Autodesk FY2020 Sustainability Report



Letter from our President and CEO



By all measures, the next decade will be pivotal. The challenges we face–a global pandemic, a warming climate, rising inequality, and political instability–will continue to test the resilience of businesses, countries, ecosystems, and our global community.

While few of us predicted that the global economy would be shut down by the novel coronavirus, it's easy to argue we could have, and perhaps should have, seen this coming and been more prepared. This pandemic has been a wake-up call to leaders around the globe.

As we look ahead to the next decade, it is more clear than ever that we need to design for resilience—in business, infrastructure, manufacturing processes, and political systems. It is equally important that we sharpen our collective ability to forecast business, market, and societal drivers, especially the unexpected ways these forces amplify and accelerate one another.

As the CEO of Autodesk, I am grateful for the work we've done this past decade to prepare our business for today's realities—moving to the cloud years ago, shifting most of our business to be recurring, and delivering products and platforms that enable distributed workforces to collaborate on data-driven decisions that create positive impact. I am equally humbled by the magnitude of opportunity that lies ahead as we and our customers future-proof our businesses to align growth with positive impact, as articulated by the UN Sustainable Development Goals. Our success this decade will be measured by our customers' ability to deliver sustainable outcomes.

Our platform must automate and power decisions with insights and intelligence that catalyze industry innovation and deliver positive outcomes in three key areas.

First, our technology needs to help customers design and make products, buildings, and entire cities that foster healthy, resilient communities. We envision a future that is equitable, safe, and free from preventable illness and injury. We will continue to focus on technologies such as Construction IQ, which uses machine learning to make construction sites safer and healthier for workers, helping to prevent the hundreds of thousands of construction injuries that occur annually.

Second, we must help designers and engineers understand the impact of everyday decisions about materials and energy use in the context of other goals. Technologies such as generative design and the Embodied Carbon in Construction Calculator (EC3) enable customers to use resources more efficiently and productively, thereby saving money and reducing carbon emissions.

Third, we have to continue delivering technology that helps people adapt, grow, and prosper alongside increasing levels of automation. Our cloud tools must support and enable human creativity, not replace it, in an increasingly remote workforce. Autodesk customer The Industrial Sewing and Innovation Center (ISAIC) in Detroit, Michigan, is focused on upskilling workers in the era of automation–just one example among many that illustrates how Autodesk tools are accelerating a better future.

With these focus areas top of mind, we continue to lead by example within our own business. Ten years ago we set one of industry's first science-based greenhouse gas emissions reduction targets. We're proud to announce we achieved that goal and set an even more ambitious target to make our entire business climate neutral beginning in fiscal year 2021. We are equally committed to building a resilient, diverse, and equitable culture at all levels of the organization. To that end, I'm proud that every Autodesk employee is now an owner of the company through stock grants deployed this spring. And finally, we have committed to invest 1% of our annual operating margin in Autodesk Foundation, to support entrepreneurs and innovators who are at the forefront of creating positive impact.

The coming decade demands the very best of each of us. We need courage to confront and accept the unprecedented challenges we face. We need new levels of conviction, and the confidence to believe that an economically inclusive, socially just, and environmentally restorative future is possible. To achieve this, we'll need to collaborate in ways previously unimaginable across sectors, industries, and disciplines.

Please join us in working to shape a thriving future for billions of people. This is our decade to deliver-to make the impossible inevitable.

Sincerely,

Andrew Anagnost President and Chief Executive Officer Autodesk

Table of contents

Customers	4
Climate change	8
Employees	10
Philanthropy	12
Ethics	14
UNGC index	15

Highlights from fiscal year 2020

We have a tremendous opportunity to help our customers and employees imagine, design, and make a better world. Our biggest opportunity to improve our shared future is through the designers who use our software. We also work hard to improve the direct impact of our operations. This report provides a high-level view of our progress in sustainability over the past several years. To learn more about our commitment to sustainability and the ways we're working to accelerate a thriving future, visit our <u>website</u>. See our <u>Investors website</u> for information about Autodesk's financial performance.



\$1.31 million+ in employee volunteering time (29,700+ hours) \$9.70 million

in company and Autodesk Foundation cash contributions \$39.9 million

Performance data included in this report is based on the Autodesk fiscal year when noted, and the calendar year otherwise. The Autodesk 2020 fiscal year ran from February 1, 2019, through January 31, 2020. Performance data covers Autodesk's global operations, unless otherwise stated. In some cases, segments in tables do not add up to the total due to rounding. Dashes indicate where data was unavailable.

Customers

Our customers have a broad and global reach. They include a wide range of companies, design firms, academic institutions, nonprofits, students, and entrepreneurs in the architecture, engineering, construction, product design, and manufacturing fields. Pressure on the built environment and productionconsumption systems will grow as global population increases. This must be balanced with the urgent need to tackle climate change during the critical 2020s, which will set the trajectory for decades to come. Autodesk technology helps our customers to design and make better things with less overall negative impact on the world.

