



2023 (FY22)  
**Sustainability Report**



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# Message from our CEO

*As the President and CEO of Tennant Company, I'm proud of our 150-plus-year legacy, and our employees are too. We have a long history of innovation and creating solutions that help our customers improve and clean the spaces we all share. Working together to realize our vision to "create a cleaner, safer, healthier world," we have developed a strong culture of stewardship, striving to leave things better than we found them.*



## Delivering on our commitments

Tennant Company delivered solid results in 2022 as a direct result of our employees' hard work, engagement, and dedication worldwide. We continued successfully navigating and recovering from challenges, including geopolitical conflicts, labor shortages, supply chain disruption, and inflation. I want to thank our employees across our Company, from our manufacturing facilities to our field, sales, and service teams, to our people in offices worldwide, for their commitment and dedication to Tennant, our customers, and each other.

Over the course of 2022, we remained committed to bringing sustainable cleaning solutions to the marketplace. We drove performance across our environmental and social goals while delivering strong governance of our programs and commitments.

- We held meaningful conversations with our customers, investors, employees, and partners to define a new sustainability framework, Thriving People, Healthy Planet, encompassing areas where we know we can and should create change.
- We advanced our climate goals:
  - We set two science-based targets in 2018 and proudly achieved our Scope 1 & 2 target ahead of schedule, and are on track to meet our Scope 3, Category 11 (use of sold products) target.
  - We performed a net-zero analysis, committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to the Science Based Target initiative (SBTi) for validation.
  - We expanded our greenhouse gas (GHG) reporting boundary to include recent acquisitions and were still able to maintain our Scope 1 & 2 and reduce the emissions from the use of our products by 6% from 2021, our new baseline year.
  - We sourced 89% of our global electricity consumption from renewable energy sources.
  - We received our fifth consecutive A- and Leadership level designation from the CDP Climate Change program.

- We invested over \$830,000 in charitable contributions to benefit our communities through the Tennant Foundation.
- We made great strides on our DE&I journey:
  - On behalf of Tennant's leadership team, I signed the CEO Action for Diversity & Inclusion™ Pledge, committing Tennant to specific actions to cultivate a trusting environment where all are welcomed.
  - We also began a {New Perspectives training program that more than 90% of our Senior Management and Global Leadership teams completed in 2022. We will continue to implement this program across the organization.
  - We laid the groundwork for setting ambitious commitments to bring more diversity to our leadership team.

### Our legacy provides a unique opportunity

Our commitment to stewardship is more than a responsibility. It's an opportunity. As an industry leader, we're uniquely positioned to improve our business and increase our commitment to sustainable practices in ways that advance our own business and help our customers achieve their sustainability goals. By doing that, we can have a much broader impact and affect change globally.

We already provide electrically powered equipment that reduces greenhouse gas emissions from internal combustion engines, water management solutions that reduce the water needed to clean, and technology that eliminates the need for detergents or chemicals in the cleaning process.

We know we can go further down the path we're already on, addressing even more global challenges and partnering with our customers by helping solve their current and future cleaning challenges.

I'm excited about the work ahead and know our path will evolve as we learn and grow. Of course, achieving our goals will take time, energy, investment, and – most importantly – collaboration. As an organization, we've accomplished many good things by putting our shared stewardship values into action. Realizing the potential of our Thriving People, Healthy Planet framework will require us to act together in partnership with all our stakeholders.

Join us as we work together to create a cleaner, safer, healthier world so all may thrive.

Sincerely,

David W. Huml  
President and CEO  
Tennant Company

# Message from our Director of Sustainability and ESG



Looking back on 2022, I am proud of our work across sustainability and ESG. We made major strides, including maintaining our progress against our climate goals while setting new and ambitious net-zero targets, training more than 90% of our leadership team on inclusion principles, completing a new materiality assessment, reporting on our efforts transparently, and defining a refreshed framework, "Thriving People, Healthy Planet" that will guide the next era of our sustainability leadership.

This report marks the conclusion of our previous sustainability strategy, developed in 2014. Over the last almost decade, we made significant progress against our goals and ambitions, as detailed in this report.

Our stakeholders have increasing expectations of our business and how we can partner to help solve growing global challenges. We're evolving how we work to meet these expectations and secure our legacy of stewardship and innovation for our next 150 years as a company. We're rethinking our practices to embed sustainability into every aspect of our business. This is a journey; while we have established bold goals and mapped our path to achieving them, there is work to be done, and we know our way forward will evolve.

Our success will be seen in how we can broaden our impact, maintain our standing as innovation leaders in our industry, and position our business to meet the needs of a changing world. We remain committed to helping solve our customers' problems and sustainability commitments with sustainable cleaning innovations. In doing so, we are also advancing our sustainability goals and driving value for our business – creating true shared value.

We know Tennant's impact is amplified when we work with others, sharing knowledge and resources to strengthen our collective action toward a more sustainable future. We are a group of people motivated by a challenge and committed to innovation. We have opportunities to contribute to the work ahead to make a difference for our customers, business, communities, and the spaces we share. I hope you join us.

Sincerely,

Reilly Goodwin  
Director of Sustainability & ESG



*Today, Tennant Company, headquartered in Eden Prairie, Minnesota, is a world leader in designing, manufacturing, and marketing sustainable cleaning innovations that empower our customers to create a cleaner, safer, and healthier world.*

## About Tennant Company

George H. Tennant began his business in Minnesota in 1870, originally operating a sawmill on the banks of the Mississippi River in Minneapolis. He quickly began focusing on making wooden flooring for houses and businesses under construction in the growing metropolitan area. The company reached a turning point in the 1930s when leaders recognized the potential in a newly patented device that automated laborious floor maintenance tasks and began to focus the business on floor care.

For more than 150 years, our products have cleaned our collective shared spaces around the world, from retail establishments, grocery stores, and distribution centers,

to airports and other public transportation stations, to factories and warehouses, and public venues such as arenas and stadiums, office buildings, schools and universities, hospitals and clinics, parking lots and streets, and more. Throughout our history, we have focused on advancing our industry by pursuing new technologies, creating a culture that celebrates innovation, and investing in our product portfolio to deliver value to our customers and drive profitable growth for our shareholders. Our innovations and technologies allow our customers to clean more sustainably through reduced energy, water, and chemical use and autonomous operation, delivering high-performance solutions that minimize waste, reduce costs, and improve safety.



## Our brands

Our family of brands helps create healthy, safe, and clean shared spaces for the people and places in our customers' care.



## Our markets

- Arenas & Stadiums
- Automotive
- Aviation & Transportation
- Building Service Contractors
- Education
- Electronics
- Food & Beverage
- Government
- Healthcare
- Hospitality
- Logistics & Warehouse
- Manufacturing
- Mining
- Municipalities
- Pharmaceutical
- Retail

## Our product categories

We offer products and solutions consisting of mechanized cleaning equipment for both industrial and commercial use, detergent-free and other sustainable cleaning technologies, aftermarket parts and consumables, equipment maintenance and repair services, and business solutions such as financing, rental and leasing programs, and machine-to-machine asset management solutions. We are committed to developing cleaning technologies, including autonomous solutions, which increase cleaning productivity. Our product and solution categories include:

- Scrubbers
- Sweepers
- Sweeper-Scrubbers
- Extractors
- Burnishers & Floor Machines
- Vacuums
- Pressure Washers
- Specialty Cleaning Equipment
- Pre-Owned Machines
- Tools
- Parts
- Service



## Our recognition

We continue to be recognized and awarded for our work and across the breadth of our business.

- 2022 CDP Supplier Engagement Leaderboard – we were among the top 8% of suppliers that were assessed for taking action to measure and reduce climate risk within our supply chain
- 2022 The Minnesota Census of Women in Corporate Leadership – recognized with special distinction for achieving gender parity on the Board of Directors, among executive officers, or both
- 2022 Sanitary Maintenance – Distributor Choice Award Winner – Technology and Innovation Category – T16AMR Industrial Robotic Floor Scrubber
- 2022 Twin Cities Business Magazine – Manufacturing Excellence Award – Autonomous Solutions





## Global footprint

Tennant Company sells products directly in 15 countries and through distributors in more than 100 countries. We have several global manufacturing locations and operate in three geographic areas: the Americas, Europe, the Middle East, Africa (EMEA), and Asia Pacific (APAC).

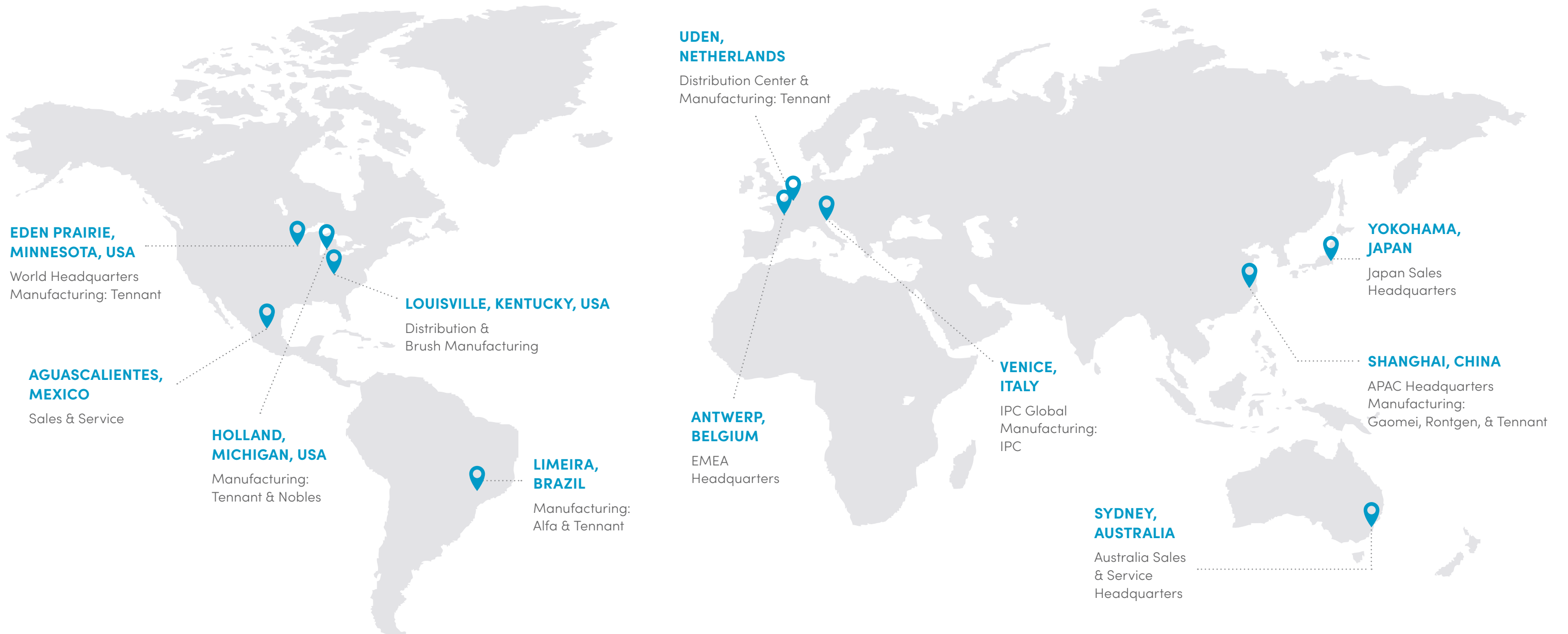
## Employees worldwide\*

# 4,299

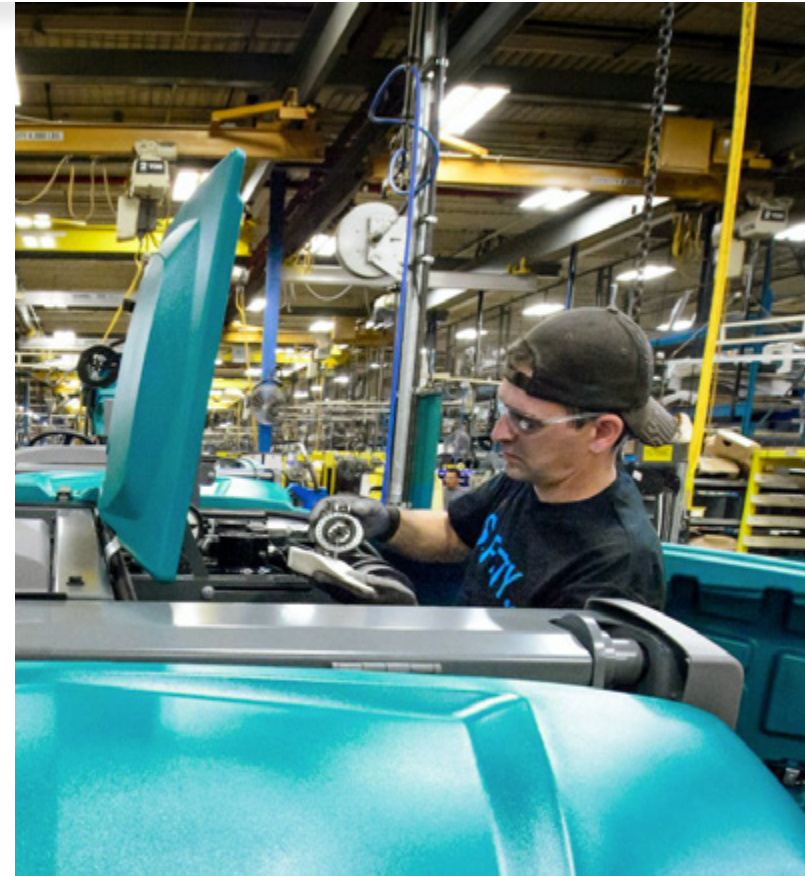
*\*as of December 31, 2022*

## Employees by region

| AMERICAS | EMEA  | APAC |
|----------|-------|------|
| 2,198    | 1,639 | 462  |







# Sustainability at Tennant

Sustainability at Tennant unites our vision to “create a cleaner, safer, healthier world” with our ambition to reinvent how the world cleans. Throughout our 150 years, our drive to create new solutions for our customers and to leave things better than we find them has established us as an industry leader in sustainability.

At Tennant Company, sustainability is vital to creating business value, helping our customers reach their goals, and driving positive societal impact. Tennant’s current sustainability strategy launched in 2014, following six materiality workshops and deploying

global best practices and tools at the time. These focus areas became the core of our sustainability strategy, each with objectives, goals, and metrics.

Our strategy from 2014–2022 encompassed our ambition for societal impact and purpose. It focused our efforts across products, GHG emissions & energy, waste, and people & communities.

We recognize that global challenges are accelerating, and our stakeholders’ expectations for Tennant’s products and how we operate our business are growing. That is why in 2022, we kicked off the next chapter of sustainability at Tennant. We finalized our materiality update and redesigned our approach to sustainability with a focus on maintaining our leadership position within our industry, integrating sustainability across our business, broadening our societal impact, and future-proofing our business in our ever-changing world.



PRODUCTS



GHG EMISSIONS & ENERGY



WASTE



PEOPLE & COMMUNITIES

## Our new sustainability strategy: Thriving People. Healthy Planet.

### The next 150 years

Through conversation with our customers, investors, employees, and partners, we developed a new sustainability framework that rests on the foundational connection between people and planet. This framework provides the lens for our Company to set goals, align plans, and integrate sustainability deeply into our business practices. It is centered on two pillars, Thriving People and Healthy Planet, encompassing areas where we know we can create change – because our business cannot be successful without a healthy planet and thriving people.

Sharing our progress is an integral part of our new framework. We'll provide updates as we set goals, establish targets, meet key milestones, and share in-depth reporting here in our annual Sustainability Report, so our stakeholders can track our progress. We look forward to reporting against this new framework in our 2024 (FY23) Sustainability Report.

## SUSTAINABILITY FRAMEWORK

At Tennant, sustainability is inspired by our purpose to “Create a Cleaner, Safer, Healthier World.”

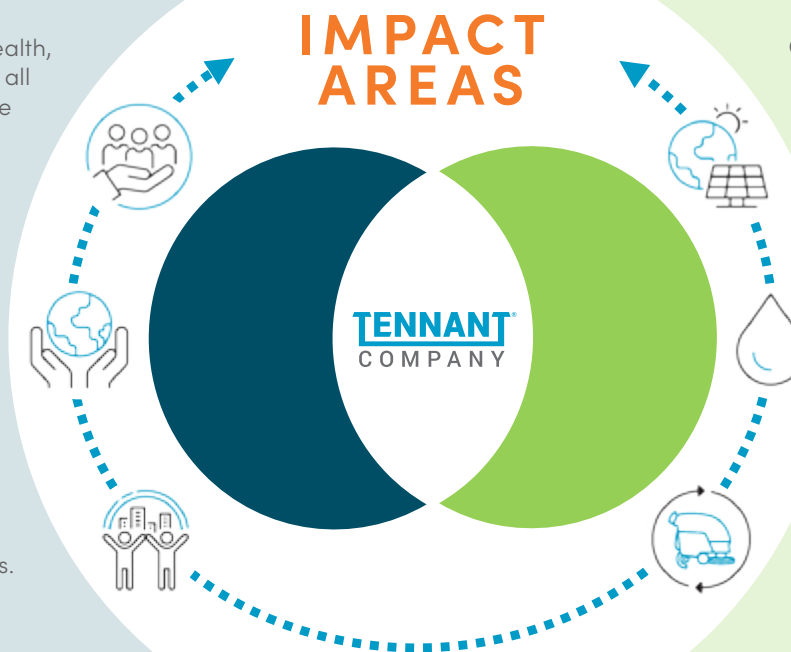
We recognize our unique opportunity, and our responsibility, to drive positive change in six impact areas while creating sustainable value for our business, our customers, and society. This framework provides the lens for our company to set our goals, align our plans, and integrate sustainability into our business. We believe that by working toward ambitious commitments together with our stakeholders, we can help people thrive and contribute to a healthier planet.

