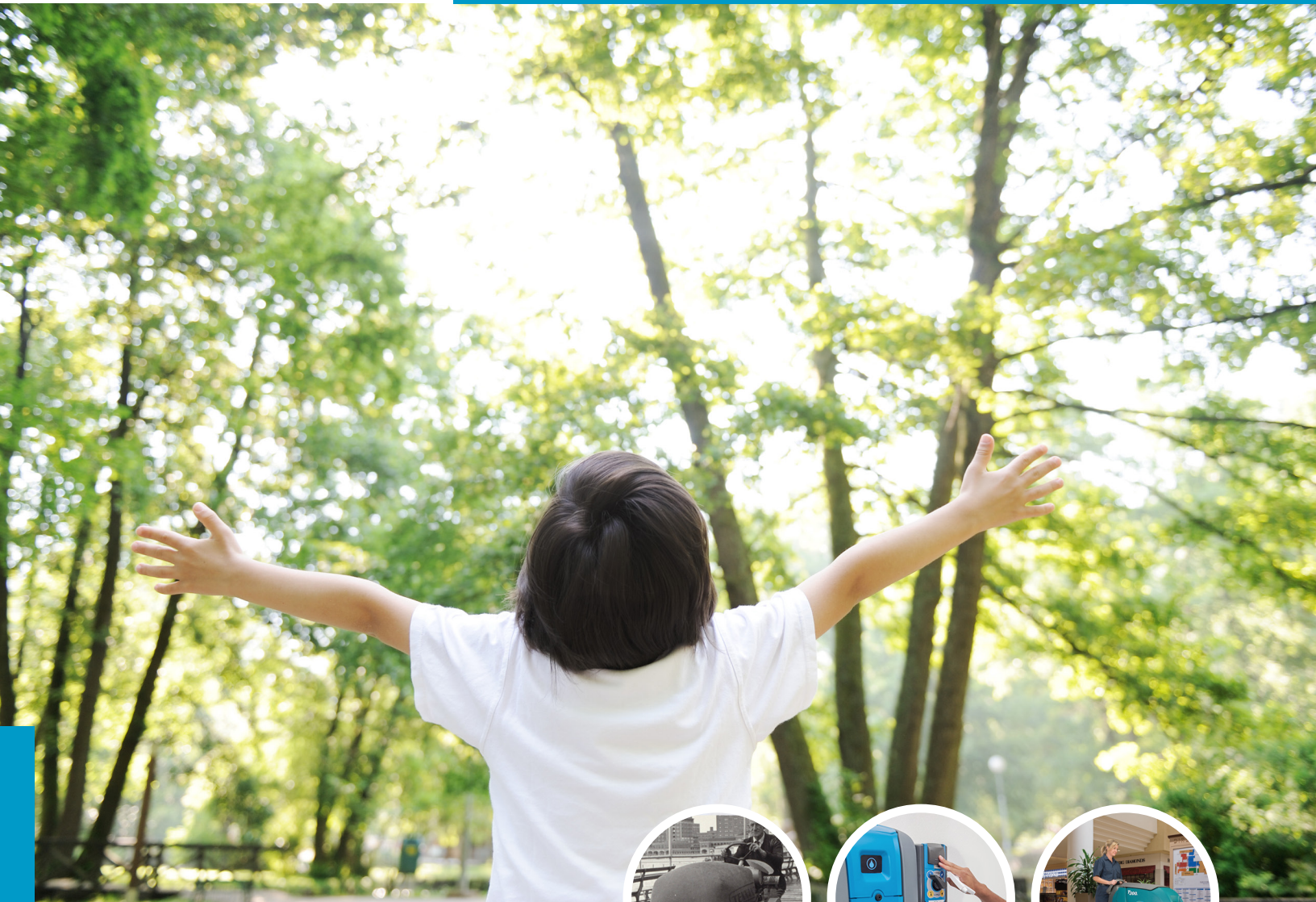




TENNANT COMPANY
2015 SUSTAINABILITY REPORT

REINVENTING THE FUTURE OF OUR SUSTAINABLE ENTERPRISE







TENNANT COMPANY

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Sustainability Report 2015

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MESSAGE FROM THE PRESIDENT & CEO



Chris Killingstad



In 2015, we took a significant step to embed sustainability considerations into our key business processes. In our 2014 Sustainability Report, we shared publicly for the first time a set of clear sustainability goals and objectives within four focus areas: People & Communities, Products, GHG Emissions/Energy, and Waste. I'm very pleased to report our progress on these fronts knowing that we are still "playing the long game" as I noted a year ago.

Highlights from our year include gaining momentum in operational efficiencies to drive energy and fuel reductions across our facilities and fleets. Additional investments in factory lighting and other upgrades continue to yield energy reduction, even as we add new manufacturing processes such as rotomold operations to select locations across our footprint.

I'm very proud that the giving spirit of our Tennant Company employees was stronger than ever in 2015. Together, we more than doubled the number of company-sponsored volunteer hours in 2015 compared to 2014, with corporate giving activities in each of Tennant Company's global regions.

By understanding the life cycle of our products, we are able to quantify the significant customer benefits and environmental impact reductions in the customer-use phase of our key technology innovations – ec-H2O NanoClean® Technology and Orbio® os3. As of year-end 2015, more than 77,000 ec-H2O-equipped machines were in use around the world. With this volume, we believe our innovations are truly helping to deliver a cleaner, safer and healthier world.

We are not stopping here. We continue to increase our emphasis on our Products focus area by expanding the number of environmental improvement targets set during our new product development process. In 2015, we

established seven additional targets, bringing the total to eleven specific targets within the most robust product and technology development pipeline in the history of Tennant Company. The targets include energy efficiency improvements, along with waste and noise reductions in product-use phase.

I believe we are making positive headway in our sustainability journey and am proud of how Tennant employees across the company have risen to the challenge of living out our company commitment to building a more sustainable enterprise.

This momentum continued in our pursuits outside of the company, as well. As the world counted down to the United Nations COP21 in Paris, Tennant Company lent its voice in support of the historic vote that led to a formal agreement on climate signed by 174 countries and the European Union. Leading up to the Paris meeting, Tennant answered the call to join more than 1,500 other U.S. companies to urge policymakers to take action on climate change (www.climatedeclaration.us).

In addition, Tennant Company itself committed to establishing a science-based greenhouse gas emissions reduction target by 2017, in line with the United Nations Climate Agreement aim to keep global warming below 2°C. Under this Science Based Targets initiative, we also began to develop a quantitative, product portfolio based target for GHG Emission reduction.

As our company continues to grow along our journey to a sustainable enterprise, we do so within the context of our commitment to grow Tennant Company into a \$1 Billion business. To achieve this level of sales growth and continue to position Tennant as the industry's innovation leader, we are relentless in our pursuit to reinvent the future of cleaning. In the coming years, Tennant Company anticipates expanding our business through telemetry, battery technology, water recycling and robotics. We believe these investments will contribute to our customers' ability to maintain clean, safe and healthy environments for the facilities in their care and, ultimately, allow Tennant Company to help create a cleaner, safer, healthier world.



CHRIS KILLINGSTAD
President and CEO



TENNANT COMPANY AT A GLANCE

A 145 YEAR LEGACY

Tennant Company, a Minnesota company that was founded in 1870 and incorporated in 1909, is a world leader in designing, manufacturing and marketing solutions that empower customers to achieve quality cleaning performance, significantly reduce their environmental impact and help create a cleaner, safer, healthier world. The Company's floor maintenance and outdoor cleaning equipment, detergent-free and other sustainable cleaning technologies, coatings and related products are used to clean and coat surfaces in factories, office buildings, parking lots and streets, airports, hospitals, schools, warehouses, shopping centers and other retail

A world leader in designing, manufacturing and marketing solutions that help create a cleaner, safer, healthier world.

environments, and more. Customers include building service contract cleaners to whom organizations outsource facilities maintenance, as well as end-user businesses, healthcare facilities, schools and local, state and federal governments who handle facilities maintenance themselves. The Company reaches these customers through the industry's largest direct sales and service organization and through a strong and well-supported network of authorized distributors worldwide.

PRINCIPAL PRODUCTS, MARKETS AND DISTRIBUTION

The Company offers products and solutions mainly consisting of mechanized cleaning equipment, detergent-free and other sustainable cleaning technologies, aftermarket parts and consumables, equipment maintenance and repair service, specialty surface coatings, and business solutions such as financing, rental and leasing programs. The Company offers its sustainable cleaning innovation, with ec-H2O™ on rider-scrubbers and the next generation ec-H2O NanoClean on walk-behind scrubbers. The Company's suite of offerings are marketed and sold under the following brands: Tennant®, Nobles®, Alfa Uma Empresa Tennant™ and Orbio®. The Orbio brand of products and solutions is developed and managed by Orbio Technologies, a group created by the Company to focus on expanding the opportunities for a category of sustainable On-Site Generation (OSG) technologies that create and dispense effective cleaning and antimicrobial solutions on site within a facility.

The Company's principal markets include targeted vertical industries such as retail, manufacturing/warehousing, education, healthcare and hospitality, among others. The Company sells products directly in 15 countries and through distributors in more than 80 countries. The Company serves customers in these geographies via three geographically aligned business units: The Americas, which consists of North America and Latin America; EMEA, which consists of Europe, the Middle East and Africa; and APAC, which consists of the Asia Pacific region.

TENNANT COMPANY BRANDS



MARKETS



BUILDING
SERVICE
CONTRACTORS



MANUFACTURING



LOGISTICS AND
WAREHOUSING



RETAIL



EDUCATION



HEALTHCARE



AVIATION AND
TRANSPORT



MINING



AUTOMOTIVE



GOVERNMENT



FOOD AND
BEVERAGE



HOSPITALITY

AWARDS



Innovation Award
ec-H2O NanoClean Technology



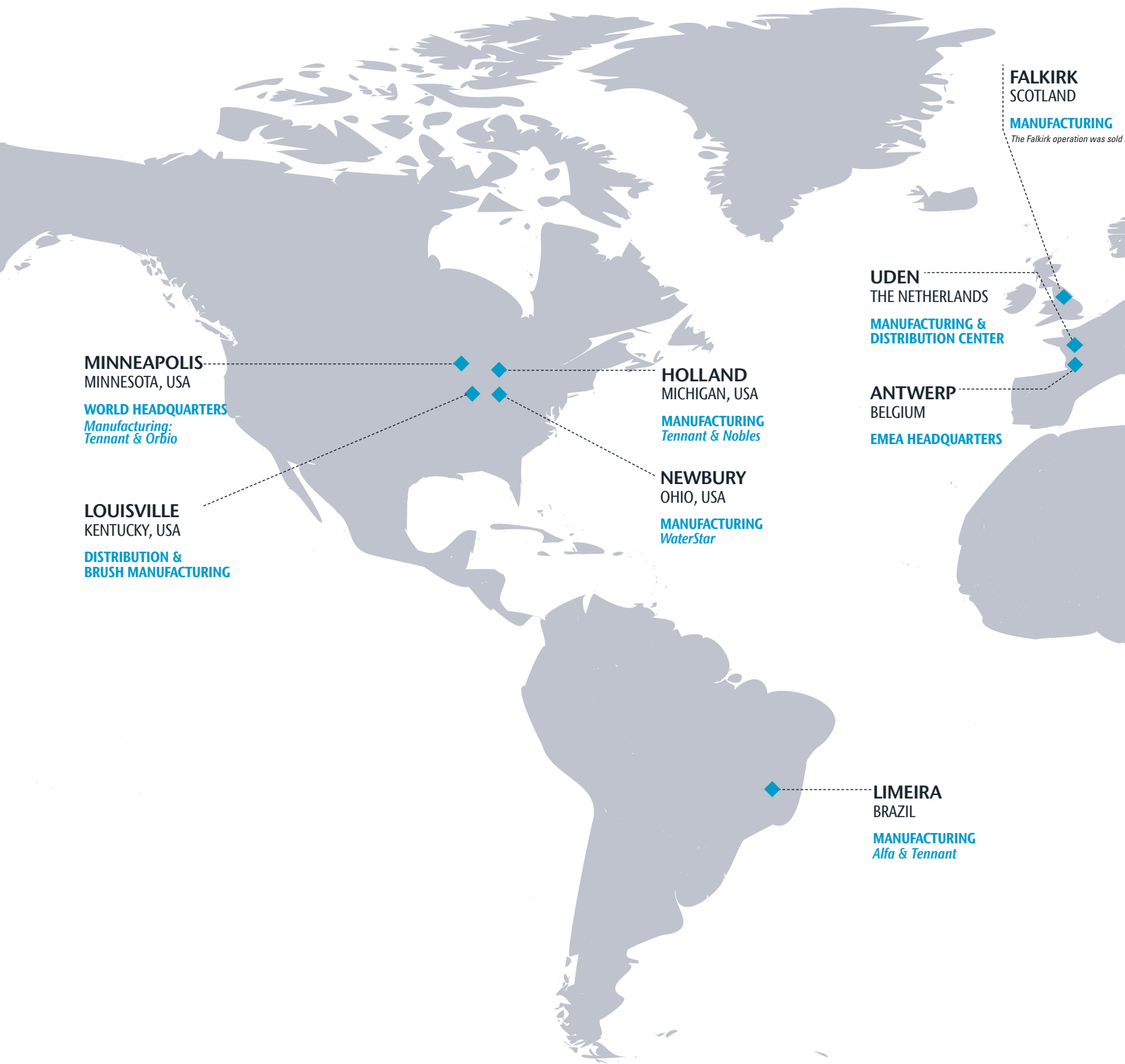
Distributors Choice Award
ec-H2O Technology