Architecture, engineering, and construction (AEC):

The buildings sector represents 19% of GHG emissions globally¹ and 39% of energy- and process-related emissions: 28% from operational energy consumption and 11% from the production of building materials.²

Reducing operational energy consumption in new and existing buildings remains a high priority for Autodesk and our customers. Tackling the embodied GHG emissions of building materials also offers great potential for near-term improvement, since those materials will account for about half of the climate impacts of projected new building construction between 2020 and 2050.³ Reducing the impacts of building construction is essential, since that industry consumes more than half of all extracted raw materials⁴ and generates over 36% of the waste stream in the developed West.⁵ Up to 30% of construction activity on-site is related to rework,⁶ and as much as 30% of construction material is wasted on-site,⁷ costing time, money, and natural resources.

Global demographic trends compound the urgency of reducing these impacts. As the global population continues to urbanize over the next 30 years, the construction industry will need to build an average of 13,000 buildings every day.⁸ Indeed, 60% of urban areas anticipated to exist in 2030 have yet to be built.⁹ Industry demand will continue to rise for solutions that enable architects, engineers, and contractors to support this rapid growth more sustainably by improving energy and materials productivity while managing embodied carbon thoughtfully.

This past year, the Autodesk[®] Revit[®] 2020.1 update included enhanced systems analysis workflows for mechanical, electrical, and plumbing (MEP) engineers. This update supports HVAC systems analysis enabling earlier, better, and more integrated collaboration between architects and engineers for better building energy performance.

Our customers are increasingly working to make net-zero energy buildings, reduce embodied carbon, reduce construction waste, and develop smart and sustainable cities. A study of Autodesk AEC customers showed that approximately 47% of those customers have commitments to implementing sustainable practices.¹⁰ Providing automation tools to support these objectives affordably and at scale is central to our sustainability efforts. The Autodesk[®] Architecture, Engineering & Construction Collection and Autodesk Construction Cloud[™] help enable customers to achieve these outcomes.

- 1. https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter9.pdf, Chapter 9: Buildings.
- 2 https://www.worldgbc.org/news-media/2019-global-status-report-buildings-and-construction
- 3. https://www.worldgbc.org/sites/default/files/WorldGBC_Bringing_Embodied_Carbon_Upfront.pdf
- 4. http://www.mdpi.com/2075-5309/4/3/266/pdf
- 5. https://ec.europa.eu/eurostat/statistics-explained/index.php/Waste_statistics#Waste_generation_excluding_major_mineral_wastes
- 6. https://www.researchgate.net/publication/291000555_Cost_Management_in_Construction_Projects_Rework_and_Its_Effects
- 7. https://www.sciencedirect.com/book/9780123814753/waste, Chapter 15: Construction Waste.
- 8. According to internal research with market research firm Statista.
- 9. https://openknowledge.worldbank.org/handle/10986/25219
- 10. Autodesk engaged Business Advantage, a market research consulting firm, to conduct a study of 1400 Autodesk customers to understand their commitments to sustainability. The study, completed in 2019, determined a "commitment to sustainability" if the customer committed explicitly to the UN Sustainable Development Goals and/or showed evidence of a commitment to sustainability on their corporate website.
- 11. Free Autodesk software and/or cloud-based services are subject to acceptance of and compliance with the terms and conditions of the software license agreement or terms of service that accompany such software or cloud-based services. Software and cloud-based services subject to an Educational license may be used solely for Educational Purposes.

Education

We offer flexible, self-paced online learning opportunities as well as in-person experiences to help people get more out of Autodesk tools and to teach sustainable design concepts to those already practicing or considering a career in architecture, engineering, design, or related fields.

<u>Autodesk Knowledge Network</u>, a repository of more than a million contributions from Autodesk, its community, and its partners, includes more than 250 videos and articles related to sustainable design.

<u>Autodesk® Design Academy</u> offers free projects, courses, webinars, and more for educators and design students at all levels. During fiscal year 2020, the site received more than 1 million new and returning visitors.

Autodesk® Education Community enables students, faculty, and educational institutions to access Autodesk's professional-grade software portfolio at no charge.¹¹ In fiscal year 2020, students and educators accessed millions of educational licenses for Autodesk software.

Autodesk University, a learning community for design and engineering professionals from around the globe, offers conference experiences and free access to online learning resources year-round. In fiscal year 2020, the Autodesk University website receieved nearly 2.2 million visits, and users watched more than 61,000 hours of instructional video, as well as 26,000 hours on additional distribution channels such as YouTube.

<u>Autodesk Certification Program</u> provides educational resources and product certification for professional users and student worldwide, both instructor-led and self-paced. More than 700,000 certifications were issued in fiscal year 2020.

Working to tackle the housing crisis with off-site construction technology

Autodesk is supporting Factory OS, a volumetric modular construction startup, to help address the affordable housing crisis in the San Francisco Bay Area and beyond. Factory_OS is revolutionizing home construction by building multifamily homes more affordably and sustainably in a massive off-site facility, while also creating jobs. This innovative approach has considerable potential to displace conventional construction practices for affordable multi-unit residential properties in U.S. urban centers. Autodesk expanded its relationship with Factory_OS with an investment in 2019 that supported the build-out of the Factory Floor Learning Center, a space dedicated to education and research on industrialized construction and changes needed in public policy to optimize its benefits. Learn more.

