

COMPANY PROFILE





Creating a cleaner, safer, healthier world

Tennant Company is a recognized leader of the cleaning industry. We are passionate about developing innovative and sustainable solutions that help our customers clean more spaces more effectively, addressing indoor and outdoor cleaning challenges.

We invite you to join us — as an employee, investor, customer, supplier or interested community member — as we lead our industry globally and fulfill our vision to bring to market sustainable cleaning innovations that empower others to create a cleaner, safer, healthier world.

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Tennant Company

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MESSAGE FROM THE CEO



The past year has proven to me that when an organization steadily invests energy, focus and resources toward a commitment, the seeds of lasting change will take root.

I'm proud to say that we are seeing the roots of our Sustainable Enterprise take hold as Tennant Company continues to make progress against key sustainability initiatives.

2017 marks our fifth year of participating in the CDP Supply Chain Climate Change program. In 2013 – the infancy of our sustainable enterprise – our CDP response yielded one below average and one above average rating in the two areas that were scored at the time: Disclosure and Performance. In 2017

 though the scoring methodology has changed since 2013 – Tennant Company scored among the top seven percent of its peer companies within the Electrical Equipment and Machinery group.

Our 2017 CDP Leadership Level Score reflects how our Sustainable Enterprise has matured from our investment in the sustainability pillars of: Products, Waste, GHG Emissions/Energy, and People & Communities. In our 2017 Corporate Sustainability Report we share some of our highlights including:



"

Chris Killingstad President & CEO

- Recycling more than 2,880 tons of industrial materials in our global operations;
- Successfully submitting our science-based carbon emissions targets to the Science Based Targets initiative (SBTi) for validation;
- Completion of 19 emissions reduction targets totaling reduction of 1,185 mT CO2e, including 2,850MW of renewable energy supply;
- Announcing a new Safety

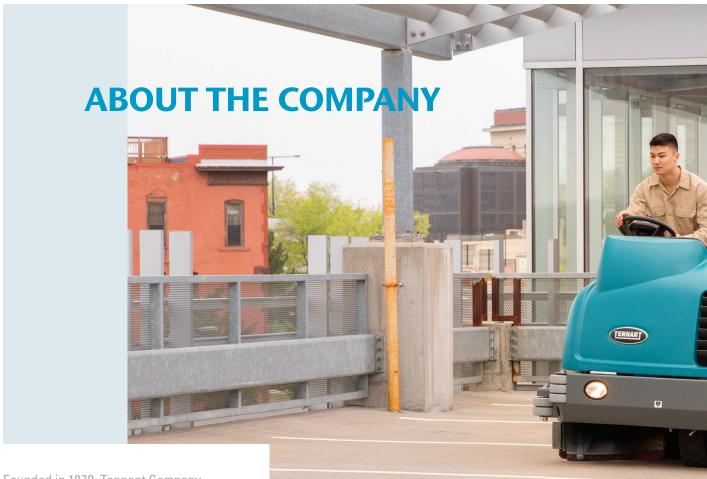
metric to reflect our organizational progress against seven safety operating model competencies designed to drive our safety culture.

These are only a few examples of the accomplishments you'll find in the following pages. I'm extremely proud of what Tennant has achieved in 2017 and know that our roots will continue to grow deep through our own organization, our valued supply chain partners, our communities

and, importantly, our customers.
Together, we are creating lasting change for a cleaner, safer, and healthier world!

Thank you for your support of Tennant Company.

Chris Killingstad



Founded in 1870, Tennant Company is a recognized, global leader of the cleaning industry. We are passionate about developing innovative and sustainable solutions that help our customers clean spaces more effectively, addressing indoor and outdoor cleaning challenges. In addition to cleaning solutions, Tennant Company designs and manufactures commercial concrete floor coating systems. Tennant Company operates in three geographic business units including the Americas, Europe, Middle East and Africa (EMEA) and Asia Pacific (APAC).

Reinventing how the world cleans.



our commitment

Tennant Company is committed to empowering our customers to create a cleaner, safer and healthier world with high-performance solutions that minimize waste, reduce costs, improve safety and further sustainability goals.

The Company's 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. The Company markets its offerings under the following brands: Tennant®, Nobles®, Alfa Uma Empresa Tennant™, IRIS®, Florock®, IPC Group® and Orbio®. Orbio Technologies, which markets and sells Orbio-branded products and solutions, is a group created by the Company to focus on expanding the opportunities for the emerging category of On-Site Generation (OSG). OSG technologies create and dispense effective cleaning and antimicrobial solutions on site within a facility. 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.

In April 2017, Tennant Company completed its acquisition of the IPC Group, a multibrand manufacturer of a broad range of cleaning and accessory equipment. With primary operations in Italy, the IPC Group significantly enhances Tennant's position in the EMEA region and brings to Tennant a broader product offering. IPC manufactures a complete range of commercial cleaning products including mechanized cleaning equipment, wet & dry vacuum cleaners, cleaning tools & carts and high pressure washers. IPC markets products and services under the following valued brands: IPC, Gansow, Vaclensa, Portotecnica, Soteco and private-label brands.



Our Brands

Our family of brands help to create healthy, safe and attractive environments for the people and places in our customers' care.

















Recognition

Tennant Company receives awards and recognition, which validates the work we are doing to achieve our vision for a cleaner, safer, healthier world.



T500 SWEEPER/SCRUBBER

Good Design Award Industrial Design Excellence



IRIS ASSET MANAGER

Sanitary Maintenance Magazine
Distributor's Choice Award

Los Premios Nacionales de Limpieza Product of the Year Award



PARTNERS IN PERFORMANCE

Grainger

Our Markets



BUILDING SERVICE CONTRACTORS



MANUFACTURING



LOGISTICS AND WAREHOUSING



RETAIL



EDUCATION



ON HEALTHCARE



AVIATION AND TRANSPORT



MINING



AUTOMOTIVE



GOVERNMENT

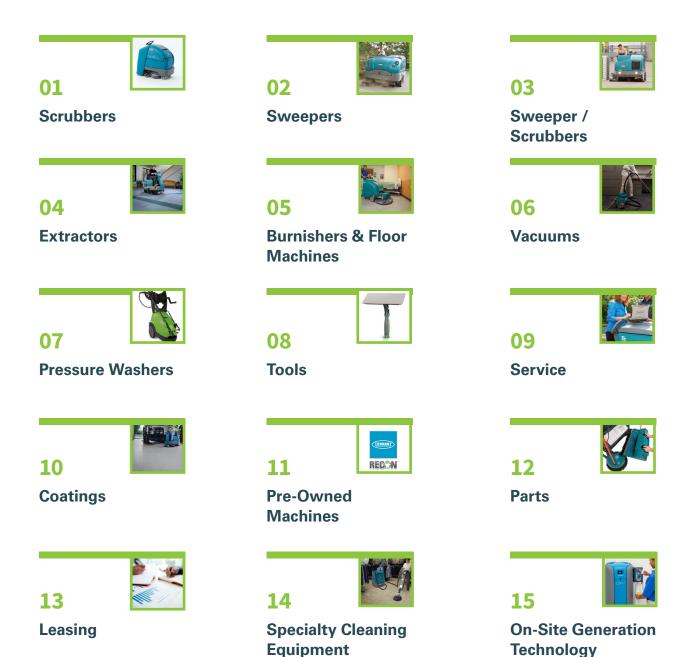


FOOD AND BEVERAGE



HOSPITALITY

OUR PRODUCT CATEGORIES



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GLOBAL FOOTPRINT



Tennant 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.

4,300 employees worldwide



Employees by Region

AMERICAS
2,350
employees

1,590 employees

360 employees







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Manufacturing Plants:
Tennant Company operates
and manages twelve
manufacturing facilities
around the globe.



About this Report



OBJECTIVES

Our 2017 report builds on prior years' initiatives and report content. Tennant Company's business model, governance, policies, practices, customers, and stakeholders changed little between 2016 and 2017, even with the acquisition of IPC.

Stakeholder concerns and priorities, and our material issues and opportunities, have not changed drastically from 2016.
Additionally, many of the General Standard Disclosures did not change year over year.



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Materiality Discussion



Stakeholder Engagement

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.

Following 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 multistep 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. We employed proxies where direct dialogue was not practical. 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 report.

The objective of the stakeholder engagement and materiality exercises was to identify and prioritize stakeholder needs, expectations, and concerns in order to define what Tennant should address within our sustainability programs.

Stakeholder Engagement Strategies, Tactics and Areas of Interest

| Stakeholder Group | Engagement Strategy What strategy will Tennant employ to engage stakeholders? | Engagement Tactic How will Tennant implement these strategies? | Major Issues & Concerns What are stakeholders most concerned about? |
|--------------------------------------|---|---|--|
| 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 | GHG emissions, waste, water, packaging, supply chain, end-of-life (EOL) Sustainability plans and certifications, |
| | | Publish performance in CSR and CDP reporting | sustainability-minded innovations |
| Investors | Proactively share sustainability highlights with investors | Include sustainability performance information on website | Return on investment Security of investment |
| | | Publish performance in CSR & CDP reporting | Security of investment |
| Employees | Know employees' concerns and needs, meet their reasonable | Conduct all-employee attitudinal survey at regular intervals | Varies by region and includes topics such as: GHG emissions & energy, waste |
| | expectations Promote sustainable mindset and | Form employee focus groups to address key concerns and issues | reduction & recycling |
| | actions at work and at home | Refer interested employees to online CSR report | |
| | | Formal and informal training on sustainability focused topics. | |
| Value Stream | Maintain a secure, reliable, balanced and respectful | Vet suppliers' compliance with Tennant's supplier guidelines and expectations | Risk mitigation |
| | partnership with suppliers and distribution channel members | Meet reasonable needs of distribution channel members and respect their business | |
| | | Biannual Supplier Summit | |
| 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 | Meet local codes for emissions, discharge, noise, etc. | Employment, compliance with ordinances, taxes |
| | corporate resident: locally, nationally, globally | Offer employment opportunities at fair market compensation | |
| | | Give back to communities in which we work, live and play | |
| NGOs (Non-Government | Partner with those whose mission is aligned with Tennant's business objectives | Support through memberships and sponsorships; participate in meetings, forums and workshops | Support and align with their mission |
| Organizations) | Remain open to dialogue from NGOs who are not aligned but may provide other benefits | · | |
| 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 |



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, account managers, and sales support staff to mine customers' Requests for Information and Requests for Proposals. The top three areas of concern for our customers are (Table 1): greenhouse gas emissions (carbon and energy), waste, and sustainability policies. 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 many 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 for our Sustainable Enterprise strategy such as communication and collaboration while continuing to support stewardship, job fit and impact. We use different collaboration platforms to educate and request feedback from employees, in addition to formal and informal trainings on sustainability or waste and recycling. < 0017



There are two ouputs from this exersice:

- 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

MATERIALITY WORKSHOPS

During 2013, we conducted six materiality workshops; participants represented key functions 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 have updated our
matrix based on current concerns,
although the general themes remain
consistent. The topics are now
mapped according to the item's

impact on stakeholders and impact on the environment.

We found many issues and opportunities were similar or related. These were grouped through an affinity mapping process.

The final phase of establishing 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.

In 2017, we reviewed a large number of material issues that were brought to our Sustainable Enterprise team by internal and external stakeholders. Many of the issues aligned with the four focus areas from the 2014 exercise. We have taken the information further to identify where the issues impact Tennant's value chain so we can better prioritize future projects. This can be seen in Table 2: Materiality Value Chain.

Carbon Reporting Boundary

Tennant Company leases, rents, or owns many 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 for 2017. 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. Tennant closed on the IPC Group (IPC) acquisition on April 6, 2017; facilities and fleets acquired as part of IPC are excluded from 2017 GHG emissions reporting boundary. We intend to bring IPC inside the boundary for 2018 reporting.

