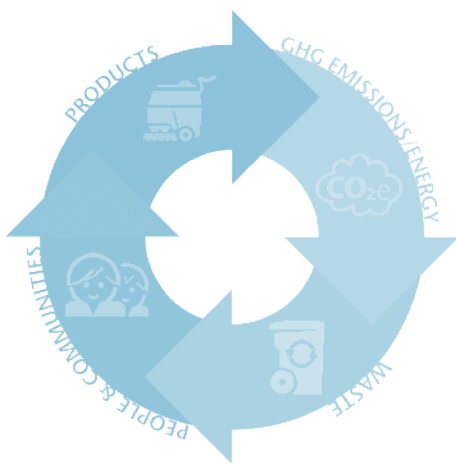
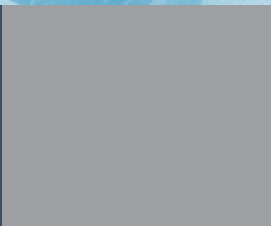
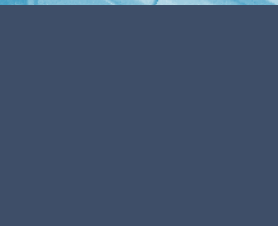
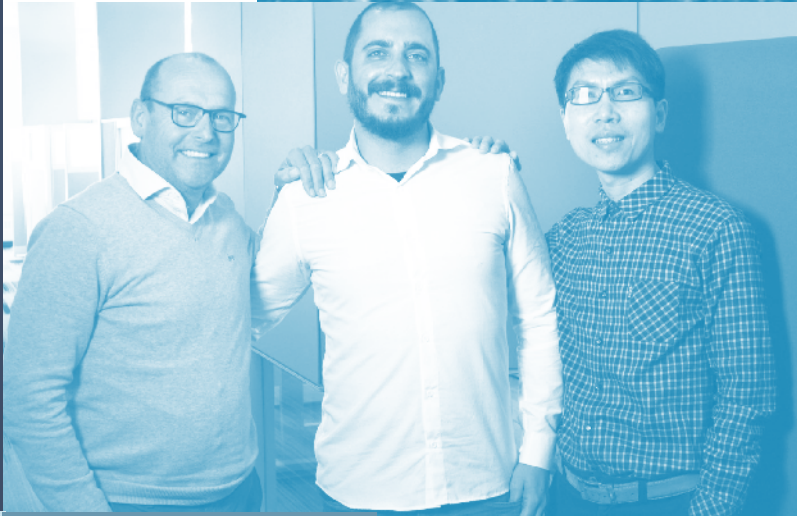
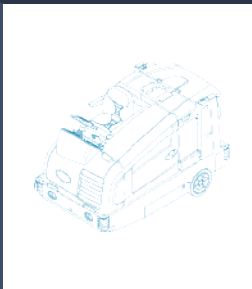


CREATING A CLEANER,
SAFER, HEALTHIER WORLD



Sustainability Report 2016





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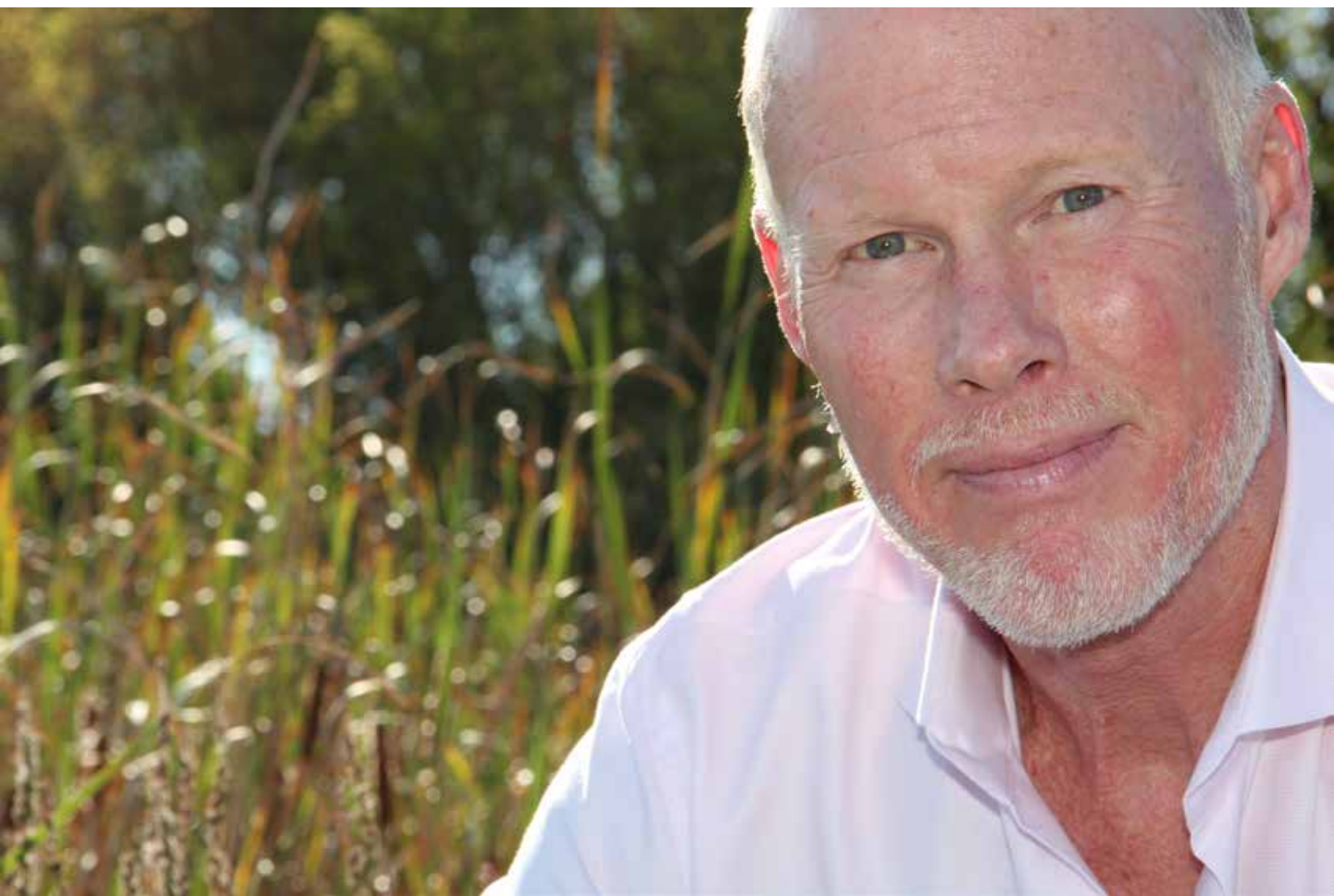
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Message from THE CEO.



In 2016 we pushed hard toward Tennant Company's goals of reaching \$1 Billion in sales and achieving 12% operating profit margin by continuing our focus on the long game. Like all enduring companies, Tennant Company continuously reviews and renews our strategy to align our business with what's important to our customers and with what will make Tennant stronger. To this end, in 2016, we added Sustainable Enterprise as one of our Strategic Priorities. We've seen top- and bottom-line benefits from embedding sustainability considerations in our business processes, from ground-up product development to elimination of waste and reduction of energy consumption. As you will see in the pages that follow, we continue to press forward with our vision to 'create a cleaner, safer and healthier world.'

In 2016, we made notable progress in each of our four Focus Areas.

People and Communities – We continue to have strong focus on People, Safety and Ethics. In 2016, we successfully deployed Safety professionals into each of our major plant operations and America's Sales and Service organization. A key accomplishment in 2016 was the initiation of a global Safety Operating Model Assessment (SOMA) that will enable us to establish core baselines and, from there, design and implement appropriate solutions at the local level. Tennant continued this past year to support more than 2,000 hours of company-sponsored volunteering. According to a 2016 survey of Tennant employee volunteers, our employees view the company's sponsorship of volunteering as a boost to job satisfaction and development of key skills.

Products – We launched IRIS® Asset Manager to enable our customers to monitor and manage equipment usage. Because of predictive analytics enabled by IRIS, Tennant can do better planning and deployment of resources to resolve customer machine issues. This, in turn, helps to reduce unnecessary service trips, Tennant vehicle fleet GHG emissions, and operating costs.

GHG Emissions/Energy – We achieved a significant annual GHG emissions reduction. In 2016, absolute Scope 1 & 2 emissions were 1,229 mT CO₂e less, a 3.7% reduction from 2015 (32,355 vs. 33,584 mT). In addition, Tennant Company's 2016 CDP Supply Chain score improved to "B" in our fourth year of engagement.

Waste – Two large facilities in the Tennant footprint completed in-depth waste assessments in 2016. Next steps toward increased waste diversion will be implemented in 2017.

In order to accelerate our Sustainable Enterprise journey, in 2016 we expanded investment into our Sustainable Enterprise team with two new positions. Our goal is to align sustainability resources with the most significant areas of impact – Product Stewardship and Sustainable Practices. A dedicated Product Stewardship Engineer is driving our Products focus area and a Process Specialist is working across the enterprise to embed sustainable practices in existing business processes. We see these as long-term investments into tangible, sustainable outcomes.