Addressing embodied carbon in buildings

The embodied carbon of the materials used in buildings–from resource extraction, refining, manufacturing, and logistics–accounts for 11% of global GHG emissions each year. To help customers reduce these impacts, during 2019 Autodesk served as a lead sponsor of the <u>Embodied Carbon in Construction Calculator (EC3)</u>, incubated at the Carbon Leadership Forum with input from nearly 50 industry partners, including leading roles by C Change Labs and Skanska.

EC3 takes data from <u>Environmental Product Declarations</u> to align, assess, and present the embodied carbon impacts in a way that's easy to use and act upon during material specification and procurement. What would have taken days by experts can now be done in minutes by general practitioners.

We've enabled EC3's integration with <u>BIM 360</u>[®] (part of Autodesk Construction Cloud[™]) at no additional cost. AEC professionals can transfer project material quantity data directly from BIM 360 to EC3 with the push of a button. This turns the 3D building model into an interactive embodied carbon heat map (see graphic), enabling users to visualize the impacts of materials selection and make carbon-smart choices. Learn more.



United Nations Sustainable Development Goals

The <u>United Nations Sustainable Development</u> <u>Goals</u> provide an important framework to drive social, environmental, and economic progress globally. Although Autodesk addresses all 17 goals to varying degrees, we focus particularly on the following goals to maximize our positive impact with our customers and through our products, operations, and philanthropic activities.



Customer examples



A green renovation of a midcentury monstrosity in Champagne, France Learn more



How BLOX doubled efficiency and quality with lean design and construction data Learn more



Dekker/Perich/Sabatini saves a client \$2.5 million with net-zero building solutions Learn more

Using data science to reduce construction risk and waste

In 2019, Autodesk launched the Construction IQ Preview, a software program that uses machine learning to improve construction practices and outcomes. Our algorithms and models enhance design reviews, helping to reduce rework and waste, detect high-risk defects like water penetration risk early, and analyze unsafe behaviors and safety hazards in construction, which is consistently one of the most hazardous industry sectors. By analyzing data such as issues, observations, checklists, subcontractor assignments, and historical data from across Autodesk's construction management platform, Construction IQ identifies high-risk issues during design reviews and construction and finds patterns of unsafe behavior that increase risk for fatal injuries on a jobsite. The algorithms were trained using more than 150 million data points gleaned from nearly 30,000 real projects. In March 2020, based on this innovation, Autodesk was rated #5 on Fast Company's list of the most innovative data science companies of 2020.

Autodesk[®] AutoCAD[®], CAMduct[™], CFD, Civil 3D[®], Formit[®], FormIt[®] Pro, , InfraWorks[®], Insight, Navisworks[®], ReCap[™], Revit[®], Robot Structural Analysis Professional, and Autodesk Construction Cloud software

Building design and engineering	 Design high-performance buildings Conduct energy analysis from concept to complex modeling Optimize HVAC system design Use clash detection during design to reduce waste in construction Reduce embodied carbon through design and material specification Plan for smart decommissioning and materials recovery Improve structural material efficiency
Infrastructure	 Plan and design infrastructure for resilience and adaptation to climate change Visualize projects in the context of the surrounding built and natural conditions Perform simulations to assess environmental and social impacts of designs Conduct traffic flow and mobility impact studies Optimize inland and coastal flooding projects Manage bioretention and green stormwater infrastructure
Construction	 Reduce embodied carbon through low-carbon material procurement Support lean production planning and execution to reduce waste and streamline schedule Improve site safety Modularize design and maximize prefabrication Minimize scrap in fabrication Increase precision to maximize built performance

Product design and manufacturing (D&M): Consumer demand for more environmentally friendly products, as well as new environmental regulations, pushes manufacturers to commit to sustainable and circular outcomes in their work. In a 2018 survey of senior executives from large corporations around the world, 30% said their company had a circular economy strategy, and over three-quarters plan on adopting targets to make their products, processes, or business models more circular in the coming five years.¹²

A study of Autodesk's design and manufacturing customers showed that approximately 52% have commitments to implementing sustainable practices.¹³ To address sustainability challenges and meet their commitments, Autodesk customers are implementing smarter and more efficient design and manufacturing approaches, increasing materials productivity, developing more circular business models, reducing energy use, and enhancing supply chain responsibility.

To better understand how these trends apply to our customers, in 2019 Autodesk and IDEO led a workshop with approximately 20 designers, manufacturers, and consultants to explore what process changes and tools could better support sustainable product design.



The "A.I. Chair," the first chair created in partnership between humans and artificial intelligence, resulted from a conversation between Philippe Starck, Kartell, and Autodesk. Launched in 2019 and made using 100% recycled material, it was developed using <u>generative</u> <u>design</u>, a form of artificial intelligence that uses the power of the cloud to create better outcomes for products, buildings, infrastructure, systems, and experiences. This technology offers great potential for sustainable design through optimization (and reduction) of materials use, energy consumption, and other dimensions.

12. Going Circular: How Global Business is Embracing the Circular Economy. https://d.newsweek.com/en/file/459592/newsweek-vantage-going-circular.pdf

13. Autodesk engaged Business Advantage, a market research consulting firm, to conduct a study of 1400 Autodesk customers to understand their commitments to sustainability. The study, completed in 2019, determined a "commitment to sustainability" if the customer committed explicitly to the UN Sustainable Development Goals, and/or showed evidence of a commitment to sustainability on their corporate website.