FIGURE 1

Stakeholder Materiality Analysis Matrix

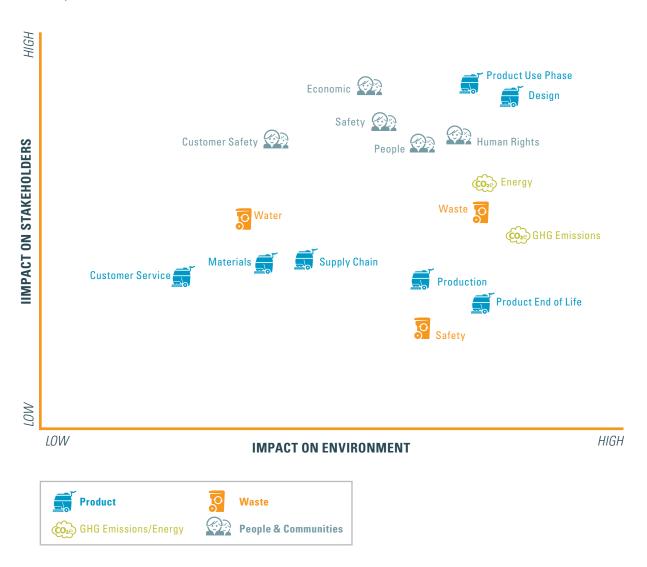


Table 2

Materiality Value Chain

| FOCUS AREA | ISSUE | Product Development | Source of Material | Upstream Supply Chain | Production | Downstream Suppy Chain | Use of Products | End of Life |
|--------------------------|---|------------------------|-----------------------|-----------------------------|------------|---------------------------|--------------------|-------------|
| PRODUCTS | | | | | | | | |
| Customer Service | Management of warranty claims, recalls, and customer issues | • | | | | • | • | • |
| Design | CO2 emission reduction & energy efficiency | • | | • | | | • | |
| | LCA in product design & environmental performance improvement | • | • | • | • | | • | • |
| Materials | Material sourcing of conflict & critical minerals and the associated risks | • | • | • | | | | |
| | Production risks from supply disruptions of rare earth metal minerals | • | • | • | • | | | |
| Product End of Life | Recyclability, reusability, remanufacturing, and hazardous waste disposal | • | • | • | | | | • |
| Product Use Phase | Product use phase including water consumption | • | | | | | • | |
| | Product use phase including emissions and fuel consumption | • | | | | | • | |
| Production | Management and disposal of toxic substances such as mercury and lead | | | | | • | | • |
| Supply Chain | Quality control with supply chain partners | | • | • | • | | | |
| | Returnable packaging | | | • | • | | | |
| | Direct economic impacts including taxes and tariffs | | • | • | | • | | |
| | Environmental and social standards strategy in the supply chain includes criteria for raw material sourcing, recyclable and renewable materials | | • | • | | | | |
| GHG EMISSIONS/ ENERGY | | | | | | | | |
| Energy | Energy consumption from production phase | | | | • | | | |
| | Energy consumption within supply chain | | | • | | • | | |
| | Fuels & electrical grid - renewables | | • | • | • | • | • | |
| GHG Emissions | Climate change mitigation | | | • | • | • | • | |
| | GHG emissions production & products | | | • | • | • | • | |

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| FOCUS AREA | ISSUE | Research & Development | Source of Material | Upstream Supply Chain | Production | Downstream Suppy Chain | Use of Products | End of Life |
|----------------------|---|---------------------------|-----------------------|-----------------------------|------------|---------------------------|--------------------|-------------|
| WASTE | | | | | | | | |
| Safety | Occupational health risk from electronic waste | | | | • | • | | • |
| Waste | End of life products reclaiming systems for: reuse, recycling, and recovery of materials | • | | • | | | | • |
| | Waste stream management including process efficiency | • | | • | • | • | | |
| Water | Enterprise water use | | | | • | | | |
| PEOPLE & COMMUNITIES | | | | | | | | |
| Economic | Diversity in governance bodies | • | • | • | • | • | | |
| | Indirect economic impacts | | • | • | | | • | • |
| | Precautionary principle approaches for business | • | • | • | • | • | • | • |
| Customer Safety | Product safety including: safe handling of product, product security | | | | | • | • | • |
| Human Rights | Human Rights Focus: discrimination, ethics corruption & bribery, human rights | • | • | • | • | • | • | • |
| People | Labor practices | | • | • | • | • | | |
| | Community involvement | • | | | • | | | |
| Safety | Occupational Health and Safety: risks exposure to toxic chemicals, operations, and supply chain | | • | • | • | • | • | • |

Stakeholder Engagement



8 Stakeholder Groups

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 2017, we reviewed our stakeholder groups and strategies and concluded that the 2013 analysis was still valid. Sustainable Enterprise reevaluated the stakeholder prioritization analysis from 2013 to align our current resources and active programs against our stakeholder's highest priorities. (See Table 2.)

Supply Chain Insights

Engagement for 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 small number of suppliers account for 17% of our Scope 3, Categories 1, 4 and 9 emissions. The top 25 suppliers account for 53% of raw material spend in 2017. In 2017, Tennant prioritized sourcing categories in which to begin supplier engagement based on the Scope 3 GHG Emissions and Water footprint analysis completed in 2014. This cross-functional effort involved procurement, engineering, and sustainability departments.





Tennant Company Sustainable Enterprise

2017 HIGHLIGHTS



SUSTAINABILITY
TARGET METRICS
ACHIEVED

at launch of new products

SCORE
with CDP
Supply Chain
Program, designated in
LEADERSHIP LEVEL





Tool developed to measure machine GHG emissions



180% INCREASE



in recycling at Golden Valley Plant

OVER 2,880 TONS



INDUSTRIAL MATERIALS RECYCLED GLOBALLY

3 rd

consecutive year

of absolute GHG

emissions reductions



19

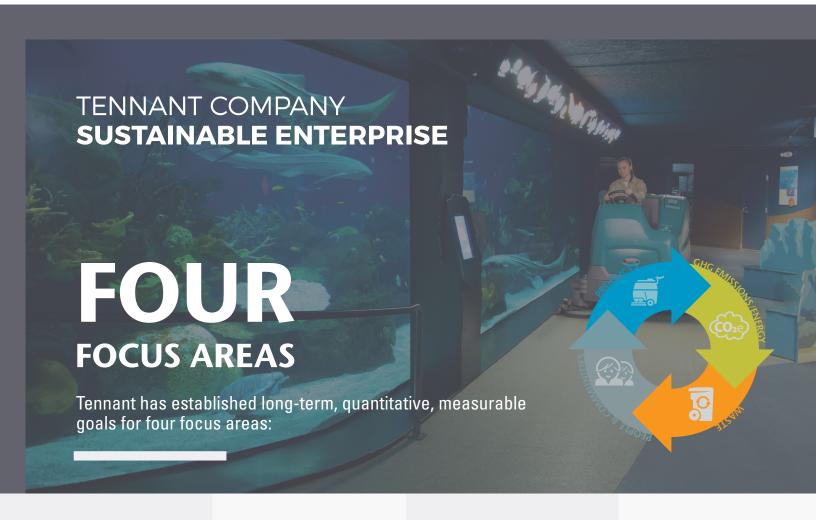


REDUCTIONS
PROJECTS
totaling 1,185
mT CO2e
reductions
including
2,850MW of

EMISSIONS

\$465K Charitable Donations





PRODUCTS

WASTE

GREENHOUSE GAS (GHG) EMISSIONS/ ENERGY PEOPLE & COMMUNITY











FOCUS AREA PRODUCTS

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.

Product objective, targets and progress.

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. Tennant Company's targeted annual investment of 3-4% of sales in Research & Development has aided Tennant's breakthrough innovations like ec-H20 NanoClean®, the Pro-

Panel™, IRIS, and Smart-Fill™.

In 2017, Tennant's Sustainable
Enterprise group expanded to add
a dedicated resource to focus
on reducing the environmental
impacts of our products. We made
a significant investment to develop
a methodology and tool to quantify
the "use-phase" greenhouse gas
emissions of Tennant's entire
product portfolio. This allowed us

to create a baseline (2016) along with a long term science-based target for greenhouse gas emission reductions. The new target was approved internally in 2017 and externally by SBTi in early 2018. See GHG Emissions/Energy Focus Area for more details. Emphasis remains on the product development projects and teams, with an in-depth look at each project to develop and set environmental impact improvement targets.

PRODUCT SUSTAINABILITY TARGETS METRICS

| Statistics | 2017 | 2016 | 2015 | 2014 | TOTAL |
|---|------|------|------|------|-------|
| Number of environmental impact improvement targets set | 4 | 1 | 7 | 4 | 16 |
| Number of environmental impact improvement targets achieved at launch | * | 1 | 6 | 4 | 11 |

^{*} Projects had not reached launch as of December 31, 2017



Product Highlights 2017



AWARD

Since launching in the first quarter of 2016, IRIS® Asset Manager has benefitted Tennant customers by giving them greatly enhanced visibility of their fleet, delivering key performance metrics and intelligent insights that increase productivity, reduce cost to clean, improve cleaning consistency, and inform decision-making to drive their operations forward.

The 2017 Premios Nacionales de Limpieza (National Cleaning Awards) in Spain presented Tennant Spain with the 2016 Product of the Year for IRIS® in the category of Services. The judges honored the way IRIS® was helping Spanish customers to optimize the quality and cost of their cleaning activities.









T350 Stand-On Scrubber

The T350 stand-on floor scrubber is an extremely maneuverable machine that can effectively clean around obstacles and obstructed spaces. It was also designed with efficiency in mind, including the following options and features:

- The optional ec-H20 NanoClean® and Severe Environment™ minimize secondary cleaning operations on tough surfaces
- The optional Pro-Panel[™] with on-demand tutorial videos and customizable Zone Settings[™] make on-boarding new operators a quicker and simpler task
- The optional Insta-Click™ brush and pad mounting system makes installation and removal of cleaning pads and brushes easy
- The new quick-release functionality of the squeegee design makes for easy blade maintenance and replacement
- The ergonomic layout of the operator controls area and the "go" pedal on the platform help to minimize fatigue



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Tennant Silica Dust Solutions

Supporting OSHA Housekeeping Requirements

Starting with the construction industry on September 23, 2017, the Occupational Safety and Health Administration (OSHA) began enforcing new respirable crystalline silica standards, with the goal of better protecting workers exposed to it. Silica is a natural substance (typically quartz) that is found in materials common at multiple worksites, including foundries and construction sites. Materials containing silica include: concrete, rocks and sand. The dust created by cutting, grinding or drilling concrete products can also contain respirable crystalline silica. Over time, exposure to these particles causes scarring in the lungs which

can harm ability to breathe and which can lead to the development of silicosis, according to The American Lung Association.

OSHA is insisting that employers ensure workers are safe and silica dust exposure is minimized. Tennant offers three types of dust control methods that can be used to help support OSHA silica control housekeeping requirements. These solutions address three critical business challenges: maintaining air quality, maintaining OSHA compliance, and creating healthy environments.











Wells Concrete Safety Manager Mike Frieler measures the dust in the air at the plant and says he's seen improvement with the new Tennant S30 sweeping system with HEPA filtration. "It's a lot cleaner than just a broom and a dustpan. It contains the dust within the filters, so you don't have it floating in the air and people breathing it in. A lot better than the old way," says Frieler.

Wet Sweeping

Water Flooding/ Scrubbing

Dry Sweeping with HEPA Filtration



Wet sweeping is effective in most applications. Several Tennant ridersweepers can be used for wet sweeping.



In certain applications, water flooding is a very effective means of silica dust control. All Tennant scrubbers, including walk-behind and ride-on machines can be used for water flooding.



Dry sweeping with HEPA filtration is an OSHA-allowable method in applications where other methods aren't feasible.
Several Tennant sweepers, riders and walk-behinds are available with HEPA filtration Systems.

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In January of 2017, Tennant hosted a large number of our global suppliers for a three day summit.

The main goals were to: lay out a new program structure, build a stronger supply culture, and encourage partnership in continuous improvement and innovation. Attendees joined breakout sessions where they gained a deeper understanding of specific core functions, including: Commercial and Industrial Products, New Product Development, Parts and Consumables, Custom Solutions, and Lean.



Idea gathering platform for continuous improvement.

The Shine program was introduced at the Supplier Summit. The Shine program is an idea-gathering platform; all suppliers were encouraged to submit ideas for continuous improvement in numerous categories such as value add, process, and co-development. Since our suppliers are the experts in their industries, this program gives Tennant the ability to leverage their expertise and continually build better products for our customers. In the end, suppliers appreciated Tennant's transparency in saying, "We need YOU in order to be successful as a business, so let's work together to become better partners."