“ We continue to press forward with our vision to 'create a cleaner, safer and healthier world.' ”

We look forward to telling our 2017 story, as it is shaping up to be a noteworthy year. A substantial effort to develop science-based targets for reduced GHG Emissions continues and will culminate in Q4 2017, when we submit new, longer-term targets to the Science Based Targets initiative for validation. With the acquisition of IPC Group, a privately held designer and manufacturer of commercial cleaning solutions based in Italy in April 2017, we will be sharing the Sustainable Enterprise journey with our new colleagues and locations in Italy and around the world. These are exciting times for Tennant Company and I firmly believe the best is yet to come.

Thank you for your continuing confidence in Tennant Company.

Chris Killingstad
President & CEO



ABOUT THE COMPANY.



Reinventing how the world cleans

Tennant is committed to creating and commercializing breakthrough, sustainable cleaning innovations to enhance its broad suite of products, including: floor maintenance and outdoor cleaning equipment, detergent-free and other sustainable cleaning technologies, aftermarket parts and consumables, equipment maintenance and repair service, specialty surface coatings and asset management solutions. Tennant products are used in many types of environments including: retail establishments, distribution centers, factories and warehouses, public venues such as arenas and stadiums, office buildings, schools and universities, hospitals and clinics, parking lots and streets, and more. Customers include contract cleaners to whom organizations outsource facilities maintenance, as well as businesses that perform

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.

The Company offers products and solutions 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, and machine-to-machine asset management solutions. The Company markets and sells the following brands: Tennant®, Nobles®, Green Machines™, Alfa Uma Empresa Tennant™, IRIS®,



Water Star™, and Orbio®. Orbio branded products are innovative solutions in the emerging category of On-Site Generation (OSG). These products create and dispense effective cleaning and anti-microbial solutions on site within a facility.

As of January 31, 2016, we closed on the sale of our Green Machines outdoor city cleaning line to Green Machines International GmbH and affiliates, subsidiaries of M&F Management and Financing GmbH, which is also parent company of the master distributor of our products in Central Eastern Europe, Middle East and Africa, TCS EMEA GmbH. Therefore, as of February 2016, Green Machines is no longer a Company-owned brand.

TENNANT COMPANY BRANDS



Company MARKETS & AWARDS.

Industry Recognition

Tennant Company receives awards, recognition and spots on top 10 lists, which validates the work we are doing to achieve our vision for a cleaner, safer, healthier world. Notably, these awards span everything from manufacturing to corporate citizenship to company culture.



AWARD

M17 SWEEPER/SCRUBBER

Good Design Award



AWARD

IRIS ASSET MANAGER

2016 Product of the Year Spain - Los Premios Nacionales de Limpieza



AWARD

SUPPLIER OF THE YEAR

Tennant was recognized as Dalco's supplier of the year



AWARD

SUPPLIER OF THE YEAR

Tennant was selected as Hill & Markes Wholesale Distributors supplier of the year

TENNANT COMPANY MARKETS

BUILDING
SERVICE
CONTRACTORS

MANUFACTURING

LOGISTICS AND
WAREHOUSING

RETAIL

EDUCATION

HEALTHCARE

AVIATION AND
TRANSPORT

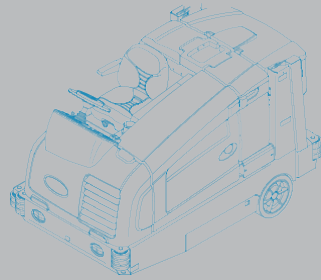
MINING

AUTOMOTIVE

GOVERNMENT

FOOD AND
BEVERAGE

HOSPITALITY



product categories



SCRUBBERS



SWEEPERS



SWEEPER
SCRUBBERS



EXTRACTORS



BURNISHERS
& FLOOR
MACHINES



VACUUMS



SERVICE



COATINGS



PRE-OWNED
MACHINES



PARTS



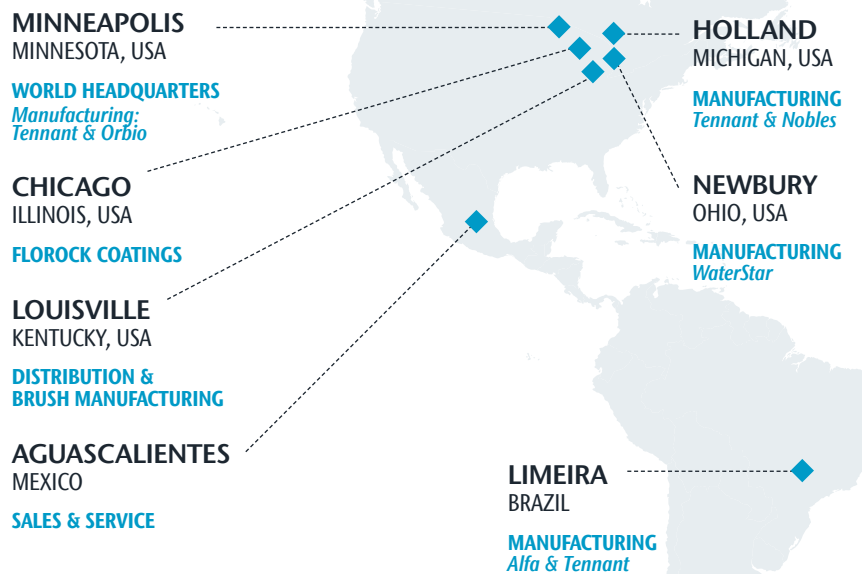
LEASING



SPECIALTY
CLEANING
EQUIPMENT

Global Locations.

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.



EMPLOYEES BY REGION

● **AMERICAS**

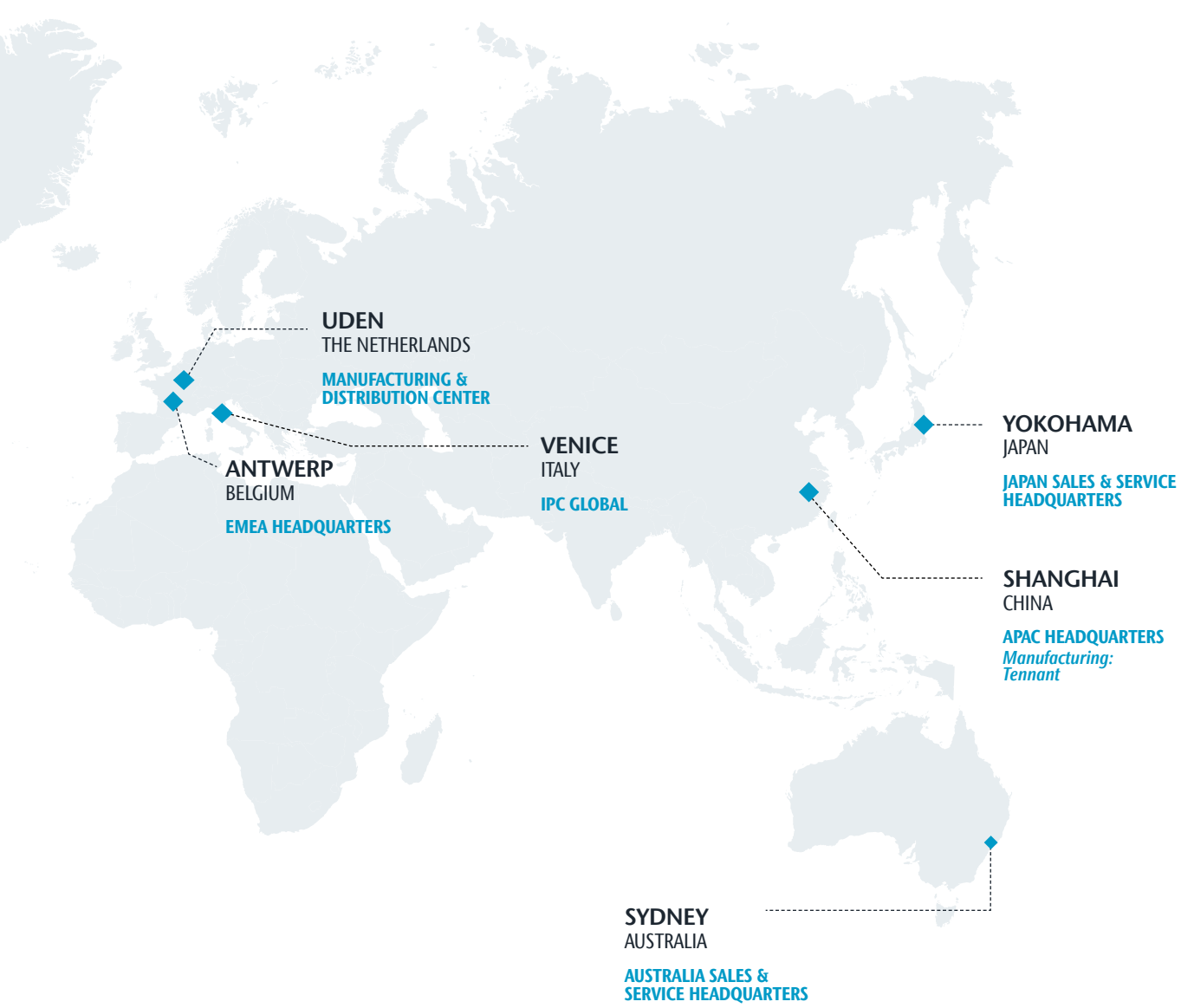
2,319
employees

● **EMEA**

641
employees

● **APAC**

276
employees



3,236 employees worldwide

*As of 12/31/2016

ABOUT THIS REPORT

OBJECTIVES.



Our 2016 report builds on prior years' initiatives and report content. Tennant Company's business model, governance, policies, practices, customers, and stakeholders changed little between 2015 and 2016 even with the acquisitions of Florock and Dofesa and the divestiture of Green Machines.

