

2020



HARLEY-DAVIDSON®

INCLUSIVE STAKEHOLDER MANAGEMENT REPORT





1

**EXECUTIVE
SUMMARY**

2

**LIFTING OUR
PEOPLE**

3

**DRIVING POSITIVE
IMPACT**

4

**CREATING A PATH
TO NET ZERO**

5

**OPERATING WITH
TRANSPARENCY**

6

APPENDIX: DATA

1

EXECUTIVE SUMMARY

A Letter from CEO Jochen Zeitz

For more than a decade Harley-Davidson has produced and published annual sustainability reports – and during that time we have made great progress. As we define the future beyond sustainability, Inclusive Stakeholder Management becomes the unifying theme for how we think about our role in society, with a focus on:

- creating a high-performing, engaged, and diverse workforce
- creating an inclusive and more sustainable dealer network and supply base
- driving towards net zero environmental impact
- delivering positive impact in our communities
- closely aligning the rewards of our employees with our shareholders

We have the opportunity to reset and reframe how we do business. Our future will be defined not only by our products and experiences, but how we deliver value for all our stakeholders.

By making Inclusive Stakeholder Management a key part of our strategy, we are prioritizing long-term profitable growth and value for our stakeholders – our planet, our communities and our people.

We aim to grow and deepen our connection with stakeholders, giving them further reason to identify with, and believe in, what we stand for as a brand and as a company.



A handwritten signature of Jochen Zeitz in black ink.

JOCHEN ZEITZ

**Chairman, President and Chief Executive Officer,
Harley-Davidson, Inc.**

Harley-Davidson, Inc. is the parent company of Harley-Davidson Motor Company and Harley-Davidson Financial Services. Our vision: Building our legend and leading our industry through innovation, evolution and emotion. Our mission: More than building machines, we stand for the timeless pursuit of adventure. Freedom for the soul. Since 1903, Harley-Davidson has defined motorcycle culture with an expanding range of leading-edge, distinctive and customizable motorcycles in addition to riding experiences and exceptional motorcycle accessories, riding gear and apparel. Harley-Davidson Financial Services provides financing, insurance and other programs to help get Harley-Davidson riders on the road. Learn more at [harley-davidson.com](https://www.harley-davidson.com).

This report includes forward-looking statements that are subject to risks that could cause actual results to be materially different. Those risks include, among others, matters that we have included in our latest earnings presentation and filings with the Securities and Exchange Commission. Harley-Davidson disclaims any obligation to update information in this report. Additional information and risk factors are included at the end of this report.

Resetting with an Inclusive Stakeholder Approach

During 2020, Harley-Davidson not only managed through all the challenges of COVID-19, but also Rewired the company for future success and established The Hardwire, our strategic plan grounded in desirability. Our ambition is to enhance our position as the most desirable motorcycle brand in the world, and that includes driving desirable, positive impact for all our stakeholders.

By making Inclusive Stakeholder Management a key part of our strategy, we are prioritizing people, planet and profit to deliver long-term value to our stakeholders – our planet, our communities and our people.

With this inaugural Inclusive Stakeholder Management Report, we are providing a stakeholder-focused summary of accomplishments (and data) from 2020, along with a taste of where we are headed in the future.



A taste of where we're headed

LIFTING OUR PEOPLE

- ▶ Our Ecosystem Workplace Policy embraces flexibility and outcomes, with ~80% of the salaried workforce in Hybrid roles
- ▶ We've established a target for the percentage of women/diverse employees comprising the ranks of manager and above

DRIVING POSITIVE CHANGE

- ▶ We're focusing on making our home neighborhood in Milwaukee a great place to live, work and visit through innovative partnerships

CREATING A PATH TO NET ZERO

- ▶ We're looking to reduce our carbon emissions and determine our path to achieving net zero by at least 2050

OPERATING WITH TRANSPARENCY

- ▶ We're aligning the interests of our stakeholders, including through an equity grant in 2021 to employees who were not previously eligible to receive stock awards



2020 HIGHLIGHTS

LIFTING OUR PEOPLE

0.3
HDI OSHA
Recordables

>1900
on-site Covid tests
@ H-D mfg sites

CREATING A PATH TO NET ZERO

4.9%
HDI % waste
to landfill

>8000
Rooftop solar panels
@ Pilgrim Road plant

DRIVING POSITIVE IMPACT

\$2.7M
in H-D Foundation
grants

7.2%
of supplier spend
with women/diverse
suppliers

OPERATING WITH TRANSPARENCY

\$0
in PAC political
contributions

44%
of HDI Board of Directors
are women/diverse

2

LIFTING OUR PEOPLE



Together We All Do Better

OPTIMIZING LONG-TERM VALUE FOR ALL STAKEHOLDERS

The fundamental premise of Inclusive Stakeholder Management is that each stakeholder does better in the long run when value is optimized for all stakeholders. Or, more simply: **We all do better when everyone is included.**

As we implement The Hardwire, we will enhance desirability and lift our people – our employees, dealers, customers, suppliers, shareholders and communities. This Chapter 2 details 2020 accomplishments related to our Employees. Chapter 3 focuses on how we are driving positive impact in our Communities.



BUILDING THE H-D#1 WINNING CULTURE

We are redefining our culture to reignite the company's soul and spirit. Our cultural journey is called "H-D#1" and is represented by our recognizable #1 logo. The #1 logo is an iconic symbol of winning and the hard work it takes to get there. There are ten H-D#1 leadership principles that our employees and dealers are rallying around to become a winning, high-performing company.

OUR COMMITMENT TO HUMAN RIGHTS

Harley-Davidson stands for the timeless pursuit of adventure and freedom for the soul. And just like the preamble to the Universal Declaration of Human Rights, we recognize the inherent dignity and inalienable rights of all members of the human family that begins with freedom at its foundation. That starts with how we operate and conduct ourselves as a responsible company, to not only meet applicable laws and regulations but also our internal standards.

To support our commitment to human rights and ethical business operations we rely upon our long-standing Code of Business Conduct and numerous supporting policies.* This includes policies to provide a safe and secure work environment, equal opportunity and an inclusive, diverse and equitable workplace. Our policies protect employees' freedom from discrimination, harassment, coercion, violence, retaliation and intimidation in the work environment. We train our employees on these policies regularly.

These policies extend beyond Harley-Davidson's operations to the supply chain. We strictly prohibit child labor and have no tolerance for forced labor or human trafficking. The Code of Supplier Conduct explicitly details our safety, environmental and social expectations to the supply chain.

Our commitment to human rights includes a reporting process that drives accountability at all levels. We train our employees to recognize Code of Business Conduct violations and how to report a concern or violation. Any employee may report to their supervisor, HR or the General Counsel, and also anonymously without fear of retaliation, and reports can be made in the employee's native language either by phone or online. Third parties may also use the reporting hotline as well.

**See Appendix for list of policies*

Inclusion & Belonging

CHANGING THE CONVERSATION

The tragic events of 2020 caused H-D, like many others, to rethink our role in addressing systemic racism. Harley-Davidson is operating with renewed appreciation for how we all work together, live and experience the Harley-Davidson brand.

We have a conscious focus on ensuring we have an inclusive and equitable work environment and foster a workplace that condemns discrimination. Our Inclusion strategy focuses on how we:

- Invite Everyone In
- Illuminate the Issues
- Infuse Talent

We are cultivating an environment where employees feel safe and empowered to voice their ideas, thoughts and concerns. In aid of that, we have employee-driven Inclusion Councils and Employee Resource Groups, and we provide provocative and meaningful education and awareness opportunities.

Some examples of steps we are taking to be a more inclusive brand include reflecting the diversity of our customers in our marketing materials and taking action in response to unacceptable behavior, including terminating a dealer in 2020 due to the posting of racist remarks on social media.

Read on for 2020 Inclusion & Belonging highlights.

21-DAY CHALLENGE

In 2020, the Harley-Davidson legal department participated in the American Bar Association's 21-Day Challenge. Through 21 days of short readings and videos, the Challenge encouraged participants to step out of their comfort zones to acquire greater racial literacy and inspire engagement in the fight against racial inequality in the legal profession.

The goals were to gain a deeper understanding and appreciation for the life experiences and viewpoints of others; to share experiences with peers in a safe environment; to learn how our actions impact others; to understand more about ourselves and why we think the way we think; to encourage and empower the department with the knowledge and tools to amplify new perspectives in discussions with others; and to establish tangible actions that demonstrate leadership in racial equity.

Key to their success were the ground rules the department established for the Challenge discussions: 1) maintain confidentiality, 2) have an open mind, 3) there is no pressure to speak, 4) do not interrupt others, 5) do not challenge people's experiences (they are valid to that person), 6) ask thoughtful questions, 7) avoid accusations and declarative/blanket statements, 8) respect the opinions of others even if you do not share them, and 9) allow everyone grace to make mistakes, none of us are perfect.





**Hate and intolerance have no place at
Harley-Davidson.**

**We stand in solidarity with our riders, employees and
communities as we condemn acts of intolerance, racism,
sexism and hate of any kind, and move forward together
toward an equitable society for all.**

United we ride.

Inclusion & Belonging

DIVERSITY COMMITMENT REAFFIRMED BY CEO

In June 2020, CEO Jochen Zeitz reaffirmed H-D's commitment to diversity, equity and inclusion by signing the CEO Action Pledge for Diversity and Inclusion that Harley-Davidson first pledged to support in 2019. CEOs from more than 1600 of the biggest employers in the U.S. have also made this commitment.

HRC EQUALITY INDEX SCORE MAINTAINED

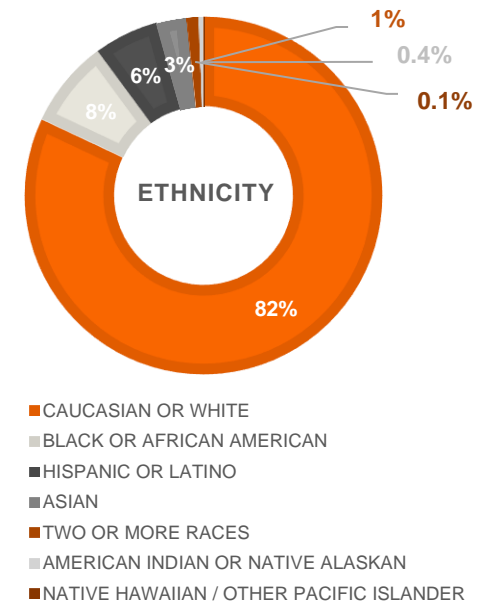
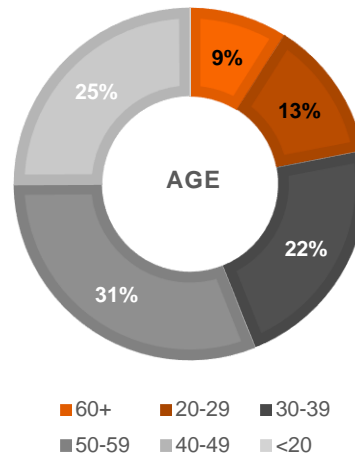
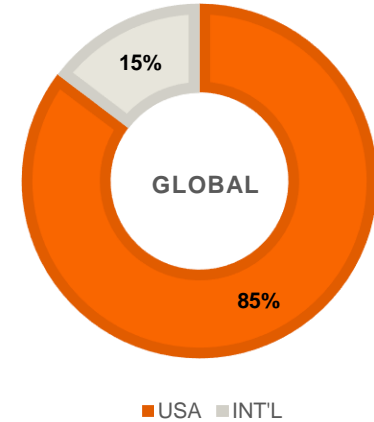
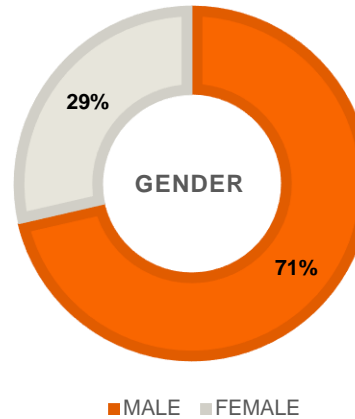
Harley-Davidson again received a score of 90 out of 100 on the Human Rights Campaign Foundation's 2020 Corporate Equality Index, the nation's foremost benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality. H-D joins 1142 major U.S. businesses that were also ranked in the 2020 Index.

WOMEN IN MANUFACTURING HONORED

To highlight the importance of diversity in manufacturing, the Manufacturing Institute annually awards 130 women from across the country who demonstrate excellence and leadership in their companies in the fields of science, technology, engineering, and production (STEP). Every year since 2014, one or more of H-D employees have been honored for their achievements in manufacturing and technology. In 2020, two more Harley-Davidson employees earned this award.

BEING TRANSPARENT ABOUT DEMOGRAPHICS

As of December 31, 2020, Harley-Davidson employed approximately 5300 people across Harley-Davidson Motor Company and Harley-Davidson Financial Services. About 2500 of those are workers paid by the hour, with approximately 1900 of them covered by collective bargaining agreements. See charts on the right for additional analyses of workforce demographics; see also the Appendix.



Inclusion & Belonging

TAKING ACTIONS TO INCREASE AWARENESS AND HARNESS THE POWER OF ALLYSHIP

We have the power and responsibility to create a culture where hate and discrimination have no place, and where employees feel included, accepted, and safe. Every action we take—big and small, individual or as a company—helps make a positive impact.

Some key moments in 2020 included:

- More than 1800 global employees completed a virtual training to learn what an ally is and how to take their own journey to becoming an ally.
- Employees participated in an engaging and interactive learning session that allowed them to explore social identities—both those that are visible and invisible—and how those identities interplay in our daily experiences and how we engage with others. Social identity categories included education, gender, locality, sex, race, age, religion, sexual orientation, class, citizenship, language ability, and dis/ability.
- In honor of National Coming Out Day, employees attended a virtual session featuring Sandy Eichel, an international speaker who shares her personal story and experiences in a humorous and compelling format.

ANTI-HARASSMENT & ANTI-DISCRIMINATION

Harley-Davidson is committed to maintaining a work environment that is free from harassment and discrimination based on any protected category and has long-standing policies in place against harassment and discrimination. Maintaining an environment of fair employment requires employees to respect others.



WHAT DOES IT MEAN TO BE AN ALLY?

An ally is willing to take action in support of another person in order to remove barriers that impede that person from contributing their skills and talents in the workplace or community.

Employee Well-Being

PRIORITIZING HEALTH & SAFETY

Harley-Davidson has achieved an outstanding safety record, achieving an all-time low OSHA recordable rate of 0.3 (see graphic). Our goal is to protect the employees, the public, and the environment from hazards associated with the workplace. To help us achieve this goal, we have established integrated and responsive Environmental, Health, Safety & Security practices and procedures.

FUTURE OF WORK: NEW MEANINGS FOR “WORKPLACE”

We are evolving our workplaces, workspaces and workways to become an agile, resilient, and self-learning workforce. Our ambition is to be a highly desirable employer with a focus on flexibility and employee well-being.

We are focusing our ambition on four key areas:

- Virtual Mindset Policy and Practices
- Physical Environment for Flexibility and Connection
- Technology and Collaboration Tools
- Communication Channels and Practices

Rethinking how we work was one of CEO Jochen Zeitz' first priorities when he joined the company in early 2020. The pandemic accelerated plans already in the works and this forced 'experiment' proved out the benefits of increased flexibility and the inclusivity and effectiveness of operating more virtually.

In concert with expanding the flexibility of many roles to be able work from home, company locations and third spaces, we are reducing individual workstations by 50% at our two largest office sites, creating more collaborative and gathering spaces, and making other real estate footprint adjustments.

2020 Health & Safety Recordable Rates

HDI 0.3

50% reduction from 2019



Employee Well-Being

ENABLING PROFESSIONAL AND PERSONAL FULFILLMENT

Harley-Davidson fosters a community based on its H-D #1 culture, including a highly desirable, safe and inspiring workplace that attracts and retains top diverse talent. We are committed to developing high-performing talent while facilitating talent movement and retention across the organization.

We strive to create a working environment where diverse perspectives are sought and valued, and all contributions are respected. We celebrate results and performance outcomes and support our employees in their development and the healthy integration of their work and personal lives.

