reskilling needs, or other material workforce implications. Similarly, no operations have been identified as being at material risk of forced labour or child labour, and such risks are assessed as low given Hexagon's operational footprint and jurisdictions. Hexagon does not group its workforce into specific sub-groups, and it is therefore not possible to attribute the identified material IROs to particular groups of people. While some employees may experience different levels of exposure to impacts such as pay disparities, career progression challenges, or inclusion issues, the company's current data does not allow for a systematic assessment. The identified impacts and risks apply broadly across the entire workforce rather than to specific sub-groups.

Hexagon has not yet quantified the financial effects associated with the financial risk. This assessment is planned to be carried out in 2026 and 2027, as part of Hexagon's ongoing work to strengthen the evaluation and integration of financial effects into its sustainability-related disclosures.

Policies related to own workforce

S1-1 Policies related to own workforce

Hexagon has established several governance documents to respect human rights and labour rights across its operations and to address the identified IROs related to its own workforce. All policies related to its own workforce cover Hexagon AB and its subsidiaries and joint ventures under management control, and apply to employees, contractors, and other personnel providing services on Hexagon's behalf. All policies are approved by the Board of Directors and are communicated through training covering all employees (including part-time) and contractors, internal communications, Hexagon's website, and reporting systems. Barriers to dissemination, such as language or accessibility, are addressed. The policies are publicly available on Hexagon's webpage to potentially affected stakeholders and stakeholders who need help to implement them. All policies have been reviewed and updated during the year, though without significant changes for 2025, to ensure continued relevance and alignment with Hexagon's commitments and evolving expectations. In developing the policies, Hexagon relied on established practices and did not conduct a formal stakeholder engagement process.

Hexagon does not make specific commitments for particularly vulnerable groups beyond its general principles of inclusion and equal treatment. Breaches of these policies are managed in accordance with Hexagon's established procedures for preventing, mitigating, and remediating discrimination and other negative impacts on the workforce. Concerns or suspected violations can be reported confidentially, including the option to report anonymously via Hexagon's Ethics & Compliance Reporting System, or directly to the Chief Compliance Officer. All reports made in good faith are protected from retaliation, and confidentiality is safeguarded wherever possible. Investigations are conducted promptly and impartially, and corrective or disciplinary measures are taken where appropriate. Significant or repeated breaches, failure to implement corrective actions or provide remedy, and lack of cooperation may result in disciplinary measures. These may include termination of employment or the reduction or termination of Hexagon's business relationship with the party involved. Hexagon ensures compliance with all policies through established routines for preventing, identifying, and addressing discrimination and harassment, and for promoting diversity and inclusion. Hexagon's general approach to remedy for human rights impacts in its own workforce includes maintaining accessible grievance and whistleblowing channels, ensuring concerns can be raised without retaliation, and conducting structured investigations followed by appropriate corrective actions.

Hexagon Code of Business Conduct and Ethics

Hexagon's Code provides the overarching framework for all workplace-related policies, including those on fair treatment, diversity, discrimination, harassment, and health and safety. The Code is binding on all employees and contracted resources and sets out requirements related to ethical behaviour, conflicts of interest, and compliance with applicable laws. All subsequent workforce-related policies are established in accordance with, and are guided by, the principles and expectations set out in the Code. Training on the Code is mandatory, and it serves as a foundation for Hexagon's broader approach to responsible business conduct across the organisation.

Hexagon does not have a separate, standalone workplace accident prevention policy. Health and safety are addressed in the Code, which states that Hexagon strives to minimise the risks of accidents or illness among its personnel, is responsible for maintaining a safe work environment by implementing all legally mandatory health and safety rules and practices within each facility, and prohibits employees from being under the influence of drugs, controlled substances, or alcohol at work, in order to prevent risks to themselves and others.

Hexagon is implementing a comprehensive Health and Safety Management System that encompasses occupational safety and accident prevention measures in high-risk activities. This system is implemented across the Autonomous Solutions Business Area and the manufacturing sites of Geosystems and Manufacturing Intelligence. It currently covers approximately 60 per cent of all employees. The Health and Safety Management System establishes processes to identify, assess, and mitigate workplace hazards, ensures compliance with applicable health and safety regulations, and provides training and guidance to employees to prevent accidents and promote a safe working environment.

> Further information on the Code is presented under ESRS 2 on page 84, E5-1 on page 126 and G1-1 on page 166.

Diversity, Equity and Inclusion Policy

The Diversity, Equity and Inclusion (DEI) Policy outlines Hexagon's commitment to promoting a diverse and inclusive workplace and to ensuring equal opportunities for all personnel. The policy is grounded in the principles

of the Code and aligns with internationally recognised human rights and labour instruments, including the UN Universal Declaration of Human Rights and ILO core labour standards. It also supports Hexagon's broader human rights commitments under the UN Guiding Principles on Business and Human Rights. This includes the responsibility to respect human rights across its operations and value chain and to prevent, address, and remediate potential adverse impacts.

The policy sets out Hexagon's commitment to actively recruit, develop and retain a diverse workforce across all regions, recognising both visible and invisible differences such as race, ethnic origin, colour, sex, sexual orientation, gender identity, age, disability, religion, political opinion, social origin and other protected characteristics. It emphasises the creation of an inclusive environment where all individuals are treated with dignity, feel valued and have fair access to opportunities based on merit, skills and interests.

Hexagon defines inclusion as ensuring that employees feel welcome, can express their ideas and can participate fully in the organisation, while equity refers to identifying and removing barriers that may hinder equal participation or limit access to opportunities. The policy acknowledges that individuals experience the world differently and commits to listening to and valuing diverse perspectives as part of fostering an inclusive workplace.

To support implementation, the policy establishes a framework for promoting diversity, equity and inclusion across all business units. This includes regular training designed to enhance awareness, foster respectful behaviour and promote an inclusive culture throughout the organisation. Clear expectations are set for employees and managers to uphold the policy and to escalate concerns when discriminatory or exclusionary behaviour is observed.

Unfair Discrimination and Harassment Policy

Hexagon prohibits all forms of unfair discrimination and harassment, including sexual harassment and discriminatory harassment, in line with applicable laws across the jurisdictions in which it operates. This prohibition applies not only to employees but also to applicants, interns, volunteers, contractors, vendors, customers and other persons interacting with Hexagon. Unfair discrimination and harassment are not tolerated whether they occur in the workplace, remotely, during working hours or outside of work, and through any communication channels, including electronic and social media platforms.

Sexual harassment constitutes a form of unfair discrimination and is prohibited on the grounds of sex, gender, sexual orientation, gender identity, gender expression, and transgender status. It includes any unwanted conduct of a sexual nature, whether physical, verbal, non-verbal or quid pro quo, which is unwelcome to the recipient. Hexagon explicitly prohibits sexual favouritism, where benefits or opportunities are granted based on submission to sexual advances.

Other discriminatory harassment includes verbal, physical or non-verbal conduct that denigrates, intimidates or shows hostility toward individuals on the basis of protected characteristics such as race, ethnicity, gender, age, disability, religion, sexual orientation, political opinion, or any other characteristic protected by law. This includes offensive remarks, threats, pranks, inappropriate gestures, or the dissemination of derogatory material.

While Hexagon acknowledges that romantic relationships may develop between employees, professional conduct must be maintained at all times, and any impact on work performance may be addressed through appropriate measures, including but not limited to discussions with management, adjustments to reporting lines

or responsibilities, and other actions necessary to ensure that workplace standards, team dynamics, and organisational effectiveness are upheld in a fair and consistent manner.

Employees are required to report instances of unfair discrimination or harassment to Hexagon, without fear of victimisation or intimidation. Managers and supervisors are obliged to report any such claims they are aware of. Hexagon conducts prompt, fair and impartial investigations, which may include a review of allegations, interviews, documentation review, and written reporting. Investigations are confidential to the extent possible, and employees involved must refrain from discussing matters outside authorised parties. Involved employees are not permitted to conduct their own investigations, as this could compromise both the process and the rights of those involved.

Should a breach be confirmed, Hexagon will take appropriate corrective or disciplinary action, which may include dismissal for severe or repeated violations. Employees or other parties involved in investigations may be required to provide truthful accounts of events and present evidence during disciplinary proceedings.

Modern Slavery Statement

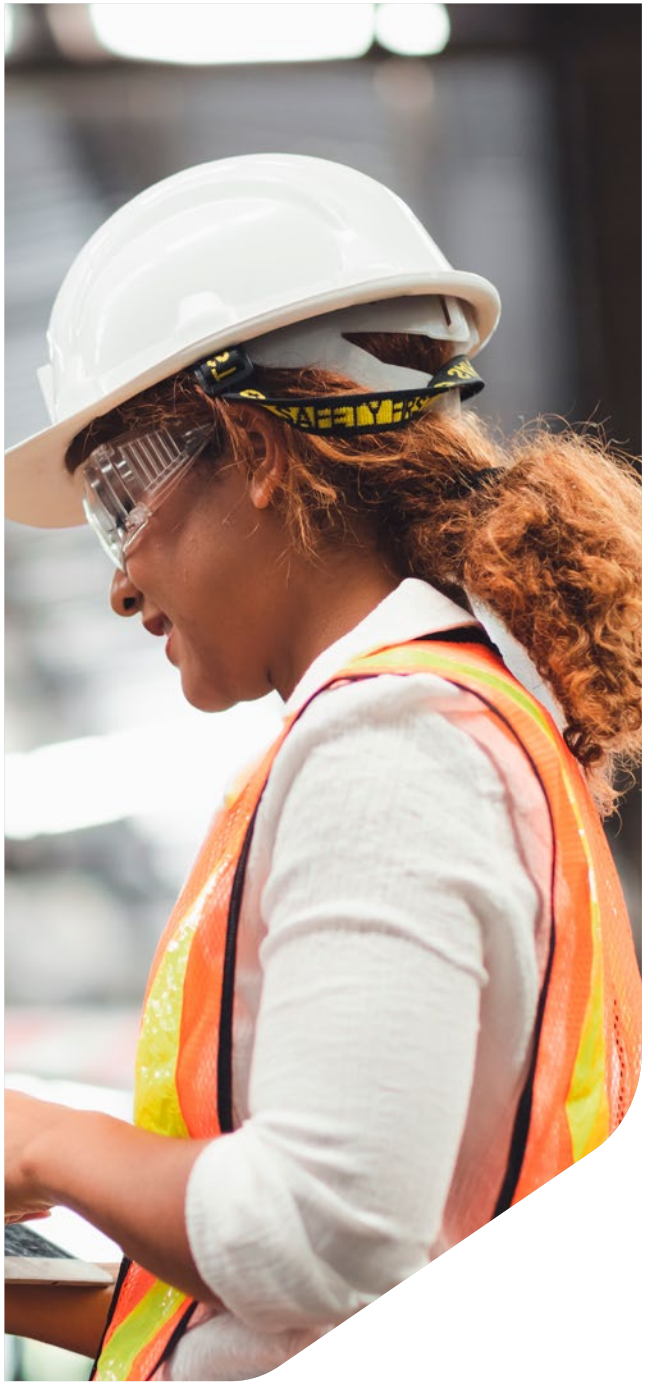
Hexagon is committed to preventing modern slavery, forced labour, and human trafficking in all its operations and supply chains. In line with the UK Modern Slavery Act 2015 and Hexagon's Code, Hexagon prohibits the use of forced, involuntary or child labour and ensures that employees are paid fairly and on time, and that their rights to freedom of association and collective bargaining are respected. In addition to its own operations, Hexagon works to prevent modern slavery risks in its supply chain. This is ensured through the Supplier Code, which sets expectations for compliance with labour laws, prohibition of human trafficking, and respect for employee rights. The Supplier Code is further described under S2-1 on page 156.

To support awareness and compliance, Hexagon provides regular training for managers and employees on the Code and modern slavery risks, and suppliers are also required to train their personnel accordingly. The effectiveness of these measures is monitored through reporting mechanisms and performance indicators, including the number of credible reports received from employees, suppliers, or external parties. No reports related to modern slavery in the supply chain were received in 2025.

All employees, suppliers, partners, and other stakeholders are encouraged to report suspected violations through Hexagon's Ethics & Compliance Reporting System or directly to the Chief Compliance Officer, as further described under G1-1 on page 168–169.

Hexagon continues to monitor and improve its practices to ensure that modern slavery and human trafficking do not occur in its business or supply chains. Management at all levels is responsible for ensuring that personnel understand this statement, comply with its requirements, and receive adequate and regular training on modern slavery risks and prevention.

> Further information on the Diversity, Equity and Inclusion Policy, the Unfair Discrimination and Harassment Policy and the Modern Slavery Statement is presented under ESRS 2 on page 84.



Engaging with own workforce

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

Hexagon engages its own workforce on a yearly basis through structured and recurring processes designed to ensure that employees' perspectives inform the company's management of actual and potential impacts on its workforce. Engagement occurs at all organisational levels, from individual employees to senior leadership, and provides insights that guide both mitigation measures and the evaluation of their effectiveness. This approach supports the company's efforts to ensure fair working conditions, strengthen well-being, enhance retention and talent attraction, and align the organisation with its sustainability ambitions.

Employee engagement also plays a critical role in translating sustainability ambition into innovation, cultural alignment and measurable business value. By actively engaging employees in sustainability-related challenges embedded in daily operations, Hexagon enables innovation and problem solving at the intersection of technology, data and real-world application. This engagement contributes to efficiency gains, the development of new solutions and performance improvements across business areas. Engagement further acts as a catalyst for cultural transformation, providing a shared and practical purpose that aligns a decentralised organisation around the Hexagon Way while preserving local ownership and autonomy. Through this engagement-led approach, sustainability moves from compliance to execution, delivering tangible environmental and business outcomes, including reduced energy use, lower emissions, improved resource efficiency and enhanced competitiveness in regulated markets. By empowering employees as active contributors, Hexagon strengthens organisational resilience and supports long-term value creation for customers, society and shareholders.

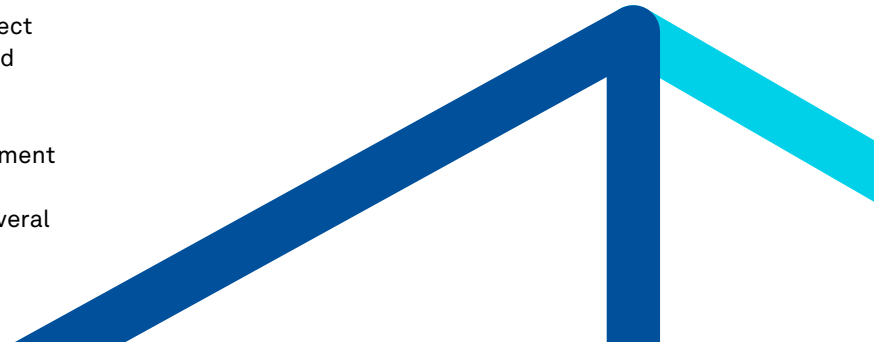
Hexagon engages both directly with employees and through representative bodies such as Employee Representatives, which provide structured dialogue and support formalised participation. Engagement takes place at multiple stages of the company's processes and through various formats, including annual activities such as regular employee surveys, and employee satisfaction surveys covering aspects such as job satisfaction, purpose, happiness, and stress, and health and safety data collection, workshops, employee events and business performance reviews at leadership level on a quarterly basis. Regular formal performance reviews for all employees aligned with their career development further support ongoing dialogue between employees and management and provide a structured mechanism to assess employee performance, track individual development, set goals for skill growth and support career progression. These reviews also contribute to the company's broader human capital development and are conducted on an annual basis.

These channels provide systematic insights into employee perspectives on material impacts on the workforce. The collected feedback is summarised and communicated to HR representatives, and the engagement activities are resourced through the ordinary financial planning of human resources activities. Potential impacts on its own workforce that may arise from sustainability-related activities, such as reduction of carbon emissions or inclusion and equity initiatives, are conveyed through internal direct communications, such as meetings, newsletters and emails, where relevant.

Operational responsibility for ensuring that engagement takes place and that resulting insights inform organisational decision-making is shared across several functions, including Human Resources, business area management teams, senior leadership and ultimately the Executive Management and the Board of Directors. Responsibility is not held by a single position; instead, it is distributed to ensure broad integration of workforce considerations across the organisation.

Sustainability fosters employee engagement at Hexagon through several initiatives, including the ecoCircle initiative launched in Switzerland. Employees participated in the programme to share ideas and develop practical projects that strengthen sustainability across Hexagon's operations and culture. Since 2024, six workshops and more than 200 hours of collaboration have been conducted. The workshops addressed topics such as sustainable procurement, mobility and product packaging, using a combination of creative thinking and hands-on problem-solving.

Within the ecoCircle initiative, one project focused on improving the sustainability of product packaging within the Construction Trade Solutions division. Existing packaging was reviewed and improvement areas were identified to reduce material use, lower environmental impact and maintain customer requirements. In a CLAx pilot, unnecessary printed content was cut, CDs and USBs were replaced with QR codes, and clear



guidance to help scale these improvements across other product lines was created. The 2025 pilot is expected to save several thousand CHF (Swiss francs) and cut CO_2 emissions by several tonnes. The project not only delivered measurable environmental and cost benefits, but also showed how employee-driven sustainability can support collaboration and measurable change.

Hexagon does not currently have a Global Framework Agreement with workers' representatives. Workforce representation is instead facilitated through local Employee Representative councils, town hall meetings and other engagement mechanisms that enable the company to capture workforce perspectives and concerns.

The company evaluates the effectiveness of its engagement processes through employee survey results, participation metrics for training and development initiatives and insights from the whistleblower channel. These sources help assess whether engagement methods remain relevant, accessible and effective.

To gain insight into the perspectives of workforce members who may be particularly vulnerable or marginalised, for example women, migrants or people with disabilities, Hexagon uses employee engagement surveys and anonymised reporting mechanisms. These steps help ensure that the needs and risks affecting these groups are adequately identified and considered.

Channels to raise concerns

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

Hexagon's response to misconduct is governed by an established methodology that ensures thorough and impartial investigations of violations of law or Hexagon's internal policies and procedures. All reports undergo preliminary assessments, followed by root-cause identification and the implementation of effective steps to remediate issues and prevent their recurrence.

Employees, suppliers, customers, contractors, freelancers, shareholders, and other business partners, as well as any individuals who become aware of a potential issue involving Hexagon, can raise concerns via several channels established by Hexagon. This includes the Speak-Up reporting system, which is operated by an external provider. The externally managed system has been in use since 2021 and is operational 24/7/365.

It supports reporting in multiple languages, either in writing or by phone, and allows for confidential and anonymous submissions. The system complies with both US and EU legal requirements. In 2022, a Procedure for Internal Reporting and Investigation was introduced, providing a uniform standard for the management of reports and the conduct of investigations. The procedure extends beyond the EU Whistleblower Directive, allowing for a wider range of violations to be reported. Additional channels for reporting misconduct include the Hotline for verbal reporting, Human Resources, the Compliance function, and employee surveys. Together, these serve as Hexagon's formal grievance mechanisms for employee-related matters. The Speak-Up system should only be used if other options are unavailable or inappropriate. Hexagon strictly prohibits any form of retaliation

against individuals who, in good faith, raise concerns or participate in an investigation, as outlined in the Code of Business Conduct and Ethics policy.

Hexagon supports the availability and accessibility of these channels through extensive communication. Insights from the 2023 employee survey provided valuable feedback, prompting the compliance team to review and reinforce communication about the Speak-Up initiative and ensure that employees are informed about the available reporting channels. Furthermore, tailored e-learning modules were introduced in 2024, aligning with Hexagon's Compliance Programme and addressing employees' specific needs for improvement. Informative training sessions for employees were also provided throughout the year.