Stakeholder concerns and priorities, and our material issues and opportunities, have not changed from 2015. Additionally, many of the General Standard Disclosures did not change year over year.

As part of our report preparation, a team reviewed the presented content and found the material issues identified in 2013 still apply to the 2016 reporting period.





Photo: Circa 1970s

Materiality Discussion

FLOOROCK

In 2016 Tennant Company acquired Floorock Polymer Floor brand, a manufacturer of commercial floor coatings systems.



Tennant Company performed an extensive materiality assessment with our stakeholders in 2013.

The outcome of that process helped define the company's current sustainable enterprise strategy.

With its recent 2016 and 2017 acquisitions, Tennant anticipates returning to our stakeholders to again do a materiality assessment.

The process performed in 2013 for identifying material issues was a multi-step process. The first step identified stakeholder groups and key members of each group. For each group, we defined our strategies and tactics for engagement. Not all groups were directly engaged, or engaged by the same methods. Where direct dialogue was not practical, we employed proxies. Table 1, Stakeholder Engagement Strategy and Tactics, 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 the stakeholder engagement and materiality exercises 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 mined customers' Requests for Information. The top three areas of concern for our customers are (Table 1): greenhouse gas emissions (carbon and energy), water and waste. An emerging area of interest is our value stream, both up and down, including: human rights, labor practices, safety, ethics, and corruption.

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

Our final stakeholder group is our employees. We engage with them in two ways. First, through an all employee attitudinal survey, which was most recently conducted in 2015. Second, through a series of regional materiality workshops. Based on the 2015 employee survey, Tennant refocused Human Resources priorities to address areas of opportunity such as communication and

collaboration while continuing to support stewardship, job fit and impact.

MATERIALITY WORKSHOPS

During 2013, we conducted six materiality workshops; participants represented key activities at each of our major locations globally. The first step was to brainstorm Tennant’s internal and external impacts on the environment, society, and economy. Then we used a structured prioritization process, based on the GEMI (Global Environmental Management Initiative) Metrics Navigator™ tool, to prioritize the list of environmental, social, and economic issues and opportunities. We plotted each item 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:
 - a. Products
 - b. GHG Emissions/Energy
 - c. Waste (all forms)
 - d. People and Communities

The final phase to establish objectives, goals, and metrics was completed in 2014. For the goal-setting process, we used several small working groups. Working group members included 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

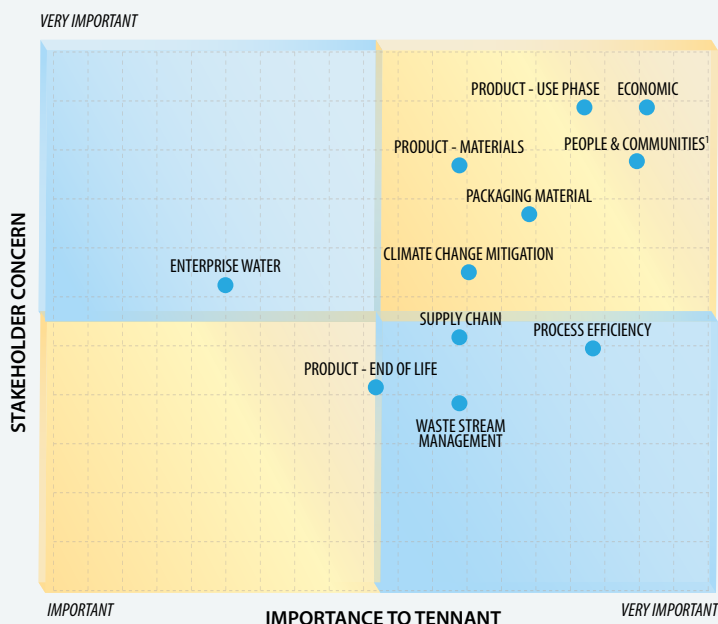
reporting. These objectives, goals, and metrics can be found in the focus area sections of this report.

CARBON REPORTING BOUNDARY

Tennant Company leases, rents, or owns more than 75 facilities globally. A majority of these facilities are relatively small and used for 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 32 facilities as material and to be included in our reporting boundary. The facilities outside the boundary are, in aggregate, less than 1% of our total emissions and energy consumption. All fleets in countries with direct sales and service presence are within the reporting boundary.

The change in facilities between 2015 and 2016 are a result of acquisitions and divestitures. As of January 31, 2016, we closed on the sale of our Green Machines outdoor city cleaning line. Therefore, as of February 1, 2016, Green Machines is no longer a Tennant Company-owned brand and no longer included in the reporting boundary. On July 28, 2016, Tennant acquired selected assets and liabilities of Crawford Laboratories, Inc.’s commercial floor coatings business, including Florock Polymer Floor brand. Florock manufactures commercial floor coatings systems in Chicago, IL. On September 1, 2016, we acquired selected assets and liabilities of Dofesa Barrido Mecanizado, which was our largest distributor in Mexico over many decades. The operations are based in Aguascalientes, Mexico, and their addition allows us to expand our sales and service network in an important market.

Figure 1
Stakeholder Materiality Analysis Matrix



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

Stakeholder Engagement

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



CUSTOMERS



INVESTORS



EMPLOYEES

The three priority stakeholder groups that we worked with to identify our material issues were: customers, investors, and employees. In 2016, we reviewed our stakeholder groups and strategies and found that the 2013 analysis was still valid. Sustainable Enterprise re-evaluated the stakeholder prioritization analysis from 2013, see Figure 2, to align our resources and active programs against our stakeholder's highest priorities.

To gain further insights into our supply chain partners, we launched a supplier engagement initiative. Engagement priority will be built on the Scope 3 GHG Emissions and Water footprint analysis that was completed in 2014. Scope 3 supply chain emissions (Categories 1, 4 and 9) come primarily from our partners in the manufacturing, warehousing, and transportation sectors with manufacturing being the largest. A relatively small number of suppliers (3) account for 19% of our Scope 3, Category 1, 4 and 9 emissions. The top 25 suppliers account for 54%. In 2016, Tennant prioritized sourcing categories in which to begin supplier engagement. This cross-functional effort included procurement, engineering, and sustainability departments.

Figure 2
Stakeholder Prioritization

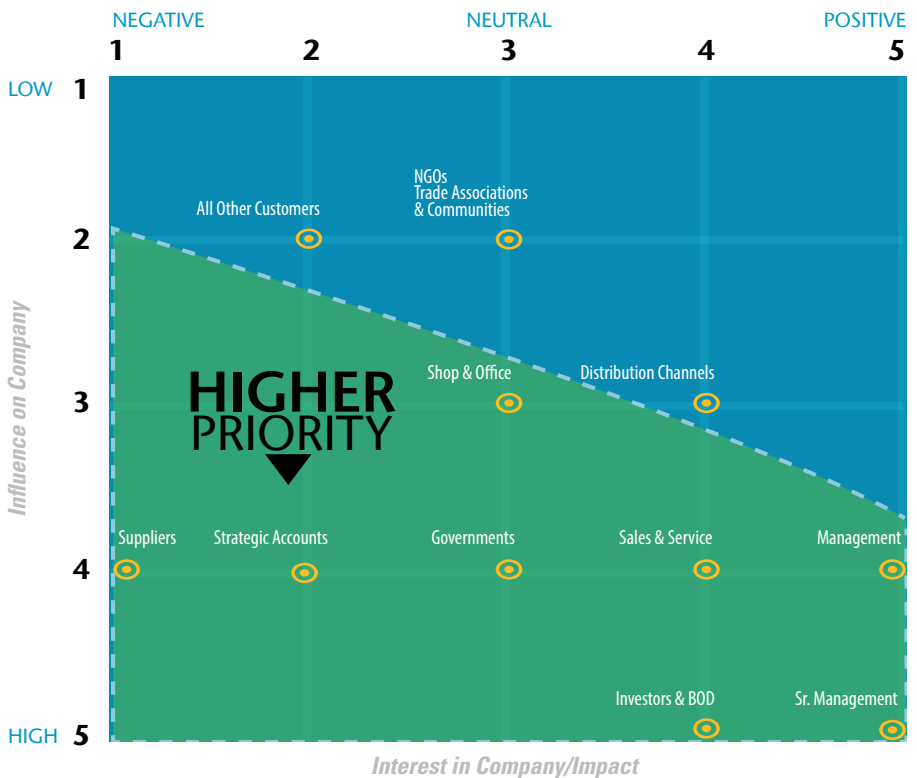


Table 1

Stakeholder Engagement Strategies, Tactics and Areas of Interest

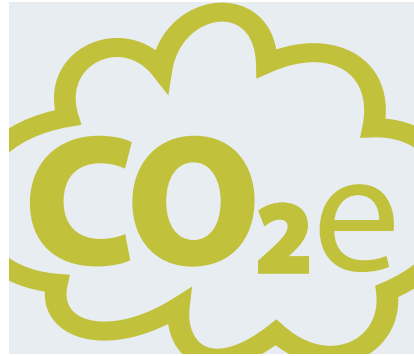
Stakeholder Group	Engagement Strategy <i>What strategy will Tennant employ to engage stakeholders?</i>	Engagement Tactic <i>How will Tennant implement these strategies?</i>	Major Issues & Concerns <i>What are stakeholders most concerned about?</i>
Customers	Know customers' concerns and needs, meet their 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	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 & 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	Risk mitigation
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 purpose	Support through memberships and participation in industry work groups, forums and workshops	Support and align with their mission

Four Focus Areas

TENNANT SUSTAINABLE ENTERPRISE.