Pictured: Steve Van Vossen, global supply chain leader for Tennant, addresses Tennant suppliers.

- Establish a New

 Partner Structure
 - Build a Stronger
 Supply Culture
- Encourage Partnership
 in Continuous
 Improvement &
 Innovation

Design Award T500

Walk-Behind Scrubber

The outstanding design of the T500 was recognized through winning a 2017 International Good Design Award*. John Ickes, Senior Principal Industrial Designer at Tennant, explains why these types of awards are great for our company and our customers. "It is an exceptional honor for Tennant and the development team to be selected for this award and recognized for design excellence among industry leaders such as John Deere®, Apple®, and Ferrari®. Our team strives to design and build high quality products that improve the work experience of our customers and executes the product in a way that allows Tennant to stand out in the marketplace."

Machine Benefits.

- Reduce cost to clean
- Improve health & safety for operators
- Enhance facility image
- Minimize environmental impact with detergentfree cleaning options





Turning old into new **Reconditioning Program**



OUR MACHINES ARE BORN TO HAVE MORE THAN ONE LIFE.

Cesar Cosas

Tennant Recon & Rental Manager



Tennant has offered pre-owned equipment to its customers for well over a decade, but a renewed focus in 2014 resulted in the creation of specialized reconditioning teams near our headquarters in Golden Valley, MN. We quickly experienced tremendous growth and success, as these pre-owned Tennant machines provide reliable cleaning power and quality at an affordable price. This achievement spurred the decision to cultivate additional reconditioning resources in: Toronto, Canada; Dallas, Texas; Zaragoza, Spain; and Limeira, Brazil.

The reconditioning process starts with a used machine finding its way back to Tennant, through a buy-back or trade-in program.

The machine is assessed and rated based on its condition, and will either be cleaned and repaired for resale, or dismantled for recycling. The machines deemed appropriate for reconditioning are thoroughly inspected and components with excessive wear are replaced. Commonly replaced components include batteries, motors, vacuum fans, and consumables such as brushes and squeegees. After the machine is back to a highly functional state, it goes through an

exterior restoration where many machines emerge looking good as new. Comprehensive final quality checks are completed, resulting in a machine that is ready for resale. There is such high confidence in the quality of the refurbished equipment that most are backed by a Tennant factory warranty.

TENNANT'S ZARAGOZA FACILITY

Tennant's reconditioning facility in Zaragoza, Spain opened in 2016. With a capacity to refurbish 900 machines each year, it provided Tennant an opportunity to reach a new set of customers. This novel business model of continuous high quality allows us to take responsibility for the end-of-life of our products and greatly extend their valuable life. As the Recon and Rental Manager Cesar Casas put it, "our machines are born to have more than one life, and we give them that trustworthy second life."

Pictured:

A Tennant scrubber before and after the reconditioning process.





Green Cleaning Yale University Uses Orbio®



In line with its sustainability goals, Yale University has been investing in green cleaning technology in place of conventional cleaning products. In 2017, Yale's Pauli Murray and Benjamin Franklin colleges became the first residential colleges on Yale's campus to use on-site generation os3 technology by Orbio.

The Yale Green Cleaning Standards aim to reduce the exposure of faculty, staff, students, and visitors to chemical, biological, and particulate matter that may be harmful to human health and the built and natural environments.

Pictured:

The floors at Yale's Benjamin Franklin library are cleaned with Orbio technology.



[YALE] HAS **SLOWLY TRANSITIONED TO USING GREEN** PRODUCTS, BUT THEY'RE STILL **NOT COMPLETELY** HARMLESS. WE **WANT TO GET** THE PRODUCT THAT'S THE **LEAST HARMFUL** AS POSSIBLE. **ORBIO IS** THAT NEXT **GENERATION.**

Mark McCloud

Director of Facilities Services and Grounds at Yale

IT'S BETTER FOR
THE CUSTOMER
BECAUSE YOU'RE
NOT USING
PRODUCTS
THAT WOULD
BE HARMFUL
TO BREATHE
IN LIKE A
CHEMICAL-BASED
SOLUTION.

Krista MacLellan

Facilities Superintendent for Franklin and Murray Colleges



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FOCUS AREA GHG EMISSIONS/ENERGY

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.

CDP

In 2017, we made our fifth consecutive response under the CDP Supply Chain Climate Change program. For 2017, Tennant Company's score was "A –" at the "Leadership" level. Our score progression is shown in Table 3.

We are pleased with the continuous improvement and remain fully committed to the energy and GHG emissions governance principles advocated by CDP.

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 (SBTi). We developed new science-based targets and submitted them for validation in September 2017. In early 2018, we received SBTi approval for these new

Table 3

TENNANT COMPANY CDP SCORE PROGRESSION

| 33.cpp | | | YE | | | |
|----------------------------------|------|-------|------|------|------|------------------|
| TICOP DISCLOSURE INSIGHT ACTION | 2017 | 2016* | 2015 | 2014 | 2013 | |
| TENNANT COMPANY | A – | В | 95 | 80 | 68 | Disclosure Score |
| TENNANT COMPANT | A- | 5 | С | С | D | Performance Band |
| INDUSTRY GROUP | D | D | 60 | 53 | 49 | Disclosure Score |
| AVERAGE | Ь | Б | D | С | С | Performance Band |

^{*}Scoring methodology changed in 2016. Disclosure and performance combined in ladder framwork.

Scope 1 & 2 GHG Emissions: 2020 Intensity Target

| Category | 2020 Target | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 Baseline |
|--|-----------------------|--------|--------|--------|--------|--------|------------------|
| Total GHG1 Emissions (mT CO ₂ e) ¹ | - | 30,446 | 32,480 | 33,694 | 33,925 | 31,982 | 31,515 |
| Revenue (\$ M) ¹ | _ | 829 | 809 | 812 | 822 | 752 | 739 |
| GHG Emissions Intensity (mT CO ₂ e / Revenue in \$M) | 32.0 | 36.7 | 40.2 | 41.5 | 41.3 | 42.5 | 42.6 |
| Intensity Change from 2012 Base Year (%) | -25% | -13.8% | -5.8% | -2.7% | -3.2% | -0.3% | - |

¹ GHG Emissions and Revenue do not include IPC Group acquisition which closed 4/6/2017.

targets. SBTi approved the following target summary statement:

"Global manufacturer of commercial cleaning equipment and solutions,
Tennant Company commits to reduce absolute scope 1 and 2 emissions 25% by 2030 from a 2016 base year. Tennant also commits to reduce scope 3 use of sold products emissions 50% per \$USD of equipment revenue by 2030 from a 2016 base year."

GHG EMISSIONS & ENERGY Scope 1 & 2 GHG Emissions

In 2017, our Scope 1 & 2 GHG emissions decreased by 2,034 mT CO2e compared to 2016; a 6.3% decrease year over year. Since 2012, we have reduced absolute GHG emissions by 1,069 mT to 30,446 mT; a 3.4% decrease. Over the same time period our revenue grew by more than 12%.

Of our 2017 total market-based emissions, Scope 1 was 22,421 mT

(74%) and Scope 2 was 8,025 mT (26%).

Our first GHG emissions target (set in 2014) is a 25% intensity reduction by 2020. We are pleased to report progress toward this target accelerated in 2017. GHG emissions intensity was 36.7 mT CO2e/\$M in 2017; a reduction of 13.8% compared to the 2012 base year (Table 4).

Our science-based target for GHG emissions is a 25% absolute reduction by 2030. We are pleased to report a strong start and good progress toward this target in 2017, with a 6.3% reduction compared to the 2016 base year (Table 5). Achieving absolute emission reductions while business grows is an expectation of investors and other stakeholders. Tennant Company remains fully committed to meeting this expectation.

We engaged Trucost (part of S&P Dow Jones Indices, a division of S&P Global) to provide assurance for our

WE'RE LEADING THE WAY TO A LOW-CARBON FUTURE WITH AN APPROVED SCIENCE-BASED TARGET



2017 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 can be found at website: https://www.tennantco.com/en_us/about-us/corporate-citizenship/sustainability.html.

In 2017, field Sales & Service vehicle use was the source of 51% of our Scope 1 & 2 GHG emissions. Compared to base year 2012, fleet emissions show a very small 11.3 mT CO2e increase — essentially flat. While the total number of

Scope 1 & 2 GHG Emissions - 2030 Science-Based Target

| Category | 2030 Target | 2017 | 2016 Base Year |
|--|----------------|--------|--------------------------|
| Total GHG1 Emissions (mT CO ₂ e) ¹ | 24,360 | 30,446 | 32,480 |
| Absolute Change YoY (mT CO ₂ e) | -8,120 | -2,034 | _ |
| Change from 2016 Base Year (%) | -25% | -6.3% | _ |

 $^{^{1}\,\}mathrm{GHG}$ Emissions do not include IPC Group acquisition which closed 4/6/2017.

Scope 3, Category 11 GHG Emissions - 2030 Science-Based Target

| Category | 2030 Target | 2017 | 2016 Base Year |
|---|----------------|---------|--------------------------|
| Total GHG1 Emissions (mT CO ₂ e) ¹² | - | 347,474 | 374,655 |
| Equipment Revenue (\$M) ¹ | - | 462 | 459 |
| GHG Emissions Intensity (mT CO ₂ e/Revenue in \$M) | 409 | 752 | 816 |
| Intensity Change from 2016 Base Year (%) | -50% | -7.8% | - |

¹ GHG Emissions do not include IPC Group acquisition which closed 4/6/2017.

vehicles and miles driven have increased significantly, our driver behavior and fleet transformation programs continue to provide both environmental and economic benefits.

Logistics, manufacturing, and office facilities produced 49% of our 2017 GHG emissions. Facility emissions have decreased 1,080.5 mT CO2e since 2012. The decrease is due to a consistent stream of efficiency projects, along with renewable

energy purchases. For a close look at our emissions reduction project portfolio and progress, see Table 7.

Detailed Scope 1 & 2 emissions data can be found within our 2018 CDP response.

Scope 3 GHG Emissions

For the fourth consecutive year, our Scope 3 GHG emissions were assessed by Trucost. Scope 3 emissions in 2017 were 507,550 mT CO2e, a decrease of 2% compared to 520,088 mT CO2e in 2016.
In 2017, we focused primarily on Scope 3, Category 11 – Use of Sold Products. To ensure consistent progress, we added a Senior Product Stewardship Engineer as a dedicated resource. Substantial effort was made to develop an approach, method, baseline, and calculator for product portfolio use-phase GHG emissions (Category 11 – Use of Sold Products). Category 11 remains our

² SBT boundary excludes sold products where Tennant does not have primary design control at 3-5% of total category 11 emissions.

highest Scope 3 priority at over 72% of our 2017 Scope 3 GHG footprint.

Our science-based target for Scope 3, Category 11 is "reduce use of sold products emissions 50% per \$USD of equipment revenue by 2030 from a 2016 base year." We are pleased to report a strong start and good progress toward this target in 2017, with a 7.8% reduction compared to 2016. (See Table 6)

A good portion of the Scope 3, Category 11 reduction came from the trend toward cleaner electrical grids. For example, "In 2017, renewables accounted for 55% of the 21 gigawatt of U.S. capacity additions, the fourth consecutive year in which renewables made up more than half" of total added capacity1. The grid trend will make a continuing positive impact since the majority of our Category 11 emissions come from cord or battery powered electric equipment. Over time, product efficiency improvements will provide the largest positive impact contribution.



We engaged Trucost to provide assurance for our 2017 Scope 3, Category 11 GHG emissions inventory and 2016 base year emissions. Assurance was conducted in accordance with the AA1000AS (2008) standard, at AA1000 Type 2 (quantitative),

https://www.eia.gov/todayinenergy/detail.php?id=36092#tab1

moderate-level. The Assurance statement can be found at website: https://www.tennantco.com/en_us/ about-us/corporate-citizenship/ sustainability.html

We continued strategic work on the 2nd largest element of our Scope 3 footprint, Category 1 – Purchased Goods and Services. A Supplier Summit was held in January 2017 (see page 30), where we outlined our Sustainable Enterprise program and progress. In

2018, we will begin direct engagement with a subset of suppliers in one material purchasing category.