All reports are logged in Hexagon's case management system and monitored in a manner tailored to each case. Reporters receive acknowledgment within five business days and follow-up updates as appropriate. Depending on the findings, Hexagon may initiate a detailed investigation. The whistleblower system is reviewed anonymously by the Board of Directors and the Audit Committee for oversight and accountability. Efficiency, awareness and trust in these mechanisms are evaluated through employee surveys, the use of reporting channels, and qualitative feedback from employee engagement activities. The system has been reviewed and confirmed compliant with the General Data Protection Regulation (GDPR) to ensure employee trust in the reporting channels. This initiative highlights Hexagon's dedication to transparency, trust, and accountability across its organisation.

> The Hexagon Speak-Up reporting system can be accessed here: https://hexagon.com/about/ethics-compliance/hexagon-speak-up

Actions related to own workforce

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

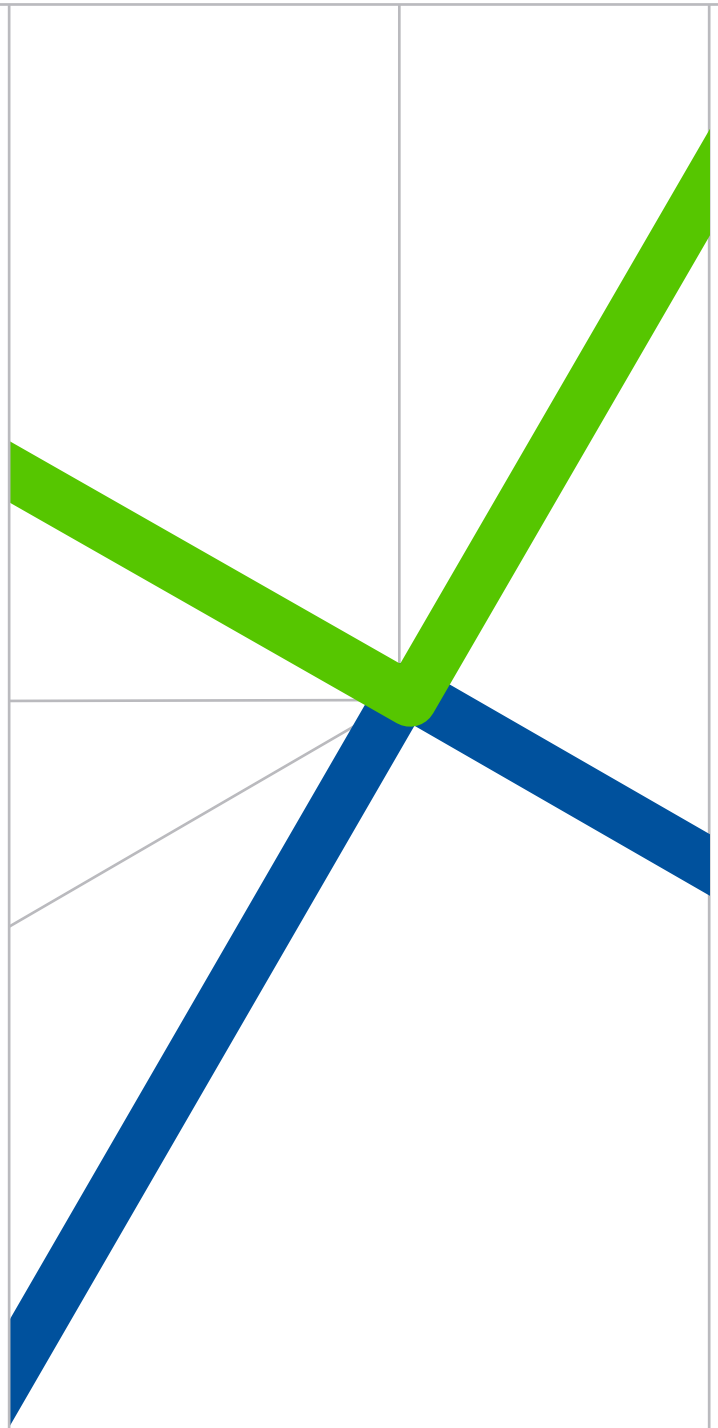
Hexagon's material negative impacts on its own workforce relate primarily to challenges in pay equity, career progression, and workplace inclusion. These impacts are considered systemic and reflective of broader trends within technology-driven industries rather than isolated incidents. Addressing these impacts is integral to Hexagon's long-term human capital strategy and informs the actions and priorities described in this section. Hexagon is committed to being a diverse and inclusive workplace, reflecting its global presence in over 50 countries. By focusing on competence development, employee engagement, inclusion, and health and safety, Hexagon strengthens innovation and competitiveness worldwide. The company values diverse perspectives and strives to create an environment where these differences drive the best solutions for a diverse customer base while also expanding access to talent. Hexagon has also identified a material risk related to workforce sustainability, including potential financial impacts arising from talent shortages, increased recruitment costs, and evolving labour-law requirements. Gaps in human-rights due diligence may present compliance or reputational risks. The company's ongoing focus on capability-building, upskilling and an inclusive workplace culture mitigates these risks and strengthens workforce resilience.

The processes for managing material risks related to Hexagon's workforce are integrated into the company's overall risk management framework. Group and business area management jointly handle risks associated with human capital. Hexagon applies a formalised approach to HR management and market-based remuneration to support employee satisfaction, with employee engagement serving as the primary measure in workforce surveys.

To attract and develop skilled employees, Hexagon collaborates with universities and colleges worldwide, aiming to train, develop, and hire students with industry-ready skills. At the same time, challenges in pay equity, career progression, and workplace inclusion are actively addressed as part of the company's ongoing strategy.

To mitigate the negative impacts and risks, Hexagon has identified five key areas with targeted actions, which are described below. They are continuous and form part of Hexagon's ongoing responsibility to ensure fair, safe and inclusive working conditions across all geographies where it operates. They are not time-bound initiatives but long-term, embedded practices that are regularly monitored, adapted and improved to address material impacts and risks related to the workforce.

To mitigate the material impacts, Hexagon continues to invest in employee development, AI-enabled upskilling, leadership training, and initiatives aimed at strengthening an inclusive and accessible culture. These actions support career growth, reduce disparities and barriers, and foster a work environment that promotes equal opportunity across all roles and regions. As part of these actions, Hexagon monitors working hours through time-tracking systems that record overtime and help prevent excessive working hours. Overtime compensation is addressed in accordance with employment contracts, either through salary arrangements or through time off in lieu, supporting work–life balance. The company also ensures that employees take their paid annual leave entitlements as part of its approach to safeguarding employee well-being.



Where relevant, the scope of each action includes both organisation-wide processes and business area-specific measures, coordinated by the global HR function to ensure consistency across regions. These actions do not require significant OpEx or CapEx, and the resources used, both financial and human, remain below material thresholds, with human resources primarily managed by the global HR function.

Equity and inclusion

Building an inclusive workforce is a long-term commitment that spans the full employment cycle, from recruitment to senior management. Hexagon promotes equity and inclusive behaviour through inclusive hiring practices and training for all employees. Career development is supported through mentoring, workshops, awareness campaigns, leadership forums, and employee networks such as Femme Like You, which enable employees to share experiences, exchange ideas, and develop professionally. Senior management are provided with toolkits to help lead by example and foster an inclusive culture.

Hexagon aims for balanced gender representation across all levels of management and continues to take actions that support the company's target of 30 per cent women in leadership positions, although this target was not achieved by 2025. These initiatives strengthen diversity, inclusion, and equity across the organisation while contributing to a more engaged and innovative workforce. Effectiveness is monitored through workforce gender-related KPIs and employee surveys. Read more under S1-5 on page 143, and under S1-9 on page 147.

Discrimination

Hexagon does not tolerate discriminatory behaviour and ensures that employees are aware of expectations and obligations regarding diversity, equity and inclusion. Employees who experience or observe discrimination or harassment can report concerns through several channels, including direct contact with their business area HR leader, the HR Executive Vice President, the Compliance team, or via the anonymous third-party Ethics and Compliance reporting system. Processes are in place to ensure reports can be made safely, without fear of retaliation. Effectiveness is monitored through reports in the reporting system and employee surveys. These actions are closely aligned with the objectives of Hexagon's Unfair Discrimination and Harassment Policy, with further details on reporting procedures and grievance mechanisms provided under G1-1 on pages 165–169.

People — transparency builds trust

Hexagon is proud of its diverse workforce and strives to increase transparency in employee data to promote accountability and highlight areas for improvement related to representation and equality. Effectiveness is monitored through Hexagon's employee report, which includes the representation of both women and men at different job levels globally. Hexagon's ambition is to further support initiatives that foster an inclusive culture, enhancing its competitiveness as an employer, where all employees have the same opportunities to grow and prosper.

Community engagement and volunteering

To support and maintain a strong and inclusive culture, Hexagon has established several initiatives reaching internal employees and global industry associations. One example is the Care Programme, a global effort to foster

engagement and teamwork by encouraging employees and managers to participate together in local community and charitable activities. The programme is implemented in three business areas and enables employees to support charitable organisations by providing one day of paid time off per year for volunteer work, thereby benefiting local communities while strengthening an ethical and socially engaged culture. These initiatives contribute to a positive employee experience, help reduce turnover and support competitiveness in recruitment.

Occupational health and safety

The safety of personnel is a top priority for Hexagon. The company strives to provide a workplace free of incidents, promoting hazard awareness, near-miss and incident reporting, and self-accountability. Flexible work arrangements, including the opportunity to work from home, are supported where appropriate. Hexagon maintains a safe work environment by implementing applicable health and safety rules across all entities and provides employees with training and equipment to perform their jobs securely. Employees are responsible for following policies and procedures, participating in safety training, and reporting any issues or hazards to management or relevant internal stakeholders. Effectiveness is monitored through safety KPIs, including work-related injury tracking. Read more under S1-14 on page 151.

Hexagon reports evidence of actions undertaken for its own workforce, as described above. While these actions are intended to support positive workforce outcomes, a clear causal relationship between individual actions and specific employee outcomes has not yet been established.

Employee survey

In 2025, Hexagon conducted an Employee Engagement Survey covering all employees, using an independent third-party survey provider. The survey achieved a response rate of 81.6 per cent of all employees, providing a representative basis for assessing employee engagement and enablement across the organisation. The survey results were benchmarked against a peer group of 60 high-performing organisations across a range of industries.

Hexagon's overall Engagement Score amounted to 74 per cent, compared with 73 per cent in 2023. This result is strong given the overall market benchmark and indicates that employees experience a sense of purpose and belonging, demonstrate initiative and effort, and feel committed to the organisation.

The Enablement Score, which reflects the extent to which employees feel supported, equipped and able to perform their roles effectively, reached 77 per cent, an increase from 75 per cent in 2023.

The Employee Engagement Survey is conducted regularly and, from 2026 onwards, will be carried out on an annual basis to enable more frequent monitoring of employee perceptions and trends over time. Survey results are reviewed by executive management and form part of the basis for setting people-related priorities.

In line with the outcomes of Hexagon's Double Materiality Assessment, the Employee Engagement Survey also functions as a key tool for identifying and addressing risks related to Working Conditions and Equal Treatment and Opportunities for All. Survey insights are used to monitor employee perceptions related to fair treatment, inclusion, workload, support and development opportunities, and to inform targeted actions where potential risks or gaps are identified. Hexagon determines the necessary response to actual or potential negative impacts on its own workforce by reviewing reported issues, assessing their severity and root causes, and assigning appropriate corrective measures to responsible functions.

Identified improvement areas are incorporated into employee development and management action plans, with the objective of strengthening employee satisfaction, supporting talent development and contributing to employee retention over time. During 2025, Hexagon did not take action to provide or enable remedy in relation to an actual impact related to its own workforce as there were no such reported cases during the year.

Targets related to own workforce

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Hexagon has set a specific target related to its own workforce: to reduce material negative impacts related to gender inequality in leadership positions. This target supports the objective of Hexagon's Diversity, Equity, and Inclusion Policy by addressing gender-related negative impacts and promoting equitable access to leadership opportunities. Hexagon monitors KPIs related to its own workforce and is evaluating, as part of its continuous improvement process, whether setting quantitative targets would be appropriate.

The gender diversity target of 30 per cent women in leadership positions by 2025 was established following an analysis of external benchmarks, and was deliberately ambitious to communicate Hexagon's strong focus on diversity across the company. The target includes all employees in top management (see accounting principles on page 147 for more information on scope). The benchmark assessment included a market analysis of Hexagon peers and best-performing companies in other industries, as well as input from research institutes on how gender diversity supports innovation, growth and retention.

The target aims to strengthen the recruitment and progression of women in the technology sector and supports a long-term commitment to advancing women in STEM. Performance is tracked through annual data collection on workforce composition. Three main areas have been identified for improvement and will be the focus in the coming years.

- **STEM engagement:** Initiatives have been launched to encourage girls' interest in STEM disciplines from an early age, aiming to build a sustainable talent pipeline for future leadership positions. These programmes include partnerships with schools, mentorship schemes, and STEM-focused outreach campaigns.
- **Function-specific targets:** Recognising that candidate availability varies by functional area, diversity targets will be adjusted based on the talent pool in each functional discipline. This approach ensures realistic and impactful goals while maintaining ambition for improvement.
- **Tiered seniority goals:** Differentiated targets will be implemented for entry-level, middle management, and senior leadership positions, acknowledging the distinct challenges and opportunities at each level.

In addition, Hexagon is evaluating the development of a target related to employee engagement, with the intention of potentially establishing such a target during 2026.

Hexagon increased the proportion of women in leadership positions from 20 per cent in 2020 to 25.5 per cent in 2025. The company did not, however, achieve its target of 30 per cent women in leadership positions by 2025. Hexagon will assess progress and the underlying factors contributing to the shortfall during 2026 and review if the target will be extended further.

Target	Baseline value		Target 2025	Outcome 2025	Outcome 2024
	Baseline year	Total	Total	Total	Total
Women in leadership positions, %	2020	20	30	25.5	22.3

Employee characteristics

S1-6 Characteristics of the undertaking's employees

Hexagon recognises that flexibility in working arrangements is a key component of employee well-being and inclusion. While the workforce includes employees who are not engaged on a full-time basis, this does not reflect reduced commitment but rather a deliberate approach to support diverse needs. Many employees consider the option to work less than 100 per cent a significant benefit, enabling a balance between professional responsibilities and personal circumstances. By offering part-time arrangements, Hexagon promotes work-life balance, fosters retention, and ensures equal opportunity for those who prefer or require flexible schedules. This practice aligns with ESRS S1 disclosure requirements on workforce characteristics and work-life balance, demonstrating a commitment to creating a supportive and sustainable working environment.

Headcount by country representing at least 10 per cent of total employees

Countries representing at least 10% of total employees	Headcount	
	2025	2024
USA	4,404	4,641
India	2,927	2,912
China	2,817	2,840
Switzerland	2,053	2,120
Germany	2,035	1,959
Other	10,236	10,330
Total headcount	**24,472**	**24,802**

Headcount by gender

Gender identity	Headcount	
	2025	2024
Men	18,554	18,801
Women	5,856	5,933
Other	62	68
Total headcount	**24,472**	**24,802**

Employees by contract type and gender

	2025				2024			
	Men	Women	Other	Total	Men	Women	Other	Total
Number of employees	18,554	5,856	62	**24,472**	18,801	5,933	68	**24,802**
Permanent employees	18,554	5,856	62	**24,472**	18,801	5,933	68	**24,802**
Full-time employees	18,017	5,420	61	**23,498**	17,960	5,421	63	**23,444**
Part-time employees	537	436	1	**974**	841	512	5	**1,358**

Due to the nature of employment contracts at Hexagon, all employees have a contract specifying their expected working hours (full-time or part-time). Any additional hours worked are paid separately. As a result, Hexagon cannot provide comprehensive data on temporary or non-guaranteed-hours employees, and this group is therefore not included in this year's report. Hexagon defines all employees as permanent employees.

Employee characteristics (continued)

New hires and employee turnover rate

Hexagon recorded a notable increase in new hires in 2025, with growth across all gender categories compared with 2024. Turnover rates remained relatively stable across genders, indicating that the higher hiring volumes did not translate into disproportionate exits for any specific group. Overall, the data suggests a balanced inflow and outflow of talent across the organisation.

	2025				2024			
	New hires		Employee turnover		New hires		Employee turnover	
	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Men	2,753	14.8	2,192	11.8	1,971	10.5	2,079	11.1
Women	1,035	17.7	678	11.6	808	13.6	709	12.0
Other	38	61.3	45	72.6	30	44.0	6	8.8
Total	**3,826**	**15.6**	**2,915**	**11.9**	**2,809**	**11.3**	**2,794**	**11.3**
Under 24	658	46.3	285	20.1	517	18.4	239	24.1
Between 25–40	1,997	15.8	1,490	11.8	1,556	55.4	1,472	11.7
Between 41–56	959	11.5	659	7.9	639	22.8	729	8.4
Over 57	212	10.2	481	23.1	97	3.5	354	13.9

In its initial year of ESRS reporting, Hexagon has applied the phase-in option and has omitted all disclosures under S1-7.

Accounting principles

Number of employees

The methodology used for the social data includes the total headcount at the end of the reporting period, as at 31 December 2025. Headcount data is sourced from the Group's HR systems and is reported as the number of employees at the end of each quarter. For analytical and reporting purposes, the Finance function calculates the average annual headcount as the mean of the headcount at the end of the previous reporting year and the headcount at the end of the current reporting year.

By employees, Hexagon refers to everyone in an active employment relationship with the company, excluding interns.

The most representative number in the financial statements is presented under note 28 Average number of employees on page 210. However, these metrics are shown as averages for 2025, rather than as of 31 December, unlike the figures in this section.

Turnover

The company defines employee turnover as the ratio of voluntary and involuntary attrition during the year to the total number of employees at year-end.

Collective bargaining coverage and social dialogue

S1-8 Collective bargaining coverage and social dialogue

Hexagon is committed to ensuring the health and safety of employees and to upholding fundamental labour rights, including freedom of association and the effective recognition of the right to collective bargaining. The percentage of its total employees covered by collective bargaining agreements is 28.7 per cent. Within the EEA, Hexagon has several collective bargaining agreements in place in different jurisdictions, including but not limited to Sweden, Spain, Portugal, Italy, France and the Netherlands.

Hexagon increased the share of employees covered by collective bargaining agreements from 19.1 per cent in 2024 to 28.7 per cent in 2025. This expansion reflects broader coverage across the workforce and a strengthened alignment with employee representation structures.

	Collective bargaining coverage	
	Global	
Coverage rate	2025	2024
0–19%	-	19.1
20–39%	28.7	-
40–59%	-	-
60–79%	-	-
80–100%	-	-

Accounting principles

Hexagon has identified EEA countries where it has significant employment, defined as at least 50 employees or 10 per cent of the total workforce.

The percentage of employees covered by collective bargaining agreements is calculated by dividing the number of employees covered by such agreements by the total number of employees and then multiplying the result by 100. If an employee is covered by more than one collective bargaining agreement, they are counted only once.

Hexagon recognises the ESRS S1-8 requirement to report collective bargaining coverage and social dialogue for each EEA country representing more than 50 employees or more than 10% of the workforce. At present, the company does not yet have consolidated, country-level data systems that can provide this information to ESRS quality and auditability standards. Work is underway to upgrade internal HR reporting and align data structures across business areas. Hexagon expects to report the full country-level disclosures in future reporting cycles. For the 2025 report, the company is transparently disclosing this data-availability limitation.

In its initial year of ESRS reporting, Hexagon has applied the phase-in option and has omitted certain disclosures under S1-8.

Diversity metrics

S1-9 Diversity metrics

Hexagon strives to be an inclusive workplace across all levels of management, which is reflected in the target for women in leadership positions. Hexagon continues its commitment to foster a diverse, inclusive, and dynamic workplace, and has implemented a set of initiatives for recruiting, retaining, and developing female leaders to meet this target.