## THRIVING PEOPLE. HEALTHY PLANET.

**Employee Success** – Ensure the health, safety, wellbeing, and development of all our employees, and continually improve diversity, equity, and inclusion in our company.

**Social Impact** – Help to improve the lives of people we engage with outside of our company, including the workers in our supply chain, the operators who use our products, and the local communities where we operate.

**Shared Spaces** – Partner with our customers and other stakeholders as we reinvent how the world cleans to enhance the health, safety, and wellbeing for all who use and rely on our collective and shared spaces.



**Climate & Energy** – Contribute to global decarbonization by achieving net-zero GHG emissions in our operations and reducing emissions in our supply chain. Increase our product energy efficiency and offer our customers solutions that will eliminate GHG emissions from the use of our products.

**Water & Chemical Use** – Improve water stewardship in our operations and continually strive to design products that require fewer cleaning chemicals and reduce water use while cleaning.

**Circular Products & Waste** – Design our products to enhance the ability to repair, replace parts, and recover materials, alongside services and manufacturing processes that reduce waste and help close the loop on the lifecycle of our products.



Driving innovation in our **products & services**



Collaborating with our **customers** to help them achieve their sustainability goals



Integrating sustainability into our **business operations, manufacturing & supply chain**



Engaging **employees, stakeholders, and communities** to deliver shared value



**Strategically investing** to unlock value from sustainability opportunities

## Materiality

Materiality is the foundation for how Tennant evaluates and aligns our framework, strategies, and reporting to our business's most material sustainability and ESG (environmental, social, and governance) issues.

In late 2021, we began updating our materiality assessment. To ensure that our strategy and reporting are aligned to the most material sustainability issues, including environmental, social, and governance issues for stakeholders and our business, we engaged over ninety internal and external stakeholders, including our customers, employees, investors, and non-governmental organizations. These stakeholders were surveyed or interviewed for direct feedback on prioritizing the material issues. We completed the process in April 2022.

For this updated assessment, we worked with an external partner to help facilitate this process and to maintain an unbiased approach and results. Using the concept of double materiality, we evaluated the potential impact of environmental and social issues on the financial performance and value of Tennant (financial materiality or "impact inwards"), and also the impact of Tennant's activities on people and the environment (environmental & social materiality or "impact outwards").



*Photo by Ron Lahr, Tennant employee*

Our materiality analysis followed four phases:

1. Issues identification
2. Primary stakeholder research
3. Stakeholder validation
4. Interconnected materiality issues reporting

### Issues identification

The first phase identifies and assesses the impact of all the potential issues relevant to our business. We used sources that identified today's issues as well as sources that provided leading indicators of emerging issues and issues that will increase in importance

over the next five to ten years. The wide range of data sources included internal sources, building upon existing knowledge, and external sources. Examples include our previous materiality assessment, current sustainability approach, corporate strategy, enterprise risk management, trends research, environmental and social impact reports, customer and competitor analysis, stakeholder perspectives, standards, frameworks, and ESG rankers, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the United Nations Global Compact, and the United Nations Sustainable Development Goals (SDGs), MSCI, and Sustainalytics.

## Primary stakeholder research

Obtaining direct input from stakeholders was essential to updating our materiality assessment. We engaged internal and external stakeholders to understand their perspectives on how Tennant Company can continue to lead in sustainability and where we have the opportunity to engage and drive impact across our value chain. We gathered feedback using several methods, including qualitative interviews, quantitative scoring, and quantitative surveys. These tactics helped narrow the list of material issues and capture more precise inputs for prioritizing the material issues. To understand Tennant’s business priorities related to sustainability, we interviewed a broad set of internal leaders, from board members to managers. We interviewed investors, customers, nongovernmental organizations (NGOs), academic institutions, and subject matter experts to understand our external stakeholders’ perspectives.



## Stakeholder validation

Once all the inputs were analyzed and a list of prioritized material issues was created, the next phase was to validate the assessment results with key stakeholders, both internally and externally.

A diverse group of internal stakeholders was engaged through workshops to validate the assessment of the financial impact on the business as a part of the double materiality assessment approach. This group included our Senior Management Team and members of the Board of Directors’ Governance Committee. For external validation, our third-party partner engaged customers and investors as a final opportunity to uncover any “blind spots” in how the issues have been prioritized.

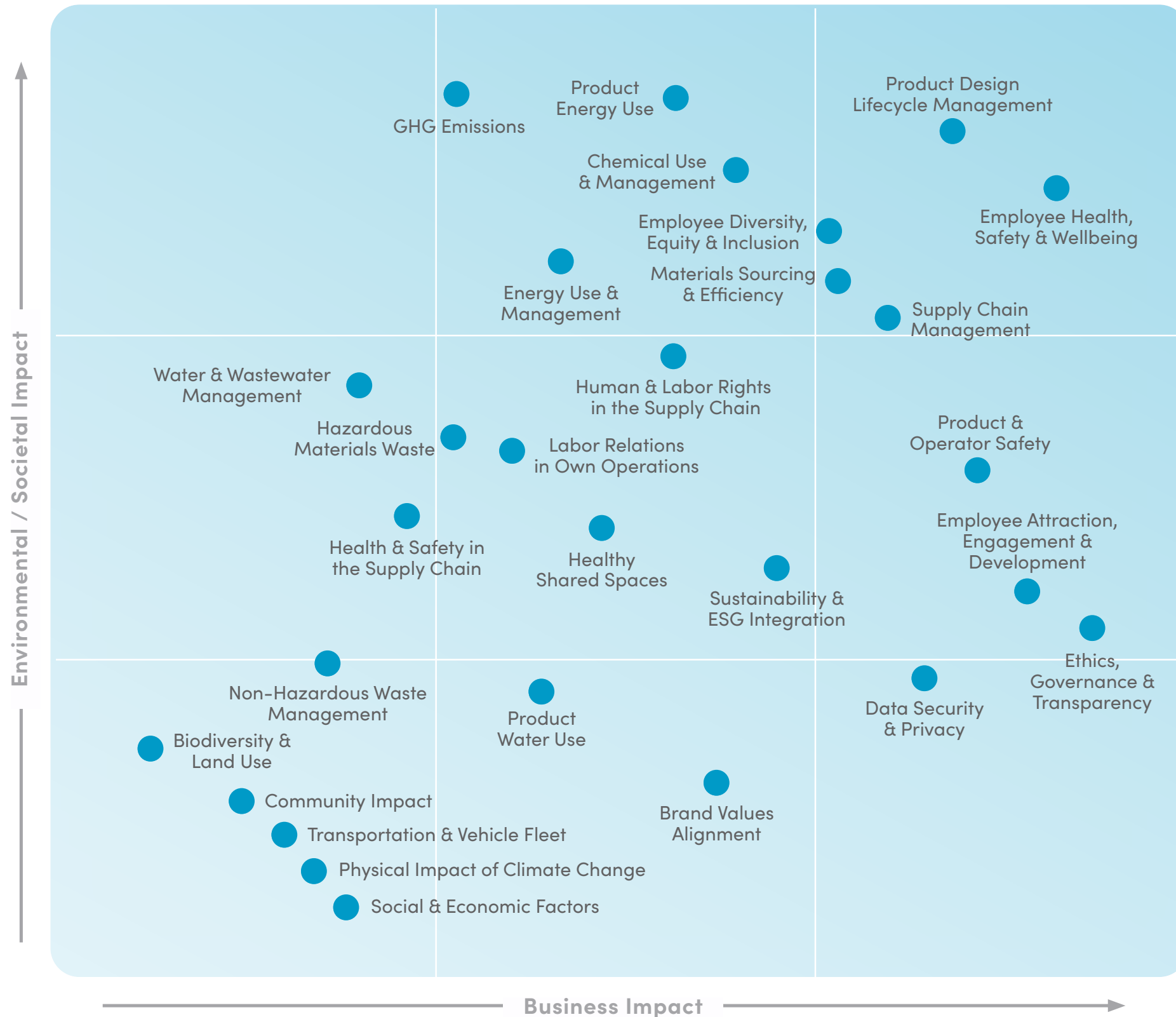
## Interconnected materiality issues reporting

The issue identification, stakeholder research, and validation phases produced the finalized material issues prioritization. Material topics and their definitions were further evaluated by our external partner to reduce bias and to produce a materiality map (Figure 1), prioritizing the topics across two axes:

1. Financial impact (impact inwards) – the impact of environmental and social issues on the financial performance and value of Tennant Company.
2. Environmental & social impact (impact outwards) – the impact of Tennant’s activities on people and the environment.

Figure 1

**Materiality matrix**



Insights collected throughout the process were used to clearly understand the dynamic and interrelated nature of material issues. This additional stage shows the intersections between the issues, including dependencies and outcomes, and is critical for strategy development. In assessing the interconnected nature of these issues, several key themes emerged, which are integrated into our new sustainability framework.

- Innovation & Product Design
- Employees & Communities
- Climate and Greenhouse Gas Emissions
- Supply Chain
- Healthy Shared Spaces
- Manufacturing & Distribution
- Governance & Sustainability/ESG Integration

The United Nations Sustainable Development Goals (UN SDGs) call on governments, businesses, and organizations to take action to address the urgent problems facing our world today. We value the important role these goals play in equitable, inclusive, sustainable development. The UN SDGs were used as source material for our updated materiality assessment and ultimately influenced our new sustainability strategic framework. We completed a primary assessment and prioritized the top four goals where we believe we can have the most significant impact. As participants in the United Nations Global Compact, we look forward to further integrating these goals into the activation of our sustainability strategy and the metrics in our ESG Scorecard to drive further progress toward the SDGs.



**SUSTAINABLE DEVELOPMENT GOALS**

## Stakeholder engagement

In addition to the materiality assessment, we engaged internal and external stakeholders to update our sustainability strategy. We established a cross-functional team of internal stakeholders who participated in a series of workshops to evaluate the results of our material assessment and the intersections between the material issues to build our new sustainability strategic framework. We also engaged customers, investors, and partners in this process to better understand what issues were important to them and where they felt Tennant Company could have the most significant impact.

Engagement and collaboration were integral to developing our new global sustainability framework, providing strategic direction to our commitments, investments, and actions.

Other stakeholders we routinely engage include our suppliers, government and other regulatory entities, trade organizations and partners, and the communities in which we work. We will continue to look to all our stakeholders for their valued perspectives as we implement the new framework, set goals, and develop action plans. Table 1 provides an overview of our stakeholder engagement process.



Photo by Ron Lahr, Tennant employee

Table 1

## Stakeholder engagement

| Stakeholder group  | How we engage   | Major issues raised   |
|--|---|---|
| <b>Customers</b>   | <ul style="list-style-type: none"> <li>- Provide innovative, high-quality, sustainable products and services that help our customers achieve their sustainability and ESG goals</li> <li>- Collaborate with the global strategic accounts sales team to respond to customer requests</li> <li>- Direct dialogue with customers</li> <li>- Publish performance in the annual sustainability Report, CDP Climate Change Response, and EcoVadis questionnaire</li> </ul>               | <ul style="list-style-type: none"> <li>Product Design &amp; Lifecycle Management</li> <li>Product &amp; Operator Safety</li> <li>GHG Emissions</li> <li>Product Energy Use</li> <li>Ethics, Governance, &amp; Transparency</li> <li>Human &amp; Labor Rights in the Supply Chain</li> <li>Labor Relations in Own Operations</li> <li>Product Water Use</li> <li>Transportation &amp; Vehicle Fleet</li> </ul> |
| <b>Investors</b>   | <ul style="list-style-type: none"> <li>- Include sustainability performance on the investor website</li> <li>- Publish performance in the annual Sustainability Report and CDP Climate Change Response</li> <li>- Respond to ESG rating firm requests and questionnaires, including ISS, MSCI, and Sustainalytics</li> <li>- SEC Filing</li> <li>- Upholding corporate values</li> </ul>  | <ul style="list-style-type: none"> <li>GHG Emissions</li> <li>Ethics, Governance, &amp; Transparency</li> <li>Social &amp; Economic Factors</li> <li>Water &amp; Wastewater Management</li> </ul>   |
| <b>Employees</b>   | <ul style="list-style-type: none"> <li>- Conduct all-employee engagement survey annually</li> <li>- Support Employee Resource Groups (ERG), which provide a space for employees to build community and develop stronger relationships with others with similar identities and as allies</li> <li>- Sustainability &amp; ESG page on intranet</li> <li>- Respect human rights and diversity, equity, and inclusion</li> <li>- Provide a safe and healthy work environment</li> </ul> | <ul style="list-style-type: none"> <li>Employee Health, Safety, &amp; Well-being</li> <li>Employee Diversity, Equity, &amp; Inclusion</li> <li>Employee Attraction, Engagement, &amp; Development</li> <li>Physical Impact of Climate Change</li> <li>Energy Use &amp; Management</li> <li>Labor Relations in Own Operations</li> <li>Transportation &amp; Vehicle Fleet</li> </ul>                           |
| <b>Suppliers</b>   | <ul style="list-style-type: none"> <li>- Require all suppliers to comply with our Supplier Core Expectations and Business Ethics guide</li> <li>- Annual RMI Audits</li> <li>- Meet the reasonable needs of distribution channel members and respect their business</li> <li>- Respecting the human rights of workers</li> </ul>  | <ul style="list-style-type: none"> <li>Supply Chain Management</li> <li>Materials Sourcing &amp; Efficiency</li> <li>Health &amp; Safety in the Supply Chain</li> <li>Human &amp; Labor Rights in the Supply Chain</li> </ul>   |
| <b>Governments &amp; non-government organizations (NGOs)</b> | <ul style="list-style-type: none"> <li>- Comply with laws, regulations, and policies</li> <li>- Provide support to advance and solve global issues</li> <li>- Partner to understand societal concerns</li> </ul>  | <ul style="list-style-type: none"> <li>GHG Emissions</li> <li>Data Security &amp; Privacy</li> <li>Ethics, Governance, &amp; Transparency</li> <li>Chemical Use &amp; Management</li> <li>Healthy Shared Spaces</li> <li>Water &amp; Wastewater Management</li> <li>Hazardous Materials Waste</li> </ul>  |
| <b>Communities</b>   | <ul style="list-style-type: none"> <li>- Give back to communities in which we work, live, and play</li> <li>- Provide economic and social value to communities while minimizing environmental impact</li> <li>- Support communities to help them thrive</li> </ul>  | <ul style="list-style-type: none"> <li>Community Impact</li> <li>Brand Values Alignment</li> <li>Healthy Shared Spaces</li> <li>Biodiversity &amp; Land Use</li> </ul>  |
| <b>Trade organizations &amp; partners</b>                    | <ul style="list-style-type: none"> <li>- Support through memberships</li> <li>- Participate in industry work groups, forums, and workshops</li> <li>- Collaborate on technical and other research to develop innovative solutions for society</li> </ul>  | <ul style="list-style-type: none"> <li>Brand Values Alignment</li> </ul>  |



*Photo by Ron Lahr, Tennant employee*

*Tennant Company is working to reinvent the way the world cleans by embedding sustainability across our business on a global scale.*

## Measuring our progress

Our 2014-2022 sustainability strategy enabled Tennant's sustainability leadership in our industry. This report marks the conclusion of this strategy, and we are proud of our progress. Throughout this report we highlight our 2014-2022 ambitions and have expanded some metrics to include recent acquisitions

and to more accurately reflect the full impact of our business. We look forward to transitioning and fully integrating our new framework in 2023 and reporting progress in our 2024 (FY23) Sustainability Report. Key achievements from 2014-2022 include:



## Key achievements

### Circular products



**We achieved 38 sustainability targets** through the new product development process since 2014.

Since 2019, **99% of the products we sold were electric.**



In 2022, aligning with the ISO 14067 certification standards, **we conducted a carbon footprint analysis** on 8 IPC products to better understand our products' environmental impact and help our customers achieve their sustainability and ESG goals.

