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DIGITAL TRANSFORMS PHYSICAL

DECEMBER INFORMATION | 20 22

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SUSTAINABILITY HIGHLIGHTS

We recognize the close connection between our success and our ability to make a positive impact on our customers, our employees, and our communities. Our efforts help make us an employer of choice, differentiate our brand, and support profitable and sustainable growth. Our sustainability initiatives and programs include the environmental, social and governance initiatives and programs described below.

2022 Achievements

In 2022, we focused on building out our ESG program in its entirety to coordinate responsibilities and reporting to support a cohesive and informed approach.

ESG Governance Process and Structure Finalized
Finalized Operating and Reporting Structure and Identified All Roles Required

ESG Governance and Structure Roles Filled
Expanded Roles and Appointed People to New ESG Roles

Strategic ESG Assessment Completed
Developed Action Plan for FY2023 ESG Initiatives

Environmental Sustainability Added as a FY2023 Corporate Initiative
Conducted Product Strategy Assessment

ESG Governance Structure

The ESG council and designation of the ESG operating leads were added in 2022. The ESG Council is responsible for the strategic direction of ESG initiatives, oversight of progress of ESG initiatives, oversight of ESG reporting and alignment with applicable standards, and periodic reporting to the Board and appropriate committees on ESG initiatives.

Board of Directors				
Audit Committee	Cybersecurity Committee	Corporate Governance Committee	Nominating Committee	Compensation and People Committee

Chief Executive Officer
ESG Council
ESG Operating Leads

Our ESG Focus Areas

The strategic ESG assessment canvased multiple stakeholders and sources to identify and prioritize our ESG focus areas. As a result, we plan to focus on the areas described below.

ENVIRONMENTAL	SOCIAL	GOVERNANCE
GHG Emissions Environmental Product Offerings	Diversity, Equity & Inclusion Employee Compensation and Retention Community Engagement	Cybersecurity ESG Governance Ethical Conduct & Compliance Board Diversity

2023 Goals

Align on Sustainability Reporting Frameworks	Align on Sustainability Metrics to be Tracked and Reported	Establish Diversity, Equity & Inclusion Metrics to be Tracked and Reported
Present Environmental Sustainability Track at LiveWorx 2023	Measure and Be in a Position to Report 2023 GHG Emissions	Be in a Position to Evaluate Setting GHG Emission Reduction Targets in 2024

ESG Focus Area Highlights

Cybersecurity and Data Privacy

Cybersecurity is a risk area with oversight at the highest levels of the organization, including the Executive level and Board. The Cybersecurity Committee of the Board receives regular reports (at least four times throughout the year) from our cybersecurity teams on the state of our cybersecurity and our initiatives to enhance our cybersecurity profile and that of our products.

As part of our program, we train our employees throughout the year on cybersecurity risks and our policies and practices designed to address to those risks.

Diversity, Equity & Inclusion

DEI is critical to how we think about our employee culture, our engagement with our customers and partners, and the communities in which we work and live.
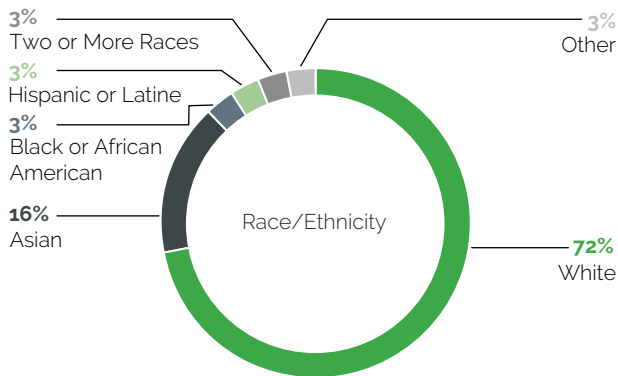
Our definition of "diversity" is intentionally broad and includes many groups, united by purpose. Our common goal is to drive meaningful change and to create an environment where all employees can succeed personally and professionally. We are also committed to embedding equity into every part of the organization, promoting an innovative and inclusive forward-thinking culture, and building high-performing teams.