Gender distribution in top management

	Senior management				Board of Directors			
	2025	2025	2024	2024	2025	2025	2024	2024
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Female	140	25.5	118	22.3	4	44.4	4	44.4
Male	409	74.4	409	77.2	5	55.6	5	55.6
Other	1	0.2	3	0.6	0	0.0	0	0.0

Employees by age

	2025		2024	
Age	Number	Percentage	Number	Percentage
Under 24	1,420	6	991	4
Between 25-40	12,626	52	12,601	51
Between 41-56	8,345	34	8,656	35
Over 57	2,081	9	2,554	10

Accounting principles

Hexagon defines management levels according to employees' seniority within the organisation as follows:

- **Executive:** Total number of employees reporting directly to the Business Area President, usually Vice Presidents and C-suite. Excludes the Executive Management Team and administrative functions.
- **Job Level A:** Total number of employees reporting to the Executive group, usually Directors and Heads of Departments. Excludes administrative functions.
- **Job Level B:** Total number of employees reporting to the Job Level A group, usually Managers and Team Leaders. Excludes administrative functions.
- **Rest of the organisation:** Total number of all other employees within the organisation.

Top management is defined as Executive and Job Level A, covering the first two layers below the administrative and supervisory bodies.

For the current reporting year, Hexagon is not able to disclose the number of employees by age in accordance with the ESRS age group requirements of under 30, 30–50, and over 50 years. Instead, employee age distribution is presented based on the age categories currently supported by the Group's reporting systems. Ahead of the next reporting cycle, Hexagon will assess whether relevant systems and processes can be adapted to enable the collection and presentation of data in line with ESRS requirements.

Adequate wages

S1-10 Adequate wages

According to the ILO, an adequate wage is defined as remuneration that enables workers and their families to meet fundamental needs, in line with the economic and social circumstances of each country. Hexagon is committed to upholding the rights to freedom of association and collective bargaining, and ensuring fair and adequate compensation to employees across all its locations. Wages and salaries are paid on time and in compliance with applicable laws in every country where Hexagon operates. Furthermore, recruitment fees or related costs must not be charged to, or otherwise borne by, employees.

To determine adequate wages, Hexagon defines them on a location-specific basis. Where local benchmarks are unavailable, regional benchmarks are applied. The company consistently uses adequate wage benchmarks rather than local minimum wages, unless the minimum wage equals or exceeds the adequate wage. Each market was reviewed in 2025 to assess wage adequacy. The review found that 99.3 per cent of employees earn at or above the applicable adequate wage benchmark, while 0.7 per cent were identified as earning below the benchmark. Hexagon is evaluating the underlying reasons and preparing appropriate steps to achieve full compliance.

Hexagon continuously monitors wage practices and will continue to evaluate compensation levels across its operations to ensure alignment with living wage principles.

Sources for identifying adequate wage benchmarks per country include:

- Global coverage, publicly accessible benchmarks (Valuing Impact / Value Balancing Alliance)
- Country-specific, quarterly updated benchmarks (WageIndicator Foundation)
- Non-EEA country-specific benchmarks (Global Living Wage Coalition)

In its initial year of ESRS reporting, Hexagon has applied the phase-in option and has omitted all disclosures under S1-11 and S1-12.

Talent development

S1-13 Training and skills development metrics

Hexagon fosters continuous learning and development across its workforce. Each Business Area has programmes in place, including skills- and knowledge-based training, to ensure that employees at all career stages, from early career to senior management, have access to knowledge and tools to grow professionally and contribute to an inclusive, equitable and innovative culture. Senior management are supported with toolkits to help lead by example and promote inclusion and collaboration across the organisation.

General management and functional training

Through on-site courses and virtual classes delivered via educational platforms, employees have access to a wide range of specialised courses and functional learning resources. These programmes cover:

- Mandatory compliance training (e.g. ESG training, cyber security, Acceptable Usage Policy)
- Product knowledge and technical training
- Functional training (finance, product development, eco-design, supply chain management)
- Performance management skills (goal setting, feedback, managing upwards)
- Leadership and soft skills (e.g. Effective Leadership)

These programmes are designed to cover all employees, including part-time employees, and, where applicable, contractors.

During 2025, Hexagon delivered 89,240 hours of training, corresponding to an average of 3.6 hours per employee.

Hexagon has not yet set a formal target for employee development but aims to do so by 2027.

Upskilling employees in AI

Hexagon recognises Artificial Intelligence as a transformative force driving innovation and operational excellence across industries. In 2024, Hexagon launched its AI-enabled company programme, demonstrating a strong commitment to upskilling its workforce and integrating responsible and value-driven AI practices across its operations.

To fully harness AI's potential, Hexagon has embedded AI literacy into this initiative, ensuring employees are equipped to leverage AI responsibly and effectively. The comprehensive training programme combines mandatory baseline courses for all staff with advanced learning sessions tailored to specific roles. Structured e-learning, interactive AI Circles, and continuous learning resources such as weekly "AI Fast Facts" support the closing of skill gaps, foster confidence in AI adoption, and promote a culture of innovation and collaboration. Examples of AI Circles include coding and software development, marketing, and general usage of tools such as Microsoft Copilot and Hexagon ChatGPT.

Through these initiatives, over 80 per cent of Hexagon's global workforce has been trained on AI principles, generative AI models, and AI-enabled tools. In 2025, the company had over 12,000 active users of general-purpose AI tools, with 70 per cent using them daily to boost productivity. Engagement continues to grow, building

Accounting principles

Training Hours

Training metrics include all training hours offered to and completed by employees. The average number of training hours is calculated by dividing the total completed training hours by the total number of employees. For the overall average, Hexagon applies the total headcount figures from ESRS S1-6 on pages 144–145.

Metric	Unit	Total
Average training hours per employee	Hours	3.6
Employees receiving regular performance and career development reviews	%	52
Employees completing:		
Hexagon's Compliance Programme	%	94
Sustainability @Hexagon	%	100
AI upskilling	%	80

In its initial year of ESRS reporting, Hexagon has applied the phase-in option and has omitted breakdown by gender in its first reporting year under S1-13.

a culture where AI empowers teams to work smarter, innovate faster, and deliver sustainable value.

Hexagon's strategic focus on AI extends beyond internal productivity, leveraging technology to improve environmental, social, and governance outcomes. For example, in Klagenfurt, Austria, Hexagon's AI-driven geospatial analysis is helping the city identify and increase solar panel potential. By transforming data into actionable insights, Hexagon enables smarter urban planning, optimises solar energy potential, and supports sustainable development.

These efforts advance Hexagon's technological capabilities while reinforcing the company's commitment to responsible AI use and sustainable impact, positioning it as a leader in integrating AI for ESG improvements.

Training, collaborations with universities and research institutes

Hexagon is proud to partner with universities and higher education institutions to support future talent development through involvement in education programmes, advisory panels, and sponsored forums and events. Through collaboration with universities and colleges around the world, graduates gain exposure to Hexagon's technologies and develop industry-ready skills using the company's solutions. Hexagon's partnerships with universities and research institutions also strengthen employee development and academic advancement.

One example is the partnership with Montana Technological University through its Underground Mine Education Centre. Within this partnership, Hexagon accelerates innovation in safety and collision-avoidance technologies while providing students with hands-on exposure to cutting-edge solutions. These collaborations ensure that future professionals learn using the latest industry technologies, while Hexagon benefits from real-world testing environments. Such partnerships embody a long-standing tradition of supporting the miners of tomorrow and exemplify a commitment to knowledge sharing, talent development, and supporting the next generation of skilled professionals.

Health and safety

S1-14 Health and safety metrics

Hexagon prioritises the safety of its personnel and strives to minimise the risks of accidents and illness. The company implements all legally required health and safety rules within each facility and provides employees with appropriate training and safety equipment. Where appropriate, Hexagon supports a flexible workplace and the opportunity to work from home. Employees are responsible for working safely, following policies, participating in training, and reporting hazards; furthermore, they must not be under the influence of drugs, alcohol, or controlled substances that could impair their performance or endanger others.

Hexagon also reinforced its commitment to public safety and climate resilience by training experts in geospatial technology to monitor risks, enhance disaster preparedness, and support emergency responses, extending its safety focus to customers and partners.

Hexagon saw a decrease in the share of employees covered by a recognised health and safety management system, falling from 68.7 per cent in 2024 to 60.0 per cent in 2025, while work-related accidents increased from 65 to 85 cases, with the injury rate rising from 0.3 per cent to 0.4 per cent. These developments indicate a need to strengthen health and safety coverage and performance. Hexagon will assess how it can improve these figures going forward.

Metric	Unit	2025	2024
Share of employees covered by a recognised health and safety system	%	60.0	68.7
Fatalities as result of work-related injury or ill health	Number	0	0
Fatalities of value chain workers occurred on sites	Number	0	0
Work-related accidents	Number	85	65
Rate of work-related accidents	%	0.4	0.3

In its initial year of ESRS reporting, Hexagon has applied the phase-in option and has omitted disclosures related to non-employees and disclosures related to cases of recordable work-related ill health under S1-14, and all disclosures under S1-15.

Accounting principles

The percentage of employees covered by the health and safety management system is calculated on a head-count basis.

Fatality is defined as loss of life resulting from a work-related injury or ill health.

Recordable work-related injuries are those arising from exposure to workplace hazards that result in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness. Injuries that occur when working from home are work-related. The rate of work-related injuries is calculated by dividing the number of recordable injuries by the total hours worked by the workforce and multiplying by 1,000,000.

Recordable work-related ill health includes acute, recurring, and chronic conditions caused or aggravated by work conditions or practices. This includes musculoskeletal disorders, skin and respiratory diseases, malignant cancers, diseases caused by physical agents, and mental illnesses, including cases listed in the ILO List of Occupational Diseases. Mental health conditions are considered work-related only if notified voluntarily by the employee and supported by a licensed healthcare professional stating that the illness is work-related. Ill health that occurs when working from home is work-related.

Remuneration and gender pay gap

S1-16 Remuneration metrics

For the first time in 2025, the gender pay gap ratio is being reported for all employees globally. The aim is to gain deeper insights into pay equity across the organisation and to identify the most effective strategies for closing any gaps in the coming years. This approach reflects Hexagon's dedication to fairness, inclusion, and continuous improvement in workforce practices.

In 2025, Hexagon reported a gender pay gap of 7.3 per cent, marking the first year this KPI was measured. The company will continue to monitor and track progress over time to support improved pay equity across the organisation.

Metric	2025
Gender pay gap (%)	7.3
Annual total remuneration ratio	19.4

Accounting principles

Gender pay gap

The gender pay gap is defined as the difference in average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees. Remuneration refers to the basic salary plus additional benefits, such as overtime payments, bonuses, or other variable compensation. All employees and their gross salaries are taken into consideration in the calculation.

Remuneration ratio

The ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees is calculated by dividing the annual total compensation of the highest-paid individual by the median annual total compensation of all employees, excluding the highest-paid individual. Annual total compensation includes base salary, bonus (including sales commissions), stock awards, option awards, non-equity incentive plan compensation, changes in pension value, and non-qualified deferred compensation earnings provided over the course of the year. The Long-Term Incentive Plan (LTIP) is excluded, and targeted compensation is used instead of actual compensation. All employees of the organisation are included in the calculation.

Incidents related to human rights impacts

S1-17 Incidents, complaints and severe human rights impacts

Hexagon maintains a zero-tolerance approach to discrimination, harassment and victimisation in line with its Code. All employees are expected to treat colleagues, business partners, job applicants, customers, service providers and members of the public with respect and without bias. This applies regardless of age, ancestry, skin colour, marital or civil partnership status, pregnancy or parental status, medical condition, disability, national or ethnic origin, race, religion or belief, political or union affiliation, sex, sexual orientation, gender identity or any other protected characteristic under applicable law.

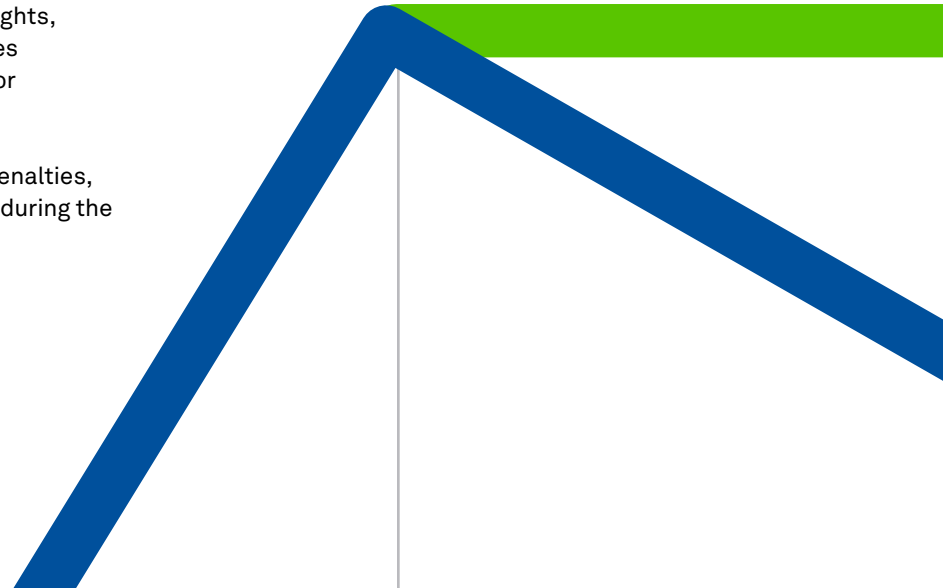
Hexagon's Speak-Up reporting system is used to identify incidents, complaints and severe human rights impacts. The system is confidential, operated by an external provider, and compliant with US and EU legal requirements, ensuring that concerns are heard and addressed promptly and appropriately. Read more about Hexagon's Speak-Up reporting system on pages 139-140.

Hexagon recorded 11 incidents of discrimination or harassment in 2025 and received 48 complaints through its Speak-Up Line from its own workers. Data on the number of incidents reviewed, remediation plans implemented and incidents no longer subject to action will be presented in the upcoming sustainability report. The volume of reported cases indicates that employees are using the Speak-Up system and that the mechanism is functioning as intended. Hexagon will continue to strengthen the system and work proactively to improve these figures going forward.

Metric	Unit	2025	2024
Incidents of discrimination, including harassment	Number	11	-
Complaints filed through the Speak-Up Line from own workers	Number	48	0
Fines, penalties and compensation for damages paid out as a result of above incidents	EUR	0	0
Severe human rights incidents (forced labour, human trafficking or child labour) connected to own workforce	Number	0	0
Complaints filed to National Contact Points for OECD Multinational Enterprises	Number	0	0

During the reporting period, no severe human rights incidents connected to Hexagon's workforce were recorded, including cases related to forced labour, human trafficking, or child labour. As a result, there were no incidents of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises.

Since no such incidents occurred, no fines, penalties, or compensation for damages were imposed during the reporting period.



S2 Workers in the value chain

ESRS amendments

Under the "quick fix" amendments to ESRS, Hexagon has elected to provide brief information on its policies, actions, targets and metrics related to S2, in line with its assessment that the topic is material under the company's double materiality analysis.

Material impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Hexagon's value chain includes several categories of workers who may be materially affected by the company's operations, products, and business relationships. All such categories of workers are included in the scope of the disclosure under ESRS 2. In the upstream value chain, workers are involved in the sourcing of raw materials and specialised components and accessories from global suppliers. This includes individuals employed in mineral extraction, smelting, material production, and the manufacturing of components and accessories. These activities often take place in regions with elevated social and environmental risk profiles, where potential negative impacts include labour rights violations, forced and child labour risks, occupational health and safety concerns, and land-use conflicts, as well as environmental degradation linked to resource extraction.

Upstream workers also include those employed in the production of specialised components such as electronic assemblies, batteries, metal and plastic components, and optical elements. These manufacturing activities take place predominantly in Switzerland, Taiwan, China, and Poland. Potential impacts in this segment relate to industrial health and safety risks, exposure to hazardous substances, energy-intensive production processes, and risks concerning working hours, wage conditions, and freedom of association.

IRO Table

IRO name	IRO type	Description	Time Horizon	Business Model & Value Chain Impacted: Business Area	Upstream	Own Operations	Downstream	Target
Other Work-Related Rights								
Labour rights and human rights due diligence gaps in the supply chain	↘	Having suppliers and sub-suppliers that operate in regions with limited supply chain transparency increases the risk of labour rights violations, including child and forced labour. Gaps in human rights due diligence make it challenging to fully assess working and living conditions in sub-tier suppliers. Inadequate housing, sanitation, and water access in some supplier facilities remain unverified due to limited oversight. Hexagon has therefore prioritised the mapping of its supply chain with regard to Conflict Minerals to address the risk associated with human rights abuses in the supply chain of electronic components used.	Short-term	MI, GEO, AS	Suppliers and contract manufacturers in high-risk areas	Compliance and procurement teams	Commercial operations and clients	Audit key suppliers in high-risk areas every three years
Human rights due diligence gaps posing legal and reputational risks	△	Gaps in human rights due diligence may result in non-compliance with labour laws, leading to legal, financial, and reputational risks. Limited oversight of housing, sanitation, and worker conditions in supplier facilities could expose Hexagon to human rights controversies. Weak data protection and monitoring may lead to privacy violations, regulatory challenges, and investor concerns.	Medium-term	MI, GEO, AS	Suppliers and contract manufacturers	Compliance and procurement teams managing human rights due diligence	Investors, governments, and clients	Assessment planned for 2026

△ Financial risk ↘ Potential negative impact

In the downstream value chain, workers are employed by Hexagon's distribution and installation partners who deliver and deploy the company's solutions globally. These workers may face occupational safety risks linked to installation work, including handling of heavy equipment, working at heights, ergonomic strain, and electrical safety during system integration.

Across both upstream and downstream value chain stages, certain groups of workers may be particularly vulnerable to negative impacts, such as migrant workers, women, and young workers, as well as individuals employed in regions with limited labour protections or institutional instability. Hexagon does not currently have a general process to engage with these groups of workers. Hexagon also monitors geographic areas with heightened risks of child labour and forced labour, based on internationally recognised risk assessments, including countries such as Afghanistan, Myanmar, the Democratic Republic of Congo, Sudan, Uzbekistan, Vietnam, and Yemen, among others.

Hexagon's understanding of material impacts on value chain workers is informed by supply chain mapping, third-party assessments, and continuous engagement with suppliers in high-risk sectors and geographic regions. These insights support the company's efforts to uphold responsible business practices and strengthen human rights due diligence across the value chain. Hexagon conducts due diligence prior to engaging new suppliers, considering risk factors such as the supplier's country of operation, and maintains ongoing oversight through self-assessment surveys, site visits, and, where appropriate, audits. Suppliers are contractually required to comply with the Supplier Code, and non-compliance may result in corrective actions or, in cases of significant or repeated breaches without remedy, the termination of business relationships.

Policies related to value chain workers

S2-1 Policies related to value chain workers

Hexagon has established several governance documents to respect human rights and labour rights across its value chain and to address the identified IROs related to workers in the value chain, all available on the company webpage. These include the Supplier Code, the Code, the Conflict Minerals Policy, the Hexagon Anti-Human-Trafficking Policy and the Environmental Policy. In line with these policy commitments, Hexagon engages with affected stakeholders as part of its human rights due diligence process. This engagement supports Hexagon's human-rights policy commitments by helping identify, assess, and address potential impacts, and ensures that stakeholder insights inform its mitigation and remediation measures. All governance documents are approved by the Board of Directors and are annually reviewed and re-adopted by the Board and Executive Management. In developing the policies, Hexagon relied on established practices and did not conduct a formal stakeholder engagement process.

To address potential violations of the policies, Hexagon provides reporting channels where personnel, suppliers, and partners can report suspected or actual breaches. During the reporting period, no severe human rights incidents connected to Hexagon's value chain workers were recorded; see more under S1-17 on page 153. Hexagon is continuously working to strengthen its approach to human rights and plans to further develop specific remediation and mitigation measures during 2026 to address any potential impacts identified through policy violations.

Hexagon prohibits retaliation against individuals who report in good faith and ensures the integrity and confidentiality of the reporting process. The policies also indicate that failure to report actual or suspected violations may be considered a breach of company guidelines. The Chief Compliance Officer, together with the central Compliance Team, is the most senior executive responsible for implementation and monitoring of policies.