To deliver desirable products, services and experiences to our customers and protect the legacy of the Harley-Davidson brand, we must also encourage and support the ongoing skills and capabilities development of our employees. We do this through both formal and experiential opportunities. Harley-Davidson also offers a tuition program for employees completing certifications, bachelor's or master's degrees, or motorcycle training. In addition, learning pathways are curated and available through our online learning platform.

~5,200

EMPLOYEES COMPLETED

>2,500

INSTRUCTOR-LED COURSE HOURS

>125,000

HOURS OF TRAINING

>3,375

DEGREED™ LEARNING COURSE HOURS

Degreed is a trademark of Degreed, Inc.



COVID-19

OUR RESPONSE TO COVID-19

As the global spread of COVID-19 continues, Harley-Davidson continues to prioritize the safety of our employees and communities. We have adapted safety measures and made operational changes to keep our employees, suppliers, dealers and customers safe when interacting with the company.

SUPPORTING OUR EMPLOYEES

2020 put our practices and procedures to the test and required new and nimble ways of operating. In response to COVID-19, we swiftly moved employees at non-operations locations globally to 100% work from home. We also kept benefits in effect, even when lay-offs were required.

Our COVID-19 Global Operating Playbook is a living document providing guidance to all locations for safe operations. It allowed our manufacturing and test facilities to safely reopen following the worldwide shut down from March through May of 2020.

Our onsite Lifestyle Centers have been instrumental in ensuring safe and healthy management of our operations employees. We set guidelines and protocols for safe management of employees, including social distancing requirements, PPE, cleaning and disinfecting, testing, and quarantine and vaccination protocols. Our Lifestyle Centers conducted more than 1900 onsite COVID-19 tests in 2020 and continue to test regularly.

In addition, H-D employees continue to have access to employee assistance programs and other help, including additional resources that have been provided to help employees maintain personal well being.

COMMUNITY SUPPORT

Early in the pandemic, we donated PPE supplies from our facilities. Subsequently, the Harley-Davidson Foundation donated \$150,000 jointly to the COVID-19 relief efforts of United Way of Greater Milwaukee & Waukesha County in Wisconsin (home to four of our company facilities) and to United Way of York County in Pennsylvania, home to our largest vehicle assembly facility.

Harley-Davidson also provided a customized LiveWire™ motorcycle to United Way, which was auctioned off with proceeds benefitting United Way Worldwide's COVID-19 Community Response and Recovery Fund.



3

DRIVING POSITIVE IMPACT

Impact of Harley-Davidson Foundation

MAKING A DIFFERENCE

The Harley-Davidson Foundation, established in 1993, is the philanthropic arm of Harley-Davidson, Inc. The Foundation invests in improving equity and addressing inequality through outcome based collaborative partnerships. We believe in collectively working together to sustainably transform our communities and contribute to an enduring, ethical and equitable world. Our efforts are focused on driving meaningful change in our home neighborhood, the Near West Side of Milwaukee, and empowering employees to be champions of impact in their local communities.

In 2020, the Harley-Davidson Foundation donated \$2.7 million to local organizations, including continued support for our Signature Programs:



CHILDREN'S WISCONSIN

The Foundation has made a \$1.2M multi-year grant to support innovative community service programs that place a school nurse and community health navigator in the community. Through these programs more than 3000 families and youth received extended care in 2020.



NEAR WEST SIDE PARTNERS (NWSP)

Founded in 2015 through the support of five anchor institutions including Harley-Davidson, NWSP works with neighborhood stakeholders to drive positive change in our home neighborhood. The Foundation has committed \$1.8M to support this transformation.



HUNGER TASK FORCE FARM, POWERED BY HARLEY-DAVIDSON

The Foundation has been a strong supporter of the Hunger Task Force Farm since its inception in 2012. The Farm is a unique, sustainability focused 208-acre urban farm in suburban Milwaukee that grows a wide variety of crops to ensure access to fresh produce at food pantries. Around 6000 volunteers, including many from Harley-Davidson who return year after year, volunteer thousands of hours to support the Farm. While COVID-19 limited volunteer participation in 2020, the Farm was still able to grow and distribute almost 600,000 pounds of fresh fruits and vegetables.



Employees Making Impact

EMPLOYEE COMMUNITY ENGAGEMENT & VOLUNTEERISM

In 2020, Harley-Davidson employees completed 2973 hours of reported volunteer time and countless hours at home in safe and virtual settings providing support for their local communities during the pandemic. For example:

- H-D Canada employees attended a virtual webinar with Centre for Addiction and Mental Health (CAMH) to understand how COVID-19 has impacted suicide and depression. Employees responded by writing inspiring notes to patients and staff.
- HDFS partnered with The River Wranglers for a clean-up event held in Nevada's Dayton State Park. The team helped clear trails and refresh resources throughout the state park.
- More than 100 global employees walked over 1200 miles in their own neighborhoods in support of early childhood education during the virtual Next Door Walk for Children to support Next Door Milwaukee, located in the Near West Side of Milwaukee.
- A group of employees from the Product Development Center spent nearly 100 hours supporting projects at Neighborhood House of Milwaukee. The employees worked to clean up the organization's Nature Center alongside land steward interns.

TOGETHER WITH UNITED WAY

Since 1945, we have contributed over \$25 million to our local communities through United Way. United Way is one of the oldest and largest non-profits in the U.S. with a purpose to advance the common good, focusing on education, financial stability and health. Continuing our 75-year relationship with United Way, in 2020 we:

- Donated \$150,000 jointly to United Way of Greater Milwaukee & Waukesha (WI) and United Way of York County (PA) for COVID-19 relief efforts.
- Constructed and delivered masks to address the critical need for personal protective equipment (PPE).
- Raised nearly \$750,000 through the 2020 U.S. employee workplace giving campaign.
- Had more than 65 Milwaukee-area employees attend a panel discussion to learn more about the long-standing discrimination issues in the community and how COVID-19 has highlighted the inequalities in our society.



WINTER CARE KITS FOR THE HOMELESS

Pilgrim Road employees pack kits to address personal care needs for homeless individuals and families.

Advancing STEAM

STEAM

Harley-Davidson's STEAM efforts are focused on building capabilities, interest, and engagement in the fields of engineering and manufacturing. We believe investing in math, science, and arts education helps young minds build creative thinking and problem-solving skills.

Our STEAM Focus Areas:

- Support the building blocks to a solid education to allow students to advance their education and pursue careers without barriers
- Provide quality, work-based learning opportunities
- Invest in educators by supporting quality career and technical education training in and around our communities
- Join forces with industry and community partners focused on closing the U.S. skills gap

STEM 101 COLLABORATION

In 2020, Harley-Davidson worked with STEM 101 to develop a hands-on activity complemented by virtual H-D employee career speakers. Students learn the difference in series and parallel circuits while being creative with placing lights and coloring various Harley-Davidson motorcycle scenes. This activity allows students to complete a competency-based project connected to in-demand careers.

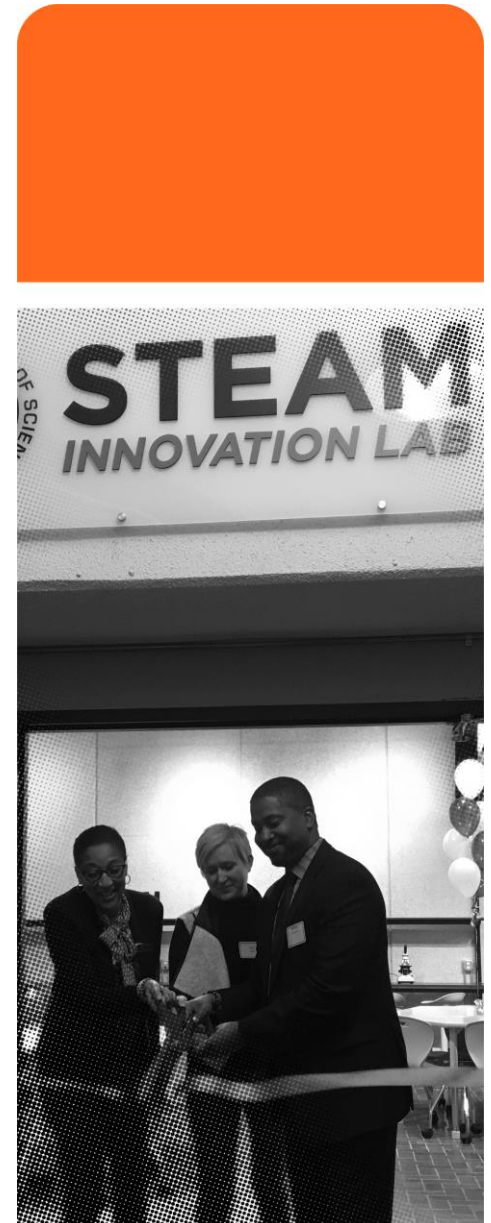
ADVANCING STEAM EDUCATION & CAREER READINESS

The Harley-Davidson Foundation made a \$1M multi-year commitment to Boys & Girls Club of Greater Milwaukee for a STEAM innovation lab buildout and full programming at the Milwaukee Academy of Science, a K-12 school located in the Near West Side of Milwaukee that serves students from 26 of the most disadvantaged zip codes in Milwaukee.

This programming creates a supportive environment for students seeking help in post-secondary education or employment opportunities specifically related to STEAM. Through two full program years (including during COVID-19), over 550 students have been able to:

- Explore careers in STEAM fields, including engineering and manufacturing
- Learn hands-on job skills through site visits, mentoring programs, and unique projects
- Deepen creative thinking and problem-solving skills
- Complete college and job readiness training courses including receiving dual enrollment for college credits and paid workforce training
- Receive virtual financial literacy training

Employee volunteers have supported programming to expose students to STEAM in action at Harley-Davidson by participating in a virtual career speakers' series and developing a five-week course on the design and manufacturing process. Moving forward, we will continue to develop programming to help students reach their full potential.





STEAM

At Harley-Davidson we are dedicated to growing and developing future designers, engineers, and skilled tradespeople who are crucial for the future of our community and our company.

Building the Talent Pipeline

STATE OF WISCONSIN REGISTERED APPRENTICESHIP PROGRAM AT H-D

Harley-Davidson offers a State of Wisconsin Registered Apprenticeship Program focused on four industrial trades: Maintenance Mechanical, Maintenance Electrical, Maintenance Toolmaker, and Maintenance Technician. The program combines classroom academic training and on-the-job training. Upon completion, participants receive a nationally recognized journey-worker certification card.

YOUTH APPRENTICESHIP PROGRAM AT H-D

Harley-Davidson's Youth Apprenticeship (YA) integrates school and work-based learning to instruct students in employability and occupational skills defined by Wisconsin industries. Our YA program offers opportunities in the Maintenance, Installation, and Repair Pathway and focuses on three industrial trades: Maintenance Electrical, Maintenance Mechanical, and Maintenance Toolmaker.

Harley-Davidson's YA provides training based on statewide youth apprenticeship curriculum guidelines. High school juniors and seniors are instructed by qualified teachers and skilled worksite mentors while simultaneously enrolled in academic classes to meet high school graduation requirements. The students are also employed by Harley-Davidson.



YOUTH APPRENTICESHIP PROGRAM

Bradley Tech High School students completed a metrology exercise as part of the Harley-Davidson Youth Apprenticeship Program Cohort program.



Recognizing Dealers & Customers

UNITED WE RIDE

Harley-Davidson has long been associated with igniting emotion, and our dealers and customers drive us and inspire us to do and be better. We have a vision to build a broader sense of belonging through inclusive and welcoming experiences and events.

In 2020, our dealers and customers stepped up, supporting each other and their communities in unique times. Here are a few examples:



H.O.G. FRANCE launched a program to aid medical workers. To support those in the trenches of COVID-19, Harley Owners Group (H.O.G.®) Paris Coeur de Seine Chapter and Roadstar92 launched a program where all chapter members across the country were encouraged to give €15 to a national charity.



IRON FIST MOTORCYCLE CLUB OF FLORENCE, ITALY helped the Florence community during the COVID-19 pandemic. The group supported the city's citizens who could not leave their homes by bringing them food donated by club members, private citizens, and volunteer associations. Their saddlebags, usually stocked with riding gear, held cans of peeled tomatoes, pasta, milk, biscuits, and bread. The Iron Fist riders put in three shifts lasting two hours each to reach people in need who, through word of mouth, learned about the club's support service.



H-D ALMERIA purchased PPE masks when it was very difficult in Spain to obtain PPE and then delivered them for free throughout the community.



MAVERICK HARLEY-DAVIDSON hosted its 5th annual ride to support 22Kill Wind Therapy, a program focused on introducing veterans, first responders and their spouses to the therapeutic benefits of motorcycle riding, as well as the camaraderie and supportive nature of the motorcycle community.



Increasing Supplier Diversity

AN INCLUSIVE SUPPLY CHAIN

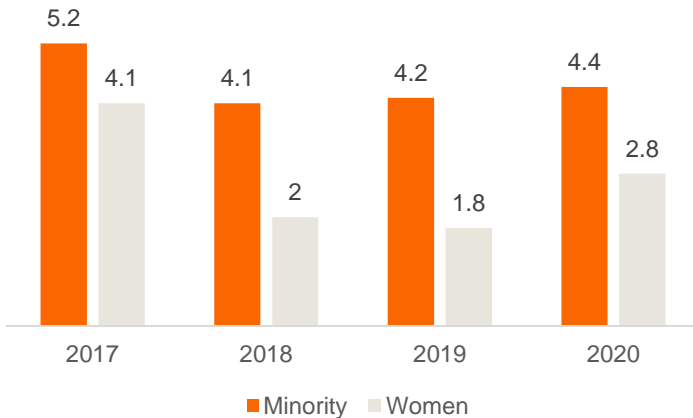
Supplier diversity is an integral part of how we procure products, goods, and services. We strive to increase participation of diverse suppliers, including but not limited to Women, Minority, LGBTQ+, Disabled and Veteran owned businesses.

To help us develop and maintain supplier relationships we strategically partner with the following organizations that provide certifications to suppliers that are recognized by Harley-Davidson and other companies:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- National Gay and Lesbian Chamber of Commerce (NGLCC)
- National Association of Women Business Owners (NAWBO)
- United States Hispanic Chamber of Commerce (USHCC)
- Disability:IN

HARLEY-DAVIDSON SPEND WITH DIVERSE SUPPLIERS (as % of total supplier spend)

In 2020, 7.2% of our spend with Tier I suppliers was with suppliers that are women, minority, veteran or LGBTQ+ owned businesses. While up from 2019, this level of spend is still below the 9.3% achieved in 2017. We have established a target of >10% diverse spend by 2025.



4

A black and white photograph of a person wearing a full motorcycle suit and helmet, sitting on a Harley-Davidson motorcycle. The rider is positioned on the right side of the frame, facing left. The motorcycle is a cruiser style with a large headlight and a prominent 'harley-davidson' logo on the fuel tank. The background is a blurred outdoor setting with a crowd of people and trees. The image has a halftone dot pattern overlay.

CREATING A PATH TO NET ZERO

Understanding Our Impacts

ADDRESSING CLIMATE CHANGE AND OTHER ENVIRONMENTAL IMPACTS

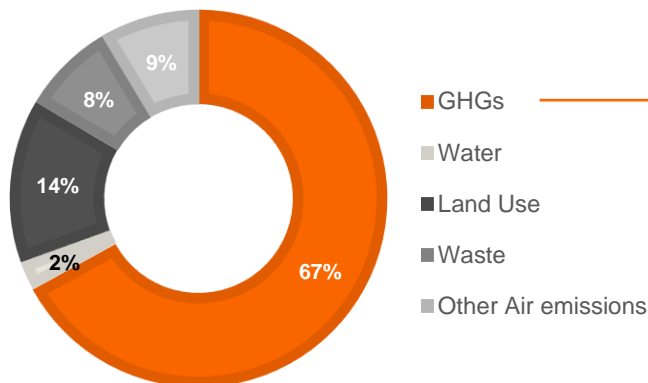
We continue to strive to reduce our environmental impact across all aspects of our business. Based on the full value chain analysis of our environmental impacts, our most significant impact is greenhouse gas emissions (GHGs), the primary contributor to climate change.

We are defining our path to achieve net zero environmental impact.

