



HERE Technologies Directors' Report 2020

HERE International B.V.

here

for location

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HERE Technologies CEO Edzard Overbeek on the 2020 financial year

“2020 will stand out as one of the more unusual years of our lives. The coronavirus pandemic posed challenges to businesses around the world, testing their resilience and strength to resolve. Against a backdrop of extraordinary circumstances, HERE Technologies demonstrated its own resilience and strength to resolve. While our sales were adversely impacted by the broader economic uncertainty facing some of our customers and production stoppages in the automotive industry, we succeeded in mitigating the impact thus reducing costs toward profitability during 2020. This was thanks to a series of effective countermeasures, which ranged from reducing spend on external services to various treasury actions to driving increased efficiencies in our operations.

We were far from only being ‘on the defensive’. 2020 was a year in which we further strengthened our purpose as a business, driving home the importance of location data and technology. Despite the challenging market conditions, we won more new business in 2020 than in 2019. Our Bookings, or the estimated lifetime revenue of deals closed within the calendar year, were close to EUR 1.7 billion, a slight increase year on year. This was a fantastic achievement and an indication of the healthy demand we have been seeing for our new products and services powered by the HERE platform. A strong order book and accelerating growth in our platform business will hold us in good stead in the years to come.

The company is well placed to seize new opportunities resulting from the growth in demand for location data and technology.



For 2021, we target a return to strong sales growth. However, to fully exploit the opportunities in front of us over the long-term, we are presently exploring a wide range of options for raising additional capital to accelerate the company’s growth and value creation. The assessment includes the possibility of accessing funding through public and private equity markets.

We are excited about the company’s future. The broader market trends are in our favor as location is becoming critically important in many new use cases within many industries. We have great products, services and applications, as well as an industry-leading enterprise-grade platform that is being readied to scale to solve customer problems across many industries. And with our strategic partnerships around the world and a dedicated force of developers on our platform, we have all the capabilities lined up to accelerate growth in the years to come.

Our most important capability is the many talented employees we have working at HERE Technologies, and the deeply rooted passion they have in the work they do every day and the idea that location data and technologies will have an altogether profound and positive impact on the world.

This powerful ecosystem of customers, partners, developers and employees is ready to write the next chapter for our industry.”





Company Overview

HERE is a leading location data and technology platform. We enable businesses, consumers, cities and governments to turn location data into value quickly, efficiently and at scale.

The roots of the company extend back to 1985 when we led the industry by creating a digital map database of the Bay Area of California. Today, we are headquartered in Amsterdam, the Netherlands, and have a broad global network of operating branches to serve our customers, partners and developers. HERE employs 8,167 people across 56 countries, and the company is backed by a group of leading global brands that share our vision for enabling an autonomous world for everyone: Audi, BMW, Bosch, Continental, Daimler, Intel, Mitsubishi Corporation, NTT, and Pioneer.

#1 

global location platform

“HERE continues to emerge as the world’s leading and most comprehensive location platform”

Counterpoint
Technology Market Research

Location Platforms Effectiveness Evaluation Scorecard | April 2020

“HERE leads overall and remains a leader in map-making, automotive, openness, and vision”

STRATEGYANALYTICS

Location Platform Benchmark Scores | January 2020

“HERE is once again in pole position, widening the gap with Google”

OMDIA

Omdia Location Platform Index: Mapping and Navigation | June 2020



Presently, we serve more than three million developers either directly through our own platform or indirectly through third-party ecosystems where we make our location data products, services and applications available. Our largest industry is the automotive industry, where our map data is used in more than 150 million vehicles globally. This is followed by many new industries where location data and technologies are becoming essential in a wide variety of use cases and we are starting to see more business on our platform in these industries. We offer the industry's largest set of location capabilities in one place, including map and location data, services and applications for up to 200 countries.

Today, HERE serves a growing list of industries including automotive, transport and logistics,

technology, media, telecommunications, retail, public sector, finance and insurance, manufacturing, accommodation and food services, utilities, healthcare, and consumer electronics. We support them with everything from map customization to location applications, visualization and business analysis, the tracking of assets and capital goods, and supporting vehicles to drive themselves. Location-based solutions are constantly evolving to meet the needs of innovative customers, partners and industries.

Through a combination of these different activities, we enable users to answer location-related questions, solve location-related problems, and ultimately realize better real-world outcomes for themselves, their customers and the environment.

200 
countries mapped

48 
serving use cases across
multiple industries

+150m 
vehicles with
HERE maps on board

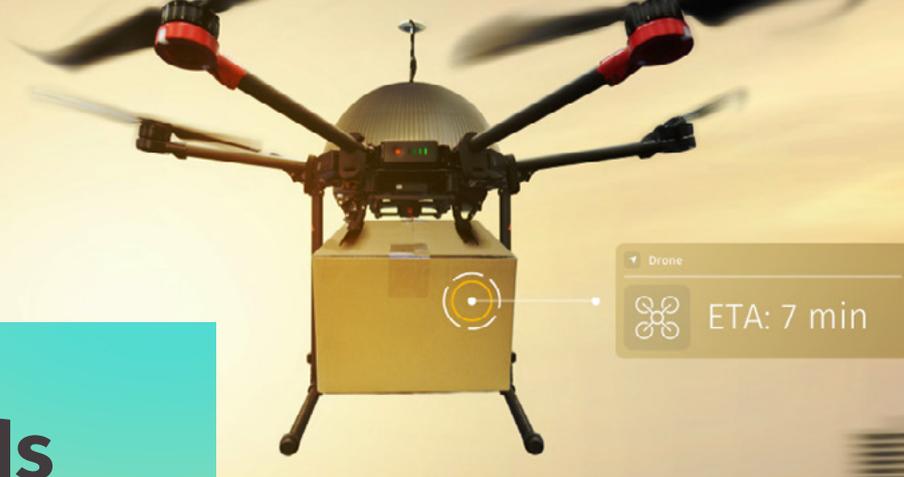
56 
countries with offices,
covering all continents

8,167 
employees

356k 
direct developers
+ 3m indirect developers



Market Trends



Location data and technology intersect with several powerful and growing market trends. These include:

- **environmental sustainability**, with location data helping to optimize the environmental impact of supply chains
- **digitization & automation**, where real-time location data is captured with new technologies such as IoT
- **pervasive connectivity**, where businesses begin to have round-the-clock awareness of their assets and operations across all locations
- **robotics**, where precision location data is needed for drone and robot navigation
- **safety and convenience**, where location contextual awareness promotes safer driving and movement
- **data privacy and security**, where enterprises seek 'trust platforms' for their proprietary data

Technological advancements will also enhance and increase the need for location data and technology in the coming years, notably the development of autonomous systems, 5G networks, edge computing, innovative sensing technologies, and advanced analytics and visualization.

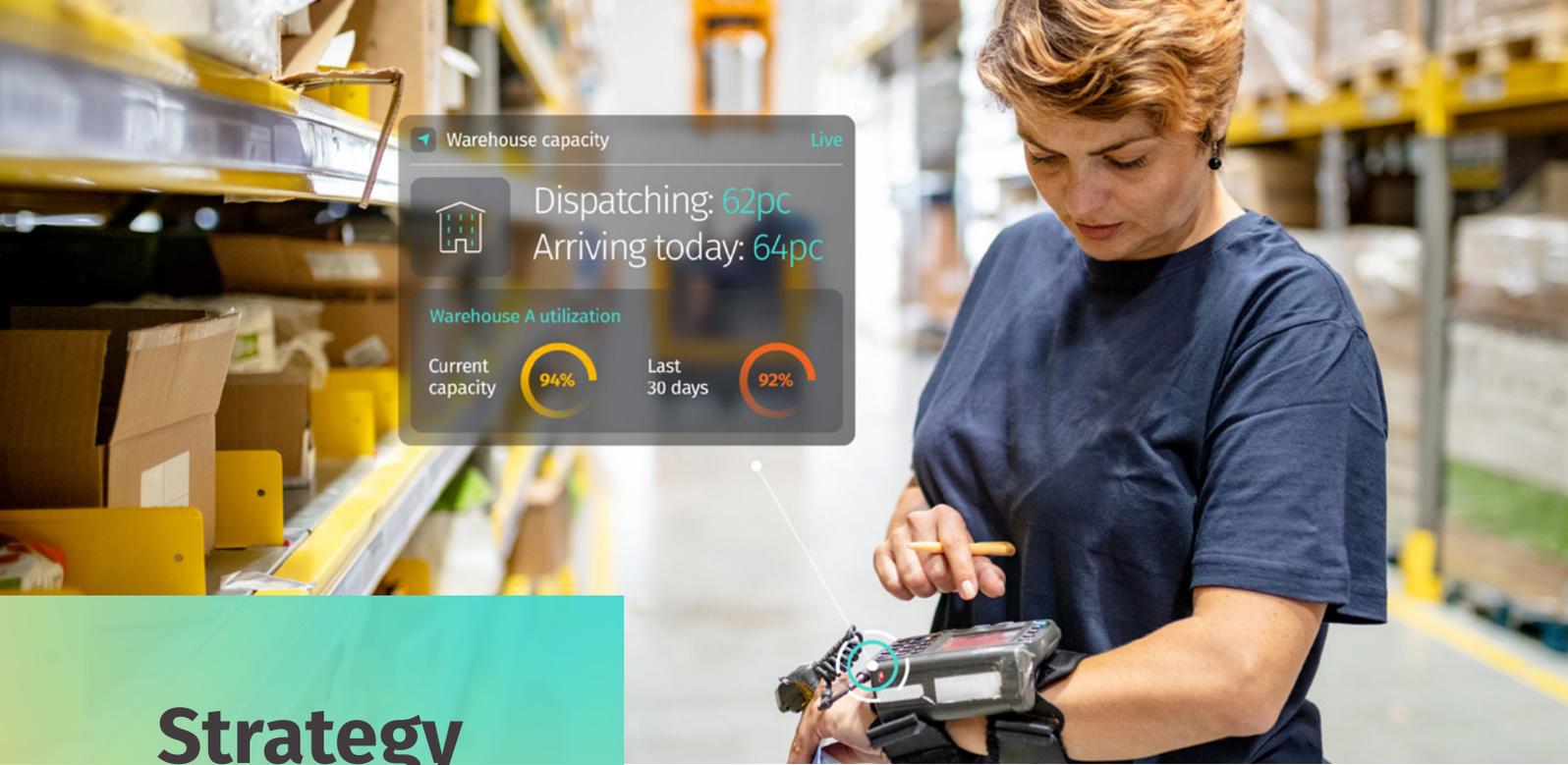
These industry shifts are expected to drive the demand of innovative, next generation location-enabled use cases that span across