Supplier Code of Conduct and the Code of Business Conduct and Ethics

Hexagon's Supplier Code and the Code both address human rights and ethical standards within the company and its supply chain. Suppliers are expected to respect human rights within their companies, avoid any form of child labour, and not engage in or tolerate human trafficking, forced or involuntary labour in any form. A child is defined as anyone under the legal working age in the operational location or under the age specified by ILO Convention 138.

Hexagon's Code commits the company to uphold the UN Global Compact principles on human rights and to align its activities with the United Nations Universal Declaration of Human Rights and ILO standards. The Code explicitly prohibits human trafficking and exploitation, enforces a no-tolerance policy for forced or involuntary labour, and requires employees to report any indications of human trafficking, with management expected to take appropriate action where necessary.

Together, these codes ensure that Hexagon and its suppliers operate in accordance with international human rights standards, promoting ethical practices and responsible behaviour throughout the company's operations and supply chain.

> Further information on the Supplier Code and the Code is presented under ESRS 2 on page 84, E5-1 on page 126, S1-1 on page 135 and G1-1 on page 166.

Conflict Minerals Policy

A small part of Hexagon's activities is affected by the regulation of conflict minerals, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Hexagon does not source conflict minerals directly, but some business areas are indirectly affected due to sourcing products and materials from suppliers and sub-suppliers. In such cases, Hexagon works closely with suppliers and applies a rigorous process to collect all necessary data as proof of compliance.

Hexagon maintains a Conflict Minerals Policy outlining its commitment to responsible sourcing and respect for human rights, as well as the actions taken to avoid conflict minerals in its value chain. The policy applies to all legal entities, employees, third-party employees, and business partners acting on Hexagon's behalf. The policy aims to ensure responsible sourcing and respect for human rights, focusing on avoiding raw materials that directly or indirectly are determined by the Secretary of State to be financing conflict in the Democratic Republic of Congo or any of its adjoining countries, as defined by the Dodd-Frank Act.

The policy covers Hexagon's operations and supply chain, including both direct and indirect suppliers of components and products that may contain conflict minerals, across all regions where Hexagon operates. It sets out processes for identifying products that may contain conflict minerals, assessing supplier risks, requiring annual reporting from suppliers, and taking corrective actions in case of breaches. These processes support increased supply chain transparency and help manage risks linked to human rights violations.

The policy outlines Hexagon's commitment, which goes beyond legal compliance, to source responsibly and respect human rights in its own operations and supply chain. While the principles are not grounded in internationally recognised frameworks, Hexagon further encourages its suppliers to follow the guidelines of OECD Due Diligence to trace the origin and chain of conflict minerals, and to respond to inquiries regarding the use of such minerals in their products. Furthermore, suppliers are trained on sustainability standards related to Conflict Minerals upon request.

Hexagon's business areas implement processes to ensure compliance with this policy as applicable to each business area's operations. For example, the Autonomous Solutions Business Area requests current and new suppliers to complete a Conflict Minerals Reporting Template (CMRT) for all parties. The CMRT has been provided by the Responsible Minerals Initiative (RMI) and has been adopted by the industry. The CMRT file is regularly revised by RMI with updated smelter information, and whenever a supplier response is received, the file automatically identifies suspected smelters.

Hexagon, to the best of its knowledge, represents and certifies that it does not source or receive any minerals, materials, or products containing cassiterite (tin), coltan (tantalum), wolframite (tungsten), or gold (known as "3TG minerals") sourced from the Democratic Republic of Congo or adjoining countries.

	2025	2024
Suppliers possibly handling conflict minerals (3TG: tin, tantalum, tungsten, gold)	706	478
Suppliers handling conflict minerals that have submitted a CMRT	502	282
Eventual smelters or refineries reported by suppliers handling conflict minerals (3TG: tin, tantalum, tungsten, gold)	3,628	955
Eventual smelters reported by suppliers handling conflict minerals that are conformant	1,384	568
Non-compliant or non-conformant smelters reported by suppliers	2,220	372

Hexagon Anti-Human-Trafficking Policy

Hexagon's Anti-Human-Trafficking Policy demonstrates the company's commitment to upholding high ethical and compliance standards across its global operations and supply chain. The policy outlines Hexagon's objectives to prevent forced, involuntary, and child labour, defines what constitutes human trafficking, and describes the expected conduct for personnel, suppliers, and other business partners. It addresses associated risks, including the potential for violations in its supply chain, and establishes monitoring mechanisms through due diligence, risk assessments, supplier audits, and reporting channels to ensure compliance. The policy further applies to all Hexagon personnel including employees, directors, officers, and contractors, as well as suppliers and partners across its global value chain. It covers both direct and indirect suppliers, and identifies the stakeholders affected by these measures, including workers in Hexagon's operations and supply chain.

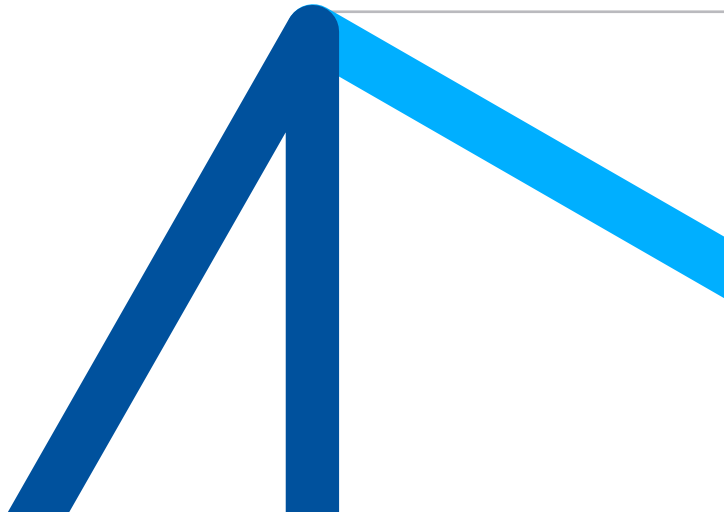
The policy addresses human rights and respects internationally recognised human rights standards and principles, supported by the commitments in the Code, and is grounded in the UN Global Compact. Hexagon ensures that employees and suppliers receive training on the policy and the Supplier Code and requires suppliers to train their personnel and sub-suppliers to adhere to the same standards. The company monitors compliance with the policy through audits, self-assessments, and site visits, integrating these processes into daily operations. In case of breaches, Hexagon engages the responsible party and takes corrective actions, which may include termination of employment or business relationships.

> Further information on the Conflict Minerals Policy and the Hexagon Anti-Human-Trafficking Policy is presented under ESRS 2 on page 84.

Environmental Policy

Suppliers are expected to adhere to the principles in the Environmental Policy. The policy sets clear sustainability requirements for suppliers and includes supplier audits, as well as training and support to help them adopt environmentally responsible practices. Through its implementation, Hexagon is indirectly connected to workers in the value chain. Furthermore, the policy outlines Hexagon's commitment to respecting communities by preventing any unlawful deprivation of land, forests, or water resources within its operations or supply chain.

> Further information on the Environmental Policy is presented under ESRS 2 on page 84, E1-2 on page 107 and E5-1 on page 126.



Engagement with value chain workers

S2-2 Processes for engaging with value chain workers about impacts

Driving transparency through supplier engagement

Building a sustainable supply chain requires collaboration across the value chain. Hexagon engages with suppliers to ensure that sustainability objectives are communicated, understood and integrated into suppliers' operations.

Supplier engagement supports Hexagon's sustainability objectives by enabling:

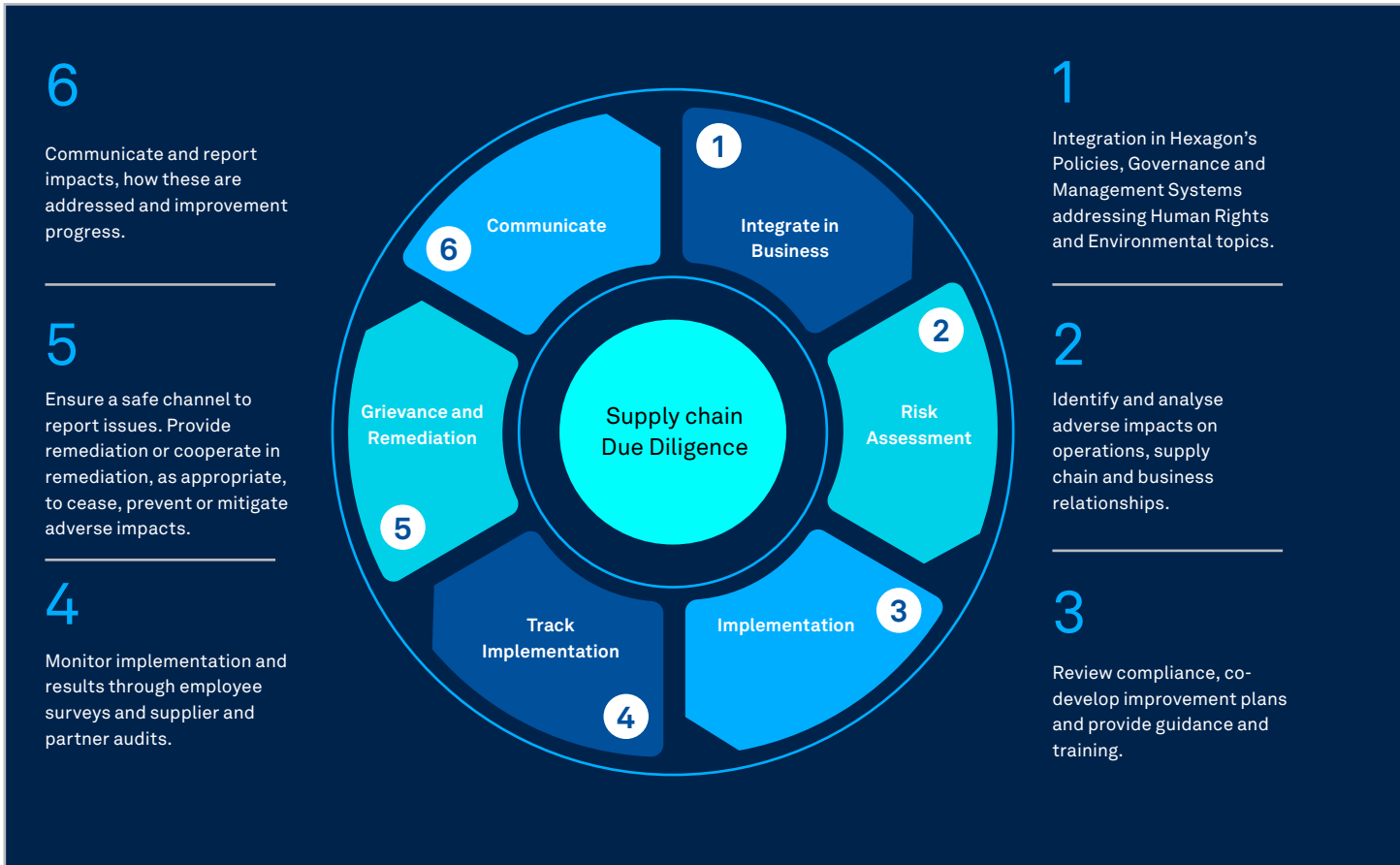
- **Data transparency:** Access to reliable information on materials, production processes and environmental footprints, which is necessary for product carbon footprint calculations and sustainability reporting.
- **Risk identification and mitigation:** Ongoing dialogue with suppliers helps identify environmental and social risks at an early stage and supports the implementation of appropriate mitigation measures.
- **Shared value creation:** Engagement supports collaboration and knowledge sharing that enable mutual improvements in suppliers' sustainability practices and operational performance.

Without structured engagement, limitations in data availability or quality may affect the company's ability to manage value chain impacts and meet evolving regulatory and customer requirements.

Hexagon supplier engagement processes

Hexagon has a set of supplier engagement processes designed to identify, prevent and address actual and potential impacts on working conditions throughout the supply chain. These processes combine long-term relationship management, risk-based assessments, targeted monitoring and capacity-building activities that support improved labour and environmental practices among suppliers.

Hexagon selects suppliers based on an assessment of the overall competitiveness of their offering and expects them to uphold the goals and values expressed in the ten principles of the United Nations Global Compact in the areas of human rights, labour rights, environmental impact, and anti-corruption. A supply chain management platform supports these processes, providing traceability and transparency, and ensuring compliance with ESG, human rights, and environmental standards. Hexagon does not currently have a Global Framework Agreement with workers in its supply chain.



Hexagon has made compliance with its Code mandatory in procurement contracts, including clauses on ESG topics, and has introduced a risk-based supplier assessment programme. Suppliers in high-risk geographies are prioritised for enhanced due diligence, and corrective action plans are defined together with the suppliers following their audits.

Supplier engagement occurs both directly and indirectly. Direct engagement, which takes place at least once per year, includes on-site audits, business reviews, formal visits, and workshops. These interactions allow Hexagon teams to engage with suppliers to understand working conditions and production processes, and identify areas for improvement. Indirect engagement leverages performance scorecards, self-assessment questionnaires, third-party verification, and a third-party platform that helps Hexagon monitor and manage suppliers' sustainability and compliance on a yearly basis by automating ESG assessments, risk detection, and regulatory reporting across its supply chain. Hexagon's engagement processes extend across multiple stages of the supplier relationship. Initial onboarding includes qualification plans defined by the Supplier Sourcing and Assessment team. These plans ensure alignment between Hexagon and the supplier on areas requiring development. Throughout the relationship, ongoing monitoring is carried out through surveys, site visits, internal reviews, and audits. Suppliers are regularly assessed on environmental stewardship, human rights, and adherence to the Supplier Code. All key suppliers operating in identified risk areas are audited within a three-year cycle. In 2025, Hexagon conducted 114 supplier audits, including 4 in high-risk areas.

When suppliers fail to meet Hexagon's compliance requirements, the company conducts impact assessments to understand the root cause and implements appropriate corrective actions to prevent recurrence. In cases of significant or intentional infringements, Hexagon may terminate the supplier contract and seek alternative sourcing options. Third-party assessments are used when issues cannot be verified directly with the supplier.

Supplier engagement in practice: Collaboration with TOTEX

As an example of how Hexagon's supplier engagement approach is applied in practice, the company has worked closely with TOTEX, a key supplier that has demonstrated a high level of commitment to sustainability collaboration.

Through a combination of digital ESG assessments and direct engagement, including follow-up discussions and data-sharing initiatives, TOTEX actively responded to Hexagon's requests for more detailed material, supply chain and footprint data. While not all data points were available at the outset, ongoing dialogue and collaboration enabled the development of improved data quality and transparency over time.

As a result of this engagement, several improvement actions were implemented, contributing to more accurate product carbon footprint calculations and increased alignment with regulatory and customer requirements, including emerging battery-related disclosure obligations. This collaboration illustrates how proactive supplier engagement can support continuous improvement, strengthen transparency and create shared value across the supply chain.

Assessment and engagement

Hexagon combines digital assessments with direct engagement to involve suppliers in its sustainability efforts. Suppliers are evaluated through a digital supply chain sustainability assessment platform covering key ESG criteria, including environmental performance, social compliance and governance standards.

The assessment results provide a baseline understanding of supplier practices and help identify areas requiring further dialogue. This is complemented by direct engagement through follow-up discussions, workshops and data-sharing initiatives, which allow expectations to be clarified and progress to be monitored over time. Hexagon evaluates the effectiveness of its engagement processes through insights from the whistleblower channel and the sustainability assessment platform.

Financial and developmental incentives

Supplier engagement also includes financial and developmental incentives. Suppliers demonstrating strong performance in areas such as risk management, sustainable practices, and innovation may receive preferred status in tenders or be integrated into Long-Term Supply Agreements. Online training on the Supplier Code, CO_2 reporting, and ESG expectations is available. On-site audits serve as training opportunities focused on improving production quality, safety practices, and key business processes. In addition, training on human rights and environmental standards is provided to procurement teams and strategic suppliers to strengthen internal and external capacity. Operational responsibility for ensuring that supplier engagement processes function effectively lies with the Supplier Sourcing and ESG team.

Hexagon operates a whistleblower system, managed by an external provider. Through this system, anonymous feedback can be submitted by value chain stakeholders. It provides an additional channel for identifying potential impacts on workers within the supply chain and supports Hexagon's broader efforts to maintain transparency and accountability. The whistleblower system is also used to gain insight into the perspectives of workforce members who may be particularly vulnerable or marginalised, for example, women, migrants or people with disabilities. For further information on how cases submitted through the whistleblower system are managed, see G1-1 on pages 168-169.

Processes for remediation

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Hexagon has established processes to provide for, or cooperate in, the remediation of negative impacts on value chain workers and to enable workers to raise concerns and have them addressed. This process supports Hexagon's human-rights policy commitments by helping identify, assess, and implement its remediation measures. The company's approach is integrated into Hexagon's Ethics & Compliance System and builds on the methodology for investigating, remediating, and monitoring misconduct, including root-cause analysis and corrective actions, as outlined under S1-3 on page 139. This approach ensures that remedial measures are tailored to each case and followed up to prevent recurrence.

Value chain workers can raise concerns through multiple channels. Hexagon relies on the reporting mechanisms described on pages 168-169, including the Speak-Up system and other internal channels, which are available to employees, suppliers, and other stakeholders in the value chain. Hexagon also requires its suppliers to establish grievance mechanisms in their workplaces and communicate them effectively to employees. Through supplier engagement, audits, and the supplier assessment programme, Hexagon supports the availability and functioning of these channels.

All reports and concerns raised are logged, monitored, and addressed according to the established procedures, as described on pages 168-169. Oversight is provided by the Board of Directors and Audit Committee, ensuring accountability and transparency. Hexagon has not yet undertaken an assessment investigating whether the remedy provided is effective, or whether value chain workers are aware of and trust the processes as a way to raise their concerns. Hexagon also provides training to employees and suppliers to promote awareness and trust in these grievance mechanisms. All individuals who report concerns in good faith are protected by a strict no-retaliation policy.

Actions related to workers in the value chain

S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Hexagon's supplier due diligence and engagement processes have identified potential negative impacts on value chain workers, including material risks related to labour rights, health and safety, working hours, wages, and exposure to hazardous substances in both upstream and downstream operations. To address these material risks, Hexagon has implemented corrective action plans with suppliers, conducted site visits, audited high-risk suppliers, and provided training to strengthen human rights, environmental, and labour practices in the value chain.

Adherence to the policies related to value chain workers, as described under S2-1 on pages 156–157, ensures that its own practices do not cause or contribute to material negative impact on workers in the value chain. Follow-up on non-conformities ensures that measures are effectively implemented. In cases of significant breaches, Hexagon may escalate actions, including contract termination or alternative sourcing. Corrective actions and their effectiveness are tracked and assessed through the supplier assessment programme, internal reviews, and reporting mechanisms, ensuring accountability and continuous improvement.

The appropriate action for potential negative impact on value chain workers is decided on a case-by-case basis by the compliance team. Resources allocated to these efforts include dedicated compliance and supplier

assessment teams, structured engagement processes, and digital platforms to monitor supplier performance and ESG compliance, to ensure that processes to provide remedy in the event of material negative impacts on value chain workers are available and effective. Hexagon also provides guidance and capacity-building support to suppliers in high-risk regions to prevent further negative impacts.

No severe human rights incidents have been reported in Hexagon's supply chain in 2025. All identified non-conformities are monitored with active remediation plans, and progress is documented to ensure effective outcomes for value chain workers.

Targets related to workers in the value chain

S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Hexagon has not yet established time-bound or outcome-oriented targets explicitly for value chain workers. However, the company plans to assess which targets would be most relevant and effective for its value chain, with the aim of setting such targets by 2027. As of fiscal year 2025, no value chain workers, their legitimate representatives or credible proxies were engaged directly in setting targets.