Our priority focus areas to achieve net zero:

- (1) improving fuel economy and reducing emissions for combustion products,
- (2) working with our suppliers and through the upstream tiers to reduce the impacts of the entire supply chain,
- (3) using less energy and an increased mix of renewable energy in our factories and offices (and encouraging efforts for energy producers to be carbon neutral),
- (4) advancing and leading the industry in electric motorcycles, and
- (5) defining our approach to carbon credits and offsets with a focus on supporting sustainable development and resiliency.

H-D ENVIRONMENTAL IMPACTS



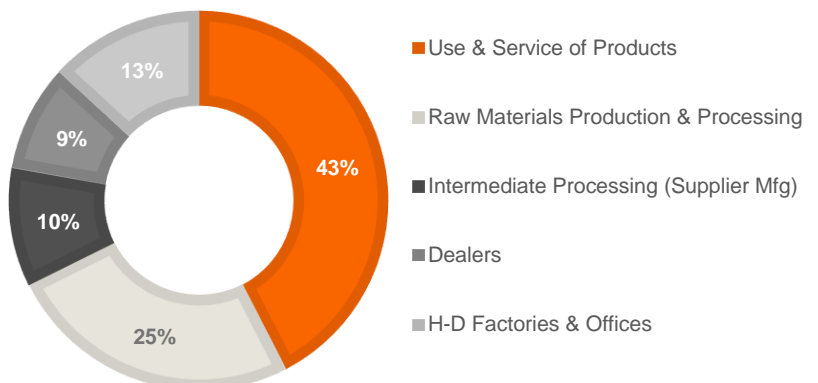
OUR COMMITMENT TO NET ZERO IMPACT

Climate change caused by increased levels of greenhouse gases creates risks not only to Harley-Davidson's business model and operations but more broadly to some of the world's most vulnerable populations. As the Intergovernmental Panel on Climate Change and other expert bodies have identified, climate change is contributing to sea level rise, extreme weather conditions and resource shortages.

As the world's largest producer of heavyweight gasoline-powered motorcycles, we have prioritized the following actions to address climate change: lead in the electrification of motorcycles; improve fuel economy of our motorcycles; and reduce the impacts from our products and operations, which includes increasing the use of renewable energy.

We are committed to achieving net zero carbon emissions by at least 2050 and addressing our other environmental impacts as well. We will aim to set targets by the end of 2022 that are based on the principles of the Science Based Targets initiative to keep the earth's temperature rise below 1.5°C and the benefits of high-quality carbon credits focused on nature and biodiversity conservation.

GHGs BY H-D IMPACT AREA



Reducing Downstream Impacts

CARBON / GREENHOUSE GAS EMISSIONS

We apply continuous improvement to reduce environmental impacts, and the Appendix details results for Harley-Davidson facilities with respect to energy consumption, Scope 1 & 2 greenhouse gas (GHG) emissions and water consumption. However, as noted on the prior page, our most significant impacts are from Scope 3 GHGs stemming from the use phase of motorcycles (downstream) and the full supply chain for the materials in our products (upstream).



SCOPE 3 Upstream

GHG emissions from raw materials extraction and processing, intermediate processing (suppliers), transport of supplies and materials and business travel



SCOPE 1 & 2 Harley-Davidson

GHG emissions from H-D's operations, including onsite fuel combustion (building heat, processes) and electricity consumption (purchased from 3rd parties)



SCOPE 3 Downstream

GHG emissions from use of products (including from the production of the gasoline and electricity they consume), transport of finished goods and product disposal



FUEL ECONOMY

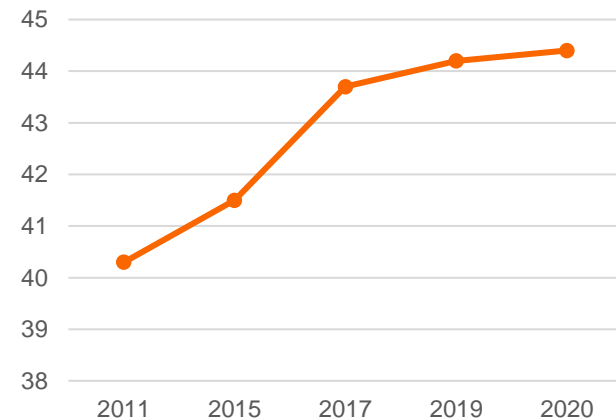
To reduce downstream impacts, in 2017 we established the goal of 50 mpg fleet average fuel economy by 2027. For 2020, fleet average fuel economy was essentially flat to 2019 at 44.4 mpg. As we develop the interim targets to achieving net zero by 2050, we will re-evaluate milestones for improving the fuel economy of our combustion engine products.



ELECTRIC VEHICLES

Harley-Davidson's LiveWire™ division (announced in 2021) has the ambition to be the most desirable electric motorcycle brand in the world. Building on the LiveWire model Harley-Davidson introduced in 2019, the LiveWire brand will pioneer the future of motorcycling while innovating and developing technology applicable to LiveWire and Harley-Davidson motorcycles in the future.

Fleet Average Fuel Economy



Estimated from fuel economy tests on a sample motorcycle from the corresponding family conducted under ideal laboratory conditions. Not all motorcycle models undergo testing. Fuel economy and mileage may vary among motorcycle models within a platform, and may vary depending on personal riding habits, weather conditions, trip length, vehicle condition, vehicle configuration and other conditions.

Reducing Upstream Impacts

SUPPLY CHAIN / MATERIALS IN PRODUCTS

We have taken actions over the past several years to improve fuel economy, including through vehicle weight reduction, which also reduces the environmental impacts from materials in our products. Going forward, we are planning to build a Responsible & Sustainable Sourcing program that will guide how we manage our suppliers (and their suppliers), as well as leveraging our internal Materials Innovation & Sustainability Council, formed in 2020, to drive further investigation and implementation of material and processing alternatives that will reduce upstream environmental impacts. Here are some examples:



LIVEWIRE ALUMINUM FRAME

The all-electric motorcycle LiveWire™ introduced in 2019 was the company's first motorcycle with an aluminum frame. A key benefit is less weight and more efficient use of material. Cast aluminum was a key enabler to being able to have the frame wrap around the battery and have an efficient frame design that did not require additional structure to cradle the battery and motor.



LEATHER AND VINYL ALTERNATIVES

We are currently investigating alternatives such as MYLO (derived from mycelium) and plant-based alternatives to vinyl and other synthetic leathers derived from petroleum for potential applications across motorcycles, parts, accessories, riding gear and apparel.



UNBLEACHED COTTON

Natural fibers contain impurities that are removed through scouring and bleaching, which produces undesirable waste byproducts. Unbleached cotton uses environmentally friendly enzymes to remove impurities and uses less water and energy in the process. We are currently investigating sourcing and highest potential product applications.



Reducing Operational Impacts

SUPPORTING CLEANER ENERGY

In 2020, Harley-Davidson partnered with We Energies on a project to add renewable energy capacity in Southeastern Wisconsin. Through the project, nearly 8,400 solar panels were mounted to the roof of our Pilgrim Road Powertrain Operations facility in Menomonee Falls, Wisconsin. The system is estimated to generate just under 3,500 megawatt hours of electricity per year, which is roughly enough energy to power more than 400 homes annually. The energy generated is sent to the We Energies electric grid for customer use, and Harley-Davidson receives RECs (renewable energy credits) for the power produced.

The project is part of We Energies' Solar Now pilot program in which the utility partners with other companies, nonprofits and government entities to lease space for solar arrays that generate energy for the grid. At the time of installation, this project at our Powertrain Operations facility was the largest roof-mounted photovoltaic (PV) system in the State of Wisconsin and is estimated to help reduce carbon emissions by ~1,800 metric tons annually compared to conventional power production.

In addition to the solar installation at Pilgrim Road, 100% of the electricity consumed by our York Vehicle Operations in York, Pennsylvania, is offset by RECs as part of our electricity supply agreement. We also have small rooftop solar installations at our factory in Brazil (and had a similar installation at our recently-closed factory in India).

8K+

SOLAR PANELS INSTALLED

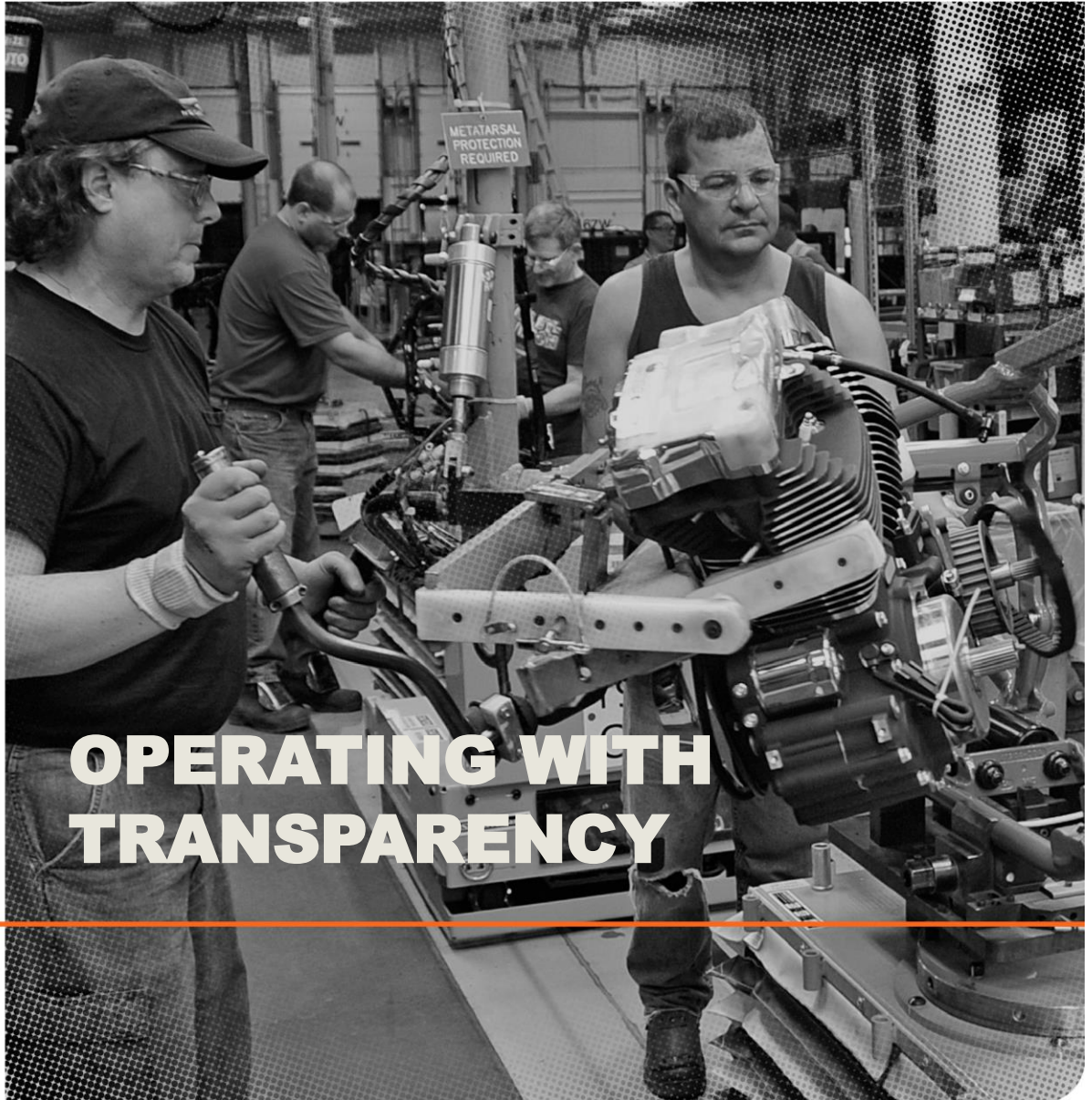


LET THE SUN SHINE!

Solar panels installed in 2020 on the roof of Harley-Davidson's Pilgrim Road factory in Menomonee Falls, Wisconsin.

5

OPERATING WITH TRANSPARENCY



Our Moral Compass

FHPC

FHPC (Fair, Honest, Positive, Creative) is the moral compass that guides the actions of Harley-Davidson employees. Through our defined mission and vision and H-D#1 leadership principles, we believe we have the necessary foundation to achieve our people, profit and planet goals.

FHPC is at the heart of what we think is most important. It's helping guide the culture we want. And for our employees and the H-D community, it's all about being fair, honest, positive and creative. FHPC. We live that way. We work that way. United we will ride.

FAIR

Fair means balanced, seeing both sides and resisting pressures that can push us into extreme ways of thinking, working or living. Fair also means we are open to all and refuse to discriminate against people or make judgments based on gender, race, religion, political persuasion, sexual preference, or way of life.

HONEST

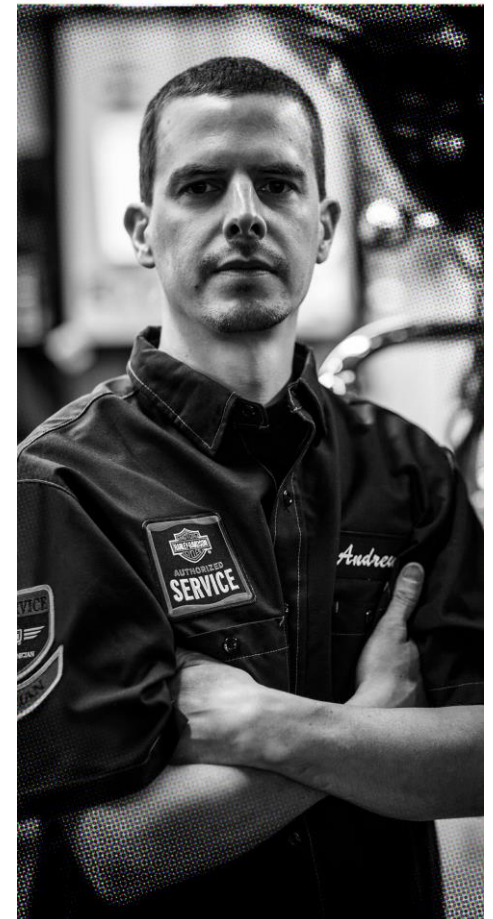
Honest means sincere, doing what we say we will, admitting our mistakes and owning up to our responsibilities.

POSITIVE

Positive means being constructive, building people and things up and working for solutions. Positive means supporting best efforts, encouraging one another when we fail and celebrating together when we succeed.

CREATIVE

Creative means being imaginative, finding a way around problems. Creative means looking at new ways, listening to different ideas, trying alternate strategies and striving for the most innovative solution.

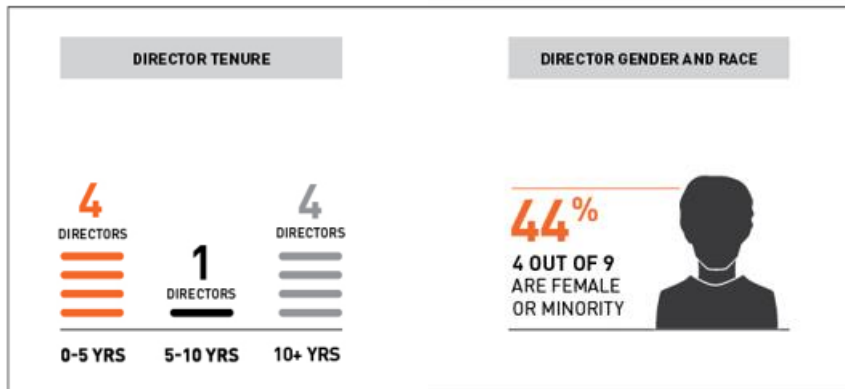


Governance

HDI BOARD OF DIRECTORS

The Harley-Davidson Board of Directors is composed of accomplished leaders from a range of industries. These individuals draw on their diverse backgrounds and experiences to ensure the decisions made by Harley-Davidson promote fairness, financial transparency and accountability to all our stakeholders.

The Board Brand & Sustainability Committee was first formed (as the Sustainability Committee) in 2011 and has played an integral role in providing oversight and assistance to company management in driving sustainability and an inclusive stakeholder approach. The Committee was instrumental in Harley-Davidson adopting the Environmental Profit & Loss methodology to understand our environmental impacts across the full value chain.