Insights that emerged from the workshop include the importance of engaging more stakeholders from across the business early in the design process, quantifying the return on investment of possible design changes, shifting from transactional toward service-based business models, and focusing on repairability. We'll use these insights as we develop the next generation of tools and features to support sustainable design across our products.

The manufacturing process itself also presents opportunities. Time, money, energy, and materials are often wasted due to poor design and inefficient production cycles, creating bottlenecks, machine idling, and slow product runs. Manufacturers can reduce energy use by up to 25% and increase productivity through smart and connected manufacturing techniques.¹⁴

This past year, Autodesk[®] Fusion 360[®] software was enhanced with generative design for 2.5-axis manufacturing, cost estimating, and manufacturing extensions to help accelerate design decisions and improve the quality of production processes, which ultimately leads to less material waste and scrap.

Utilizing automation to integrate design and manufacturing processes plays an essential role and helps designers and engineers achieve productivity boosts and deliver more sustainable products. The Autodesk[®] Product Design & Manufacturing Collection and our cloud platform help customers deliver on these objectives.

Autodesk [®] CFD, Factory Design Utilities	, Fusion 360®	, Fusion Lifecycle, Invento	r®, Moldflow®	, Netfabb®,	PowerMill [®]
and TruNest software					

Material efficiency and circularity	 Improve materials efficiency, create lighter products, and reduce waste with generative design and composites Make greener materials choices Conduct simulations to test and design more durable products Nest pieces to optimize flat sheet cutting and reduce waste Pack products and use support material efficiently to reduce waste in additive manufacturing Improve print accuracy and success rate to decrease waste in additive manufacturing Minimize waste by repairing parts with hybrid manufacturing
Energy efficiency and smart manufacturing	 Design and create energy-efficient electronics and machines Reduce energy use and waste in production by optimizing machine use and cooling cycles Analyze and optimize factory building energy consumption
Responsible supply chain	 Audit suppliers to ensure product quality and compliance Increase quality through failure analysis and reports Comply with regulations with material and supplier declaration



<u>earn more</u> about how our customers are using Autodesk technology to make a better world.

Customer examples



Autodesk collaborates with Volkswagen Group on generative design in electric concept vehicle Learn more



Recycling fly ash turns a lump of coal into sustainable, durable tiles Learn more



How Honda ditched conventional thinking to design a lighter crankshaft Learn more

Climate change

Autodesk takes a broad approach to addressing the challenges and opportunities of climate change and driving progress for our company and customers. We focus on four key areas.

- Governance: With oversight from our CEO, the Sustainability & Foundation team has direct responsibility for setting and implementing our corporate sustainability strategy, including our climate change strategy.
- Strategy: To drive continued progress and meet growing demand, we continue to expand the solutions, education, and support we offer, helping customers secure a competitive advantage for a low-carbon

future by designing high-performance buildings, resilient cities and infrastructure, and more efficient transportation and products. To continue to grow this market, we provide software and support to early stage entrepreneurs and startup companies who are designing clean technologies. We lead by example by infusing sustainability in our own business operations. See Customers and Philanthropy.

• Risk management: Internally, we are investing in best practices to mitigate our GHG emissions and climate change risk through investments in renewable energy, energy efficiency, disaster management and

recovery strategies, and materials innovation. See Carbon footprint.

· Metrics and targets: We set aggressive targets based on climate science to drive progress (see below) and measure and report performance across the value chain (see Carbon footprint).

The following commitments and targets demonstrate our broad and bold approach in this area. Our Environmental Policy underpins the company's efforts in our own operations and with our products and services.



COMMITMENTS

- Continue to report climate change information in mainstream financial reports (see Autodesk FY2020 Annual Report).
- · Continue to conduct responsible corporate engagement in climate change policy (see Public policy).
- Continue to use an internal price on carbon.
- Continue to integrate sustainable design capabilities into our products and services (see Customers).

PROGRESS IN FY2020 TARGETS We committed to following our Corporate Finance Approach to Climate-Stabilizing Targets (C-FACT) methodology through 2020, to reduce GHG emissions in line with an 85% absolute decrease by 2050. Achieved. Compared to our fiscal year 2009 baseline, we decreased absolute GHG emissions by 43% through Reduce carbon dioxide equivalent (CO₂e) emissions across our value chain by 43% by fiscal year 2020, compared to fiscal year 2009. efficiency, renewable energy, and Gold Standard certified carbon offset projects with our customers. Achieve climate neutral GHG emissions for Scopes 1, 2, and 3 annually, beginning fiscal year 2021. Power our facilities and cloud services with 100% renewable energy by Achieved fiscal year 2021. Remove commodity-driven deforestation from Autodesk's supply In progress. chain by 2020. Reduce short-lived climate pollutant emissions. In progress.

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Commitments and targets: During fiscal year 2020, our absolute GHG emissions across our value chain decreased by 3% compared with the prior year. Since fiscal year 2009 (our baseline), we have decreased absolute GHG emissions by 43%, achieving our goal. Moving forward, our target is to achieve climate neutral GHG emissions for Scopes 1, 2, and 3 annually, beginning fiscal year 2021.