### Thriving people & communities

**We invested over \$6 million in our local communities** through the Tennant Foundation since 2014.



Since 2017, we have seen over an **80% decrease in global operations safety incidents.**

**Our employees volunteered 1,900 hours** in the communities where we live, work, and play, throughout 2022.



### Climate & energy



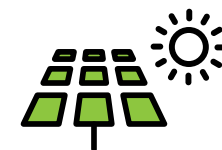
**We committed to becoming net zero by 2040** and submitted draft near- and long-term company-wide greenhouse gas reduction targets to the Science Based Target initiative (SBTi) for validation.

**Reduced our Scope 1 and 2 emissions by 1.7%** from a 2021 baseline.\*



**Reduced the greenhouse gas emissions from the use of our products by 6%** from a 2021 baseline.\*

**Purchased 89% renewable energy** to power our buildings in 2022.



**Received our fifth consecutive "A-" score from CDP,** ranking our climate goals and actions as "Leadership level."

### Waste



**We have recycled 22,000 tons of materials** since 2017.

## ESG metrics

| Ambition          |   | Metric                               | 2022                | 2021   | 2020   | 2019   | 2018 | 2017 | Notes                            |  |
|-------------------|---|--------------------------------------|---------------------|--------|--------|--------|------|------|----------------------------------|--|
| Circular products | Design our products with an enhanced focus on repair, serviceability, replacement of parts, recycling, and recovery of materials and help to close the loop on the lifecycle of our products. | Number of targets set                | 0                   | 4      | 1      | 3      | 19   | 4    | Process implemented August 2014. |  |
|                   |   | Number of targets achieved at launch | 0                   | 0      | 1      | 3      | 19   | 4    |                                  |  |
|                   |   | Units sold by power source           | Electric            | 99.12% | 99.10% | 99.10% | 99%  | -    | -                                |  |
|                   |   |                                      | Internal combustion | 0.88%  | 0.90%  | 0.90%  | 1%   | -    | -                                |  |

| Ambition   |  | Metric  | 2022  | 2021                             | 2020   | 2019   | 2018   | 2017   | Notes   |  |
|--|--|---|---|----------------------------------|--------|--------|--|--------|---|--|
| Climate & energy   | Contribute to global decarbonization by reducing emissions in our operations and emissions in our supply chain, and increasing our product energy efficiency, offering our customers solutions that will eliminate GHG emissions from the use of our products. | Set long-term, science-based targets (SBT)                                    | Committed and submitted net-zero targets to SBTi for validation | Prepared to resubmit new targets |        |        | Approved   |        |   |  |
|  |  | Scope 1 & 2 greenhouse gas emissions (mT CO2e)                                | 25,575  | 26,009                           | -      | -      | -  | -      | Expanding emissions reporting boundary to include recent acquisitions. See climate & energy section for more details. |  |
|  |  | Scope 3, Category 11, use of sold products greenhouse gas emissions (mT CO2e) | 464,637   | 496,239                          | -      | -      | -  | -      | Expanding emissions reporting boundary to include recent acquisitions. See climate & energy section for more details. |  |
|  |  | Emissions reduction initiatives   | Number of projects implemented                                  | 5                                | 9      | 14     | 18   | 14     | 19  |  |
|  |  |   | Number of projects in-process                                   | 2                                | 3      | 5      | 6  | 5      | 3   |  |
|  |  |   | Number of projects planned                                      | 6                                | 5      | 9      | 9  | 17     | 13  |  |
|  |  |   | Total number of projects in portfolio                           | 13                               | 17     | 28     | 33   | 36     | 35  |  |
|  |  |   | Total emissions reduction (mT CO2e)                             | 1,797                            | 1,737  | 3,141  | 8,632  | 8,095  | 6,513   |  |
|  |  | Renewable energy purchasing   | Renewable electricity purchased (MWh)                           | 21,218                           | 22,350 | 21,150 | 15,160   | 5,100  | 2,850   |  |
|  |  |   | % of total electricity used*                                    | 88.73%                           | 85.50% | 83.40% | 53.50%   | 17.90% | 13.20%*   |  |
| Community Solar Garden (CSG) Subscription Agreements (MWh) | 9,700  | 10,690  | 10,600  | 8,600                            | 5,100  | 2,850  | Tennant Company does not own these environmental attributes. |        |   |  |

| Ambition |  | Metric  | 2022  | 2021  | 2020  | 2019  | 2018  | 2017  | Notes                      |
|----------|--|---|-------|-------|-------|-------|-------|-------|----------------------------|
| Waste    | Adapt our operational and manufacturing processes to reduce waste. | Total amount of waste recycled (metric tons)  | 3,100 | 3,900 | 3,600 | 4,500 | 4,000 | 2,880 |                            |
|          |  | Total number of locations with ISO 14001 Environmental Management Systems certification | 7     | -     | -     | -     | -     | -     | Not reported in 2017-2021. |

\*Total electricity used for 2017 does not include IPC acquisition which closed April 6, 2017.



| Ambition  |   | Metric   | 2022  | 2021      | 2020      | 2019      | 2018      | 2017      | Notes   |  |
|---|---|--|-------|-----------|-----------|-----------|-----------|-----------|---|--|
| <b>Thriving people &amp; communities</b><br>Our success as a business relies on people – our employees, our customers, our partners, and our communities. | Safety (TRIR)                                       | Operations   | 1.19  | 1.83      | 2.48      | 4.48      | 5.18      | 6.29      |   |  |
|   | Total recordable incident rate                      | NA TSSC*   | 1.46  | 1.9       | 1.33      | 1.88      | 2.69      | 6.5       |   |  |
|   | DART rate   | Operations   | 0.56  | 0.7       | 1.55      | 3.58      | 4.07      | 3.52      | Due to a clerical error, 2021 is a restatement.         |  |
|   | Days away, rest and transfer rate                   | NA TSSC*   | 1.05  | 0.95      | 0.77      | 1.44      | 2.07      | 4.66      |   |  |
|   | Employees by gender                                 | Female   |       | 992       | 966       | 985       | 1,014     | –         | –   |  |
|   |   | Male   |       | 3,307     | 3,297     | 3,274     | 3,515     | –         | –   |  |
|   | Diversity of U.S. employees                         | Total number of employees who identify as BIPOC          |       | 414       | 375       | 368       | –         | –         | –   |  |
|   |   | Total number of employees who identify as white          |       | 1,352     | 1,330     | 1,337     | –         | –         | –   |  |
|   | Total number of U.S. vet status protected employees |  |       | 105       | 96        | 96        | –         | –         | –   |  |
|   | Diversity of board of directors                     | Female   |       | 3         | 3         | 3         | 3         | –         | –   |  |
|   |   | Male   |       | 6         | 6         | 6         | 5         | –         | –   |  |
|   |   | Total number of board of directors who identify as BIPOC |       | 2         | 2         | –         | –         | –         | –   |  |
|   |   | Total number of board of directors who identify as white |       | 7         | 7         | –         | –         | –         | –   |  |
|   | Tennant Foundation and corporate giving             |  |       | \$834,097 | \$880,425 | \$922,271 | \$679,270 | \$655,477 | \$624,125   | Includes sum of employee gift matching, grant disbursements, scholarship program, and equipment and inventory donations. |
| Employee volunteer hours  |   |  | 1,903 | 981       | 1,664     | 3,623     | 1,430     | 1,684     | 2021, 2020, 2019, 2018, and 2017 sums are restatements. |  |

| Ambition   |                | Metric                                       | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | Notes |
|--|----------------|--|------|------|------|------|------|------|-------|
| <b>Governance</b><br>Show “Integrity in Every Moment” to maintain and build upon our reputation as an ethical company. | Company ethics | Number of ethic hotline reports              | 3    | 16   | 19   | 15   | 21   | 18   |       |
|  |                | Percent of ethic hotline reports closed      | 100% | 100% | 95%  | 100% | 100% | 100% |       |
|  |                | Average days ethics hotline reports are open | 23   | 50   | 132  | 53   | 85   | 65   |       |

\*Tennant Sales and Service



## Circular products

Tennant Company has a long history of innovation, creating solutions that help our customers improve and clean the spaces we all share. We are committed to offering sustainable solutions that help our customers clean spaces more effectively and efficiently, reduce waste, and improve the safety of those who operate our machines.

Tennant's annual investment of approximately 3% of sales into R&D will continue to drive innovation

focused on circularity and electrification and has aided breakthroughs, including ec-H<sub>2</sub>O NanoClean® and robotics. Our autonomous mobile robot (AMR) machines are revolutionizing cleaning and helping businesses manage rising customer expectations, labor shortages, cost pressures, and employee engagement by enabling their human counterparts more time to put effort and attention into jobs that make a more significant impact.

*Tennant Company strives to design our products with an enhanced focus on repair, serviceability, replacement of parts, recycling, and recovery of materials to help close the loop on the lifecycle of our products.*

## Product sustainability targets

Tennant strives to offer products that can provide measurable sustainability improvements. We proudly offer a variety of **products that have industry credentials** and approvals as well as machines that support certifications such as WELL Building Standard and Leadership in Energy and Environmental Design (LEED). These initiatives are implemented during product development and tracked throughout design until the machine reaches the customer. At the launch of a product, our product development teams look back to understand what targets were achieved.

This process is controlled by specific requirements stated within our product development strategy. Engineering and product development teams meet to discuss opportunities to achieve sustainability criteria and address customer needs. In 2022, three product sustainability targets were set. These targets are centered on core components to our cleaning

machines and include further increasing water efficiency and reducing power consumption during the use phase. The product had not launched as of December 31, 2022.

Product development sustainability goals are core to our product strategy and will continue to be a focus in the future. As we implement our new sustainability framework, we will be undertaking a concentrated effort to revamp our sustainability goal-setting process within product development. This will include specific development metrics that directly apply to our ambitious goals, including our commitment to achieve net zero by 2040. We will partner with our customers to increase the energy efficiency of our portfolio and offer solutions that will eliminate GHG emissions during the product’s use phase. We will continue to invest in electrification innovations and focus on product circularity in the design process.



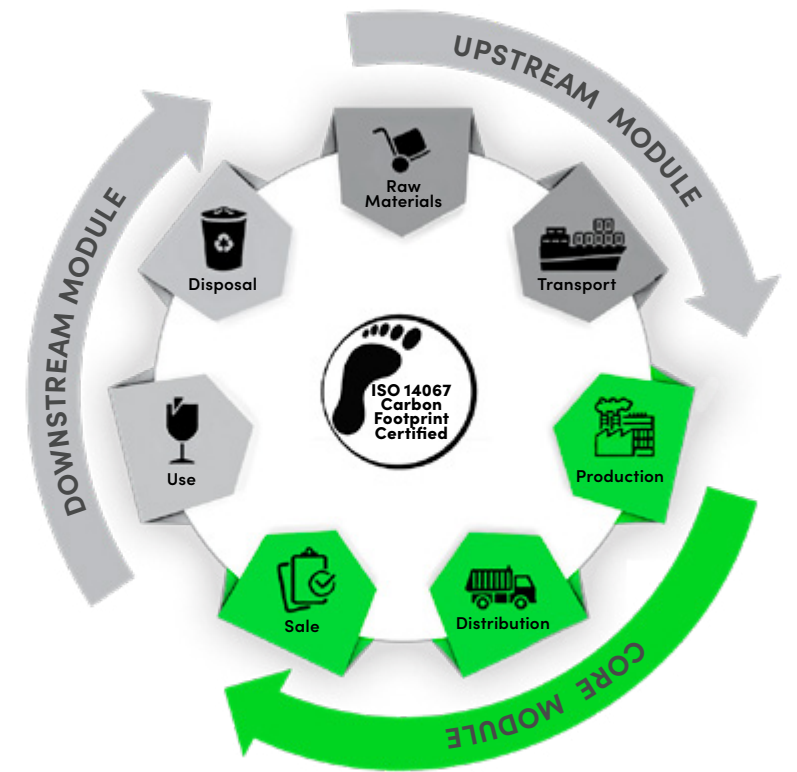
Table 2

### Product sustainability targets

|   | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | TOTAL |
|---|------|------|------|------|------|------|------|------|------|-------|
| Number of environmental impact improvement targets set                | 3    | 4    | 1    | 3    | 19   | 4    | 1    | 7    | 4    | 43    |
| Number of environmental impact improvement targets achieved at launch | 0*   | 0    | 1    | 3    | 19   | 4    | 1    | 6    | 4    | 38    |

\*Product had not launched as of December 31, 2022.

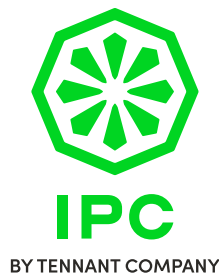
The use phase of a product begins at the time of purchase and ends at its disposal. This includes any additional energy or resources needed to use and maintain the product.



## IPC carbon footprint analyses

We have seen an increase in customer questions and requests regarding the environmental impact of our products as they set and make progress on their sustainability targets. Specifically, our customers want to know our products' carbon emissions over their lifetime, including how much is emitted with each use, how their cleaning programs impact their carbon emissions, and more.

We have been partnering with customers to provide the information they seek to make informed decisions on their cleaning selections. To ensure the accuracy, transparency, and reliability of the information and data about the environmental impacts of our products, IPC sought ISO 14067 certification in collaboration with a third-party assurance provider.



The total emissions of the products with this certification have been analyzed throughout the machine's life. Additionally, customers can use onboard telematics to actively monitor the carbon emissions of their machines on a use-by-use basis. This offers more details on

the impact of using a machine and helps customers develop cleaning programs that minimize carbon emissions while still providing an excellent clean for their facilities.

IPC currently offers **eight scrubber dryer machines with ISO 14067-certified carbon footprints** and plans to continue certifying more products to provide customers with an excellent selection of options.

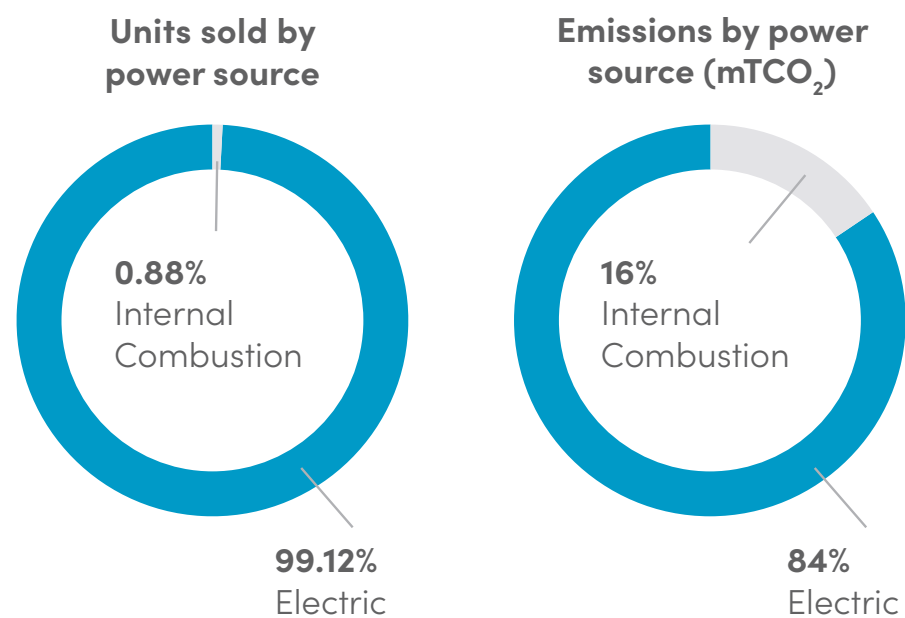


## Power source transition

We continue to partner with our customers as we increase the energy efficiency of our portfolio and offer solutions that will eliminate GHG emissions during the product's use phase. Regarding units sold in 2022, 99.12% were electric, and .88% were IC.

Figure 2

### Product power source & emissions



## Circular economy in action

Circularity in products addresses the entire lifecycle of a product, from part creation to the end of life. As part of this effort, Tennant recently released a series of new IPC hot water pressure washers. The pressure washers utilize a thermostat to control the

heating better, which uses less energy and increases the efficiency of the machine. The design team also focused on using recycled parts and planned for part disposal after the machine had reached the end of its life cycle. 60% of the plastic used on the machine

originates from recycled plastic, and 90% of the parts on the machine are recyclable at the end of life. Intentional design for circular parts helps reduce the machine's carbon footprint, and Tennant is excited to continue building upon these new design strategies.

## RECON program

At Tennant Company, we design our products with an enhanced focus on durability and quality, and they are built to have more than one life.

Our RECON program has offered our customers reconditioned equipment for over a decade. This program helps to close the loop on the lifecycle of our products and contributes to a circular, versus the traditional linear, economic model.