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We have a history of working to attract a wide diversity of people from different backgrounds, cultures, education experiences, and religions because we know that a workforce that reflects the diversity of our customers and communities will bring more innovative thinking and better ideas and solutions to our business. Our DEI team, led by our Chief Diversity Officer, focuses on underrepresented groups (URGs) in the tech industry, including people of color, women, and members of the LGBTQIAP+ community.
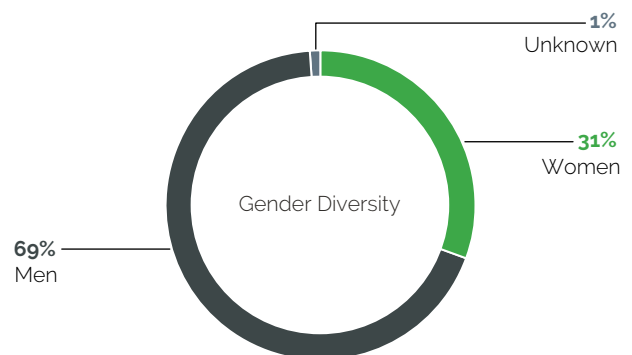
We are improving our systems and processes to enable us to better track, manage and develop our employees. With these improvements, we are gaining a better understanding of our current demographic population and developing demographic goals, as we strive to create a more demographically diverse, inclusive, and equitable organization. Starting in 2022, our Self-Identification program invited U.S. employees to volunteer their personal information across categories such as race/ethnicity, sexual orientation, gender identity, pronouns, disability, veteran and military status, and more. By analyzing this information in aggregate, we can determine what we should adjust in terms of DEI programming, policies, and hiring practices.

United States Employee Representation

RACE/ETHNICITY

3%
Two or More Races

3%
Hispanic or Latine

3%
Black or African American

16%
Asian

3%
Other

72%
White

Race/Ethnicity

GENDER DIVERSITY

1%
Unknown

31%
Women

69%
Men

Gender Diversity

🌱 Environmental Sustainability

We are committed to addressing our environmental impact and to providing solutions to our customers that enable them to transform their businesses and operations to reduce their environmental impact and that of their customers.

Governance Process and Oversight

Our environmental programs and initiatives are overseen by our ESG Council, which is comprised of a cross-functional team of internal PTC business leaders with executive oversight, including our Chief Strategy and Sustainability Officer.

Our Corporate Governance Committee oversees risks and opportunities related to climate change and other ESG risks and initiatives not addressed by other committees of the Board.

Addressing Our Direct Impacts

To help us and our stakeholders understand our environmental impact, we have undertaken an effort to measure and ultimately report our GHG emissions. Our goal is to begin reporting our Scope 1 and Scope 2 emissions in FY2023 and to introduce reduction targets thereafter.

As a software company, our environmental impact results mainly from our offices, employees, and leased data centers. Accordingly, as we open new offices or relocate offices, we seek to locate our offices in areas accessible by public transportation, to lease energy efficient buildings, and to organize our workspaces to reduce the physical and environmental footprint of those offices. As we refresh other offices, we implement energy efficient measures and reduce the footprint by organizing workspaces more efficiently. We also engage in other resource conservation efforts at our offices, including recycling programs, public transportation support programs, and, in India, water resource conservation programs.

As business travel by our employees and our customers can have a significant impact, we are reducing our business travel through adoption of policies and technology for remote meetings and collaboration and are leveraging technology and practices to reduce customer visits to our offices. We do not own or lease any corporate jets.

Support for Our Customers' Digital Transformation Initiatives

We are committed to driving innovation and creating products that help our customers improve productivity and reduce costs and help them achieve their own sustainability goals and those of their customers.

Our software products enable companies to design, manufacture, and service their products in ways that lower their physical environmental impact by saving energy, reducing materials usage and waste, and increasing efficiency. Our augmented reality software enables our customers to remotely service their products and to train their employees more efficiently, including remotely, enabling them to make processes more efficient and to reduce travel. We are exploring ways to capture and report the efficiencies and reductions in environmental impact realized by our customers through the use of our software.

Community Engagement

We are committed to creating a better reality by providing financial grants to organizations with charitable and social missions and by supporting employees in their efforts to give back to the community.

The **PTC Foundation** focuses on charitable giving in STEM and Education and in the communities where PTC employees, partners and stakeholders are located. In 2022, we donated over $1 million to address the Ukraine Humanitarian Crisis.

Additional Resources

Corporate Social Responsibility and Sustainability

We describe our sustainability initiatives and successes in our most recent **Corporate Social Responsibility Report** located on the Corporate Social Responsibility page on our website. This December 2022 Information supplement includes an update on our alignment with **SASB standards**.

Human Capital Management

Our **Human Capital Management** practices are described in 2022 Annual Report on Form 10-K. Our most recent **EEO-1 data** is included in this December 2022 Information supplement.

Cybersecurity and Data Privacy

We maintain a **Trust Center** on our website that describes our approach to cybersecurity and data privacy.

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SASB STANDARD DISCLOSURES

As of December 23, 2022

This document has been prepared in alignment with the SASB Software and IT sector standard. This updates the SASB table included in our 2020-2021 Corporate Social Responsibility Report. We have indicated where PTC reports on metrics that are included in the SASB standard, including sections of the 2020-2021 CSR Report. Our sustainability reporting continues to evolve and expand. For metrics on which we do not report at this time, we will continue to evaluate reporting on that metric in the future, including whether we have reliable data.