Business travel: We seek to reduce the GHG emissions of business travel through virtual meetings, partner education, and a green rating system for hotels, and by incorporating sustainability expectations into our standard meeting contracts.¹⁵

Facilities: We assess our facilities' environmental operating practices related to energy use and other impact areas and create customized sustainability improvement plans. We also use our operations as test cases to help refine the functionality of our solutions, improve our environmental performance, and showcase how customers can use our solutions to meet their sustainability objectives.¹⁵

Carbon-neutral cloud: In addition to using 100% renewable energy for our cloud services, we strive to minimize data center energy use through server virtualization, selection of efficient equipment that meets respected industry standards, and by streamlining our code. These efforts help us provide customers a faster, more reliable experience, with reduced environmental impacts.¹⁵

Major conferences: Autodesk University and One Team Conference (our annual channel partner and sales summit) are both carbon neutral, including the events and attendee travel.¹⁶ We achieve this by enhancing efficiency, providing virtual attendance options, reducing waste, and purchasing carbon offsets.¹⁵

	(Baseline)		
Performance data	FY2009	FY2019	FY2020
Greenhouse gas (GHG) emissions [metric tons CO ₂ e] (market-based)	301,000	178,000	172,000
C-FACT carbon intensity ratio [metric tons CO ₂ e/relative contribution to world GDP]	9.12	6.28	4.70
GHG emissions intensity [metric tons CO2e/million US\$ revenue]	130	69.2	52.5
GHG emissions intensity [metric tons CO2e/employee]	38.7	18.5	17.0
GHG emissions intensity [metric tons CO ₂ e/1,000 active square feet]	167	81.2	75.0
Scope 1: Direct emissions from owned/controlled operations [metric tons CO ₂ e]	4,250	2,650	3,190
Scope 2: Indirect emissions from the use of purchased electricity, steam, heating, and cooling (including renewables) ¹⁷ [metric tons CO_2e]	18,100	72	101
Scope 3: Upstream [metric tons CO ₂ e]	278,000	175,000	169,000
Purchased goods and services ¹⁸	132,000	105,000	105,000
Capital goods ^{18, 19}	25,000	23,200	25,300
Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	4,180	3,850	4,330
Transportation and distribution ¹⁸	19,400	7,940	5,250
Waste generated in operations	1,080	684	411
Business travel ¹⁸	77,300	21,600	14,200
Employee commuting	19,000	13,100	14,400
Leased assets ¹⁸	249	20.9	67.2
Scope 3: Downstream [metric tons CO ₂ e]	1,000	9.18	3.98
Transportation and distribution	898	7.18	3.09
End-of-life treatment of sold products	104	2.00	0.893
Energy use [MWh]	53,200	57,800	58,900
Direct energy use	11,700	1,770	2,310
Indirect energy use	41,500	56,000	56,600
Renewable energy [as a percent of total indirect energy use]	4.91%	99.1%	98.1%
Carbon offset from renewable energy [metric tons CO ₂ e]	752	23,500	22,000
Carbon offset from other projects [metric tons CO_2e] ²⁰	0	71,300	69,000
Carbon offsets [as a percent of total GHG emissions]	0.271%	53.3%	34.6%
LEED certifications ²¹	2	15	15
Buildings with LEED certification [as a percent of total active square footage]	1%	31%	27%
Waste generation [metric tons] ²²		9,150	6,570
Landfill diversion rate [percent]		43%	53%
Environmental violations and fines [US\$]	0/\$0	0/\$0	0/\$0

15. Greenhouse gas emissions from business travel are included in Scope 3: "Business travel." Emissions from facilities are included in Scope 1, Scope 2, and Scope 3: "Waste generated in operations" and "Leased assets."

Emissions from data centers are included in Scope 2 (related to purchased electricity) and Scope 3: "Purchased goods and services." Emissions from major conferences are included in Scope 3: "Purchased goods and services." 16. Autodesk University has been carbon neutral since fiscal year 2016; One Team Conference since fiscal year 2017.

17. Data for fiscal year 2019 and fiscal year 2020 are calculated using the market-based accounting method, which takes into account purchased renewable energy and carbon offsets. Data for fiscal year 2009 uses a location-based methodology to calculate GHG emissions.

- 18. These data are calculated based on the economic input-output lifecycle assessment model, using industry-specific emissions factors in conjunction with Autodesk's spend.
- 19. Data for "capital goods" were calculated based on annual spend.
- 20. Gold Standard certified carbon offsets were applied to Scope 3 business travel and major conferences.

21. LEED certifications as of January 31, 2020, include facilities in Beijing, China; Mumbai, India; Tel Aviv, Israel; Milan, Italy; Singapore; Farnborough, United Kingdom; and the following in the United States: San Francisco, California; San Rafael, California; Boston, Massachusetts.

22. Includes waste from major conferences and facilities. Data are extrapolated to our full real estate portfolio based on sites where data are available.