TENNANT IS AN ACTIVE MEMBER OF THESE ORGANIZATIONS*

Building Service Contractors Association International
Environmental Initiative
International Sanitary Supply Association
Manufacturers Alliance for Productivity and Innovation
Minnesota Business Partnership
Minnesota Chamber of Commerce
U.S. Green Building Council
Minnesota Chapter USGBC
Minnesota Sustainability Practitioners Roundtable
Twin Cities Conflict Minerals Task Force
Waste Wise Minnesota
Human Resources Leadership Council
Global Environmental Management Initiative

NorthStar Initiative for Sustainable Enterprise
EUnited
VDMA (Verband Deutscher Maschinen- und Anlagenbau – German Engineering Federation)
FME (Dutch association of manufacturers in the technology industry)
NVZ (Dutch association for detergents, maintenance products and disinfectants)
National Association of Manufacturers

*Representative, not all-inclusive



MINNEAPOLIS
MINNESOTA, USA
WORLD HEADQUARTERS
*Manufacturing:
Tennant & Orbio*

LOUISVILLE
KENTUCKY, USA
**DISTRIBUTION &
BRUSH MANUFACTURING**

HOLLAND
MICHIGAN, USA
MANUFACTURING
Tennant & Nobles

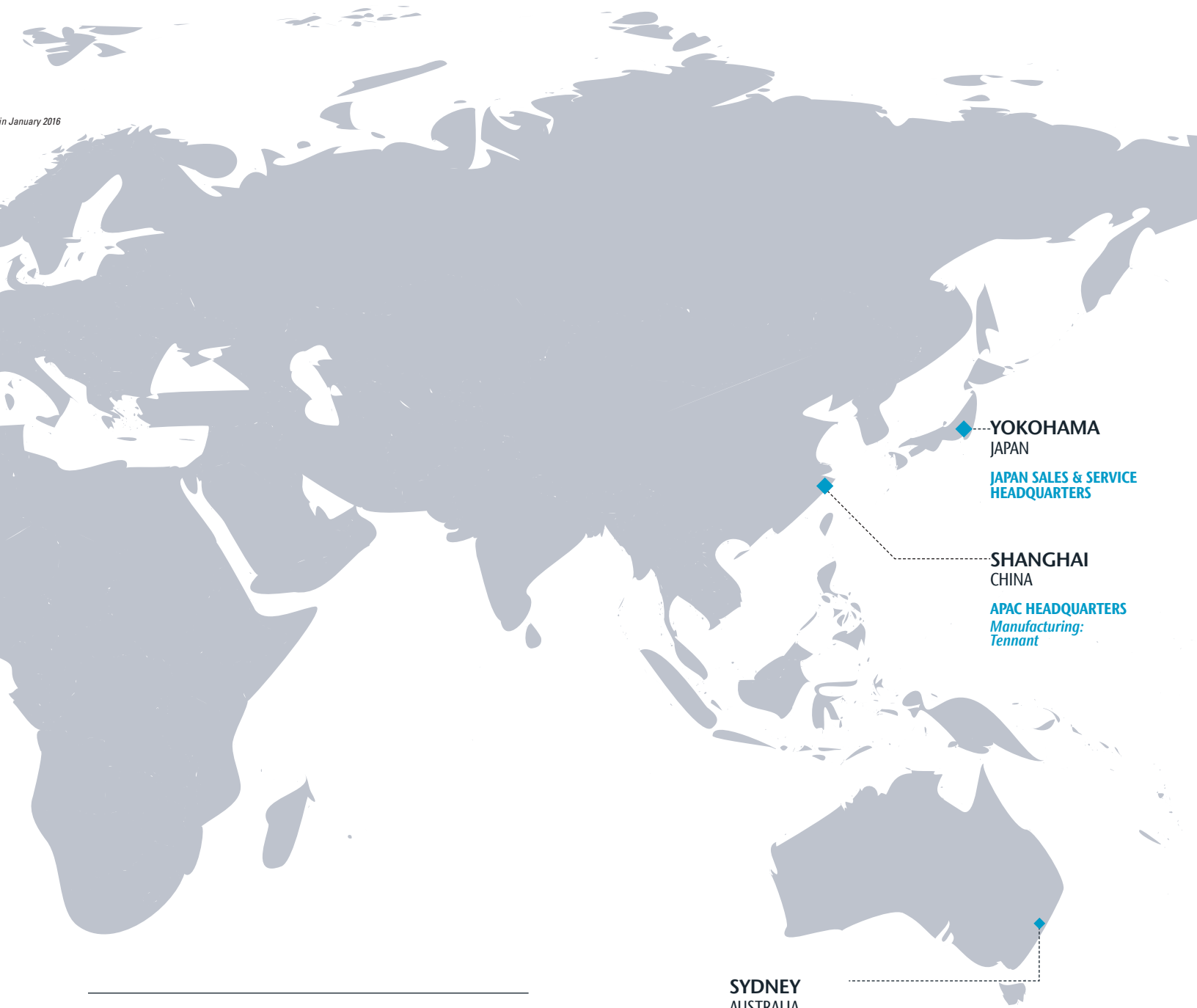
NEWBURY
OHIO, USA
MANUFACTURING
WaterStar

UDEN
THE NETHERLANDS
**MANUFACTURING &
DISTRIBUTION CENTER**

ANTWERP
BELGIUM
EMEA HEADQUARTERS

LIMEIRA
BRAZIL
MANUFACTURING
Alfa & Tennant

FALKIRK
SCOTLAND
MANUFACTURING
The Falkirk operation was sold



YOKOHAMA
JAPAN
JAPAN SALES & SERVICE
HEADQUARTERS

SHANGHAI
CHINA
APAC HEADQUARTERS
*Manufacturing:
Tennant*

SYDNEY
AUSTRALIA
AUSTRALIA SALES &
SERVICE HEADQUARTERS

TENNANT COMPANY GLOBAL LOCATIONS

Tennant Company Worldwide Employee Count*

AMERICAS: 2,200 EMEA: 680 APAC: 284

*As of 12/31/2015

ABOUT THIS REPORT



Moving forward

OBJECTIVES

Our 2015 report builds on prior years' initiatives and report content. Tennant Company's business model, governance, policies, practices, customers and stakeholders change little to not at all year over year. For each new reporting period, we review our stakeholders, their concerns and priorities, our material issues and opportunities and update these discussions where needed. Also, many of the General Standard Disclosures do not change year over year. Later in this section you will find three discussions:

- 1. Stakeholder Groups, which included our engagement strategies and tactics and their areas of interest.*
- 2. Our approach to identifying material issues and opportunities.*
- 3. Prioritization of our stakeholders, which assisted in identifying which materials issues are important to each stakeholder group.*

As part of our report preparation, a team reviewed each discussion and content and found these still apply to this reporting period.





ABOUT THIS REPORT

MATERIALITY DISCUSSION

STAKEHOLDER ENGAGEMENT

In 2013, we revisited and evolved our strategy for the next phase of Tennant Company's sustainable enterprise initiative.

In 2013, we revisited and evolved our strategy for the next phase of Tennant Company's sustainable enterprise initiative. This was a multi-step process and will be an ongoing activity as we continuously refine our sustainable enterprise. The first step was to identify stakeholder groups and key members of each group. For each group, we defined our strategies and tactics for engagement. Not all groups were engaged directly or by the same methods. Where direct dialogue was not practical, we employed proxies. Figure 3, "Stakeholder Engagement Strategies, Tactics and Areas of Interests," lists each stakeholder group, the strategies for engaging them, the tactics we used and their concerns and priorities. Our three primary stakeholder groups are: customers, investors and employees. These are also the most active users of our sustainability reporting.

The objective of this stakeholder engagement and materiality exercise was to identify and prioritize stakeholder needs, expectations and concerns. This process resulted in a long list of aspects on which we could potentially report. The material aspects are covered either in this report's body or the GRI Index.

For the customer stakeholder group, we directly engaged our Strategic Accounts sales managers and we "mined" customers' Requests for Information (RFIs). Refer to the "Stakeholder Engagement Strategies, Tactics and Areas of Interests" table for our customers' most

common interests and concerns. The top three are: Greenhouse gas emissions (carbon and energy), water and waste. An emerging area of interest is our value stream, both up and down. Human rights, labor practices, safety, ethics and corruption are the core aspects asked about our value stream.

Investor engagement was done through investor meetings with our executives. Investors' primary interests are economic and governance, aspects covered in our SEC filings. However, there is an emerging interest in our environmental stewardship and carbon reporting.

We engaged our employees in two ways. First, through an all employee attitudinal survey, which we conduct about every two to three years, and second, through a series of regional materiality workshops.

MATERIALITY WORKSHOPS

During 2013, we conducted six materiality workshops. Workshop participants represented the key activities at each of our major locations globally. The first step was to brainstorm our internal and external impacts on the environment, society and economy. Then we used a structured prioritization process,





Photo
Tennant's Sentinel®
Rider Sweeper for
harsh environments

based on the GEMI (Global Environmental Management Initiative) “Metrics Navigator™” tool, to prioritize the list of these environmental, social, and economic issues and opportunities. We plotted each issue or opportunity according to stakeholder’s level of concern against the importance to Tennant Company’s success.

We found many issues and opportunities were similar or related. These were grouped through an affinity mapping process. There are two outputs from this exercise:

1. Stakeholder Materiality Analysis Matrix (Figure 1)
2. Focus areas for our sustainable enterprise initiative. These are: Products, GHG Emissions/Energy, Waste (all forms), and People and Communities.