As of April 9, 2021

BOARD INDEPENDENCE

The Board is comprised of all but one independent director (as of April 9, 2021, 8 of 9 directors were independent). These directors must meet the independence and other requirements of the New York Stock Exchange (NYSE) and other applicable laws, regulations and rules.

COMMITTEE INDEPENDENCE

The Audit and Finance, Human Resources, Nominating and Corporate Governance Committees must be comprised entirely of independent directors.

COMMITTEE STRUCTURE

The Board maintains four committees: a Nominating and Corporate Governance Committee, a Human Resources Committee, an Audit and Finance Committee and a Brand & Sustainability Committee. A written charter is maintained for each committee that states the committee's duties and responsibilities.

BOARD STRUCTURE

The Nominating and Corporate Governance Committee makes recommendations on the size of the Board, the frequency of its meetings and the operation of the Board, including director qualifications. The bylaws contain additional provisions relating to director tenure, including director retirement following a director's 75th birthday, and the required submission of a director's resignation upon a substantial change of the director's employment, occupation or affiliation; if any conflict of interest develops; or based on votes withheld in an election of directors.

Accountability to Shareholders

SHAREHOLDER RIGHTS

As a U.S. publicly-held company, Harley-Davidson and its Board of Directors believe that strong corporate governance practices and shareholder rights are important. In addition to strong Board practices and committees, the following factors help ensure good corporate governance and shareholder rights:

- 10% of shareholders can call special meeting
- No material restriction on right to call a special meeting
- Majority voting standard for M&A transactions
- No poison pill
- No dual-class stock
- Proxy access
- No material restriction on shareholders amending bylaws
- No cumulative voting
- Majority voting for directors with resignation policy and plurality carve-out for contested elections
- Director stock ownership requirement
- Board as of April 9, 2021, was 89% independent and 44% diverse
- No directors on excessive number of boards
- Annual election of all directors

POLITICAL CONTRIBUTIONS

Harley-Davidson is committed to full compliance and transparency with respect to political contributions and lobbying. Harley-Davidson does have an employee-funded political action committee (PAC); however, contributions from this PAC have been suspended at least through the end of 2021. Harley-Davidson also participates in various trade and industry organizations, some of which conduct lobbying activities. The amounts noted below represent the portion of our dues that the organization has allocated towards lobbying activities (these amounts are non-deductible for tax purposes).

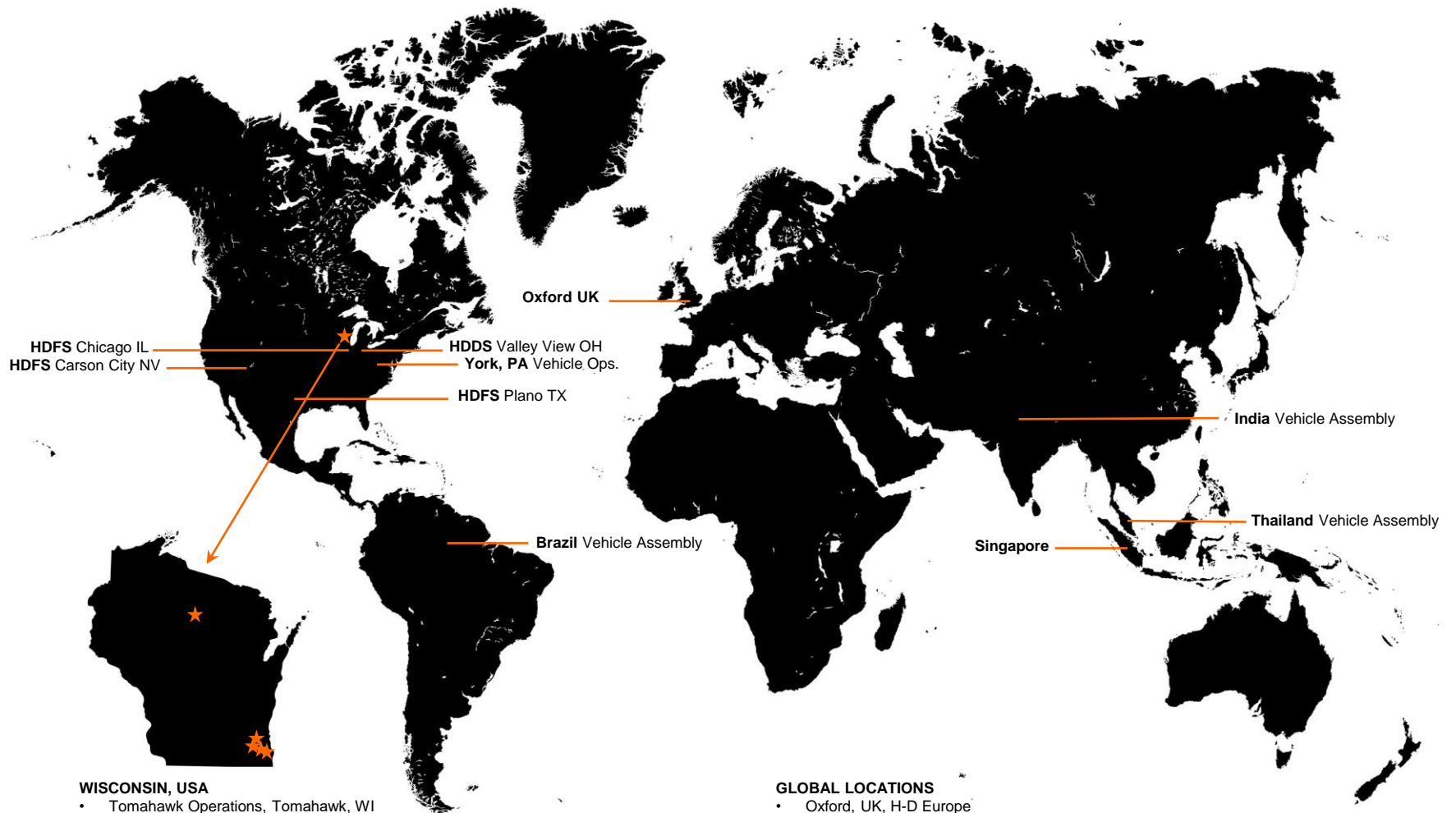
Harley-Davidson, Inc. Employee PAC:	\$0
National Association of Manufacturers	\$15,188
Metropolitan Milwaukee Association of Commerce	\$2,609
American Financial Services Association	\$54,168



6

APPENDIX: DATA

Facilities in Scope



WISCONSIN, USA

- Tomahawk Operations, Tomahawk, WI
- Powertrain Operations (Pilgrim Road), Menomonee Falls, WI
- Willie G. Davidson Product Development Center (PDC), Wauwatosa, WI
- HDI/HDMC Corporate Headquarters, Juneau Ave., Milwaukee, WI
- The Harley-Davidson Museum, Milwaukee, WI
- Airport Hangar, Milwaukee, WI

GLOBAL LOCATIONS

- Oxford, UK, H-D Europe
- Singapore, H-D Singapore
- Rayong, Thailand, Vehicle Assembly
- Bawal, Haryana, India, Vehicle Assembly (closed Q1 2021)
- Manaus, Amazonia, Brazil, Vehicle Assembly

HDMC 2020 U.S. EEO-1 Data

HDMC CONSOLIDATED

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	1	1	89	3	0	3	1	1	29	1	0	2	0	0	131
First/Mid Officials & Mgrs	3	1	201	7	0	4	1	3	79	8	0	2	0	0	309
Professionals	39	9	980	27	0	43	5	10	363	19	0	29	2	4	1530
Technicians	0	0	12	0	0	0	0	0	2	0	0	0	0	0	14
Sales Workers	1	4	7	0	0	0	0	0	20	1	0	0	0	0	33
Administrative Support	3	2	44	3	0	1	0	0	36	9	0	0	1	2	101
Craft Workers	9	0	213	3	0	0	2	1	4	0	0	0	1	0	233
Operatives	102	19	976	158	0	21	4	21	300	56	0	2	1	6	1666
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	158	36	2522	201	0	72	13	36	833	94	0	35	5	12	4017
Previous Year Total	178	42	2874	249	1	77	16	39	989	103	1	31	5	17	4622

JUNEAU AVE

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	1	0	45	3	0	2	0	1	24	1	0	2	0	0	79
First/Mid Officials & Mgrs	0	0	80	1	0	3	1	3	56	4	0	0	0	0	148
Professionals	9	3	252	3	0	22	0	4	201	13	0	17	1	2	527
Technicians	0	0	3	0	0	0	0	0	2	0	0	0	0	0	5
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	2	2	35	2	0	1	0	0	22	8	0	0	1	2	75
Craft Workers	0	0	4	0	0	0	0	0	0	0	0	0	0	0	4
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	12	5	419	9	0	28	1	8	305	26	0	19	2	4	838
Previous Year Total	15	7	490	10	0	26	1	4	389	24	0	14	2	4	986

HDMC 2020 U.S. EEO-1 Data

MUSEUM

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
	***** Male *****						***** Female *****								
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	2	0	0	0	0	0	1	0	0	0	0	0	3
First/Mid Officials & Mgrs	0	0	2	0	0	0	0	0	1	0	0	1	0	0	4
Professionals	1	1	5	0	0	0	0	0	8	2	0	0	0	0	17
Technicians	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2
Sales Workers	1	3	7	0	0	0	0	0	17	1	0	0	0	0	29
Administrative Support	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Craft Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operatives	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
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	2	4	19	0	0	0	0	0	29	3	0	1	0	0	58
Previous Year Total	2	4	25	1	0	1	0	0	31	4	0	1	0	0	69

PRODUCT DEVELOPMENT CENTER

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	1	32	0	0	1	1	0	1	0	0	0	0	0	36
First/Mid Officials & Mgrs	2	1	78	4	0	1	0	0	16	2	0	1	0	0	105
Professionals	17	0	457	9	0	11	5	2	87	2	0	10	0	2	602
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	0	0	1	0	0	0	0	0	3	1	0	0	0	0	5
Craft Workers	1	0	43	0	0	0	1	1	0	0	0	0	0	0	46
Operatives	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
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	20	2	611	13	0	13	8	3	107	5	0	11	0	2	795
Previous Year Total	20	3	679	14	0	19	8	6	124	4	0	10	0	3	890

HDMC 2020 U.S. EEO-1 Data

PILGRIM ROAD

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	4	0	0	0	0	0	2	0	0	0	0	0	6
First/Mid Officials & Mgrs	0	0	14	0	0	0	0	0	1	1	0	0	0	0	16
Professionals	2	1	92	8	0	4	0	0	14	2	0	1	1	0	125
Technicians	0	0	3	0	0	0	0	0	0	0	0	0	0	0	3
Sales Workers	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Administrative Support	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Craft Workers	6	0	109	3	0	0	1	0	4	0	0	0	1	0	124
Operatives	31	6	250	78	0	16	2	2	66	35	0	2	1	0	489
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	39	7	472	89	0	20	3	2	91	38	0	3	3	0	767
Previous Year Total	39	5	527	94	0	20	5	2	113	36	0	4	3	0	848

TOMAHAWK

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
First/Mid Officials & Mgrs	0	0	7	0	0	0	0	0	1	0	0	0	0	0	8
Professionals	0	1	22	0	0	0	0	0	7	0	0	0	0	0	30
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Administrative Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft Workers	1	0	13	0	0	0	0	0	0	0	0	0	0	0	14
Operatives	3	0	136	2	0	0	0	0	90	0	0	0	0	0	231
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	4	2	179	2	0	0	0	0	98	0	0	0	0	0	285
Previous Year Total	4	2	189	1	0	0	1	0	106	0	1	0	0	0	304

HDMC 2020 U.S. EEO-1 Data

YORK

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
	***** Male *****						***** Female *****								
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	4	0	0	0	0	0	1	0	0	0	0	0	5
First/Mid Officials & Mgrs	1	0	17	2	0	0	0	0	2	1	0	0	0	0	23
Professionals	7	2	108	5	0	6	0	4	24	0	0	1	0	0	157
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Administrative Support	0	0	3	0	0	0	0	0	3	0	0	0	0	0	6
Craft Workers	1	0	44	0	0	0	0	0	0	0	0	0	0	0	45
Operatives	68	13	589	78	0	5	1	19	144	21	0	0	0	6	944
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	77	15	765	85	0	11	1	23	175	22	0	1	0	6	1181
Previous Year Total	93	21	906	125	1	11	1	27	197	35	0	1	0	10	1428

H-D DELAER SYSTEMS

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
First/Mid Officials & Mgrs	0	0	2	0	0	0	0	0	2	0	0	0	0	0	4
Professionals	1	1	24	2	0	0	0	0	20	0	0	0	0	0	48
Technicians	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	1	0	5	1	0	0	0	0	4	0	0	0	0	0	11
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	2	1	33	3	0	0	0	0	26	0	0	0	0	0	65
Previous Year Total	2	0	30	3	0	0	0	0	27	0	0	1	0	0	63

HDMC 2020 U.S. EEO-1 Data

ARIZONA PROVING GROUNDS

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
	Male	Female	***** Male *****						***** Female *****						
			White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
First/Mid Officials & Mgrs	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Professionals	2	0	20	0	0	0	0	0	2	0	0	0	0	0	24
Technicians	0	0	3	0	0	0	0	0	0	0	0	0	0	0	3
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	2	0	24	0	0	0	0	0	2	0	0	0	0	0	28
Previous Year Total															

HDFS 2020 U.S. EEO-1 Data

HDFS CONSOLIDATED

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	1	0	10	0	0	1	0	0	5	0	0	0	0	0	17
First/Mid Officials & Mgrs	1	1	9	0	0	0	0	0	8	0	0	0	0	0	19
Professionals	4	12	97	7	0	9	0	0	72	12	1	3	0	0	217
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	19	33	44	28	1	3	0	1	112	37	1	6	0	3	288
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	25	46	160	35	1	13	0	1	197	49	2	9	0	3	541
Previous Year Total	24	47	175	32	1	14	0	1	227	50	2	10	0	2	585

CARSON CITY

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	1	0	0	0	0	0	1	0	0	0	0	0	2
First/Mid Officials & Mgrs	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Professionals	1	8	16	0	0	1	0	0	33	0	1	1	0	0	61
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	6	19	8	0	0	1	0	0	54	4	0	0	0	1	93
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	7	27	25	0	0	2	0	0	90	4	1	1	0	1	158
Previous Year Total	5	27	23	0	0	2	0	0	100	2	1	1	0	0	161

HDFS 2020 U.S. EEO-1 Data

CHICAGO

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	1	0	6	0	0	1	0	0	4	0	0	0	0	0	12
First/Mid Officials & Mgrs	1	0	2	0	0	0	0	0	4	0	0	0	0	0	7
Professionals	0	1	33	2	0	2	0	0	16	5	0	0	0	0	59
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	1	2	0	0	0	0	0	0	3	1	0	0	0	0	7
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	3	3	41	2	0	3	0	0	27	6	0	0	0	0	85
Previous Year Total	3	3	49	2	0	4	0	0	31	6	0	0	0	0	98

PLANO

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	3	0	0	0	0	0	0	0	0	0	0	0	3
First/Mid Officials & Mgrs	0	1	6	0	0	0	0	0	0	0	0	0	0	0	7
Professionals	3	1	44	5	0	6	0	0	13	7	0	2	0	0	81
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	10	10	28	28	1	2	0	1	22	32	0	4	0	2	140
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	13	12	81	33	1	8	0	1	35	39	0	6	0	2	231
Previous Year Total	14	13	86	30	1	8	0	1	45	42	0	6	0	2	248