Employees

Diversity and belonging

We're building a place where people can bring their authentic selves to achieve personal and professional success. This requires a commitment to diversity and belonging-principles that we prioritize. As a company driving change, we work in countries around the world and in many languages. We believe diversity encompasses so much more than gender, race, ethnicity, or sexual orientation. It also includes valuing backgrounds, perspectives, and beliefs that are different from our own. In 2019, we:

- Bolstered our seven <u>Employee Resource Groups</u>, voluntary, employee-led groups of individuals who join together based on common backgrounds or dimensions of diversity such as gender, race, or ethnicity, to foster and enable a diverse, inclusive workplace.
- Furthered investment in the Autodesk Mentorship Program, which breaks down the barriers of meeting fellow colleagues from around the world and helps colleagues learn from each other.
- Engaged in new strategic partnerships with Hispanic Serving Institutions and Historically Black Colleges and Universities to help develop the next generation of diverse talent.
- Established partnerships with the following organizations to support the growth and diversity of the broader technology ecosystem: AfroTech, /dev/ color, PowerToFly, SMASH Rising, Upwardly Global, and Visual Effects Society.

Learn more.

Employee impact

Whether they're developing our latest sustainable design tools, volunteering in local communities, or helping nonprofits create change, our employees bring our vision of a better world to life and drive our culture of positive impact. We encourage all our employees to take advantage of professional development opportunities in sustainability and social good, pro bono consulting and immersion projects, sustainability-related benefits, and company matching funds that are available when they give their volunteer time and money to nonprofits.

Training and development

Autodesk offers extensive professional and technical development opportunities to managers, individuals, and teams. To inform our training, we perform comprehensive analysis throughout the business to identify skills gaps. This is linked to Autodesk's Culture Code framework for managers and employees, which defines what we expect of individuals at various levels throughout the organization.

As a part of our Win With Sustainability program, we provide employees in our sales organization with onboarding training about sustainability workflows in Autodesk products as well as the company's corporate sustainability efforts. This training is designed to help customers succeed in their sustainability goals. Outside the classroom, Autodesk employees can use numerous tools to enhance their learning, such as online educational and professional development materials and a global tuition reimbursement program.

Health and safety

At Autodesk, we work to maintain a strong health and safety culture. We help our employees work safely and productively through participation in programs that mitigate occupational safety risks in our workplaces. All company sites have emergency response plans, and many also have emergency response teams to help keep our employees safe.

Our commitment to wellness begins with helping employees and their families stay fit and minimize health concerns. Many of our facilities offer gyms, and our wellness campaign includes events such as softball, basketball, and soccer tournaments.



In December 2019, five Autodesk employees worked on a pro bono immersion project with Gashora Girls Academy of Science and Technology, a high school-level boarding school in Rwanda. For two weeks, the Autodesk team taught day-long workshops to teachers and students related to graphic design, 3D design, website design, learning resources, and Micro:bit. The team also installed Fusion 360 software for the two brand-new computer labs and teaching staff. These employees volunteered about 1,100 hours on the projects (including preparation before the trip), which will positively impact about 4,000 learners in the local community.

We're building a diverse workforce and a culture of belonging to give more people the chance to imagine, design, and create a better world.



Performance data	FY2018	FY2019	FY2020
Number of employees ²³	8,800	8,900	10,200
Regional breakdown of employees [percent of employees]			
Americas	53.0%	52.0%	54.8%
Asia Pacific	23.0%	24.0%	22.9%
Europe, Middle East, Africa	23.0%	24.0%	22.3%
Total turnover ²⁴ [percent of employees]	17.7%	18.5%	13.1%
Voluntary turnover ²⁴ [percent of employees]	8.40%	9.10%	9.50%
Employee engagement ²⁵ [percent]	77.0%	79.0%	79.0%
Global gender diversity ²⁶ [percent female]			
Board of directors	50.0%	44.0%	50.0%
Company officers, executives, and senior management	21.0%	25.8%	32.0%
Managers and supervisors	24.0%	39.8%	41.6%
All employees	31.0%	32.2%	33.4%
U.S. ethnic diversity ²⁷ [percent of employees]			
White	67.0%	66.0%	66.0%
All nonwhite	33.0%	34.0%	34.0%
Black/African American	2.00%	1.60%	1.70%
Hispanic	5.00%	6.20%	6.60%
Asian	21.0%	23.8%	23.1%
Training budgeted per employee globally, approximate [US\$]	\$1,000	\$1,000	\$1,000
Incident rates ²⁸			
Recordable incident rate	0.13	0.16	0.24
Days away, restrictions, and transfers (DART) rate	0.04	0.01	0.05
Fatalities	0	0	0

23. Data are as of the end of the fiscal year noted.

24. Ibid.

25. Represents the percentage of employees who responded favorably to questions that measure different aspects of employee engagement. These data are reported on a calendar-year basis. Fiscal year 2020 corresponds to calendar year 2019, and so forth.

26. Percentages are as of the end of the calendar year, except for the board of directors, which are as of the annual meeting date (typically a few months following the end of the calendar year). In these rows fiscal year 2020 corresponds to calendar year 2019, and so forth.

27. Percentages are as of the end of the calendar year. In these rows fiscal year 2020 corresponds to calendar year 2019, and so forth. Segments for "All nonwhite" do not add up to the subtotal due to nonwhite employees in nonspecified categories (such as American Indian, Native Hawaiian, and others).

28. For consistency, we use U.S. Occupational Safety & Health Administration (OSHA) definitions to record incident data worldwide. Rates are calculated based on the OSHA standard using 200,000 labor hours, which is equivalent to 100 employees working a full year. Contingent workers are not included in incident rates. Data reflect injuries and illnesses at all sites worldwide, and are reported on a calendar-year basis. Fiscal year 2020 corresponds to calendar year 2019, and so forth.

