

TENNANT[®]
C O M P A N Y



**2022 (FY21)
Sustainability
Report**

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Message from our CEO



*David W. Huml
President and CEO
Tennant Company*

Tennant Company delivered another successful year in 2021, as a direct result of the hard work, engagement, and dedication of our employees around the world. We continued to successfully navigate in an environment recovering from the depths of the COVID-19 pandemic, associated economic impacts, supply chain challenges, and inflation. Consistent with our guiding principles and learnings from our 2020 experience, we maintained our commitment to safeguarding our employees, focused on our customers, creatively solved for ways to work remotely and stay connected with colleagues, and focused on being a positive influence in our communities. I want to thank our employees across our company, from our manufacturing facilities to our field and service teams, to our people in offices around the world, for their commitment and dedication to Tennant, our customers, and each other.

The world is changing, from the continued impact of technological advancements to climate change, social unrest, geopolitical conflicts, labor shortages, and the yet to be fully understood impacts stemming from the pandemic. Despite this, we know focused efforts and investments in our targeted sustainability actions will deliver benefits to all our stakeholders. We remain committed to integrating sustainability across our business and bringing sustainable cleaning solutions to the marketplace. We know the most significant

impact we can have is helping our customers reach their goals, and our innovations are critical to that success. By embedding sustainability into our new products and enhancing our current portfolio, we are enabling advancements in durable design, circularity, electrification, and robotics for the benefit of our customers and the world at large.

Advancing our commitments

Our long-standing commitment to sustainability dates back decades, from energy efficiency projects in the 1980s to the creation of our current sustainability strategy in 2014, and is evidenced by our points of progress in 2021, including:

- We continued to advance our climate goals by:
 - Proudly achieved our Scope 1 & 2 reduction goal and are working to determine new science-based targets
 - Continued to make progress toward our Scope 3 science-based target and reduced the greenhouse gas emissions from the use of our products by 32%
 - Sourced 86% of our global electricity consumption from renewable energy sources
 - Received our fifth consecutive A- and Leadership level designation from the CDP Climate Change program
- We invested over \$880,000 in charitable contributions to benefit our communities through the Tennant Foundation.
- We adopted new, remote, and hybrid working arrangements while maintaining our high standards of quality and service for our customers.
- In 2021, we launched our enterprise-wide Human Rights Policy, further codifying our foundational commitment to ethical and transparent business practices.
- As a Participant of the United Nations Global Compact (UNGC), we continued our engagement with the Compact and the UNGC's Ten Principles around human rights, labor, environment, and anti-corruption.

This past year we also kicked off our diversity, equity, and inclusion (DE&I) journey. We formally launched our {New Perspectives DE&I enterprise strategy focusing on the pillars of our People, our Practices, and our Partners and conducted inclusive leadership skills training across our global leadership team. We also launched two inaugural employee resource groups to elevate employee voices and empower our Tennant community. Those groups include TEAL – Tennant’s women’s forum focused on the objectives of teaching, empowering, advocating, and leading, and IDEAS – the Tennant employee group dedicated to creating diversity and fostering inclusivity across all backgrounds.

Our Tennant values that promote a respectful workplace are fundamental to who we are. We are working to apply those same values to create a more diverse, equitable, and inclusive environment – a place where all feel they belong, have equal access to opportunities, understand the sense of purpose in our work, and know they are valued. We know building more diverse, equitable, and inclusive communities requires leadership and engagement from all, and we are committed to helping drive change.

Executing for sustainable value creation

Our team remains focused on meeting customer demands and driving shareholder value by executing our long-term strategy: win where we have a competitive advantage, reduce complexity, build scalable processes, and innovate for profitable growth.

Sustainability is rooted firmly at the core of our innovations: from autonomous mobile robot (AMR) floor cleaning machines that enable greater efficiencies and free up operators for other higher-skilled responsibilities, to lithium-ion battery-powered solutions that eliminate fossil fuels and carbon emissions during the use phase of the product, to our groundbreaking ec-H2O™ Technology that eliminates the need for cleaning chemicals and uses less water. We see opportunities to continue to enhance our products and operations, help drive collective solutions against global challenges, and help our customers reach their sustainability goals.

Looking forward

We care deeply about making the best possible impact for all our stakeholders, which is why in late 2021, we launched an initiative to refresh our sustainability strategy and environmental, social, and governance (ESG) commitments. This work is underway, and more will be shared this year and in our 2023 Sustainability Report.