Reconditioning starts with a used machine returning to Tennant through a buy-back or trade-in program. The machine is assessed and rated based on its condition and will either be cleaned and repaired for resale or dismantled for recycling. We recondition machines deemed appropriate to three different tiers:

- Certified Pre-owned
- Used
- As-is

Each tier requires a different level of reconditioning, and the 'newness' and quality of the resulting product will depend on the tier. RECON machines have been assessed and deemed appropriate for reconditioning, are thoroughly inspected, and components with excessive wear are replaced. After the machine returns to a high quality and functional state, it goes through an exterior restoration where many machines

emerge looking brand new. Finally, the machines undergo a comprehensive quality check and are delivered to the customer with labor and parts warranties appropriate to their reconditioning tier.

We have reconditioning teams, resources, and facilities in Toronto, ON, Canada; Minneapolis, MN, USA; Dallas, TX, USA; Zaragoza, Spain; Limeira, Brazil; Aguascalientes, Mexico; and Sydney, Australia.

We have experienced increased interest in RECON machines from our existing and new customers, as these pre-owned products provide reliable cleaning power and quality at an affordable price.

This business model enables us to manage the end of life of our products better and extend their valuable life.

Image was created by [Espectro](#) in Brazil and is used in Tennant marketing & communications.





*At Tennant Company, we will contribute to global decarbonization by reducing emissions in our operations and in our supply chain.*

## Climate & energy

Climate change is the most pressing challenge facing the global community, and we are responsible for substantially reducing our greenhouse gas emissions across our business operations, supply chain, and products. Our customers have emissions reduction goals, employees are voicing their concerns about climate change, and investors seek climate information and risk disclosures.

We know the importance of collaborating with our customers, employees, investors, and communities to continue to make progress on sustainability goals

and our other strategic agendas for our business. By working toward ambitious commitments with our stakeholders, we can help people thrive and contribute to a healthier planet.

We proactively report GHG emissions to create mutual accountability and transparency with our value chain partners. Additionally, we track and report on various emissions reduction projects, including operational efficiency initiatives and our renewable energy procurement practices.

## Roadmap to new science-based targets & commitment to net-zero

In 2018, we set two greenhouse gas (GHG) emissions reduction targets with the Science Based Targets initiative (SBTi). We are proud to be one of the first 104 companies globally to have our science-based targets (SBT) approved and to be featured in SBTi’s Scope 3 best practices in the [greenhouse gas management guidance document](#), highlighting our innovations in product design to reduce our value stream emissions.

Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate, seen a significant increase in engagement from our stakeholders, and demand for lower-emissions products from our customers. We also completed two significant acquisitions, IPC Group and Gaomei, which closed in 2017 and 2019, respectively. Neither of these entities was included in our original targets. We proudly achieved our

Scope 1 & 2 target in 2020, ten years ahead of our 2030 target. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in 2022, we began updating our SBT. We engaged internal stakeholders and various subject matter experts to align with other organizational priorities. We utilized SBTi’s tools and resources to analyze Tennant’s historical greenhouse gas emissions data to forecast future emissions. In December 2022, Tennant Company committed to becoming net-zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation.



We are a proud supporter of CDP. We annually disclose through the climate change program and respond to the supply chain questionnaire on behalf of our customers. In 2022 we received our fifth consecutive A-, Leadership level score and, for the first time, were recognized on the CDP’s Supplier Engagement Leaderboard for taking action to measure and reduce climate risk within our supply chain.

“As a mission-based nonprofit that runs the global environmental disclosure system, CDP greatly values the support of Tennant Company. Urgent system-wide action remains critical to ensuring that we can limit global warming to 1.5°C, avoid the worst effects of climate change and safeguard our planet’s natural resources. Disclosure is the first key step in addressing current and future environmental risks. Tennant Company has demonstrated its commitment to transparency around its environmental impacts and strategies for action by disclosing its environmental data through CDP in 2022. Disclosure not only provides the Foundation for environmental action, but brings tangible business benefits for shareholders, customers and employees alike.”

Dexter Galvin, CDP Global Director, Corporations & Supply Chains, 2022



Photo by Ron Lahr, Tennant employee



## Greenhouse gas (GHG) emissions

Tennant Company makes full and timely public disclosure of detailed GHG emissions information on our [corporate](#) and [investor](#) websites.

In 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With the transition to this new software, we also updated our GHG emission calculation methodologies in alignment with best management practices, including the Greenhouse Gas Protocol.

We updated our reporting methodology to align with our growth as a business, combined with accelerated progress against our targets, and the drive to future-proof our business in our ever-changing world. We engaged S&P Global to provide assurance for our 2022 Scope 1 & 2 and Scope 3, Category 11 emissions inventory. Assurance was conducted in accordance with the AA1000AS (2008 with 2018 addendum) standard, Type 2 moderate-level.

Full detail on 2022 Scope 3 emissions can be found within our 2022 CDP Climate Change response and is publicly available on our [investor website](#).

We expanded our GHG reporting boundary to include two significant acquisitions, IPC Group and Gaomei, which closed in 2017 and 2019, respectively. These brands and their facilities, operations, and products were not included in our original science-based targets. We are reporting annual Scope 1 & 2



Photo by Ron Lahr, Tennant employee

emissions from our operations (Table 3) as well as emissions from our value chain (Tables 4 & 5) because we are committed to driving progress and will continue to work to reduce our greenhouse gas emissions throughout the process of validating our new near- and long-term company-wide net-zero targets.

### Scope 1 & 2 GHG emissions

In 2022, we continued to reduce our Scope 1 & 2 GHG emissions and achieved an 1.7% reduction since 2021 (Table 3).

Table 3

### Scope 1 & 2 greenhouse gas emissions

|   | 2022   | 2021<br>Base Year |
|---|--------|-------------------|
| <b>Total GHG emissions (mT CO<sub>2</sub>e)</b> | 25,575 | 26,009            |
| <b>Absolute change YoY (mT CO<sub>2</sub>e)</b> | -434   | -                 |
| <b>% Change from 2021 base year</b>             | -1.7%  | -                 |

## Scope 3 GHG emissions

For fiscal year 2020, S&P Global evaluated all 15 Scope 3 emissions categories to determine which are relevant to Tennant’s overall footprint. These categories include emissions across the value chain, including upstream and downstream sources. It was determined that 3 of the 15 categories were relevant (Table 4). Since we saw no significant changes in our 2021 or 2022 reporting year boundary, it is reasonable to assume that the same categories were relevant to

Table 4

### Scope 3 emissions categories

|          | Scope 3 Category  | Materiality*                   | Scope 3 (%) |
|----------|---|--------------------------------|-------------|
| UPSTREAM | 1: Purchased goods and services                                       | Relevant, calculated           | 18.6%       |
|          | 2: Capital goods  | Not relevant, calculated*      | 0.4%        |
|          | 3: Fuel- and energy-related activities (not included in Scope 1 or 2) | Not relevant, not calculated** | -           |
|          | 4: Upstream transportation and distribution                           | Relevant, calculated           | 12.4%       |
|          | 5: Waste generated in operations                                      | Not relevant, calculated*      | 0.1%        |
|          | 6: Business travel  | Not relevant, calculated*      | 0.6%        |
|          | 7: Employee commuting   | Not relevant, calculated*      | 0.8%        |
|          | 8: Upstream leased assets   | Not calculated**               | -           |

Tennant’s overall footprint. The full report is publicly available on our [investor website](#).

## Scope 3, Category 11 GHG

Emissions from the use of sold products remain our highest Scope 3 opportunity for reduction at 67% of our calculated 2022 Scope 3 GHG footprint. In 2022, we reduced the greenhouse gas emissions from the use of our products by 6% from a 2021 baseline (Table 5).

Table 5

### Scope 3, category 11 GHG emissions

|  | 2022    | 2021 Base Year |
|--|---------|----------------|
| Total GHG emissions (mT CO <sub>2</sub> ) <sup>1</sup> | 464,637 | 496,239        |
| Absolute change YoY (mT CO <sub>2</sub> )              | -31,602 | -              |
| % Change from 2021 Base Year                           | -6%     | -              |

<sup>1</sup>SBT boundary excludes sold products where Tennant does not have primary design control, at approximately 5% of total Cat 11 emissions.

|            | Scope 3 Category                              | Materiality*                   | Scope 3 (%) |
|------------|---|--------------------------------|-------------|
| DOWNSTREAM | 9: Downstream transportation and distribution | Not calculated**               | -           |
|            | 10: Processing of sold products               | Not calculated**               | -           |
|            | 11: Use of sold products                      | Relevant, calculated           | 67.1%       |
|            | 12: End-of-life treatment of sold products    | Not relevant, not calculated** | -           |
|            | 13: Downstream leased assets                  | Not calculated**               | -           |
|            | 14: Franchises                                | Not calculated**               | -           |
|            | 15: Investments                               | Not calculated**               | -           |

\*Relevance based on 1% threshold relative to total Scope 3 emissions inventory  
 \*\*Not calculated Scope 3 categories were found to be not relevant by Tennant Company due to the nature of the Company and its business activities



Photo by Samantha McKeough, Tennant employee

## Emissions reduction through efficiency

We regularly evaluate and implement efficiency improvements to our operations and vehicle fleets. Emissions reduction initiatives reduce operating costs as well as save energy and fuel. In 2022, we implemented 5 Scope 1 & 2 emissions reduction projects. These projects' total expected and realized emissions reduction is 780 mT CO<sub>2</sub>e (Table 6).



Table 6

### Emissions reduction projects 2022

|   | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Number of projects implemented                        | 5            | 9            | 14           | 18           | 14           | 19           |
| Emissions reduction achieved (mT CO <sub>2</sub> e)   | 780          | 978          | 1,848        | 4,945        | 2,008        | 1,185        |
| Number of projects in-process                         | 2            | 3            | 5            | 6            | 5            | 3            |
| Emissions reduction estimate (mT CO <sub>2</sub> e)   | 684          | 447          | 520          | 2,572        | 476          | 234          |
| Number of projects planned                            | 6            | 5            | 9            | 9            | 17           | 13           |
| Emissions reduction estimate (mT CO <sub>2</sub> e)   | 333          | 312          | 773          | 1,116        | 5,611        | 5,094        |
| <b>Total number of projects in portfolio</b>          | <b>13</b>    | <b>17</b>    | <b>28</b>    | <b>33</b>    | <b>36</b>    | <b>35</b>    |
| <b>Total emissions reduction (mT CO<sub>2</sub>e)</b> | <b>1,797</b> | <b>1,737</b> | <b>3,141</b> | <b>8,632</b> | <b>8,095</b> | <b>6,513</b> |

Photo by Adam Litke, Tennant employee

Source: 2023 (FY22) CDP Climate Change Response

## Emissions reduction through energy purchasing

In 2022, we continued our commitment to renewable energy by purchasing Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) for electricity consumption at multiple facilities. These include operations in Italy; the Netherlands; Holland, MI, Grand Prairie, TX, Louisville, KY, and Minneapolis, MN, in the US; and smaller branch offices in various countries.

In 2022, we invested in an on-site renewable energy project at our manufacturing plant in Limeira, Brazil. In June, 165 solar panels were installed and produced 52,000 kWh of energy, which will save an estimated \$21,000 annually on electricity costs. This project reduced the factory's Scope 2 emissions by more than 70%. Overall, the project has an estimated three-and-a-half-year return on our investment and is an essential first step in reducing GHG emissions from our operations.

The total renewable energy purchased and produced represents 21,200 MWh or about 89% of all electricity consumed across the Company in 2022. These purchases are reflected in our reported market-based emissions. Progress on renewable energy purchasing is shown in Table 7.

In 2022, our long-term Community Solar Garden (CSG) subscriptions in Minnesota produced about 9,700 MWh. Our subscriptions, along with those



Solar panels on Limeira, Brazil, plant

Table 7

### Renewable energy purchasing

|                                       | 2022   | 2021   | 2020   | 2019   | 2018  | 2017* | 2016  |
|---------------------------------------|--------|--------|--------|--------|-------|-------|-------|
| Renewable electricity purchased (MWh) | 21,218 | 22,350 | 21,150 | 15,160 | 5,100 | 2,850 | 2,000 |
| % of total electricity used*          | 88.8%  | 85.8%  | 83.4%  | 53.5%  | 17.9% | 13.2% | 9.3%  |

\*Total electricity used for 2017 does not include IPC acquisition which closed April 6, 2017.

of other businesses and homeowners, have led to a significant increase in solar energy capacity in Minnesota. The environmental attributes, or RECs, associated with electricity from the CSG subscriptions belong to Xcel Energy, the local electric utility. The

solar energy from CSGs helps to increase the amount of clean, renewable energy sources for Xcel Energy's electric grid and lowers their environmental impact.



*Tennant Company works to continuously adapt our design, operational, and manufacturing processes to reduce waste.*

## Waste

At Tennant Company, we are committed to designing our products and adapting our manufacturing processes to reduce waste. We continue to make progress toward this commitment by applying the solid waste management hierarchy of reduce, reuse, and recycle, along with the proven principles of lean manufacturing and continuous improvement. In 2022, we recycled 3,100 metric tons of materials.

Waste and recycling remain a material issue for our business and our stakeholders, and especially for our employees, who regularly identify opportunities to reduce wasted materials and staff time.

At our manufacturing plant in Golden Valley, Minnesota, an employee on our fabrication team observed that the cutting process for stainless steel parts was creating significant waste. After a review

with the engineering, production, and materials management teams, they were able to source a new stainless steel sheet size and enhance the cutting process, which drastically increased the utilization of the raw metal material. In addition to the decreased wasted stainless steel, this waste-reduction project will save an estimated \$50,000 annually.

Several of our global locations adhere to the ISO 14001 standard for Environmental Management Systems (EMS), an international standard that sets requirements for an environmental management system. It helps organizations improve their environmental performance through more efficient use of resources and waste reduction. More information can be found at our [Commitment to Quality web page](#).

**ISO 14001-certified locations:**

- 1** **TENNANT ESPAÑA**  
Office building located in Madrid, Spain
- 2** **TENNANT UK**  
Cleaning Solutions Limited, office building located in Northampton, UK
- 3** **TENNANT PORTUGAL**  
Office building located in Aqualva-Cacém, Portugal
- 4** **IPC**  
Manufacturing facilities in Summaga and Castelverde, Italy
- 5** **GAOMEI**  
Manufacturing facility, located in Hefei, China
- 6** **TENNANT CLEANING SYSTEM EQUIPMENT**  
Office building located in Shanghai, China
- 7** **RONGEN**  
Office building, located in Hefei, China

## PCs for People

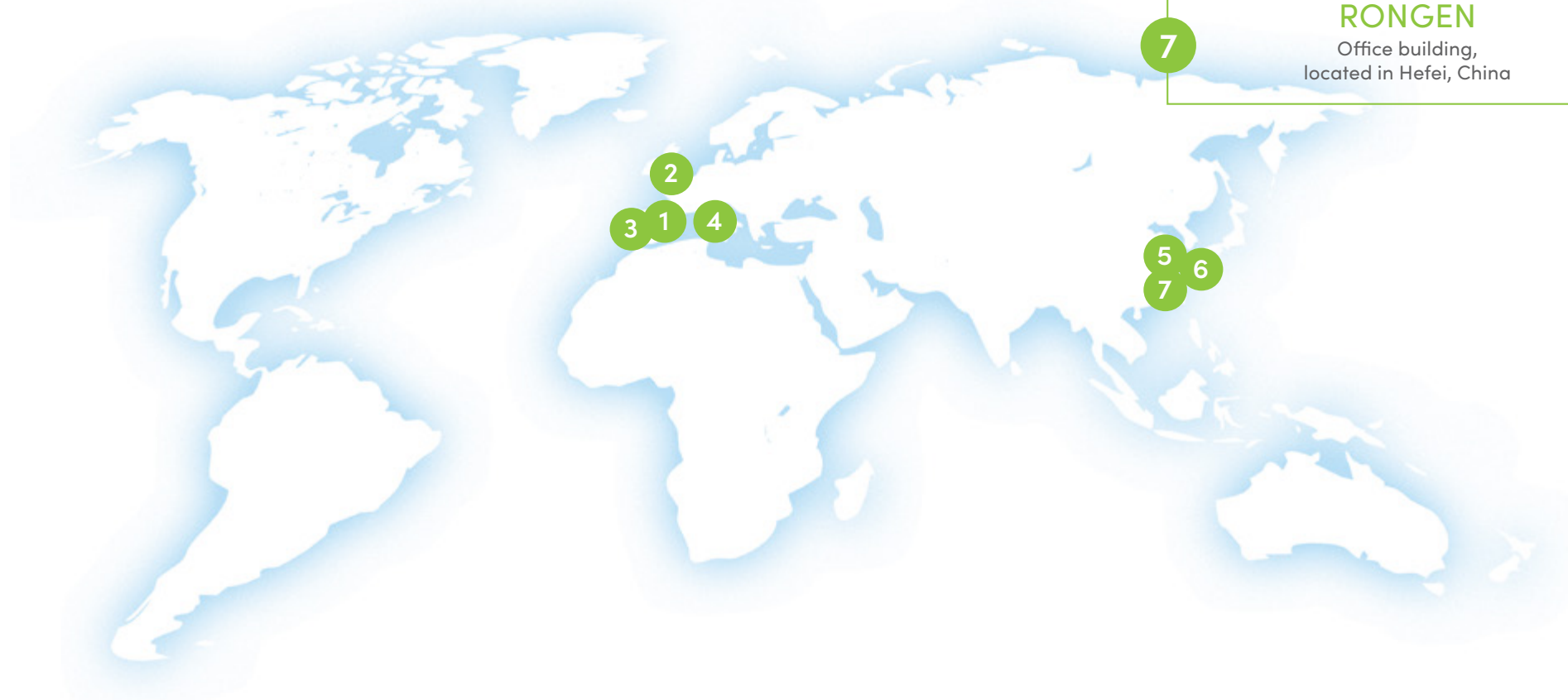
Tennant Company has been partnering with PCs for People and supporting its mission to provide the opportunity to benefit from the life-changing impact of computers, the internet, and digital skills since 2018.