industries. Many of these use cases will require a different model for engaging with location data and services. In the automotive industry, our customers are prioritizing the development of connected, electric and autonomous vehicles that will need to interoperate with complex and changing urban mobility and infrastructure solutions. Transportation and logistics customers will need modern fleet management, supply chain visibility and last mile service capabilities that benefit from being part of a broader data ecosystem. We see location playing a similarly unifying role in use cases emerging across other industries too, including telecommunications, public sector, retail, and media.

In fact, in a world that faces the threat of virus pandemics, urban congestion and climate change, we believe that location data and technology are part of our critical infrastructure – just like energy grids, transport networks and the internet itself. Modeling and truly understanding a dynamic world requires organizations easy access to location data and tooling. This includes being able to effectively build solutions in collaboration with other organizations in their own and other industries, as well as distribute location assets such as data, services and algorithms to a larger ecosystem.

All of this is now possible through our platform, where we offer data and tooling through HERE Workspace, HERE Marketplace, and HERE Studio.





Strategy

Enabling tomorrow's key location use cases offers significant value creation potential. We estimate the annual spend for the total addressable market for location data products, services and applications will be approximately EUR 25 billion by 2025. We are positioning the company to benefit from the accelerating business opportunities within this large and growing addressable market.

To capture the potential of these market shifts, HERE has been investing in building a highly scalable, industrial-grade and multi-layered location data platform. The HERE platform is architected to capture and process massive amounts of wide-ranging real-time location data that are critical for a variety of demanding use cases, many of which require increasingly high definition, three-dimensional and real-time location data.

Developers are encouraged to bring their own data and use algorithms and pipelines to convert it into standard data formats that our platform recognizes and can work with. HERE also provides a data marketplace that enables users to easily

buy, sell and share data, services and algorithms. Our goal is to foster a rich location data and technology ecosystem that removes the friction enterprises face in acquiring and monetizing location assets, assisting them in everything from data preparation and privacy compliance to licensing and matchmaking. We believe that our approach, designed to drive collaboration between organizations across industries, will enable us and our users to capitalize on these market trends.

Through a combination of these different activities, we enable users to answer location-related questions, solve location-related problems, and ultimately realize better real-world outcomes for themselves, their customers and the environment.

Our goal is to foster a rich location data and technology ecosystem that removes the friction enterprises face in acquiring and monetizing location assets.



Accordingly, we have shaped our platform around openness, privacy and flexibility. This is reflected in the freedom afforded to users in various aspects of sourcing, processing and using location data. With our platform, organizations can develop new or use pre-built workflows to move through the key stages of the development process. These workflows are geared to help users:

- Create automated and real-time private maps
- Access and customize location services for routing, search and more
- Visualize complex location datasets and generate insights and solutions
- Buy and sell location assets

When performing these tasks, users can bring their own and third-party data and tooling as well as enjoy wide scope in customizing HERE's standard location services to their needs, making them more relevant and contextual to their business. We are now also enabling users to leverage our global industrial mapmaking tools and systems to create their own private maps based on their own and/or third-party location data sets. Being able to develop private layers and maps and connect them to the HERE industry reference map is becoming a critical requirement for businesses, enabling them to get greater visibility into their operations and build differentiation into their services and applications.

Openness and flexibility are also reflected in the wide variety of business and consumption models available to our users. Aside from existing

To further meet users' needs, we have designed the HERE platform for the highest levels of data security and privacy.

licensing access to data and services, users can also try and buy with pay-as-you-go and self-serve consumption models. To scale our platform, we are expanding the possibilities for users to fulfill their business needs in a self-serve capacity. However, we also offer consulting, professional and technical services offerings to ensure customers have different options to create value from their location data.

To further meet users' needs, we have designed the HERE platform for the highest levels of data security and privacy. At HERE, the proper use of information, data and the handling of personal information is a central element in building trusted relationships with our customers and partners. Our data governance model is designed for transparency, traceability, accountability, and control of data. To be able to leverage the power of data, HERE is investing in data visualization and analytics capabilities to ensure that privacy and data governance are ingrained in all relevant processes and operations. The platform also offers a suite of location privacy services to help organizations manage their privacy risks, including blockchain-based consent management technology and tools for anonymizing data.





Research and Development

Our Development function houses our development team and our cross functional research center. It is the central function where software development work is done, both for specific products within Development, as well as for products, services and applications outside the function. A significant part of our investment in R&D was on developing our automated mapmaking capabilities, including our 'self-healing' HERE HD Live Map service for automated cars and related cloud technologies through which we can ensure an effective over-the-air delivery of the map and location

services to our customers. Development work on the HERE platform, including HERE Marketplace, our secure, neutral and scalable marketplace enabling simplified exchange of location-based data, also accounted for a significant part of our R&D expenses.

HERE has a focused R&D strategy of which a large part of our outlay goes into the continual development of our location technologies and platform, including our capabilities for map creation, visualization and analytics, and privacy management.



Our research function follows a lean startup agile innovation structure organized around a small set of 'big plays' linked to our technology strategy. Through partnerships in R&D we have access to some of the leaders in AI/ML with our North Star being to 'understand location', with five initial focus areas:

- Understand and represent location context
- Understand movement and mobility
- Understand next-generation location services and applications
- Understand cognition-inspired navigation and control
- Understand special computing, including Augmented and Virtual Reality

Our research in these areas has resulted in applied research by implementing this use of AI and machine learning into commercial solutions like map automation, traffic analyses and optimization of enterprise resource planning. For many years, we have been investing in AI and machine learning with the aim of opening up new approaches that fundamentally change how location information is gathered, represented and utilized. We have applied many outcomes in AI/ML to structurally automate key processes and have now one of the largest AI/ML engineering teams around location within HERE. To further accelerate our leading position we have established in Vienna the Institute of Advanced Research in Artificial Intelligence (IARAI) in cooperation with the two world-leading Austrian AI practitioners.

HERE's aim for innovation leadership requires an environment to experiment with new technologies and ways of working, a greater tolerance for risk and a longer-term horizon with protection from immediate customer deliverables. Our Development function provides such an environment through fundamental research and incubation and early-stage product development. We engage in several research projects covering topics that have the potential to deliver step-changes to either HERE capabilities, new breakthroughs in the HERE portfolio or the optimization in cost structure of existing HERE investments across the stack from content creation through products, services and applications. We also lead several early-stage product development projects that mature technologies from internal and external research and open-source software from their initial concepts and algorithms to more complete and scalable software components that can be adopted and further developed by our business and core groups.

We are investing in AI and machine learning with the aim of opening up new approaches that fundamentally change how location information is gathered, represented and utilized.





2020 Business Overview

As part of its ongoing transformation as a platform company, HERE embarked on 2020 as our Year of Focus with a goal of accelerating key initiatives with precision. The focus has always been to create an environment and culture where interacting with customers, partners, and developers is integral to our longevity and success. Despite the challenging and extraordinary circumstances brought on by the COVID-19 pandemic, we made progress against key execution targets. Early on, we launched a comprehensive business continuity plan with the goal of sustaining business-critical operations and ensuring the health and safety of our employees and their families. Our teams were able to switch to remote working, using an array of digital tools to stay connected and productive. While undoubtedly disruptive, the unique situation brought out the best qualities in our employees and provided ample examples of our values in action.

This was evident especially as we played our part in the global response to the public health crisis. For example, HERE mapping helped organizations and communities globally to manage and contain the virus. Using data from the Center for Systems

Science and Engineering (CSSE) at John Hopkins University and DXY, an online platform run by members of the Chinese medical community, people were able to see the spread of the virus in real-time. Location data and innovation from HERE also helped governments in Italy, Spain and Brazil respond to the pandemic.