As we work on updating our goals and ambitions, we are focused on maintaining our position as a leader in sustainable cleaning solutions. We will continue to provide our customers with products to help them reach their sustainability goals while driving a positive impact across communities worldwide. We believe that integrating sustainability ambitions and ESG goals across the breadth of our business is key to growth today and into the future.

We are committed to driving a positive change as a business. We clearly see the change Tennant can deliver. In partnership with our employees, customers, investors, and communities, we are growing our business and building a stronger enterprise, all while continuing to bring to life our vision to create a cleaner, safer, healthier world.

Sincerely,



David W. Huml
President and CEO
Tennant Company

Message from our SVP, Chief Administrative Officer & our Director of Sustainability



Carol McKnight
Senior Vice President and
Chief Administrative Officer



Reilly Goodwin
Director of Sustainability

2021 marked another year in which uncertainty and change presented challenges all around the world, and at times served to remind us of what is truly important. For Tennant, this meant remaining nimble in the face of the ongoing COVID-19 pandemic, focusing on our people and communities, and delivering for our customers. The magnitude of this moment is not lost on us. The need for companies to lead, innovate, and think big picture for the greater good is more important than ever.

Our legacy of leadership in sustainability is strong – we’ve made significant strides in reducing our greenhouse gas emissions, embedding sustainability into our products, and showing up for our people and communities. A common thread across our progress is collaboration; we know the importance of working with our customers, our partners, our employees, and our communities to expand our impact.

This report outlines our FY2021 progress, actions, and strategies for sustainability and ESG. It demonstrates our approach and our balanced commitment to all our stakeholders – employees, customers, shareholders, and communities.

At Tennant, we recognize the ever-changing world and our responsibility, and opportunity, as a global leader in industrial cleaning solutions to meet this moment. That is why in 2021 we kicked off the next chapter of sustainability at Tennant, launching a materiality assessment and a strategic refresh to chart our unique opportunities for ambitious commitments and action. We will share more about this work over the coming months and in our 2023 Sustainability Report. We believe being business leaders today requires not only strong business performance but also a purpose to bring about positive change. For us at Tennant this means creating a cleaner, safer, healthier world, so all may thrive.

We are excited to be on this journey and hope that you join us.

Thank you,

Handwritten signature of Carol McKnight in black ink.

Carol McKnight
Senior Vice President and
Chief Administrative Officer

Handwritten signature of Reilly Goodwin in black ink.

Reilly Goodwin
Director of Sustainability

About Tennant Company



In 1870, George H. Tennant founded a small woodworking company on the banks of the Mississippi River in Minnesota.

Making wood floor products evolved into providing wood care and, eventually, manufacturing floor cleaning equipment. Today, Tennant Company (“Tennant, the Company, we, us, or our”), is a

world leader in the design, manufacturing and marketing of solutions that help create a cleaner, safer, and healthier world. Throughout our history, we have remained focused on advancing our industry by aggressively pursuing new technologies and creating a culture that celebrates innovation. We are committed to developing innovative and sustainable solutions that help our customers clean spaces more effectively with high-performance solutions that minimize waste, reduce costs, improve safety, and further sustainability goals. We are focused on achieving operating efficiencies as we continue to innovate and invest in our product portfolio to deliver value to our customers and drive profitable growth for our shareholders.



Our Brands

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



Our Product Categories

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

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



Our Markets

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



Our Recognition

We continue to be recognized and awarded for the work we are doing to achieve our vision for a cleaner, safer, and healthier world.

- Savoy Magazine, 2021 Most Influential Black Corporate Directors — David Windley & Maria C. Green
- Good Design® Award 2021 — Tennant S16 Ride-On Floor Sweeper
- Good Design® Award 2021 — Tennant T380 Autonomous Mobile Robot
- Twin Cities Business Magazine and St. Catherine University — 2021 Honor Roll for the Minnesota Census of Women in Corporate Leadership — Achievement of 30% or more gender diversity in executive ranks and board of directors

Global Footprint

Tennant Company sells products directly in 15 countries and through distributors in more than 100 countries. We serve customers in these geographies via three geographically aligned business units: The Americas, which consists of North America and Latin America; EMEA, which consists of Europe, the Middle East and Africa; and APAC, which consists of the Asia Pacific region.