HDFS 2020 U.S. EEO-1 Data

EAGLEMARK SAVINGS BANK

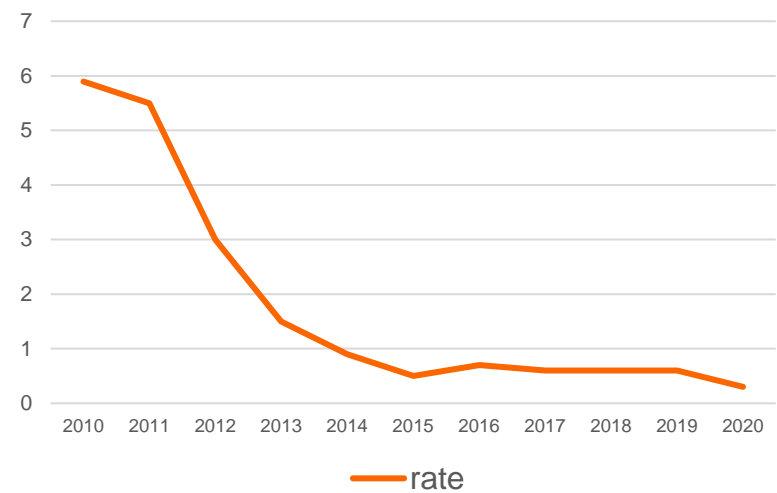
JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
First/Mid Officials & Mgrs	0	0	1	0	0	0	0	0	1	0	0	0	0	0	2
Professionals	0	2	2	0	0	0	0	0	9	0	0	0	0	0	13
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	2	2	8	0	0	0	0	0	31	0	1	2	0	0	46
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	2	4	11	0	0	0	0	0	41	0	1	2	0	0	61
Previous Year Total	2	4	15	0	0	0	0	0	46	0	1	3	0	0	71

H-D INSURANCE

JOB CATEGORIES	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			***** Male *****						***** Female *****						
	Male	Female	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian Or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Exec/Sr. Officials & Mgrs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
First/Mid Officials & Mgrs	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Professionals	0	0	2	0	0	0	0	0	1	0	0	0	0	0	3
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	0	0	0	0	0	0	0	0	2	0	0	0	0	0	2
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	0	0	2	0	0	0	0	0	4	0	0	0	0	0	6
Previous Year Total	0	0	2	0	0	0	0	0	5	0	0	0	0	0	7

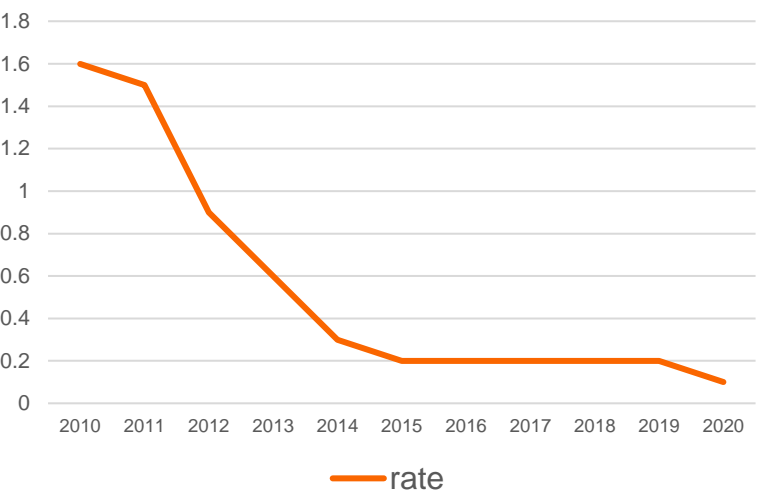
Safety

HDI OSHA Recordable Rate



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Rate	5.9	5.5	3	1.5	0.9	0.5	0.7	0.6	0.6	0.6	0.3

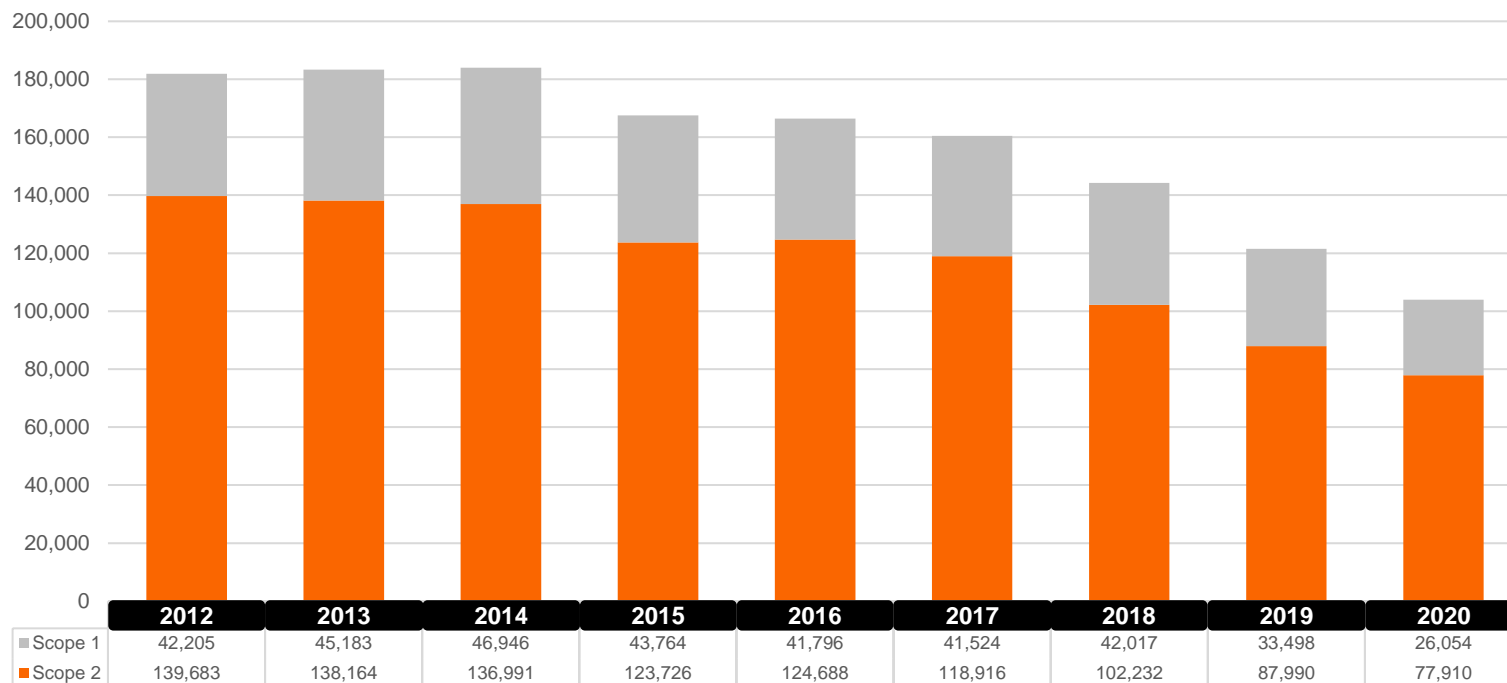
HDI Lost Time Rate



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Rate	1.6	1.5	0.9	0.6	0.3	0.2	0.2	0.2	0.2	0.2	0.1

Energy – Enterprise

ENTERPRISE SCOPE 1 AND SCOPE 2 EMISSIONS (tCO₂e)

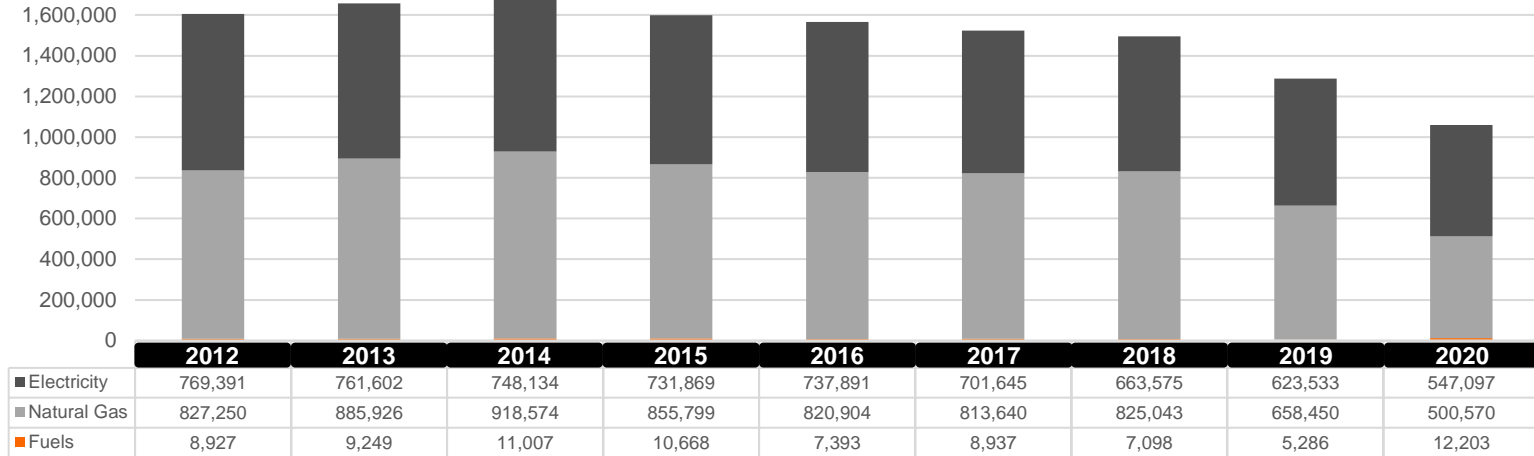


Harley-Davidson reports information on emissions of three greenhouse gases: carbon dioxide, methane and nitrous oxide, all quantified as CO₂ equivalents (CO₂e). Emissions associated with gasoline combustion for final vehicle testing are included; emissions associated with refrigerants (fugitive) and propane (e.g., forklifts) are not. The majority of our GHG emissions are related to energy use (natural gas and electricity). Scope 1 emissions factors are from 40 CFR pt 98 Tables A-1, C1 and C-2 and the Greenhouse Gas Protocol, Global Warming Potential Values. Scope 2 emissions do not incorporate line losses and emissions factors for the U.S. and are from the applicable USEPA eGRID tables (most recent being eGRID2019 (February 2021)). Scope 2 emissions factors for the UK are from the UK Government GHG Conversion Factors for Company Reporting (for 2020 published July 2020).. Scope 2 emissions factors for Brazil, India, Thailand, and Singapore are from the Institute of Global Environmental Strategies (IGES), IGES List of Grid Emission Factors (most recent: 10.10 (February 2021)).

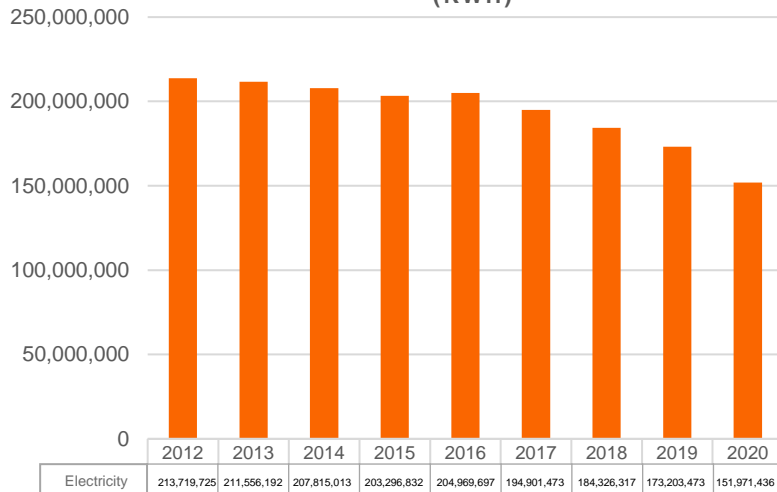
Energy data reported is 2012-2020 and waste and water data 2015-2020 for all facilities except as follows: New Castalloy, Australia facility closed 2019; Kansas City, MO facility closed 2019; Bawal, India 2020 values are estimated based on 2020 production applied against 2019 impacts; Rayong, Thailand facility began operating late 2018 with data reported beginning 2019; several office locations were added 2019 (HDDS, Singapore, Oxford) and 2020 (LiveWire Labs, Hangar); HDFS Chicago, HDDS, Singapore, LiveWire Labs and the Hangar are leased and do not receive specific waste generation data; similarly, water consumption data is not available for HDFS Chicago, HDFS Plano, HDDS or LiveWire Labs; and 2020 Singapore data is estimated based on 80 percent of 2019 values (reflecting reduced occupancy). See 2019 Sustainability Reports for additional data prior to 2012.

Energy – Enterprise

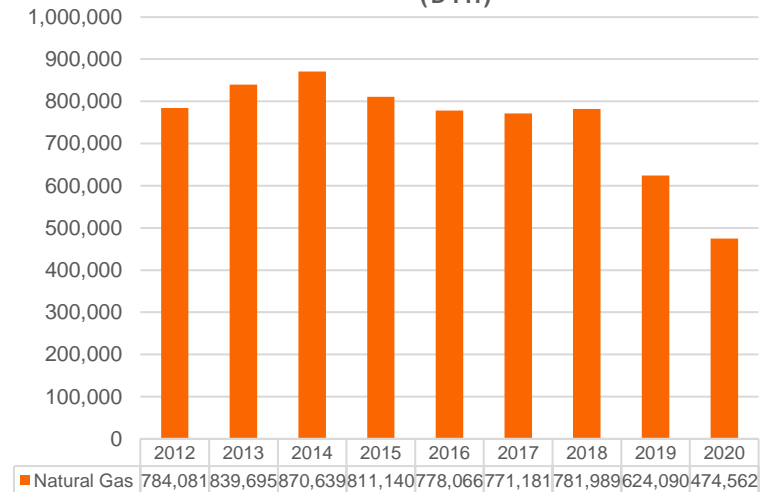
ENTERPRISE ENERGY CONSUMPTION (GJ)



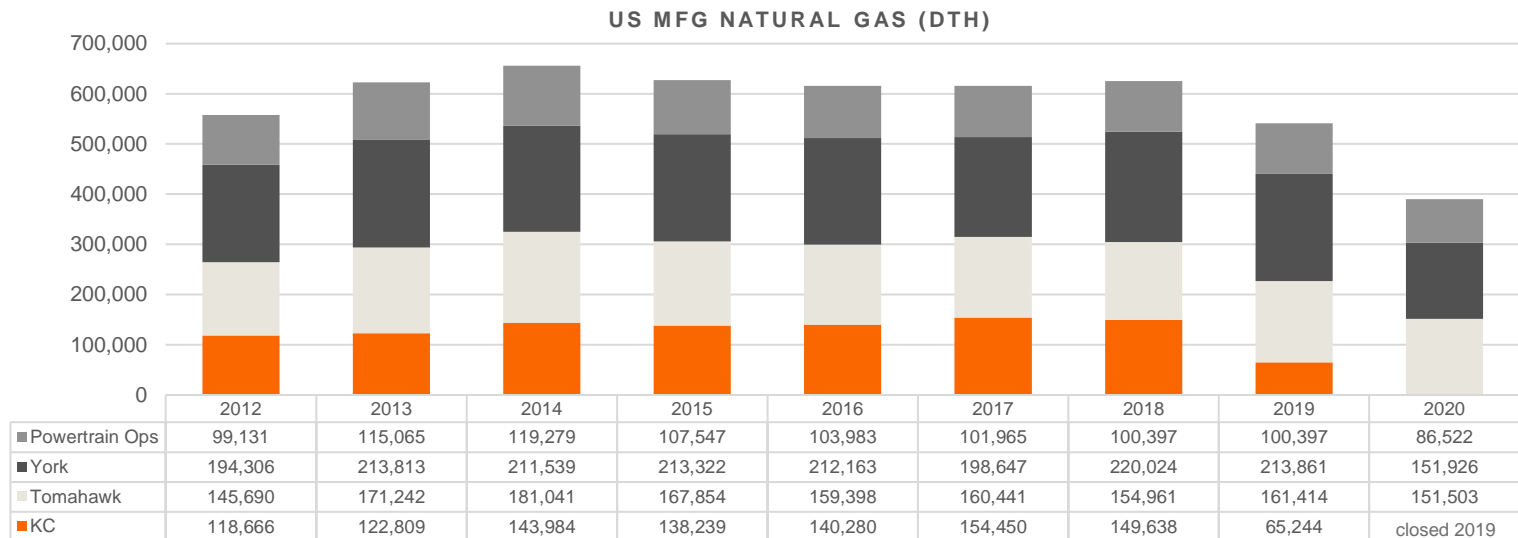
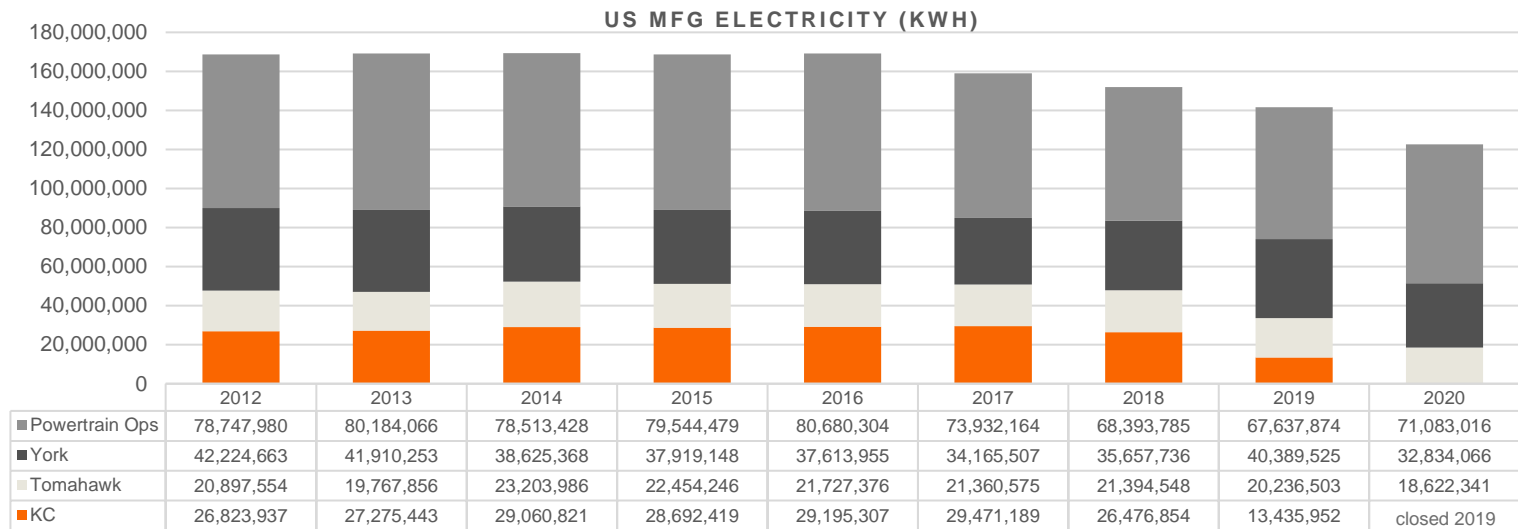
ENTERPRISE ELECTRICITY CONSUMPTION (KWH)