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

EFFICIENCY AND EMISSIONS REDUCTION

We continue to drive methodically toward more efficient operations & vehicle fleets. Emissions reduction



Pictured: The Tennant North America Fleet Management team of Dawn Lindell, Stuart Olson and Ruth Lanners.

ARI is a Tennant Company fleet management business partner. ARI evaluated whether Tennant currently has systems and processes in place to ensure the North America Sales & Service fleet is being managed to optimize efficiencies, control costs, and mitigate risk. The evaluation questionnaire focuses on Policy & Administration and Operations, with sub-sections covering areas such as: Administrative structure, fleet policy, safety, fuel & maintenance, vehicle specification and acquisition, as well as replacement cycling. The ARI 2017 Fleet Performance Index® rated Tennant at 91.6%. This high rating reflects our optimal structure aimed at best practice performance, placing Tennant among the top fleets at ARI. The Tennant North America Fleet Management team of Ruth Lanners, Dawn Lindell and Stuart Olson has implemented a comprehensive program. Efforts of the team around specification and deployment of more efficient vehicles, plus increasing driver behavior awareness, have reduced 2017 GHG emissions by more than 500 mT CO2e compared to 2016.

activities to produce energy and fuel savings as well as reduced operating costs. In 2017, we drove continued growth in our total Scope 1 & 2 emission reduction portfolio — see Table 7. Total expected emissions reduction from the 2017 project portfolio is about 4% greater than 2016. We remain excited about continuing this trend in future years. Emissions reduction projects implemented in 2017 include: continued transformation of Sales and Service vehicle fleets by rewarding good

driver behavior and deploying more efficient models; logistics and manufacturing lift truck upgrades including opportunity charging; a number of LED lighting upgrades; upgrading manufacturing processes and equipment; adding automatic onoff timers for HVAC and production process systems; and sourcing 850,000 kWH of wind energy for our RECON/Service facility in Grand Prairie, Texas and for a portion of electricity consumed at our Louisville,

Kentucky Distribution Center.

Estimated annual savings from the Limeira, Brazil LED project is more than 50,000 kWh and the quality of light improves employee working conditions. Finally, for the second consecutive year, we sourced 2,000,000 kWh of Nederlandse wind electricity. The purchase covered more than 90% of total electrical usage at our manufacturing and logistics facilities in Uden, The Netherlands.

BEFORE

AFTER

TENNANT COMPANY BRAZIL MANUFACTURING FACILITY

An example efficiency project is the lighting upgrade at our Limeira, Brazil manufacturing facility.





Project Portfolio: Scope 1 & 2 GHG Emissions

| Category | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-------|-------|------|-------|-------|-------|
| Number of Projects Implemented | 19 | 16 | 10 | 15 | 9 | 6 |
| Emissions Reduction Achieved (mT ${\rm CO_2e}$) | 1,185 | 1,312 | 424 | 661 | 1,128 | 710 |
| Number of Projects in Process | 3 | 2 | 3 | 1 | 0 | 1 |
| Emissions Reduction Estimate (mT CO ₂ e) | 234 | 1,052 | 58 | 2 | 0 | 38 |
| Number of Projects Planned | 13 | 13 | 10 | 7 | 0 | 2 |
| Emissions Reduction Estimate (mT CO ₂ e) | 5,094 | 3,918 | 495 | 425 | 0 | 300 |
| Total Number of Projects in Portfolio | 35 | 31 | 23 | 23 | 9 | 9 |
| Total Emissions Reduction (mT CO ₂ e) | 6,513 | 6,282 | 977 | 1,088 | 1,128 | 1,048 |

Featured Partner:

Kuehne + Nagel

Our Partners are Working to Reduce GHG Emission Transparency

Tennant's primary international freight forwarder, Kuehne + Nagel, has been an important logistics partner for Tennant for many years. Kuehne + Nagel has a 125 year history in the industry and is known for being a leader across the globe for seafreight and air cargo forwarding and overland transportation.

Kuehne + Nagel is also known for being an industry leader when it comes to carbon reporting and transparency. They have developed three different carbon calculators as part of their Carbon Intelligence tool set: Global Facility Carbon Calculator, Global Transport Carbon Calculator, and Global Seafreight Carbon Calculator. These calculators provide a standardized methodology for CO2 reporting internally for the Kuehne + Nagel process and for assisting customers in calculating their CO2 emissions to provide transparency for carbon goals and metrics. In 2017, Kuehne + Nagel started reporting the amount of CO2 emissions from each shipment.

Not only is Kuehne + Nagel committed to providing transparency to their customers, they are also committed to reducing the CO2 emissions from their operations, with goals to reduce CO2 emissions from Kuehne + Nagel sites by 15% and to increase their usage of electricity from low carbon sources 10% by 2020. Kuehne + Nagel is acting on this by installing solar arrays on the roofs of some of their warehouses and offices, covering more than 700.000 m2.

Tennant is proud to partner with companies like Kuehne + Nagel that are committed to carbon emission reductions. Their efforts and transparency are helping Tennant achieve our objectives, goals, and metrics.

» | 15%

Goal to reduce CO2 emissions from Kuehne + Nagel sites by 15% by 2020

^{**} 10%

Goal to increase usage of electricity from low carbon sources to reach 10% by 2020

* 700,000m²

Installing solar arrays on the roofs of some of their warehouses and offices, covering more than 700,000 m2



0040 >>>



FOCUS AREA WASTE

At Tennant Company we strive to reduce—and aspire to 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 committed to our 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 in 2013, we determined that waste is a material issue, since all forms of waste have cost implications. As we continue to engage with our stakeholders throughout the years, waste continues to be a main area of concern, especially for customers and employees.

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. We have used waste sorts at our facilities to identify current state, and areas of opportunity. We have acted based on those sorts: Collecting organics at our corporate headquarters, incorporating additional recycling containers throughout the production facility in Golden Valley to collect additional common recyclable materials, and we've increased our diversion of cardboard and stretch wrap at our distribution centers.

We continue to expand and improve our industrial recycling as

employees identify waste streams that should be diverted. In 2017 we collected over 2,880 tons of industrial recycling material. Our employees continue to identify ways to reuse materials and reduce waste including: Reusing incoming dunnage on outbound shipments, and working with procurement and engineering to reduce excess packaging or material before components are delivered to our facilities.

Water is a critical resource. which we use as efficiently as possible in our operations.

A water materiality assessment of Tennant Company's Minneapolis, Minn. 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





MADE BLUE

Water saved creates

opportunities.

Over the past four years, Tennant Spain and Netherlands have partnered with key strategic accounts to identify an organization that can convert quantity of water saved by using ec-H20 technologies into donated funds for water projects. Made Blue was selected to be the recipient of this donation because of their work to fund water access projects in developing countries. In 2017, Tennant and our customers who have opted into the program have donated 4,640€ to Made Blue.

Made Blue uses Tennant's donation, along with donations from many other organizations to fund projects managed by organizations that are committed to bringing clean water to communities.

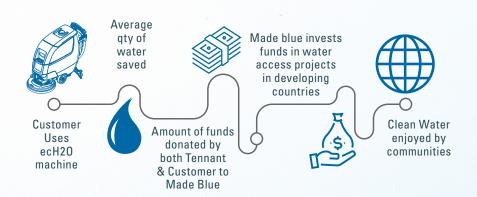
CONSISTENT WITH OUR CORE VALUE OF STEWARDSHIP, WE WILL ALWAYS:



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.



| Category | 2017 | 2016 | 2015 | 2014 |
|---|------------|------------|------------|------------|
| Liters of Water Saved by Customers | 11,600,000 | 11,600,000 | 23,200,000 | 23,200,000 |
| Tennant's Monetary Donation to Made Blue based on liters of water saved* | 2,320 € | 2,320 € | 14,460 €** | 4,640 € |

^{*}The amount of money donated was based on average liters of water saved by customers who use ec-H2O compared to standard detergents, multiplied by a funding factor provided by Made Blue.

^{**}An additional monetary donation was made in addition to the standard donation made based on liters of water saved.



Featured Partner:

Pad wrap with LOGIX

REDUCES PACKAGING

For the past 16 years, Tennant has partnered with Logix Transportation to deliver our machines to the lower 48 states.

Not only have they provided great service to Tennant and our customers with damage-free, on-time delivery of Tennant equipment, they do so using Pad Wrap, a program that reduces the amount of packaging needed to protect Tennant machines in transit.

Over the last eight years alone, the Pad Wrap program has saved Tennant and our customers over 19 million pounds of crating materials. Not only does the program reduce consumption of crating supplies at Tennant, which is the ideal goal for the waste hierarchy, but the program also means little to no waste for our customers. The machines are ready for installation and operation directly off the truck, with little to no additional assembly required.



18,000 **3,000,000**PALLETS POUNDS OF WASTE

SAVED WITH NO PACKAGING



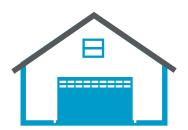


Minneapolis SAFETY & SUSTAINABILITY TEAM

Through ongoing training of the production staff and the additional recycling collection containers, the facility increased the amount recycled by nearly

180%

The Safety Team at the Minneapolis industrial manufacturing site added sustainability to their responsibility in the summer of 2017. During the monthly meetings the team discussed and identified production areas that needed additional recycling containers, identified the type of hot work containers suitable for welding areas, found additional items that should be collected and recycled, and agreed on a design for container signage. Through ongoing training of the production staff and the additional recycling collection containers, the facility increased the amount recycled by nearly 180%. The team also identified the location to pilot organic paper towel collection and assisted in the implementation of that program.



Reuse efforts | Employee Garage Sale

For the last nine years, items that are no longer useful for Tennant, but still in operable condition, are collected once a year at our Holland, Michigan facility. These items are then sold through an employee garage sale with the proceeds donated to local charities. Common items that are sold include: chairs, hand tools, and Tennant shirts from past events.

In 2017, the proceeds raised by this effort exceeded \$3,000.

Recycling Efforts across the Company



Holland, Michigan production facility has a robust recycling program. Many different types of items are collected to be recycled. The local sustainability team has spent time observing each production line to determine which items can be diverted. We also send the "out of spec" plastic components that are made in our rotational molding department to be reprocessed and reused in the production of nonstructural pieces and accessories on our machines (i.e. battery covers, hose handles, etc.), reducing our overall waste plastic.

50% of waste was recyclable

Now diverting up to 70% of cardboard to recycling

Louisville Distribution Center completed a waste sort in the fall of 2017 and the results concluded that over 50% of their waste was easily recyclable. The team in Louisville found a partner to assist in the sorting process off site and are now diverting up to 70% of their cardboard to recycling.



The Sales and Service Center in France is very diligent on sorting their waste streams.

Internationally, many of our facilities also participate in industrial recycling. Collection points are distributed throughout the facilities to make it easy for employees to correctly sort materials and increase our diversion rates. Batteries, plastics, metals, and electronics are just a few different waste streams that are diverted globally in addition to paper and cardboard.

Featured Partner:

Hutten Catering – Uden Café

Tennant's partners are concerned about waste reduction and diversion.

Tennant started searching for a new catering vendor for the Uden Production facility in early 2017. The team wanted a vendor that could provide high quality, fresh, local and healthy food options for the employees. Hutten Catering met our requirements for the new vendor, while also being able to offer their De Verspillingsfabriek branded products. This group reduces food waste by collecting food pieces and bruised or blemished foods that wouldn't normally be sold to customers and turns them into sauces and soups. The final products are offered at the Tennant Uden café and are also sold in grocery stores in the Netherlands.



Comments from local employees:

Rob van Rooij

"Every day around lunchtime the very nice smells of fresh bread and other dishes float in the hallways. This gives you a big smile if you knew how the old frying pan air was smelling in the past.

Each day our restaurant has delicious fresh prepared food, like the soups out of the 'Verspillingsfabriek' Surplus Food Factory, the fresh salads and the daily special sandwiches. All are made from fresh ingredients and preferably from local suppliers.

I invite you all to try out our Tennant Uden restaurant and I say: 'Enjoy your fresh and healthy meal.'"

Marjolein Hermes-Habraken

"We are very happy with the transfer to Hutten. The lunches are diverse, fresh and healthy. Hutten is committed to sustainable food, which also fits well with the Tennant values: Respect for Mother Earth."



0046 >>



FOCUS AREA PEOPLE & COMMUNITY

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.