PCs for People is a Minnesota-based 501(c)(3) nonprofit organization working to get low-cost quality computers and internet into the homes of individuals, families, and nonprofits with low income.



By recycling and refurbishing computers, PCs for People provides a valuable service to businesses, families, and the planet by keeping computers out of landfills and repurposing them to advance digital inclusion. Such efforts are essential where it is increasingly hard to access education, healthcare, or employment opportunities without access to a computer and the internet.

In 2022, Tennant recycled and repurposed 5,111 pounds of electronic waste and supported over 300 people by providing them with a no- or low-cost computer. All electronic waste that cannot be repurposed is recycled through an award-winning partnership with MSS (formerly Midwest Special Services). This nonprofit supports adults with intellectual and physical disabilities to help them reach their personal goals and achieve their full potential. MSS clients are provided hands-on experience through work training, internship, and volunteer opportunities within our electronic waste recycling processes.







*Tennant Company's success as a business relies on people – our employees, our customers, our partners, and our communities.*

## Thriving people & communities

We have grown from a small, local business in Minneapolis, Minnesota, to an enterprise with global reach. Tennant Company is grounded in our commitment to our employees, our support of the communities where we live and work, and our dedication to demonstrating a consistently high ethical standard.

Our People & Communities efforts commit us to:

- **Environment, Facilities, and Safety:** Operate our global facilities to protect the environment and promote the health and safety of our employees and communities.
- **Diversity, Equity, and Inclusion:** Celebrate the worldwide diversity of our employees, fueling the innovation, creative problem-solving, and collaboration required for our business and employees to reach their full potential.
- **Human Rights and Company Ethics:** Foster and maintain ethical work environments free of discrimination.
- **Tennant Foundation:** Align donations of time, money, and property with organizational vision.

## Health and safety

At Tennant Company, we aim to ensure all our employees' health, safety and well-being. Employee safety is essential. Since introducing the global Safety Operating Model in 2017, our culture of safety has improved across the organization. We have seen a significant decrease in our global days away, rest, and transfer rate (DART) and an 80% decrease in global safety incidents (Table 8).

We are committed to supporting the health and well-being of our employees not only at work but outside the walls of our facilities. We value our employees and their families and are committed to providing a competitive benefits package. Benefits for our different global locations follow local laws and regulations and are competitive in the local market. See Figure 3 for a list of employee benefits. Benefits vary for global locations depending on local rules and regulations.



Table 8

### Safety metrics

|  |            | 2022 | 2021  | 2020 | 2019 | 2018 | 2017 |
|--|------------|------|-------|------|------|------|------|
| <b>Safety (TRIR)</b>                     | Operations | 1.19 | 1.83  | 2.48 | 4.48 | 5.18 | 6.29 |
| <b>Total recordable incident rate</b>    | NA TSSC*   | 1.46 | 1.9   | 1.33 | 1.88 | 2.69 | 6.5  |
| <b>Dart rate</b>                         | Operations | 0.56 | 0.7** | 1.55 | 3.58 | 4.07 | 3.52 |
| <b>Days away, rest and transfer rate</b> | NA TSSC*   | 1.05 | 0.95  | 0.77 | 1.44 | 2.07 | 4.66 |

\* Tennant Sales and Service

\*\* Due to a clerical error, 2021 is a restatement

Figure 3

**Tennant Company wellness and well-being program overview****PHYSICAL WELL-BEING**

Programs that help our employees live a healthy lifestyle



Health insurance (individual, family, domestic partner)  
Dental insurance (individual, family, domestic partner)  
Vision insurance (individual, family, domestic partner)  
Hospitalization insurance  
Critical illness insurance  
Telemedicine  
Smoking cessation

Tennant covers 100% of the costs for COVID-19 related:

- Office visits
- ER visits
- Urgent care visits

Additional well-being support (onsite & virtual wellness screenings, flu shots)

**FINANCIAL WELL-BEING**

Programs that help our employees achieve financial security



Educational webinars on financial literacy  
Life insurance  
AD&D  
Disability income replacement insurance (short- and long-term)  
Flexible spending accounts (health care and child care)  
401(k) savings plan (including company matching contribution and profit sharing)  
Health advocacy  
Long term care insurance  
Auto & home insurance program  
Health savings account  
Tuition reimbursement  
Dependent scholarship program

**EMOTIONAL WELL-BEING**

Programs to help employees maintain strong mental well-being



Employee assistance program  
Adoption assistance  
Parental leave  
Paid COVID-19 leave  
Paid sick days  
Paid vacation  
Bereavement leave  
Paid jury duty leave  
Paid military leave  
Floating holidays (for religious or personal reasons)  
Legal services plan  
Travel assistance program  
Paid time off for volunteer activities  
Tennant Foundation

- Matching dollars for employee charitable giving
- Emotional well-being programs
- Stress management tools
- Resilience training

## Diversity, equity, and inclusion

Our employees are the heart of our business, and without them, we would not be who we are today. We are committed to creating an inclusive workplace where all people feel welcome, heard, and able to reach their full potential.

### {NEW PERSPECTIVES

2022 was the second year of our {New Perspectives Diversity, Equity, and Inclusion (DE&I) strategic initiative, and we made progress toward the objectives outlined

in each area: {People, {Practices, and {Partners. We issued our first DE&I training, and over 200 employees from our global leadership, managerial, and human resources teams participated.

We launched additional avenues to engage employees on our DE&I journey by issuing a survey and updating questions in our annual employee engagement survey to measure the Company's inclusivity more accurately. We provided frequent updates to all employees through an internal podcast, our intranet site, and company-wide communications from our CEO and senior leaders.



### Tennant's three employee resource groups

**IDEAS** – Inclusion, Diversity, Equity, and Support is dedicated to promoting diversity and fostering inclusivity across all backgrounds

**TEAL** – Teach, Empower, Advocate for, and Lead women and allies to promote the quality and advancement of women in their careers and at Tennant Company

**TEND** – Tennant Embraces Neurodiversity strives to provide a community for neurodivergent employees and those with neurodivergent loved ones, allowing us to bring our full value and talents to the forefront while minimizing the stress and burnout that is so common among neurodivergent employees in the workplace

We also established a formal process to create and join Employee Resource Groups (ERGs), which allow employees to build community and develop stronger relationships with others with similar identities, and as allies. Tennant's three ERGs have accomplished this through monthly meetings, live and hybrid learning opportunities, collaborative gatherings, and broadcasting a live enterprise-wide event featuring one of Tennant's board members where a global audience gained insights into career journeys and participated in a question-and-answer session.



“We believe that we have a responsibility, as individuals and as a company, to create and sustain an organization where all people feel welcome, heard, and able to reach their full potential. Together, we will continue to learn, grow, and progress. Embedding DE&I into the way we approach decision-making and collaboration will make us a better company with more engaged employees – helping to drive a bright future for Tennant Company.”

**Melanie Larsen Sinouthasy, Senior Manager, Diversity, Equity & Inclusion, and Kristen Bergstrom, Senior Director, Talent Management & Human Resources**

We increased the rigor around the governance of our DE&I strategy, enhanced our reporting capabilities, and identified key success measures to track and report on our progress. We look forward to sharing these metrics and reporting progress in our 2024 (FY23) Sustainability Report.

Our current and future priorities will expand to focus on our global organization. We are establishing a forum to advance the conversation between our employees across the business and from around the world. We acknowledge that DE&I looks different in different regions. Therefore, different strategies and tactics are required to make meaningful changes throughout our global organization.

We will continue to improve our systems and processes, using a DE&I lens, to ensure that we keep moving forward to become a more diverse, inclusive, and equitable organization.



Figure 4

**Diversity of Board of Directors as of March 2022**

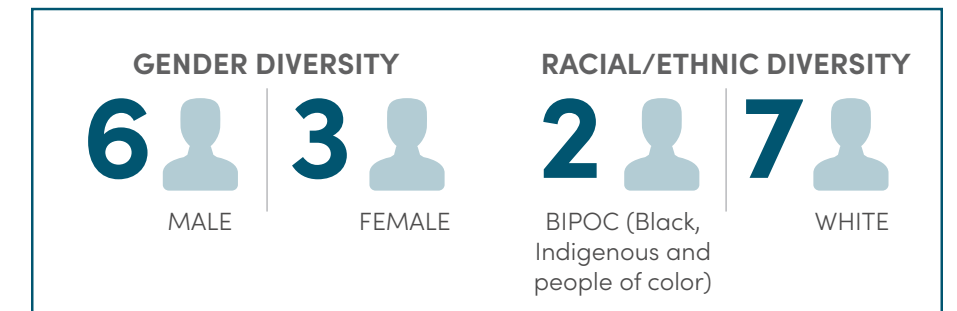


Table 9

**Diversity of U.S. employees**

| US Employees as of 12/31/2022 | American Indian/Alaskan Native | Asian | Black or African American | Hispanic or Latino | Native Hawaiian or Other Pacific Island | Two or More Races | White | Not Disclosed | TOTAL | Not Disclosed | Vet Status Protected | Vet Status Not Protected | Vet Status Prefers Not to Answer |
|-------------------------------|--------------------------------|-------|---------------------------|--------------------|---|-------------------|-------|---------------|-------|---------------|----------------------|--------------------------|----------------------------------|
| Senior Management             | 0                              | 0     | 0                         | 0                  | 0                                       | 0                 | 7     | 0             | 7     | 0             | 0                    | 7                        | 0                                |
| Managers                      | 0                              | 10    | 2                         | 7                  | 0                                       | 0                 | 206   | 0             | 225   | 5             | 10                   | 210                      | 0                                |
| All Others                    | 6                              | 95    | 79                        | 147                | 1                                       | 21                | 1124  | 0             | 1473  | 64            | 86                   | 1323                     | 0                                |



## Human rights

As a global organization and a signatory to the **United Nations Global Compact** and the **Universal Declaration of Human Rights**, Tennant Company is committed to protecting and upholding human rights, and enhancing the well-being of people and communities around the world. **Our Human Rights Policy** applies to all Tennant employees and temporary workers globally, as we are committed to respecting and promoting the human rights of our employees and temporary workers across our global operations. Implementing our Human Rights Policy is a natural extension of our long history of stewardship, our desire to leave things better than we found them.

### Our principles

#### Health and safety

As a starting point for human rights, we are committed to the safety and well-being of our employees and temporary workers worldwide by providing a safe and healthy working environment while adhering to applicable health, safety, and environmental laws.

#### Freedom of association

We recognize and respect the right of employees and temporary workers to freedom of association and collective bargaining to which they are entitled under applicable laws.

#### Forced or compulsory labor, human trafficking, and underage labor

We believe all labor must be voluntary. We do not tolerate any form of underage labor (as defined under applicable laws) or forced labor, such as indentured labor, bonded labor, military labor, slave labor, or any form of human trafficking. Within our business, we also do not tolerate actions such as recruiting, harboring, transporting, providing, or obtaining a human being for compelled labor or other unlawful purposes. We expect our employees and temporary workers to comply with local labor and employment laws wherever they operate.

### Nondiscrimination

We believe that no person shall be subject to any unlawful discrimination in employment, such as hiring, compensation, benefits, advancement, discipline, termination, or retirement, on the basis of race, color, religion, sex, national origin, physical or mental disability, age, military service, pregnancy, sexual orientation, genetic information (including family medical history), marital status, gender identity or expression, parental status, political affiliation, or any other applicable prohibited basis. We offer training for U.S. managers to help prevent discrimination during the recruitment, interview, and hiring process. Table 10 provides an overview of our hiring process.

### Anti-bribery and anti-corruption

We are committed to doing business through proper means and actions in compliance with the laws and regulations applicable to our global business. We have zero tolerance for bribery or corruption in conducting our business.



Table 10

### Tennant Company hiring process overview

| Hiring Process Phase                       | Actions  |
|--|--|
| Phase 1 – Approvals                        | Hiring Managers or HR Business Partners create requisitions, and they are routed through the appropriate approval process, which may include higher level business leaders. Talent Acquisition (TA) Specialists have intake calls with hiring managers to review the requirements of the role and outline selection process.   |
| Phase 2 – Posting and Candidate Generation | All positions are typically posted internally. Confidential or executive positions may not be posted internally. If considering external candidates, TA will post to the jobs.tennantco.com website along with various external job boards. TA Specialists will source and screen candidates. All qualified candidates will be submitted to the hiring manager for review and/or an interview. |
| Phase 3 – 1st Round Interview              | Prior to an in-person interview, interview materials will be shared with the interview team. The first round of interviews will occur. Interview feedback will be collected and a conversation with the hiring manager occurs to determine next steps.   |
| Phase 4 – 2nd Round Interview              | A second round of interviews may occur. Following the second round of interviews, interview feedback will be collected to determine next steps.  |
| Phase 5 – Offer & Pre-employment           | Once the final candidate is identified, the offer details will be finalized and flow through any necessary approvals. A verbal offer will be extended, followed by the formal offer letter. Upon acceptance, pre-employment checks will be initiated.  |

### Working conditions

We recognize that compensating our employees and temporary workers and providing workers with reasonable working hours are essential to meeting employees’ and temporary workers’ basic needs. As such, we pay employees and temporary workers at least the required minimum wage, provide legally mandated benefits, and adhere to all applicable working hours and overtime compensation laws.

### Respectful workplace

We value a respectful and cooperative working environment. We do not tolerate harassment, sexual harassment, bullying, or discrimination of any kind. Tennant prohibits harassment, discrimination, and other forms of retaliation against any individual who submits a report or assists in the investigation of a claim.



## Gender and equitable pay

Tennant Company is committed to employee success, creating a safe, inclusive workplace where our people can find meaningful work. We have an opportunity to grow the diversity of our organization, and this, combined with providing an inclusive work environment, will positively support our business success.

Tennant Company annually performs a gender wage gap analysis for its United States employees that accounts for title, grade, and work location, which are legitimate and non-discretionary reasons for pay differences. The most recent assessment found that the median total income for females was 100.5% of the median total income for males, suggesting no evidence of a gender pay gap in the United States at Tennant Company.

Table 11

### Tennant employees by gender & country

| COUNTRY            | FEMALE     | MALE         | TOTAL        |
|--------------------|------------|--------------|--------------|
| Australia          | 16         | 60           | 76           |
| Belgium            | 22         | 23           | 45           |
| Brazil             | 47         | 208          | 255          |
| Canada             | 3          | 71           | 74           |
| China              | 119        | 163          | 282          |
| France             | 48         | 144          | 192          |
| Germany            | 8          | 133          | 141          |
| India              | 6          | 69           | 75           |
| Italy              | 252        | 431          | 683          |
| Japan              | 3          | 5            | 8            |
| Mexico             | 27         | 66           | 93           |
| Netherlands        | 34         | 208          | 242          |
| New Zealand        | 0          | 5            | 5            |
| Norway             | 4          | 25           | 29           |
| Portugal           | 7          | 19           | 26           |
| Singapore          | 2          | 2            | 4            |
| Spain              | 26         | 102          | 128          |
| Sweden             | 0          | 1            | 1            |
| United Kingdom     | 31         | 133          | 164          |
| United States      | 337        | 1,439        | 1,776        |
| <b>GRAND TOTAL</b> | <b>992</b> | <b>3,307</b> | <b>4,299</b> |



## Dakota County Technical College partnership

In January 2022, seven Tennant Company employees began a new training program to receive certification in welding. This innovative program resulted from a partnership between the Company and Dakota County Technical College in the Twin Cities to help employees in our Golden Valley manufacturing plant gain new skills while also addressing an essential employment need for the Company.

Employees worked a modified weekly schedule during the program to accommodate their class needs. When the first class graduated in June, each was eligible to move into a welding position within the Company.

At a celebration to recognize the newly certified welders, Tennant Company President & CEO Dave Huml joined the graduating class to congratulate



them on their achievement. He expressed the hope that their new skills would provide a rewarding career experience with Tennant and thanked them for their daily contributions to the Tennant equipment that customers rely on.

Based on the successful pilot, Tennant Company is continuing in partnership with Dakota County Technical College to provide on-the-job training for fulfilling careers at the Company's Golden Valley manufacturing location.