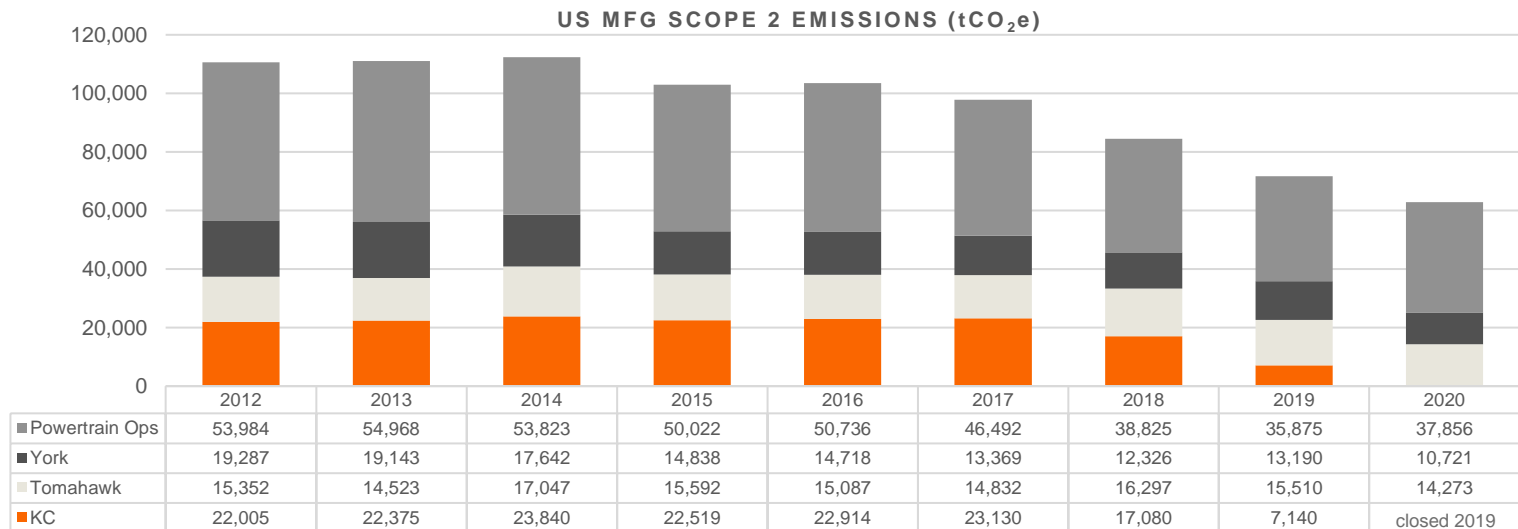
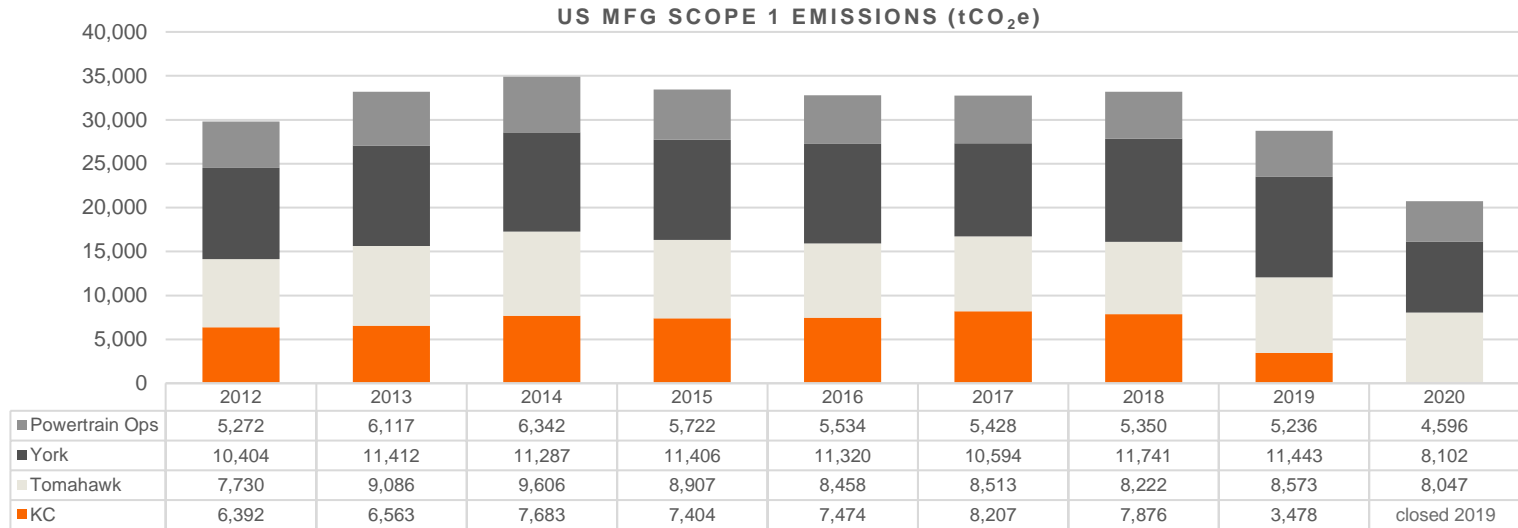
ENTERPRISE NATURAL GAS CONSUMPTION (DTH)



Energy – US Manufacturing

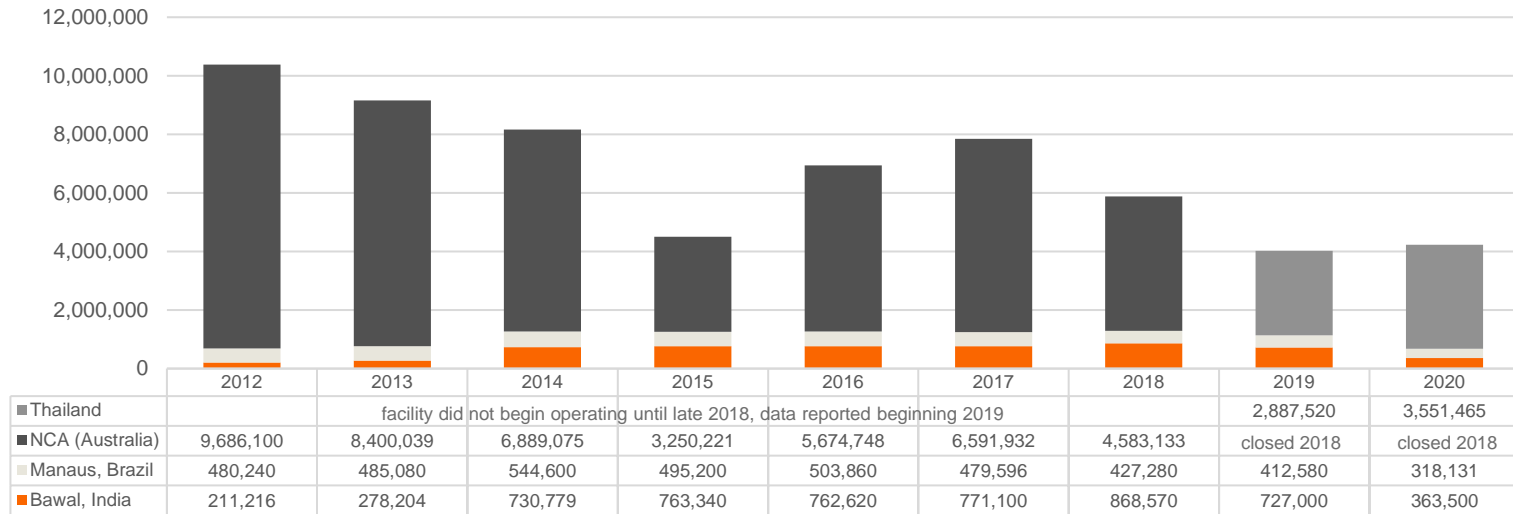


Energy – US Manufacturing

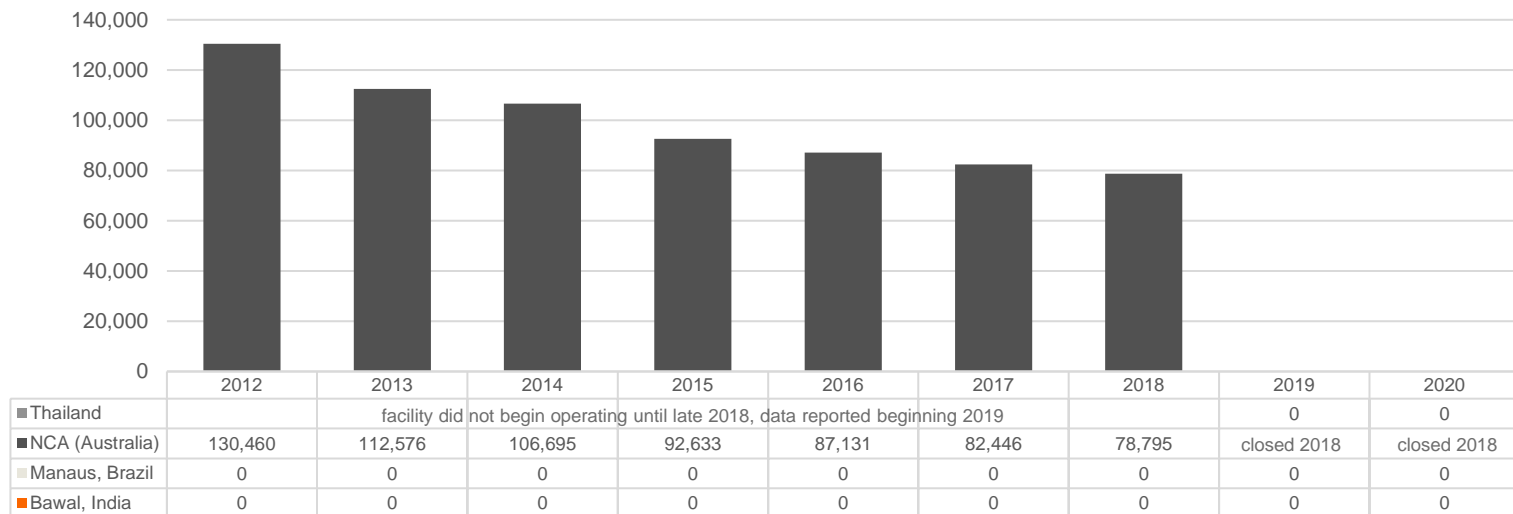


Energy – International Manufacturing

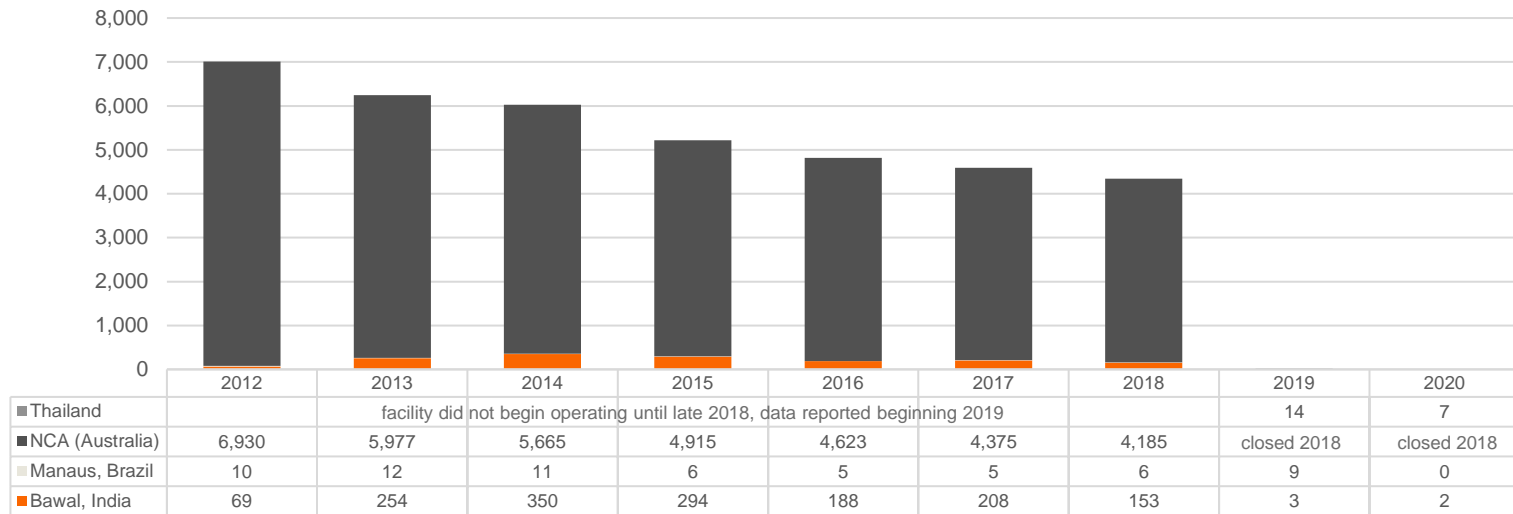
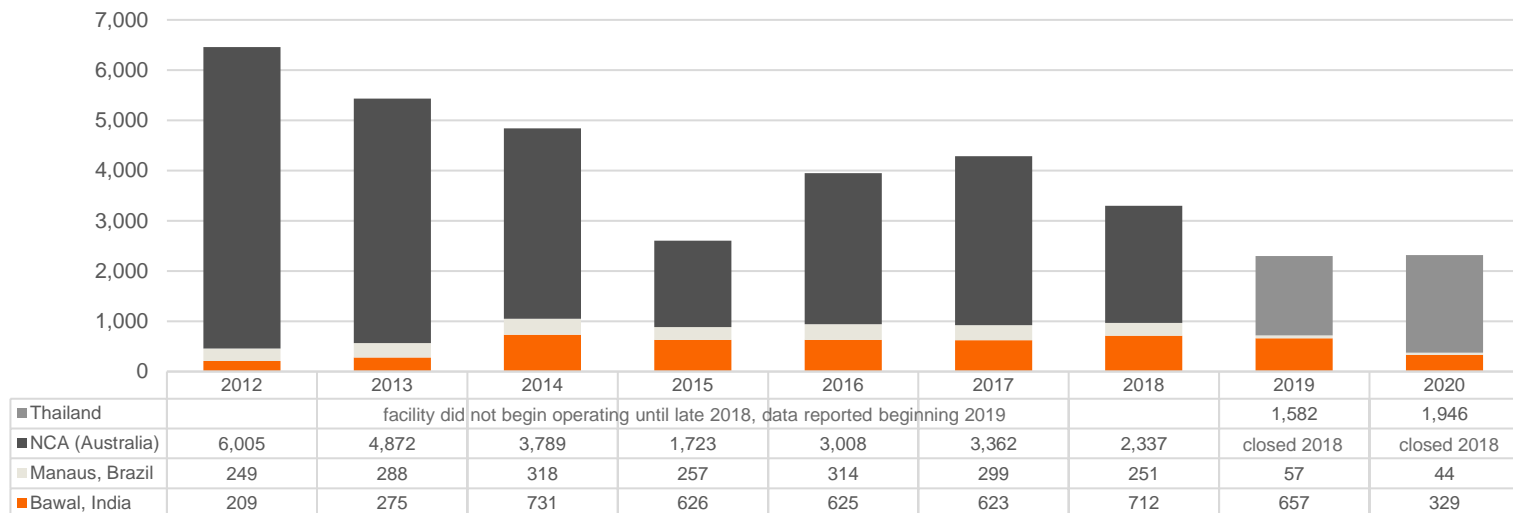
INTERNATIONAL MFG ELECTRICITY (KWH)