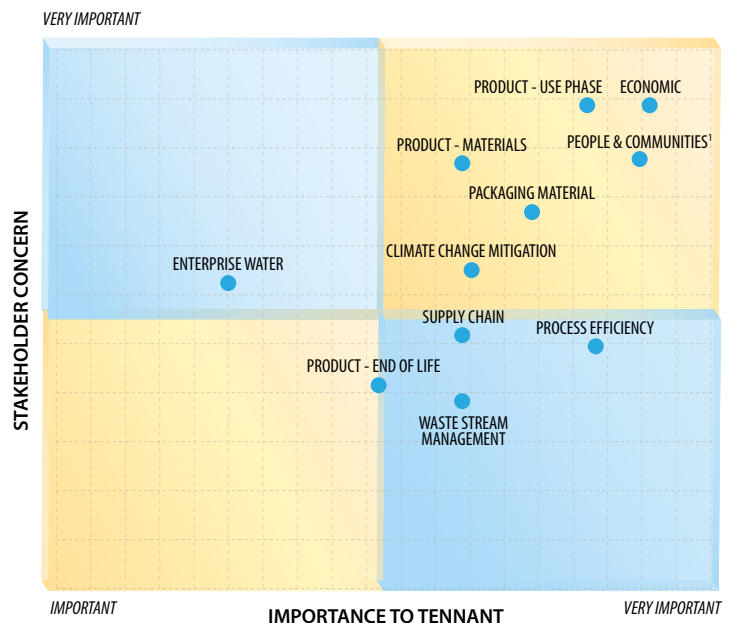
The final phase to establish objectives, goals and metrics was completed in 2014. For the goal-setting process, we empanelled several small working groups. Working group members were company leaders who will have a key role and impact on achieving results in a given focus area. The working groups established goals for each area that will be tracked and on which we will focus our sustainability reporting. These objectives, goals and metrics can be found in the focus area sections of this report.

CARBON REPORTING BOUNDARY

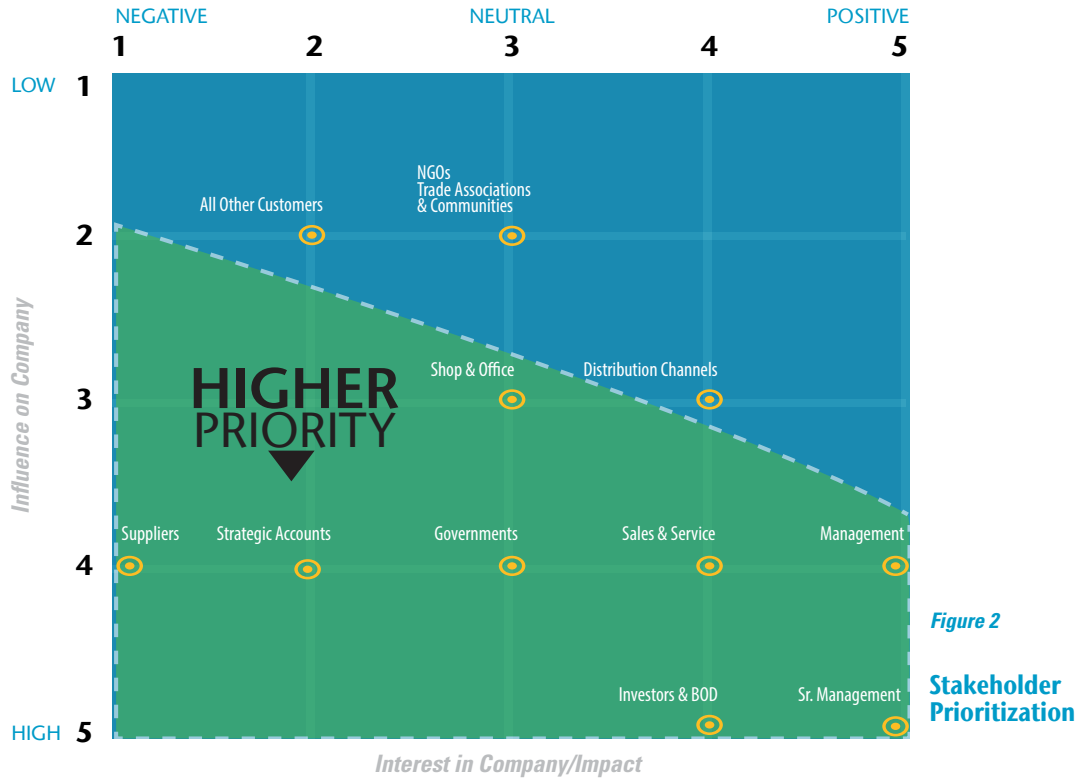
Tennant Company leases, rents or owns more than 75 facilities globally. Many of these facilities are relatively small sales and/or service offices, parts warehouses or storage. Based on analysis of the facility ownership/ rental/lease arrangement and utility usage, we have identified 38 facilities as material and to be included in our reporting boundary.

The reporting boundary was updated in Q1 2016. Carbon emissions for 2012-2014 are being restated to reflect the new boundary. The facilities outside the boundary are, in aggregate, less than 2% of our total emissions and energy consumption. All fleets in countries with direct sales and service presence are within the reporting boundary.

Figure 1
Stakeholder Materiality Analysis Matrix



¹ Includes corruption, ethics, community involvement, human rights, product safety, employee health and safety



STAKEHOLDER ENGAGEMENT PRIORITIZATION

During 2013 we identified eight key stakeholder groups, along with engagement strategies and tactics specific to each group.

The three priority stakeholder groups are customers, investors and employees. Another key group is our supply chain partners. In 2015 we reviewed our stakeholder groups and strategies. We found the 2013 analysis is still valid. We conducted a stakeholder prioritization analysis (see Figure 2) to reevaluate our material issues and opportunities. This aligned our resources and active programs against our stakeholders' highest priorities. See Figure 3 for our stakeholders, stakeholder engagement strategies and tactics, and stakeholder issues and opportunities.

To gain further insights into our supply chain partners, we are beginning a supplier engagement initiative. Engagement priority will be built on the Scope 3 GHG Emissions and Water footprint analysis completed for 2014. Scope 3 supply chain emissions (Categories 1, 4 and 9) are primarily from our partners in the manufacturing, warehousing and transportation sectors with manufacturing being the largest. A relatively small number of suppliers (5) account for 18% of our Scope 3, Category 1, 4 and 9 emissions. The top 25 suppliers account for 43%. In Q4 2015, we selected one sourcing category for initial engagement and began to develop engagement priorities and actions.

Stakeholder Engagement Strategies, Tactics and Areas of Interest

Figure 3

Stakeholder Group	Engagement Strategy <i>What strategy will Tennant employ to engage stakeholders?</i>	Engagement Tactic <i>How will Tennant implement these strategies?</i>	Major Issues & Concerns (report) <i>What strategy will Tennant employ to engage stakeholders?</i>
Customers	Know customers' concerns and needs, meet their reasonable expectations	Direct dialogue with customers where feasible Leverage customer requests for information as proxy for their sustainability priorities Publish performance in CSR and CDP reporting	GHG emissions, waste, water, packaging, supply chain, end-of-life (EOL)
Investors	Proactively share sustainability highlights with investors	Include sustainability performance information in Investor Relations package and on website Share key points of sustainability initiative in shareholder letter Publish performance in CSR and CDP reporting	Return on investment Security of investment
Employees	Know employees' concerns and needs, meet their reasonable expectations	Conduct all-employee attitudinal survey at regular intervals Form employee focus groups to address key concerns and issues Refer interested employees to online CSR report	Varies by region
Value Stream	Maintain a secure, reliable, balanced and respectful partnership with suppliers and distribution channel members	Vet suppliers' compliance with Tennant's supplier guidelines and expectations Meet reasonable needs of distribution channel members and respect their business	TBD
Governments	Have policies in place to ensure full compliance with regulatory requirements	Monitor regulations, react to changes and new legislation as appropriate	Regulatory compliance: conflict minerals, emissions, discharges, hazardous materials, safety, labor practices, anticorruption and ethics
Communities	Have policies and practices in place to ensure Tennant is an exemplary corporate resident: locally, nationally, globally	Meet local codes for emissions, discharge, noise, etc. Offer employment opportunities at fair market compensation Give back to communities in which we work, live and play	Employment, compliance with ordinances, taxes
NGOs	Partner with those whose mission is aligned with Tennant's business objectives Remain open to dialogue from NGOs who are not aligned but may provide other benefits	Support through memberships and sponsorships; participate in meetings, forums and workshops	Support and align with their mission
Trade Organizations & Partners	Maintain membership in organizations that are aligned with Tennant's business	Support through memberships and participation in industry work groups, forums and workshops	Support and align with their mission



TENNANT SUSTAINABLE ENTERPRISE **FOUR FOCUS AREAS**



Tennant has established long-term, quantitative, measurable goals for four focus areas:

Products

Greenhouse Gas (GHG) Emissions/Energy

Waste

People & Community




SUSTAINABLE ENTERPRISE 2015 HIGHLIGHTS




PRODUCTS


11 

**PRODUCT SUSTAINABILITY
TARGET METRICS ESTABLISHED**

Helped our customers to avoid more than
48,000 mT CO₂e 

when compared to packaged chemicals


**EC-H2O & EC-H2O NANOCLEAN
EQUIPPED SCRUBBER-DRIERS**



**GREENHOUSE GAS
(GHG) EMISSIONS/
ENERGY**

3 **CONSECUTIVE
YEARS OF
IMPROVEMENT**

**CDP SUPPLY
CHAIN PROGRAM**

More Efficient Fleet Vehicles  Shutdown Timers to Eliminate Standby Power Use  Lighting & Equipment Upgrades  Centralized Route Planning for Service Vehicle Fleets 

10 EMISSIONS REDUCTION PROJECTS IMPLEMENTED



WASTE

 **85%**
of organics is diverted

ORGANICS DIVERSION

 **1,750 lbs.**
of waste is diverted

ORGANICS DIVERSION



**PEOPLE &
COMMUNITY**

\$855K

**CHARITABLE
DONATIONS**

3,107

**EMPLOYEE
VOLUNTEER HOURS**



**AT LEAST ONE VOLUNTEER EVENT
HELD IN TENNANT COUNTRIES**

FOCUS AREA PRODUCTS

Product objective, targets and progress

Tennant Company products enable our customers to achieve significant environmental impact reductions. We invest 3 - 4% of sales in Research & Development each year. Reducing customer “use-phase” environmental impact is a key R&D strategy. The investment and strategic focus lead to breakthrough products like ec-H2O NanoClean® and Orbio® os3.

In mid-2014, our New Product Development (NPD) process was updated to increase emphasis on sustainability. Process requirements around sustainability are embedded in the NPD templates, tools and references. Each cross-functional NPD team considers customer needs and project scope, then makes a commitment to specific, use-phase environmental impact improvements – if appropriate. Improvement targets are formalized at NPD Feasibility Gate exit. Achievement of targets is measured at Launch Gate exit.

PRODUCT SUSTAINABILITY TARGETS METRICS

	2015	2014	TOTAL
Number of environmental impact improvement targets set	7	4	11
Number of environmental impact improvement targets achieved at launch	—*	—*	—*

*No projects exiting “Feasibility” after 1 August 2014 had reached “Launch” as of 31 December 2015.



Tennant Company is committed to creating and commercializing breakthrough, sustainable cleaning technologies. These solutions empower customers to significantly reduce their environmental impact in the product “use phase” and help to create a cleaner, safer, healthier world. With this proven model in place, we will extend innovation toward cradle-to-cradle solutions to realize broader sustainability improvement.

M17 Battery-Powered Rider Sweeper-Scrubber

Reduce the need for multiple pass cleaning with the versatile M17 battery-powered sweeper-scrubber. The M17 delivers exceptional sweeping and scrubbing performance, and it provides health and safety benefits. The M17 sweeper-scrubber is easy to operate and maintain, and quickly improves a facility's image.



SUSTAINABLE SOLUTIONS

EC-H2O NANOCLEAN® TECHNOLOGY

Tennant Company introduced its patented, award winning ec-H2O™ technology in 2008. This innovation provides our customers with sizable improvement in their environmental footprint, through reductions in greenhouse gas emissions, water usage and generated waste.

Since the initial product introduction, we have continued to develop deeper scientific understanding of cleaning mechanisms and to improve the technology. With more than 25 issued patents and pending applications, this area of technology has produced notable results—for both Tennant customers and Tennant Company.