Hexagon does maintain a target to audit key suppliers in high-risk areas at least once every three years. The goal was last reached for fiscal year 2023, and the target is to have audited all key suppliers in risk areas again by the end of 2026. These audits form part of the company's broader human rights due diligence and compliance programme, assessing suppliers' adherence to the Supplier Code, labour practices, human rights protections, anti-corruption requirements, and other governance and operational standards. Insights from supply chain mapping, third-party assessments, and ongoing supplier engagement inform these audits, supporting Hexagon's efforts to identify and mitigate risks to value chain workers, including labour rights violations, inadequate living conditions, and compliance gaps in sub-tier suppliers. The metric and target on ESG audits of key direct procurement suppliers in risk countries are directly tied to the IRO on labour rights and human rights due diligence gaps in the supply chain. The information is collected through Hexagon's third-party supply chain management platform where the audits are requested, ensuring information is transparent and relevant. A limitation of this methodology is that it may miss any supplier audits undertaken outside of the platform. The measurement of the supplier audits is not validated by an external body other than the assurance provider.

In 2025, Hexagon expanded its ESG due-diligence activities across key direct procurement suppliers. A total of 114 ESG audits were conducted, including 25 on-site assessments and 89 supplier self-assessments (SAQs). Four audits were carried out in risk-classified countries. Overall, the 2025 outcomes reflect a broader application of ESG screening methods within the supplier base.

Hexagon has not adopted targets for its IRO on Human rights due diligence gaps posing legal and reputational risks but aims to conduct a human rights due diligence assessment during 2026 to gain a better understanding of its potential gaps and set targets to close these accordingly.

	2025	2024
ESG audits of key direct procurement suppliers	114	31
ESG audits of key direct procurement suppliers in risk countries	4	15
ESG audits of key direct procurement suppliers that were conducted on-site	25	31
ESG audits of key direct procurement suppliers that were self-assessed (SAQ)	89	0
Third-party ESG audits of key direct procurement suppliers	0	0
Unannounced ESG audits of key direct procurement suppliers	0	0
Number of major non-conformances found in audits of key direct procurement suppliers	0	0
Number of solved major non-conformances in audits of key direct procurement suppliers	0	0

Governance

G1 Business conduct

Material impacts, risks and opportunities

Hexagon has identified IROs related to business conduct that reflect the company's responsibility to uphold high ethical standards across its global operations and value chain. Operating in diverse regulatory and cultural environments, Hexagon recognises the importance of strong governance, consistent compliance and responsible management of third-party relationships to mitigate ethical, legal and reputational risks.

These insights underpin Hexagon's governance and compliance framework and inform the company's proactive approach to preventing, detecting and addressing misconduct, including corruption and bribery. Through established policies, oversight mechanisms and risk-based controls, Hexagon works to ensure accountability, transparency and ethical decision-making throughout the organisation. The identified IROs also guide the development of training, monitoring and due diligence activities that support a strong corporate culture and foster integrity across all levels of the business.

IRO Table

IRO name	IRO type	Description	Time Horizon	Business Model & Value Chain Impacted: Business Area	Upstream	Own Operations	Downstream	Target
Corporate Governance								
Ethical and compliance challenges in a global workforce	↘	Ensuring consistent compliance across global operations is complex and increases the risk of ethical and regulatory gaps. Third-party suppliers may pose risks of unethical labour practices, corruption, or non-compliance. Remote work and diverse cultural contexts can challenge the enforcement of DEI principles and corporate ethics engagement, while rapid technological innovation requires ongoing assessment of AI, data privacy, and ethical automation.	Short-term	All	Suppliers, contract manufacturers, and procurement teams	Corporate functions, HR, compliance, R&D, and leadership	Customers using Hexagon's AI and automation technologies, requiring ethical oversight.	Assessment planned for 2026
Financial and reputational risks from governance gaps	△	Weak governance and corporate culture inconsistencies may lead to reputational damage, regulatory scrutiny, and reduced stakeholder trust. Failure to enforce ethical practices, anti-corruption measures, and DEI commitments could result in legal penalties and financial liabilities. Long-term risks include investor concerns, talent retention challenges, and operational disruptions.	Short-term	All	Suppliers and contract manufacturers	Compliance and procurement teams	Commercial operations and clients	Assessment planned for 2026
Corruption and Bribery								
Exposure to corruption-related legal and financial liabilities	↘	Exposure to corruption may undermine compliance with labour, health and safety and environmental requirements, leading to adverse impacts on employees, local communities and the environment.	Short-term	All	Third-party suppliers, intermediaries, and joint ventures posing corruption risks in global supply chains	Corporate governance, compliance, and legal teams	Customers and investors	Assessment planned for 2026
Financial and legal risks from third-party corruption	△	Third-party corruption risks require continuous due diligence, supplier audits, and strict policy enforcement. Failure to prevent misconduct could result in legal sanctions, reputational damage, and loss of business partnerships. Strong compliance measures and clear incident management protocols help mitigate these risks, ensuring accountability and ethical business practices.	Short-term	All	Suppliers, intermediaries, and third parties	Corporate governance, compliance, and legal teams	Customers, investors, and government partners affected by legal, reputational, and business risks.	Assessment planned for 2026

△ Financial risk ↘ Potential negative impact

Policies related to business conduct

G1-1 Business conduct policies and corporate culture

Governance and oversight

Ethics and Compliance at Hexagon is centrally managed by the Group Compliance Officer through a global compliance organisation spanning the entire Group and extended into each business area and region. The Chief Compliance Officer, together with the central Compliance Team, oversees the Ethics and Compliance framework and its implementation.

The Group Compliance Officer, supported by Business Area and Regional Compliance Officers, is responsible for managing and implementing the Ethics and Compliance Programme across the organisation. A Compliance Strategic Cabinet monitors legal and regulatory developments and supports the development and update of compliance policies. To support day-to-day operations, Hexagon has established a global network of compliance coordinators responsible for administering the Ethics & Compliance System.

The Board of Directors is the highest level of accountability for the implementation of the Ethics & Compliance framework and related policies. Hexagon's administrative, management and supervisory bodies have sufficient expertise in business conduct matters, grounded in relevant professional experience and supported by continuous compliance and ethics training.

Ethics & Compliance framework

Hexagon's Ethics & Compliance System is built on a structured and transparent architecture. At its core are the Code and the Supplier Code, which define the ethical principles governing all business activities and relationships. These core documents are complemented by the Ethics & Compliance Administration Manual, which establishes governance and accountability by defining roles and responsibilities for management and the Compliance Team.

Below this framework, a series of targeted Compliance Programmes address key risk areas and are operationalised through manuals, procedures, instructions, templates and practical tools to ensure consistent implementation across the organisation. Additional policies address areas of heightened risk, strengthening the overall compliance infrastructure.

System documentation is accessible to all employees, often in multiple languages, and key documents are publicly available on Hexagon's website to promote transparency.

Governance documents

All Hexagon personnel are required to comply with the Code and with the specific compliance policies established thereunder. All policies apply globally to all subsidiaries and joint ventures under Hexagon's control and to all categories of personnel, including employees, officers, directors, temporary staff and consultants. Third parties acting on behalf of Hexagon are also required to comply with applicable policies.

Each business area or region is responsible for implementing and communicating the Hexagon Compliance Programme documentation and minimum requirements. Subject to applicable local laws, local management may establish additional local work instructions with support from the Compliance Team.

Senior leadership and management are required to annually certify their adherence to the Ethics & Compliance System. In 2025, 450 (406) senior managers and executives completed this certification.

The Code, the Supplier Code and the Ethics & Compliance Administration Manual form the core framework for managing the four material IROs identified in relation to business conduct, including:

- Ethical and compliance challenges in a global workforce
- Financial and reputational risks from governance gaps
- Exposure to corruption-related legal and financial liabilities
- Financial and legal risks from third-party corruption

Supporting documents, such as the Anti-Corruption Compliance Programme Summary and the Public Contracting Compliance Programme Summary, further strengthen the framework and support the mitigation and prevention of identified risks and impacts.

Hexagon Code of Business Conduct and Ethics
The Code defines Hexagon's values and sets out the expectations and requirements for all activities performed on Hexagon's behalf. It serves as a central guide for personnel in day-to-day decision-making and establishes the foundation of Hexagon's Ethics & Compliance Programme across key legal and ethical areas, including anti-corruption, government procurement, competition, trade, covering export and customs, data protection, and human rights.

The Code reflects Hexagon's corporate culture, where integrity is a cornerstone. It emphasises the protection of the trust placed in Hexagon by customers, partners, investors and colleagues, while promoting respect for human rights, inclusiveness, equal treatment, and sustainability. The Code is mandatory for all employees, officers, and Board members and serves as the basis for training, annual management certification, and compliance monitoring.

Anti-corruption and bribery principles are based on the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and aligned with the United Nations Global Compact. Hexagon has established mechanisms for identifying and investigating concerns related to unlawful behaviour or breaches of the Code. Compliance with the Code is reinforced through mandatory training and ongoing monitoring, ensuring consistent application across all business functions and geographies.

Supplier Code of Conduct
The Supplier Code sets out the minimum standards expected from Hexagon's suppliers and defines principles for ethical, responsible, and sustainable business practices across the value chain. All suppliers must comply with the Supplier Code and applicable laws, regulations, and internationally recognised standards in all jurisdictions in which they operate.

The Supplier Code aligns with the United Nations Global Compact and ILO conventions, reflecting Hexagon's commitment to human rights, fair labour practices, environmental responsibility, and anti-corruption throughout the supply chain. Compliance with the Supplier Code is a mandatory condition for entering and maintaining a business relationship with Hexagon.

Hexagon applies a risk-based approach to supply chain management, including supplier qualification, ongoing due diligence, and sustainability and compliance assessments. Risk areas include corruption, bribery, anticompetitive behaviour, and other forms of misconduct. Where non-compliance is identified, corrective action plans and follow-up measures are implemented to prevent recurrence, and serious breaches may result in termination of the supplier relationship. Human rights considerations, such as fair treatment, non-discrimination, and the prevention of forced or child labour, are embedded in the Supplier Code and reinforce Hexagon's commitment to responsible business conduct throughout the value chain.

> Further information on the Code and the Supplier Code is presented under ESRS 2 on page 84, E5-1 on page 126, S1-1 on page 135 and S2-1 on page 156.

Anti-Corruption Compliance Programme

Hexagon is committed to complying with all applicable anti-corruption and anti-bribery laws and expects the same from its business partners. The Anti-Corruption Compliance Programme is designed to prevent bribery, fraud, such as improper payments, and conflicts of interest, and to strengthen ethical business conduct globally.

The Programme sets rules prohibiting Hexagon personnel from offering, giving, requesting, or accepting money or anything of value to obtain or retain business, secure an

advantage, or improperly influence public or commercial officials. It addresses risks related to corruption, bribery, undue influence, improper gifts and entertainment, and third-party payments.

The Programme is accessible to all personnel and relevant third parties. Guidance on permitted and prohibited interactions, approval processes, and thresholds enables consistent decision-making and ensures compliance with applicable anti-corruption laws. The Programme also focuses on functions and activities with higher exposure to corruption and bribery risks, including local sales, procurement, and public contracting.

Public Contracting Compliance Programme

Hexagon's Public Contracting Compliance Programme complements the Code and the Anti-Corruption Compliance Programme. It ensures compliance with public procurement laws globally and addresses key business-ethics risks such as corruption, undue influence, misuse of public resources, and false claims.

The Programme establishes principles for procurement integrity, management of conflicts of interest, restrictions on gifts and hospitality to public officials, lobbying controls, accuracy of statements and claims, and rules for hiring government employees. It is designed to guide personnel involved in public contracting and operates in close alignment with the Anti-Corruption Compliance Programme. These measures ensure that public contracting activities are conducted transparently, ethically, and in compliance with legal requirements.

Data Protection Compliance Framework

Hexagon's Data Protection Compliance Programme (DPC Programme) forms a core part of the Ethics & Compliance System and governs the responsible handling of personal information across the Group. The Programme establishes the policies, controls and processes required to ensure that personal data is managed lawfully, securely and in line with global best practices.

The Programme is overseen by the Group Privacy and Information Security Officer, who reports regularly to the Chief Compliance Officer and the Audit Committee. Business Area Privacy Officers are responsible for operational implementation within each business area, ensuring that data protection requirements are embedded into day-to-day activities.

Hexagon applies the principles of the EU General Data Protection Regulation (GDPR) as its global baseline and has expanded the framework to incorporate new national requirements as they enter into force. Following the European Commission's updated Standard Contractual Clauses (SCCs), Hexagon revised its contracting procedures and introduced a standardised Data Transfer Impact Assessment (DTIA) process for cross-border data transfer.

All employees are required to comply with data protection principles and receive training appropriate to their roles. Employees with elevated data protection responsibilities receive advanced training and may pursue professional certifications. Information security risk assessments are conducted on a continuous basis, and any identified gaps result in corrective actions to ensure ongoing improvement and resilience.

Through the DPC Programme, Hexagon integrates data privacy into its overarching governance framework and reinforces its commitment to responsible and ethical business conduct.

Cyber security

The ongoing autonomous transformation is increasingly data-driven, making the protection, availability and integrity of data central to Hexagon's innovation process. Cyberattacks and data breaches can lead to operational disruptions, financial losses, legal liabilities, and reputational damage. IT system interruptions may affect production, supply chains, and customer service, resulting in potential revenue loss and contract risks. Compliance with evolving cyber security regulations requires ongoing investment in technology, processes, and resources to maintain an acceptable level of risk.

Hexagon's Group Cyber Council was established in 2019 to provide oversight and governance of all information security matters. The Cyber Council is chaired by the Group Privacy and Information Security Officer and includes executive members representing all major areas of the Hexagon business, including Operations, Legal, Finance, and Product. The objectives of the Cyber Council are to safeguard Hexagon's intellectual property, ensure the cyber resilience of its networks, and protect Hexagon's customers through its position in the supply chain.

During 2025, Hexagon continued to enhance its employee security awareness and training programme, covering all key information security topics. All new employees complete a set of baseline training courses and are subsequently enrolled in the ongoing annual programme of awareness activities. In addition, employees are regularly subjected to phishing simulations designed to both train and assess their ability to identify email-based threats. These simulations are conducted in multiple languages to reflect real-world threat scenarios as closely as possible.

Throughout 2025, Hexagon continued the execution of its cyber security strategy, as defined in 2022. The ongoing replacement of legacy technologies with market-leading solutions strengthens the Group's ability to detect, respond to, and manage cyber threats in a manner that supports business objectives. Increased standardisation across the security technology landscape further ensures that Hexagon is well

positioned to respond effectively and efficiently as the threat environment evolves.

Hexagon's growth strategy includes a significant mergers and acquisitions programme. During 2025, the Group further strengthened cyber risk management related to M&A activities as part of its overall security strategy. This includes early-stage risk assessments, enhanced due diligence processes, and post-acquisition integration measures to ensure that the risk of compromise following an acquisition is maintained at an acceptable level.

To address residual risk, Hexagon continues to complement its internal cyber security capabilities with a comprehensive cyber insurance programme. The Group works with leading cyber insurance brokers and a consortium of underwriters to ensure an appropriate level of coverage is maintained, providing protection against data loss and business continuity disruptions.

Hexagon has not established any cyber security-related targets, and no financial effects related to cyber security were quantified during the reporting period.

	2025	2024
Employees trained in cyber security	24,604	21,990

Responsible AI Governance

Hexagon incorporates responsible AI practices into its Ethics & Compliance System Framework to ensure that AI technologies are developed and used safely, ethically and transparently. AI is generally recognised as both an opportunity and a risk, and therefore Hexagon applies a set of AI guiding principles that govern the design, development, and deployment of AI-enabled solutions.

Hexagon's AI governance is informed by relevant EU regulations, including the General Product Safety Regulation (GPSR) and the updated Product Liability Directive (PLD), which set requirements for the safety, reliability and accountability of digital and AI-driven products.

The AI guiding principles provide a framework for responsible innovation and outline expectations for personnel involved in AI-related work. They emphasise human-centric design, strong data governance, transparency, inclusivity, accountability and sustainable product development.

Hexagon's AI guiding principles include:

- **Connect people to technology:** Keep humans central to decisions and technology.
- **Artificial intelligence for real-world outcomes:** Build on the legacy of robust AI integration.
- **Engineer with integrity:** Uphold privacy and meet data governance standards.
- **Communicate with transparency:** Inform all parties when using AI and algorithms in development and daily practice.
- **Embed inclusivity:** Maintain diversity initiatives and prevent discrimination.
- **Foster accountability:** Reinforce responsible inputs and outputs of AI systems.
- **Design mindfully:** Empower sustainable outcomes through product development.

These principles integrate AI governance into Hexagon's broader business conduct framework and reinforce the company's commitment to ethical, responsible and trustworthy innovation.

Whistleblowing and reporting of concerns

Hexagon has established mechanisms for identifying, reporting and investigating suspected misconduct across all Ethics & Compliance policies and programmes. All personnel and relevant third parties are required and encouraged to report suspected violations in good faith.

Reports can be made through several channels, including managers, compliance officers, HR, finance or compliance representatives, or directly to the Compliance Team or the Chief Compliance Officer. Hexagon also provides a confidential Ethics & Compliance Reporting System operated by an independent third party, available 24 hours a day, 365 days a year, in multiple languages, which allows for anonymous reporting.

All reports are handled confidentially and shared only with those responsible for assessment and investigation. Hexagon prohibits retaliation against individuals who report concerns in good faith, as stated in the Code of Business Conduct and Ethics policy, while knowingly false reports may result in disciplinary action. Hexagon is subject to the Swedish Act on the Protection of Persons Reporting Irregularities, which transposes Directive (EU) 2019/1937 on whistleblower protection.

Investigations are conducted promptly, objectively and, where appropriate, independently, in accordance with applicable whistleblower protection laws. Regular training and clear procedures support a culture of transparency, accountability and zero tolerance for corruption and unethical behaviour.

Hexagon monitors corporate culture–related KPIs and is evaluating, as part of its continuous improvement

process, whether setting quantitative targets would be appropriate.

Hexagon recorded 97 whistleblower reports in 2025, up from 81 in 2024, and incident reports increased from 3 to 5 over the same period. The rise in reporting across both channels indicates that employees are aware of the mechanisms available and are willing to use them, suggesting that the Speak-Up and whistleblowing systems are functioning as intended. Hexagon will continue to strengthen these processes and work to improve the overall effectiveness of its reporting systems going forward.

	2025	2024
Whistleblower reports	97	81
Solved whistleblower cases	86	73
Discrimination incidents	5	3

	2025	2024
Incidents of non-compliance with regulations concerning the health and safety impacts of products	0	0
Incidents of non-compliance with regulations concerning product information and labelling	0	2
Ethics & Compliance System, executives certified	450	406
Employees that Hexagon's anti-corruption policies and procedures have been communicated to	24,472	23,654
Employees trained in the Code of Business Conduct, including contractors	25,068	24,154

Actions and targets

Hexagon manages its governance-related IROs, including ethical and compliance challenges in a global workforce, governance-gap risks, and corruption-related legal and financial exposures, through a defined compliance and integrity programme. Key actions include the implementation of mandatory annual compliance and cyber security training, functioning whistleblower and investigation procedures, internal control reviews, and business-integrity audits of key direct procurement suppliers. During 2025, Hexagon received no legal penalties or negative financial impacts related to its governance practices.

While Hexagon has not yet established time-bound or outcome-based targets for its business-conduct IROs, the company has defined a level of ambition centred on continuously improving responsible conduct across the organisation and its value chain, monitored through the below indicators, with the current reporting year as the intended base period. The indicators include cases of corruption, whistleblower reports, employee training completion rates, and supplier audit results, as described in detail under S2-5 on page 161. The metrics are compiled using established internal reporting processes: cases of corruption and whistleblower reports are recorded through the company's incident management and whistleblowing channels, with cases logged at the time of receipt and verified by the Compliance Team. Employee training completion rates are calculated based on data extracted from Hexagon's training platform, and supplier audit results are collected through the supplier engagement platform. Across all metrics, data availability depends on timely internal reporting and system inputs; therefore, limitations include potential under-reporting of incidents and delays in data entry. Hexagon continuously works to improve data quality through updated processes. The measurement of the metrics is not validated by an external body other than the assurance provider.