**DAKOTA COUNTY**  
**TECHNICAL COLLEGE**

## Tennant Foundation

The Tennant Foundation was established in 1972 to foster ties to the community and support nonprofit organizations where we operate. Today, our corporate giving is driven by a commitment to creating a cleaner, safer, healthier world in which to live, work and play:

- **Live: Improving the quality of life in our community through social services and environmental programs.**
- **Work: Promoting workforce readiness through education, vocational rehabilitation, and other related services.**
- **Play: Contributing to cultural and arts organizations.**

Tennant Company is a proud participant of the **Minnesota Keystone Program** and has been since 1984. The Minnesota Keystone Program promotes corporate philanthropy by acknowledging and honoring companies that donate at least 2% of their pre-tax earnings to charitable organizations. The program aims to sustain Minnesota's spirit of generosity and sense of community. As a company, we are committed to helping support Minnesota's legacy by being a national leader in volunteerism and giving.



“Tennant Foundation's support has been integral to achieving Hired's vision of empowered people and families, a prepared workforce, and an inclusive economy. Workforce readiness has always been a priority of Tennant Foundation and is now more important than ever. Hired is grateful for our continued partnership as we help people get back to work in a new and different post-pandemic economy.”

**Julie Brekke, Executive Director of Hired**

## Giving programs

Through the Tennant Foundation and corporate-directed giving, our Company proudly supports organizations, programs, and individuals who value our commitment to creating a cleaner, safer, healthier world.

### Tennant Foundation giving

- Employee gift matching
- Employee volunteer matching
- Grant program

### Tennant Company giving

- Scholarships
- Equipment donations
- Volunteer program

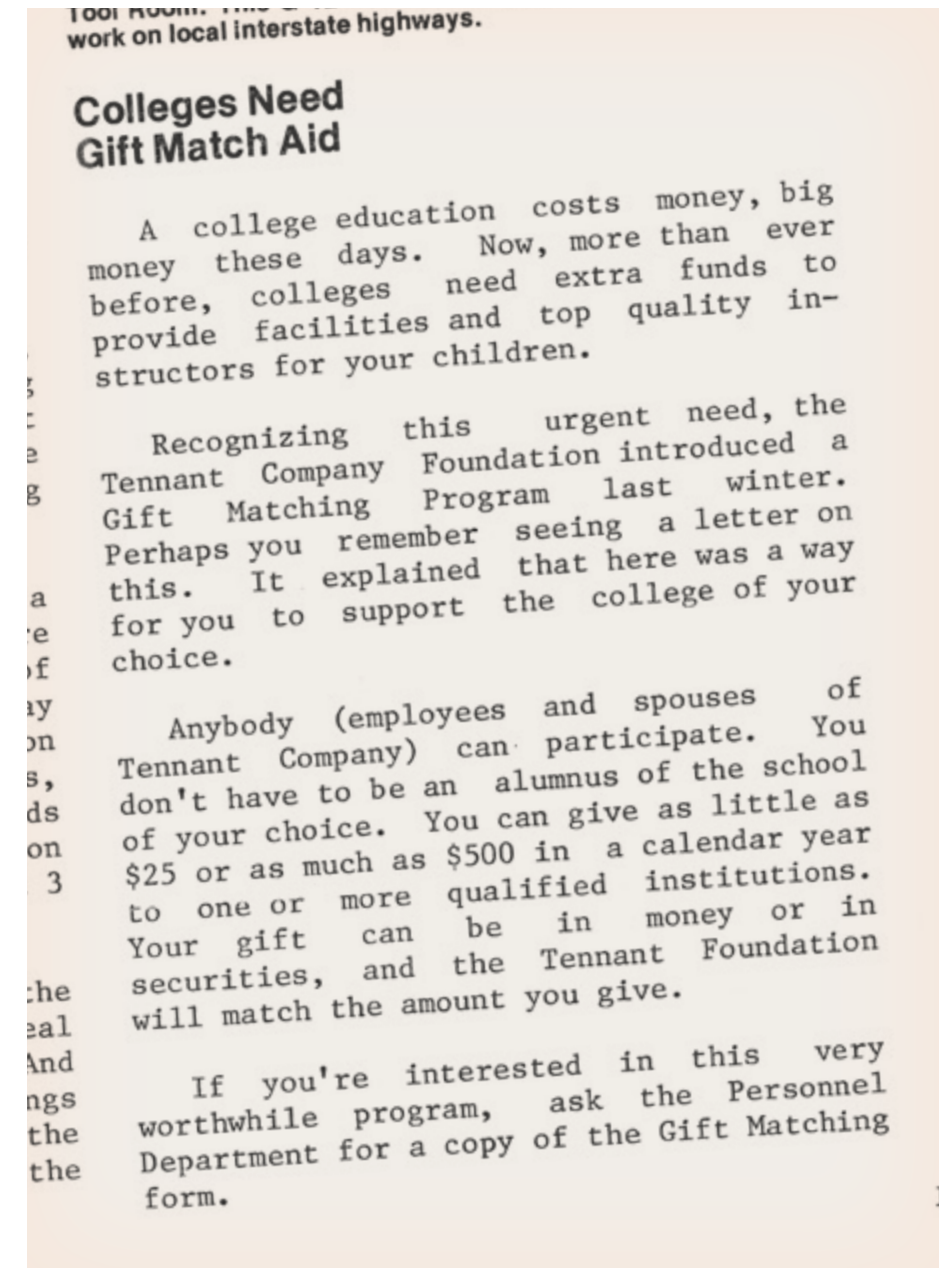
## Tennant Foundation giving

### Employee gift matching

For nearly five decades, the Tennant Foundation Gift Matching Program has provided matching contributions on employee gifts to select organizations recognized as nonprofit and tax-exempt by the IRS in the United States.

### Employee volunteer matching

The Volunteer Matching Program recognizes the volunteer work of our employees in their respective communities. This program supports employees' annual volunteer hours with a monetary donation to organizations that are eligible for Foundation grants. The program encourages and rewards volunteerism in response to the ever-increasing needs of local nonprofit organizations.



From "Tennant Topics" newsletter, summer 1975

### Grant program

Tennant Foundation grants are directed to organizations generally serving local communities where our facilities reside and are typically modest operating grants. When reviewing requests for grants, the Tennant Foundation considers whether this request furthers our commitment to creating a cleaner, safer, healthier world in which to live, work and play. As part of our {New Perspectives DE&I strategic initiative, in 2022, we updated our grant application form to include a question asking potential applicants to list any efforts they are currently undertaking to incorporate DE&I into its policies and practices. Other grant-awarding categories include supporting our communities through environmental programs or social, workforce readiness through education, vocational rehabilitation, and other similar services, and contributing to cultural and arts organizations.

Organizations interested in submitting a grant request should complete the Minnesota Common Grant Application Form and explain how their work helps further Tennant Foundation’s mission. Only qualified 501(c)(3) organizations are eligible to receive a grant. The Foundation does not typically fund capital campaigns or organizations funded by the United Way.

Organizations may apply [online](#).

### 2022 Grants awarded\*

|                                      |                                    |                                    |                                 |
|--------------------------------------|------------------------------------|------------------------------------|---------------------------------|
| Achieve Minneapolis                  | Feed My Starving Children          | Minneapolis Institute of Arts      | Science Museum of MN            |
| American Cancer Society              | Fraser                             | Minnesota Opera                    | Second Harvest Heartland        |
| American Red Cross                   | Gateway Mission                    | Minnesota Orchestra                | Stages Theatre Company          |
| BestPrep                             | Greater Minneapolis                | Minnesota Public Radio             | The Bakken Museum               |
| Big Brothers Big Sisters Twin Cities | Crisis Nursery - MPLS              | Minnesota Zoo Foundation           | The Food Group                  |
| Bridging                             | Guthrie Theater                    | Mississippi Park Connection        | The Lift Garage                 |
| Children’s Theatre Company           | Habitat for Humanity - Louisville  | MN Assistance Council for Veterans | The St. Paul Chamber Orchestra  |
| Code Savvy                           | Habitat for Humanity - Twin Cities | MN Children’s Museum               | The Works Museum                |
| Community Action House               | High Tech Kids                     | MN Institute for Talented Youth    | Toys for Tots                   |
| Community Emergency Service          | HIRED                              | MN Landscape                       | Tree Trust                      |
| Cookie Cart                          | Holland Free Health Clinic         | Arboretum Foundation               | Twin Cities Public Television   |
| Dare to Care Foodbank                | Hunger Fight, Inc.                 | My Very Own Bed                    | United Way - Twin Cities        |
| Dunwoody College of Technology       | Junior Achievement                 | PRISM                              | Walker Art Center               |
| Environmental Initiative             | MEDA                               | PROP                               | Women Venture, LLC              |
| Every Meal                           | Midwest Art Conservation Center    | Ruff Start Rescue                  | YMCA of the Greater Twin Cities |

\*Includes Tennant Foundation grants and does not include employee gift or volunteer matching programs.



### Tennant corporate giving

#### Scholarship program

In 1980, the global Tennant Scholarship Program was implemented for eligible children of regular full-time or part-time employees. A maximum of 33 new scholarships are available annually, with awards of \$1,750 per year for full-time study. Each scholarship is limited to four years for those students attending any approved post-high school educational program. Students must requalify for scholarships each year. Scholarships are granted based on academic performance, extracurricular involvement, and potential to succeed in the chosen educational program.

### Equipment donations

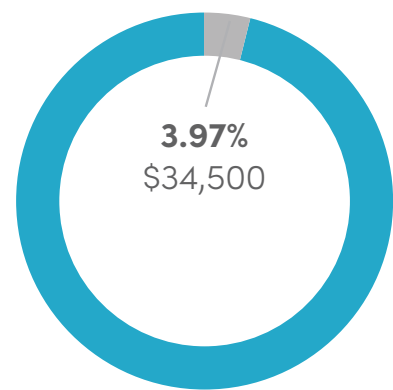
We consider it imperative that our Company is a steward to the communities in which we do business. Organizations that are nonprofit entities with IRS 501(c)(3) designation within the United States may be eligible for equipment donation. We consider in-kind or equipment donations outside of the Foundation when requests are employee-supported, if they help to further our giving mission, and if the recipient organization meets eligibility requirements.

### Volunteerism

Another way we support the communities in which we live, work, and play is through volunteer events. Every year, the Company organizes various events for employees to participate in, including park and public space clean-ups, Habitat for Humanity builds, meal packaging, and delivery. In 2022, Tennant Company employees recorded a total of 1,903 volunteer hours.

Figure 5

### Foundation financials



- Administrative Expenses
- Total Giving

### 2022 Tennant Foundation financial data

Fiscal Year Ended December 31, 2022

#### TENNANT FOUNDATION GIVING

|  |                  |
|--|------------------|
| Total employee gift and volunteer matching | \$61,858         |
| Grants paid in 2022                        |                  |
| Social services, health & safety (live)    | \$259,775        |
| Cultural & arts (play)                     | \$68,500         |
| Education & workforce (work)               | \$84,000         |
| United Way                                 | \$160,000        |
| <b>Total Tennant Foundation giving</b>     | <b>\$634,133</b> |

#### TENNANT COMPANY GIVING

|                                 |                  |
|---------------------------------|------------------|
| Tennant scholarship program     | \$117,060        |
| Equipment & inventory donations | \$82,904         |
| Total Tennant Company giving    | \$199,964        |
| <b>Total giving</b>             | <b>\$834,097</b> |



*Tennant Company recognizes water is a critical resource, and we strive to use it as efficiently as possible in our operations and across our product portfolio.*

*Photo by Ron Lahr, Tennant employee*

## Water

Water is a critical and finite resource. We have a legacy of leadership in developing innovations that require fewer chemicals and less water; we know that by continuing to drive innovations into our operations and products, we can not only reduce our water footprint but help our customers do the same.

According to our 2014 materiality assessment results, water was deemed a non-material issue for sustainability reporting and was not included in goal setting or our previous sustainability strategy.

Since then, communities across the globe have experienced more droughts and floods, as well as a

lack of access to a reliable and clean water source. We have also seen increased engagement on water access and quality issues from our investors and regulatory entities.

As a part of our 2022 materiality assessment, water, wastewater management, and product water use were identified as material issues, and as a result, water is prominent in our new sustainability framework as one of our impact areas. We look forward to setting goals, developing roadmaps, and reporting progress on this work in our 2024 (FY23) Sustainability Report.





*Photo by Samantha McKeough, Tennant employee*

# Governance

## Governance of Sustainability & ESG

The Board of Directors of Tennant Company appoints the Governance Committee members, one of the four committees that comprise the Board. The Governance Committee is responsible for proposing composition and leadership for the Board of Directors and ensuring the Board understands and complies with new corporate governance laws, regulations, and policies. The Committee also oversees the Company's sustainability programs, policies, and practices, including environmental, social, and corporate governance (ESG).

The Governance Committee meets four times per year. One meeting is dedicated to an annual update from the Director of Sustainability & ESG on progress toward sustainability and ESG targets. There is always the potential to discuss pressing matters as they come up. Additionally, the Governance Committee reviews the annual Sustainability Report.

The Senior Management Team (SMT), consisting of C-Suite leaders, is responsible for sustainability and ESG performance and strategy. This group assigns enterprise accountability and allocates resources to implement sustainability and ESG strategies.

The Sustainability team, led by the Director of Sustainability & ESG, is responsible for helping define the enterprise sustainability and ESG agenda, prioritize issues, and impact. The team provides dedicated oversight of strategy, initiatives, and goals. The team collaborates with stakeholders to enable enterprise integration and progress.

We are further strengthening our governance model as we refresh our sustainability strategy, ambitions, and commitments. We believe that close collaboration between management and operations is critical to delivering on our strategic initiatives and achieving the high goals we set for ourselves.

## Ethics & integrity

At Tennant Company, we believe ethics and integrity go together. We've enhanced and rebranded our a program called "Integrity in Every Moment" to educate our employees on our standards and expectations, embed integrity-based decision-making in our work, and enhance our culture of ethics. We recognize that everyone learns differently, and this educational program embraces varying mediums designed to engage employees, empowering them to learn at their own pace. Providing information and resources in various ways allows each employee to feel more engaged and part of the process. It also provides a more memorable and authentic experience. This program goes beyond ticking a box to complete a training course – we're coaching individuals to think differently and influence behaviors that embrace integrity in every moment.

### Our code of conduct

For more than 150 years, Tennant Company has built its reputation as an ethical company. Our customers and partners have grown to trust that we will conduct business fairly, ethically, and honestly. Our **Business Ethics Guide** outlines our code of conduct and applies to everyone at Tennant Company in every region of the world. It applies to all our employees, directors, consultants, agents, and anyone else acting on the Company's behalf.

As part of our commitment to being an ethical company, we initiated the process of updating our code of conduct in 2022 and are unveiling the new version in 2023. We believe in treating people fairly, with dignity and respect, while communicating accurately and honestly. We believe in acting responsibly and professionally as a company. We believe building business relationships on a foundation of trust and operating with integrity sets us apart.

### Conflicts of interest

As a publicly traded company, we must disclose, review, and mitigate potential conflicts of interest. As a company that strives to go above and beyond what is required of us, we have made an intentional effort to enhance and streamline our conflicts of interest process by investing in new software. The previous process was manual and not easy to access or user-friendly. This new software is readily accessible to all employees and easy to use. Our global employees can disclose and resolve potential conflicts through an annual campaign and ad hoc basis throughout the year. Our new process also allows for enhanced reporting and auditing.





## Our suppliers

*We expect our suppliers to maintain the highest ethical standards, aligned with our standards with particular attention to corporate citizenship and sustainability.*

We believe our actions affect our corporate reputation and that we must conduct every business transaction with the highest ethical standards, giving special attention to corporate citizenship and sustainability. We expect our suppliers to strive for and achieve the same goals we set for ourselves regarding environmental stewardship, social impact, and governance. Our **Supplier Core Expectations** policy sets forth these expectations. By collaborating with our suppliers, we know we can help extend our sustainability and ESG commitments across our supply chain.

We expect our suppliers, and their subcontractors, to comply with all applicable laws and regulations and maintain just and decent working conditions, as outlined in our **Business Ethics Guide** and **Human Rights Policy**. Our Supplier Core Expectations policy establishes expectations for our suppliers in forced labor and human trafficking, child labor, and discrimination, and promoting reasonable working conditions and wages, anti-corruption, compliance, and reporting.

Furthermore, we expect our suppliers to conduct business in a way that demonstrates respect for the environment. Our suppliers should be alert to



environmental issues and share in the commitment to prevent resource scarcity and conserve natural resources by reducing excess packaging and using recycled and non-toxic material whenever possible. Our suppliers should minimize their business's negative environmental impact, particularly concerning material selection and the handling and disposal of hazardous material and other waste.