Beyond helping map and monitor the virus spread, HERE also sought to help organizations impacted by the disruption. HERE developed HERE WeGo Deliver, a free application offered to small retailers and restaurants to help them transition from physical to online retail during lockdowns. For example, The Salvation Army in San Francisco was able to get 5,000 meals out to seniors and disabled adults with contactless deliveries for the Thanksgiving holiday by using HERE WeGo Deliver. In the United Kingdom, HERE WeGo Deliver was used to get free school meals out to pupils who needed them. A huge community effort in Northumberland, in North East England, sent 4,000 free school meals out to students who needed them during a week-long school break. The organization was able to reach so many pupils thanks in part to its use of HERE WeGo Deliver.

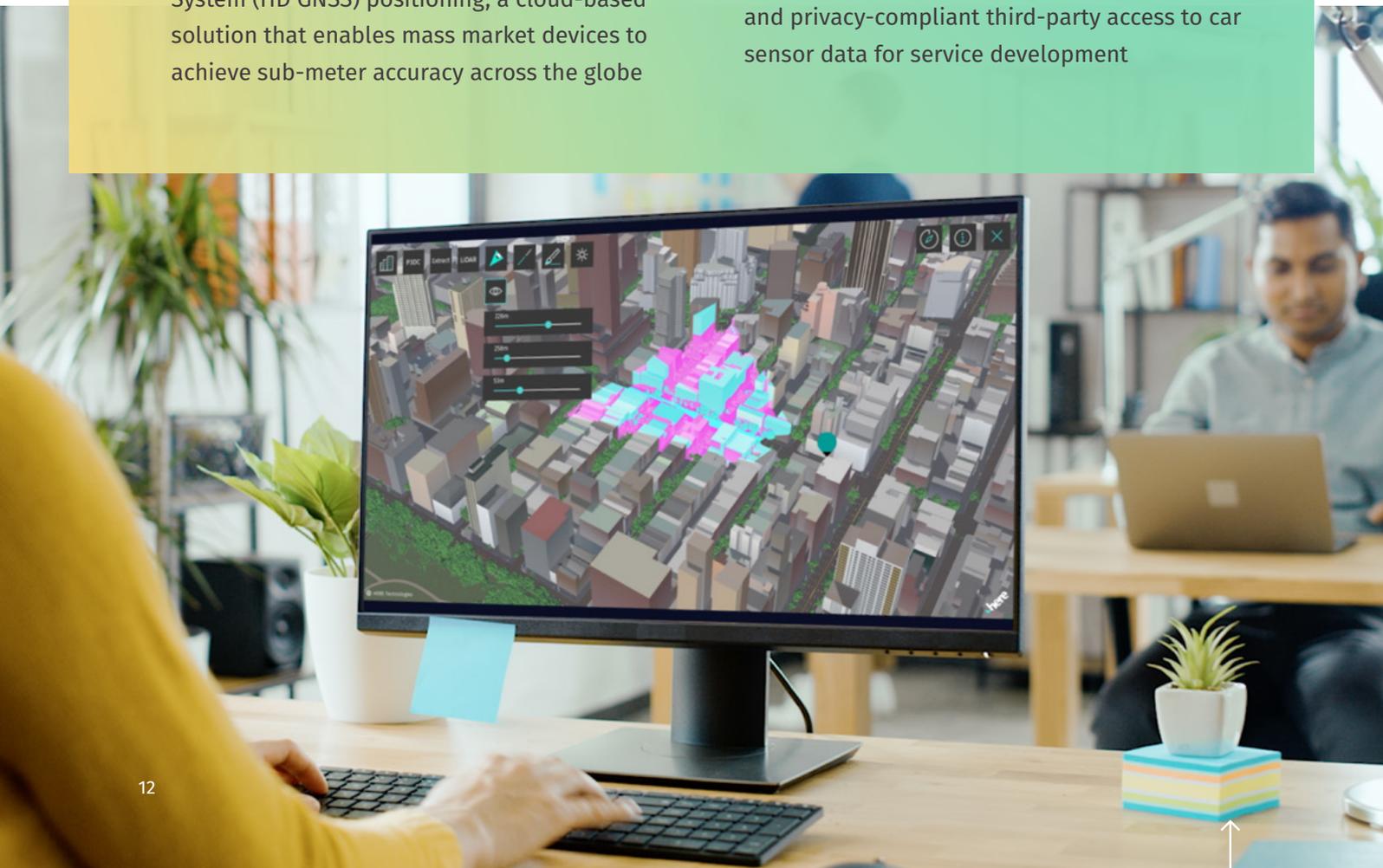


New products

In 2020, we continued to invest in driving innovation. HERE maintained its pace of execution by launching several new commercial data

products, services and application that leverage our own platform capabilities to meet the needs of our customers. These included:

- HERE Navigation On Demand, a Software-as-a-Service (SaaS) based offering for the automotive industry that enables vehicle manufacturers to remotely configure and monitor the deployed navigation solution, making it possible to update and upgrade the experience anytime (including after the sale of the vehicle) and add an ecosystem with additional value onto this solution
- HERE Last Mile, a solution that enables companies to plan optimal routes in near-real time based on travel time, fuel costs & road tolls
- High Definition Global Navigation Satellite System (HD GNSS) positioning, a cloud-based solution that enables mass market devices to achieve sub-meter accuracy across the globe
- HERE Geodata Models, which helps the telecommunications industry to efficiently plan and deploy 5G networks while reducing network planning operational expenses
- HERE Public Transit API, which improves the experience of using public transit in more than 2,500 cities worldwide by finding the most intelligent way to get to a destination
- HERE Intermodal Routing API, which informs a commuter how long it takes to drive to the train station or suggests an efficient transfer to public transport
- The addition of neutral server capabilities to the HERE Marketplace to enable safe, secure and privacy-compliant third-party access to car sensor data for service development



Customers and partnerships

HERE has more than 1,000 customers in different industries globally. Alongside supporting several major automotive OEM brands, the company counts numerous blue-chip enterprises and fast growing technology companies among its customers.

In 2020, HERE announced several new and expanded collaborations that help extend the benefits of HERE location data and technology to new customers and industries. These included the following:

- A strategic partnership with Verizon to explore cutting-edge applications of Verizon's 5G Ultra Wideband network and multi-access edge compute (MEC) platform, 5G Edge, coupled with HERE location, data technology and autonomous vehicle expertise
- A strategic partnership with Mitsubishi Corporation (MC) that involves deploying HERE technology in several projects to address customer needs in transportation and logistics and other industries, with a focus on the Asia-Pacific region
- A collaboration with Bose Corporation to jointly enable their respective developer communities to deploy augmented reality (AR) location applications and services
- A strategic technology and commercial partnership with APCOA PARKING to develop and commercialize digital parking services and HD indoor maps of parking facilities in Europe
- A partnership with INRIX to offer a complete parking solution that includes on-street and off-street parking availability, dynamic rates and indoor mapping to HERE automotive customers
- A partnership with what3words that enables OEMs using HERE Technologies to include what3words as an in-car navigation feature

HERE also welcomed several more organizations to the HERE Marketplace, including:

- ZENRIN, which is providing map and location data for Japan
- AccuWeather, which is providing weather-related information useful for a variety of use cases
- Global Weather Corporation (GWC), which is providing its RoadWX® road weather data service, a segment-level forecast of road surface conditions (dry, near dry, wet, snow/ice and slush)
- Roadcloud, the connected vehicle data platform, which is making available road friction estimates, road condition data and weather data
- Daimler, which is providing access to car sensor data via the HERE Marketplace's built in neutral server
- INRIX, which is providing traffic analytics data





Organizational Changes

In 2020 we also took a significant organizational step to increase focus by aligning further with our customer-centric operating model. We simplified our set-up in a more nimble and flexible organization. We identified where capabilities can be best leveraged more efficiently and effectively

– either through horizontalizing and integrating resources directly into existing functions, or consolidating and centralizing capabilities into existing corporate functions. We made several changes to our operating model, including:

- Bringing all of the company’s product management activities for Applications, Content and Platform together into one elevated and unified Product function
- Bringing the engineering teams together in one Development function. All engineers, product owners and architects residing in Automotive, Transport & Logistics (T&L), and Technology Media Telecoms (TMT) tribes in Applications moved over
- Creating a Data function. As part of this change, we brought our data and associated functions into the same group in a focused organization. Previously our map data and content as well as units responsible for data sourcing, quality, data privacy and protection, data management and governance and other areas has resided in various functions throughout the company



These organizational changes had an impact on teams and roles throughout our organization. Where roles were eliminated, we acted as a responsible employer. Restructuring programs were set up to offer transition support to find opportunities within and outside the company. Our total headcount declined during the year from 8,846 employees to 8,167 employees. This decline was intended and part of the organizational changes to right-source thus recognizing even greater efficiencies while creating further speed and agility into our day-to-day operating processes.

HERE is committed to attracting and retaining talent. This is crucial to maintaining our fast pace of innovation and essential to our long-term success as a company. We have an active recruitment program in place that identifies and approaches the world's top talent and onboard when and where needed. The talent base within HERE Technologies is deep and across all functions which creates a culture of innovation and an alignment with our ambitions as a company. With a highly dynamic and competitive business environment, where talent needs, skill demands and the external environment are constantly evolving, personal development continues to be a core theme. At HERE, our aim is

to maximize and mobilize talent to ensure people have the right skills today and in the future.