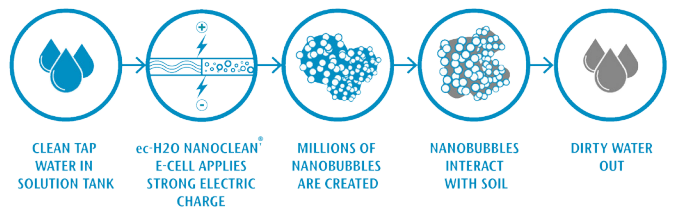
Advances in nanobubble technology led to the 2015 launch of ec-H2O NanoClean®, the next generation of Tennant’s innovative cleaning technologies. The name NanoClean refers to the creation of nano-scale bubbles that are an important part of the cleaning mechanism. Like the original ec-H2O, ec-H2O NanoClean technology electrically converts water into an innovative cleaning solution that cleans effectively, saves money, and reduces environmental impact compared to daily floor cleaning chemicals. This converted water is created by an on-board e-cell that generates millions of microscopic bubbles — nanobubbles — per milliliter of solution. These nanobubbles then promote the cleaning efficacy of the solution. This next generation solution offers the same great benefits of the first generation and now cleans better by cleaning more soils in more applications. ¹

Since 2008, more than 8,000 customers have collectively purchased more than 77,000 machines equipped with ec-H2O technology. Tennant Company estimates ec-H2O technology machines are in use in more than 30,000 sites worldwide. We conservatively estimate² the installed base of ec-H2O and ec-H2O NanoClean equipped scrubber-driers has enabled our customers to avoid more than 48,000 mT CO₂e, when compared to packaged chemicals. ³ The avoided greenhouse gas emissions are more than emissions created by burning 51,000,000 pounds of coal, or 5,400,000 gallons of gasoline. ⁴



IMAGINE CLEANING WITH JUST WATER!

Here’s how ec-H2O NanoClean® technology works



TENNANT COMPANY
SUPPLY CHAIN

¹ ec-H2O NanoClean® technology is not suitable for all soils, including heavy concentrations of fats and oils. Depending on the type of soil, conventional chemical cleaners may be required. 5.001.007.am.en ec-H2O NanoClean brochure 11/15 ©2015

² Assumes 5 year machine life, operating in ec-H2O mode 90% of the time.

³ "Clean Product Evaluation of ec-H2O™ Technology," March 7, 2010, EcoForm™.

⁴ "Life Cycle Performance of ec-H2O NanoClean™ Technology," April 16, 2015, EcoForm.

⁴ <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

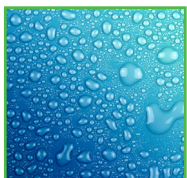



Photo right
**Orbio® os3 On-Site
Generation System**
from Orbio creates
cleaning and
antimicrobial solutions
right on site

One 2015 Sustainable Enterprise objective related to both Products and GHG Emissions/ Energy focus areas was to start supply chain engagement on sustainability. Materials like steel and components such as electric motors all become part of our products. Our direct material supply base is both diverse and complex – with more than 15 distinct categories. We decided a pilot program,

beginning with just one sourcing category, was the most appropriate approach. A cross-functional team selected the first sourcing category for engagement in Q4 2015. The evaluation process used quantitative supplier GHG Emission and Water environmental impact data as one major consideration. This data came from the Environmentally Extended Input-Output (EEIO)

LCA completed in mid-2015 with partner Trucost. We also strongly considered how much a category influenced product use-phase environmental impacts. A number of other factors were also considered. We plan to start the pilot supplier engagement project in 2016.



Eco-CRETE™ Cementitious Urethane Resurfacer

The latest in the Tennant line of Eco Floor Coatings offers environmental and safety benefits targeted at food processing industry

Adding to its line of Eco-Advantage® floor and wall coatings, Tennant Company's Coatings Division introduced Eco-CRETE™, a cement-like, urethane flooring system that offers specific environmental and sustainability benefits in environments where food processing and preparation take place. Eco-CRETE provides a seamless and sanitary surface that does not promote bacteria growth, withstands the thermal shock of high-heat steam cleaning and is chemical resistant to sanitizing cleaners. Eco-CRETE is available in a variety of thicknesses and textures, which help aid against slip and fall incidents, creating a safer work environment.

Tennant customers are able to earn LEED credits (www.usgbc.org/leed) in the areas of Indoor Environmental Quality (4.2 Low Emitting Materials, Paint & Coatings), and Material and Resource (6 Rapidly Renewable Materials, Castor Oil). Available in reusable 250-gallon totes, Eco-CRETE is ideal in the Food & Beverage Industry where customers appreciate the Eco-CRETE resistance to fungi growth (ASTM G-21 <https://www.astm.org/>).

Offering a full line of floor and wall coatings is just one more reason why Tennant Company is recognized for its broad portfolio of sustainable solutions. Clearly, Tennant Company innovation goes beyond its patented cleaning equipment and detergent-free technologies.

FOCUS AREA

GHG EMISSIONS/ENERGY



Tennant Company first participated in the CDP Supply Chain program in 2013. We completed our third response in 2015. While we are pleased with our improved score, we will continue pressing forward to achieve GHG Emission reductions.

Tennant’s Disclosure Score improved from 80 to 95. The Disclosure Score (0-100) measures the level of transparency a company achieves through its response.

Tennant’s Performance Band of “C” was unchanged year over year. The Performance Band (A, A-, B, C, D or E) measures how effectively a company is addressing climate risk. In our peer group of “Industrials,” only 3% of responders achieved C band. There were no A / B bands given in the peer group.

Companies globally – including Tennant Company – are raising their ambitions around target-setting to ensure their long-term sustainability and profitability, driving bolder business action. To meet the challenges that climate change presents, the world’s leading climate scientists and governments agree that it is essential to limit the increase in global average temperature to below 2°C. Science-based targets allow companies to work toward this goal by aligning corporate GHG reductions with global emissions budgets generated by climate models.

In 2015, Tennant Company committed to develop a science-based target by September 2017. We are currently determining the most appropriate scientific methodology and will then establish a science-based, Scope 1 & 2 GHG emissions reduction target. We will also develop an emissions reduction target for Scope 3, Category 11 – “Use of Sold Products.” This category of Scope 3 represents a significant portion of emissions (~ 75%) across our overall value chain. For more detail on our Scope 3 emissions, visit the tennantco.com “Sustainability” section of the website.

TENNANT COMPANY CDP SUPPLY CHAIN RESULTS

SCORE	2014 CY (2015 Report)	2013 CY (2014 Report)	2012 CY (2013 Report)
Disclosure	95	80	68
Performance Band	C	C	D
Industry Average	60/D	53/C	49/C



At Tennant Company, our goal is to reduce GHG emissions (direct and indirect) used in Tennant operations and along the Tennant value chain. We transparently report GHG emissions to create mutual accountability between Tennant and our value stream partners, all in the spirit of creating a cleaner, safer and healthier world.

SCOPE 1 & 2 GHG EMISSIONS

In 2015, our Scope 1 & 2 GHG emissions increased by 151 mT CO₂e compared to 2014. Since 2012, absolute GHG emissions grew by 2,439 mT to 33,903 mT, a 7.8% increase. Over this same time period our revenue grew by 9.9%.

Of 2015 total emissions, Scope 1 was 22,617 mT (67%) and Scope 2 was 11,286 mT (33%). Our goal is 25% GHG emissions intensity reduction by 2020. Compared to 2014, we lost some ground in 2015. GHG emissions intensity was 41.8 mT CO₂e/\$ M in 2015, a reduction of 1.9% in comparison to the 2012 baseline (Figure 4).

The increase in GHG emissions intensity to 41.8 from 41.1 (2014) is due to the very strong US dollar. On a “constant currency”¹ basis, our 2015 revenue would have been \$857.1 M and GHG emissions intensity would have been 39.6, a reduction of 7.0% in comparison to the 2012 baseline.

In 2015, field Sales & Service vehicles produced 47% of our GHG emissions. Since 2012, fleet emissions increased 551 mT CO₂e, just 22.6% of our total 2,439 mT increase. Robust fleet efficiency programs are in place and continue to produce very good results. Our Canada and U.S. fleets provide a good example of efficiency improvement. Between 2012 and 2015, the number of Sales & Service vehicles in those fleets increased 14.2% while the absolute emissions increase was only 6.9%.

Logistics, manufacturing and office facilities produced 53% of our GHG emissions in 2015. Facility emissions have increased 1,888 mT CO₂e since 2012. The increase is primarily due to in-sourcing, energy purchase changes and business growth. In mid-2013, we began moving some out-



GHG EMISSIONS HISTORY

Focus on reduction

¹ “Constant Currency”: estimated sales assuming no change in foreign currency exchange rates from 2014



*Photo left
Tennant Company engaged Trucost
plc to provide assurance for our 2015
Scope 1 & 2 GHG emissions inventory*

SCOPE 1 & 2 GHG EMISSIONS

Figure 4

	2020 Target	2015	2014	2013	2012 Baseline
Total GHG ¹ Emissions (mT CO ₂ e)	–	33,903	33,752	31,932	31,464
Revenue (\$ M)	–	\$812	\$822	\$752	\$739
GHG Emissions Intensity (mT CO ₂ e / Revenue in \$M)	31.9	41.8	41.1	42.5	42.6
Change (%) from 2012 Baseline	-25%	-1.9%	-3.6%	-0.3%	–

¹ Scope 2 emissions calculated using market-based accounting method.

sourced, rotational molding production to our Uden, The Netherlands and Minneapolis, MN USA facilities. In-sourcing yields direct benefits from lean manufacturing, cost and waste reduction, along with other upstream sustainability benefits. The rotational molding process uses natural gas, and 2015 emissions from associated gas consumption were 553 mT CO₂e. These emissions are not new; they were shifted from our upstream suppliers (Scope 3) to Tennant Scope 1. Without the insourcing projects, 2015 emissions intensity would have decreased 3.5% compared to the 2012 baseline.

In addition to foreign exchange rate and insourcing related intensity increases, energy purchase changes in 2014 resulted in a 610 mT CO₂e emissions increase. The 2012 and 2013 purchases were part of a multi-company collaborative buying effort which ended in 2014.

We engaged Trucost plc to provide assurance for our 2015 Scope 1 & 2 GHG emissions inventory. Assurance was conducted in accordance with

the AA1000AS (2008) standard, at AA1000 Type 2 (quantitative), Moderate level. The Assurance statement is the Appendix.

All detailed Scope 1 & 2 emissions data can be found within our 2016 CDP response.

SCOPE 3 GHG EMISSIONS

For the second consecutive year, our 2015 Scope 3 GHG emissions were assessed by Trucost plc. Relevant 2015 Scope 3 emissions were 743,632 mT CO₂e, a decrease of 4% compared to 774,595 in 2014.

In 2015, we began focusing on the two largest Categories of our Scope 3 footprint, Category 1 – Purchased Goods and Services and Category 11 – Use of Sold Goods. Category 11 is the highest priority at 78% of our 2015 value chain GHG footprint (Scope 1, 2 & 3).

All detailed Scope 3 emissions data can be found within our 2016 CDP response.

Emissions Reduction Activity

In 2015, we continued to increase organizational emphasis on GHG emissions reduction. Organizational changes include formalizing a global portfolio of emission reduction projects; experience and best practice sharing; greater leadership visibility; and greater recognition. In 2015, ten (10) emissions reduction projects were implemented. In total, these projects will eliminate an estimated 424 mT CO₂e per year. This is a 15% increase over the 370 mT reduction for 2014 (as reported to CDP).

Projects implemented in 2015 included: lighting and equipment upgrades; shutdown timers to eliminate standby power use; centralized route planning for Service vehicle fleets; and continuing, multi-year transitions to more efficient fleet vehicles. More detail on all projects can be found in our 2016 CDP response. We want to highlight two 2015 projects in this report.

An air compressor upgrade project was completed at our Holland, Michigan, facility. The upgrade reduces electrical use by about 150,000 kWh annually and 112 mT of carbon emissions¹ are avoided. We are now investigating air compressor system improvements at other manufacturing and logistics facilities.

A significant lighting upgrade project was completed at our Uden, The Netherlands, facility. The upgrade reduces electrical use by about 575,000 kWh annually – approximately 25% of total 2014 Uden facility electrical demand! Benefits include a substantial cost savings, improved worker productivity and safety, plus 234 mT of carbon emissions² avoided.