Hexagon plans to determine and set relevant targets for corporate governance and anti-corruption across the value chain during 2026.

Prevention and detection of corruption and bribery

G1-3 Prevention and detection of corruption and bribery

Hexagon works proactively to prevent and detect corruption and bribery through its Group-wide Anti-Corruption Compliance Programme, together with its Code. The Programme includes policies, procedures, and mandatory training covering potential risk areas such as gifts and entertainment with third parties, recruitment of candidates with government connections, and engaging in business transactions with third parties. These measures aim to systematically mitigate corruption risks and strengthen early detection across the organisation and to address potential breaches in procedures and anti-corruption and anti-bribery standards. For further information on risk management, see pages 42–54.

The compliance function is responsible for investigating allegations of corruption and bribery and operates independently and separately from the chain of management involved in such cases, with direct access to the Board of Directors and Audit Committee. The compliance function is overseen by the Chief Compliance Officer (CCO) and routinely reports on compliance matters, training activities, and regulatory developments to the Board of Directors and the Audit Committee. The CCO is supported by a global team of compliance experts to effectively monitor, audit, and enforce compliance activities. Insights into improvements in the compliance system are evaluated through whistleblower reports and compliance-related KPIs implemented to assess the effectiveness of the System. While the compliance function reports regularly on overall compliance matters

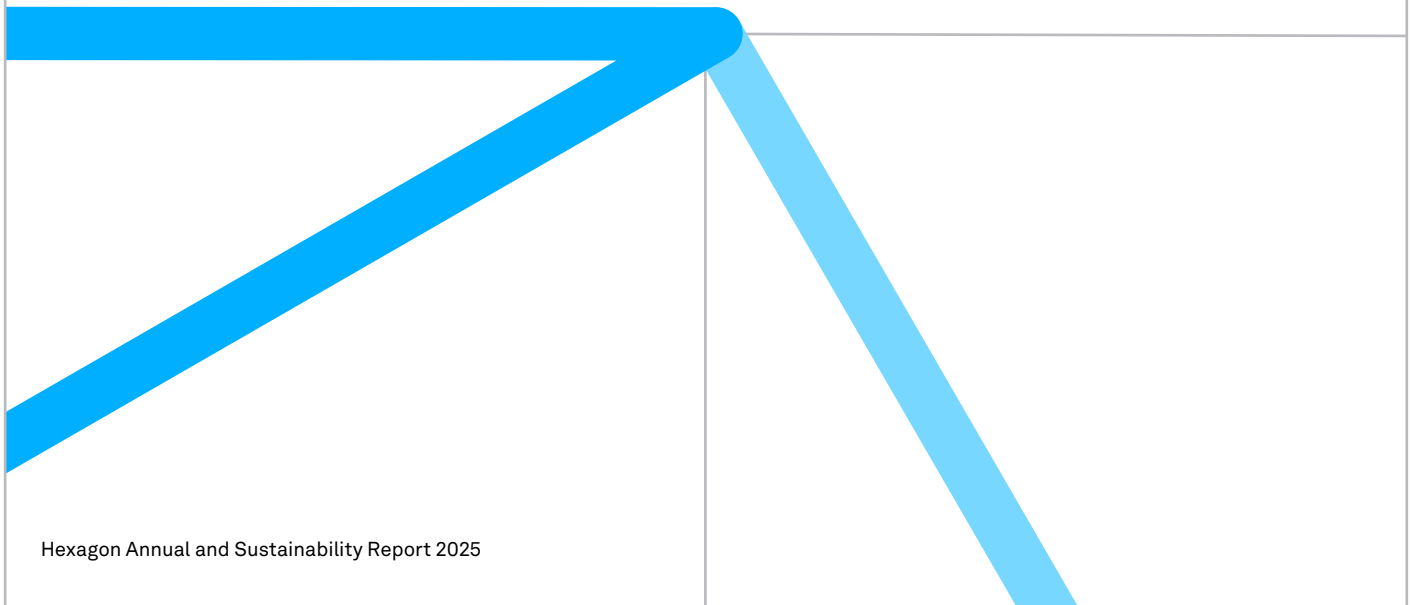
to the Board of Directors and the Audit Committee, there is currently no separate, formalised process for systematically reporting investigation outcomes specifically related to corruption and bribery. Significant matters are handled on a case-by-case basis in accordance with applicable governance procedures.

The Code, the Supplier Code, and the Ethics & Compliance Administration Manual collectively form Hexagon's Ethics and Compliance System. This System is communicated to all employees, third-party personnel, anyone acting on Hexagon's behalf, and suppliers through the relevant policies, ensuring accessibility and understanding.

Hexagon provides comprehensive anti-corruption and ethics training to ensure the global workforce is well-informed and aligned with the company's standards in ethics and compliance. Training is delivered through a combination of in-person sessions, online courses, strategic management meetings, external training opportunities, internal compliance briefings, and ad-hoc guidance addressing emerging risks. The annual compliance plan defines communication, training, and activities to ensure systematic coverage of essential compliance topics for all employees. Training is tailored to different roles and risk profiles across the organisation, incorporating lessons learned from past compliance matters and insights from internationally recognised advisors.

In 2025, the Compliance Team delivered training to 25,068 employees and contractors, alongside mandatory e-learning modules, supporting Hexagon's ongoing commitment to an informed and compliant workforce. Compliance training is also offered to Hexagon's suppliers to promote adherence to anti-corruption and business ethics standards.

Hexagon does not currently measure the percentage of functions-at-risk covered by training programmes. The company plans to establish the required processes and begin reporting this metric in fiscal year 2026.



Incidents of corruption and bribery

G1-4 Incidents of corruption or bribery

Hexagon assessed 12 operations for corruption-related risks in 2025, compared with 18 in 2024, and recorded two confirmed incidents of corruption during the year. No public legal cases were brought against the company or its employees, and all identified corruption cases were resolved. During 2025, there were no fines for violating anti-corruption laws. Hexagon will continue strengthening its anti-corruption processes and improving performance going forward.

	2025	2024
Operations assessed for risks related to corruption	12	18
Number of confirmed incidents of corruption	2	0
Public legal cases regarding corruption brought against the organisation or its employees	0	0

Appendix

IRO-2 Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement

ESRS Content Index

Material disclosure requirements	Description	Page
ESRS 2	**General Disclosures**	
BP-1	General basis for preparation of the Sustainability Statement	77
BP-2	Disclosures in relation to specific circumstances	78–79
GOV-1	The role of the administrative, management and supervisory bodies	80–81
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	81
GOV-3	Integration of sustainability-related performance in incentive schemes	82
GOV-4	Statement on due diligence	82
GOV-5	Risk management and internal controls over sustainability reporting	83
SBM-1	Strategy, business model and value chain	85–88
SBM-2	Interests and views of stakeholders	89–92
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	96–97
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	93–95
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	171–175
E1	**Climate change**	
ESRS 2 GOV-3 E1	Integration of sustainability-related performance in incentive schemes	82
ESRS 2 SBM-3 E1	Material impacts, risks and opportunities and their interaction with strategy and business model	96–97, 99–104
ESRS 2 IRO-1 E1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	93–95
E1-1	Transition plan for climate change mitigation	105–106
E1-2	Policies related to climate change mitigation and adaptation	107
E1-3	Actions and resources in relation to climate change policies	108–110
E1-4	Targets related to climate change mitigation and adaptation	111–112
E1-5	Energy consumption and mix	113–114
E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	115–117
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	118
E1-8	Internal carbon pricing	119
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase-in
E5	**Resource use and circular economy**	
ESRS 2 IRO-1 E5	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	93–95
E5-1	Policies related to resource use and circular economy	126
E5-2	Actions and resources in relation to resource use and circular economy	127
E5-3	Targets related to resource use and circular economy	128
E5-4	Resource inflows	N/A
E5-5	Resource outflows	129
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phase-in
S1	**Own workforce**	
ESRS 2 SBM-2 S1	Interests and views of stakeholders	89–92
ESRS 2 SBM-3 S1	Material impacts, risks and opportunities and their interaction with strategy and business model	96–97, 133–134
S1-1	Policies related to own workforce	135–137
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	138–139
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	139–140
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	140–142
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	143

ESRS Content Index (continued)

Material disclosure requirements	Description	Page
S1-6	Characteristics of the undertaking's employees	144–145
S1-7	Characteristics of non-employees in the undertaking's own workforce	Phase-in
S1-8	Collective bargaining coverage and social dialogue	146
S1-9	Diversity metrics	147
S1-10	Adequate wages	148
S1-11	Social protection	Phase-in
S1-12	Persons with disabilities	Phase-in
S1-13	Training and skills development metrics	149–150
S1-14	Health and safety metrics	151
S1-15	Work-life balance metrics	Phase-in
S1-16	Remuneration metrics (pay gap and total remuneration)	152
S1-17	Incidents, complaints and severe human rights impacts	153
S2	**Workers in the value chain**	
ESRS 2 SBM-2 S2	Interests and views of stakeholders	89–92
ESRS 2 SBM-3 S2	Material impacts, risks and opportunities and their interaction with strategy and business model	96–97, 154–155
S2-1	Policies related to value chain workers	156–157
S2-2	Processes for engaging with value chain workers about impacts	158–159
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	160
S2-4	Taking action to prevent potential negative impacts on value chain workers, and managing effectiveness of those actions	160–161
S2-5	Targets related to managing material negative impacts and advancing positive impacts	161
G1	**Business conduct**	
ESRS 2 GOV-1 G1	The role of the administrative, management and supervisory bodies	80–81
ESRS 2 IRO-1 G1	Description of the processes to identify and assess material impacts, risks and opportunities	93–95
ESRS 2 SBM-3 G1	Material impacts, risks and opportunities and their interaction with strategy and business model	96–97, 163–164
G1-1	Business conduct policies and corporate culture	165–169
G1-2	Management of relationships with suppliers	N/A
G1-3	Prevention and detection of corruption and bribery	169–170
G1-4	Incidents of corruption or bribery	170
G1-5	Political influence and lobbying activities	N/A
G1-6	Payment practices	N/A

Datapoints derived from other EU legislation

Disclosure Requirement	Data-point	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS 2 GOV-1	21 d	Board's gender diversity	●		●		80
ESRS 2 GOV-1	21 e	Percentage of board members who are independent			●		80
ESRS 2 GOV-4	30	Statement on due diligence	●				82
ESRS 2 SBM-1	40 d i.	Involvement in activities related to fossil fuel activities	●	●	●		N/A
ESRS 2 SBM-1	40 d ii.	Involvement in activities related to chemical production	●		●		N/A
ESRS 2 SBM-1	40 d iii.	Involvement in activities related to controversial weapons	●		●		N/A
ESRS 2 SBM-1	40 d iv.	Involvement in activities related to cultivation and production of tobacco			●		N/A
ESRS E1–1	14	Transition plan to reach climate neutrality by 2050				●	105–106
ESRS E1–1	16 g	Undertakings excluded from Paris-aligned benchmarks		●	●		106
ESRS E1–4	34	GHG emission reduction targets	●	●	●		111–112
ESRS E1–5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●				N/A
ESRS E1–5	37	Energy consumption and mix	●				113
ESRS E1–5	40 – 43	Energy intensity associated with activities in high climate impact sectors	●				N/A
ESRS E1–6	44	Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●		115
ESRS E1–6	53 – 55	Gross GHG emissions intensity	●	●	●		115
ESRS E1–7	56	GHG removals and carbon credits				●	118
ESRS E1–9	66	Exposure of the benchmark portfolio to climate-related physical risks			●		Phase-in
ESRS E1–9	66 a & c	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) & Location of significant assets at material physical risk paragraph 66 (c)		●			Phase-in
ESRS E1–9	67 c.	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		●			Phase-in
ESRS E1–9	69	Degree of exposure of the portfolio to climate-related opportunities			●		Phase-in
ESRS E2–4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●				N/A
ESRS E3–1	9	Water and marine resources	●				N/A
ESRS E3–1	13	Dedicated policy paragraph	●				N/A
ESRS E3–1	14	Sustainable oceans and seas	●				N/A
ESRS E3–4	28 c	Total water recycled and reused	●				N/A
ESRS E3–4	29	Total water consumption in m³ per net revenue on own operations	●				N/A
ESRS 2 – SBM-3 – E4	16 a i.		●				N/A
ESRS 2 – SBM-3 – E4	16 b		●				N/A
ESRS 2 – SBM-3 – E4	16 c		●				N/A

Datapoints derived from other EU legislation (continued)

Disclosure Requirement	Data-point	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS E4–2	24 b	Sustainable land/agriculture practices or policies	●				N/A
ESRS E4–2	24 c	Sustainable oceans/seas practices or policies	●				N/A
ESRS E4–2	24 d	Policies to address deforestation	●				N/A
ESRS E5–5	37 d	Non-recycled waste	●				129
ESRS E5–5	39	Hazardous waste and radioactive waste	●				129
ESRS 2 SBM-3 – S1	14 f	Risk of incidents of forced labour	●				133–134
ESRS 2 SBM-3 – S1	14 g	Risk of incidents of child labour	●				133–134
ESRS S1–1	20	Human rights policy commitments	●				135–137
ESRS S1–1	21	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions			●		135–137
ESRS S1–1	22	Processes and measures for preventing trafficking in human beings	●				135–137
ESRS S1–1	23	Workplace accident prevention policy or management system	●				135–137
ESRS S1–3	32 c	Grievance/complaints handling mechanisms	●				139–140
ESRS S1–14	88 b & c	Number of fatalities and number and rate of work-related accidents	●		●		151
ESRS S1–14	88 e	Number of days lost to injuries, accidents, fatalities or illness	●				151
ESRS S1–16	97 a	Unadjusted gender pay gap	●		●		152
ESRS S1–16	97 b	Excessive CEO pay ratio	●				152
ESRS S1–17	103 a	Incidents of discrimination	●				153
ESRS S1–17	104 a	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	●		●		153
ESRS 2 SBM-3 – S2	11 b	Significant risk of child labour or forced labour in the value chain	●				154–155
ESRS S2–1	17	Human rights policy commitments	●				156–157
ESRS S2–1	18	Policies related to value chain workers	●				156–157
ESRS S2–1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD Guidelines	●		●		156–157
ESRS S2–4	19	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions			●		160–161
ESRS S2–4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●				160–161
ESRS S3–1	16	Human rights policy commitments	●				N/A
ESRS S3–1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles and OECD Guidelines	●		●		N/A
ESRS S3–4	36	Human rights issues and incidents	●				N/A
ESRS S4–1	16	Policies related to consumers and end-users	●				N/A
ESRS S4–1	17	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	●		●		N/A

Datapoints derived from other EU legislation (continued)

Disclosure Requirement	Data-point	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS S4–4	35	Human rights issues and incidents	●				N/A
ESRS G1–1	10 b	United Nations Convention against Corruption	●				N/A
ESRS G1–1	10 d	Protection of whistleblowers	●				168–169
ESRS G1–4	24 a	Fines for violation of anti-corruption and anti-bribery laws	●		●		170
ESRS G1–4	24 b	Standards of anti-corruption and anti-bribery	●				170

Auditor's limited assurance report of Hexagon AB (publ)'s statutory sustainability statement

Unofficial translation

To the general meeting of the shareholders of Hexagon AB (publ), corporate identity number 556190-4771.

Conclusion

We have conducted a limited assurance engagement of the sustainability statement for Hexagon AB (publ) for the financial year 2025. The sustainability statement is included on page 76–129 and 132–175 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of ESRS,
- whether the process the company has carried out to identify reported sustainability information has been conducted as described in IRO-1 of the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The sustainability statement for the previous financial year has not been subject to a limited assurance engagement and no review of the comparative figures in the sustainability statement for the year 2025 has therefore been performed.

Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1–75, 130–131, 176–214 and 223–243. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors, and the Managing Director, are responsible

for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determines necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability report has been prepared in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Hexagon AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability statement. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:

Our procedures regarding the process that the company has implemented to identify sustainability information to be reported included, but were not limited to, the following:

- Obtaining an understanding of the process by:

  - Making inquiries to understand the sources of information used by management (e.g., stakeholder dialogues, business plans, and strategy documents); and

  - Reviewing the company's internal documentation of its process; and

- Evaluating whether the information obtained from our actions regarding the process implemented by the company is consistent with the description of the process in the sustainability statement.

Our procedures regarding the sustainability report included, but were not limited to, the following:

- Through inquiries, obtain a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement.
- Evaluate whether the information identified by the Process is included in the sustainability statement;
- Evaluate whether the structure and the presentation of the sustainability statement is in accordance with the ESRS;
- Perform inquires of relevant personnel and analytical procedures on selected information in the sustainability statement;
- Perform substantive assurance procedures on selected information in the sustainability statement;
- Through inquiries and analytical procedures, evaluate supporting evidence to the methods, assumptions and data for developing significant estimates and forward-looking information;
- Obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement.
- The review of taxonomy disclosures included, but was not limited to, the following review procedures:

  - Perform substantive assurance procedures on selected information in the sustainability statement on the taxonomy disclosures.

  - Perform inquiries with management and other individuals in the company to obtain an understanding of the process and the sources of information used in the taxonomy disclosures.

  - Perform analytical review procedures regarding selected taxonomy disclosures.