PRODUCTS



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

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



WASTE



PEOPLE & COMMUNITY

2016 HIGHLIGHTS.



11,000 POUNDS
OF ORGANICS
DIVERTED



4

CONSECUTIVE YEARS
OF IMPROVED SCORE
WITH CDP SUPPLY
CHAIN PROGRAM



690
PALLET
REPAIRED &
REUSED



FOUR

SUSTAINABILITY TARGET METRICS
ACHIEVED AT LAUNCH OF NEW PRODUCTS

IMPROVED BATTERY
LIFE WITH USE
OF SMART-FILL™
BATTERIES AND IRIS



2ND CONSECUTIVE
YEAR OF ABSOLUTE
GHG EMISSIONS
REDUCTIONS

2,234

VOLUNTEER HOURS
AT COMPANY-
SPONSORED EVENTS



**16 EMISSIONS
REDUCTION PROJECTS**

totaling 1,312 mTCO₂e reductions
including 2,000MW of renewable
energy supply



**24,000
POUNDS**

ELECTRONIC WASTE
DIVERTED

\$595,000

CHARITABLE
DONATIONS

Products

FOCUS AREA.

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 create a cleaner, safer, healthier world. With this proven model in place, we plan to extend innovation toward cradle-to-cradle solutions to realize broader sustainability improvement.



Tennant Company products enable our customers to significantly reduce their environmental impact. Reducing the environmental impact of the customer “use-phase” is a key element of our Technology & Product strategies. In fact, Tennant Company’s annual investment of 3-4% of sales in Research & Development has aided Tennant’s breakthrough innovations like ec-H2O NanoClean®, the Pro-Panel™, and IRIS. We continue investing in future technologies like asset management, water recycling, and robotics or Autonomous Guided Vehicles (AGV).

Our New Product Development (NPD) Process was updated in 2014 to include an increased emphasis on sustainability. Process requirements around sustainability

are now embedded into the NPD templates, tools, and references. Each cross-functional team makes a commitment to specific “use-phase” environmental impact improvements based on customer needs and project scope. Improvement targets are formalized at the NPD Feasibility Gate exit and achievement of targets is measured at the Launch Gate exit. The improvement targets set by each team are meaningful with a measureable improvement goal. In any given year, the number of targets set depends on project sequencing and specific project scope. Setting meaningful targets and achieving them is the most important element of this goal in our Products focus area. We are pleased with our performance toward this objective and goal.

PRODUCT SUSTAINABILITY TARGETS METRICS

Statistics	2016	2015	2014	TOTAL
Number of environmental impact improvement targets	1	7	4	12
Number of environmental impact improvement targets	*	*	4	4

* Projects had not reached launch as of December 31, 2016

IRIS ASSET MANAGER.

Intelligent insights to drive cleaning performance

IRIS Asset Manager launched in the first quarter of 2016 and gives Tennant customers complete visibility to their fleet of cleaning machines. Tennant and IRIS deliver key performance metrics and intelligent insights that empower increased productivity, reduced cost to clean, improved cleaning consistency, and informed decision-making to better manage customers' cleaning operations. IRIS helps customers identify opportunities to optimize their equipment with technologies like ec-H2O and ec-H2O NanoClean*, ensure right-sized fleets, track service information to identify misuse, minimize downtime, optimize battery maintenance, including battery charging behaviors and automatic battery watering.**

IRIS allows customers to take control of their own fleet, and respond more quickly to maintenance issues with push alerts delivered via email from the Tennant IRIS platform. By providing ongoing information and alerts to customers, IRIS can help reduce unnecessary service trips which, in turn, reduces costs to the customer and overall emissions of Tennant service fleet vehicles.

* ec-H2O or ec-H2O NanoClean technology available on select models only.

** Service Reporter data available only on machines serviced by Tennant. Battery metrics and Smart-Fill available on select models only.



IRIS case studies show that some operators do not follow appropriate battery maintenance procedures, including proper charging methods. When a battery is not regularly charged fully, its lifespan will be reduced. Shorter battery life requires more frequent replacements, which ultimately results in more non-recyclable battery components ending up in a landfill. Smart-Fill combined with IRIS allows customers to receive timely alerts so they may properly manage their total battery maintenance program – ensuring the distilled water tank is filled and proper charging takes place.



Pro-Panel Technology



In 2016, Tennant introduced Pro-Panel technology which integrates multiple operator controls into an intuitive, high-visibility touch screen located in the center of the steering wheel.

This new technology helps operators understand and use their machine, which, in turn helps reduce unnecessary Tennant service visits.

The Pro-Panel allows for multiple users to be programmed into the machine, matching the machine functions to each operator's skill level. The Pro-ID™ operator login automatically activates the specific operator's personalized cleaning settings and downloadable Pro-Check™ pre-operation checklists, ensuring proper operation

of the machine. The customizable Zone Settings™ allow for machine performance optimization by facility area. Depending on the machine type and surface area, supervisors may pre-configure the solution flow, brush down pressure, ec-H2O activation, maximum speed limit, or quiet mode settings based on needs of individualized building areas. These optimization efforts can increase productivity and may ultimately reduce excess energy and water use.

In addition to offering a rear view of their cleaning path, the large center screen provides on-demand training videos that increase efficiency by expediting the onboarding process for each new operator.

Some of Tennant's largest and most innovative customers have found the Pro-Panel and IRIS® solutions to be a key competitive advantage that allows them to differentiate themselves from their competitors. These solutions help employees be more efficient with daily tasks, drive accountability, and increase productivity.



M17 HIGH PERFORMANCE BATTERY RIDER SWEEPER-SCRUBBER.

This battery-powered sweeper-scrubber offers fume-free operation and extended cleaning time to increase productivity. The M17 helps promote safe operation with PerformanceView™ on the optional Pro-Panel™, which allows operators to view the scrubbed path without turning around.



GHG Emissions/Energy FOCUS AREA.

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.



Under CDP’s new scoring methodology, we achieved a score of “B” – Management level in 2016. This was our fourth consecutive CDP Supply Chain program response. We are pleased with our continuous improvement. We remain committed to the energy and GHG emissions governance principles advocated by CDP.

Tennant Company’s CDP peer grouping is the “Industrials” Sector and “Electrical Equipment and Machinery” Industry Activity Group. Of more than 135 peer companies who responded, Tennant scored 15th highest – among the top 11%.

SCIENCE-BASED TARGETS

In 2015, Tennant Company made a commitment to develop more ambitious

GHG Emissions reduction targets by engaging with the Science-Based Targets initiative.

We made progress toward these new science-based targets in 2016. We are on track to submit the targets for validation in September 2017. Along with a new reduction target for Scope 1 & 2 emissions, we are developing a target for Scope 3, Category 11 – “Use of Sold Products.” At approximately 71% of our overall value chain GHG emissions, Use



TENNANT COMPANY CDP SCORE PROGRESSION

Table 2

	CDP DRIVING SUSTAINABLE ECONOMIES	YEAR				
		2016*	2015	2014	2013	
TENNANT COMPANY	B	95	80	68	Disclosure Band	
		C	C	D	Performance Band	
INDUSTRY AVERAGE	D	60	53	49	Disclosure Band	
		D	C	C	Performance Band	

*Scoring methodology changed in 2016. Disclosure and performance combined in ladder framework.

of Sold Products represents a significant reduction opportunity. Continuous progress on product portfolio efficiency is a strong complement to our sustainable cleaning innovation and lowest total cost philosophies.

GHG EMISSIONS & ENERGY

Scope 1 & 2 GHG Emissions – In 2016, our Scope 1 & 2 GHG emissions decreased by 1,229 mT CO₂e compared to 2015. Since 2012, absolute GHG emissions grew by 865 mT to 32,355 mT, a 2.7% increase. Over this same time period our revenue grew by more than 9%.

Of 2016 total emissions, Scope 1 was 22,932 mT (71%) and Scope 21 was 9,423 mT (29%).

Our target is a 25% reduction of GHG emissions intensity by 2020. We are pleased to report our progress toward the target accelerated in 2016. GHG emissions intensity was 40 mT CO₂e/\$ M in 2016, a reduction of 6.1% compared to the 2012 baseline (Table 3).

We engaged Trucost, part of S&P Dow Jones Indices, a division of S&P Global, to provide assurance for our 2016 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 Appendix 1.

In 2016, global field Sales & Service vehicles produced 50.2% of our GHG emissions. Since 2012, vehicle fleet emissions have increased 4.9%, or 754 mT CO₂e. The total number of vehicles and miles driven have increased much more than that. For example, the number of US Sales & Service vehicles increased by 23% and those vehicles logged 22% more miles in 2016 compared to 2012. The increase in fuel consumption and carbon emissions was only 9% demonstrating a 12.4% efficiency gain over five years. We are committed to continue our robust fleet efficiency programs.

Logistics, manufacturing, and office facilities produced 49.8% of our 2016 GHG emissions. Facility emissions have increased 110 mT CO₂e since 2012. This relatively small increase of 0.7% is due to a steady stream of efficiency projects along with renewable energy purchases. For a closer look at our emissions reduction progress, see Table 4.

Detailed Scope 1 & 2 emissions data can be found within our 2017 CDP response.

SCOPE 3 GHG EMISSIONS

For the third consecutive year, our 2016 Scope 3 GHG emissions were assessed by Trucost. Relevant 2016 Scope 3 emissions were 542,662 mT CO₂e, an increase of 0.3% compared to 541,224 in 2015.