Projects implemented in 2015 included: lighting and equipment upgrades; shutdown timers to eliminate standby power use; centralized route planning for Service vehicle fleets; and continuing, multi-year transitions to more efficient fleet vehicles.

The Uden facilities team achieved tremendous 2015 results, following a large carbon emissions avoidance in 2014. Four (4) natural



Top Photo:

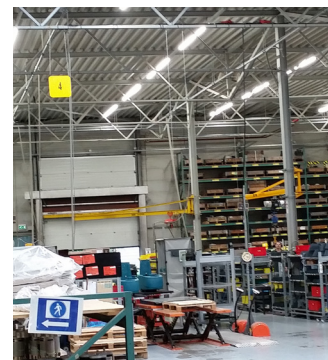
An air compressor used to reduce electrical usage in our Holland, Michigan, facility

Bottom Photo Left:

Tennant Company's Uden, The Netherlands, manufacturing facility

Bottom Photo Right:

New lighting in Tennant Company's Uden manufacturing area



gas efficiency projects were completed including: main boiler replacement; a process heat exchanger upgrade; added insulation; and installation of quick open/close garage doors. While these four projects were implemented in 2014, we did not report them until estimated natural gas savings were more thoroughly quantified. Overall, this group of projects reduced natural gas use by about 150,000

room” to complete the rotational molding insource project (~ 200,000 m³ natural gas) with minimal overall emissions increase.

Our Uden and Holland, Michigan, facilities teams did a great job achieving significant reductions over the past two years.

¹ GRP v2.0, March 2013. 2013 Climate Registry Default Emission Factors, April 2, 2013. Table 14.1. U.S. EPA eGRID2012 Version 1.0. RFC Michigan Subregion.

² GRP v2.0, March 2013. 2013 Climate Registry Default Emission Factors, April 2, 2013. Table 14.4. CO₂ Emissions from Fuel Combustion Highlights (2012) © OECD/IEA, 2012 CO₂ emissions per kWh from electricity generation.

m³, more than 40% of total 2013 Uden facility natural gas demand! Benefits include avoiding 291 mT of carbon emissions² along with “head

CAR CHARGING AT TENNANT COMPANY

In the fall of 2015, Tennant Company installed three ChargePoint® dual port Electric Vehicle Charging Stations (EVCS). Two were installed at our Headquarters (Plant 1) and one at the Corporate Woods office building. These allow up to six vehicles to recharge at the same time. Tennant Company encourages employees to be stewards of our environment by engaging in sustainable living and working practices. Having noticed an increase in the number of employees who are driving electric cars or electric hybrids, Tennant Company decided to invest in charging stations as a workplace benefit and to demonstrate our commitment to reducing greenhouse gas emission on all fronts.

Workplace charging (WPC) has several benefits for the electric vehicle driver and for the company. For employees, it provides the opportunity to top off their battery thereby extending their range. This is especially helpful during cold weather when battery performance is significantly reduced. WPC also allows drivers to precondition their cabins, reducing demand on the battery for heating or cooling. In the case of hybrid electric vehicles, which have less battery power range and a small internal combustion engine as backup, a driver may now be able to complete their full commute under battery power. Workplace charging is an employee value benefit and reason to work at Tennant. Tennant Company's Scope 3 – Employee Commute – emissions are reduced since the emissions from producing electricity on the Xcel Energy Minnesota grid are less than those that would have been emitted from combustion of gasoline.

Employees pay for the energy used to recharge their batteries. Tennant owns the charging stations which are administered by ChargePoint. ChargePoint offers turnkey electric vehicle charging administration and reporting. Fees collected from a driver are remitted to Tennant less an administrative fee.



**CAR
CHARGING
NOW AVAILABLE**

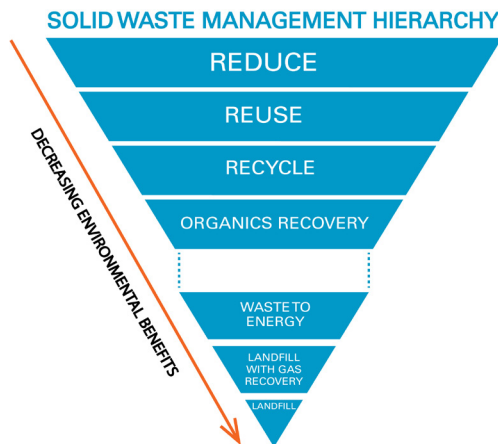
TENNANT



FOCUS AREA WASTE

Water is a critical resource, which we use as efficiently as possible in our operations. Applying the principles of Reduce, Reuse and Recycle, along with the proven principles of Lean Manufacturing and Continuous Improvement, Tennant is on a journey to being a zero-waste enterprise. We have identified waste as a material issue and opportunity – as identified in our stakeholder engagement process – since all forms of waste have cost implications.

In 2014, Tennant set an aspirational goal of zero waste to the landfill or disposal. The Solid Waste Management Hierarchy (see graphic below) prioritizes our waste reduction and diversion tactics. In a waste inventory conducted in 2013 at our headquarters facility, Tennant found one third of our compactor trash was divertible – from landfill and energy recovery – using existing waste infrastructure. In 2014, we converted all seven facilities on the Minneapolis HQ campus to single-sort recycling, which quadrupled our diversion of recyclable materials. We also began collecting organics in the food preparation area of our largest campus cafeteria at our headquarters facility. In 2015, we extended organic to the employee seating area of the Tennant Café. We now are sending organics to be composted – the “reuse” tier of the waste hierarchy. In our 2013 waste inventory, we found that organics or compostable waste comprised 17%, by weight, of the solid waste in our compactor at our headquarters facility.

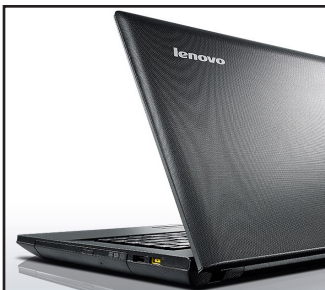


At Tennant Company, we strive to reduce, and eventually eliminate, all forms of waste, another pillar in our Sustainable Enterprise strategy. Our aspiration is that all purchased materials provide the highest and best use attainable to our customers and all other stakeholders. This aspiration feeds our broad view of waste to include material and resource waste, and operational inefficiency. We define waste as materials that enter our boundary that do not become part of the products we sell.



WASTE REDUCTION

LENOVO IS TENNANT COMPANY'S WORLDWIDE ELECTRONICS RECYCLING PARTNER



In 2015, Tennant Company entered into an agreement with Lenovo to manage the company's electronic waste. Under the agreement, Lenovo will pick up electronics at end of use in all Tennant locations worldwide, including field sales and service employee locations. This includes but is not limited to laptops, printers, desktop PC's, calculators and memory devices. All devices such as hard drives and memory sticks will be wiped clean of data. As part of this agreement, Lenovo meets all regulations for disposal of electronics and provides a documented chain of custody on demand. Lenovo will also provide a certificate of data destruction on demand.

If the item has resale value, Lenovo will resell in the secondary market on behalf of Tennant, thereby extending the item's life and offering Tennant the potential to realize cost recovery on

the resale. In cases where the electronics cannot be resold, Lenovo will ensure the component materials are properly and responsibly recycled, meeting or exceeding the regulations in the country of disposal.

Having one vendor who services all worldwide locations and employees is an important advantage for Tennant Company. First, Tennant Company has confidence that its electronic waste is properly resold or recycled. Further, field employees and remote locations do not have to find a local vendor. This simplifies the role that Tennant employees have in properly recycling all electronic waste.

Organics Diversion and Increased Recycling at Tennant Company

Tennant Company's aspirational goal is zero waste. We recognize that due to scale and lack of infrastructure to divert some materials, we may not achieve zero. We will continuously work to increase waste materials diversion. Organics are one area on which we have focused.

BY THE NUMBERS

Organics Diversion

In the summer of 2013 we conducted a waste sort of our headquarter's compactor and recycling dumpster. The waste sort found that food waste comprised 8% (12,700 pounds) of our compactor waste. In the fall of 2014 Tennant added organics diversion of food preparation waste in the Tennant Café. During 2015, we added organics diversion to the employee seating area. Spot checks of the trash and organics bins have shown good compliance with the organics program, estimated to be 85% of organics is diverted.



85%

of organics is diverted

During 2015 we converted all single-use food service items, plates, cups and beverage containers, utensils and takeout containers to compostable materials. We estimate that 50% of these are put in the composting bins. In 2013 these items comprised 3,500 pounds. So, 1,750 pounds of food service ware waste is being diverted.



1,750 lbs.

of waste is diverted



FOCUS AREA PEOPLE & COMMUNITY

Tennant Company has an unwavering commitment to quality products, dedicated employees operating with unquestionable integrity and standing as a strong pillar in the community. Over time, Tennant Company’s “community” has expanded from its humble North Minneapolis sawmill to ‘as far as the east is from the west’. While the global community has grown, so has Tennant’s commitment to the same areas that were important back in 1870: People & Communities, Human Rights & Ethics, and Safety. Ethics, integrity and responsibility are immutable Tennant characteristics embodied in our core value of Stewardship. This commitment to Stewardship is the underpinning of this focus area, which is accountable to the following topics:

Environment, Facilities and Safety:

Operate our global facilities in a manner that protects the environment and promotes the health and safety of our employees and communities.

Company Ethics and Human Rights:

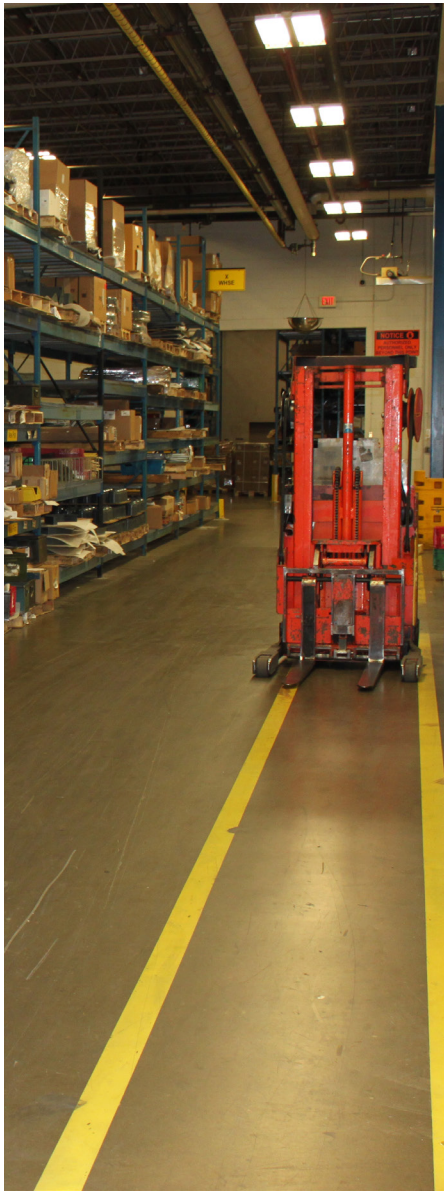
Foster and maintain an ethical work environment free of discrimination.

Intentional Giving:

Align donations of time, money and property with organizational vision.



Tennant Company has an unwavering commitment to quality products, dedicated employees operating with unquestionable integrity and standing as a strong pillar in the community.



PEOPLE & COMMUNITY ENVIRONMENT, FACILITIES & SAFETY

In 2013, Tennant Company established a long-term goal to reduce its workplace injury and severity rates to 1.5 and 1.0 (respectively) by 2020. At the end of 2014, we did not see positive improvement toward achieving that goal. As a result, 2015 was spent focusing on developing an operational model to drive improvement and help us further embed the value of safety into our culture.

Working with a consulting firm, Tennant completed an audit of its Environmental Health and Safety (EHS) structure to understand areas that were impacting our success. Using the data collected from the audit, Tennant has redesigned our approach to EHS across our global organization. This new approach is focused on:

- Creating consistency across organizational safety operating systems
- Ensuring continuity by creating the appropriate safety structure and allocating sufficient resources to support it
- Creating a cohesive strategic roadmap that focuses on a proactive versus reactive approach to safety programs

In our new approach, we will embed environmental health and safety (EHS) specialists at the local site or plant level rather than having these specialists centralized at corporate. Assigned safety/environmental specialists or designated EHS representatives will report into local management and be deployed across our facilities.