To emphasize HERE's commitment to developing and nurturing talent we enhanced our current performance management process, to drive employee-manager partnership to be more transparent, objective and forward looking. The result is the new Talent Development Process (TDP). The goal of TDP is to create a high-performance, agile and resilient organization that achieves HERE's strategic and operational goals and objectives. TDP allows People Leaders and employees to proactively partner to drive faster innovation, achieve high performance and identify essential skills and capabilities to be developed for employees' and HERE's continued growth. This year provided an opportunity to further this commitment due to the COVID-19 pandemic. As employees transitioned to a remote working environment engagement became even more important. An Employee Assistance Program was put in place to provide global resources which included confidential counseling and referral services to manage daily and work life challenges. Employees have the ability to set up home offices to better manage their work. As a result of this commitment, the employee engagement score has increased year over year.



New investors

During 2020, we welcomed two new investors to the company. Mitsubishi Corporation (MC) and Nippon Telegraph and Telephone Corporation (NTT) of Japan acquired a joint 30% ownership stake in the company. HERE's broadened shareholder structure supports the company's ambitions to accelerate growth in new industries and markets. In particular, with new Japanese

investors, HERE will have a springboard to further accelerate growth in the Asia Pacific region and Japan. Prior to it becoming a shareholder of HERE, HERE had already been working with MC in a strategic partnership in several areas, including middle and last mile logistics, tackling urban traffic congestion, and location-based advertising.



Performance Office

In every part of the world, the entire year was dominated by COVID-19 and it affected how we lived, interacted with each other, and worked. Businesses and industries had to adapt to a new situation overnight, and many struggled to stay afloat. At HERE, as with many other companies, there was an intense period at the start of the year when we had to introduce, develop and communicate our management measures. In a very short time, we moved to a work from home policy and had to adapt our ways of working.

As a business we realized efficiency gains and introduced other measures to stabilize our overall position and improve our liquidity position in parallel. We seized the opportunity to take a closer look at our organization and have initiated many projects that are helping us to remove inefficiencies within the company to further drive our Operating Model and effectiveness.



To remove those overlaps thus creating a more efficient operating model, we shifted roles to low-cost countries where possible, reduced our leased facilities in certain regions and streamlined our legal entity structures where available.

Other steps to help secure our financial stability were:

- Cancellation of all travel
- Pausing all hiring of employees
- Rescoping of the Go-To-Market (GTM) activities

In addition, we investigated the different state aid and stimulus programs in the different countries and applied for those programs where possible given HERE's legal and tax structure.

In the Netherlands we applied for the so-called NOW measure ("Tijdelijke Noodmaatregel Overbrugging voor behoud van Werkgelegenheid"), a program focused on saving jobs by compensating wages costs.

In Germany we applied for 'Kurzarbeit' or 'short-time work', a program in which employees have a temporary reduction of working hours and the German government compensates those employees for the wages lost due to their temporary reduction of work. It applied to the majority of our employees in Germany and on average they had a 20% reduction in working hours for a period of two months.

In the U.S., we benefited from the "Coronavirus Aid, Relief, and Economic Security Act" that was enacted in March 2020. We were able to recognize income tax benefits from multiple provisions of the Act. In addition, we suspended the company's matching of contributions made by our employees in the United States to their "401(k)", an employer-sponsored defined contribution pension program.

Many employees participated in a global voluntary employee contribution program, "ALL4HERE", designed to benefit colleagues, save jobs and aid in the protection of HERE's future. Contributions consisted of voluntary part-time work, give back of vacation days and voluntary salary reductions.

These measures effectively showed our ability to manage our cash during uncertain times. The measures also further contributed to the continuity of the business and resulted in an overall increase in our profitability of 40% from the prior year which is a remarkable accomplishment in any year.

We seized the opportunity to take a closer look at our organization. We have initiated many projects that are helping us to remove overlaps within the company to further drive our Operating Model and efficiency.



2020 Financial Overview

Year ended December 31 EURm	2020	2019	Change %
Net automotive sales	610	796	-23.4%
Net non-automotive sales	247	317	-22.1%
Total net sales	857	1,113	-23.0%
Cost of sales	(183)	(226)	-19.0%
Gross profit	674	887	-24.0%
Research and development expenses	(508)	(752)	-32.4%
Selling, general and administrative expenses	(309)	(391)	-20.9%
Other expenses, net	(6)	(52)	-88.5%
Operating income	(149)	(308)	51.6%
Financial expenses, net	(54)	(34)	58.9%
Income before tax	(203)	(342)	40.6%
Income tax expense	(13)	(19)	-31.6%
Net income for the year	(216)	(361)	40.2%



Sales/Gross Profit

In 2020, HERE's net sales were EUR 857 million, a decrease of 23% compared to EUR 1,113 million in 2019. Our sales are primarily derived from the licensing of our digital location content to customers. Net sales in our automotive segment were EUR 610 million (2019: EUR 796 million) and in our non-automotive segment EUR 247 million (2019: EUR 317 million).

Overall sales fell from the prior year as the pandemic impacted our contracted revenue volumes and the ability of our sales force to call on customers in the traditional sense. Automotive sales were further negatively impacted by a slowdown in automobile production, primarily due to the shutdown of factories around the world for several weeks in the early part of the pandemic. This led to a reduction in the map license fees we

booked in our automotive business and drove a 23% decrease in overall automotive revenue from the prior year.

HERE's cost of sales were EUR 183 million in 2020, a 19% decrease from EUR 226 million in 2019. Our cost of sales consist of costs to deliver our data to our customers, partners and developers in a physical format as well as to provide access via our cloud-based platform. In addition, they consist of royalties to be paid to third party data providers. There is a continuing declining trend in distributing our products in physical formats.

€857M

net sales

€183M

cost of sales

Operating Expenses

Our total operating expenses were EUR 823 million in 2020 (2019: EUR 1,195 million). Our operating expenses consist of costs to develop and sell current and future products, services and applications as well as general and administrative costs. The COVID-19 pandemic brought about opportunities to make lasting positive changes in our organization. We implemented a series of effective countermeasures to strengthen our operating model, reduce costs, and drive efficiencies where possible, including renegotiating more favorable contracts and discontinuing third party spend. Organizational changes were also made throughout the organization that led to the company reducing headcount from 8,846 in 2019 to 8,167 in 2020, a 7.7% decrease. All of these measures contributed to an improved bottom line from the previous year despite lower sales. Impressively, HERE saw a 40% increase in profitability compared to the prior year.

Research and development expenses include the costs of developing our digital map content database, HERE HD Live Map, our platform, and software and services to support our customers across the automotive and non-automotive segments. HERE was able to maintain this focus while being more efficient. HERE invested EUR 508 million in selected R&D programs during 2020.

Operating expenses included EUR 154 million 2020 (2019: EUR 175 million) of amortization costs related to intangible assets acquired as part of the acquisition of the HERE Group.

Financial expenses were up 58.9% due in part to an increase in interest expense associated with the incremental loans and the unrealized foreign exchange loss from the revaluation of monetary assets and liabilities.

€823M

operating expenses

€508M

research and
development expenses



Cash Flows from Operations

EURm	2020	2019
Net cash from operating activities	(163)	(104)
Net cash used in investing activities	(74)	(48)
Net cash provided by financing activities	253	99
Effect of movements in exchange rates on cash held	(7)	2
Increase (decrease) in cash and cash equivalents	9	(51)

Cash used in operating activities was EUR 163 million in 2020 (2019: 104 million). The year on year trend is driven primarily by an overall reduction in sales due to the pandemic. HERE implemented cost-saving measures and increased efficiencies to reduce the overall impact of a 23% reduction in sales from the prior year. This included renegotiating supplier contracts or in some cases halting spend all together, suspending employee travel, to name a few.

Cash used in investing activities primarily consisted of capitalized development costs and the purchase of property, plant and equipment and other intangible assets. The capitalized development costs were EUR 59 million in 2020 (2019: EUR 20 million) related to development of embedded in-car software solutions and platform solutions. At December 31, 2020, the balance of capitalized development costs totals EUR 93 million. We have continued to invest in property and equipment to meet the demands of growing our business by providing the necessary infrastructure. Capital expenditures were EUR 40 million in 2020 (2019: EUR 47 million).

Cash provided by financing activities was EUR 253 million in 2020. HERE had debt of EUR 493 million on its balance sheet at December 31, 2020. HERE Group has access to a revolving credit facility totaling EUR 150 million. As of December 31, 2020, EUR 108 million has been borrowed against this facility. The debt imposes covenants on the HERE Group. Due to the impact of COVID-19 on HERE's financial results, the banks in showing support of HERE waived some of the tests in exchange for which HERE accepted a minimum liquidity covenant for Q3 2020 and Q4 2020 testing. HERE has complied with the non-waived and the new liquidity covenants during the 2020 reporting period. In relation to this refinancing, HERE International B.V.'s shareholders agreed to contribute additional capital of EUR 71 million in January 2020, and EUR 87 million in November 2020 to reduce outstanding debts. The scheduled November 2020 contribution was replaced with a contribution in an equal amount as part of the Mitsubishi Corporation and Nippon Telegraph and Telephone Corporation share purchase and was received in May 2020.