In 2016, we continued focusing on the 2 largest Categories of our Scope 3 footprint, Category 1 – Purchased Goods and Services and Category 11 – Use of Sold Products. Most of our effort to date has been applied toward Category 11, the highest priority at 72% of our 2016 value chain GHG footprint (Scope 1, 2 & 3). As part of 2016 CDP reporting, we have restated Category 11 – Use of Sold Products emissions for 2015 and 2014 as 407,276 and 429,596 mT CO₂e, respectively. An assumption was improved, which makes these restated Category 11 estimates more accurate.

Detailed Scope 3 emissions data can be found within our 2017 CDP response.



Scope 1 & 2 GHG Emissions *Table 3*

Category	2020 Target	2016	2015	2014	2013	2012 Baseline
Total GHG1 Emissions (mT CO ₂ e)	–	32,335	33,584	33,582	31,953	31,490
Revenue (\$ M)	–	809	812	822	752	736
GHG Emissions Intensity (mT CO ₂ e / Revenue in \$M)	32.0	40.0	41.4	41.2	42.5	42.6
GHG Emissions Intensity (mT CO ₂ e / Revenue in \$M)	-25%	-6.1%	-2.9%	-3.4%	-0.3%	–

SCOPE 3 GHG EMISSIONS

For the third consecutive year, our 2016 Scope 3 GHG emissions were assessed by Trucost. Relevant 2016 Scope 3 emissions were 542,662 mT CO₂e, an increase of 0.3% compared to 541,224 in 2015.

In 2016, we continued focusing on the 2 largest Categories of our Scope 3 footprint, Category 1 – Purchased Goods and Services and Category 11 – Use of Sold Products. Most of our effort to date has been applied toward Category 11, the highest priority at 71% of our 2016 value chain GHG footprint (Scope 1, 2 & 3). As part of 2016 CDP reporting, we have restated Category 11 – Use of Sold Products emissions for 2015 and 2014 as 407,276 and 429,596 mT CO₂e, respectively. An assumption was improved, which makes these restated Category 11 estimates more accurate.

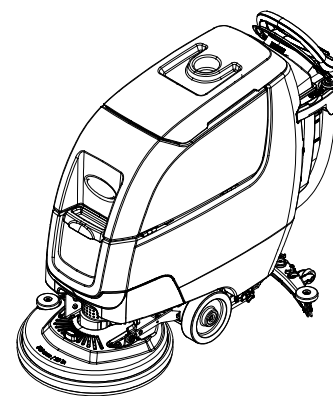
Detailed Scope 3 emissions data can be found within our 2017 CDP response.

PERSPECTIVES ON EFFICIENCY AND EMISSIONS REDUCTION

We are moving methodically toward more efficient operations and vehicle fleets. Emissions reduction activities result in energy and fuel savings as well as reduced operating costs. In 2016, our total Scope 1 & 2 emissions reduction portfolio grew significantly – see Table X.2. Estimated emissions reduction from the 2016 project portfolio is more than 5 times greater than any prior year. The increase comes primarily from renewable energy supply arrangements. We are excited about continuing this trend in future years.

Emissions reduction projects implemented in 2016 include: acquiring

and installing state-of-the-art equipment that captures the energy discharged in battery cycle tests and returns that energy to the grid; sourcing wind energy for our facility in Uden, The Netherlands; a number LED lighting upgrades; building insulation improvements; and automatic on-off timers for HVAC and production process systems.



Project Portfolio
Scope 1 & 2 GHG Emissions Reduction
Table 4

	YEAR				
	2016	2015	2014	2013	2012
Number of Projects Implemented	16	10	15	9	6
Emissions Reduction Achieved (mT CO ₂ e)	1312	424	661	1128	710
Number of Projects In-process	2	3	1	0	1
Emissions Reduction Estimate (mT CO ₂ e)	1052	58	2	0	38
Number of Projects Planned	13	10	7	0	2
Emissions Reduction Estimate (mT CO ₂ e)	3918	495	425	0	300
Total Number of Projects in Portfolio	31	23	23	9	9
Total Emissions Reduction (mT CO ₂ e)	6282	977	1088	1128	1048

Energy Steward

DICK DIEKEMA.

Our Holland, Michigan, facility continues to set the standard for long-term efficiency improvement at Tennant.

Since 2007, electricity consumption has been reduced by over 39%, while plant output increased more than 25%. Richard (Dick) Diekema, Holland Facility Maintenance Supervisor, has been the prime driver of this long-term effort. The upgrade project reduced annual electricity consumption by more than 150,000 kWh and annual carbon emissions by more than 100 mT CO₂e.

Dick's priority has always been keeping the Holland plant equipment and processes running smoothly. At the same time, Dick's drive for continuous improvement is the key ingredient for impressive efficiency gains. Dick relentlessly advances a broad portfolio of improvement projects. In 2016, Holland consumed 2,441 MWh of electricity, compared to more than 4,000 MWh in 2007. These efficiency improvements have saved Tennant more than \$1,000,000 since 2007. For his efforts to leave things better than he found them, Dick was recognized with a Leading Edge Award, Tennant Company's most prestigious award. Congratulations to Dick for exceptional Stewardship!

25%

increase in plant output

39%

reduction in electricity consumption



Left

Dick Diekema, Tennant Company Holland Facility Maintenance Supervisor, alongside upgraded air compressor.

Waste

FOCUS AREA.

At Tennant Company we strive to reduce—and aspire to eventually eliminate—all forms of waste, another pillar of 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 operational inefficiency as well as material and resource waste. We define waste as materials that enter our boundary which do not become part of the products we sell.



Tennant is on a journey to become a zero waste enterprise by applying the principles of Reduce-Reuse-Recycle, along with the proven principles of Lean Manufacturing and Continuous Improvement. Through our stakeholder engagement process, we have determined that waste is a material issue 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 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 2016, a second

waste inventory was conducted in the production area at our headquarters facility. We found that over half of the trash generated in the production area was divertible. Expanding the recycling program to the production area is planned for 2017.

We began collecting organics in 2014 in the food preparation area of our largest campus cafeteria at our headquarters facility. In 2015, we extended organics collection to the employee seating area of the Tennant Café. In 2016, we further extended organics collection to conference rooms and employee office areas. The collected organics are sent to be composted, the “reuse” tier of the waste hierarchy.



Water is a critical resource, which we use as efficiently as possible in our operations. A water materiality assessment of Tennant Company’s Minneapolis, Minnesota campus was completed by Wenck Associates Inc. Based on the results, we concluded that water in our operations is not a material aspect for setting goals and sustainability reporting. Water is, and always will be, a critically important natural resource. Consistent with our core value of stewardship, we will always:

- Strive to conserve water and eliminate any wasteful water use.
- Maintain the highest possible discharge water quality in all global operations and all communities where we operate.

REDUCING WASTE ACROSS OUR BUSINESS



PALLET AND DUNNAGE EFFICIENCIES

Starting in the fourth quarter of 2016, Tennant made changes to our pallet and dunnage recycling program in an effort to increase operational efficiencies in alignment with lean methodology. The industrial manufacturing plant in Golden Valley, Minnesota, consolidated to one provider. The new provider supplies pallets to Tennant; repairs damaged pallets to be reused at the plant; recycles non-repairable pallets; and collects and recycles bailed cardboard and shrink-wrap.

Repairing and reusing pallets reduces pallet waste and operating costs for Tennant. Along with the vendor consolidation came additional operational efficiencies; only one dock door is required to collect pallets and dunnage, rather than the two that were used previously. We are now able to repair and reuse damaged pallets and send out pallets that do not meet our size requirements to be reused in the market.

Tennant was able to reuse 250 pallets in 2016 which is equivalent to diverting the weight of about 16 T300 walk-behind scrubbers. In addition we diverted 442 pallets to be repaired and or reused elsewhere. Tennant anticipates that 2017 will have a greater impact as the program will be active for the full year.



LENOVO RECYCLING

Tennant Company has partnered with Lenovo to manage electronic waste for the last two years. Lenovo picks up Tennant's electronics at end of use worldwide, including field sales and service employee locations. The electronics are inspected upon receipt to determine if they can be sold in the secondary market; potentially extending the items' usable life. If the product cannot be refurbished and or resold, Lenovo is committed to meeting or

exceeding all regulations in the country of disposal and provides a documented chain of custody.

Tennant has confidence that our electronic waste is properly resold and or recycled. The program has had continued success over the last two years, responsibly disposing of electronics worldwide as seen in the numbers below:

Electronics Recycling Results *Table 5*

Category	2015	2016
Recycling – Units	125	1,749
Recycling – Weight (lbs)	1,779	10,968
Reuse – Units	303	1,346
Reuse – Weight (lbs)	4,405	13,295
Total Landfill Avoidance (lbs)	6,184	24,263
Air Emissions (Metric Tons)	502	1,717
Water Emissions (Metric Tons)	0	6
Energy Cost Savings for Reuse	\$68,972	\$242,255

People & Community

FOCUS AREA.

Tennant Company has an unwavering commitment to its employees and to a company culture of unquestionable integrity and community involvement.



Over time, Tennant Company's "community" has expanded from a humble North Minneapolis sawmill to 'as far as the east is from the west.' The company's growth and expansion around the globe give us greater opportunities to focus on People & Communities, Human Rights & Ethics, and Safety. Ethics, integrity and responsibility are characteristics core to Tennant Company's DNA. As a Sustainable Enterprise, Tennant Company's People & Communities efforts are accountable to:

- **Intentional Giving:**
Align donations of time, money and property with organizational vision.
- **Company Ethics and Human Rights:**
Foster and maintain ethical work environments free of discrimination.
- **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.