The Corporate EHS function will serve as the centralized source for best practices and Tennant Company EHS policies. Corporate EHS will help to ensure that all local safety specialists understand company-wide policies and practices and are able to implement them.

This new approach represents a significant shift in our company's focus around safety. We are moving from measuring safety program effectiveness only through reactive metrics such as incident rates, expenses related to accident claims and other common measures. 2016 will mark Tennant's first partial year of transition to our redesigned approach to EHS. We anticipate these changes to take some time to embed organizationally, but anticipate seeing its impact in our 2017 reporting year.

GOAL:

By 2020 reduce workplace injury and severity rates to 1.5 and 1.0 (respectively) from 2013 baseline

	2015 Incident // Severity	2014 Incident // Severity	2013 BASELINE Incident // Severity
Operations	4.49 // 3.14	5.23 // 3.51	3.10 // 2.18
NA TSSC*	3.45 // 1.25	2.96 // 1.94	3.93 // 2.36

*North America Tennant Sales & Service

Back in 2008, Tennant Company launched a global effort to offer its employees the opportunity to provide feedback to improve employee engagement. Since its initial launch, the program has become one of Tennant's primary methods to learn what is top of mind with our workforce, what are the dynamics of our work environment that are positive and where we may have opportunities for improvement.

In 2015, we completed our latest all-employee engagement survey and were pleased with a very strong response rate of 84%. The program's response rates have grown for each subsequent survey, indicating that our employees are engaged and want to help find opportunities make Tennant an even better place to work. Our overall employee engagement (the combination of motivation to do the job and ability to do the job) percentage was 74%, an extremely strong score for the manufacturing sector and high score for any industry.

The 2015 survey identified a number of ways that the company is succeeding, as well as highlighting several key opportunities for improvement. In response to our most recent survey, Tennant Company is implementing changes using both local and regional action plans to enhance employees' overall experience and workplace satisfaction, including:

- A continued focus on employee communications
- Fostering improved collaboration between departments and geographies
- Improving opportunities for career development

In the area of corporate citizenship, ethics and stewardship showed up as areas of strength among survey respondents indicating that our employees feel strongly that their managers are making ethical choices and that stewardship impacts their day-to-day job. Specifically, 73% of our employees indicated

that "I am proud of the impact we have on social and environmental issues," while 81% of participants felt "the value of stewardship impacts how I approach my work."

As Tennant's Sustainable Enterprise continues to evolve, our employees will remain key stakeholders to help define and deliver the company's sustainability vision and programs, and will help lead the way to deliver on our promise of leaving things in better condition than we found them.

COMPANY ETHICS & HUMAN RIGHTS SPEAK EMPLOYEE ENGAGEMENT SURVEY



73% of our employees indicated that "I am proud of the impact we have on social and environmental issues"



81% of survey participants felt "the value of stewardship impacts how I approach my work"

speak. 
Tennant Employee Survey

発言する. 
従業員意識調査

sprich. 
Tennant Mitarbeiterbefragung

fale. 
Pesquisa de Clima
Organizacional Alfa
Tennant

exprimez-vous. 
Enquête de Satisfaction Employés Tennant

fala. 
Inquérito ao funcionário
de Tennant

发言. 
坦能公司员工调查

spreek. 
Tennant Tevredenheidsonderzoek

habla. 
Cuestionario de Empleados
de Tennant

PEOPLE & COMMUNITY

BUILDING A TEAM BY BUILDING COMMUNITY

When Scott Parkin showed up in 2014 as the new Materials Manager for Tennant Company's Golden Valley, Minnesota-based manufacturing plant, the team of material controllers wasn't quite sure what to think about him.

"When he first came in, he told us about how he had done volunteering with his teams at other jobs," recalls Kevin Jacobson, who joined Tennant Company just prior to Scott. "He sort of set an expectation that our team would do this."

"Before Scott, our team never did activities together and most of the time we were told what to do," says Kevin's coworker, Staci Kyrola. "It felt good to be asked what was important to us and what we wanted to do," describes Staci, who celebrated her 16th anniversary with Tennant in 2015. "One of the first things he asked us to do was write on Post-It™ notes what was important to us. He asked our opinion about what types of volunteer events we wanted to do and he valued our feedback," Staci explains.

Cindy Scheevel, a 42-year Tennant veteran, agrees it was easy to buy in to the idea. "It's a great team-building idea. When you're outside of work, you're more comfortable; you get more relaxed around each other and find out more about your coworkers. When you're volunteering, you're all in the same situation working against the same goal," Cindy says.



"You take those experiences with you when you are back in the office."

Scott's philosophy is to sponsor a quarterly volunteer event. He asks a different employee each quarter to select the organization and coordinate the event. So far the team has had a wide variety of experiences, including clearing weeds and brush on the banks of the Mississippi River; packing food at a food shelf; serving a meal at a food kitchen; packing medical supplies to send to developing nations; and building a home with Habitat for Humanity.

Kevin, Cindy and Staci all agree: Scott's leadership to get the team volunteering together is good for the department, good for the community, and good for Tennant.



Photo
**The Mississippi River
in Minnesota, USA**

Q&A with Scott Parkin

How long have you been a volunteer?

About 15 years.

What interested you about volunteering?

Importance of giving back to the community, ability to make a difference and change the world for the better.

At what point in your career did your interest of volunteering blend with your role as a manager or leader of people?

When I worked at Andersen Windows, I was trying to think of different ways to get my team working together and really getting to know each other, outside of the traditional lunches or happy hours. I also wanted many of them to experience something new. Personally, I've always had a love of the national parks so I found the Mississippi Park Connection as an organization had some great volunteer opportunities and would offer a great way to get people out of their offices and comfort zones.

How did you bring your employees along on this journey?

In my individual meetings with employees, I ask people what they like to do, what brings them passion and what their dreams are. Many of my employees mention volunteering but many said they never have time to do it with work and raising a family. I thought all of this could all fit nicely together and so far, it actually has.

What advice do you have for other managers who would like to follow your example?

Begin by understanding what your employees like to do. Involve them in deciding what volunteer event the group will do. Make it a priority for them and yourself to attend. Do not let meetings get in the way. Have fun with it and offer variety in the volunteer opportunities.



Photo
**Scott Parkin, Tennant
Company Materials
Manager**

Photo top

A few of the 300 bikes Tennant employees assembled for Southern Nevada youth

Photo bottom

Tennant's service team at the Give Kids The World Village



TENNANT SALES & SERVICE COMMITTED TO TENNANT'S CORE VALUE OF STEWARDSHIP

WINTER SERVICE MEETING
YMCA of Southern Nevada

Tennant's North American Service team and local commercial distributor, Brady Industries, volunteered their time to assemble 300 bikes for four local YMCA branches in Southern Nevada. The Tennant Foundation and Tennant Company donated \$30,000 to the YMCA to purchase the 300 bikes and helmets for local children. On top of that cash donation, Tennant Service provided approximately 1,000 volunteer hours to assemble the bikes over the two week Winter Service Meetings.

GLOBAL SALES MEETING
Give Kids the World Village

Tennant's North American Sales teams cleaned the grounds of the non-profit Give Kids The World Village located in Central Florida. Children with life-threatening illnesses and their families are treated to week-long, cost-free fantasy vacations, complete with accommodations in whimsical villas, transportation, donated attraction tickets, meals and much more. Since 1986, Give Kids The World has welcomed more than 132,000 families from all 50 states and more than 75 countries.



Photo
Tennant volunteers painting
a pole barn at Give Kids The
World Village



TENNANT EMEA

GIVING BACK TO LOCAL COMMUNITIES

Tennant EMEA is always up for a challenge and 2015 was no different. In 2015, EMEA sales teams were enticed with what might seem an unusual incentive: The sales team with the highest performance each quarter would select a charity of its choice to receive a 5,000 Euro donation from the company. In line with the Tennant Company value of Stewardship, employees found this new challenge a rewarding opportunity to drive success in the business and give back to their local communities.



Photo
In Northampton, UK, Tennant donated ride-on floor-cleaning machines to the Paddington Ward of Northampton General Hospital. But this wasn't just a fanciful donation to keep the floors spic and span. Tennant organized cleaning machine races, face painting, bouncy castles and even Tennant managers in stocks — sponge-throwing was irresistible for the children.

IBERIA

Spain: Juegaterapia helps to entertain hospitalized children with cancer by collecting game consoles, tablets, computers and other used electronics, refurbishing them and giving them to the children in hospital.

FRANCE

The Association Petits Princes, founded in 1987, carries the dreams seriously ill children and teens. The Association Petits Princes is the only association in France to carry out several dreams for a sick child with the aim to give each child extra energy to fight against their disease!

Portugal: Páginas de musica. Through musical events, this organization raises money to give back directly to organizations that financially support programs serving economically disadvantaged families and children.

<http://www.paginasdemusica.pt>



NETHERLANDS STRATEGIC ACCOUNTS

Made Blue helps to provide access to clean water, knowing that clean water in a community is a basis for health, education and work. Made Blue matches donations with equal amounts of water in developing countries. In this case, every euro results in 5,000 liters.

<http://madeblue.org/en>

UNITED KINGDOM

Blue Sky (formerly Speur-Ghlan) is an innovative and unique service providing individualized programs of therapy to young children experiencing developmental delays, including autism.

EMEA GIVING EVENTS

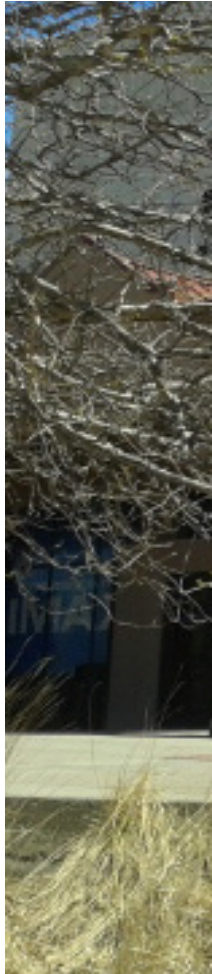




Photo top left
Tennant Company employees donating time at Give Kids The World Village in Central Florida, USA

Photo bottom left
More than 35 employees became teachers for a day through the Junior Achievement program

Photo far right
Tennant equipment used by employees to clean the Minnesota Zoo



LIVE, WORK & PLAY **CORPORATE GIVING PROGRAM**

Giving Principles

Tennant Company's corporate giving is driven by a commitment to creating a cleaner, safer, healthier world in which to live, work and play.



TENNANT COMPANY FOUNDATION PROGRAMS

Through corporate-directed giving and the Tennant Foundation, our company proudly supports organizations, programs and individuals who share this value and commitment. Some examples of our giving programs include:

- Tennant Employee Scholarship Program
- Volunteer Gift Matching Program
- Employee Gift Matching Program
- United Way
- Equipment Donations
- Operating and Capital Grants



CORPORATE GIVING TENNANT FOUNDATION

GRANT PROGRAM

Tennant Foundation grants are targeted to organizations serving our headquarters community around Minneapolis and are typically modest operating grants. When considering requests for grants, the Tennant Foundation considers: How does this request further our commitment to create a cleaner, safer, healthier world in which to live, work and play? Improving the “quality of life” in our community through environmental programs or social services is one perspective in our grant making. Workforce readiness through education, vocational rehabilitation and other similar services is a second category of giving. Finally, contributing to cultural and arts organizations that enable our employees and their families to “play” is an important area of giving for the Tennant Foundation.

Tennant Company will consider making in-kind or equipment donations outside of the Foundation when requests are employee-supported, when they help to further our giving mission and if the recipient organization meets eligibility requirements.