INTERNATIONAL MFG NATURAL GAS (DTH)

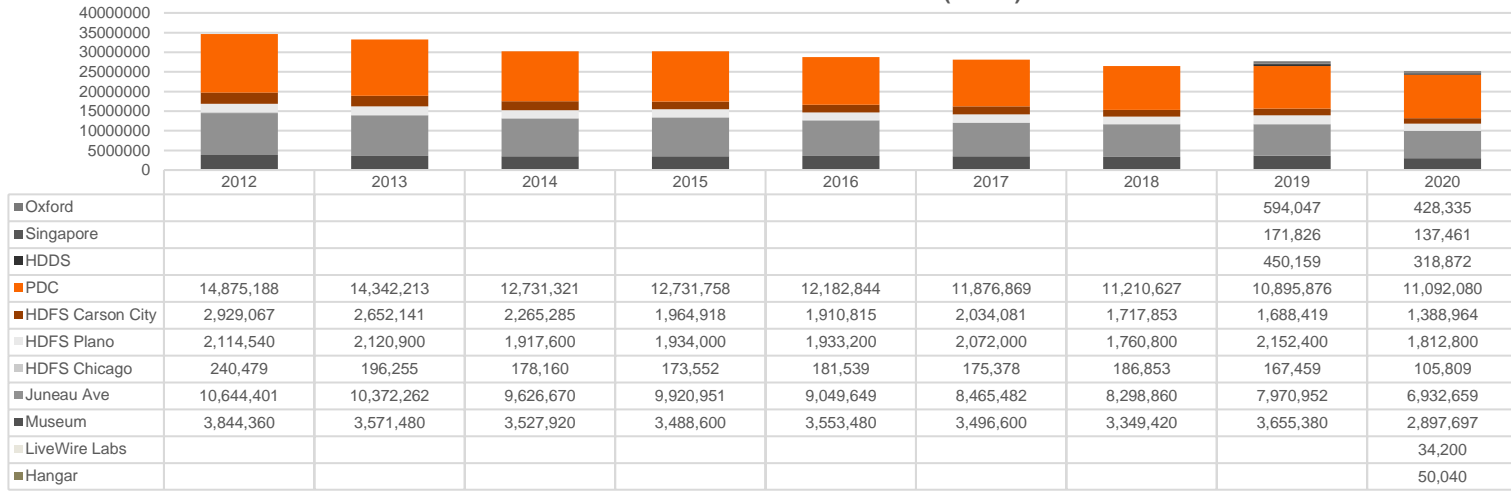


Energy – International Manufacturing

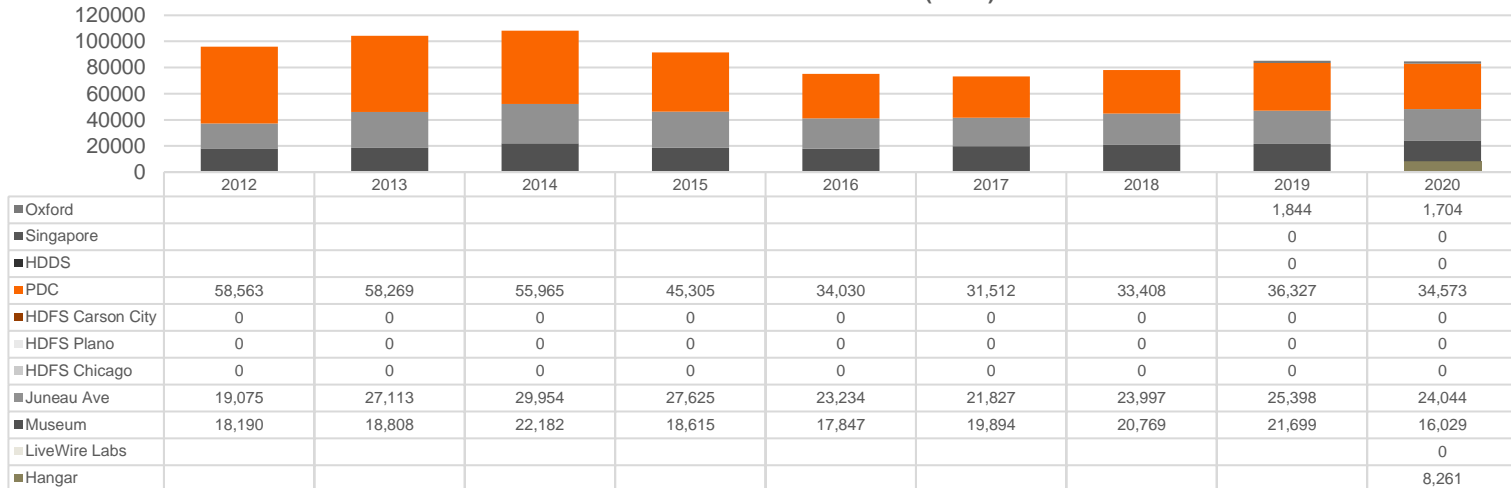
INTERNATIONAL MFG SCOPE 1 EMISSIONS (tCO₂e)INTERNATIONAL MFG SCOPE 2 EMISSIONS (tCO₂e)

Energy – Offices (Global)

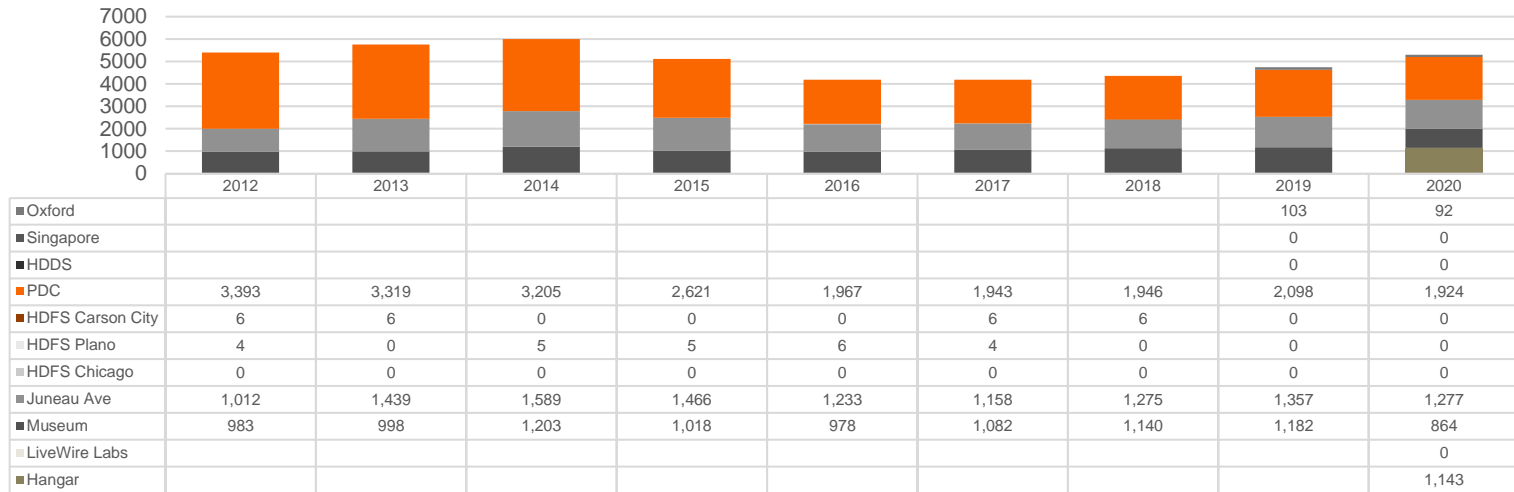
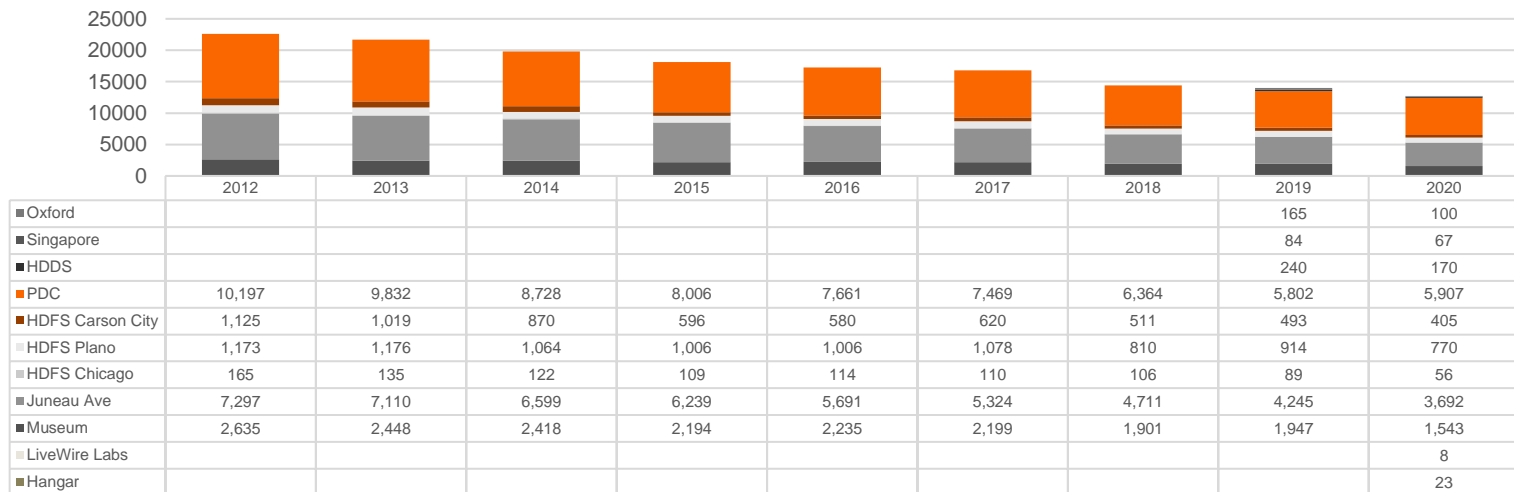
OFFICES ELECTRICITY (KWH)



OFFICES NATURAL GAS (DTH)

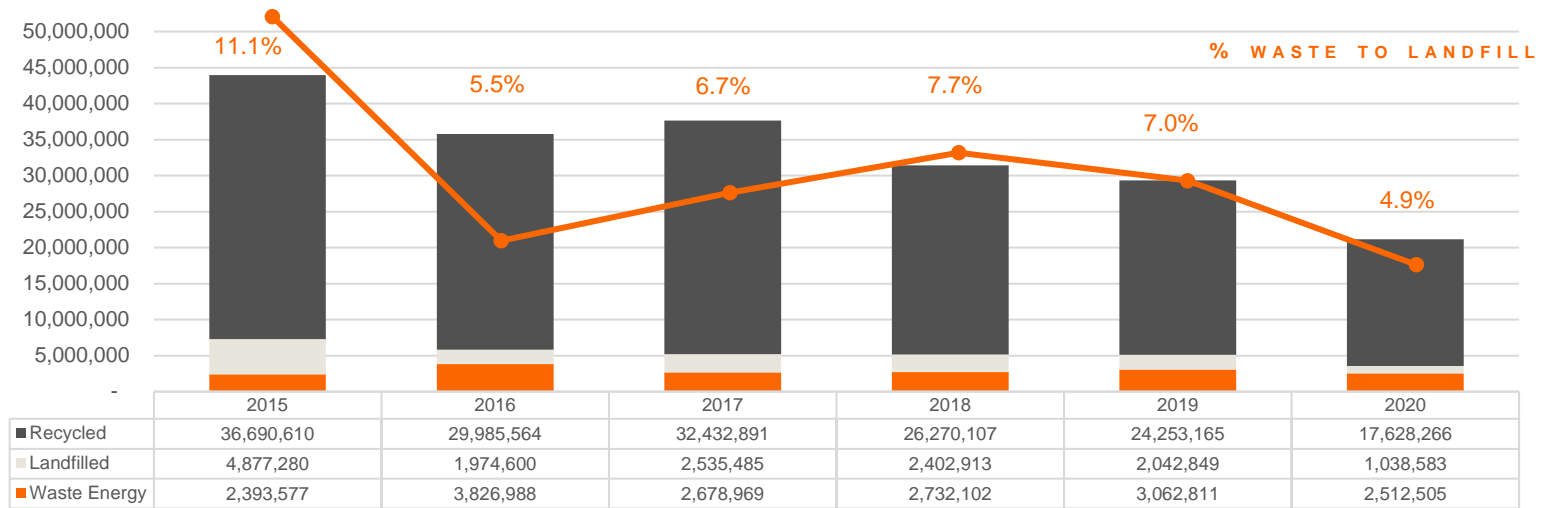


Energy – Offices (Global)

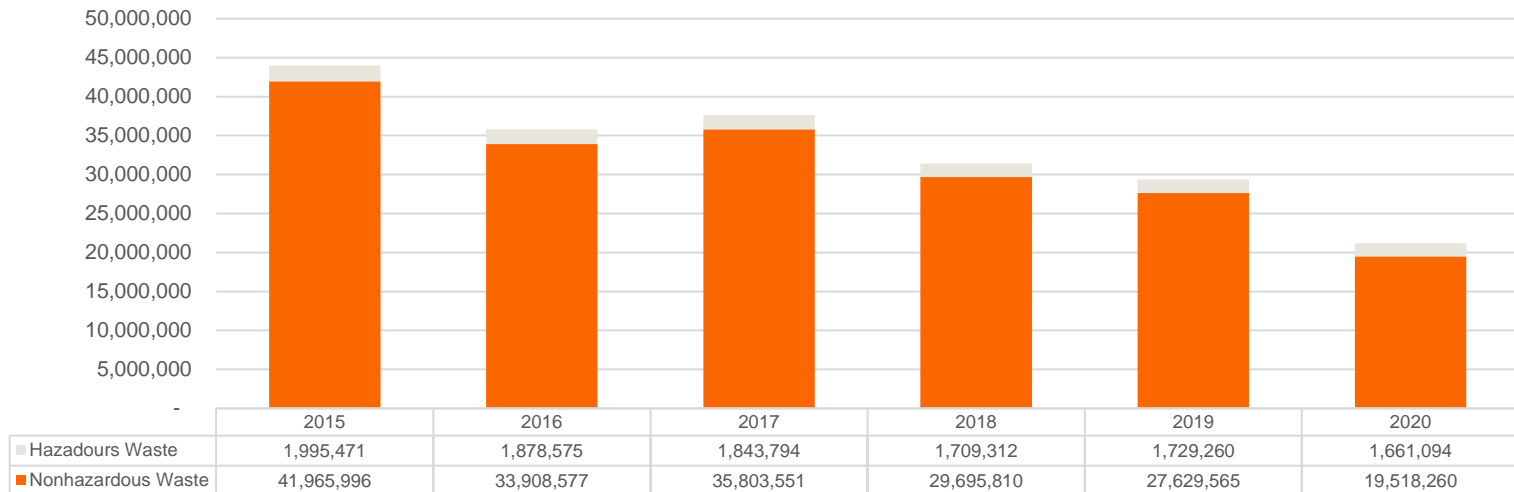
OFFICES SCOPE 1 EMISSIONS (tCO₂e)OFFICES SCOPE 2 EMISSIONS (tCO₂e)