EMPLOYEE SAFETY TARGETS

Area	2016 <i>Incident // Severity</i>	2015 <i>Incident // Severity</i>	2014 <i>Incident // Severity</i>	2013 BASELINE <i>Incident // Severity</i>
Operations	7.25 // 3.85	4.49 // 3.14	5.23 // 3.51	3.10 // 2.182
North America Tennant Sales & Service	4.31 // 1.26	3.45 // 1.25	2.96 // 1.94	3.93 // 2.362



SAFETY AT TENNANT COMPANY.

A Reengineered Approach

Since establishing our goal in 2013 to reduce workplace injury rates and severity of injuries, Tennant has undertaken significant effort to reengineer our approach to implementing and managing Safety best practices across the enterprise.

The first step was taken in 2015 to develop a Safety Operating Model designed to drive consistency in safety operating systems, create a safety organizational structure to allocate sufficient resources to support the model, and develop a cohesive strategic roadmap that focused on proactive versus reactive programs.

Key goals for 2016 were to begin a Safety Operating Model Assessment (SOMA) of our global factories and field operations, and to hire the Environmental, Health and Safety (EHS) professionals to staff the new organization. To that end, dedicated EHS staff were hired for our key operations locations of Minneapolis, Minn., Holland, Mich., Uden, The Netherlands and Louisville, Ky. In China and Brazil, existing staff assumed responsibility for Safety.

As part of the Assessment phase, the local EHS staff have worked closely with plant and field management to design communications methods to create greater understanding and ownership of our safety improvement opportunities, as well as programs to address the opportunities uncovered in the assessment. For example, Safety is now a regular topic for all daily tier meetings in the plants to generate awareness to issues and raise safety as a priority.

Although the assessment phase continued into 2017, early results revealed opportunities to establish consistent safety expectations for all employees, improve communications around safety focus, and engage supervisors and managers in leading safety programs and driving better safety outcomes. For example, we are working to be more proactive in our efforts to eliminate hazards during process changes and equipment installations.

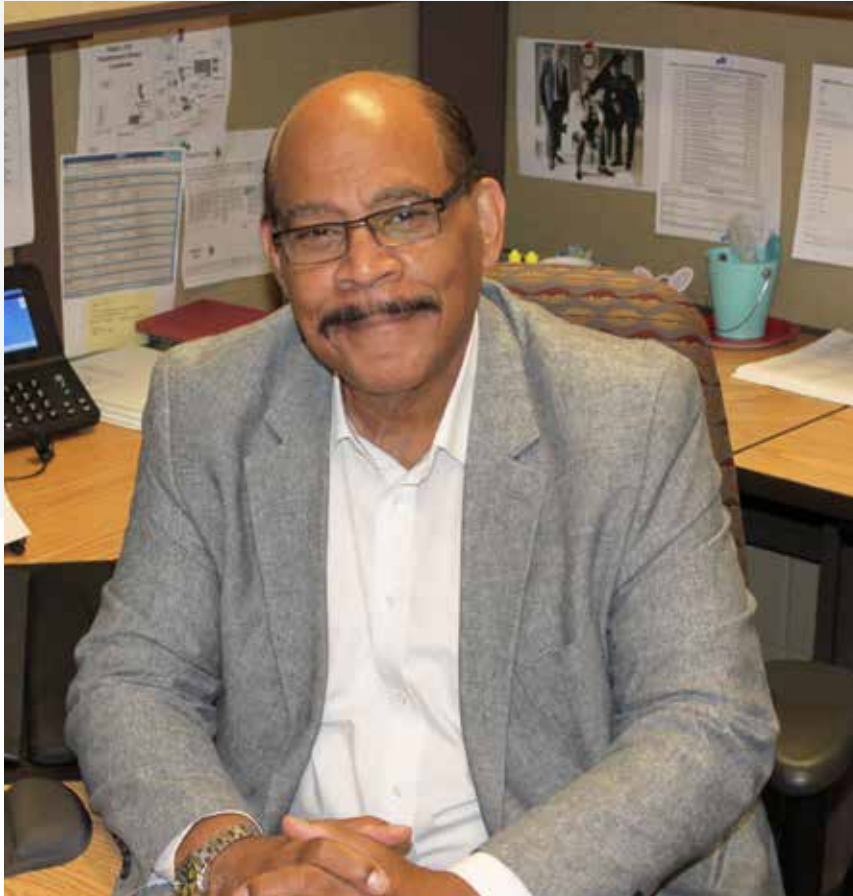
As the 2016 Assessment results are fully analyzed, we will use 2017 and 2018 to work with business unit and operations leadership to identify top safety priorities and develop action plans to eliminate these issues. In line with this prioritization, the company will establish a safety scorecard that includes both leading and lagging indicator metrics that more accurately reflect our long-term strategy to build a safety culture.

2016 KEY GOALS



Profile: Robert Huggar

Living out Tennant Company's Value of Stewardship.



Robert Huggar
Tennant Company Supply Chain
Development Leader

When a Tennant co-worker invited Robert Huggar to spend a Saturday at a community "fix-it" clinic, he probably didn't realize he was tapping into a real pro.

In fact, for Robert – a Supply Chain Development Leader at Tennant – it was an opportunity for him to use his electrical engineering background in some of his favorite activities: fiddling with electronics, solving problems, and helping people learn self-sufficiency.

Hennepin County (the county that includes Minneapolis, Minn., USA and surrounding communities) Fix-It Clinics are offered several times a year in an effort to reduce waste going to landfills. Its website describes a Fix-It Clinic as a place where residents "bring in small household appliances, clothing, electronics, mobile devices and more and receive free guided assistance from volunteers with repair skills to disassemble, troubleshoot and fix their items."

Robert, whose hobbies include repairing old televisions and spinning records as a local DJ, brought his technical skills, as well as his vibrant personality, to his volunteer role at the Fix-it Clinic. "When someone brings an old lamp in for repair, you might think 'aww, they could just buy a new lamp.' But for some reason, this lamp may have sentimental value or it may be a financial issue," said Robert. Regardless, Robert's skills help to extend each item's useful life while also reducing waste sent to a landfill.

Tennant Company values employees like Robert who take the Tennant value of Stewardship into the broader community; helping reduce waste going to landfills is an added bonus.





Junior
Achievement®

TENNANT COMPANY PARTNERS WITH JUNIOR ACHIEVEMENT.

In 2016, Tennant volunteers became “teachers for a day” at an elementary school in Minneapolis, Minnesota. Through the Junior Achievement Upper Midwest (JAUM) program, more than 37 Tennant employees taught nearly 500 students in kindergarten through fifth grade about financial literacy. The Junior Achievement program was established in 1949 with a goal to provide relevant, fundamental learning opportunities for students in grades K-12, preparing them for a lifetime of success.

Tennant Company also hosted one of the largest job shadows ever in the Twin Cities through JAUM. Thirty-eight Tennant volunteers helped educate more than 100 students from four local high schools about manufacturing and research and development. The event provided the students an opportunity to experience how they can impact the world around them as individuals, workers, and consumers.





Tennant Gives Back IN 2016 AND BEYOND.

Stewardship of the communities we serve – leaving them better than we found them – is a core value for Tennant Company. One way Tennant demonstrates this commitment is through its employee volunteer efforts under the umbrella of “Tennant Gives Back.”

It is in Tennant Company’s cultural DNA to foster an environment that supports employees’ desires to “give back” – whether it’s making sandwiches for people who are homeless, assembling bicycles for children, or cleaning public recreational areas with Tennant outdoor sweeping equipment.

Each year, hundreds of Tennant employees around the world participate in Tennant Company-sponsored volunteer projects. Tennant employees and Tennant Company give graciously of time and resource in support of non-profit organizations and struggling members of our local communities. To determine how to quantify



the value of volunteering to Tennant and its employees, in 2016 Tennant launched an employee volunteer survey to determine if “volunteering” benefitted employees as well as our communities.

As we would learn, volunteer projects do more than just meet a community need. Participating in volunteer events also builds important skills and provides development opportunities for employees. In a survey of 545 employees who had participated in at least one volunteer event in 2016, we set out to discover:

- 1) Do Tennant employees feel that volunteering is important to them personally?
- 2) How important is it to employees’ overall job satisfaction that Tennant Company support company-sponsored volunteer projects?
- 3) Does participating in a company-sponsored volunteer project contribute to employee development of skills important to the company?

Of those employees who responded (N=156), nearly 90% agreed with the statement “Volunteering is important to me.” More interestingly, of the respondents, roughly 80% “agreed or strongly agreed” that the company’s support of volunteer efforts is “important to my overall job satisfaction.”

Employees agreed that their participation in volunteer projects for Tennant Company also helped them develop skills that could assist them in their job. The top five highest-ranking skill areas identified by employees included:

- 1) Teamwork
- 2) Motivating others
- 3) Communications
- 4) Customer empathy
- 5) Knowledge of Tennant equipment

Tennant Company supports employee-giving in many ways, in addition to volunteering. Through the Minnesota-based Tennant Foundation, the company facilitates donations of Tennant equipment, matching gifts for Tennant employee financial donations, and financial support for volunteer hours outside of Tennant.

Armed with information on how employees perceive and value company-sponsored volunteer programs, Tennant Company continues to evaluate formalization of corporate volunteering such as creation of regional employee-led volunteer councils to select and coordinate events.