Environmental Footprint of Hardware and Infrastructure		
TC-SI-130a.1	Total energy consumed; PTC operations only	PTC does not own any real estate and is, therefore, limited in transparency and tracking of utilities data. An assessment of PTC's global environmental footprint is slated for 2023 as part of the expansion of our internal environmental program. See the Our Planet section in the 2020-2021 CSR Report.
TC-SI-130a.2W	Water withdrawn and consumed in PTC operations	PTC does not own any real estate and is, therefore, limited in transparency and tracking of utilities data. An assessment of PTC's global environmental footprint is slated for 2023 as part of the expansion of our internal environmental program. See Our Planet section in the 2020-2021 CSR Report.
	Analyze PTC operations in water-stressed regions	Based on our initial assessments, a significant portion of PTC's real estate, by square feet, is in areas designated as "High" or "Extremely High" baseline water stress by the Aqueduct Water Risk Atlas tool from the World Resources Institute.
TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	In selecting data centers, we intentionally select providers based on their commitment to not only quality service and security, but also to environmental responsibility, including water, energy, and land use. PTC leases space in co-located data centers for most of its data storage. See Conserving Resources in Our Data Centers section in the 2020-2021 CSR Report.

Data Privacy & Freedom of Expression		
TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	PTC maintains a Data Privacy Policy covering PTC's collection and processing of personal data generally, product-specific Privacy Policies for our Onshape and Arena SaaS products, and a separate Employee Privacy Notice. See our Trust Center on PTC.com.
TC-SI-220a.2	Number of users whose information is used for secondary purposes	None (0)
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	$0 USD
TC-SI-220a.4	Number of law enforcement requests for user information	0 requests
	Number of users whose information was requested	0 requests
	Percentage of requests resulting in disclosure	0%
TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Due to the current nature of data processed by PTC, there are currently no countries where we do business where the government requires monitoring, blocking, or content filtering.

Data Security		
TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Cybersecurity is a risk area with oversight at the highest levels of the organization, including the Executive Level and Board, including a dedicated Cybersecurity Committee of the Board. The Cybersecurity program is constantly under review as we are always adapting to new threats and maturing the program. As a matrixed cybersecurity organization, PTC has adopted the "Three Lines Model" to effectively address cybersecurity risk management, controls, and assurance. The overall operational program is led by a cross-functional Cybersecurity Strategy Council led by the office of Cyber Risk Management, which reports to our Chief Compliance Officer. The Council is supported by a qualified team of security professionals and key business stakeholders from all key functions, including Products, IT Infrastructure, SaaS, and Cloud. The Cybersecurity Risk and Privacy teams are supported from an assurance perspective by our Internal Audit teams. All cybersecurity, risk, and internal audit functions report to the PTC Executive Leadership team and the PTC Board. See our Cybersecurity Whitepaper for more information.

Recruiting & Managing a Global, Diverse, & Skilled Workforce[1]		
TC-SI-330a.1	Percentage of employees located outside the United States	65.0%
	United States	35.0%
	Americas (excluding United States)	2.2%
	Europe, Middle East, Africa	24.3%
	Asia-Pacific Countries (APAC)	11.4%
	India	27.1%
TC-SI-330a.2	Employee engagement as a percentage	Our November 2022 employee survey indicates a high level of employee engagement. Overall employee satisfaction is determined by the average of responses to (1) general workplace happiness and (2) how likely an employee is to recommend working at PTC.
TC-SI-330a.3	Percentage of racial/ethnic group representation in the US for (1) management, (2) technical employees, and (3) all other employees	We are increasing our investments in Cloud-based technology tools to help us track our talent pipeline, interview slates, and hiring conversions. As part of our digital transformation, we are also investing in technology to facilitate self-ID campaigns for applicants, candidates, and employees. This will help us collect and disclose more comprehensive demographic data, including URGs across several aspects of identity — expanding on equal employment opportunity (EEO) categories in the United States and more robust data on employee populations in other regions. We have included our most recent EEO-1 data in this 2022 December Information supplement. See Our People section in the 2020-2021 CSR Report and the People and Culture section of our 2022 Annual Report on Form 10-K.
	All employees	White: 71.2% Asian: 16.4% Hispanic or Latino: 3.3% Black or African American: 3.6% American Indian or Alaska Native: 0.1% Two or More Races: 2.9% Prefer not to say: 0.6% Unknown: 2.0%

[1] Data as of December 11, 2022. Includes regular employees only. Fixed-term employees and interns are excluded.