Tennant Company is an equal opportunity employer. Employment decisions are made on the basis of individual skill, ability, reliability, productivity, and other factors important to performance. We do not discriminate on the basis of race, color, creed, religion, sex, national origin, physical or mental disability, age, veteran status, pregnancy, sexual orientation, genetic information, gender identity, or any other basis protected by state or federal law or local ordinance.



At Tennant
Company,
we're
building
a culture
that asks,
"What's
New?"

In late 2015, the call went out from Tennant Company President and CEO Chris Killingstad to the company's top leaders: We have a talent crisis and we need your help.

"We need to be thinking NOW about the long-term talent attraction and retention strategies that will continue driving Tennant along our growth trajectory," the CEO said. And, so, a journey to define the Tennant employee value proposition began.

The backdrop for the CEO's call to action was a rapidly changing environment. For the first time in several years, employees had the upper hand in the job market. Companies could no longer operate under the assumption that employees were just "happy to have a job." The top

"people" issues facing organizations — as identified in Deloitte's Human Capital Trends report for 2015 — were leadership, engagement and culture. That same year, Tennant Company's enterprise risk assessment identified recruitment and retention of talent as one of the top risks to achieving strategic objectives.

Carol McKnight, Tennant Company's Senior Vice President and Chief Administration Officer, would lead the journey to understand the distinct value proposition that Tennant Company could offer current and future employees.

For 145 years, Tennant had grown to distinguish its products from the competition, but how would it distinguish itself from labor market competitors in this shifting talent paradigm?

To McKnight, the key was to be *intentional*. "We know that an employee value proposition can only be fulfilled when an organization's culture supports the value proposition. We think of culture as 'the way we do things' at Tennant," she describes. "And how we do things must be intentional and purposeful to fulfill the value proposition we're committing to for new and existing employees," she explains.

Through a rigorous process involving employee focus groups, organization surveys, leader interviews and open group discussions, Tennant Company leaders were able to uncover certain attributes of Tennant that translate into our employee value proposition. The company is known for innovation. It offers employees opportunities to touch many aspects of the company's business through a variety of experiences. Employees feel great pride around Tennant Company's 145-plus year history.

With a strong legacy of quality product innovation and a spirit of stewardship of our stakeholders and environment, Tennant Company's value proposition is to offer a workplace where employees are empowered to Think in New Ways, Pursue New Experiences, and Build on Tennant Company's Legacy.

In 2017, the company began incorporating this value proposition into our recruiting processes under the invitation to "join Tennant as a Creator of New and help the company Reinvent how the world cleans."

It takes a special kind of company with a lot of talented people to reinvent how the world cleans. We are excited and proud to attract and retain people who aren't afraid to roll up their sleeves, to step up with their own ideas, or stretch muscles they didn't know they had by courageously asking, "What can I do NEW today?"

OUR GUIDING PRINCIPLES

Tennant Company will Reinvent How the World Cleans guided by these principles:

WE WILL THINK IN NEW WAYS...

through GLOBAL COLLABORATION

We will create an environment that supports working together across functions and geographies for the greater good of Tennant and our customers.

with **EMPOWERMENT**

We will empower employees to make decisions and act with initiative to drive high performance and deliver results.

as the INNOVATION LEADER

We will be recognized as our industry's innovation and quality leader. We will honor our legacy by continually exploring new ways to improve our business.

WE WILL PURSUE NEW EXPERIENCES...

through IMPACTFUL WORK

We will provide fulfilling work that allows employees to have an impact on our collective success.

by being GROWTH ORIENTED

We will stay motivated to grow our company by constantly looking forward and challenging the status quo.

with ENERGIZING OPPORTUNITIES

We will energize employee development through unique and challenging work experiences.

WE WILL BUILD ON OUR LEGACY...

using STEWARDSHIP

We will use our core value of stewardship to guide our actions. We are accountable to our colleagues, our customers, our investors and our communities. We care for one another and work together for our mutual safety.

as an ETHICAL COMPANY

We will always behave fairly, ethically and with integrity in all things.

with AUTHENTICITY

We will be authentic, transparent, accessible and responsive.



Employee Profile: Pursuing New Experiences

Kate Powers has relished professional challenges and made the best of them, including at Tennant, where she is a Sustainability Specialist, helping the company reduce waste and promote recycling. In 2014, Powers joined Tennant and its Material Control (supply chain) team. She enjoyed the role, but with a passion for sustainability and a bachelor's degree in environmental science from the University of Minnesota, she intentionally pursued a role aligned with those interests.

Powers focused on relationship-building throughout the company but credits the volunteer opportunities at Tennant and strong Tennant leaders who encouraged her to pursue her passion, as important contributors to her eventually landing the sustainability role. Pete Swenson, Director of Sustainable Enterprise – and her current manager - was one of those.

When an opening surfaced within the Sustainability team she went for it – with full support from her manager at the time. "I was blessed with having a boss who encouraged me to seek out other opportunities, and who fostered the initial interactions with Pete," Powers says.



"INSPIRATIONAL MANAGERS AND **WORKING FOR A COMPANY THAT ENCOURAGES EMPLOYEES TO PURSUE NEW EXPERIENCES.**" **POWERS SAYS, "ARE** IMPORTANT REASONS **BEHIND WHY I AM BUILDING MY CAREER** AT TENNANT. I SEE MY STORY AS PROOF THAT, AT TENNANT, **WE REALLY CAN BE** CREATORS OF NEW."







Women's Day of Service: Holland, MI



Tennant UK Sales & Service



Global Volunteer & Fundraising activities



FRANCE

Tennant France made donations in 2016 and 2017 to Association Petit Princes totaling 5,780€. Petits Princes helps children with Cancer Achieve their dreams.

UK

UK Sales and Service is consistently looking for ways to support their local community through employee fundraisers. In 2017 the team in the UK raised over £600, including over £300 for Headway Northampton.

United Way Day of Caring in Michigan



USA

Women's Day of Service: Holland, MI-Tennant Employees visited the local Nestlings Diaper bank and packaged diapers into smaller packages. United Way Day of Caring at Holland, Michigan plant: Various fundraising activities during the week raised close to \$2,500.

Red Nose Day to end Child Poverty

2017 Tennant Sales Meeting

The 2017 Annual North American Sales Meeting was in Vancouver, British Columbia and continued our ongoing tradition of hosting volunteer activities for attendees. The Sales team participated in two different volunteer activities, the first activity served the homeless population in Vancouver, the team put together bags with food and clothing and handed them out throughout the city. The second activity was at the Greater Vancouver Food Bank, the team cleaned the facility using Tennant equipment and packaged food.

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Habitat for Humanity

The Tennant foundation is committed to supporting organizations and individuals who are creating a cleaner, safer, healthier world in which to live, work and play.

In 2017 teams of women from the Holland, Michigan plant and the Golden Valley, Minnesota plant participated in their first Women Builds through local Habitat for Humanity chapters. The build days were a great way to help a family in our local community.

We also have a Century Club
Habitat Builder, contributing more
than 100 hours of service during
the calendar year. Catherine
Mulvanerty, on our Sales team in
Georgia, has been volunteering
with Habitat for the last 13 years
and spends 30-35 weekends
a year working on build sites
installing subfloors, raising
exterior and interior walls, and
installing roof trusses.



Featured Partner:

KPMG – Sock Drive

Creators of New Smiles for those in Need in the Winter Season.

Tennant and KPMG partnered for the second time in 2017 for its "Sock it to Winter" drive. On any given night in Minnesota, 6,000 young people (ages 16-23) experience homelessness. The goal of the drive was to collect pairs of socks for YouthLink, an organization that supports young people in need. Thanks to the efforts of the drive, Tennant and KPMG collected more than 800 pairs of socks for YouthLink to distribute to those facing the struggles of homelessness.





Erick Rydeen, Senior Principal Engineer at Tennant Company has a passion for creating community amongst his peers, enhancing the culture at work, and foraging the land around him for sweet treats. A favorite activity is making maple syrup with his wife Tracy and daughter Rachael at his side, starting Browns Creek Sugarbush in 1994.

His pride and joy is the annual Browns Creek
Sugarbush Pancake Breakfast, which seamlessly
combines these passions. He started this event at
a previous employer to share his enthusiasm for
tapping trees and processing pure maple syrup;
naturally the syrup at the breakfast was made
by hand by the host himself. Erick brought this
December tradition to Tennant. To further sweeten
the deal, he puts out a donation bowl and asks
attendees to give what they can, with 100% of
proceeds supporting Toys-For-Tots. In 2017, \$2,000
was raised by this single event.

Stewardship is a core value at Tennant, and is an essential piece of Tennant's culture. Erick's everyday efforts help us build a culture of which we can be proud.

Browns Creek Sugarbush Pancake Breakfast at Tennant Company



Erick Rydeen Tennant Sr. Principal Engineer

"Go for the Gold"

A Challenge to Drive a Safety Culture









Our journey to a safer Tennant continues. Since our baseline year of 2013, Tennant Company has taken several important steps to operationally and culturally embed a focus on safety.

In 2014 Tennant identified the need for a global safety operating model to bring consistency and a standard of best practices to our efforts. The following year we designed the Tennant Safety Operating Model and created a multiphased roadmap to evolve our global safety program from a reactive stance to a more proactive approach. By 2016, Tennant was well-positioned to begin Safety Operating Model Assessments (SOMA) within our global factories and North America field operations. The intent of the assessment was to establish a solid baseline against a set of seven safety competencies (see Figure 2).

The SOMA assessment continued into 2017 and in the end revealed a baseline from which our Global Operations, Field Service and Environmental Health and Safety professionals can use in measuring progress over time.

SAFETY MATURITY METRIC

We feel confident in our ability to achieve Gold status by 2023

2016 ENTERPRISE BASELINE SCORE

59%

HIGH BRONZE ZONE

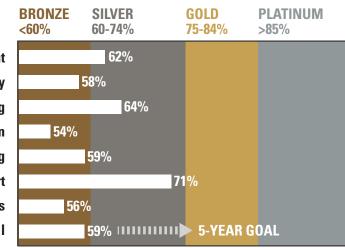
2023 ENTERPRISE TARGET

+75%

GOLD ZONE

2019-2023 Standard Operating Model Maturity Metric





As part of this effort to gain greater insight into where Tennant stands on key safety drivers, and a commitment to be more proactive in its efforts, we recognized our opportunity to establish safety metrics that would more accurately reflect our long-term strategy to build a safety culture.

Charlie Brandenburg, Tennant Company's Corporate EHS leader, describes how a new metric was established. "Tennant has started to share the story of the Safety Operating Model implementation and we believe we are at the point where our safety improvement goals switch from a reactive incident rate to a proactive improvement along the model scale. (see Figure 2) We call it a Safety Operating Model Maturity Metric." Brandenburg said.

Brandenburg continued: "Based on the assessments we've completed in

2016 and into 2017, our results reveal a baseline Enterprise Score of 59% which lands Tennant in the High Bronze zone. Considering steps we have already taken and the outcomes we're seeing as a result, we feel confident in our ability to achieve Gold status by 2023 with an overall score above 75%."

While all seven Safety Competencies are important to driving a safety culture, Brandenburg says the number one driver is Demonstrated Management Commitment, followed closely by Line Management/Organizational Responsibility. "In early 2017, even before we completed all of our assessments, we began taking steps in these two areas by providing training to managers and setting new expectations. We also filled out our safety structure of adding an EHS professional in each of our key plants and in our field service operations," he said. These actions were

important to creating an environment of safety awareness and commitment. Today, plant leaders are making safety an important daily topic and focusing on recognizing safe behaviors.

Adding this new Model Maturity Metric will provide Tennant an important leading indicator of its continued progress. "We will obviously continue to report on number of incidents and severity rates as part of our safety program. However, as we improve along the model toward building a true safety culture, we should see a correlation in the decrease in incident rates," Brandenburg explained.

"Internally, we talk about "Going for the Gold" in terms of reaching Gold status on our model. But to me," Brandenburg said, "It's a gold star day every day we send all of our employees home safely."

0056 >>>

Tennant Employees form Women's Network to Teach, Empower, Advocate & Lead



The idea to form a Women's Network at Tennant Company had been percolating awhile in the minds of a few female coworkers. They had worked at larger companies in the past; they had experienced the support of a network of women (and men) who shared the passion to encourage women to succeed in the workplace. They saw an opportunity to bring that same experience to the women of Tennant.