Community Event at Minnesota Zoo

Tennant employees volunteer their time cleaning up the grounds at the Minnesota Zoo in Apple Valley, Minnesota.

SURVEY FINDINGS.

90%

IMPORTANCE OF VOLUNTEERING

90% of employees agreed with the statement “Volunteering is important to me”

80%

COMPANY SUPPORT OF VOLUNTEERING

Roughly 80% “agreed or strongly agreed” that the company’s support of volunteer efforts is “important to my overall job satisfaction”

In 2016, Tennant Company held its 6th annual Tennant Gives Back Global Sales Meeting (GSM) and Winter Service Meeting (WSM) Community Service Projects.

The Tennant Foundation made cash donations of \$20,000 for the GSM project and \$21,300 for the WSM project to help Operation Gratitude send more than 200,000 care packages. Tennant employees assembled hygiene kits for those thousands of brave men and women serving overseas in harsh and remote areas.



Top, Left & Right
Tennant employees assemble care packets and hygiene kits for those serving overseas



Lifting the spirits of our military & first responders



Tennant Foundation

GIVING PRINCIPLES.

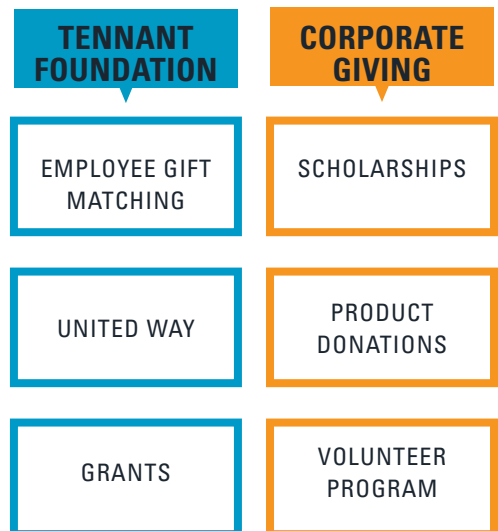
Tennant Company's corporate giving is driven by a commitment to creating a cleaner, safer, healthier world in which to live, work and play.



GIVING 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



GIFT MATCHING

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

VOLUNTEER GIFT MATCHING

The Volunteer Gift Matching Program recognizes the volunteer work of Tennant employees in their respective communities. This innovative program supports 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.

GRANT PROGRAM

Tennant Foundation grants are directed to organizations serving our headquarters community around Minneapolis and are typically modest operating grants. When considering requests for grants, the Tennant Foundation considers: Whether this request furthers 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 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.



TENNANT GIVING PROGRAM

EQUIPMENT DONATIONS

Tennant Company donates Tennant equipment to non-profit organizations to further our vision of creating a cleaner, safer, healthier world. We consider it an imperative that our company is a steward to the communities in which we do business. Organizations that are non-profit entities, with 501(c)(3) designation and who do not have a religious affiliation, may be eligible for equipment donation. Equipment donations may be granted to any eligible organizations in the United States. Consideration will be given to the potential for a donation to adversely impact the business of a Tennant partner or distributor. Therefore, Tennant may consult its partners prior to making a final decision.

SCHOLARSHIP PROGRAM

In 1980, the Tennant Scholarship Program was implemented for eligible children of regular full-time or part-time Tennant employees. A maximum of 22 new scholarships are available annually, with awards of \$1,500 per year for full-time study. Each scholarship is limited to four consecutive years for those students attending any approved post-high school educational program. Students must requalify for scholarships each year. Scholarships are granted on the basis of educational performance, extracurricular involvement and potential to succeed in the chosen educational program.

GRANT PROGRAM 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

2016 Grants Awarded

LIVE. WORK. PLAY.

BLIND, Inc.
Bridging
Children's Hospital Foundation
Children's Theatre Company
Dunwoody College of Technology
Environmental Initiative
Fraser
Great River Greening
Growth & Justice
Guthrie Theater
HIRED
Junior Achievement
MEDA
Minneapolis Institute of Arts
Minneapolis Recreation Development
Minnesota's Private Colleges Fund
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
Operation Gratitude
PRISM
Science Museum of MN
Stages Theatre Company
The Food Group
The St. Paul Chamber Orchestra
The Works Museum
Tree Trust
Twin Cities Public Television
United Way - Ottawa County, MI
United Way - Twin Cities
Walker Art Center
Women Venture, LLC



Foundation & Giving

2016 FINANCIAL DATA.

FISCAL YEAR ENDED DECEMBER 31, 2016

TENNANT FOUNDATION

Total Grant Disbursement	\$428,707 ⁽¹⁾
Total Number of Grants	40
Total Employee Gift Matching	\$37,207
Administrative Expenses	\$47,330
Expenses as a Percent of Disbursements	11.0%
Grants Paid in 2016	
Social Services (LIVE)	\$107,581
Environmental (LIVE)	\$721
Health & Safety (LIVE)	\$9,515
Cultural (PLAY)	\$50,800
Education & Workforce Readiness (WORK)	\$87,040
Public TV & Radio (WORK)	\$10,050
United Way	\$163,000
Total Foundation Contributions	\$428,707

TENNANT GIVING

Tennant Scholarship Program	\$101,342
Equipment & Inventory Donations	\$46,740
Total Giving Contributions	\$148,082 ⁽²⁾
GRAND TOTAL (1), (2)	\$576,789

2016 Tennant Company Sustainable Enterprise PERFORMANCE SUMMARY.

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

Focus Area	Objective	Metric	2016	2015	2014	Notes		
Products	Develop Products that offer measurable environmental impact improvements, in one or more customer use-phase categories.	Number of targets set.	1	7	4	Process implemented Aug. 2014		
		Number of targets achieved at launch.	*	*	4	*Projects had not reached Launch as of 12/31/2016		
	Conduct cradle-to-grave Life Cycle Assessment (LCA) on recently developed, representative, higher volume product.	Complete LCA		✓	Started	T300 Project Completed in 2015		
	Conduct cradle-to-grave LCA on internal combustion powered product or a new technology/business model offering.	Complete LCA	New in 2016			Scheduled completion 2017		
	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 development	Started	New in 2015		Scheduled completion 2017		
		Long-term, product portfolio target for GHG Emissions (Use of Sold Products- Scope 3, Category 11) set.	Started	New in 2015		Scheduled completion 2017		
		Long-term, product portfolio target for water use set.	—	New in 2015		Scheduled completion TBD		
Focus Area	Objective	Metric	2016	2015	2014			
People & Communities	Corporate Giving	Employee volunteer Hours	2,234	3,107	1,500			
		Tennant Giving**	\$576,789	\$854,762	\$507,276			
	Safety Incidents	Operations	7.28	4.49	5.23			
		NA TSSC***	4.31	3.45	2.96			
	Incident Severity	Operations	3.85	3.14	3.51			
		NA TSSC***	1.26	1.25	1.94			
	Company Ethics	Number of Complaints	13	15	12			
		Percent Closed	100	100	100			
		Average days open	121	18.8	23.75			
			**Includes sum of Tennant Foundation Grant disbursements, Employee Gift Matching, Equipment donations and Employee Scholarship Program.					
		***North American Tennant Sales and Service Company						
Focus Area	Objective							
Waste	Our aspirational waste goal is zero waste to landfill and energy recovery. Due to our scale and materials diversion infrastructure we recognize 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	2016	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.	40.0	41.4	41.2	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) LCA complete.	✓	✓	✓	Complete annually for reporting year shown		
		Supply Chain sustainability—all categories assessed, one direct material category selected for pilot engagement.	✓	✓	New in 2014			
		Supply Chain sustainability—program defined and engagement started.	—	—	New in 2014			Scheduled to begin 2017

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 xx).

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

GRI INDEX

GENERAL STANDARD DISCLOSURES.

REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
STRATEGY AND ANALYSIS				
G4-1	Statement from most senior decision maker		CEO Letter	
G4-2	Description of key impacts, risks, and opportunities	10K - pg 20 CDP - pg 3		
ORGANIZATIONAL PROFILE				
G4-3	Name of the organization		Tennant at a Glance	
G4-4	Primary brands, products, and services		Tennant at a Glance	
G4-5	Location of the organization's headquarters		Tennant at a Glance	
G4-6	Number of countries where the organization operates	pg 10		
G4-7	Nature of ownership and legal form	10K - Cover page	Minnesota Corporation, publicly traded on NYSE under TNC.	
G4-8	Markets and sectors served	pg 8		
G4-9	Scale of the organization	10K - pg 4, 22, 33	Also map to about Tennant and Map	
G4-10	Number of employees	pg 53		
G4-11	Employees covered by collective bargaining agreements		USA - None Europe - All Asia - None	
G4-12	Organization's supply chain	pg 16		
G4-13	Changes in the organization's structure, ownership, or supply chain	10K - pg10		
G4-15	Economic, environmental or social charters, principles or other initiatives	pg 20, 24, 28, 30		
G4-16	Memberships of associations or advocacy organizations	pg 8		
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Entities included in the organization's consolidated financial statements	10k - pg 3		
G4-18	Process for defining report content and aspect boundaries		Send out a call for content to management team, in addition to a brainstorm meeting with report team. Ensure content aligns with four focus areas.	
G4-19	Material aspects identified in the defining report content process	pg 15		

REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
G4-20	Aspect boundary within the organization	pg 43		
G4-21	Aspect boundary outside the organization	pg 43		
G4-22	Restatement of information	CDP - pg 32		
G4-23	Changes in scope or aspect boundaries from previous years	CDP - pg 1		
STAKEHOLDER ENGAGEMENT				
G4-24	Stakeholder groups engaged by organization	pg 16		
G4-25	Basis for identification and selection of stakeholders to engage	pg 16		
G4-26	Approach to stakeholder engagement	pg 17		
G4-27	Key topics and concerns raised through stakeholder engagement	pg 17		
REPORT PROFILE				
G4-28	Reporting period		Calendar year 2016 (January 1- December 31)	
G4-29	Date of most recent previous report		2015 report published in September 2016	
G4-30	Reporting cycle		Report published on an annual basis	
G4-31	Contact point for questions		Questions and comments pertaining to this report can be directed to: SustainabilityReport@tenantco.com	
G4-32	In accordance option		Report is developed using "in accordance" requirements, but is not "in accordance."	
G4-33	External assurance policy		No External Assurance Policy	
GOVERNANCE				
G4-34	Governance structure	Proxy pg 9	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 Tennantco.com. More information is available in our Proxy.	
G4-35	Delegation of authority	10K - pg 4, 32, 48, 56 CSR - pg 38-41	10K - pg 56 - Financial CSR pg 38-41 - Social 10K - pg 4, 32, 48 - Environmental	
G4-36	Organizational structure	Proxy pg 10		
G4-37	Stakeholder consultation process	Proxy pg 14		

REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
G4-38	Composition of highest governance body and its committees	Proxy pg 16		
G4-39	Chair of highest governance body	Proxy pg 9		
G4-40	Nomination and selection process for highest governance body and its committees	Proxy pg 13		
G4-41	Conflict of interest management	Proxy pg 9		
G4-42	Highest governance body's role in setting purpose, values, and strategy	Proxy pg 10		
G4-43	Highest governance body's competencies	Proxy pg 4		
G4-44	Highest governance body's performance evaluation	Proxy pg 13		
G4-45	Highest governance body's role in the identification and management of risk management	Proxy pg 10		
G4-46	Highest governance body's role in the effectiveness of risk management	Proxy pg 10		
G4-47	Highest governance body's role in the review of risk management	Proxy pg 10		
G4-49	Process for communicating critical concerns to the highest governance body	Proxy pg 14		
G4-50	Highest governance body's role in evaluating economic, environmental, and social performance	Proxy pg 10		
G4-51	Remuneration policies	Proxy pg 20		
G4-52	Remuneration process	Proxy pg 20		
G4-53	Stakeholder input on remuneration policies and proposals, if applicable	Proxy pg 21		

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 or unsafe workplace conditions.	
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REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviors		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 or unsafe workplace conditions.	
G4-58	Internal and external mechanisms for reporting concerns about ethical and lawful behaviors		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 or unsafe workplace conditions.	

SPECIFIC STANDARD DISCLOSURES

CATEGORY: ECONOMIC

MATERIAL ASPECT: ECONOMIC PERFORMANCE

G4-DMA				
G4-EC1	Direct economic value generated	10K - pg 13, 24		
G4-EC2	Financial implications and risks due to climate change	CDP - pg 3-4		
G4-EC4	Financial assistance received from governments		Tennant did not receive financial assistance from governments in 2016.	

MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS

G4-DMA				
G4-EC7	Development and impact of infrastructure investments and services supported	pg 41		
G4-EC8	Significant indirect economic impacts, including the extent of impacts	10K - pg 20		

CATEGORY: ENVIRONMENTAL

MATERIAL ASPECT: ENERGY

G4-DMA		pg 24		
G4-EN3	Energy consumption within the organization	CDP - pg 23-24		
G4-EN4	Energy consumption outside of the organization	CDP - pg 33-34		
G4-EN5	Energy Intensity	CDP - pg 5		
G4-EN6	Reduction of energy consumption	CDP - pg 6-8		

MATERIAL ASPECT: EMISSIONS

G4-DMA		pg 24		
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REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
G4-EN15	Direct Greenhouse gas (GHG) emissions (Scope 1)	CDP - pg 27-28		
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	CDP - pg 30		
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	CDP - pg 33-34		
G4-EN18	Greenhouse gas (GHG) emissions intensity	CDP - pg 32		
G4-EN19	Reduction of greenhouse gas (GHG) emissions	CDP - pg 32		

MATERIAL ASPECT: EFFLUENTS AND WASTE

G4-DMA				
G4-EN24	Total number and volume of significant spills		There were no significant spills in 2016.	

MATERIAL ASPECT: PRODUCTS AND SERVICES

G4-DMA		pg 20		
G4-EN27	Event of impact mitigation of environmental impacts of products and services		Tennant is currently committed to developing a Science-Based Target for Scope 3 Category 11 emissions in 2017. For reporting year 2016 the data was not available to report on environmental impacts of Tennant's products beyond our CDP submission for Category 11.	

MATERIAL ASPECT: COMPLIANCE

G4-DMA				
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		There were no significant fines or sanctions for non-compliance with environmental laws or regulations.	

MATERIAL ASPECT: TRANSPORT

G4-DMA				
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	CDP - pg 34-35		

REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
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CATEGORY: SOCIAL

SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

MATERIAL ASPECT: EMPLOYMENT

G4-DMA

G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender, and region

On December 31, 2016, Tennant Company employed 3236 FTE's globally. This was a net increase from January 1, 2015, of 73 FTE's.

Tennant's turnover rate was 17.62% globally.

Employee demographics can be found in G4-10.

MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-DMA

G4-LA6 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender pg 42

There were zero work-related fatalities in 2016.

MATERIAL ASPECT: TRAINING AND EDUCATION

G4-DMA

G4-LA11 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category

All eligible employees received a performance review with the goal of completing the review within one month of the scheduled common review date (April).

MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS

G4-DMA

G4-LA16 Number of labor practices grievances

There were no labor practice grievances in 2016.

SUB-CATEGORY: HUMAN RIGHTS

MATERIAL ASPECT: NON-DISCRIMINATION

G4-DMA

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.

REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
MATERIAL ASPECT: CHILD LABOR				
G4-DMA				
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of 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.	
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR				
G4-DMA				
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of 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.	
MATERIAL ASPECT: ASSESSMENT				
G4-DMA				
G4-HR9	Total number and percentage of 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 practice. Tennant maintains a global hotline to received complaints and issues, anonymously, where allowed by law, and enforces a strict anti-retaliation policy to encourage self-regulation.	
SUB-CATEGORY: SOCIETY				
MATERIAL ASPECT: ANTI-CORRUPTION				
G4-DMA				
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified		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.	
G4-S04	Communication and training on anticorruption 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.	

REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
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G4-S05	Confirmed incidents of corruption and actions taken		None in 2016.	
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MATERIAL ASPECT: PUBLIC POLICY

G4-DMA

G4-S06	Total value of political contributions by country and recipient/beneficiary		<p>Aside from our participation in public industry bodies that recommend product safety standards, in which cases our participation is appropriate, public, and fully transparent, Tennant Company does not lobby or participate in public policy development.</p> <p>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.</p>	
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MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR

G4-DMA

G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes		None in 2016.	
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MATERIAL ASPECT: COMPLIANCE

G4-DMA

G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		None in 2016.	
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REFERENCE	DESCRIPTION	PAGE NUMBER (OR LINK)	REFERENCE	EXTERNAL ASSURANCE
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SUB-CATEGORY: PRODUCT RESPONSIBILITY

MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY

G4-DMA

G4-PR1

Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

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 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.

G4-PR2

Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes

Zero

MATERIAL ASPECT: PRODUCT AND SERVICE LABELING

G4-DMA

G4-PR3

Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements

Internal ISP processes dictate that Tennant identify and comply with applicable product safety regulations which includes labeling. Product safety regulations dictate what information appears on our machine data labels. We also track sourcing information on some components in order to inform customers regarding substance origin and restrictions, including presence of: minerals sourced in conflict areas, REACH substances, latex, animal-based products and recycled content. Lastly, Tennant complies with WEEE and RoHS directives in Europe.

MATERIAL ASPECT: MARKETING COMMUNICATIONS

G4-DMA

G4-PR7

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcome

None for 2016

GRI INDEX

G4-10 TABLE: TENNANT EMPLOYEE DEMOGRAPHICS.

As of December 31, 2016

Age Range	FEMALE Age Range						MALE Age Range						GRAND TOTAL
	< 20	20 - 30	31 - 40	41 - 50	51 - 60	> 60	< 20	20 - 30	31 - 40	41 - 50	51 - 60	> 60	
Australia		1	6	4	3			12	21	23	15	1	86
Belgium		7	14	17	1	1		1	17	13	3		73
Brazil	3	17	11	4	4		1	39	42	26	14	2	163
Canada				1	2			10	11	24	27	2	77
China		15	27					22	61	14	2		141
France			7	4	1			10	36	31	12	2	103
Germany		1	1	3	0			5	16	18	13	1	58
India			1										1
Japan			3	2	3				5	15	7		35
Mexico		2	6	10	2			7	12	21	7	1	68
Netherlands		2	2	8	7	1		21	31	60	64	14	209
New Zealand				1							4	1	6
Portugal					1			1	4	4	3		13
Singapore			2						2	3			7
Spain		3	1	1				10	26	24	7	1	73
Sweden										2			2
UK		3	12	4	1			5	10	28	35	9	106
USA		35	90	79	130	32	1	214	376	473	469	116	2014
Grand Total	3	86	183	138	154	33	2	357	670	779	682	150	3236



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