GIFT MATCHING

The Gift Matching Program was adopted in 1974 to provide matching contributions on employee gifts to post-secondary schools or colleges. In the 40 years since the program was put in place, the program has undergone significant enhancements:

- The program now includes most organizations recognized as non-profit and tax-exempt by the IRS.
- Employee’s gifts are matched on a dollar-to-dollar basis up to a pre-set maximum.
- The maximum amount that can be matched per employee in any calendar year is \$1,500. The minimum amount to be matched is \$50.

During 2015, 137 employees took advantage of the Gift Matching Program with their personal contributions. The Tennant Foundation matched their gifts totaling \$55,884.

VOLUNTEER GIFT MATCHING

The Volunteer Gift Matching Program recognizes the volunteer work of Tennant employees in their respective communities. This innovative program matches 40 hours or more per year of volunteer hours to a single agency with a \$200 gift if that agency would otherwise be eligible for Foundation grants. The program encourages and rewards volunteerism in response to the ever-increasing needs of local non-profit organizations. In 2015, the program supported more than 560 hours of volunteer work by Tennant employees.

GRANT APPLICATION PROCESS

Organizations interested in submitting a grant request should complete the Minnesota Common Grant Application Form and explain how their organization’s work helps to further Tennant Foundation’s mission to create a cleaner, safer, healthier world in which to live, work and play. Only qualified 501(c)(3) organizations with no religious affiliation are eligible to receive a grant. The Foundation does not normally fund capital campaigns or organizations funded by the United Way.

Mail completed applications to:

Tennant Foundation | 701 North Lilac Drive, P.O. Box 1452 | Minneapolis, MN 55440





2015 GRANTS

BLIND, Inc.
Bridging
Children's Hospital Foundation
Children's Theatre Company
Conflict Resolution Center
Dunwoody College of Technology
Environmental Initiative
Fraser
Give Kids The World, Inc.
Great River Greening
Growth & Justice
Guthrie Theater
Habitat for Humanity - Twin Cities
HIRED
Junior Achievement
MEDA
Minneapolis Institute of Arts
Minneapolis Recreation Development
Minnesota's Private Colleges
Minnesota Academy of Science
Minnesota Opera
Minnesota Orchestra
Minnesota Public Radio
Minnesota Zoo Foundation
Mississippi Park Connection
MN Children's Museum
MN Institute for Talented Youth
PRISM
Science Museum of MN
Stages Theatre Company
The Food Group
The Loft Literary Center
The St. Paul Chamber Orchestra
The Works Museum
Tree Trust
Twin Cities Public Television
United Way - Ottawa County, MI
United Way - Twin Cities
US Green Building Council - MN
Walker Art Center
Women Venture, LLC
YMCA of Southern Nevada

2015 NEW SCHOLARSHIP RECIPIENTS

Children of Tennant employees have been awarded 22 new scholarships for the 2015/2016 school year. 52 additional scholarships, which were originally granted in the years 2012 to 2014, were renewed. This brings the total amount of money awarded under the 2015 Scholarship Program to \$98,000. Since the implementation of this program, 569 students have been assisted for a grand total of \$1,947,750.

Meghan Allen
Milad Audi
Jordan Barham
Jelle Bouwmans
Madelaine Cleghorn
Rosalie Forget-Giguere
Benjamin Grogan
Jordyn Hanson
Miranda Kirsch
Colleen Martin
Jack Morri
Saahithi Rao
Sujay Rao
John Sahhar
Noelle Sahhar
Anjali Srivastava
Bryce Schreur
Colton Schreur
Denise Verbrugge
Lukas Walling
Alyssa Wiebenga
Selena Young

FOUNDATION & GIVING 2015 FINANCIAL DATA

FISCAL YEAR ENDED DECEMBER 31, 2015

TENNANT FOUNDATION

Total Grant Disbursement	\$391,200 ⁽¹⁾
Total Number of Grants	42
Total Employee Gift Matching	\$55,884 ⁽²⁾
Administrative Expenses	\$45,330
Expenses as a Percent of Disbursements	10.1%
Grants Paid in 2015	
Social Services (LIVE)	\$89,500
Environmental (LIVE)	\$3,500
Health & Safety (LIVE)	\$5,000
Cultural (PLAY)	\$46,500
Education & Workforce Readiness (WORK)	\$73,700
Public TV & Radio (WORK)	\$10,000
United Way	\$163,000
Total Foundation Contributions	\$391,200

TENNANT GIVING

Tennant Scholarship Program	\$99,805
Equipment & Inventory Donations	\$307,873
Total Giving Contributions	\$407,678 ⁽³⁾
GRAND TOTAL (1), (2), (3)	\$854,762

TENNANT COMPANY

2015 SUSTAINABLE ENTERPRISE PERFORMANCE SUMMARY

Tennant has established long-term, quantitative, measurable goals for four focus areas of People & Communities, Products, GHG Emissions/Energy, and Waste.

Focus Area	Objective	Metric	2015	2014	Notes
PRODUCTS	Develop products that offer measurable environmental impact improvements, in one or more customer use-phase categories.	Number of targets set	7	4	Process implemented Aug. 2014
		Number of targets achieved at launch	–	–	Products not at launch phase exit as of 12/31/2015
	Conduct cradle-to-grave Life Cycle Assessment (LCA) on recently developed, representative, higher volume product.	LCA completed	√	Started	T300 product
	Develop a methodology and tool to calculate product portfolio impacts for Water and GHG Emissions that meets GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Develop long-term improvement targets.	Methodology and tool developed	Started	–	Scheduled completion 2016
		Long-term, product portfolio target for GHG Emissions (Use of Sold Goods - Scope 3, Category 11) set	Start 2016	–	Scheduled completion 2017
Long-term, product portfolio target for water use set		Start 2016	–	Scheduled completion TBD	

Focus Area	Objective	Metric	2015	2014
PEOPLE & COMMUNITIES	Corporate Giving	Employee volunteer hours	3,107	1,500
		Tennant Giving*	\$854,762	\$507,276
	Safety Incidents	Operations	4.49	5.23
		NA TSSC**	3.45	2.96
	Incident Severity	Operations	3.14	3.51
		NA TSSC**	1.25	1.94
	Company Ethics	Number of complaints	15	12
		Percent closed	100	100
		Average days open	18.8	23.75
	*Includes sum of Tennant Foundation Grant disbursements, Employee Gift Matching, Equipment donations and Employee Scholarship Program.			
**North America Tennant Sales and Service				

WASTE

Our aspiration waste goal is zero waste to landfill and energy recovery. Due to our scale and materials diversion infrastructure, we recognized zero waste may not be achievable or business practical. Nonetheless, we continuously review our operations and look for waste reduction opportunities.

Focus Area	Objective	Metric	2015	2014	2013	2012	Notes
GHG EMISSIONS/ ENERGY	Reduce GHG Emissions	Scope 1 + 2 GHG Emissions Intensity reduced 25% (to 31.9) by 2020. Base year is 2012.	41.8	41.1	42.5	42.6	mT CO ₂ e per million US \$ revenue
		Long-term, science-based target(s) for Scope 1 + 2 GHG Emissions set.	Started	–	–	–	New in 2015, scheduled completion Sept. 2017
		Scope 3 (upstream & downstream) Life Cycle Assessment (LCA) complete.	√	√	–	–	Complete annually for reporting year shown
		Supply chain sustainability – all categories assessed, one direct material category selected for pilot engagement.	√	–	–	–	New in 2015
		Supply chain sustainability – program defined and engagement started.	Start 2016	–	–	–	Scheduled completion 2016

GRI INDEX – Boundaries Limitations of Material Issues (G4-20, G4-21)

All Specific Standard Disclosures on which we report map into one or more of the below-listed material issues. These material issues were identified per our Stakeholder and Materiality Analysis (See page 13).

Material Issues	BOUNDARIES		LIMITATIONS	
	Within Organization	Outside Organization	Within Organization	Outside Organization
Economic	Tenant Company	Shareholders	—	—
Product Use Phase	Product Development	Customers	—	—
People & Community	Tenant Company	Shareholders Customers Employees Communities	—	—
Product Materials	Tenant Company	Suppliers Customers Communities	—	—
Packaging Materials	Tenant Company	Suppliers Customers Communities	—	—
Climate Change Mitigation	Tenant Company	Shareholders Customers Communities	—	—
Supply Chain	Tenant Company	Shareholders Suppliers Customers	—	—
Process Efficiency	Tenant Company	Employees Customers	—	—
Product End-of-Life	Tenant Company	Customers Communities	—	—
Waste Stream Management	Tenant Company	Communities Shareholders	—	—
Enterprise Water	Tenant Company	Communities	—	—

GRI INDEX – General Standard Disclosures (G4-1 through G4-56)

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Strategy and Analysis

G4-1	Statement from the most senior decision maker	4	Chris Killingstad letter		
G4-2	Key impact, risks and opportunities		See 10K and CDP response		

Organizational Profile

G4-3	Name of organization	6	Tennant at a Glance		
G4-4	Primary brands, products and services	6	Tennant at a Glance		
G4-5	Location of headquarters	6	Tennant at a Glance		
G4-6	Countries in which organization has significant operations	8, 9	Map		
G4-7	Nature of ownership and legal form		Minnesota corporation, publically traded on NYSE. See 10K .		
G4-8	Markets and sectors served	6, 7	Tennant at a Glance		
G4-9	Scale of the organization		See 10K for more information		
G4-10	Number of employees	9			
G4-11	Employees covered by collective bargaining agreements		<ul style="list-style-type: none"> • In the US—none • Europe—All • Asia—none 		
G4-12	Organization’s supply chain	20-21			
G4-13	Changes to organization’s structure, ownership, or supply chain		NONE		
G4-15	Economic, environmental or social charters, principles or other initiatives		See each focus area for discussions		
G4-16	Memberships of associations or advocacy organizations	7			

GRI INDEX – General Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Identified Material Aspects and Boundaries

G4-17	Entities included in the organization's consolidated financial statements		See 10K		
G4-18	Process for defining report content and aspect boundaries	12, 13, 14, 15			
G4-19	Material aspects identified in the defining report content process	13			
G4-20	Aspect boundary within the organization	48			
G4-21	Aspect boundary outside the organization	48	None		
G4-22	Restatement of information		Energy and GHG emissions baseline (CDP) were restated to reflect improved energy collection process, revised IPCC factors and calculation methodology. See CDP response <HERE> .		
G4-23	Changes in scope or aspect boundaries from previous reports		Seven operational areas were added to reflect business or operational changes. Aspects were remapped to reflect changes in G4 and to reflect reporting on "material" aspects.		

Stakeholder Engagement

G4-24	Stakeholder groups engaged by organization	15			
G4-25	Basis for identification and selection of stakeholders to engage	15			
G4-26	Approach to stakeholder engagement	15			
G4-27	Key topics and concerns raised through stakeholder engagement	15			

Report Profile

G4-28	Reporting period		Calendar year 2015 (01-31 to 12-31, 2015)		
G4-29	Date of most recent previous report		November 2015		
G4-30	Reporting cycle		Calendar year		
G4-31	Contact point for questions				
G4-32	In accordance option				
G4-33	External assurance policy		None		

GRI INDEX – General Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Governance

G4-34	Governance structure		Tennant Company is governed by our Board of Directors, which has four standing Board Committees: Audit, Compensation, Executive and Governance. Each committee of Tennant’s Board of Directors has a written charter covering the committee’s purpose and responsibilities. The Charters and Corporate Governance Principles for Tennant’s Board Committees are available at www.tennantco.com . More information is available in our Proxy .		
G4-38	Composition of highest governance body and its committees		See above. More information is available in our Proxy .		