HERE International B.V. entered into a subordinated shareholder loan agreement in April 2020 with There Holding B.V. and Intel Holdings B.V. to provide liquidity support. The HERE Group borrowed EUR 125 million, received in three tranches: EUR 60 million in May 2020, EUR 40 million in June 2020, and EUR 25 million in August 2020. The loan is payable at the earlier of July 31, 2023 and the date falling six months after all outstanding balances on its main debt agreement are repaid in full. This overall liquidity support shows the strong support and belief the shareholders have in HERE and our long-term future.

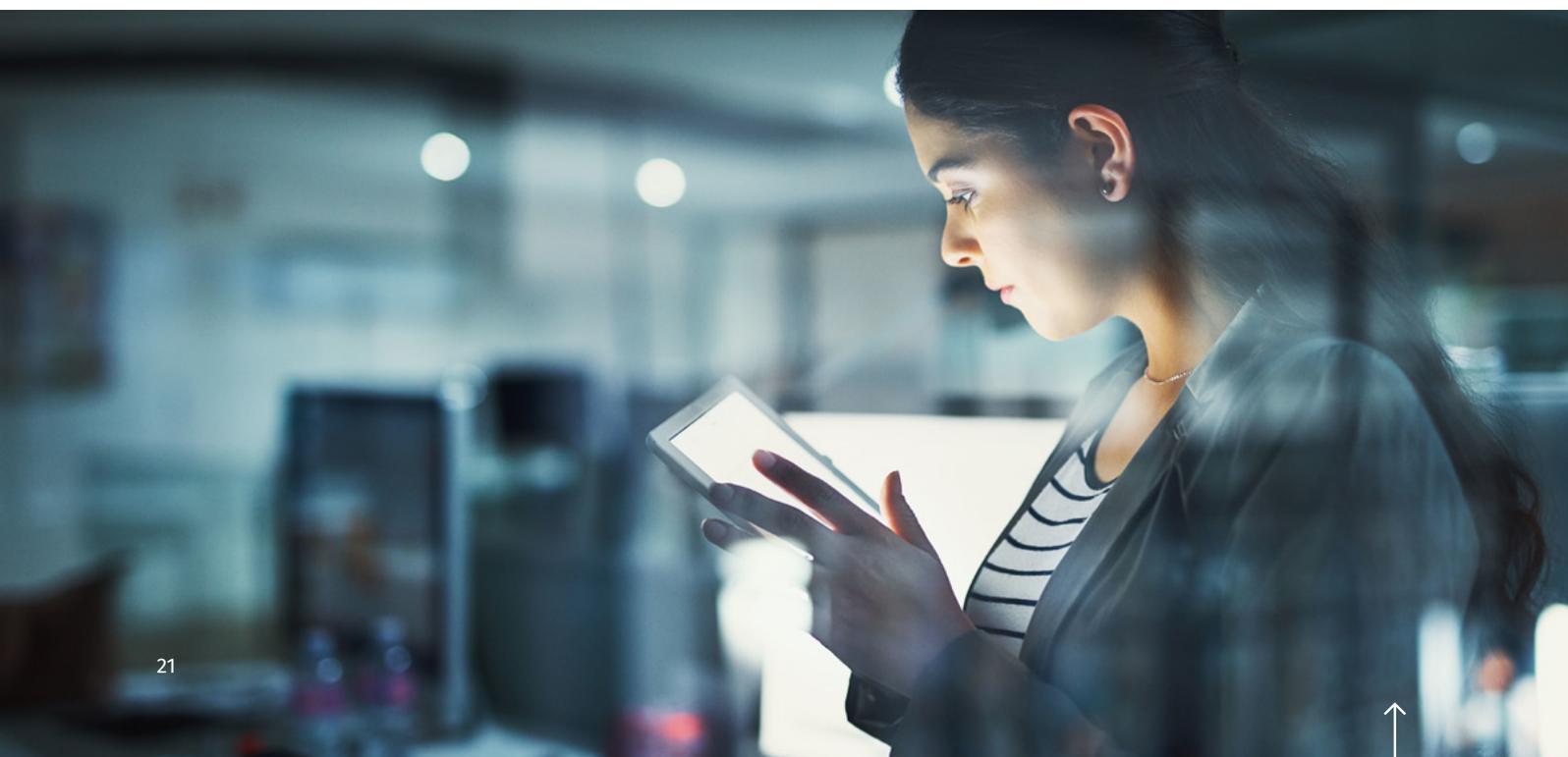
HERE's owners and banking partners showed the confidence to support HERE during the challenges created by the COVID-19 pandemic by providing additional funding and contractual adjustments.

At December 31, 2020, HERE's total equity was EUR 1,277 million.

Our Management Team and Supervisory Board track several key performance indicators to regularly measure the performance, development and position of HERE. Alongside financial performance indicators, they also track non-financial KPIs including monthly active developers and customer NPS to help continue to develop the value proposition of our products.

Bookings, or the estimated lifetime revenue of deals closed within the calendar year, reached EUR 1,691 million in 2020, compared to EUR 1,671 million in 2019. While overall bookings increased only 1%, we recorded an increase of 17% in non-automotive bookings which further supports our strategy to diversify our customer base outside of our automotive business. That we generated a year-on-year increase in bookings is a testament to the strength and competitiveness of our platform, products and services, as well as the efforts of our flexible and resourceful sales team. Travel restrictions during the pandemic meant that our sales personnel and engineers were largely unable to interact with customers face to face in the traditional sense, instead relying on virtual meetings.

"That we generated a year-on-year increase in bookings is a testament to the strength and competitiveness of our platform, products and services, as well as the efforts of our flexible and resourceful sales team."





Corporate Responsibility

At HERE, we seek to contribute to a better world through the lens of location. Our goal is to build a digital representation of the physical reality that improves the way everyone and everything lives, moves, and interacts – from cities, to systems, to businesses, to advanced vehicles. Utilizing data, insights and location intelligence to catalyze change and improve and refine performance is what we do. Corporate responsibility at HERE is simply the turning of our ambition for innovation and improvement inward – to focus on how we bring about these changes and, as we do so, to elevate our societal impact.

Corporate responsibility is also how we express our culture. We are a global company with a naturally diverse employee base and a strong, responsible and social conscious ethos. We are better when we bring together more voices, more experiences and more perspectives. Together, we can heighten opportunity. We raise the bar for social expectations – and we do that together. Corporate responsibility at HERE brings out our best.

The core values of HERE encapsulate who we are and what we seek to achieve.



Be Bold

Act with eagerness and fearlessness to deliver game-changing products, services and solutions that make the world better

Learn Fast

Be responsive and flexible to outrun the ever-evolving pace of emerging technologies

Win Together

One team united; made greater by the sum of our knowledge, experience, passion and talent

Be True

Engage our customers, partners, developers and one another with trust, integrity and respect

Give Back

Embrace the responsibility to safeguard the environment and give back to society, starting with the places where we work and live

HERE has actively helped enable our customers and partners to navigate through a challenging year demonstrated by an array of initiatives leveraging our expertise, mapping technology and entrepreneurial spirit for the betterment of communities and societies around the globe.

Responsible Operations

HERE is consistently elevating internal processes to international and national laws and standards; operating ethically as a company and driving ethical considerations across our supply chain; continually improving our environmental impact; and protecting human rights.

In 2020, HERE announced the introduction of a Global Human Rights Policy focused on ensuring respect for the fundamental human rights, freedoms and standards of treatment that belong to all people.

Key highlights of the policy include a commitment by HERE to train employees on international human rights standards and what that means in practice. It provides employees and business

Our Corporate Responsibility program is built on three pillars that form the foundation of our program: Responsible Operations, Social Innovation, and Give Back.

partners with access to grievance mechanisms with a clear policy of non-retaliation, while promising the prompt investigation and remedy of any human rights violations. It also protects underrepresented groups of people from harassment and discrimination through zero tolerance policies.

We all have a responsibility to preserve the environment and the well-being of those around us. At HERE, this focus is central to our mission, important to our customers, partners and developers and other key stakeholders, and critical to securing our future. It is how we do business.



Our environmental commitments are rooted in and built on a dedication to sustainable behaviors across our workforce. Employees are encouraged to participate in environmental awareness behavior change campaigns and volunteer during days of action, such as Earth Day. All HERE employees, contractors and partners uphold our environmental management guidelines as outlined in the HERE Code of Conduct and verify their understanding on an annual basis.

HERE tracks significant environmental impacts of our business and identifies metrics to reduce our carbon footprint. Our priorities include reducing energy and water usage across business locations as well as mileage from employee travel and fleets. We are constantly seeking out innovative solutions to help decrease our environmental impact, including green building certifications. For all new facilities, our goal is to lease and operate at Leadership in Energy and Environmental Design (LEED) Gold standard levels.

The health and safety of HERE employees is our number one priority. We were proactive in closing our work locations in March and limiting travel for employees during the COVID-19 pandemic in 2020.

This approach met or exceeded safety guidelines in the countries where we operate.

We created a COVID-19 task force of employees from key support functions across our workforce with the objective of safeguarding employees and ensuring leadership had up-to-date information for decision making. Employees could take equipment home to ensure they had a comfortable and ergonomic workstation. An internal website was created as a source giving employees information on office status, protocols and other key data to ensure they were kept informed.

When offices in low-risk countries did reopen, it was only after extensive preparation to ensure a clean, safe and socially distanced work environment. In instances where an employee at a work location became infected, the site was temporarily closed and deep cleaned before reopening with contact tracing initiated.