Suppliers must permit Tennant and its agents to engage in assessment activities to confirm compliance with our expectations. Accordingly, we expect

our suppliers to regularly evaluate their facilities, books, and records and those of their suppliers and service providers. If we determine through our assessment process that a supplier is not meeting the requirements and expectations, we will offer guidance for correction or improvement. We reserve the right, however, to cancel outstanding orders, suspend future orders, or terminate a relationship with a supplier as circumstances demand.

## Responsible minerals sourcing

Tennant Company is concerned with potential links between the illegal extraction and trade of natural resources, human rights violations, conflict, and environmental degradation. As such, Tennant has established a robust management system for conflict minerals. Conflict minerals are classified as cassiterite, columbite-tantalite, gold, wolframite, and their derivatives, are limited to tin, tantalum, tungsten, and gold (“3TG”). Our management system includes an Oversight Committee sponsored by the General Counsel and management-level representatives.

This group meets as needed to gauge progress, approve extraordinary spending, and coordinate communication with the Audit Committee of our Board of Directors.

Tennant also uses a third-party service provider to assist with evaluating supply chain information regarding 3TGs, identifying potential risks, and developing and implementing additional due diligence steps that the Company will undertake with suppliers regarding conflict minerals. Tennant

leverages the vendor’s managed services to work with dedicated program specialists who support Tennant’s Conflict Minerals Program. Together with the vendor, Tennant developed a process to assess and respond to the risks identified in the supply chain. Tennant has a risk management plan through which the conflict minerals program is implemented, managed, and monitored.





Photo by David Conyers, Tennant employee

# About this report

## Scope

This 2023 (FY22) Sustainability Report was published in August 2023 and reflects activities and initiatives in our 2022 fiscal year (January 1, 2022 – December 31, 2022). All quantitative company data, unless otherwise stated, reflect the fiscal year 2022. The reporting boundary includes Tennant Company’s global facilities and Sales & Service fleets. The operational boundary for 2022 shows minimal changes from 2021. We have expanded our reporting boundary to include two significant acquisitions, IPC Group and Gaomei, which closed in 2017 and 2019, respectively to align with our

draft net-zero targets and to more accurately reflect the full impact of our business. IPC Group includes five manufacturing facilities, more than ten office buildings, and sales and service operations. Gaomei includes one manufacturing facility, office buildings, and sales and service operations. Based on an analysis of the facility ownership, rental, lease arrangements, and utility usage, we have identified 45 facilities as material. All fleets in countries with direct sales and service presence are within the reporting boundary. The facilities outside the boundary are, in the aggregate, less than 1% of our total emissions and energy consumption.

## Structure

This report builds on previous years’ initiatives and report content. Our last report, the **2022 (FY21) Sustainability Report**, was published in August of 2022. Tennant Company’s core business model, governance, policies, practices, customers, and stakeholders changed little between 2021 and 2022.

Since our new sustainability framework, “Thriving People, Healthy Planet,” was finalized by management and Tennant’s Board of Directors in December 2022, this report follows an updated



version of our previous sustainability strategy to help facilitate the transition to this new framework.

- Products → Circular Products
- Climate: Greenhouse Gas Emissions & Energy → Climate & Energy
- Waste → Waste
- People & Communities → Thriving People & Communities

This report uses the Global Reporting Initiative’s (GRI) definition of double materiality, which differs from the definition used for filings with the Securities and Exchange Commission (SEC). Issues deemed material for purposes of this report may not be considered material for SEC reporting purposes.

This report was written for a broad range of stakeholders, including but not limited to our employees, customers, suppliers, investors, and nonprofits. It utilizes the Global Reporting Initiative (GRI) framework and is located in this report’s “Index” section.

## Forward-looking statements

Certain statements in this document are considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act. These statements do not relate to strictly historical or current facts and provide current expectations or forecasts of future events and are generally preceded or followed by or include the words “targets,” “plans,” “goals,”

“commitments,” “believes,” “expects,” “intends,” “will,” “likely,” “may” or terms of similar substance. Any such expectations or forecasts of future events are subject to various factors that could cause actual results to differ. These include factors that affect all businesses operating in a global market as well as matters specific to us and the markets we serve. Particular risks and uncertainties that may cause actual results to differ from our expectations include, but are not limited to, the risk that we will be unable to execute our sustainability strategy because of market or competitive conditions and economic, industrial, and governmental developments that may impact our operations. Information about other factors that could materially affect our results can be found in our 2022 Form 10-K. Shareholders, potential investors, and other readers are urged to consider these factors in evaluating forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Investors are advised to consult any future disclosures by us in our filings with the Securities and Exchange Commission and in other written statements on related subjects.

**If you have comments or concerns, please contact:**  
[SustainabilityReport@tennantco.com](mailto:SustainabilityReport@tennantco.com).

# Index

## GRI index

Tennant Company uses the Global Reporting Initiative (GRI) Standards framework to guide the content disclosed through this report. The GRI standards create a common language for organizations – large or small, private or public – to report on their sustainability impacts in a consistent and credible way. This enhances global comparability and enables organizations to be transparent and accountable.

In this index, we indicate which disclosures are in accordance with the Core option of the GRI Standards. Those disclosures have a blue dot in the column labeled “Core.”

We also designate which disclosures align with the United Nations Global Compact (UNGC) Principles by denoting the principle number and category. The categories include human rights, labor, environment, and anti-corruption. As a signatory,

we report our Communication on Progress annually, and the notation in the GRI improves transparency.

If a disclosure detail is found in a separate document, that document is linked with the appropriate reference page to locate the content. All other details are included in the disclosure statement.

| UNGC Principle | Disclosure Number | Disclosure Title   | Reference   | Disclosure Statement   |
|----------------|-------------------|--|---|--|
|                | 2-1               | Organizational Details   | About Tennant Company section 10-K pgs 3, 12, 71 - Exhibits 3.1 - 4.1 | Headquarters located at: 10400 Clean Street, Eden Prairie, MN 55344  |
|                | 2-2               | Entities included in the organization's sustainability reporting | 10-K pg 12  | <p>The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated.</p> <p>We are organized into four operating segments: North America; Latin America; Europe, Middle East, Africa; and Asia Pacific. We combine our North America and Latin America operating segments into the Americas for reporting net sales by geographic area. In accordance with the objective and basic principles of the applicable accounting guidance, we aggregate our operating segments into one reportable segment that consists of the design, manufacture, and sale of products used primarily in the maintenance of nonresidential surfaces.</p> <p>All entities in Tennant Company's financial reporting are also included in its sustainability reporting.</p> |
|                | 2-3               | Reporting period, frequency and contact point                    | 10-K pg 12  | The reporting period for this sustainability report is January 1, 2022 - December 31, 2022, and is published annually. This is the same reporting period as our annual financial reporting. The publication date of this sustainability report is 08/08/2023. Questions and comments about this report can be directed to: SustainabilityReport@tennantco.com.   |
|                | 2-4               | Restatements of information                                      |   | <p>2017 - 2021 volunteer hours are restatements.</p> <p>In 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With the transition to this new software, we also updated our GHG emission calculation methodologies in alignment with best management practices, including the Greenhouse Gas protocol. This specifically affected our Scope 2 location-based, Scope 3 Category 4, and Scope 3 Category 7 emissions.</p>  |
|                | 2-5               | External assurance   | <a href="#">CDP assurance statements</a>                              | At this time, there is no external assurance of this Sustainability Report. We did collaborate with S&P Global Sustainable1 for external assurance of greenhouse gas emissions calculations. Specifically, the Scope 1, Scope 2, and Scope 3 - Category 11, use of sold products emissions calculations have been assured using the AA1000AS (2008 with 2018 addendum) Type 2 Moderate-level.  |
|                | 2-6               | Activities, value chain and other business relationships         | About Tennant Company section 10-K pgs 3, 41                          | We are not prohibited from entering any intended market for any product or service; however, we do not enter all markets due to various strategic or business reasons. There were no significant organizational changes made in 2022.  |



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|                |                   |   | Governance section<br>Our suppliers  | <p>With Tennant Company's complex and broad product line, we have many different direct material supplier groupings like batteries, chargers, castings, engines, motors, and drives. We have several suppliers in most direct material groups, and many of these suppliers have some facilities in advanced economies like the EU, US, Japan, China, and Mexico. Sole sourcing creates risk, and more diverse sourcing creates complexity, so a strategic supplier approach is required to achieve a good balance. We consider our supply chain partnerships confidential and, in general, choose not to disclose details on specific suppliers.</p> <p>In 2022, we made considerable efforts to expand our dual sourcing and localization efforts to reduce risk and complexity. We have developed a proactive monitoring process and incorporated an escalation process for high-risk supply continuity.</p>  |
| 6: Labor       | 2-7               | Employees   | About Tennant Company section<br>Table 9: Diversity of U.S. employees<br>Table 11: Tennant employees by gender & country<br>10-K pgs 5-7 | <p>Total number of employees: 4,299</p> <p>Tennant Company reports employee numbers as Headcount and not FTE. Temporary employees are organized at the team and business level; therefore, we do not have a complete temporary employee count for the entire enterprise.</p>  |
|                | 2-9               | Governance structure and composition  | <a href="#">Governance Committee Charter</a><br>Proxy pgs 14-23  | Tennant Company is governed by our Board of Directors, which has four standing Board Committees: Audit, Compensation, Executive, and Governance. Each Tennant Company's Board of Directors committee has a written charter covering the committee's purpose and responsibilities. The Charters and Corporate Governance Principles for Tennant Company's Board Committees are available at investors.tennantco.com. More information is available in our Proxy.   |
|                | 2-10              | Nomination and selection of the highest governance body                     | Proxy pgs 19-23  |   |
|                | 2-11              | Chair of the highest governance body  | Proxy pgs 14-15  | Steven A. Sonnenberg served as the Chairman of the Board in 2022.   |
|                | 2-12              | Role of the highest governance body in overseeing the management of impacts | <a href="#">Governance Committee Charter</a><br>Proxy pgs 15-16<br>CDP pgs 2-4   | <p>The Board of Directors Governance Committee. oversees the Company's sustainability programs, policies, and practices, including environmental, social, and corporate governance (ESG).</p> <p>In 2022, the Director of Sustainability &amp; ESG reported to the Chief Administrative Officer (CAO), who reports directly to the President and CEO and the Board of Directors. The Governance Committee receives an annual update from the Director of Sustainability &amp; ESG and the Chief Administrative Officer (through 2022; Chief Legal Officer starting in May 2023) on progress toward sustainability and ESG targets. There is always the potential to discuss pressing matters on an as-needed basis.</p>   |
|                | 2-13              | Delegation of responsibility for managing impacts                           | Proxy pg 15-18<br>CDP pg 4   | In 2022, the Director of Sustainability & ESG reported to the Chief Administrative Officer (CAO), who reports directly to the President and CEO and the Board of Directors. In April 2023, the Chief Legal Officer assumed responsibility for sustainability and ESG. With the Director of Sustainability & ESG reporting directly to the C-Suite, the organization understands the importance of our sustainability and ESG commitments. The Senior Management Team (SMT), which consists of the company's C-Suite leaders (CTO, CFO, CLO, CEO, CCO, CAO), is responsible for enterprise performance and strategy, including sustainability and ESG initiatives; this includes climate-related initiatives. This group assigns enterprise accountability and allocates resources to implement sustainability and ESG strategies. The Director of Sustainability & ESG oversees the Sustainability team, which is responsible for helping define the enterprise sustainability and ESG agenda, prioritizing issues, and driving impact. The team provides dedicated oversight of strategy, initiatives, and goals. The team collaborates with stakeholders to enable enterprise integration and progress. |



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|                | 2-14              | Role of the highest governance body in sustainability reporting | <a href="#">Governance Committee Charter</a>                               | The annual sustainability report is reviewed by the Board of Directors Governance Committee and Senior Management Team (SMT), which includes the organization's material topics.   |
|                | 2-15              | Conflicts of interest   | Proxy pg 18  |  |
|                | 2-16              | Communication of critical concerns                              |  | All interested parties may communicate with the independent members of the Board of Directors by writing to the Chair of the Executive Committee at ATTN: General Counsel, Tennant Company, 10400 Clean Street, Eden Prairie, MN 55344.<br>All communications will be delivered to the General Counsel, who will forward communications to the appropriate member(s) of the Board of Directors to address the matter.  |
|                | 2-17              | Collective knowledge of the highest governance body             | <a href="#">Governance Committee Charter</a><br>Proxy pgs 5-13<br>CDP pg 3 | The Board of Directors Governance Committee oversees the company's sustainability and ESG strategy, programs, policies, and practices. Members of our Governance Committee have experience in sustainability, environmental health and safety (EHS), shareholder activism, and other sustainability and climate-related issues. Their experience was gained both through their professional work and other corporate board services. The Director of Sustainability & ESG SVP, the Chief Administrative Officer, presents to the Governance Committee at least once a year to provide an update on the progress toward sustainability and ESG targets and to enhance the Committee's collective knowledge on ESG topics.   |
|                | 2-18              | Evaluation of the performance of the highest governance body    | Proxy pg 19  |  |
|                | 2-19              | Remuneration policies   | Proxy pgs 29-45  |  |
|                | 2-20              | Process to determine remuneration                               | Proxy pgs 29-45  |  |
|                | 2-21              | Annual total compensation ratio                                 | Proxy pg 50  | Although we have significant operations outside of the US, we do not currently report on country-specific pay. 2022 Ray Ratio: 79:1 CEO Pay: \$4,104,578, the median of annual total compensation of all employees: \$51,843   |
|                | 2-22              | Statement on sustainable development strategy                   | Our leadership section<br>Message from our CEO                             |  |
|                | 2-23              | Policy commitments  | <a href="#">Tennant Company Business Ethics Guide</a> pgs 4-8              | We have a business ethics policy, anticorruption training, and a nondiscrimination policy available to all employees in digital and printed formats. One of the ways we communicate to employees about these policies is through our US policy intranet site and the US employee handbook. Acknowledgment/attestation that employees have read and reviewed the employee policies and handbook is required upon hire and each time a significant change applicable to them is made. Minor changes are communicated to employees through various channels.<br>We have an ethics hotline to report ethics, discrimination, and unsafe workplace conditions. Anonymous reporting is available where allowed by law. Tennant Company's Human Rights Policy is publicly available on our sustainability page, under the People & Communities, in the documents section. |
|                | 2-24              | Embedding policy commitments                                    | Governance section   |  |



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|                     | 2-25              | Process to remediate negative impacts  | Governance section                                    |   |
| 10: Anti-corruption | 2-26              | Mechanisms for seeking advice and raising concerns                             | <a href="#">Tennant Company Business Ethics Guide</a> | We have a US employee handbook, ethics policy, anticorruption training, and nondiscrimination policy available to all employees in digital and printed formats. We have an ethics hotline to report ethics, discrimination, and unsafe workplace conditions. Anonymous reporting is available where allowed by law.   |
| 8: Environment      | 2-27              | Compliance with laws and regulations   |   | In 2022 Tennant Company did not have any further non-compliance incidents as it relates to environmental laws and regulations.  |
|                     | 2-28              | Membership associations  | About Tennant Company section                         | American Association of Cleaning Equipment Manufacturers; International Sanitary Supply Association; Eunited Cleaning-The European Cleaning Machine Association; Cremona Energy Consortium; Environmental Initiative & MN Sustainable Growth Coalition; UN Global Compact; Canada Green Building Council; U.S. Green Building Council; Waste Wise Minnesota; Northstar Initiative for Sustainable Enterprise; BSCAI; PRSM; SEAC; ABRALIMP; ABIMAQ; Cleaning Industry Research Initiative; CEB/Gartner Human Resources Practice Group; Minnesota Chamber of Commerce; Minnesota Business Partnership; National Association of Corporate Directors; Responsible Minerals Initiative; ICCMA (UK); VDMA (Germany); AFIMIN (France); AFIDAMP (Italy) |
|                     | 2-29              | Approach to stakeholder management   | Table 1: Stakeholder engagement                       |   |
| 3: Labor            | 2-30              | Collective bargaining agreements   | <a href="#">Tennant Company Human Rights Policy</a>   | Tennant Company recognizes an individual's right to collective bargaining.<br>Collective bargaining agreements exist where required per local laws.<br>32% of employees are covered by a Collective Bargaining Agreement. (This dataset does not include Italy.)<br>Tennant Company's Human Rights Policy is publicly available on our sustainability page, under the People & Communities, in the documents section.   |
|                     | 3-1               | Process to determine material topics   | About Tennant Company section                         |   |
|                     | 3-2               | List of material topics  | Figure 1: Materiality matrix                          |   |
|                     | 3-3               | Management of material topics  | About Tennant Company section                         |   |
|                     | 201-1             | Direct economic value generated and distributed                                | 10-K pgs 15-66  |   |
|                     | 201-2             | Financial implications and other risks and opportunities due to climate change | CDP Response pgs 6-13                                 |   |