  - Evaluate whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, the Board of Directors and the Managing Director of Hexagon AB (publ) are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by Hexagon AB (publ). Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Stockholm 20 March 2026

PricewaterhouseCoopers AB

Bo Karlsson
Authorised Public Accountant
Auditor in charge

Helena Kaiser de Carolis
Authorised Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Sustainability four-year overview

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
General Disclosures								
Organizational details	Qualitative	Section: General basis for preparation; Strategy						ESRS 2 BP-1; ESRS 2 SBM-1 / GRI: 2-1
Entities included in the organization's sustainability reporting	Qualitative	Section: General basis for preparation						ESRS 2 BP-1; ESRS 1 7.6 / GRI: 2-2
Reporting period, frequency and contact point	Qualitative	Sections: Accounting principles						ESRS 1 6.1; ESRS 2 BP-1; ESRS 2 BP-2 / GRI: 2-3
Restatements of information	Qualitative	Section: Disclosures in relation to specific circumstances						ESRS 1 7.4; ESRS 1 7.5; ESRS 2 BP-2 / GRI: 2-4
External assurance	Qualitative	Section: Auditor's report						ESRS 1 9.1; ESRS 2 GOV-5 / GRI: 2-5
Economic Performance								
Direct economic value generated (revenues)	Million €		5,424.6	5,401.1	5,435.2	5,160.5	0%	ESRS 2 SBM-3; ESRS 1 9.2 / GRI: 201-1
Economic value distributed	Million €		5,281.8	4,721.6	4,905.2		12%	ESRS 2 SBM-3; ESRS 1 9.2 / GRI: 201-1
Economic value retained	Million €		142.8	679.5	530.0	5,160.5	-79%	ESRS 2 SBM-3; ESRS 1 9.2 / GRI: 201-1
Financial implications and other risks and opportunities due to climate change	Qualitative	Section: Operational Risk Management; Impacts, risks and opportunities						ESRS E1-9; ESRS 2 SBM-3 / GRI: 201-2
Defined benefit plan obligations and other retirement plans	Qualitative	Section: Note 22 Pension provisions						ESRS S1-11; ESRS 2 SBM-1 / GRI: 201-3
Activities and workers								
Activities, value chain and other business relationships	Qualitative	Section: Value chain						ESRS 2 SBM-1; ESRS 1 ch.5 / GRI: 2-6
Total number of employees	No.		24,472.0	24,802.0	24,581.0	24,001.0	-1%	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Breakdown by gender								ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Female	%		23.9	23.9	23.6	23.7	0 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Male	%		75.8	75.8	76.2	76.3	0 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Other gender	%		0.3	0.3	0.2	-	-1 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Breakdown by type of contract and gender							0 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Full-time female	%		22.1	21.9	21.9	-	0 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Full-time male	%		73.6	72.4	74.4	-	1 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Full-time other gender	%		0.2	0.3	0.2	-	-1 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Part-time female	%		1.8	2.1	1.7	-	-1 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Part-time male	%		2.2	3.4	1.8	-	-2 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Part-time other gender	%		0.0	0.0	-	-	-1 pp.	ESRS 2 SBM-1; ESRS S1 / GRI: 2-7
Total number of contractors	No.		2,327.0	1,527.0	2,694.0	-	52%	ESRS S1-7 / GRI: 2-8
Governance								
Governance structure and committees	Qualitative	Section: The Board's and Management's role and responsibilities						ESRS 2 GOV-1 / GRI: 2-9
Diversity and composition of governance body:								ESRS 2 GOV-1 / GRI: 2-9
Male	No.		5.0	5.0	4.0	6.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Female	No.		4.0	4.0	3.0	4.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Other gender	No.		-	-	-	-	-	ESRS 2 GOV-1 / GRI: 2-9

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Gen Z	No.		-	-	-	-	-	ESRS 2 GOV-1 / GRI: 2-9
Gen Y	No.		1.0	1.0	1.0	1.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Gen X	No.		4.0	4.0	3.0	5.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Boomers	No.		4.0	4.0	3.0	4.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Executive members	No.		-	-	-	-	-	ESRS 2 GOV-1 / GRI: 2-9
Non-executive members	No.		9.0	9.0	7.0	10.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Independence	Yes		6.0	6.0	3.0	6.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Independence	No		3.0	3.0	4.0	4.0	0%	ESRS 2 GOV-1 / GRI: 2-9
Nomination and selection of the highest governance body	Qualitative	Section: Corporate Governance Report; The Board's and Management's role and responsibilities						ESRS 2 GOV-1; ESRS 2 Appendix A AR-3–AR-5 / GRI: 2-10
Chair of the highest governance body	Qualitative	Section: Corporate Governance Report; The Board's and Management's role and responsibilities						ESRS 2 GOV-1 / GRI: 2-11
Role of the highest governance body in overseeing the management of impacts	Qualitative	Section: The Board's and Management's role and responsibilities						ESRS 2 GOV-1; ESRS 2 GOV-2 / GRI: 2-12
Delegation of responsibility for managing impacts	Qualitative	Section: The Board's and Management's role and responsibilities						ESRS 2 GOV-1; ESRS 2 GOV-2; ESRS 2 IRO-1 / GRI: 2-13
Role of the highest governance body in sustainability reporting	Qualitative	Section: The Board's and Management's role and responsibilities						ESRS 2 GOV-5; ESRS 1 8–9 / GRI: 2-14
Conflicts of interest	Qualitative	Section: Policies related to own workforce						ESRS 2 GOV-1; ESRS G1 / GRI: 2-15
Communication of critical concerns	Qualitative	Section: Channels to raise concerns						ESRS 2 GOV-2; ESRS 2 GOV-4 / GRI: 2-16
Collective knowledge of the highest governance body	Qualitative	Sections: GOV-1 and GOV-2						ESRS 2 GOV-1 / GRI: 2-17
Evaluation of the performance of the highest governance body	Qualitative	Section: Corporate Governance Report; Risk management and internal controls						ESRS 2 GOV-5 / GRI: 2-18
Remuneration policies	Qualitative	Section: Corporate Governance Report; Sustainability in incentive schemes						ESRS 2 GOV-3 / GRI: 2-19
Process to determine remuneration	Qualitative	Section: Corporate Governance Report; Sustainability in incentive schemes; The Board's and Management's role and responsibilities; Board and Management sustainability oversight						ESRS 2 GOV-3; ESRS 2 GOV-1; ESRS 2 GOV-2 / GRI: 2-20
Strategy, policies and practices								
Sustainable development strategy	Qualitative	Section: Sustainability at Hexagon						ESRS 2 SBM-1; ESRS 2 SBM-3 / GRI: 2-22
Policy commitments	Qualitative	Section: Sustainability policies and governance documents						ESRS 2 MDR-P; ESRS G1 / GRI: 2-23
Embedding policy commitments	Qualitative	Sections: E1-2, E5-1, S1-1, S2-1 and G1-1						ESRS 2 MDR-A; ESRS 2 GOV-1 / GRI: 2-24
Processes to remediate negative impacts	Qualitative	Section: Processes for remediation						ESRS 2 MDR-A; ESRS S1; ESRS S2; ESRS S3; ESRS S4 / GRI: 2-25
Mechanisms for seeking advice and raising concerns	Qualitative	Section: Channels to raise concerns						ESRS G1-1; ESRS 2 GOV-5 / GRI: 2-26
Number of significant instances of non- compliance with laws and regulations for which fines were incurred	No.		0.0	0.0	0.0	0.0	-	ESRS G1-1 / GRI: 2-27
Number of significant instances of non- compliance with laws and regulations for which non-monetary sanctions were incurred	No.		0.0	0.0	0.0	0.0	-	ESRS G1-1 / GRI: 2-27
Number of fines for instances of noncompliance with laws and regulations that were paid during the reporting period and occurred in the current reporting period	No.		1.0	0.0	0.0	0.0	-	ESRS G1-1 / GRI: 2-27

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period and occurred in the current reporting period	EUR		1,500.0	0.0	0.0	0.0	-	ESRS G1-1 / GRI: 2-27
Number of fines for instances of noncompliance with laws and regulations that were paid during the reporting period and occurred in previous reporting period	No.		0.0	0.0	0.0	0.0	-	ESRS G1-1 / GRI: 2-27
Monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period and occurred in previous reporting period	EUR		0.0	0.0	0.0	0.0	-	ESRS G1-1 / GRI: 2-27
							-	ESRS G1-5 / GRI: 2-28
Stakeholder Engagement								
Approach to stakeholder engagement	Qualitative	Section: Stakeholders' interests and views						ESRS 2 SBM-2 / GRI: 2-29
Employees covered by collective bargaining agreements	%		28.7	19.1	22.5	-	9 pp.	ESRS S1-8 / GRI: 2-30
Material Topics								
Process to determine material topics	Qualitative	Section: Double materiality assessment process						ESRS 2 IRO-1; ESRS 1 ch.3 / GRI: 3-1
List of material topics	Qualitative	Section: Integration and reporting						ESRS 2 IRO-2 / GRI: 3-2
Management of material topics	Qualitative	Section: Integration and reporting						ESRS 2 MDR-P; ESRS 2 MDR-A; ESRS 2 MDR-M; ESRS 2 MDR-T / GRI: 3-3
Environmental Indicators								
Number of manufacturing sites	No.		33.0	31.0	29.0	24.0	6%	ESRS 2 SBM-3 /
Sites with Environmental Management System								
ISO 14001 certified production sites	No.		23.0	23.0	24.0	22.0	0%	ESRS 2 SBM-3; ESRS S1-14 /
Share of ISO 14001 certified production sites	%		69.7	71.9	82.8	75.9	-3 pp.	ESRS 2 SBM-3; ESRS S1-14 /
Area of manufacturing facilities	m²		299,937.8	285,259.0	302,000.0	-	5%	ESRS E5-1; ESRS E1-5 / SASB: TC-HW-000.B
Percentage of facilities that are production sites	%		32.0	23.0	24.0	-	9 pp.	ESRS E5-1; ESRS E1-5 / SASB: TC-HW-000.C
Energy								
Total stationary combustion energy consumption	MWh		21,082.8	23,540.8	21,090.5	19,062.9	-10%	ESRS E1-6 / GRI: 302-1 / SASB: TC-SI-130a.1
Natural gas	MWh		17,937.6	18,507.2	14,507.3	14,487.6	-3%	ESRS E1-6 / GRI: 302-1
Crude oil	MWh		417.5	523.1	2,301.3	483.3	-20%	ESRS E1-6 / GRI: 302-1
Diesel	MWh		24.4	124.9	75.2	644.8	-80%	ESRS E1-6 / GRI: 302-1
LPG	MWh		51.6	22.8	22.8	29.6	126%	ESRS E1-6 / GRI: 302-1
Estimated stationary combustion of sites not covered*	MWh		2,651.8	4,362.7	4,184.0	3,417.7	-39%	ESRS E1-6 / GRI: 302-1
Electricity Consumption and other utilities								
Purchase heating	MWh		4,739.8	5,537.4	-	-	-14%	ESRS E1-6 / GRI: 302-1
Total Electricity Consumption	MWh		78,468.1	82,340.0	90,194.9	102,995.9	-5%	ESRS E1-6 / GRI: 302-1 / SASB: TC-SI-130a.1
Electricity consumption from grid	MWh		55,039.4	56,894.3	68,371.0	69,943.3	-3%	ESRS E1-6 / GRI: 302-1
of which purchased renewable electricity	MWh		35,177.0	14,551.1	16,672.0	10,462.1	142%	ESRS E1-6 / GRI: 302-1
Renewable electricity produced and consumed on-site	MWh		4,926.5	1,676.3	1,607.6	1,263.8	194%	ESRS E1-6 / GRI: 302-1
Estimated electricity of sites not covered*	MWh		18,502.3	23,769.4	20,216.3	31,788.8	-22%	ESRS E1-6 / GRI: 302-1
Green electricity and REC consumed	MWh		40,103.5	16,227.4	18,279.6	11,725.9	147%	ESRS E1-6 / GRI: 302-1
Renewable electricity produced	MWh		35,492.9	32,490.7	34,833.5	25,883.8	9%	ESRS E1-6 / GRI: 302-1
Share of purchased or produced renewable electricity out of total electricity consumption	%		74.4	49.0	46.2	42.2	25 pp.	ESRS E1-6 / GRI: 302-1 / SASB: TC-SI-130a.1

Reporting name	Unit	FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Greenhouse gas (GHG)							
Direct (Scope 1) GHG emissions	tCO_2	4,383.5	4,727.1	4,339.4	3,620.2	-7%	ESRS E1-6 / GRI: 305-1
Natural gas	tCO_2	3,703.0	3,690.9	2,895.5	2,696.7	0%	ESRS E1-6 / GRI: 305-1
Crude oil	tCO_2	108.4	135.8	597.3	125.4	-20%	ESRS E1-6 / GRI: 305-1
Diesel	tCO_2	6.5	31.5	18.9	163.3	-79%	ESRS E1-6 / GRI: 305-1
LPG	tCO_2	11.8	5.2	5.2	6.8	126%	ESRS E1-6 / GRI: 305-1
Estimated Scope 1 GHG emissions of sites not covered*	tCO_2	553.8	863.8	822.3	628.0	-36%	ESRS E1-6 / GRI: 305-1
Indirect (Scope 2) GHG emissions from grid electricitiy (market-based)	tCO_2	17,392.3	29,598.0	31,710.3	37,024.4	-41%	ESRS E1-6 / GRI: 305-2
Indirect (Scope 2) GHG emissions from grid electricitiy (location-based)	tCO_2	25,871.8	29,948.3	33,239.1	38,426.4	-14%	ESRS E1-6 / GRI: 305-2
Scope 1 & Scope 2							
GHG emissions from owned vehicles fleet (Scope 1)	tCO_2	9,770.3	10,305.5	9,912.4	10,941.5	-5%	ESRS E1-6 / GRI: 305-1
GHG emissions from owned electric vehicles (Scope 2)	tCO_2	311.3	380.1	219.2	76.2	-18%	ESRS E1-6 / GRI: 305-2
Electric Vehicles share of company car fleet	%	13.1	12.6	6.9	3.9	0 pp.	ESRS E1-6 / GRI: 302-1
Total Direct (Scope 1) GHG emissions	tCO_2	14,153.9	15,032.6	14,251.8	14,561.7	-6%	ESRS E1-6 / GRI: 305-1
Total Indirect (Scope 2) GHG emissions (market-based)	tCO_2	18,540.6	30,972.7	31,929.5	37,100.6	-40%	ESRS E1-6 / GRI: 305-2
Total Indirect (Scope 2) GHG emissions (location-based)	tCO_2	27,020.1	31,323.0	33,458.3	38,502.6	-14%	ESRS E1-6 / GRI: 305-2
Direct and Indirect GHG emissions (Scope 1 + 2, market-based)	tCO_2	32,694.5	46,005.3	46,181.3	51,662.4	-29%	ESRS E1-6 / GRI: 305-1
Direct and Indirect GHG emissions (Scope 1 + 2, location-based)	tCO_2	41,174.0	46,355.6	47,710.1	53,064.3	-11%	ESRS E1-6 / GRI: 305-1
Scope 3							
Indirect (Scope 3) GHG emissions	tCO_2	295,039.7	357,878.2	359,804.9	349,331.2	-18%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Upstream	tCO_2	233,152.9	289,624.9	284,144.2	277,056.8	-19%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Purchased goods and Services	tCO_2	135,953.9	177,716.6	177,634.8	170,483.6	-23%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Capital goods	tCO_2	14,111.4	23,028.2	29,236.2	36,502.6	-39%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Fuel-and energy-related activities (not included in Scope 1 or Scope 2)	tCO_2	7,891.7	9,454.9	9,568.4	12,427.0	-17%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Upstream transportation	tCO_2	16,959.4	14,539.2	14,532.5	14,256.8	17%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Waste generated in operations	tCO_2	974.7	814.8	541.5	797.5	20%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Business travel	tCO_2	34,476.4	38,504.7	28,348.7	22,053.9	-10%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Employee commuting	tCO_2	22,785.5	25,566.6	24,282.1	20,535.5	-11%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Downstream	tCO_2	61,886.8	68,253.3	75,660.7	72,274.4	-9%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Downstream transportation	tCO_2	13,390.7	10,158.1	11,267.1	10,514.6	32%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Use of sold products	tCO_2	48,196.0	57,782.2	64,090.3	61,470.0	-17%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
End-of-life treatment of sold products	tCO_2	165.9	165.2	166.2	157.8	0%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Investments	tCO_2	134.2	147.7	137.0	132.0	-9%	ESRS E1-6; ESRS 1 Appendix C / GRI: 305-3
Intensity Ratio's							
Revenues	MEUR	5,424.6	5,401.1	5,435.2	5,160.5	0%	ESRS 2 SBM-3; ESRS 1 9.2 / GRI: 201-1
GHG intensity ratio Scope 1 & Scope 2 (market-based) per million EUR	tCO_2 / Mio €	6.0	8.5	8.5	10.0	-29%	ESRS E1-7 / GRI: 305-4
GHG intensity ratio Scope 1 & Scope 2 (location-based) per million EUR	tCO_2 / Mio €	7.6	8.6	8.8	10.3	-12%	ESRS E1-7 / GRI: 305-4
GHG intensity ratio Scope 1 per million EUR	tCO_2 / Mio €	2.6	2.8	2.6	2.8	-6%	ESRS E1-7 / GRI: 305-4

Reporting name	Unit	FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
GHG intensity ratio Scope 2 (market-based) per million EUR	tCO_2 / Mio €	3.4	5.7	5.9	7.2	-40%	ESRS E1-7 / GRI: 305-4
GHG intensity ratio Scope 2 (location-based) per million EUR	tCO_2 / Mio €	5.0	5.8	6.2	7.5	-14%	ESRS E1-7 / GRI: 305-4
GHG intensity ratio Scope 2 (market-based) per electricity in MWh	$kgCO_2$ / MWh	236.3	376.2	354.0	360.2	-37%	ESRS E1-7 / GRI: 305-4
GHG intensity ratio Scope 3 per million EUR	tCO_2 / Mio €	54.4	66.3	66.2	67.7	-18%	ESRS E1-7 / GRI: 305-4
Energy intensity ratio per million EUR	MWh / Mio €	19.2	20.6	20.5	23.7	-7%	ESRS E1-7 / GRI: 302-3
Waste							
Total waste generated	MT	2,980.6	2,735.8	2,696.3	2,504.7	9%	ESRS E5-5 / GRI: 306-3
Hazardous waste generated	MT	176.7	38.5	159.5	264.8	359%	ESRS E5-5 / GRI: 306-3
Waste recycled	MT	1,479.9	1,213.1	1,690.6	1,472.1	22%	ESRS E5-5 / GRI: 306-4
Residual waste, recycled	MT	643.5	816.5	625.2	1,356.2	-21%	ESRS E5-5 / GRI: 306-3, 306-4
Hazardous waste, recycled	MT	29.2	7.7	110.5	116.0	280%	ESRS E5-5 / GRI: 306-3, 306-4
Non-hazardous waste, recycled	MT	807.2	388.9	954.9	-	108%	ESRS E5-5 / GRI: 306-3, 306-4
Residual waste, landfill	MT	532.9	524.1	178.5	636.3	2%	ESRS E5-5 / GRI: 306-3, 306-5
Residual waste, incinerated	MT	168.9	422.3	235.8	247.4	-60%	ESRS E5-5 / GRI: 306-3, 306-5
Hazardous waste, landfill	MT	23.6	26.9	46.5	0.8	-12%	ESRS E5-5 / GRI: 306-3, 306-5
Hazardous waste, incinerated	MT	123.9	4.0	2.6	148.0	3,023%	ESRS E5-5 / GRI: 306-3, 306-5
Non-hazardous waste, landfill	MT	392.9	246.9	354.4	-	59%	ESRS E5-5 / GRI: 306-3, 306-5
Non-hazardous waste, incinerated	MT	258.5	298.6	187.9	-	-13%	ESRS E5-5 / GRI: 306-3, 306-5
Water							
Water consumption	m^3	205,073.8	232,695.8	240,640.1	221,482.8	-12%	ESRS E3-4 / GRI: 303-5 / TC-SI-130a.2
Rainwater & Runoff-water harvesting system available onsite	No. of sites	2.0	1.0	1.0	-	100%	ESRS E3-1 / GRI: 303-1
Water recycling system available onsite	No. of sites	4.0	4.0	3.0	-	0%	ESRS E3-1 / GRI: 303-1
Water consumption per revenue	m^3 / Mio €	37.8	43.1	44.3	42.9	-12%	ESRS E3-1 / GRI: 303-1
Water consumption per employee	m^3 / No.	8.4	9.4	9.8	9.2	-11%	ESRS E3-4 / GRI: 303-1
Materials							
Weight of non-renewable materials that are used to produce and package our primary products	MT	19,284.8	-	-	-	-	ESRS E5-4 / GRI: 301-1
Weight of renewable materials that are used to produce and package our primary products	MT	2,159.9	-	-	-	-	ESRS E5-4 / GRI: 301-1
Weight of materials that are used to produce and package our primary products	MT	21,444.7	-	-	-	-	ESRS E5-4 / GRI: 301-1
Recycled input materials used	MT	150.3	-	-	-	-	ESRS E5-4 / GRI: 301-2
Share of recycled input materials used to manufacture the products	%	0.7	-	-	-	-	ESRS E5-4 / GRI: 301-2
Products and their packaging materials reclaimed within the year	No.	3,590.0	-	-	-	-	ESRS E5-5 / GRI: 301-3
Products sold within the year	No.	362,930.0	-	-	-	-	ESRS E5-5 / GRI: 301-3
Percentage of reclaimed products and their packaging materials for each product category	%	1.0	-	-	-	0 pp.	ESRS E5-5 / GRI: 301-3
Social Indicators							
Employee engagement level	%	74.0	73.0	73.0	73.0	1 pp.	ESRS S4-1; ESRS G1-1 / SASB: TC-SI-330a.2
Voluntary turnover, of total workforce	%	8.0	6.3	7.8	10.4	1 pp.	ESRS S1-6 /