Philanthropy

Autodesk Foundation takes an expansive and catalytic view of philanthropy that encourages smart risk taking and innovative resource allocation in order to create a sustainable, equitable, and prosperous future. We do this through our philanthropic grantmaking and investing, software donations, and employee impact programs.

The mission of the Autodesk Foundation is to support the design and creation of the most innovative solutions to the world's most pressing challenges, which include climate change and inequality. We seek out impact-driven, design-oriented organizationsfrom social enterprises and startups to accelerators and incubators—and help them scale promising solutions. In order to achieve this, we provide funding, software, training, and additional related support to help each organization have the greatest possible impact.

In 2019, Autodesk committed to target 1% of annual operating margin for the next three fiscal years in support of the Autodesk Foundation. This commitment will enable us to manage our societal impact long into the future. We focus our philanthropic investments in the following areas where we can have an outsized impact:

- Low-carbon innovation (reducing GHG emissions)
- Resilient communities (helping climate-vulnerable communities adapt and thrive)
- Future of work (initiatives that address inequality in the automation age)

Read more about the impact of our grantees and investees on the Foundation website.

We match charitable donations and encourage paid volunteer time so that Autodesk employees can support the causes and organizations they care about most. In response to the many natural disasters that occurred in 2019, our employees joined forces to raise tens of thousands of dollars for disaster relief and resilience-building efforts. Many also volunteered their time to provide direct aid in the months following these destructive events. See the <u>Employees</u> section for more information about our volunteering efforts.

Autodesk business units also provide direct funding for design and engineering programs and projects in their respective industries. For example, Autodesk Education is an expansive program that supports students, teachers, and academic institutions worldwide with free access to Autodesk software and online learning opportunities.²⁹ Read more about how we're educating the next generation to be problem solvers and encouraging job readiness in the Education sidebar in the Customers section.

Measuring impact

Impact measurement is essential to effective philanthropy. We're committed to ensuring our work is delivering results—and helping to create a better world. Download Autodesk Foundation impact briefs to learn more about our efforts in these areas:

- <u>Low-carbon innovation</u>: How low carbon innovations can fight the negative impacts of climate change.
- <u>Resilient communities</u>: How we're increasing community resilience through technological innovation.
- <u>Future of work</u>: How we're preparing the workforce to thrive in the age of automation.



^{29.} Free Autodesk software and/or cloud-based services are subject to acceptance of and compliance with the terms and conditions of the software license agreement or terms of service that accompany such software or cloud-based services. Software and cloud-based services subject to an Educational license may be used solely for Educational Purposes.



In 2019, we made investments in workforce development initiatives that address issues related to inequality in the automation age. These investments complement a focus on climate change, with the goal of helping human beings not only survive-but thrive-through the disruptions brought on by new technology.

Deufermanne dete	EV/2010	EV2010	EV/2020
Performance data	F12018	FY2019	F12020
Company and Foundation cash contributions ³⁰ [US\$]	\$6,530,000	\$8,460,000	\$9,700,000
Company product donations ³¹ [US\$]	\$19,100,000	\$26,400,000	\$39,900,000
Employee giving [US\$]	\$1,500,000	\$1,300,000	\$1,440,000
Foundation match of employee giving of time and money ³² [US\$] (also included in the "Company and Foundation cash contributions" line above)	\$1,480,000	\$1,240,000	\$1,620,000
Employee traditional volunteer hours ³³	22,000	24,100	29,700
Value of traditional volunteer hours ³³ [US\$]	\$507,000	\$555,000	\$755,000
Employee pro bono volunteer hours (donated to nonprofits and impact-related startups)	4,000	2,610	3,920
Value of pro bono hours ³⁴ [US\$]	\$416,000	\$280,000	\$550,000

30. Data reflects combined cash giving from Autodesk, Inc., and the Autodesk Foundation. Values updated for FY2018 and FY2019 to reflect changes in calculation methodology.

31. Autodesk calculates its product donations at commercial value. These data do not include the value of products granted to students, faculty, and educational institutions at no cost through the Autodesk Education Community.

32. Values updated for FY2018 and FY2019 to reflect changes in calculation methodology.

33. Autodesk does not track what percentage of traditional volunteer activities take place during company time. Value of traditional volunteer hours aligns with data cited by Taproot Foundation (\$25.43 per hour), as indexed by Independent Sector in April 2019.

34. Value of pro bono hours based on hourly rates for various skills cited by Taproot Foundation.



Ethics

Ethics and compliance

We strive to maintain an environment that demonstrates strong business ethics, and our <u>Code of Business</u> <u>Conduct (CoBC)</u> outlines our responsibilities to act ethically, with integrity, and inclusively. All active Autodesk employees are required to complete annual training on our CoBC. Our officers, directors, contingent workers, and global subsidiaries are also required to abide by our CoBC.

Our CoBC includes instructions for reporting possible violations of Autodesk policies or practices. Autodesk's <u>Ethics and Compliance Hotline</u> enables employees and third parties to report suspected violations for investigation and resolution.

We are committed to complying with all applicable anticorruption laws and regulations. This includes the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and any similar local regulations in the areas where we operate. Partners must abide by these same standards while conducting business with or on behalf of Autodesk.