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|                     | 201-3             | Defined benefit plan obligations and other retirement plans              | 10-K pgs 5-6, 51-57   | <p>Tennant Company offers benefit plans to employees worldwide in compliance with local requirements and with consideration for local markets. In the United States and Canada:<br/>The Retirement Savings Plan match from the company at 75% on the first 4% of deferrals, or 3% total company match, beginning on the employees' hire date. 91% of employees participate in the U.S. plan, and 84% participate in the Canada plan. The savings plan offers a profit-sharing option which has averaged 2.96% over three years.</p> <p>In Brazil:<br/>The retirement plan provides a 100% company match on the first 4% of employee contributions. 75% of employees participate in this plan.</p>   |
|                     | 201-4             | Financial assistance received from government                            |   | <p>Tennant Company received financial assistance from governments in 2022.<br/>Tennant received approximately \$3,200,000 of financial assistance (Employee Retention Credits) from the United States government related to COVID-related impacts on our business operations in 2020.<br/>The Company received approximately \$423,000 from the Italian government to compensate for increased energy costs and as incentives for energy efficiency projects.<br/>The Company received approximately \$809,000 from the Commerce Bureau of Hefei State High-tech Industry Development Zone for the production facility in Hefei and from the Shanghai Lingang Taopu Zhichuang City Economic Development Co., Ltd. for plant relocation subsidies.</p> |
| 6: Labor            | 202-2             | Proportion of senior management hired from the local community           |   | Tennant Company is headquartered in Minnesota, USA, where our senior management team (Senior Vice President and above) is based. 66% (4 of 6) of our senior management team was hired from Minnesota.   |
|                     | 203-1             | Infrastructure investments and services supported                        | Thriving people & communities section<br>Tennant Foundation |   |
|                     | 203-2             | Significant indirect economic impacts                                    | Thriving people & communities section<br>Tennant Foundation |   |
|                     | 204-1             | Proportion of spending on local suppliers                                |   | In 2022, 29% of spending was with local suppliers globally. Local suppliers are defined as suppliers located in the same country as the Tennant facility and operations. This does not include data from our facilities located in Brazil or Italy.   |
| 10: Anti-corruption | 205-1             | Operations assessed for risks related to corruption                      |   | We comply with the provisions of the U.S. Foreign Corrupt Practices Act (FCPA) of 1977, the UK Bribery Act 2010, and other applicable ABAC (anti-bribery, anti-corruption) laws and regulations. Accordingly, our relevant policies prohibit any payments to persons, foreign officials, or foreign political parties for the purpose of obtaining, retaining, or directing business.   |
| 10: Anti-corruption | 205-2             | Communication and training about anti-corruption policies and procedures |   | We regularly conduct online business ethics training across our employee base and online ABAC training to select job functions. Additionally, on a risk-based approach, we conduct supplemental live and web-based business ethics and ABAC training to select employees and third parties.   |
| 10: Anti-corruption | 205-3             | Confirmed incidents of corruption and actions taken                      |   | None in 2022.   |



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|                | 206-1             | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices |   | None in 2022.  |
| 8: Environment | 302-1             | Energy consumption within the organization                                      | CDP pgs 50-59   |  |
| 8: Environment | 302-2             | Energy consumption outside of the organization                                  | CDP pgs 50-59   |  |
| 8: Environment | 302-3             | Energy intensity  | Climate & energy section<br>CDP pgs 50-59   |  |
| 8: Environment | 302-4             | Reduction of energy consumption   | Climate & energy section<br>CDP pgs 31-34   |  |
| 8: Environment | 302-5             | Reductions in energy requirements of products and services                      | Circular products section<br>Product sustainability targets<br>Figure 2: Product power source & emissions |  |
| 8: Environment | 303-1             | Interactions with water as a shared resource                                    | Water section   |  |
| 8: Environment | 305-1             | Direct (Scope 1) GHG emissions  | Climate & energy section<br>CDP pg 39   |  |
| 8: Environment | 305-2             | Energy indirect (Scope 2) GHG emissions   | Climate & energy section<br>CDP pg 40   |  |
| 8: Environment | 305-3             | Other indirect (Scope 3) GHG emissions  | Climate & energy section<br>CDP pgs 41-44   |  |
| 8: Environment | 305-4             | GHG emissions intensity   | Climate & energy section<br>CDP pg 46   |  |
| 8: Environment | 305-5             | Reduction of GHG emissions  | Climate & energy section<br>CDP pgs 31-34   |  |
| 8: Environment | 306-4             | Waste diverted from disposal  | Waste section   | Estimated industrial recycling, including metals, plastics, cardboard, and electronics, totaled over 3,100 metric tons globally. |



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| 8: Environment | 308-1             | New suppliers that were screened using environmental criteria                                      |   | A supplier evaluation tool is under development, with plans to include environmental criteria. This project was put on hold in 2022 due to priorities for supply continuity.  |
| 8: Environment | 308-2             | Negative environmental impacts in the supply chain and actions taken                               |   | Tennant Company is not aware of any negative environmental impacts in the supply chain.   |
| 6: Labor       | 401-1             | New employee hires and employee turnover   |   | 37.80% Global New Hire Rate for 2022<br>19.11% Global Turnover Rate for 2022<br>These rates do not include IPC employees in non-integrated countries.   |
|                | 401-2             | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Thriving people & communities section<br>Figure 3: Tennant Company wellness and well-being program overview | Tennant Company values our employees and their families. The company is committed to providing a competitive benefits package as part of a Total Rewards Paradigm (benefits, compensation, well-being, and recognition).<br>Benefits for our different global locations are set up to follow local laws and regulations and to be competitive in the local market. In 2022, our compensation program included salaries, benefits, bonuses, incentives, stock awards, and retirement benefits.<br>Global employee recognition:<br>Tennant’s Applause program delivers timely, personalized, and meaningful recognition to employees globally. Individuals can nominate colleagues or teams for a monetary reward to recognize outstanding work or to send a quick thank you at any time.<br>See Table 401-2 for the complete list of employee benefits. Benefits vary for global locations depending on local rules and regulations. |
| 6: Labor       | 401-3             | Parental leave   |   | In 2022, 186 employees took parental leave.<br>Tennant Company designs its parental leave programs to comply with local laws, and regulations and to be competitive in the market.<br>In the US, Tennant grants up to 12 weeks of leave as specified by the federal Family and Medical Leave Act (FMLA) for, among other things, a family member’s serious health condition and the birth or adoption of a child. In addition to a birth or adoption of a child, Tennant provides an employee with up to 40 hours of pay under Parental Leave if they have been employed for at least 12 months prior. Additional leave of absence for personal reasons may be granted when approved by appropriate management for up to six months. Personal reasons may include education, family issues, etc. Outside of the United States, leave varies by country and local law.   |
| 3: Labor       | 402-1             | Minimum notice periods regarding operational changes   |   | Tennant Company does not have a defined notice period. The notice period is determined for each event based on business needs.  |
|                | 403-1             | Workers representation in formal joint management-worker health and safety committees              |   | Tennant Company has health and safety committees at most manufacturing facilities globally. The committees include members of plant management and employees from the different departments at the facility.  |



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| 1: Human Rights | 403-2             | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | Measuring progress section<br>ESG metrics<br><br>Thriving people & communities section<br>Table 8: Safety metrics  | <p>There were zero work-related fatalities in 2022 for Tennant Employees and Contractors.</p> <ul style="list-style-type: none"> <li>· Total Recordable Incidents Rate (TIRI): # recordable injuries X 200,000 hours ÷ Actual hours worked</li> <li>· Days Away, Rest and Transfer (DART) Rate: # of DART cases X 200,000 hours ÷ Actual hours worked</li> </ul> <p>Tennant Company uses the following definitions when reporting near misses, incidents, and injuries:<br/>                     Near miss: Anything considered unsafe. An event where no property was damaged and no personal injury was sustained but where, given a slight shift in time or position, damage and/or injury easily could have occurred. Something you walk away from or past and think to yourself, Someone could have been hurt, or That was close.<br/>                     Incident: An unplanned, undesired event that results in a personal injury requiring only in-house medical attention (i.e., band-aid), property damage, or spill.<br/>                     Injury: An unplanned, undesired event that results in a personal injury requiring outside medical attention.</p> |
| 6: Labor        | 404-1             | Average hours of training per year per employee   |  | <p>There are many points throughout the year that our employees complete training, whether that be safety training, ethics training, orientation, or machine operation training.<br/>                     Globally, employees completed xx hours of training on our e-learning platform, Tennant University. Outside of Tennant University, there is not currently a centralized point that manages and monitors all training completed throughout the enterprise.<br/>                     We had an average of x hours of training per employee in 2022. We believe this is a low estimate.</p>  |
|                 | 404-2             | Programs for upgrading employee skills and transition assistance programs   |  | <p>Talent Management/Development:<br/>                     Tennant Company utilizes a talent review process to identify top talent, critical roles, and successors and plan individual development. Individual development plans are used to help employees to enhance their skills and prepare them for future opportunities. In addition to the talent review, Tennant Company offers leadership development programs designed to help leaders understand the behavioral expectations associated with their leadership level. HR also deploys annual performance management training for current managers and employees to help them understand their roles and responsibilities.<br/>                     Tuition Reimbursement:<br/>                     All qualified employees are eligible for tuition reimbursement for approved courses.<br/>                     Transition Assistance/Career Management:<br/>                     Tennant Company offers outplacement and career management services through Career Partners International (CPI) for eligible US employees. The level of support varies based on the level of the employee.</p>                 |
| 6: Labor        | 404-3             | Percentage of employees receiving regular performance and career development reviews  |  | <p>Through Tennant Company's annual performance review process, managers are asked to provide a performance review to all eligible employees with the goal of completing the review within one month of the scheduled common review date (April).</p>  |
| 6: Labor        | 405-1             | Diversity of governance bodies and employees  | Thriving people & communities section<br>Diversity, equity, and inclusion<br>Figure 4: Diversity of Board of Directors as of March 2022<br>Table 9: Diversity of U.S. employees<br>Table 11: Tennant employees by gender & country |  |



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| 6: Labor             | 405-2             | Ratio of basic salary and remuneration of women to men   | Thriving people & communities section<br>Gender and equitable pay | The ratio is calculated for employees working in the United States.  |
| 1: Human<br>6: Labor | 406-1             | Incidents of discrimination and corrective actions taken   | Measuring progress section<br>ESG metrics                         | In the ordinary course of business, allegations of discrimination may be received by Tennant Company through supervisors, representatives of Tennant Company's Human Resources organization, Tennant Company's Ethics Hotline, or external authorities. The Ethics Hotline number is available globally, and complaints may be made anonymously, where allowed by law. All allegations are promptly investigated using internal or external independent investigators. Tennant Company enforces a strict anti-retaliation policy to encourage employees to provide prompt notice of issues and to encourage early resolution. In addition, Tennant Company's internal audit team regularly monitors internal procedures and controls around our various Human Resources processes. Our Human Resources team responds to requests for information from external authorities, such as state and federal labor and government contracting authorities.  |
| 3: Labor             | 407-1             | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | <a href="#">Supplier Core Expectations</a>                        | In 2022 Tennant Company was not aware of potential risks to freedom of association or collective bargaining at our operations or suppliers. This is specifically addressed in our supplier code of conduct (supplier core expectations) which is publicly available on our website, and all suppliers are subjected to adhere to. Additionally, Tennant Company is a signatory of the United Nations Global Compact, demonstrating our support and efforts to align our strategies and operations with universal principals on human rights, labor, environment, and anti-corruption and take actions that advance societal goals. Principle #3 refers to upholding the freedom of association and the effective recognition of the right to collective bargaining.  |
| 5: Labor             | 408-1             | Operations and suppliers at significant risk for incidents of child labor                                      | <a href="#">Supplier Core Expectations</a>                        | Tennant Company's policy is that it will not employ nor knowingly engage with suppliers who employ workers younger than the minimum age prescribed by local law. In 2022, we updated our master supply agreement (MSA) in alignment with our core values and code of conduct with all suppliers. This is specifically addressed in our supplier code of conduct (supplier core expectations) which is publicly available on our website, and all suppliers are subjected to adhere to. Notwithstanding, Tennant Company's policy is not to employ nor knowingly engage with suppliers who employ workers younger than 15 years of age. Also, in 2022, we proactively increased focus on avoiding geographical locations suspected of engaging in forced labor or other practices that conflict with our code of conduct. Additionally, Tennant Company is a signatory of the United Nations Global Compact, demonstrating our support and efforts to align our strategies and operations with universal principles on human rights, labor, environment, and anti-corruption and take actions that advance societal goals. Principle #5 refers to the effective abolition of child labor. |
| 4: Labor             | 409-1             | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | <a href="#">Supplier Core Expectations</a>                        | Tennant Company does not use, nor does it knowingly engage with suppliers who use, forced labor, whether in the form of prison labor, indentured labor, bonded labor, slavery, or otherwise. This is specifically addressed in our supplier code of conduct (supplier core expectations) which is publicly available on our website, and all suppliers are subjected to adhere to. Additionally, Tennant Company is a signatory of the United Nations Global Compact, demonstrating our support and efforts to align our strategies and operations with universal principles on human rights, labor, environment, and anti-corruption and take actions that advance societal goals. Principle #4 refers to eliminating all forms of forced and compulsory labor.   |
| 1: Human Rights      | 412-1             | Operations that have been subject to human rights reviews or impact assessments                                |   | Tennant Company's operations are regularly reviewed to ensure human rights, ethics, and labor practices are aligned with our corporate policies and procedure. The Company maintains a global hotline to receive complaints and issues anonymously, where allowed by law, and enforces a strict anti-retaliation policy to encourage self-regulation.  |
| 1: Human Rights      | 412-2             | Employee training on human rights policies or procedures   |   | Employees are trained annually on our code of conduct, including Human Rights topics, policies, and procedures. Training included information on reporting functions, including the ethics hotline, which can accommodate Human Rights concerns.   |



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| 2: Human Rights     | 412-3             | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | <a href="#">Supplier Core Expectations</a> | 100% of our suppliers who either sign our supply agreement form or provide products via PO (subject to our T&Cs) are subject to our Supplier Core Expectations (supplier code of conduct), which include human rights and are publicly available on our website. In 2022, we expanded our master service agreement (MSA) language to ensure alignment and agreement with our core values and code of conduct. Additionally, Tennant Company is a signatory of the United Nations Global Compact, demonstrating our support and efforts to align our strategies and operations with universal principles on human rights, labor, environment, and anti-corruption and take actions that advance societal goals. Principles #1 and #2 refer to human rights. |
| 2: Human Rights     | 414-1             | New suppliers that were screened using social criteria   | <a href="#">Supplier Core Expectations</a> | Supplier evaluation tool is under development. A team is reviewing and updating the screening criteria to align with supplier code of conduct.   |
| 2: Human Rights     | 414-2             | Negative social impacts in the supply chain and actions taken  |  | Tennant Company was not made aware of any negative social impacts in the supply chain in 2022.   |
| 10: Anti-corruption | 415-1             | Political contributions  |  | Aside from our participation in public industry bodies that recommend product safety standards, in which our participation is appropriate, public, and fully transparent, Tennant Company does not lobby or participate in public policy development.<br><br>We support Non-Governmental Organizations (NGOs) that work to improve facility conditions, e.g., Healthy Schools Campaign, Environmental Initiative, The NorthStar initiative at the University of Minnesota, and Global Environmental Management Initiative. Such organizations' goals align with our vision of creating a cleaner, safer, healthier world.  |
|                     | 416-1             | Assessment of the health and safety impacts of product and service categories  |  | Tennant Company actively engages internal and external test and evaluation agencies to review products for health and safety impact and to ensure Tennant Company is compliant with all applicable product regulations. This occurs during new product development and also during a product's lifecycle as updates are made to meet the changing needs of our customers and stakeholders and to meet changing regulations in our markets. Through Tennant Company's Quality Assurance process, issues are reviewed regularly, including customer feedback. Any issue impacting health or safety related to our products is addressed immediately by various committees authorized to implement any necessary changes.                                     |
|                     | 416-2             | Incidents of non-compliance concerning the health and safety impacts of products and services                              |  | Tennant recorded only one non-compliance incident concerning health and safety in 2022. This incident did not impact our products and services. Tennant recorded zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services in 2022.   |
|                     | 417-1             | Requirements for product and service information and labeling  |  | Internal ISO-9001 processes require Tennant Company to identify and comply with applicable product safety regulations, including labeling. Product safety regulations specify what information appears on our machine data labels. We also track sourcing information on some components to inform customers regarding substance origin and restrictions, including the presence of minerals sourced in conflict areas, REACH substances, latex, animal-based products, and recycled content. Lastly, Tennant Company complies with WEEE and RoHS directives in Europe.  |
|                     | 417-2             | Incidents of non-compliance concerning product and service information and labeling  |  | Zero in 2022.  |



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|----------------|-------------------|--|-----------|----------------------|
|                | 417-3             | Incidents of non-compliance concerning marketing communications                              |           | Zero in 2022.        |
|                | 418-1             | Substantiated complaints concerning breaches of customer privacy and losses of customer data |           | Zero in 2022.        |



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