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Benefits provided to full-time employees	Qualitative	Section: S1 Own workforce						ESRS S1-11 / GRI: 401-2
New employee hires and employee turnover								
Newly hired by gender and generation								
Female	No.		1,035.0	808.0	928.0	-	28%	ESRS S1-6 / GRI: 401-1
Male	No.		2,753.0	1,971.0	2,584.0	-	40%	ESRS S1-6 / GRI: 401-1
Other gender	No.		38.0	30.0	13.0	-	27%	ESRS S1-6 / GRI: 401-1
Gen Z	No.		658.0	496.0	521.0	-	33%	ESRS S1-6 / GRI: 401-1
Gen Y	No.		1,997.0	1,492.0	2,202.0	-	34%	ESRS S1-6 / GRI: 401-1
Gen X	No.		959.0	613.0	672.0	-	56%	ESRS S1-6 / GRI: 401-1
Boomers	No.		212.0	93.0	129.0	-	128%	ESRS S1-6 / GRI: 401-1
Involuntary attrition breakdown by gender and generation							-	ESRS S1-6 / GRI: 401-1
Female	No.		214.0	302.0	297.0	150.0	-29%	ESRS S1-6 / GRI: 401-1
Male	No.		738.0	992.0	848.0	489.0	-26%	ESRS S1-6 / GRI: 401-1
Other gender	No.		12.0	4.0	3.0	-	200%	ESRS S1-6 / GRI: 401-1
Gen Z	No.		75.0	111.0	143.0	-	-32%	ESRS S1-6 / GRI: 401-1
Gen Y	No.		456.0	608.0	449.0	-	-25%	ESRS S1-6 / GRI: 401-1
Gen X	No.		249.0	370.0	356.0	-	-33%	ESRS S1-6 / GRI: 401-1
Boomers	No.		184.0	207.0	199.0	-	-11%	ESRS S1-6 / GRI: 401-1
Voluntary attrition breakdown by gender and generation							-	ESRS S1-6 / GRI: 401-1
Female	No.		464.0	407.0	470.0	604.0	14%	ESRS S1-6 / GRI: 401-1
Male	No.		1,454.0	1,087.0	1,336.0	1,914.0	34%	ESRS S1-6 / GRI: 401-1
Other gender	No.		33.0	2.0	4.0	-	1,550%	ESRS S1-6 / GRI: 401-1
Gen Z	No.		210.0	128.0	122.0	-	64%	ESRS S1-6 / GRI: 401-1
Gen Y	No.		1,034.0	862.0	1,077.0	-	20%	ESRS S1-6 / GRI: 401-1
Gen X	No.		410.0	359.0	418.0	-	14%	ESRS S1-6 / GRI: 401-1
Boomers	No.		297.0	147.0	193.0	-	102%	ESRS S1-6 / GRI: 401-1
Turnover rate, of total workforce	%		11.9	11.8	12.7	13.1	0 pp.	ESRS S1-6 /
Parental Leave								
Female employees that were entitled to parental leave	No.		5,094.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Male employees that were entitled to parental leave	No.		16,583.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Other employees that were entitled to parental leave	No.		91.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Female employees that took parental leave	No.		256.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Male employees that took parental leave	No.		359.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Other employees that took parental leave	No.		2.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Female employees that returned to work after parental leave ended	No.		170.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Male employees that returned to work after parental leave ended	No.		305.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Other employees that returned to work after parental leave ended	No.		2.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Female employees that returned to work after parental leave ended that were still employees 12 months after their return to work	No.		119.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Male employees that returned to work after parental leave ended that were still employees 12 months after their return to work	No.		183.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Other employees that returned to work after parental leave ended that were still employees 12 months after their return to work	No.		-	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Female employees due to return to work after taking parental leave	No.		104.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Return to work rate of female employees after parental leave	No.		163.5	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Male employees due to return to work after taking parental leave	No.		23.0	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Return to work rate of male employees after parental leave	No.		1,326.1	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Other employees due to return to work after taking parental leave	No.		-	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Return to work rate of other employees after parental leave	No.		-	-	-	-	-	ESRS S1-11; ESRS S1-15 / GRI: 401-3
Occupational health and safety management system								
Occupational health and safety management system	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-1
Hazard identification, risk assessment and incident investigation	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-2
Occupational health services	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-3
Worker participation, consultation and communication on occupational health and safety	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-4
Worker training on occupational health and safety	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-5
Promotion of work health	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-6
Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Qualitative	Section: Occupational health and safety						ESRS S1-14 / GRI: 403-7
Employees who are covered by an occupational health and safety management system	No.		14,684.0	17,047.0	17,134.0	-	-14%	ESRS S1-14 / GRI: 403-8
Contractors who are covered by an occupational health and safety management system	No.		967.0	-	-	-	-	ESRS S1-14 / GRI: 403-8
ISO 45001 certified production sites	No.		2.0	2.0	2.0	2.0	0%	ESRS 2 SBM-3; ESRS S1-14 /
Share of ISO 45001 certified production sites	%		6%	6.9	6.9	6.9	-7 pp.	ESRS 2 SBM-3; ESRS S1-14 /
For all employees:								
Proportion of senior management hired from the local community	%		93.3	68.9	79.9	0.0	24 pp.	ESRS S1-16 / GRI: 202-2 / SASB: TC-SI-330a.1
Total hours worked by all employees	No.		43,220,562.0	37,854,538.8	36,330,702.1	-	14%	ESRS S1-14 / GRI: 403-9
Fatal accidents	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
High consequence work-related injuries	No.		1.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
Recordable work-related injuries	No.		85.0	65.0	31.0	0.0	31%	ESRS S1-14 / GRI: 403-9
Fatalities accidents Rate	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
Rate of high consequence work-related injuries	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
Rate of recordable work-related injuries	No.		0.4	0.3	0.2	0.0	15%	ESRS S1-14 / GRI: 403-9
For contractors:								**ESRS S1-14 / GRI: 403-9**
Total hours worked by all contractors	No.		3,376,662.0	2,026,300.8	2,278,961.9	-	67%	ESRS S1-14 / GRI: 403-9

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Fatal accidents	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
High consequence work-related injuries	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
Recordable work-related injuries	No.		1.0	0.0	1.0	0.0	-	ESRS S1-14 / GRI: 403-9
Fatalities accidents Rate	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
Rate of high consequence work-related injuries	No.		0.0	0.0	0.0	0.0	-	ESRS S1-14 / GRI: 403-9
Rate of recordable work-related injuries	No.		0.1	0.0	0.1	0.0	-	ESRS S1-14 / GRI: 403-9
Trainings								
Programs for upgrading employee skills and transition assistance programs	Qualitative	Section: Talent development						ESRS S1-13 / GRI: 404-2
Training hours provided to employees	No.		89,239.7	-	-	-	-	ESRS S1-13 / GRI: 404-1
Average hours of training per year per employees	Hours		3.6	-	-	-	-	ESRS S1-13 / GRI: 404-1
Percentage of employees receiving regular performance and career development reviews	%		52.00				51 pp.	ESRS S1-13 / GRI: 404-3
Diversity of Employees by category								
Employees trained in Diversity, Equity & Inclusion	No.		19,384.0	18,421.0	10,791.0	19,562.0	5%	ESRS S1-4 /
Share of women at top management level	%		25.5	22.3	22.7	23.1	3 pp.	ESRS S1-9 / GRI: 405-1 / SASB: TC-SI-330a.3
Share of women employed in relation to the whole organization	%		23.9	23.9	23.6	23.7	0 pp.	ESRS S1-9 / GRI: 405-1
Group Management								ESRS S1-9 / GRI: 405-1
Male	%		92.9	86.7	92.3	92.3	6 pp.	ESRS S1-9 / GRI: 405-1
Female	%		7.1	13.3	7.7	7.7	-7 pp.	ESRS S1-9 / GRI: 405-1
Other gender	%		-	-	-	-	0 pp.	ESRS S1-9 / GRI: 405-1
Gen Z	%		-	-	-	-	0 pp.	ESRS S1-9 / GRI: 405-1
Gen Y	%		-	6.7	7.7	7.7	-7 pp.	ESRS S1-9 / GRI: 405-1
Gen X	%		78.6	73.3	69.2	69.2	5 pp.	ESRS S1-9 / GRI: 405-1
Boomers	%		21.4	20.0	23.1	23.1	1 pp.	ESRS S1-9 / GRI: 405-1
Executives								ESRS S1-9 / GRI: 405-1
Male	%		75.9	81.8	80.4	80.0	-6 pp.	ESRS S1-9 / GRI: 405-1
Female	%		24.1	18.2	19.6	20.0	5 pp.	ESRS S1-9 / GRI: 405-1
Other gender	%		-	-	-	-	0 pp.	ESRS S1-9 / GRI: 405-1
Gen Z	%		-	-	-	-	0 pp.	ESRS S1-9 / GRI: 405-1
Gen Y	%		19.0	6.1	5.4	-	12 pp.	ESRS S1-9 / GRI: 405-1
Gen X	%		60.3	66.7	73.2	-	-7 pp.	ESRS S1-9 / GRI: 405-1
Boomers	%		20.7	27.3	21.4	-	-7 pp.	ESRS S1-9 / GRI: 405-1
Job level A								ESRS S1-9 / GRI: 405-1
Male	%		73.6	76.2	76.2	75.6	-3 pp.	ESRS S1-9 / GRI: 405-1
Female	%		26.2	23.2	23.4	24.4	2 pp.	ESRS S1-9 / GRI: 405-1
Other gender	%		0.2	0.7	0.4	-	-1 pp.	ESRS S1-9 / GRI: 405-1
Gen Z	%		-	0.2	0.2	-	-1 pp.	ESRS S1-9 / GRI: 405-1
Gen Y	%		20.5	18.5	18.8	-	2 pp.	ESRS S1-9 / GRI: 405-1
Gen X	%		62.3	63.7	62.7	-	-2 pp.	ESRS S1-9 / GRI: 405-1
Boomers	%		17.2	17.6	18.3	-	-1 pp.	ESRS S1-9 / GRI: 405-1
Rest of the Organization								ESRS S1-9 / GRI: 405-1
Male	%		75.9	75.9	76.2	76.3	0 pp.	ESRS S1-9 / GRI: 405-1

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Female	%		23.9	23.9	23.6	23.7	0 pp.	ESRS S1-9 / GRI: 405-1
Other gender	%		0.2	0.3	0.2	-	-1 pp.	ESRS S1-9 / GRI: 405-1
Gen Z	%		5.9	4.1	4.2	-	1 pp.	ESRS S1-9 / GRI: 405-1
Gen Y	%		52.3	51.6	51.1	-	0 pp.	ESRS S1-9 / GRI: 405-1
Gen X	%		33.5	34.2	34.4	-	-1 pp.	ESRS S1-9 / GRI: 405-1
Boomers	%		8.3	10.1	10.4	-	-2 pp.	ESRS S1-9 / GRI: 405-1
Basic salary of women to men in Executive positions	%		15.3	-	-	-	15 pp.	ESRS S1-16 / GRI: 405-2
Basic salary of women to men in Job level A positions	%		18.4	-	-	-	18 pp.	ESRS S1-16 / GRI: 405-2
Basic salary of women to men in Job level B positions	%		11.6	-	-	-	11 pp.	ESRS S1-16 / GRI: 405-2
Basic salary of women to men in Rest of the Organization	%		17.1	-	-	-	17 pp.	ESRS S1-16 / GRI: 405-2
Remuneration of women to men in Executive positions	%		12.4	-	-	-	12 pp.	ESRS S1-16 / GRI: 405-2
Remuneration of women to men in Job level A positions	%		23.3	-	-	-	23 pp.	ESRS S1-16 / GRI: 405-2
Remuneration of women to men in Job level B positions	%		13.2	-	-	-	13 pp.	ESRS S1-16 / GRI: 405-2
Remuneration of women to men in Rest of the Organization	%		16.9	-	-	-	16 pp.	ESRS S1-16 / GRI: 405-2
Remuneration and gender pay gap								
Entry level wage ratio (female/male)	No.		0.9	-	-	-	0 pp.	ESRS S1-16 / GRI: 202-1
Ratio of standard entry level female wage compared to local minimum wage	No.		1.6	-	-	-	1 pp.	ESRS S1-16 / GRI: 202-1
Ratio of standard entry level male wage compared to local minimum wage	No.		1.8	-	-	-	1 pp.	ESRS S1-16 / GRI: 202-1
Annual total remuneration ratio	No.		19.4				-	ESRS S1-16 / GRI: 2-21
Percentage of employees paid below the applicable adequate wage benchmark	%		0.7	-	-	-	0 pp.	ESRS S1-10 /
Governance Indicators								
Incidents of non-compliance with regulations concerning the health and safety impacts of products	No.		0.0	0.0	0.0	0.0	-	ESRS S4-4 / GRI: 416-2
Incidents of non-compliance with regulations concerning product information and labeling	No.		0.0	2.0	0.0	0.0	-100%	ESRS S4-4 / GRI: 417-2
Ethics & Compliance System, executives certified	No.		450.0	406.0	411.0	230.0	11%	ESRS G1-1 /
Whistleblower reports	No.		97.0	81.0	66.0	25.0	20%	ESRS G1-1 /
Solved whistleblower cases	No.		86.0	73.0	53.0	25.0	18%	ESRS G1-1 /
Discrimination incidents including harassment, reported in the reporting period	No.		11.0	3.0	0.0	0.0	267%	ESRS S1-17 / GRI: 406-1
Complaints filed through channels for people in the undertaking own workforce to raise concerns (including grievance mechanisms)	No.		48.0				-	ESRS S1-17 /
Monetary value of fines as a result of the incidents, penalties, and compensation for damages as a result of the incidents and complaints	MEUR		-				-	ESRS S1-17 /
Severe human rights incidents (such as forced or child labour, human trafficking or modern slavery, or systematic discrimination or harassment) connected to own workforce	No.		-				-	ESRS S1-17 /
Employees trained in cyber security	No.		24,604.0	21,990.0	26,736.0	22,560.0	12%	ESRS G1-1 /
Policies and practices relating to targeted advertising and user privacy	Qualitative	Section: Data Protection Compliance Framework						ESRS S4-4 / SASB: TC-SI-220a.1

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Approach to identifying and addressing data security risks	Qualitative	Section: Cyber security						ESRS 1 7.7; ESRS G1-1; ESRS S4-1 / SASB: TC-SI-230a.2
Business continuity risks related to disruptions of operations	Qualitative	Section: Operational risk management; Impacts, risks and opportunities						ESRS E1/E4; ESRS 2 SBM-3 / SASB: TC-SI-550a.2
Child Labor and Forced or Compulsory Labor								
Operations and suppliers at significant risk for incidents of child labor	Qualitative	Section: S2 Workers in the value chain						ESRS 2 SBM-3; S2-1 / GRI: 408-1
Operations and suppliers at significant risk for incidents of forced labor	Qualitative	Section: S2 Workers in the value chain						ESRS 2 SBM-3; S2-1 / GRI: 409-1
Rights of indigenous peoples								
Number of incidents of violations involving the rights of indigenous peoples	No.		0.0	0.0	0.0	0.0	-	ESRS 2 SBM-2; S3-1 / GRI: 411-1
Anti-Corruption								
Operations assessed for risks related to corruption	No.		12.0	18.0	4.0	-	-33%	ESRS G1-3 / GRI: 205-1
Employees that the company's anti-corruption policies and procedures have been communicated to	No.		24,472.0	23,654.0	22,525.0	-	3%	ESRS G1-4 / GRI: 205-2
Employees trained in Code of Business Conduct, including contractors	No.		25,068.0	24,154.0	24,695.0	23,531.0	4%	ESRS G1-4 / GRI: 205-2
Number of confirmed incidents of corruption	No.		2.0	0.00	3.0	0.0	-	ESRS G1-4 / GRI: 205-3
Number of confirmed incidents in which employees were dismissed or disciplined for corruption	No.		2.0	-	-	-	-	ESRS G1-4 / GRI: 205-3
Number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	No.		1.0	-	-	-	-	ESRS G1-4 / GRI: 205-3
Public legal cases regarding corruption brought against the organization or its employees	No.		0.0	0.0	0.0	0.0	-	ESRS G1-4 / GRI: 205-3
Procurement Practices								
Key direct procurement suppliers	No.		1,078.0	1,085.0	1,053.0	929.0	-1%	ESRS G1-2 /
Key direct procurement suppliers in high risk countries	No.		9.0	10.0	93.0	51.0	-10%	ESRS G1-2 /
Key direct procurement suppliers in medium risk countries	No.		38.0	0.0	5.0	5.0	-	ESRS G1-2 /
Key direct procurement suppliers having approved or signed the Hexagon Supplier Code of Conduct	No.		214.0	231.0	903.0	802.0	-7%	ESRS G1-2 /
Suppliers assessed for negative social impacts	No.		345.0	130.0	47.0	-	165%	ESRS S2-1 / GRI: 414-2
Suppliers assessed for negative environmental impacts	No.		345.0	118.0	27.0	-	192%	ESRS S2-5 / GRI: 308-2
Suppliers identified as having significant actual and potential negative social impacts	No.		19.0	-	-	-	-	ESRS S2-1 / GRI: 414-2
Suppliers Audits								
ESG audits of key direct procurement suppliers	No.		114.0	31.0	93.0	-	268%	ESRS E5-5 / SASB: TC-HW-430a.1
ESG audits of key direct procurement suppliers in risk countries	No.		4.0	15.0	45.0	-	-73%	ESRS G1-2 /
ESG audits of key direct procurement suppliers that were conducted on-site	No.		25.0	31.0	56.0	-	-19%	ESRS G1-2 /
ESG audits of key direct procurement suppliers that were self-assessed (SAQ)	No.		89.0	0.0	37.0	-	-	ESRS G1-2 /
Third-party ESG audits of key direct procurement suppliers	No.		0.0	0.0	4.0	-	-	ESRS G1-2 /

Reporting name	Unit		FY 2025	FY 2024	FY 2023	FY 2022	Variance (+/-)	Standard
Unannounced ESG audits of key direct procurement suppliers	No.		0.0	0.0	0.0	-	-	ESRS G1-2 /
Number of major non-conformances found in audits of key direct procurement suppliers	No.		0.0	0.0	3.0	-	-	ESRS E5-5 / SASB: TC-HW-430a.2
Number of solved major non-conformances in audits of key direct procurement suppliers	No.		0.0	0.0	0.0	-	-	ESRS E5-5 / SASB: TC-HW-430a.2
Conflict minerals								
Management of risks associated with the use of critical materials	Qualitative	Section: Policies related to resource use and circular economy						ESRS E5-2 / SASB: TC-HW-440a.1
Suppliers possibly handling conflict minerals (3TG: tin, tantalum, tungsten, gold)	No.		706.0	478.0	257.0	149.0	48%	ESRS E5-2 /
Suppliers handling conflict minerals that have submitted a CMRT	No.		502.0	282.0	234.0	177.0	78%	ESRS E5-2 /
Eventual smelters or refineries reported by suppliers handling conflict minerals (3TG: tin, tantalum, tungsten, gold)	No.		3,628.0	955.0	1,324.0	823.0	280%	ESRS E5-2 /
Eventual smelters reported by suppliers handling conflict minerals that are Conformant	No.		1,384.0	568.0	761.0	760.0	144%	ESRS E5-2 /
Non-compliant or non-conformant smelters reported by suppliers	No.		2,220.0	372.0	85.0	48.0	497%	ESRS E5-2 /

Sustainability reporting standards

Hexagon's ESG reporting covers its own operations and value chain, and its goals are aligned with the company's strategic objectives to generate value and lower risks. Several reporting standards form the basis of the reporting. The climate targets are aligned with the Paris Agreement goals and are verified by the Science Based Targets initiative (SBTi). The sustainability report is prepared in accordance with the CSRD reporting frameworks and the United Nations' Global Compact, and also takes into account the SASB and Global Reporting Initiative (GRI) Standards.

Hexagon is a signatory of the United Nations Global Compact (UNGC), which means that the company supports and actively promotes its ten principles regarding the environment, labour practices, human rights, and anti-corruption in its operations and in relation to external stakeholders. This also means that Hexagon seeks to conduct business in a responsible and ethical manner and to support the UN Sustainable Development Goals (SDGs). To further increase transparency, Hexagon has also publicly submitted its climate impact data to the Carbon Disclosure Project (CDP).

Hexagons Sustainability Statement can be found on pages 76–175.

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