In early 2017, the network started to take shape. Tennant Company's Senior Vice President of the Americas and R&D, Rusty Zay, and Carol McKnight, Senior Vice President and Chief Administrative Officer, both signed on as executive sponsors.

By the fall of 2017, a kick-off event to launch the women's network and unveil

the group's mission and name drew more than 40 women. It was at this lunch event, featuring a panel discussion with Tennant women who had previously been involved in women's networks, where TEAL was realized. TEAL – the name for the Tennant Women's Group – stands for TEACH, EMPOWER, ADVOCATE, LEAD. It's mission: To provide an inclusive Tennant community of support, encouragement and growth through connection, development and stewardship.

In its first year, TEAL held networking events and planned for additional events in 2018 to help fulfill its objectives to:

 Build a sense of community for women, especially those working in field positions or traditionally maledominated functions;

- Increase awareness of how to work successfully in a diverse team environment;
- Attract and retain talented females; and
- Encourage men to be allies and supporters of women in the workplace.

Rusty Zay, as he welcomed employees to the kick-off event, commented: "This group is about networking, simply getting to know others in the organization and potentially creating awareness to the opportunities for women at Tennant. My belief and hope," he continued, "is that this group become a very vibrant group to help develop the strong, talented women at Tennant and attract others to our organization."

TEAL WOMEN'S
NETWORK
OBJECTIVES

Build a sense of community for women, especially those working in field positions or traditionally male-dominated functions Increase awareness of how to work successfully in a diverse team environment

Attract and retain talented females

Encourage men to be allies and supporters of women in the workplace.

Employee Profile:

Stewardship in Action



Angie Chesney-Mattision

A member of Tennant's Product Regulatory Compliance team, Angie Chesney-Mattison, visited a smelter in Sao Palo Brazil in 2017 along with the Responsible Mineral Initiative. We sat down with Angie to learn more about her visit and the organization.

+1

+2

+3

+4

What is your role here at Tennant?

I am part of the Product
Regulatory Compliance
team, working to ensure
Tennant's products meet and
or exceed Environmental
Health and Safety
requirements globally.

Where was your recent visit?

I went to a gold smelter in Sao Paulo, Brazil, in February 2017.

What organization brought you there?

Tennant is a member of the Responsible Mineral Initiative (RMI) formerly known as Conflict-free Sourcing Initiative, and we actively participate in the Smelter Engagement Team.

How did you get involved with that organization?

I had been interested and watching Conflict Mineral legislation efforts and movement before coming to Tennant. Tennant's Conflict Minerals Program strategy includes our active engagement with RMI, specifically the Smelter Engagement Team.

+5

+6

+7

+8

What is the goal of the organization?

The mission of RMI is to provide companies with tools and resources to make sourcing decisions that improve regulatory compliance and support responsible sourcing from conflict-affected and high risk areas. RMI has more than 350 member companies and industry associations, supporting their mission.

RMI was born out of a response of companies and organizations that did not want to fund national conflict through purchasing materials that are mined in conflict regions, such as the Democratic Republic of Congo (DRC). Conflict minerals include diamonds, gold, copper, cobalt, zinc, coltan, and cassiterite. Regions of the world that are mineral rich, like the DRC, are at risk for corruption; many times these countries have not experienced wealth before finding the minerals. In many instances, the organizations managing the mines use violence to coerce the local population to work in the mines.

What did you observe/learn?

These organizations would not be keeping records or pursuing these certifications if it weren't for their customers, like Tennant and other member organizations, requesting that the smelters participate.
Large companies that are consumers of conflict minerals need to drive the movement by pushing their suppliers to act responsibly.

Our visits help to get the smelters set up for managing the recordkeeping and reporting; subsequent renewal audits are reviews of recordkeeping.

From what you observed, how does the facility impact the surrounding community?

The facility tightly controls their process and waste; their waste water process captures the last bits of gold before the water leaves the facility. The smelter closely manages the waste coming out of the facility, which allows it to hide in plain sight in the middle of the city.

Are you planning on doing another visit/audit?

At this time, I am not planning on visiting another smelter in the future. Over the last few years, industry interest in the organization and program has increased, and we have been able to certify many smelters. Therefore, fewer smelters need to be audited than before. As more minerals are added to legislation and more smelters come online, there will be a demand for more in-person audits in the future.



GIVING PRINCIPLES TENNANT FOUNDATION

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



EMPLOYEE GIFT MATCHING

UNITED WAY

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 taxexempt 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.

0060 >>:

TENNANT GIVING PROGRAM

EQUIPMENT DONATIONS

CORPORATE

SCHOLARSHIPS

PRODUCT DONATIONS

VOLUNTEER PROGRAM 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

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.

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

LIVE. WORK. PLAY. 2017 GRANTS AWARDED*

Alia

ALS Association, MN/ND/SD chapter

Alzheimer's Association American Cancer Society American Chemical Society American Heart Association

American Heart Association American Red Cross Angel Foundation Animal Humane Society Arc Greater Twin Cities Arizona Hotshots Ashland Productions Augsburg Fund Benevilla

Bloom Early Learning & Child Care

Boy Scouts of America

Beyond Our Door

Bridging

BSA Central MN Council Buffalo Hospital Foundation

Calvin College Carleton College Catholic Charities Catholic Relief Services

Chainbreaker

Chicago Public Media Children's Theatre Company Christian Service Brigade Clean the World Foundation, Inc.

Community Thread Concordia College Cookie Cart Crescent Cove

Cystic Fibrosis Foundation

Dordt College

Dunwoody College of Technology

Environmental Initiative Feed My Starving Children

FIRST Fraser

Greyhound Pets of America

Grinnell College Growth & Justice Guthrie Theater Habitat for Humanity Hennepin Theatre Trust

HIRED

Holland Rescue Mission

Hope Academy

Hudsonville Christian School

Huntington's Disease Society of America

Immune Deficiency Foundation Indiana University Foundation International Justice Mission

JDRF International
Junior Achievement

Knoxville Panther Scholarship Foundation

Lake Superior Youth Chorus

Love, Inc.

Mayo Clinic Foundation

MEDA

Milwaukee Rescue Mission Minneapolis Institute of Arts

Minnesota Opera Minnesota Orchestra Minnesota Public Radio Minnesota Stroke Association Minnesota Zoo Foundation

Minnesotans Military Appreciation Fund

Minnesota's Private Colleges
Mission Theatre Company
Mississippi Park Connection
MN Children's Museum
MN Institute for Talented Youth
Montessori Child Development Center
Muscular Dystrophy Association
N C Little Memorial Hospice Inc.

NAMI

New Directions Youth Ministry North Memorial Health Foundation Northern Lights Versatility Ranch Horse A

Northside Achievement Zone

NPH USA

Oregon Friends of Shelter Animals Ovarian and Breast Cancer Alliance

People Serving People Pinky Swear Foundation Planned Parenthood

Playworks

Plymouth Crime and Fire Prevention Fund

PrairieCare Child & Family Fund

PRISM ProLiteracy PROP

Quiet Oaks Hospice House & Respite Care

River Works

Rowan University Foundation Science Museum of MN Second Harvest Heartland Seton Hall University

Shakopee Area Catholic School Sharing and Caring Hands Special Olympics - MN St. David's Center

St. Stephen's Human Services
St. Vincent de Paul Society - OR
Susan G. Komen - Headquarters
Sustainable Farming Association
The Food Group

The Rotary Foundation

The Salvation Army - WI & Upper MI

The Sheridan Story

The St. Paul Chamber Orchestra The University of Alabama The Wildcat Sanctuary The Works Museum Toys for Tots Tree Trust

Tree Trust Treehouse Inc. Tubman Tuff Start Rescue

Twin Cities Public Television Union Gospel Mission

United Doberman Rescue & Canine Castaway

United Way - Ottawa County, MI United Way - Twin Cities

Unity Christian High School Ed Foundation

University of Minnesota

University of Southern California

Walker Art Center

Washington State University

Wildlife Rehabilitation Center of Minnesota

Women Venture, LLC World Vision World Wildlife Fund YMCA Camp Du Nord YMCA Camp Ihduhapi

YMCA of the Greater Twin Cities

Youthprise

United Way - Ottawa County, MI United Way - Twin Cities Walker Art Center Women Venture, LLC

^{*}Includes Foundation Board Grants and Tennant Employee Gift Matching

LIVE. WORK. PLAY. SCHOLARSHIP PROGRAM

For this graduate, Tennant Scholarship Gets an A+



Shannon Duffy & Family Tennant Scholarship Award Winner

22 NEW SCHOLARSHIPS

The Tennant Foundation is pleased to announce that 22 new scholarships were awarded to children of Tennant employees for the 2018-2019 school year. An additional 45 scholarships originally granted between 2015-2017 have been renewed. The total amount of scholarships funded during the 2018 Scholarship program is \$99,750.

Since 1980, the year the scholarship award program was implemented, a total of 636 students have received tuition assistance for a grand total award of \$2,246,625.

Shannon Duffy wanted to be a doctor until she made one very important discovery. She hates blood.

But that realization didn't come until after she wrote her winning essay on becoming a doctor that earned her a Tennant Company scholarship to attend University of Auckland located in Auckland, a major harbor city in the north of New Zealand's North Island.

Since 1980, Tennant Company
has awarded nearly \$2.3 Million
post-secondary scholarships to 636
children of Tennant employees. One
of the 636 recipients is Shannon,
daughter of Patrick Duffy, Warehouse and Service Manager for
Tennant's operations in New Zealand.

The newly-married Shannon (Duffy)
Stojkoski not only completed her
Bachelor of Science degree with
a double major in Chemistry and
Biology, but in June 2018 earned her
Master of Teaching degree and is
realizing her dream of becoming a
secondary school science teacher.

Shannon credits the three years she received the renewable Tennant scholarship as one factor in her educational success. "Here in New Zealand," Shannon says, "you can take a loan from the government to attend

university. However, to become a teacher, you need an undergraduate degree, followed by a post-graduate teaching qualification. Both of these degrees combined would mean that your loan would be fairly large at the end of your studies. However, with the help of Tennant, I have been able to reduce my loan substantially, meaning that the burden upon graduation is not so significant. My loan will now not take nearly as long to pay off!"

Each year, Tennant Company awards 22 new scholarships to qualifying children of Tennant employees. The scholarship program is open to employees around the world and is renewable for up to four years total while students maintain their eligibility. Scholarships are awarded on the basis of academics, school and community participation, demonstrated leadership, educational and career goals, work experience and a school counselor recommendation.

While Tennant Company is proud to offer a program that helps our employees and their children, there's nothing like a proud father. Just ask Patrick Duffy. "Shannon has done really well," Patrick said. "She achieved a bachelor of science with straight A's!"