Human rights

Autodesk promotes and protects human rights wherever it does business. The <u>Autodesk Human Rights Policy</u> describes our commitments in this area, as well as how we promote human rights among our employees, suppliers, business partners, and customers.

Autodesk supports and upholds human rights as outlined in the International Bill of Human Rights, which includes the <u>Universal Declaration of Human</u> <u>Rights</u>, the <u>International Covenant on Civil and</u> <u>Political Rights</u>, and the <u>International Covenant on</u> <u>Economic</u>, Social, and <u>Cultural Rights</u>. We also support the rights described in the <u>ILO Declaration on</u> <u>Fundamental Principles and Rights at Work</u>.

View our <u>Conflict Minerals Policy</u> and <u>Autodesk</u> <u>Limited's Statement on Countering Slavery and</u> Human Trafficking.

Privacy and data security

The privacy and security of our customers' data is important to Autodesk. Autodesk is committed to incorporating the core principles and requirements of the General Data Protection Regulation into its global privacy and data protection program. Learn more about privacy and compliance at the <u>Autodesk</u> <u>Trust Center</u> and <u>Autodesk Privacy Statement</u>.

Suppliers and business partners

Our <u>Partner Code of Conduct</u> outlines the standards and practices we require our partners to follow while conducting business with or on behalf of Autodesk. It also specifies that business partners must support internationally recognized human rights and comply with all applicable laws and regulations regarding health and safety in the workplace, the eradication of human trafficking and slavery, and the elimination of child labor. We also require our partners to support fair labor practices.

Public policy

Autodesk advocates for public policies around the world that enable people to build and make more with

less negative impact on the world. We champion public policies that advance the transformation of construction, manufacturing, and production; enable cloud and data-driven business models; promote sustainability; prepare students and workers for the careers of the future; and create a diverse and inclusive workplace. Our Corporate Sustainability and Government Affairs and Public Policy teams meet regularly to align on current and future policy activities and opportunities.

During fiscal year 2020, we engaged with government officials, nonprofit organizations, and other entities to advance sustainability principles. For example, Autodesk participated in the <u>UN Climate Change</u> <u>Conference COP25</u> in December 2019 in Madrid, signed <u>United for The Paris Agreement</u>, and supported efforts to expand net zero and carbon pricing policies in the <u>Northeast</u> and <u>Western</u> United States as well as <u>nationally</u>.

Autodesk does not have a political action committee and it does not provide corporate funding to candidates for elected office. <u>Learn more</u> about our public policy engagement and political contributions policy.



United Nations Global Compact index

In 2011, Autodesk endorsed the <u>United Nations (UN)</u> <u>Global Compact</u>, a voluntary initiative that outlines 10 principles in the areas of human rights, labor, environment, and anticorruption. This Sustainability Report and the policies and codes we've posted online serve as our Communication on Progress for fiscal year 2020 and describe how we are integrating these principles into our business. The table to the right indicates where relevant content can be found.

In 2015, Autodesk also endorsed Caring for Climate-an initiative led by the UN Global Compact, the UN Environment Programme, and the secretariat of the UN Framework Convention on Climate Change-aimed at advancing the role of business in addressing climate change. Information about Autodesk's progress against the Caring for Climate commitments can be found in the <u>Climate change</u> section and in the company's <u>CDP submission</u>.

"We endorse the principles of the United Nations Global Compact, which align with our company values to operate ethically and responsibly. We support collective action to address global challenges, such as climate change, corruption, and human rights and labor abuses, and we embrace our role as a corporate citizen to make a positive impact in these areas."

Andrew Anagnost
 President and Chief Executive Officer, Autodesk

UN Global Compact principle	Response
Human rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Suppliers and business partners; Human rights; Autodesk Human Rights Policy; Autodesk Partner Code of Conduct
Principle 2: make sure that they are not complicit in human rights abuses.	Suppliers and business partners; Human rights; Autodesk Human Rights Policy; Autodesk Partner Code of Conduct
Labor	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Suppliers and business partners; Autodesk Human Rights Policy; Autodesk Partner Code of Conduct
Principle 4: the elimination of all forms of forced and compulsory labor;	Suppliers and business partners; Autodesk Human Rights Policy; Autodesk Partner Code of Conduct
Principle 5: the effective abolition of child labor; and	Suppliers and business partners; Autodesk Human Rights Policy; Autodesk Partner Code of Conduct
Principle 6: the elimination of discrimination in respect of employment and occupation.	Employees; Suppliers and business partners; Human rights; Autodesk Code of Business Conduct; Autodesk Human Rights Policy; Autodesk Partner Code of Conduct
	Autodesk does not tolerate discrimination or harassment based on a person's race, color, creed, religion, national origin, citizenship, age, gender, sexual orientation, marital status, mental or physical disability, or any other classification protected by law. This protection applies to all Autodesk employees and contingent workers worldwide. We require all managers with U.S. employees to complete harassment training every two years.
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	<u>Climate change</u>
Principle 8: undertake initiatives to promote greater environmental responsibility; and	Climate change; Autodesk CDP submission; Autodesk endorsement of Caring for Climate
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Climate change; Autodesk CDP submission; Autodesk endorsement of Caring for Climate
Anticorruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Ethics and compliance; Autodesk Code of Business Conduct; Autodesk Partner Code of Conduct

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