Recruiting & Managing a Global, Diverse, & Skilled Workforce (continued)		
TC-SI-330a.3	Management[2]	White: 79.2% Asian: 13.6% Hispanic or Latino: 2.2% Black or African American: 2.1% Two or More Races: 1.6% Unknown: 0.6% Prefer not to say: 0.6% American Indian or Alaska Native: 0.2%
	Technical employees[3]	White: 63.9% Asian: 24.7% Hispanic or Latino: 2.3% Black or African American: 4.1% Two or More Races: 2.7% Unknown: 1.7% Prefer not to say: 0.6% American Indian or Alaska Native: 0.0%
	All other employees (excluding management and technical employees)	White: 75.5% Asian: 9.6% Hispanic or Latino: 4.6% Black or African American: 3.6% Two or More Races: 3.4% Unknown: 2.8% Prefer not to say: 0.4% American Indian or Alaska Native: 0.1%
	Percentage of gender representation for (1) management, (2) technical employees, and (3) all other employees	
	All employees	Male: 69.6% | Female: 30.1% | Data not available: 0.2%
	Management	Male: 82.8% | Female: 17.2% | Data not available: 0.0%
	Technical employees	Male: 77.2% | Female: 22.6% | Data not available: 0.2%
	All other employees (excluding management and technical employees)	Male: 53.8% | Female: 45.8% | Data not available: 0.4%

Intellectual Property Protection & Competitive Behavior		
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	$0 USD

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[2] Management is defined as employees at the Director level and above.
[3] Technical employees are defined by employees that fall into 15-000 and 17-000 roles, as defined by the U.S. Bureau of Labor.

Managing Systemic Risks From Technology Disruptions		
TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	PTC Cloud measures performance and disruptions by measuring service-level uptime/URL availability. We offer this performance to our customers through our Service-Level Agreement:
		• Service Availability: PTC commits to service availability for the production environment, excluding excused downtime, of 99.5%, measured on a monthly basis.
		• Testing and Calculation: Service availability is measured by accessing the service URL from multiple locations every 5 minutes, and the pass/fail result is captured for use calculating service availability.
		During this reporting period, PTC consistently met these targets when measured across the global populations of customers.
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	PTC has established Business Continuity and Disaster Recovery Plans with a risk-based approach and is on a road map to align with the ISO 22301 standard. PTC has invested in an enterprise-wide program designed to ensure that our infrastructure, offices, information, and information systems are properly protected from the impacts of a variety of risks typically classified as natural (e.g., weather-related, earthquakes), man-made (e.g., hackers, virus, theft, sabotage, workplace violence, financial attack, disinformation campaign), and technological (e.g., hardware failure, network failure, power outages). PTC's Business Continuity Management System being implemented leverages ISO22301:2019 Business Continuity Management Standard industry practices. The program is governed by a cross-functional team of business leaders with Executive Leadership oversight.

EQUAL EMPLOYMENT OPPORTUNITY
2021 EMPLOYER INFORMATION REPORT EEO-1
CONSOLIDATED REPORT

SECTION B – COMPANY IDENTIFICATION

1. PTC INC.
121 SEAPORT BOULEVARD
BOSTON, MA 02210

2.a. PTC INC.
121 SEAPORT BOULEVARD
BOSTON, MA 02210

c. EIN= 042866152

SECTION C – TEST FOR FILING REQUIREMENT

1- Y 2- Y 3- Y   DUNS= 175749431

SECTION E – ESTABLISHMENT INFORMATION

NAICS: 511210 - Software Publishers

SECTION D – EMPLOYMENT DATA

| JOB CATEGORIES | HISPANIC OR LATINO | | NOT-HISPANIC OR LATINO | | | | | | | | | | | | OVERALL TOTALS |
| | | | * MALE * | | | | | | * FEMALE * | | | | | | |
	MALE	FEMALE	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	
EXECUTIVE/SR OFFICIALS & MGRS	0	0	24	1	0	1	0	0	4	0	0	0	0	0	30
FIRST/MID OFFICIALS & MGRS	10	7	383	13	0	76	2	3	164	5	1	28	0	2	694
PROFESSIONALS	35	13	669	39	2	169	0	11	262	19	0	100	1	7	1327
TECHNICIANS	3	0	7	0	1	3	0	0	2	1	0	0	0	0	17
SALES WORKERS	6	3	121	4	0	4	1	1	44	1	0	1	0	0	186
ADMINISTRATIVE SUPPORT	0	1	15	3	0	1	0	0	46	3	0	6	0	1	76
CRAFT WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPERATIVES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LABORERS & HELPERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SERVICE WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	54	24	1219	60	3	254	3	15	522	29	1	135	1	10	2330
PREVIOUS REPORT TOTAL	46	27	1280	44	3	242	1	19	543	26	1	115	2	15	2364

SECTION F – REMARKS

DATES OF PAYROLL PERIOD: 12/16/2021 THRU 12/31/2021

SECTION G - CERTIFICATION

CERTIFIED DATE [EST]: 5/17/2022 8:50 AM