Waste – Enterprise

WASTE GENERATION & MANAGEMENT METHODS (LBS)



HAZARDOUS AND NONHAZARDOUS WASTE GENERATION (LBS)



Waste

2020

		LANDFILLED		WASTE TO ENERGY		RECYCLED		TOTALS
		HAZ	NON-HAZ	HAZ	NON-HAZ	HAZ	NON-HAZ	
US MFG.	PTO	0	0	10	490,880	0	8,352,471	8,843,361
	York	128,720	0	171,428	945,305	233,170	3,807,186	5,285,809
	KC	-	-	-	-	-	-	-
	Tomahawk	0	441,464	119,594	93,288	462,893	408,101	1,525,340
Intl. MFG.	Thailand	0	0	180,466	484,196	357,661	1,831,260	2,853,583
	Manaus	1,131	40,422	0	1,367	0	591,658	634,578
	Bawal	0	0	169	4,404	2,982	383,027	390,582
Offices	PDC	1,950	125,570	720	18,610	0	704,062	850,912
	Juneau Ave	0	136,320	200	0	0	351,329	487,849
	Museum	0	119,643	0	30	0	91,785	211,458
	HDFS NV	0	18,576	0	0	0	30,865	49,441
	HDFS TX	0	17,587	0	0	0	15,675	33,262
	Oxford	0	0	0	1,838	0	4,141	5,979
	Hangar	0	7,200	0	0	0	0	7,200
TOTALS		131,801	906,782	472,587	2,039,918	1,056,706	16,571,560	21,179,354

2019

		LANDFILLED		WASTE TO ENERGY		RECYCLED		TOTALS
		HAZ	NON-HAZ	HAZ	NON-HAZ	HAZ	NON-HAZ	
		0	22,540	1,430	542,490	0	9,890,901	10,457,361
		50,561	12,763	60,397	1,577,353	546,940	6,648,578	8,896,592
		4,730	2,448	23,702	287,078	37,800	1,777,712	2,133,470
		0	826,843	146,529	96,760	717,721	425,200	2,213,053
		0	160,446	116,030	192,628	9,110	980,090	1,458,304
		5,732	158,298	0	0	0	1,000,133	1,164,163
		0	0	338	8,807	5,964	766,054	781,163
		0	221,132	1,479	1,381	0	687,133	911,125
		0	266,740	797	335	0	472,577	740,449
		0	235,872	0	0	0	206,503	442,375
		0	27,394	0	0	0	38,985	66,379
		0	47,350	0	0	0	36,386	83,736
		0	0	0	5,277	0	5,378	10,655
		0	0	0	0	0	0	0
TOTALS		61,023	1,981,826	350,702	2,712,109	1,317,535	22,935,630	29,358,825

2018

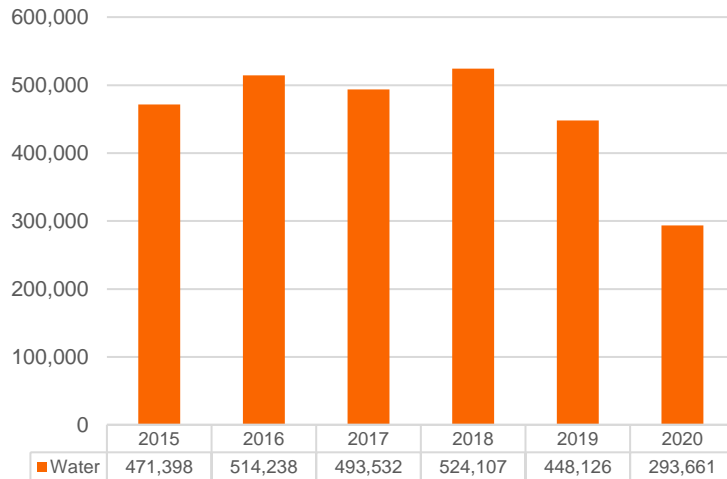
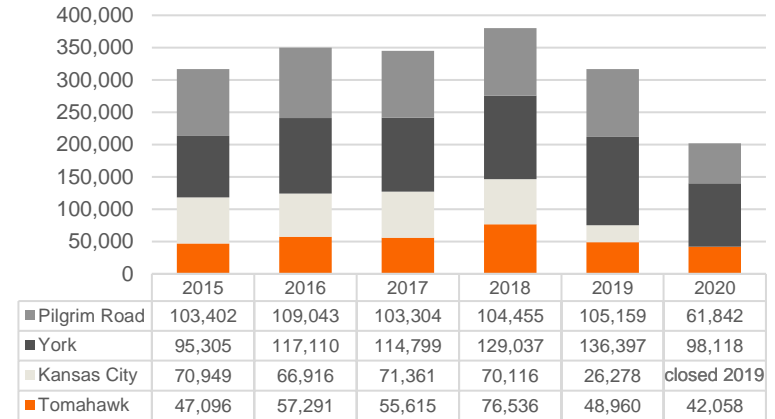
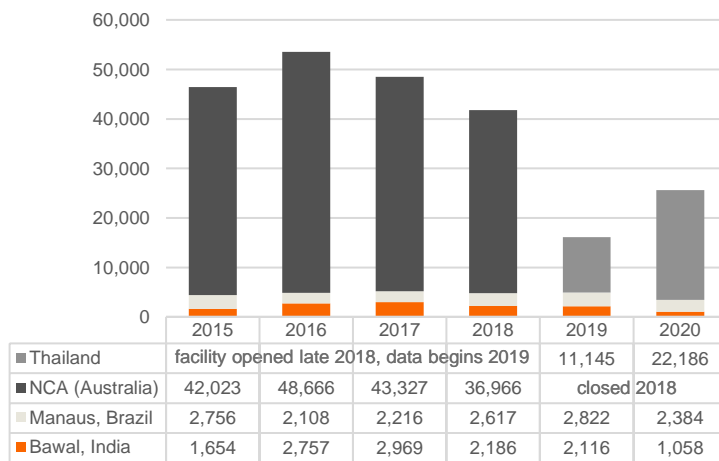
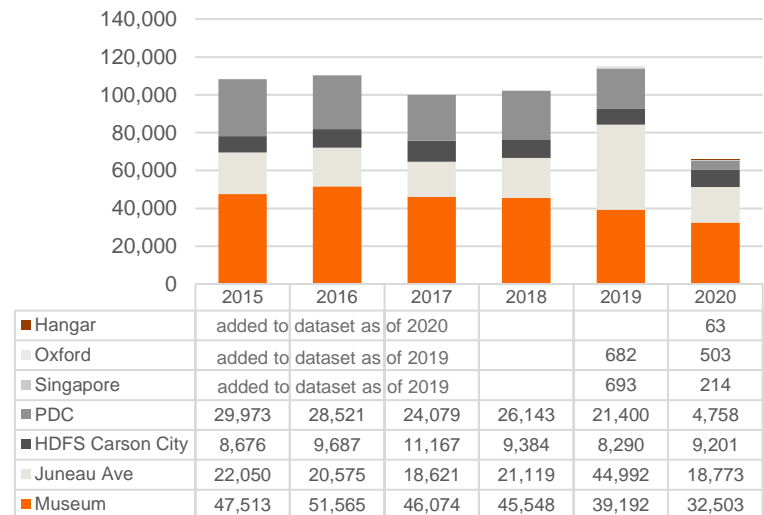
		LANDFILLED		WASTE TO ENERGY		RECYCLED		TOTALS
		HAZ	NON-HAZ	HAZ	NON-HAZ	HAZ	NON-HAZ	
US MFG.	PTO	218	108,540	0	516,310	0	11,960,732	12,585,800
	York	0	45,940	106,234	1,307,160	403,340	4,668,034	6,530,708
	KC	29,650	12,840	66,185	558,495	116,500	4,382,971	5,166,641
	Tomahawk	4,759	1,149,555	161,693	0	806,641	655,442	2,778,090
Intl. MFG.	NCA	3,968	89,379	0	0	0	961,921	1,055,268
	Manaus	7,317	88,027	0	0	0	603,023	698,367
	Bawal	0	0	0	6,063	0	593,907	599,970
Offices	PDC	219	220,820	1,942	6,094	0	650,225	879,300
	Juneau Ave	0	363,820	646	1,280	0	281,977	647,723
	Museum	0	245,652	0	0	0	142,896	388,548
	Carson City	0	22,387	0	0	0	31,211	53,598
	Plano	0	15,822	0	0	0	11,287	27,109
TOTALS		46,131	2,362,782	336,700	2,395,402	1,326,481	24,943,626	31,411,122

2017

		LANDFILLED		WASTE TO ENERGY		RECYCLED		TOTALS
		HAZ	NON-HAZ	HAZ	NON-HAZ	HAZ	NON-HAZ	
		1,439	162,060	0	552,652	0	12,130,601	12,846,752
		0	0	126,649	1,092,959	466,060	3,907,853	5,593,521
		35,939	103,812	96,906	647,710	172,337	10,069,474	11,126,178
		145	1,233,271	152,504	0	778,074	775,275	2,939,269
		0	108,512	0	0	0	1,539,488	1,648,000
		4,698	82,157	0	0	0	647,462	734,317
		0	10	0	4,003	0	599,828	603,841
		8,883	197,040	0	5,586	0	924,636	1,136,145
		160	321,540	0	0	0	238,120	559,820
		0	227,752	0	0	0	142,896	370,648
		0	22,621	0	0	0	25,444	48,065
		0	25,446	0	0	0	15,343	40,789
		0	0	0	0	0	0	0
		0	0	0	0	0	0	0
TOTALS		51,264	2,484,221	376,059	2,302,910	1,416,471	31,016,420	37,647,345

See 2018 Sustainability Report for 2015-2016 detailed data

Water

ENTERPRISE WATER CONSUMPTION (M³)US MFG WATER CONSUMPTION (M³)INT'L MFG WATER CONSUMPTION (M³)OFFICES WATER CONSUMPTION (M³)

2020 data estimated for Bawal, Oxford, Singapore, PDC and Juneau Ave

Policies

Harley-Davidson, Inc. Code of Business Conduct:

<https://investor.harley-davidson.com/static-files/f2ca9ccd-e460-4bf6-981e-06ff2124d5b3>

Harley-Davidson, Inc. Supplier Code of Conduct:

<https://investor.harley-davidson.com/static-files/309c593b-aba3-4ee2-a82f-1c2f275f973a>

California Transparency In Supply Chain Act Disclosure:

<https://investor.harley-davidson.com/static-files/c1ec69fa-df90-4ed8-a6b4-2c5b30bd12af>

Harley-Davidson Statement on Conflict Minerals:

<https://investor.harley-davidson.com/static-files/16d21c41-47dd-4856-9418-7b5bf6c2cc66>

HDI Environmental and Energy Policy:

<https://investor.harley-davidson.com/static-files/5370238c-d670-4ded-9307-36143fe3ef57>

Quality Mission:

<https://investor.harley-davidson.com/static-files/27817cae-35d1-4f23-ace5-fef5ab57acf1>

Clawback Policy:

<https://investor.harley-davidson.com/static-files/8e42d29a-a1b7-4251-9041-0bde5a04b45>

Conflicts of Interest Process For Directors and Executive Officers:

<https://investor.harley-davidson.com/static-files/632519aa-d6f6-4161-bfac-2f88c3e5c98e>

Corporate Governance Policy:

<https://investor.harley-davidson.com/static-files/08207270-0743-4650-b4b4-b0c971b40eb9>

Financial Code of Ethics:

<https://investor.harley-davidson.com/static-files/92268d39-3160-4d49-b832-7b5adbb1994a>

In addition, Harley-Davidson maintains numerous internal policies, such as: Anti-Bribery, Anti-Discrimination, Anti-Harassment, Health & Safety, Non-Retaliation, Supplier Diversity and Workplace Anti-Violence, among others.

Questions may be directed to:

SustainabilityReports@Harley-Davidson.com

Cautionary Note: Forward Looking Statements

Important factors that could affect future results and cause those results to differ materially from those expressed in the forward-looking statements include, among others, the following: (i) the COVID-19 pandemic, including the length and severity of the pandemic across the globe and the pace of recovery following the pandemic; and (ii) the company's ability to: (A) execute its business plans and strategies, including The Hardwire and the evolution of LiveWire as a standalone brand, successfully execute its remodeled approach to supply and inventory management, and strengthen its existing business while allowing for desirable growth; (B) manage, predict and mitigate the impact that new or adjusted tariffs may have on the company's ability to sell products internationally, and the cost of raw materials and components;; (C) accurately analyze, predict and react to changing market conditions and successfully adjust to shifting global consumer needs and interests; (D) successfully carry out its global manufacturing and assembly operations; (E) develop and introduce products, services and experiences on a timely basis that the market accepts, that enable the company to generate desired sales levels and that provide the desired financial returns, including successfully implementing and executing plans to strengthen and grow its leadership position in Touring, large Cruiser and Trike, and growing its complementary businesses; (F) perform in a manner that enables the company to benefit from market opportunities while competing against existing and new competitors; (G) prevent, detect, and remediate any issues with its motorcycles or any issues associated with the manufacturing processes to avoid delays in new model launches, recall campaigns, regulatory agency investigations, increased warranty costs or litigation and adverse effects on its reputation and brand strength; (H) manage supply chain issues, including quality issues and any unexpected interruptions or price increases caused by raw material shortages or natural disasters; (I) realize expectations concerning market demand for electric models, which will depend in part on the building of necessary infrastructure; (J) manage through changes in general economic and business conditions, including changing capital, credit and retail markets, and the changing political environment; (K) continue to develop the capabilities of its distributors and dealers, effectively implement changes relating to its dealers and distribution methods and manage the risks that its independent dealers may have difficulty obtaining capital and managing through changing economic conditions and consumer demand; (L) develop and maintain productive relationships with other motorcycle manufacturers in select markets outside the United States; (M) successfully maintain a manner in which to sell motorcycles in China and the company's ASEAN countries that does not subject its motorcycles to incremental tariffs; (N) manage its Thailand corporate and manufacturing operation in a manner that allows the company to avail itself of preferential free trade agreements and duty rates, and sufficiently lower prices of its motorcycles in certain markets; (O) accurately estimate and adjust to fluctuations in foreign currency exchange rates, interest rates and commodity prices; (P) retain and attract talented employees, and eliminate personnel duplication, inefficiencies and complexity throughout the organization; (Q) adjust to tax reform, healthcare inflation and reform and pension reform, and successfully estimate the impact of any such reform on the company's business; (R) manage through the effects inconsistent and unpredictable weather patterns may have on retail sales of motorcycles; (S) manage changes and prepare for requirements in legislative and regulatory environments for its products, services and operations; and (T) continue to manage the relationships and agreements that the company has with its labor unions to help drive long-term competitiveness.

The company's ability to sell its motorcycles and related products and services and to meet its financial expectations also depends on the ability of the company's independent dealers to sell its motorcycles and related products and services to retail customers. The company depends on the capability and financial capacity of its independent dealers to develop and implement effective retail sales plans to create demand for the motorcycles and related products and services they purchase from the company. In addition, the company's independent dealers and distributors may experience difficulties in operating their businesses and selling Harley-Davidson motorcycles and related products and services as a result of weather, economic conditions, the impact of COVID-19, or other factors.

Refer to "Risk Factors" under Item 1A of the company's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 23, 2021, and Part II, Item 1A of any subsequently filed Quarterly Report on Form 10-Q, for a discussion of additional risk factors and a more complete discussion of some of the cautionary statements noted above.



2020 Inclusive Stakeholder Management Report

September 2021