Employees Worldwide*

4,263
*as of December 31, 2021

Employees by Region

AMERICAS	EMEA	APAC
2,180	1,671	412



Sustainability at Tennant

We recognize the role businesses must play in helping create a world in which all thrive.

Since the beginning of Tennant Company in 1870 and throughout our 150-year history, stewardship, leaving something better off than when you found it, has been at the core of our business. Today, it remains as one of our guiding principles which influences our actions and holds us accountable to our colleagues, our customers, our shareholders, and our communities. We have built a strong legacy of leadership in sustainability from this foundation of stewardship.

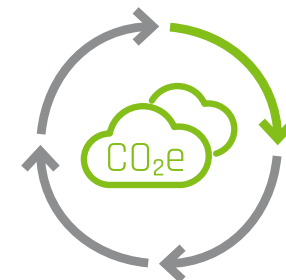
This legacy includes our greenhouse gas (GHG) emissions reductions and leadership in setting science-based targets, to our sustainable product innovations, and our commitment to our people and our communities.

At Tennant Company, sustainability is vital to creating business value, helping our customers reach their goals, and driving positive societal impact.

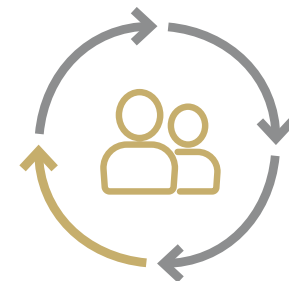
Our current sustainability strategy encompasses our strategic ambition for our societal impact and purpose, and is grounded in four focus areas, products, GHG emissions and energy, people and communities, and waste.