\$50,420

\$98,898

\$11,040

\$163,000

\$465,497

2017 FINANCIAL DATA FOUNDATION & GIVING

FISCAL YEAR ENDED DECEMBER 31, 2017

TENNANT FOUNDATION

| Total Grant Disbursement | \$465,497 | (1) |
|--|-----------|-----|
| Total Number of Grants | 39 | |
| Total Employee Gift Matching | \$66,320 | |
| Administrative Expenses | \$48,330 | |
| Expenses as a Percent of Disbursements | 10.4% | |
| Grants Paid in 2017 | | |
| Social Services (LIVE) | \$130,089 | |
| Environmental (LIVE) | \$350 | |
| Health & Safety (LIVE) | \$11,700 | |

TENNANT GIVING

Cultural (PLAY)

(WORK)

United Way

Education & Workforce Readiness

Public TV & Radio (WORK)

Total Foundation Contributions

| Tennant Scholarship Program | \$105,501 |
|------------------------------------|----------------------|
| Equipment & Inventory Donations | \$53,127 |
| Total Giving Contributions | \$158,628 (2) |
| GRAND TOTAL (1), (2) | \$613,579 |

2017 TENNANT COMPANY SUSTAINABLE ENTERPRISE **PERFORMANCE SUMMARY**

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

| Focus Area | Objective | Metric | 2017 | 2016 | 2015 | 2014 | Notes |
|--|--|--|----------|------------|------------|------|---|
| Products Develop Products that offer measurable environmental impact improvements, in one or more | | Number of targets set. | 4 | 1 | 7 | 4 | Process implemented Aug. 2014 |
| | customer use-phase categories. | Number of targets achieved at launch. | * | 1 | 6 | 4 | *Projects had not reached Launch as of 12/31/2017 |
| | Conduct cradle-to-grave LCA on internal combustion powered product or a new technology/ business model offering. | Complete LCA | Started | New in 201 | ew in 2016 | | Scheduled completion 2018 |
| | Develop a methodology and tool to | Methodology and tool development | ✓ | Started | New in 201 | 5 | |
| for Water meets GH | calculate product portfolio impacts for Water and GHG Emissions that meets GHG Protocol Corporate Value | Long-term, product portfolio target for GHG Emissions (Use of Sold Products- Scope 3, Category 11) set. | √ | Started | New in 201 | 5 | |
| | Chain (Scope 3) Accounting and Reporting Standard. Develop long-term improvement targets. | Long-term, product portfolio target for water use set. | _ | _ | New in 201 | 5 | Scheduled completion TBD |

| Focus Area | Objective | Metric | 2017 | 2016 | 2015 | 2014 | | |
|-------------------|------------------|---|-----------|-----------|-----------|-----------|--|--|
| People & | Corporate Giving | Employee volunteer Hours | 2,058.5 | 2,234 | 3,107 | 1,500 | | |
| Communities | | Tennant Giving** | \$465,497 | \$576,789 | \$854,762 | \$507,276 | | |
| | Safety Incidents | Operations | 6.29 | 7.28 | 4.49 | 5.23 | | |
| | | NA TSSC*** | 6.5 | 4.31 | 3.45 | 2.96 | | |
| Incident Severity | | Operations | | 3.85 | 3.14 | 3.51 | | |
| | | NA TSSC*** | 4.66 | 1.26 | 1.25 | 1.94 | | |
| | Company Ethics | Number of Complaints | 18 | 13 | 15 | 12 | | |
| | | Percent Closed | 100 | 100 | 100 | 100 | | |
| | | Average days open | 65 | 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 |
|------------|--|
| | 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 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | Notes |
|--------------------------|-------------------------|--|----------|----------|---|----------------|--|------|--|
| GHG Emissions/ Energy | Reduce GHG Emissions | Scope 1+2 emissions intensity reduced 25% by 2020. Base year is 2012. (Target: 32) | 36.7 | 40.2 | 41.5 | 41.5 41.3 42.5 | | 42.6 | mT CO₂e per million US\$ revenue |
| | | Long-term, science-based target(s) for Scope 1+2 emissions set. | √ | Started | New in 20 | 15 | | | SBTi approved early 2018 |
| | | SBT: Reduce absolute scope 1 and 2 emissions 25% by 2030 from a 2016 base year. (Target: 24,360) | 30,446 | 32,480 | New in 2015 r | | mT CO ₂ e | | |
| | | Scope 3 (upstream & downstream) LCA complete. | √ | ✓ | Completed annually for report shown and reported to CDP | | | | |
| | | SBT: Reduce scope 3 use of sold products emissions 50% per \$USD of equipment revenue by 2030 from a 2016 base year. (Target: 409) | 752 | 816 | m e | | mT CO ₂ e per million US\$ equipment revenue | | |
| | | Supply Chain sustainability—all categories assessed, one direct material category selected for pilot engagement. | √ | √ | | | | | |
| | | Supply Chain sustainability—program defined and engagement started. | Started | - | | | | | |

*IPC Group not included in data above.

2017 **GRI INDEX**

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|----------------|--|-----------------------------|---|
| Organizational | Profile | ' | |
| 102-1 | Name of the organization | Pg 6 | |
| 102-2 | Activities, brands, products, and services | Pg 7 | |
| 102-3 | Location of headquarters | Pg 10 | |
| 102-4 | Location of operations | Pg 10 | |
| 102-5 | Ownership and legal form | 10-K, Pg 1 | |
| 102-6 | Markets served | Pg 7 | |
| 102-7 | Scale of the organization | 10-K, Pg 4-5 | |
| 102-8 | Information on employees and other workers | Table 102-8 | Table 102-8 Shows Tennant employee demographic breakdown, age, location and gender. The 2017 employee demographic data excludes IPC. |
| 102-9 | Supply chain | Pgs 15, 30 | Table 1: Stakeholder Engagement Strategy |
| 102-10 | Significant changes to the organization and its supply chain | 10-K, Pg 4, 23 | Acquisition of IPC Group in April 2017. |
| 102-11 | Precautionary Principle or approach | Pg 24 | Environmental impact factors are identified during the design of new products. Tennant also submitted a Scope 3, Category 11 Science Based Target for approval in 2017, this continued work is a reflection of our focus on the precautionary principle in product design and operations. |
| 102-12 | External initiatives | Pgs 24, 34, 40, 46 | Sustainable Enterprise Performanace Strategy Table summarizes external initiatives |
| 102-13 | Membership of associations | Pg 7 | |
| Strategy | | | |
| 102-14 | Statement from senior decision-maker | Pg 4 | |
| 102-15 | Key impacts, risks, and opportunities | 10-K, Pg 6-7 & CDP Response | |

0066 >>>

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|-----------------|--|---|--|
| Ethics and Inte | grity | | |
| 102-16 | Values, principles, standards, and norms of behavior | | 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. |
| 102-17 | Mechanisms for advice and concerns about ethics | | 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. |
| Governance | | | |
| 102-18 | Governance structure | Proxy Statement, Pg 9-14 | 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 tenant's Board Committees are available at Tennantco.com. More information is available in our Proxy. |
| 102-19 | Delegating authority | Proxy Statement, Pg 10-14 | |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | Proxy Statement, Pg 12 | Economic responsibilities are held by the CFO with direction from Audit Committee, Environmental responsibilities roll into the SVP of Human Resources, and Social responsibilities roll into the General Council and SVP of Human Resources. |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics | | Director of Sustainable Enterprise reports to the CEO who is on the Board of Directors. Sustainable Enterprise team consults with stakeholders and provides information to highest governance body through the Director of Sustainable Enterprise. |
| 102-22 | Composition of the highest governance body and its committees | Proxy Statement, Pg 9-10 | |
| 102-23 | Chair of the highest governance body | Proxy Statement, Pg 9-10 | |
| 102-24 | Nominating and selecting the highest governance body | Proxy Statement , Pg 10, 15-16, 18 | |
| 102-25 | Conflicts of interest | Proxy Statement, Pg 9-10 | |
| 102-26 | Role of highest governance body in setting purpose, values, and strategy | Proxy Statement, Pg 10-14 | |
| 102-27 | Collective knowledge of highest governance body | Proxy Statement, Pg 5-9 | |
| 102-28 | Evaluating the highest governance body's performance | Proxy Statement, Pg 14 | |

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|----------------|--|---------------------------|---|
| 102-29 | Identifying and managing economic, environmental, and social impacts | Proxy Statement, Pg 10-14 | |
| 102-30 | Effectiveness of risk management processes | Proxy Statement, Pg 10-12 | |
| 102-31 | Review of economic, environmental, and social topics | Proxy Statement, Pg 10-14 | |
| 102-32 | Highest governance body's role in sustainability reporting | | Report is reviewed by members of the executive management team and Sustainable Enterprise to ensure material topics are covered. |
| 102-33 | Communicating critical concerns | Proxy Statement, Pg 16 | |
| 102-34 | Nature and total number of critical concerns | | No critical concerns were reported in 2017. |
| 102-35 | Remuneration policies | Proxy Statement, Pg 20-34 | |
| 102-36 | Process for determining remuneration | Proxy Statement, Pg 22-28 | |
| 102-37 | Stakeholders' involvement in remuneration | Proxy Statement, Pg 22 | |
| 102-38 | Annual total compensation ratio | Proxy Statement, Pg 44 | |
| 102-39 | Percentage increase in annual total compensation ratio | | This information will be available for the reporting year 2018 report. |
| Stakeholder Er | ngagement | | |
| 102-40 | List of stakeholder groups | Pg 15 | Table 1: Stakeholder Engagement Strategies |
| 102-41 | Collective bargaining agreements | | USA- None Europe- Some Asia- None |
| 102-42 | Identifying and selecting stakeholders | Pg 14 | Table 1: Stakeholder Engagement Strategies |
| 102-43 | Approach to stakeholder engagement | Pg 14 | Table 1: Stakeholder Engagement Strategies |
| 102-44 | Key topics and concerns raised | Pg 14 | Table 1: Stakeholder Engagement Strategies |
| 102-45 | Entities included in the consolidated financial statements | 10-K, Exhibit 21 | |
| 102-46 | Defining report content and topic Boundaries | | The report team sent out a call for content to management team, in addition to a brainstorm meeting. Based on the suggestions and discussion the report team ensured the content aligned with the four focus areas. |
| 102-47 | List of material topics | Pg 14 | Table 1: Stakeholder Engagement Strategies |

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| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|---------------|--|-----------------------|---|
| 102-48 | Restatements of information | CDP Response | Restatements are made in the reporting year 2017 CDP response for carbon emissions reporting. More detail can be found in our CDP response found on our Sustainability Website. |
| 102-49 | Changes in reporting | Pg 18 | |
| 102-50 | Reporting period | | Calendar year 2017 (January 1- December 31) |
| 102-51 | Date of most recent report | | 2016 report published in September 2017. |
| 102-52 | Reporting cycle | | The Corporate Sustainability Report is published on an annual basis. |
| 102-53 | Contact point for questions regarding the report | | Questions and comments pertaining to this report can be directed to: SustainabilityReport@tennantco.com |
| 102-54 | Claims of reporting in accordance with the GRI Standards | | This report has been prepared to follow the GRI Standards Core option, but is not in accordance with the standards. |
| 102-55 | GRI content index | Pg 65 | GRI Content Index |
| 102-56 | External assurance | | No External Assurance of CSR, External assurance of Scope 1, 2, and Scope 3 category 11 carbon emissions for CDP. |
| Management A | Approach | | |
| 103-1 | Explanation of the material topic and its Boundary | Table 2 | Materiality Value Chain |
| 103-2 | The management approach and its components | Pgs 24, 34, 40, 46 | Detailed at the beginning of each focus area. |
| 103-3 | Evaluation of the management approach | Pg 64 | Sustainable Enterprise Performance Summary shows continued progress towards objectives, goals and metrics. The individual Focus Area sections go into more detail. |
| Economic Pert | formance | | |
| 201-1 | Direct economic value generated and distributed | 10-K, Pg 26 | |
| 201-2 | Financial implications and other risks and opportunities due to climate change | 10-K, Pg 6-9 & CDP | |
| 201-3 | Defined benefit plan obligations and other retirement plans | 10-k, Pg 17, 20-21 | |
| 201-4 | Financial assistance received from government | | Tennant did not receive financial assistance from governments in 2017. |

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE | | | | | | |
|-----------------|---|-----------------------|---|--|--|--|--|--|--|
| Market Presen | Market Presence | | | | | | | | |
| 202-2 | Proportion of senior management hired from the local community | Table 202-2 | See Tennant's Hiring Process Overview in Table 202-2. This is a general process that is followed. | | | | | | |
| Indirect Econo | mic Impacts | | | | | | | | |
| 203-1 | Infrastructure investments and services supported | | | | | | | | |
| 203-2 | Significant indirect economic impacts | Pgs 59-63 | | | | | | | |
| Procurement P | ractices | | | | | | | | |
| 204-1 | Proportion of spending on local suppliers | | 32% of spend is with local suppliers, globally. | | | | | | |
| Anti-corruption | n | | | | | | | | |
| 205-1 | Operations assessed for risks related to corruption | | We comply with the provisions of the U.S. Foreign Corrupt Practices Act (FCPA) of 1977, the UK Bribery Act 2010, and other applicable ABAC (anti-bribery, anti-corruption) laws and regulations. Accordingly, our relevant policies prohibit any payments to persons, foreign officials, or foreign political parties for the purpose of obtaining, retaining, or directing business. | | | | | | |
| 205-2 | Communication and training about anti-corruption policies and procedures | | We regularly conduct online business ethics training across our employee base and online ABAC training to select job functions. Additionally, on a risk-based approach we conduct supplemental live and web-based business ethics and ABAC training to select employees and third parties. | | | | | | |
| 205-3 | Confirmed incidents of corruption and actions taken | | None in 2017. | | | | | | |
| Anti-competiti | ve Behavior | | | | | | | | |
| 206-1 | Legal actions for anti- competitive behavior, anti-trust, and monopoly practices | | None in 2017. | | | | | | |
| Energy | | | | | | | | | |
| 302-1 | Energy consumption within the organization | Pgs 35, 36 | Tables 4 & 5 | | | | | | |
| 302-2 | Energy consumption outside of the organization | CDP Response | Scope 3 data detailed in CDP response found on our Sustainability Website. | | | | | | |
| 302-3 | Energy intensity | Pgs 35, 36 | Table 4 & 6 | | | | | | |