By adapting to a remote work environment, HERE significantly reduced greenhouse gas emissions during 2020 and prioritized the well-being of our employees, while continuing to deliver for our customers.

Environmental Impact

Tons CO ₂	2020	2019
Air travel	807	10,469
Office power	1,856	4,794
Hosted data centers	1,077	1,462
Office cooling	417	1,212



Social Innovation

Location technologies are now part of our critical infrastructure and have the ability to help address global crises such as pandemics, humanitarian disasters and climate change. We believe organizations should have easy and flexible access to this infrastructure. That is why HERE offers an open platform for organizations and nonprofits to make maps and develop applications. HERE harnesses the power of location technologies, the potential of our employees, and the profits our business to give back to society. This is how we drive positive change around the world. In 2020,

HERE focused support on humanitarian aid specifically in response to COVID-19, as well as on environmental and educational causes. By helping people who need it most, we deliver real change for the enhancement of our communities and our world. HERE developed multiple applications and solutions to help mitigate the greatest global public health crisis of our lifetimes. This included Tech for good: mapping for a virus, Tech for good: HERE WeGo Deliver, and Tech for good: Locating the best care.



Give Back

Giving back is at the heart of the supportive and sustainable culture at HERE. By harnessing the power of our place in the market, the generosity of our employees, and the revenues of our business, HERE is able to positively impact our communities and improve society.

Our leadership and employees support organizations that serve people who need help most, and we deliver real change for the betterment of our communities and drive positive change around the world.

In 2020, HERE employees shared their expertise to promote technical education around the world, took part in volunteer events and fundraising campaigns, gave in-kind donations and hosted gift drives. Since beginning our partnership with the 'Rise Against Hunger' campaign in December 2017, our employees have packed over one million meals.

HERE employees spend thousands of hours volunteering and, in the midst of the global pandemic, found ways to creatively address the needs of local and global communities and to continue to #GiveBack in our new normal.

In Leon, Mexico, employees organized a virtual discussion on environmental conservation for Earth Day 2020. In Greece, HERE employees collected food and dental health supplies for a local children's charity.

Led by the HERE India People Engagement (HIPE) team, 750 HERE Mumbai employees joined the Behind the Mask virtual Give Back campaign. During this two-week event, employees shared stories, videos, podcasts, and pictures of hope, courage and acts of kindness to stay connected and inspire each other during a challenging time. With a trending hashtag #BehindTheMask reaching social media audiences the campaign reached 3,000 employees and impacted over 15,000 people.





Inclusion, Diversity and Belonging

HERE is for everybody. HERE is a place where all employees can be their authentic selves. We strive to build a culture that embraces inclusion, diversity, and belonging. We believe it's essential to celebrate diverse perspectives, backgrounds and experiences and harness them to drive progress through innovation. At HERE, we want everyone to feel they belong and are part of our company, our mission and each other.

Our employee engagement survey shows a positive sentiment on inclusion, diversity, and belonging at HERE – increasing from 80% to 86%

in the last three years. During 2020, HERE was also recognized as a Top 10 Best Workplace for Women in India and was named a 2020 Best Place to Work for LGBTQ Equality in the US and Mexico. Despite the COVID-19 pandemic, HERE was recognized with these top honors and employee engagement scores are at a high. We believe this is a reflection of the focus that HERE has placed on driving awareness among HERE people around the important of inclusion, diversity and belonging, as well as our efforts to increase representation of diversity at all levels of our organization.



HERE's Employee Resource Groups (ERGs) enable communities and their allies to connect, be inspired and to grow. These employees share a common interest and take part in activities that support HERE values, culture, and business goals.

- Women's Initiative Network (WIN) – formed in 2016 in the Chicago office to promote gender equality and support the career development of our female and non-binary employees
- Unity & Power – supports Black and African culture, communities, and talent
- HERE Pride – provides a forum for LGBTQ+ employees, offering professional development

opportunities, championing issues and exploring new business ideas

- Vamos – dedicated to the representation and advancement of people with LatinX and Hispanic heritage

Recognizing their connections, our ERGs supported one another during International Women's Day through awareness and highlighting women in all communities; through Pride Week with our first-ever intersectional panel; and through our Hispanic Heritage month activities with Afro-LatinX discussions. Connection and belonging were ever-present for our employees.

Gender diversity is an area where we are striving to make improvements with women making up 34% of the population at HERE. Women make up 21% of the managers and supervisors, and 23% of the company officers, executives and senior management. As of February 2021, women account for 12.5% of the Supervisory Board.

The composition of the Supervisory Board has a strong mix of backgrounds and experience, supporting a diverse view on a wide range of topics. At all times, the composition of the Supervisory Board is such that the members are able to act critically and independently of one another. We note that various pragmatic reasons such as other relevant selection criteria, including

experience and the availability of suitable candidates, play a role in the achievement of our diversity targets.

34%

of the HERE employees are women

23%

of the senior leadership roles are held by women





Privacy and Data Governance

How HERE approaches information and data and handles consumers' personal information is a central element in building trusted relationships with our customers, partners and developers. Fundamentally, HERE has no vested interest in forcing consumers to use particular brands of device, OS platforms nor in using their personal data to target them for advertising. Additionally, we are open and transparent about our own privacy policy and practices, which are continuously improved and developed.

What drives us to leverage the power of data is in being able to deliver new benefits to people and businesses – such as helping to enable increased driver and passenger safety through greater vehicle automation, better urban mobility through better traffic management, and more environmentally-friendly transportation solutions,

while at the same time taking into account the privacy expectations of users and respecting data protection rights. To be able to leverage the power of data, which may also involve personal data, HERE is investing in data analytics capabilities. At the same time, we are working to ensure that privacy and data governance are ingrained in all relevant processes and operations from the very beginning. Our data strategy must coexist within the bounds of the personal comfort of the provider of the data, which means being transparent and thoughtful about our use of data, as well as providing the user with the means to exercise their fundamental right of privacy and building data protection practices as part of the processing operations. HERE believes that this approach to privacy and data governance positions it well to be the guardian of a trusted, location cloud ecosystem.



The HERE Privacy Program, founded on GDPR, continued to expand in 2020 by proactively incorporating changes arising out from the California Consumer Privacy Act (CCPA) and the Lei Geral de Proteção de Dados (LGPD) in Brazil. HERE continues to proactively manage the Privacy Program to anticipate changes and navigate through regulatory requirements. We are looking forward to incorporating other upcoming jurisdictions as well as standards frameworks, including ISO27701.

From an employment context, transitioning to a remote work environment required us to analyze and provide guidance on employment privacy practices in remote work context during the times of the pandemic.

With respect to privacy, our goal is to continue to build trust and confidence in our customers,

partners and employees in our ability to incorporate privacy into our culture, establishing data privacy as a competitive differentiator for HERE. To further assist in building trusted relationships with our customers, as part of our product portfolio planning, we are looking into offering targeted privacy solutions to our customers going forward. Our long-term research and development work involves the exploration of 'privacy-as-a-service' concepts for potential development. Such concepts would be designed to enable people to enjoy seamless, uninterrupted services – through the use of user-friendly settings or other relevant management interfaces, even automated ones – to grant consent or manage related preferences. We believe that people should be able to maintain control over what personal data is shared, at a granular level, with each requesting entity.





Risk Management and Control

Risk management

HERE has a systematic and structured approach to risk management across business operations and processes, laid down in its Global Enterprise Risk Management Policy. Enterprise Risk Management (ERM) is a group-wide framework applied to HERE strategy planning, long range plans and annual business planning, as well as operational decision making. The goal is to capitalize on opportunities and treat risks that may prevent achievement of HERE's performance objectives. HERE defines risk as: "the possibility that an event will occur and adversely affect the achievement of HERE objectives". ERM is designed to identify potential

events that may affect HERE, resulting in a deviation from HERE objectives. The Supervisory Board together with the Management Board shall agree to the risk appetite of HERE by means of specific Supervisory Board approvals on (amongst others) HERE's Strategic Execution Plans, Long Term Plans, Annual Plans, Incentive Plans, Acquisitions, External Financing Agreements, Management Board nominations and the like as stipulated in the Shareholders' Agreement relating to HERE International B.V. and its Articles of Association.



HERE's ERM shall:

- drive risk mitigation and exploitation of opportunities based on informed decisions
- encourage proactive management and increase the likelihood of achieving objectives
- improve operational effectiveness, incident management, and loss prevention
- comply with relevant legal & regulatory requirements and international norms
- build/contribute to customer and stakeholder confidence and trust

Risks are managed through the components of Risk Assessment, Risk Treatment, Risk Monitoring and Risk Communication/ reporting. Business units and functions are required to document specific standards and guidelines that defines how the Risk management has been applied in the context of each business unit and functions. Risk management processes are part of HERE quality management systems ("QMS"), hence

documented according the QMS guidelines into respective repositories.

HERE does not rank the individual risks identified in our Directors' report, as we are of the opinion that doing so defies the purpose of a comprehensive risk assessment and it would be arbitrary by nature since all risks mentioned have relevance for us and our business.