Ethics and Integrity

G4-56	Organization’s values, principles, standards and norms of behavior and mechanisms for seeking advice		We have an employee handbook, ethics policy, anticorruption training, and nondiscrimination policy which are available to all employees in digital and printed formats. We have an ethics hotline to anonymously report ethics, discrimination, unsafe workplace conditions.		
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GRI INDEX – Specific Standard Disclosures (G4-1 through G4-56)

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Category: Economic

Economic Performance

DMA			See 10K		
G4-EC1	Direct economic value generated		See 10K		
G4-EC2	Financial implications and risks due to climate change		A comprehensive discussion of risks due to climate change can be found in our CDP Response HERE .		
G4-EC4	Financial assistance received from governments		None		

Market Presence

G4-EC5	Ratio of standard entry level wage by gender to local minimum wage		Not reported		
Indirect Impacts					
G4-EC7	Impacts infrastructure investments and services supported	44-45			

Category: Environmental

Energy

G4-EN3	Energy consumed within the organization		426,400 Gigajoules (GJ) of energy was used enterprise wide. A comprehensive discussion of risks and energy used by fuel can be found in our CDP Response HERE .		
G4-EN5	Energy intensity		<ul style="list-style-type: none"> • 525 GJ per million US \$ revenue; (2015 revenue = \$811.799 M). • 135 GJ per FTE; (2015 FTEs = 3,163). <p>Energy included is all fleet vehicle fuel; plus facility electricity, heating, cooling, and manufacturing process related use — within the organization.</p>		
G4-EN6	Reduction of energy consumption		See comprehensive discussion in CDP report HERE .		

GRI INDEX – Specific Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Emissions

G4-EN15	Direct GHG emissions (Scope 1)		22,617 mT CO ₂ e. A comprehensive discussion and breakout of our Scope 1 emissions can be found in our CDP Response HERE .		
G4-EN16	Indirect GHG emissions (Scope 2)		11,286 mT CO ₂ e. A comprehensive discussion and breakout of our Scope 2 emissions can be found in our CDP Response HERE .		
G4-EN18	GHG emissions intensity		<ul style="list-style-type: none"> • 41.8 mT CO₂e per million US dollar revenue. • 10.7 mT CO₂e per FTE. <p>A comprehensive discussion of our emissions intensity can be found in our CDP Response HERE.</p>		
G4-EN19	GHG reductions		A comprehensive list of emissions reduction projects and impacts can be found in our CDP Response HERE .		

Effluents and Waste

G4-EN24	Number and volume of significant spills		There were no significant spills in 2015.		
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Compliance

G4-EN29	Fines and sanctions for noncompliance with environmental laws and regulations		There were no significant fines or sanctions for noncompliance with environmental laws or regulations.		
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GRI INDEX – Specific Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Category: Social

SUBCATEGORY: LABOR PRACTICES AND DECENT WORK

Employment

G4-LA1	Number of new employee hires and turnover rates		On December 31, 2015, Tennant Company employed 3,163 FTE's globally. This was a net increase from January 1, 2014, of 76 FTE's. Tennant's turnover rate was 13% globally.		
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Occupational Health and Safety

G4-LA6	Type of injury and injury rates	33			
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Training and Education

G4-LA16	Percent of employees receiving regular performance reviews		All eligible employees received a performance review within one month of the scheduled common review date (April).		
G4-LA16 Number labor practices grievances					

SUB-CATEGORY: HUMAN RIGHTS

NonDiscrimination

G4-HR3	Incidents of discrimination		In the ordinary course of business, claims of discrimination may be received by Tennant through supervisors, representatives of Tennant's Human Resources organization, Tennant's Hotline or external authorities. The Hotline number is available globally and complaints may be made anonymously, where allowed by law. All claims are promptly investigated using internal or external independent investigators. Tennant enforces a strict anti-retaliation policy to encourage prompt and fair notice and resolution of claims. In addition, Tennant's Human Resources organization regularly audits internal procedures and responds to requests for information from customers and external authorities such as state and national labor and contracting authorities.		
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GRI INDEX – Specific Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
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Child Labor

G4-HR5	Child labor		It is Tennant’s policy that it will not employ, nor knowingly engage with suppliers who employ, workers younger than the minimum age prescribed by local law. Notwithstanding, Tennant’s policy is to not employ, nor knowingly engage with suppliers who employ, workers younger than 15 years of age.		
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Forced or Compulsory Labor

G4-HR6	Forced or compulsory labor		Tennant 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.		
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Assessment

G4-HR9	Number of operations where 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 practices. Tennant 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.		
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SUB-CATEGORY: SOCIETY

Anticorruption

G4-S03	Number of operations assessed for risks related to corruption		We comply with the provisions of the U.S. Foreign Corrupt Practices Act (FCPA) of 1977 and other applicable local anticorruption laws and regulations. Accordingly, our policy prohibits any payments to foreign officials or foreign political parties for the purposes of obtaining, retaining or directing business.		
G4-S04	Communication and training on anticorruption policies and procedures		We regularly conduct related ethics training across our employee base. Additionally, we conduct live and web-based FCPA and anticorruption training in selected geographies. We conducted web-based training for our distributors and employees in China on anticorruption laws and live training for our Chinese employees. We also conducted live anticorruption training for distributors in Southeast Asia, South Korea, Brazil, Germany, France and the United Kingdom.		

GRI INDEX – Specific Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
G4-S05	Confirmed incidents of corruption and actions taken		There were no confirmed reported acts of corruption in 2015.		

Public Policy

G4-S06	Value of political contributions		Tennant Company has a policy to not lobby or participate in public policy development. We do support Non-Governmental Organizations (NGOs) that work to improve conditions in facilities; e.g., Healthy Schools Campaign, Environmental Initiative, The NorthStar initiative at the University of Minnesota, and Global Environmental Management Initiative. We believe the goals of such organizations are aligned with our vision of creating a cleaner, safer, healthier world.		
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Anticompetitive Behavior

G4-S07	Number of legal actions for anticompetitive behavior, antitrust and monopoly practices		There were no legal actions for anticompetitive behavior in 2015.		
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Compliance

G4-S08	Value of significant fines and nonmonetary sanctions for noncompliance with laws and regulations		There were no significant fines or nonmonetary sanctions for noncompliance with laws or regulations in 2015.		
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SUBCATEGORY: PRODUCT RESPONSIBILITY

Customer Health and Safety

G4-PR1	Products and services assessed for health and safety impacts		Tennant actively engages internal and external test and evaluation agencies to review products for health and safety impact and to ensure Tennant 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 many markets. Through Tennant's Quality Assurance process, issues are reviewed regularly. Any issue impacting health or safety related to our products is addressed immediately by various committees that are authorized to implement any necessary changes.		
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GRI INDEX – Specific Standard Disclosures (G4-1 through G4-56) *(continued)*

REF.	DESCRIPTION	PAGE	REFERENCE	OMISSIONS	EXTERNAL ASSURANCE
G4-PR2	Incidents of noncompliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle		See PR1		

Marketing Communications

G4-PR7	Incidents of noncompliance with regulations and voluntary codes concerning marketing communications		None		
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APPENDIX – Trucost Assurance Statement: AA1000



Assurance Statement: AA1000

Trucost was engaged by **Tennant Company** to provide assurance of the greenhouse gas inventory data held within its 2016 CDP Climate Change Questionnaire Response

Intended users

The intended users of this assurance statement are the management and stakeholders of Tennant Company (hereafter “Tennant”).

Responsibilities of Tennant and the assurance provider

The management of Tennant has sole responsibility for the preparation and content of the CDP Climate Change Questionnaire Response (hereafter, CDP Response). Trucost’s statement represents its independent and balanced opinion on the content and accuracy of the information and environmental data held within.

Assurance Standard

Trucost undertook the assurance in accordance with AA1000AS (2008) Type 2 moderate-level assurance:

- ✓ Evaluation of adherence to the AA1000APS (2008) Principles of inclusivity, materiality and responsiveness (the Principles)
- ✓ The reliability of specified environmental performance information (greenhouse gas emissions data)

Trucost used the Global Reporting Initiative (GRI) and the GHG Protocol to evaluate Tennant’s performance information and its adherence to the Principles.

Scope and limitations

Trucost was engaged to assure the data and claims in Tennant’s 2016 CDP Climate Change Questionnaire Response. This submission covered the period January 1st 2015 – December 31st 2015. Tennant took an operational control approach. Emissions from small facilities, accounting for less than 5% of total Scope 1 and Scope 2 emissions, have been excluded. This statement relates specifically to the information disclosed in the Questionnaire, and may not be interpreted as validating environmental data reporting from other sources.

Trucost verified the following GHG emissions (as calculated by Tennant):

Scope	Source	Unit	Quantity
Scope 1	Natural Gas, Propane, Diesel, LPG, Gasoline, Ethanol, Acetylene	tCO ₂ e	22,617
Scope 2	Electricity	tCO ₂ e	11,286

Description of methodology

Trucost’s assurance methodology included the following activities:

- Review of the processes by which Tennant defines the sustainability issues that are relevant and material to its operations and its stakeholders;
- Interviews with Tennant employees responsible for sustainability data collection and drafting of the CDP response;
- Assessment of the extent to which Tennant’s sustainability activities adhere to the Principles;
- Limited assessment of evidence provided to support key claims in the CDP Response;
- Review of processes and systems used to gather and consolidate environmental data; and
- Verification of data accuracy for a selection of sites, including an audit of conversion factors and calculations used.

Findings, conclusions and recommendations

The Principles: Nothing came to Trucost’s attention to suggest that Tennant’s CDP Response does not adhere to the Principles.

Data reliability: Trucost did not find evidence to insinuate that the processes and systems in place to collect and collate environmental data are such that the company’s environmental performance would be erroneously described.

Tennant has implemented effective processes and software systems to collect global energy consumption and uses a spreadsheet tool to calculate greenhouse gas emissions. Energy and fuel use data was taken from original invoices.

Upon evaluating this system, Trucost found that the calculated data included was accurate and all minor corrections, if any, were made as necessary. Trucost found that the greenhouse gas conversion factors applied in the calculation spreadsheet were accurate or were corrected as needed. Trucost recommends that emission factors be updated annually or as available.

APPENDIX – Trucost Assurance Statement: AA1000 *(continued)*



Assurance Statement: AA1000

Principle	Comments
<p>Inclusivity: the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability</p>	<p>Tennant has identified customers, investors, and employees as the company's key stakeholder groups. Other identified stakeholder groups include value stream (suppliers and distribution channel members), governments, communities, NGOs, and Trade Organizations & Partners. These stakeholder groups were identified during a formal stakeholder assessment that Tennant conducted in 2013. This list of key stakeholders groups is reviewed annually. Tennant reports publicly on its stakeholder engagement strategies, tactics and the identification of major issues and areas of concern for each stakeholder group.</p> <p>Tennant also reviews the performance of its suppliers to ensure that they are in compliance with Tennant's supplier guidelines and expectations. Employees are engaged via focus groups, employee surveys, internal social media, and regular meetings. The communication channels available to external stakeholders include direct communication through corporate communications and investor relations and through the company's website. Tennant also has regular direct engagement with its shareholders and customers, which includes communication on sustainability issues.</p>
<p>Materiality: determining the relevance and significance of an issue to an organization and its stakeholders</p>	<p>In 2013, Tennant conducted a formal materiality assessment. This assessment included six materiality workshops where participants helped identify Tennant's most significant sustainability impacts. These were then prioritized by significance of concern to Tennant and its stakeholders using a formal analysis tool. The results of this analysis were placed on a Stakeholder Materiality Analysis Matrix to identify the most material issues to Tennant, its stakeholders, and Tennant's ability to influence change. The key sustainability focus areas identified were: Products, GHG emissions/Energy, Waste (all forms), and People and Communities.</p>
<p>Responsiveness: an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders</p>	<p>Tennant attempts to respond to all stakeholder feedback received. The response activities undertaken following stakeholder communication depend on the complexity and potential impact of each sustainability concern. Trucost recommends that Tennant implement a formal tracking system to assist in prioritizing issues, identifying trends, and monitoring progress. Tennant has set a target to reduce its GHG emissions intensity (emissions from direct operations and purchased electricity) by 25% by 2020, relative to a 2012 baseline. In August of 2015, Tennant committed to developing a science based GHG emissions reduction target. Tennant has 2 years to develop this goal. Trucost recommends setting and reporting impact reduction targets for any other material environmental issues identified by the company.</p>

Assurance provider

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost's research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost did not provide any services to Tennant during FY2015 that could conflict with the independence of this work.

Trucost plc
London, July 2016




Alastair MacGregor
Director



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