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| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE | | | | |
|----------------|--|---|--|--|--|--|--|
| 302-4 | Reduction of energy consumption | Pg 38 | Table 7 | | | | |
| 302-5 | Reductions in energy requirements of products and services | Pg 36 | Table 6 | | | | |
| Emissions | | | | | | | |
| 305-1 | Direct (Scope 1) GHG emissions | Pg 35 | | | | | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Pg 35 | | | | | |
| 305-3 | Other indirect (Scope 3) GHG emissions | Pg 36 | | | | | |
| 305-4 | GHG emissions intensity | Pgs 35-36 | | | | | |
| 305-5 | Reduction of GHG emissions | Pg 38 | | | | | |
| Effluents & Wa | ste | | | | | | |
| 306-3 | Significant spills | | There were no significant spills in 2017. | | | | |
| Environmental | Compliance | | | | | | |
| 307-1 | Non-compliance with environmental laws and regulations | There were no significant fines or san for non compliance with environment regulations. | | | | | |
| Employment | | | | | | | |
| 401-1 | New employee hires and employee turnover | | 17.4% Global New Hire rate for 2017 17.8% Global Turnover rate for 2017 | | | | |

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|----------------|---|-----------------------|--|
| 401-2 | Benefits provided to full- time employees that are not provided to temporary or part-time employees | | Tennant values the wellness and well-being of our employees and their families. That's why we established the comprehensive Wellness and Well-Being program. The Benefit package for U.S. employees includes to a robust variety of competitive benefit options with one of the goals of each of the benefits to help employees take care of their wellness. Our Wellness and Well-being program is one way we show our commitment to safety and the care of our employees, knowing that well-being leads to safety at work and to enjoying life with our families and friends. The Wellness and Well-Being program is designed to drive sustainable, long-term change, improve the health and lives of employees, and strengthen the culture and work experience at the local level at our facilities throughout the world. In 2016, we defined the objectives and elements of our program. In 2017, we secured a key external wellness partner and defined measurement tools. We also focused on executing and defining our wellness and well-being path for employees with a breadth of communications and programs. See Table 401-2 for the full list of Wellness & Well-being benefits. Benefits vary for global locations depending on local rules and regulations as well as market practice. |
| 401-3 | Parental leave | | In the US Tennant grants up to 12 weeks of leave as specified by the federal Family and Medical Leave Act (FMLA) for, among other things, a family member's serious health condition and the birth or adoption of a child. An additional leave of absence for personal reasons may be granted when approved by appropriate management for up to six months. Personal reasons may include education, family issues, etc. Outside of the United States leave varies by country and local law. |
| Occupational H | lealth & Safety | | |
| 403-2 | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | Pg 64 | There were zero work related fatalities in 2017. |

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE | | | | | | |
|-----------------|--|-----------------------|--|--|--|--|--|--|--|
| Training & Edu | Training & Education | | | | | | | | |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | | Talent Management/Development: Tennant utilizes an annual Talent Review process to identify top talent, critical roles, successors, and plan individual development. Individual development plans are used to help employees enhance their skills and prepare them for future opportunities. In addition to the Talent Review, Tennant currently offers two leadership development programs designed to help leaders understand the behavioral expectations associated with their level of leadership. HR also deploys an annual Performance Management training for current managers and employees to help them understand their role and responsibilities in the process. Tuition Reimbursement: All qualified employees are eligible for tuition reimbursement for approved courses. Reimbursement amounts vary based on the number of hours an employee works, the course level (undergraduate/graduate), the grade received, and any other financial assistance received by the employee. Transition Assistance/Career Management: Tennant offers outplacement and career management services through Career Partners International (CPI) for eligible employees. The level of support varies based on the level of the employee. | | | | | | |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | | Tennant conducts its annual performance review proescs of eligible employees within one month of the scheduled common review date (April). | | | | | | |
| Diversity & Equ | ual Opportunity | | | | | | | | |
| 405-1 | Diversity of governance bodies and employees | | At least 9% of management at Tennant, in the United States, are identified to be from diverse backgrounds and communities. 2% of management at Tennant, globally, are identified as female. | | | | | | |

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|----------------|--|-----------------------|--|
| Non-discrimina | ation | <u> </u> | |
| 406-1 | Incidents of discrimination and corrective actions taken | | 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. |
| Child Labor | | | |
| 408-1 | Operations and suppliers at significant risk for incidents 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. |
| Forced or Com | pulsory Labor | | |
| 409-1 | Operations and suppliers at significant risk for incidents 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. |
| Human Rights A | Assessment | | |
| 412-1 | Operations that have been subject to human rights reviews or impact assessments | | Tennant Company's operations are regularly reviewed to ensure human rights, ethics, and labor practices are aligned with our corporate policies and 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. |
| 412-3 | Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | | 100% of our suppliers who either sign our form of supply agreement or provide product via PO (subject to our T&Cs) are subject to our Supplier Core Expectations which include human rights clauses. |

0074 >>>

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE |
|---------------|---|-----------------------|--|
| Public Policy | | | |
| 415-1 | Political contributions | | 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. 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. |
| Customer Heal | th & Safety | | |
| 416-1 | Assessment of the health and safety impacts of product and service categories | | 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. |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | | Zero in 2017 |

| DISCLOSURE | DISCLOSURE TITLE | PAGE NUMBER (OR LINK) | REFERENCE | | | | | |
|----------------------|--|-----------------------|--|--|--|--|--|--|
| Marketing & Labeling | | | | | | | | |
| 417-1 | Requirements for product and service information and labeling | | Tennant uses its best efforts to identify and comply with applicable product safety regulations which includes labeling as required by internal ISO processes. 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. | | | | | |
| 417-2 | Incidents of non-compliance concerning product and service information and labeling | | We had one incident of non-compliance resulting in a warning in 2017 that has an action plan developed and is scheduled to be resolved in 2018. | | | | | |
| 417-3 | Incidents of non-compliance concerning marketing communications | | None for 2017 | | | | | |
| Customer Priva | асу | | | | | | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | | None for 2017 | | | | | |
| Socioeconomic | Compliance | | | | | | | |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | | Zero in 2017 | | | | | |

0076 >>>:

2017 **EMPLOYEE DEMOGRAPHICS**

Table 102-8*

| | Female | | | | | Male | | | | | | | |
|-------------|--------|---------|---------|---------|---------|------|------|---------|---------|---------|---------|------|-------|
| Country | < 20 | 20 - 30 | 31 - 40 | 41 - 50 | 51 - 60 | > 60 | < 20 | 20 - 30 | 31 - 40 | 41 - 50 | 51 - 60 | > 60 | Total |
| Australia | 0.0% | 0.1% | 0.2% | 0.1% | 0.1% | 0.0% | 0.0% | 0.3% | 0.6% | 0.7% | 0.5% | 0.1% | 2.7% |
| Belgium | 0.0% | 0.2% | 0.4% | 0.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.5% | 0.3% | 0.1% | 0.0% | 2.0% |
| Brazil | 0.1% | 0.6% | 0.3% | 0.1% | 0.2% | 0.0% | 0.0% | 1.1% | 1.5% | 0.8% | 0.4% | 0.1% | 5.1% |
| Canada | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.2% | 0.4% | 0.7% | 0.8% | 0.2% | 2.4% |
| China | 0.0% | 0.4% | 0.7% | 0.0% | 0.0% | 0.0% | 0.0% | 0.7% | 1.6% | 0.7% | 0.0% | 0.0% | 4.3% |
| France | 0.0% | 0.0% | 0.2% | 0.1% | 0.0% | 0.0% | 0.0% | 0.5% | 1.0% | 1.1% | 0.4% | 0.1% | 3.2% |
| Germany | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.2% | 0.7% | 0.5% | 0.5% | 0.0% | 2.2% |
| India | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Japan | 0.0% | 0.0% | 0.1% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.1% | 0.6% | 0.2% | 0.0% | 1.1% |
| Mexico | 0.0% | 0.1% | 0.3% | 0.2% | 0.1% | 0.0% | 0.0% | 0.3% | 0.5% | 0.6% | 0.3% | 0.0% | 2.3% |
| Netherlands | 0.0% | 0.1% | 0.1% | 0.3% | 0.2% | 0.0% | 0.0% | 0.7% | 1.2% | 1.7% | 2.5% | 0.4% | 7.2% |
| N. Zealand | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.2% |
| Portugal | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.1% | 0.1% | 0.0% | 0.4% |
| Singapore | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.2% |
| Spain | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.3% | 0.7% | 0.9% | 0.2% | 0.0% | 2.3% |
| Sweden | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.1% |
| Thailand | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| UK | 0.0% | 0.1% | 0.3% | 0.2% | 0.0% | 0.0% | 0.0% | 0.1% | 0.3% | 0.8% | 0.9% | 0.3% | 2.8% |
| USA | 0.0% | 1.1% | 3.0% | 2.4% | 3.7% | 0.9% | 0.2% | 6.7% | 11.8% | 13.6% | 14.6% | 3.7% | 61.6% |

^{*}IPC Group not included in employee demographic data.

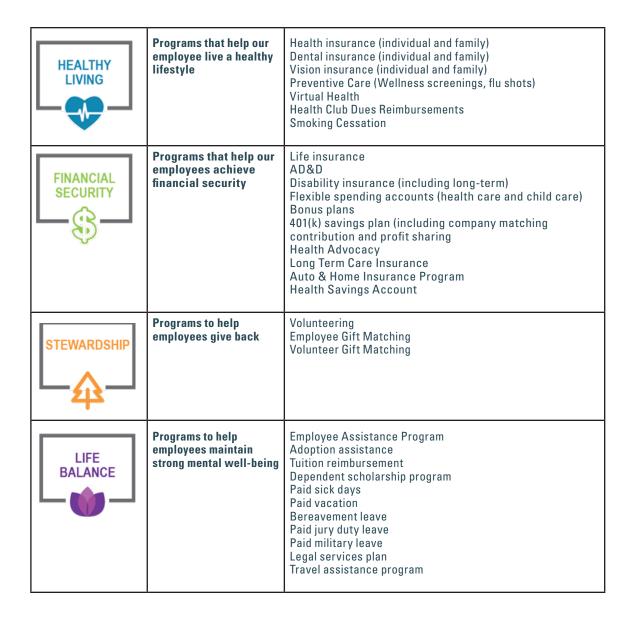
2017 **HIRING PROCESS PHASE**

Table 202-2

| Hiring Process Phase | Actions |
|--|--|
| Phase 1 - Approvals | Hiring Managers create requisitions. HR Business Partners approve requisitions. Further approvals may be required by business leaders before a position can be posted. |
| Phase 2 - Posting and Candidate Generation | All positions are posted internally. If considering external candidates, TA coordinator will post to the jobs.tennantco.com website along with various external job boards. TA specialists will source and screen candidates. All qualified candidates will be submitted to the hiring manager for review/interview. |
| Phase 3 - 1st Round Interview | Prior to an in person interview, an interview prep call will occur with the interview team. The first round of interviews will occur. A debrief meeting will occur following the interview to collect feedback and determine next steps. |
| Phase 4 - 2nd Round Interview | A 2nd round of interviews may occur. Following the 2nd round of interviews, a debrief meeting will occur following the interview to collect feedback and determine next steps. |
| Phase 5 - Offer & Pre-employment | Once the final candidate is identified, the offer details will be finalized, including necessary approvals. A verbal offer will be extended, followed by the formal offer letter. Upon acceptance, pre-employment checks will be initiated. |

2017 WELLNESS AND WELL-BEING PROGRAM

Table 401-2



T E N N A N T C O M P A N Y

Tennant Company 701 Lilac Drive North Minneapolis, MN 55422 United States