Risk factors

Our business faces various risks and uncertainties. These risks, either individually or together, could adversely affect our business, sales, profitability, results of operations, financial condition, costs, expenses, liquidity, bank covenants, market share, brand and reputation from time to time. It is important to understand the nature of these risks and the impact they may have.

Some of the more relevant risks are described below. Although we have a good understanding of potential risks, there may always be unknown risks and certain risks currently classified as not material that could become material in the future.



Risks that arise externally and could impact our ability to execute our strategy, include:

- Our business net sales are derived from sales to the automotive and other industries, making it dependent on overall developments in those industries. To mitigate this, HERE builds and maintains trading relationships across a broad spectrum of customers, partners and developers ranging from centrally managed multinational companies through to small customers accessing our e-commerce portal. COVID-19 showed that we were able to remain successful in the non-automotive industry despite the decline in the automotive industry. This is evidenced by the 2020 bookings of EUR 1,691 million which will secure revenues into the future
- Some offerings we currently provide may be no longer competitive, or another participant may provide a more competitive new offering in the future or new more efficient or affordable ways of map content creation may be introduced which may disrupt our own business model. Our Research and Development function actively searches for ways in which to translate our customer preferences into new technologies for incorporation into future products, while our innovation management process deploys tools, technologies and resources to convert strategies into projects and plans, develop products and relevant communication, and successfully roll out new products to our customers; and the prices our customers are willing to pay for our products may decline. This price risk is, however, mitigated because of long term contractual commitments with customers, especially in our automotive business

Additionally, our business is exposed to various risks and uncertainties affecting our effectiveness and efficiency of our operations, including the following:

- Headwinds may arise that would impact our execution of our business plans effectively, leading to lower profitability. Our plans include making HERE a key player in new and upcoming location-based services, such as augmented reality, new vehicle software systems, and autonomous driving systems. In addition, HERE strives to be deeply integrated in vehicle driver assistance systems. Our competitiveness may be adversely affected if we are unable to effectively collate, process and analyze data, such as end-user behavioral data or sensor data, and to derive intelligence from that data, which could be used to enhance our product offering. To mitigate these impacts, our business plans are designed to ensure that resources are prioritized towards those products and markets that have the greatest long-term potential for HERE. We regularly review our ways of working and organization structures to ensure that we drive speed and simplicity through our business to remain agile and responsive to marketplace trends
- The performance of the parties we partner and collaborate with may not meet our expectations. The performance of third-party outsourced providers is kept under constant review, with potential disruption limited to the time and cost required to install alternative providers



→ We may fail to retain, motivate, develop and recruit appropriately skilled employees. To mitigate, we have targeted programs which include the Talent Development Process (TDP) to attract and retain top talent and we actively monitor our performance in retaining talent within HERE. We have policies and procedures designed to ensure the health and safety of our employees and to deal with major incidents including business continuity and disaster recovery. During the COVID-19 pandemic the health and safety of our employees was top priority. We effectively communicated with our workforce and sought feedback. We quickly adapted to a remote work environment and continue to consider our long-term strategy in this regard

→ We may be subject to IT issues or cybersecurity breaches, resulting, for instance, in disruptions in online service continuity, privacy breaches and security of data. To mitigate, the hardware that runs and manages core operating data is fully backed up with separate contingency systems to provide real-time back-up operations should they ever be required. In addition, we maintain a global system for the control and reporting of access to our critical IT systems which is supported by an annual program of reviewing of access controls

→ The outbreak of COVID-19 in 2020 continues to impact the global economy and markets. It is uncertain how these events will continue to develop and what the exact impact will be on HERE's operations, financial performance, bank covenants, and liquidity. HERE's largest customer group, the automotive industry, saw sales and production slow significantly during certain parts of 2020. Consequently, HERE has seen some negative impact on its operations, financial performance, bank covenants, and liquidity. To mitigate this impact, HERE implemented a program that included internal cost reductions, such as employee compensation cuts and travel suspension, used undrawn credit facilities, obtained waiver relief from some of the 2020 bank covenants, and received additional financial support from its owners in the form of a subordinated shareholder loan. In January 2021, HERE also successfully renegotiated its 2021 bank covenants. As a result of these mitigation efforts, HERE has successfully minimized the negative financial impact of the outbreak to HERE's financial stability in 2020. However, given the unprecedented nature of COVID-19, material uncertainty still exists about how this event will continue to develop and what the potential future impact will be on HERE's operations, financial performance, bank covenants, and liquidity





Risks related to law, legislation and taxes include:

- Our products, services and business models depend on Intellectual Property Rights (IPR) in technologies that we have developed as well as technologies that are licensed to us by certain third parties. Evaluating the rights related to the technologies we use or intend to use is increasingly challenging, and we may face claims of alleged infringement of third parties' IPR. The use of these technologies may also result in increased licensing costs for us, restrictions on our ability to use certain technologies in our products and/or costly and time-consuming litigation. HERE has an active IP protection program that protects HERE's innovation with patents and trade secrets as appropriate. HERE's patent assets can be used both assertively and defensively when others infringe our rights and when HERE is accused of infringement. HERE also negotiates contracts with its vendors to ensure that it has freedom of action when acquiring rights to use third party assets in our products
- HERE products and services may generate product liability and warranty claims and associated adverse publicity. Warranty claims may cause field actions and serial damage and may generate the risk of recall of products. Responding to such claims could be costly. We maintain an appropriate insurance portfolio to protect against hazard risks which cannot be internally managed efficiently and where insurance markets offer acceptable terms and conditions
- HERE products and services will increasingly depend on the use of a broad range of types of data, including in some instances personally identifiable information. Regulations governing the collection, storage and use of data may restrict the ability of HERE or its customers to carry out or develop their respective businesses. Such regulations could grow more restrictive over time. Regulatory infractions could generate penalties and other costs and give rise to reputational damage. Further, HERE products and services, or the products and services of customers who use HERE services, may become the target of cyber attacks. Responding to such problems could be costly and give rise to adverse publicity. We have established procedures to ensure company-wide adherence to the provisions of the EU's General Data Protection Regulations (GDPR) and other applicable data protection laws. We have standardized ways of hosting information on our public website and have processes in place to monitor compliance with appropriate privacy laws and regulations, and with our own policies



→ We have operations in a number of countries and, as a result, could face complex tax, privacy, trade compliance, or other local regulatory issues and tax or other regulatory disputes and could be obligated to pay additional taxes or penalties in various jurisdictions, or be subject to restricted activity in certain jurisdictions. Our legal specialists are heavily involved in monitoring and reviewing our practices to provide reasonable assurance that we remain aware of and in line with all relevant laws and legal obligations in

the countries in which we operate. Our legal team also applies full attention to smart management of disputes and litigation using both internal and external resources

→ Our actual or anticipated performance, among other factors, could reduce our ability to utilize our deferred tax assets. We monitor proposed changes in taxation legislation and ensure these are taken into account when we consider our future business plans

Risks impacting our financial position and reporting include:

→ Our net sales, costs and results of operations are affected by exchange rate fluctuations, particularly between the euro, which is our reporting currency, and the US dollar as well as other currencies. Foreign currency transaction risk is managed in accordance with the HERE Treasury Policy. HERE's Treasury Policy addresses Treasury Risks deriving from the HERE Strategy in combination with the business and financial environment HERE operates in. The main focus areas are Corporate Finance, Cash & Liquidity Management, Fx – and Interest Rate Risk Management. HERE Treasury has the mandate to use plain vanilla derivative instruments to address Fx and Interest Rate risks. As per December 31 2020, no financial derivatives were outstanding

→ Credit risk arises from credit exposures to customers related to outstanding receivables, as well as financial institutions related to cash and cash equivalents. Credit exposure is measured as the total of accounts receivable

due from customers. Our accounts receivable do not include any major concentrations of credit risk by customer. The top three customers account for approximately 20.0%, 8.6% and 4.8% of HERE's accounts receivable at December 31, 2020 (2019: 13.7%, 7.9% and 4.9%). HERE is primarily only subject to financial credit risk with respect to the balance of cash and cash equivalents held with its banks. In 2020, very close to 100% of our cash at bank is held with multiple banks of investment grade credit rating

→ Liquidity risk, or financial distress or extraordinarily high financing costs arise from a shortage of liquid funds in a situation where outstanding debt needs to be refinanced or where business conditions unexpectedly deteriorate and require financing. We have access to a revolving line of credit to satisfy our liquidity needs and assess our liquidity requirements monthly





HERE acknowledges the importance of internal controls and risk management systems. Under the supervision of its Chief Financial Officer, HERE's Accounting team conducts an annual evaluation of the effectiveness of HERE's internal control over financial reporting based upon its internal

control framework. In addition HERE's internal audit function performs audits at different office sites around the world and reports its findings to a) the Chief Financial Officer and b) HERE's Audit Committee (consisting of Qualified Shareholder representatives).





Business Ethics

HERE applies high ethical business standards at every opportunity. Pursuing our business objectives, we aim to be a responsible partner in society, acting with integrity towards our employees, customers, business partners and shareholders, as well as the wider community in

which we operate. Our commitment to 'do the right thing' is underpinned by the HERE Code of Conduct. As an independent company, we fully intend to maintain our already strong reputation as a company that acts with integrity and engages in ethical business practices.



HERE is active in nearly every country in the world, and we will sometimes encounter ethical challenges and environments in which standards are not as high as within HERE. In every instance, it is important that we do not compromise our core principles.

Our customers and the communities in which we operate expect HERE to be a reliable, ethical business. Our Code of Conduct drives the requirements we have established for our employees to ensure a responsible work environment and ethical business practices.

We are committed to responsible operations across our business and supply chain. We work to ensure that HERE is elevating attention

and commitment to societal concerns within our sphere of impact. We protect human rights. We protect privacy. We seek to leverage our purchasing power to drive social and environmental progress throughout our supply chain.

The HERE Code of Conduct is published on our intranet site and employees are obliged to take a Code of Conduct training every year. If employees become aware of a breach of our business ethics, they are urged to report them to the HERE Ethics & Compliance Committee including via a secured link on our intranet site. Our process reassures employees that they can report a breach without fear for repercussions.





Corporate Governance

HERE has an experienced Management Team that brings diverse experience from map making technology, platform technology, application software, finance, sales, intellectual property

rights licensing, consumer services, operations and many other areas. The Management Team is responsible for the strategic and operative management of HERE.



Management Team



→ Edzard Overbeek,
Chief Executive Officer



→ Werner Buskermolen, Senior
Vice President and Chief Human
Resources Officer



→ Petra Meiser, Executive Vice President
and Chief Financial Officer



→ Denise Doyle, Senior Vice President
and Chief Data Officer



→ Jørgen Behrens, Senior Vice President
and Chief Product Officer



→ Fred Hessabi, Senior Vice President
and Chief Customer Officer



→ Kristina Bohlmann, Senior
Vice President and Head of
Brand Organization



→ Giovanni Lanfranchi, Senior Vice
President Development and Chief
Technology Officer

There is a clear separation between our automotive shareholders' roles as customers, suppliers and investors. In addition, HERE is continuing to support customers and grow its business in several industries beyond automotive and is open to other investors who would create an even broader shareholder structure. All this ensures that HERE's unequivocal commitment to openness and independence is firmly established.

HERE's long-term strategy is secured through a governance structure, safeguarded

by a Supervisory Board. The Supervisory Board supervises and advises the Management Board in the execution of its tasks and responsibilities, while the Management Board provides the Supervisory Board with all the information, in writing or otherwise, necessary for the Supervisory Board to fulfill its duties. The Supervisory Board attaches great importance to its composition, independence and diversity.

The Supervisory Board consists of:

→ three members appointed by the general meeting of shareholders of HERE International B.V. upon binding nomination of There Holding B.V.

→ two members appointed by the general meeting of shareholders of HERE International B.V. upon binding nomination of COCO Tech Holding B.V.

→ three independent members appointed by the general meeting of shareholders of HERE International B.V.



In 2020 and 2021 the following changes were made with respect to the composition of the Supervisory Board.



→ Mr. Pekka Ala-Pietilä is the Chairman of the Board of packaging company Huhtamäki and learning company Sanoma, and a member of the Supervisory Board of SAP. He was also co-founder and CEO of Blyk Services Oy from 2006–2011. Between 1985–2005, he held several leadership positions at Nokia and was previously Chairman of the EU Commission’s High-Level Expert Group on Artificial Intelligence (AI HLEG). He acts as a mentor for many young future experts and decision makers. Mr. Ala-Pietilä was appointed as Chairman of the HERE Supervisory Board, effective as of March 13, 2021. Mr. Ala-Pietilä replaced Mr. Rudi Lamprecht, whose term ended on February 17, 2021.



→ Mr. Koji Tashiro, General Manager, HERE Project Office, Mitsubishi Corporation, a role he took on after Mitsubishi and NTT jointly acquired a 30% ownership stake in HERE. Based in Japan and in his second stint at MC, Koji previously served as Group CIO of its Machinery Group and has been in charge of promoting company-wide digital strategies since 2019. Mr. Tashiro was appointed as member of the Supervisory Board on February 5, 2021, replacing Mr. Yutaka Kyoya, who was appointed on May 29, 2020 and resigned per February 5, 2021.



→ Dr. Rainer Feurer, Senior Vice President, Corporate Investments at BMW Group. Since joining BMW Group in 1998, Dr. Feurer has held various strategic planning positions and was deeply involved in the strategic set-up of the BMW Group in China. In 2019 Dr. Feurer became responsible for BMW’s equity stakes in joint ventures in China, and investments in Mobility, Energy, Digital & Professional Service companies. Dr. Feurer was appointed on February 18, 2020 as member of the Supervisory Board, replacing Dr. Christoph Grote who resigned at the same date.



→ Mr. Hiroki Kuriyama, Senior Executive Vice President of NTT Communications Corporation (NTT Com), one of the world’s largest telecommunications carriers for consumer and global-enterprise services. Concurrently, he also serves as a Senior Vice President of Nippon Telegraph and Telephone Corporation (NTT). Mr. Kuriyama was appointed as member of the HERE Supervisory Board on May 29, 2020.

→ Mr. Doug Davis resigned per May 29, 2020.





→ Mr. Axel Dewitz is vastly experienced across the automotive industry, currently holding the position of EVP and Head of Taxes, Customs and M&A at Audi Group. Prior to this, Mr. Dewitz was Director, Mergers and Acquisitions at Audi, as well as Director, Controlling at Volkswagen Group Italia. He has a successful track record in tax and customs management, transactions, M&A, board relations, strategy, and business development. He was appointed as member of the Supervisory Board on August 18, 2020. Mr. Dewitz replaced Dr. Stefan Sommer, who was appointed on March 13, 2020, and resigned effective as of June 30, 2020. Dr. Sommer replaced Dr. Bernd Martens who resigned per February 21, 2020.



→ Dr. Neil Hunt is co-founder and Chief Product Officer, Vibrant Planet, an “eco-technology” startup, and is a co-founder of Curai, a healthcare technology startup. Prior to this, Dr. Hunt served nearly 20 years as Chief Product Officer at Netflix. He is a Board Member of Logitech and Roku, and also holds advisory roles with several healthtech and media startups, Scotiabank digital advisory council, and the University of Durham (UK) CS advisory board. He was appointed as member of the HERE Supervisory Board on July 29, 2020, replacing Mr. Uri Levine whose final term expired on July 1, 2020.



→ Adine Grate is a well-known and respected professional in the European investment community. She spent 13 years at Investor AB where she was an EVP and Executive Director on the Executive Board. Ms. Grate has extensive investment, strategy and corporate finance expertise and has been intimately involved with some of Europe’s largest M&A deals of the last 20 years. She has carved out a reputation as a highly effective Non-Executive Director, Committee Chair, Chair and Advisor. Her board experience ranges from large FTSE 100 companies to smaller private equity-backed businesses. She has deep domain knowledge, in particular in TMT (technology/media/telecom) and financial services. Ms. Grate is currently, amongst other things, Board member of G4S Plc and advisor to CK Hutchison Holdings. She is chair of the HERE Audit Committee and was appointed as HERE Supervisory Board member on February 16, 2021.



→ Sajjad Khan is the Chief Technology Officer and a board member of Mercedes-Benz Cars. He is responsible for driving change in the fields of connectivity, autonomous, shared and services, and electric. From 2011 to 2015 he worked for BMW Group AG, where he ultimately became Vice President, responsible for the Connected Drive system worldwide. He was appointed as member of the HERE Supervisory Board on March 28, 2019.



Supervisory Board committees:

The Supervisory Board, while retaining overall oversight and responsibility, has installed two committees: The Audit Committee (AC) and

the Nomination and Compensation Committee (NCC). The AC and NCC advise and support the decision-making of the full Supervisory Board.

→ Audit Committee (AC)

The AC advises and supports the Supervisory Board in overseeing the integrity and quality of HERE's financial reporting and the effectiveness of internal risk management and internal controls. The AC has four members: Ms. Grate (Chair); Mr. Dewitz; Dr. Feurer; and Mr. Kuriyama.

→ Nomination and Compensation Committee (NCC)

The NCC advises and supports the Supervisory Board with the preparation of the selection criteria, appointment and remuneration of Management Board and EVPs and with the set-up of variable remuneration plans for HERE's employees like bonus and long-term incentive plans, including the corporate goals and objectives relevant for those plans. The NCC has three members: Dr. Hunt (Chair); Mr. Khan; and Mr. Tashiro.

Industry Advisory Board

Promoting industry insights, collaboration and innovation.

HERE is dedicated to enabling an autonomous world for everyone. Given that no company or individual can solve this alone, we have assembled acclaimed international experts and global thought leaders to create the HERE Industry Advisory Board (IAB).

The HERE IAB is a regular dialogue focused on sharing insights, igniting innovation and promoting collaboration that improves the way everyone and everything lives, moves and interacts with location data.





March 25, 2021

E.J.C. Overbeek

Chief Executive Officer / Managing Director

P.M. Meiser

Chief Financial Officer / Managing Director

R.A.J. Houben

Managing Director





Want to know more about how HERE Technologies can help you?

Get in touch

About HERE Technologies

HERE, a location data and technology platform, moves people, businesses and cities forward by harnessing the power of location. By leveraging our open platform, we empower our customers to achieve better outcomes – from helping a city manage its infrastructure or a business optimize its assets to guiding drivers to their destination safely. To learn more about HERE, including our new generation of cloud-based location platform services, visit 360.here.com and here.com.