PRODUCTS



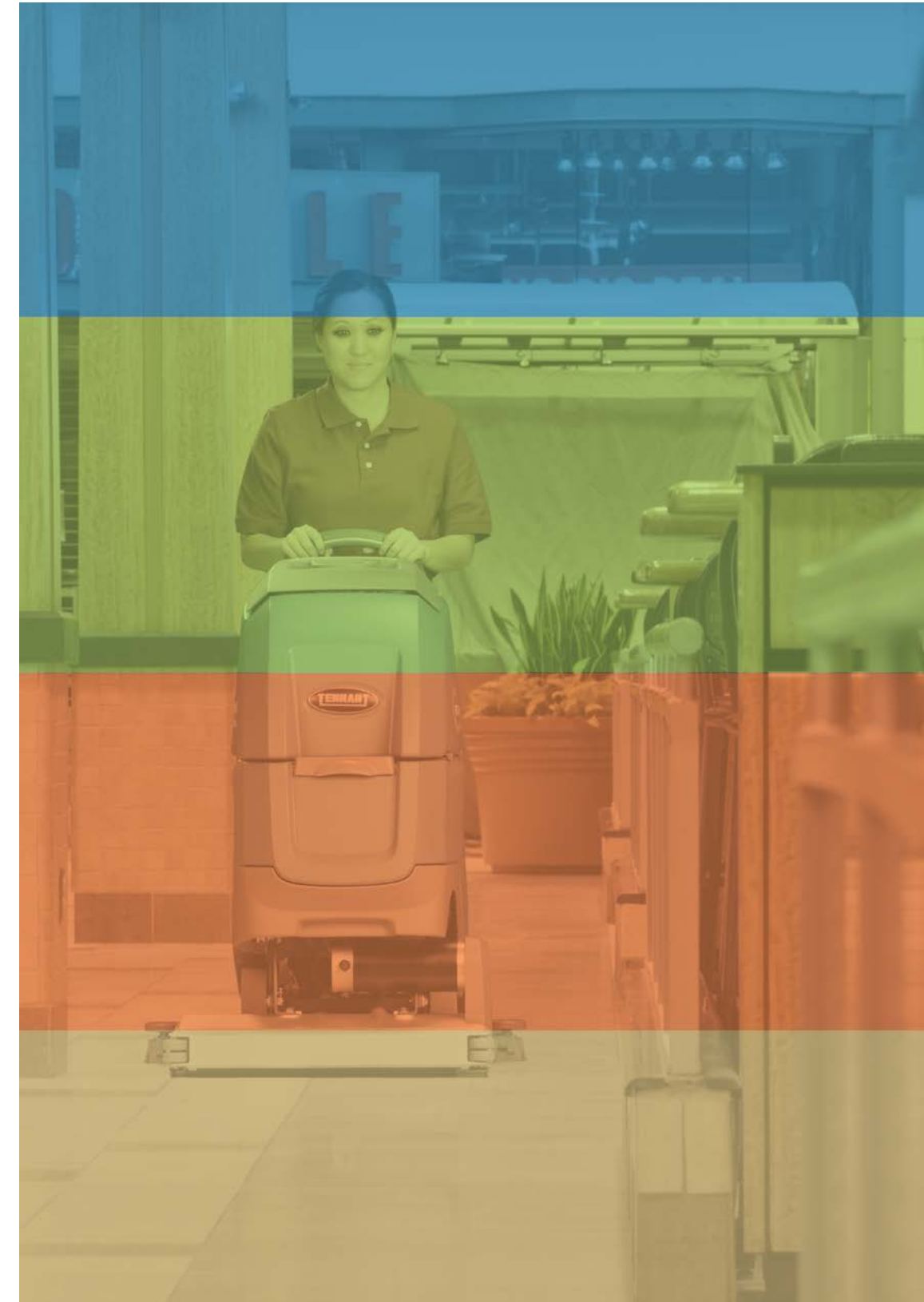
GHG EMISSIONS & ENERGY



PEOPLE & COMMUNITIES



WASTE



Key Achievements

As 2021 closed, we began updating our sustainability strategy including our goals, focus areas, and ambitions. This strategy refresh work continues in 2022, and we expect to publish the results of that work in next year’s sustainability report. Our current strategy launched in 2014 and enabled Tennant’s sustainability leadership across our industry. Key achievements include:

Products



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

In 2021, **99% of the products we sold were electric.**



We conducted **7 Life Cycle Assessments** (LCA) to better understand all the environmental impacts from sourcing raw materials to the end of life of our products and technologies since 2010.

People & Communities

We invested over \$5 million in our local communities through the Tennant Foundation since 2014.



Since 2017, we have seen **over a 70% decrease** in global operations safety incidents.

We became a signatory to the **United Nations Global Compact.**



We **launched our Human Rights Policy** on World Human Rights Day, December 10, 2021.

Climate: Greenhouse Gas Emissions & Energy



In 2018, we were **one of the first 100** global companies to have our science-based targets (SBT) for greenhouse gas (GHG) emissions reduction **approved by the Science-Based Targets initiative (SBTi).**

In 2020, we achieved one of our emissions reduction targets by reducing our Scope 1 & 2 GHG emissions by 35% since 2016.



For nine consecutive years we have responded to stakeholders’ requests to disclose our **climate action commitments to CDP.** For the last five years we have **received an “A-” score** and our goals and actions have been rated as **“Leadership level.”**

We **reduced emissions** from Tennant Legacy* machines **by 32%** since 2016.



In 2021, **86% of electricity we purchased** to power our buildings **came from renewable sources.**

*Tennant Legacy is defined as Tennant Company before the IPC acquisition in 2017 and Gaomei acquisition in 2019.

Waste



Since 2017, **we’ve recycled over 18,800 tons** of materials.

Tennant Company 2021 ESG Scorecard

We have established long-term, quantitative, measurable goals for four focus areas:

- Products
- Climate: Greenhouse Gas (GHG) Emissions & Energy
- Waste
- People & Communities

As we work to refresh our sustainability strategy and develop new targets and metrics, we will also remain focused on our continued progress against our existing goals.

*2019, 2018, and 2017 Scope 3 emissions restated. When calculating 2020 Scope 3 GHG emissions, we corrected several product categorizations and a few product category assumptions which resulted in restatements for 2019, 2018, and 2017 Scope 3 emissions. For additional details, see [2021 \(FY20\) CDP response](#), pg 17.

	Objective	Metric	2021	2020	2019	2018	2017	Notes
Focus Area: Products	Develop products that offer measurable environmental impact improvements, in one or more customer use-phase categories.	Number of targets set	4	1	3	19	4	Process implemented August 2014
		Number of targets achieved at launch	0	1	3	19	4	
	Conduct cradle-to-grave life cycle assessment (LCA) on internal combustion powered product or a new technology/business model offering.	Complete LCA	–	–	T300 RECON	T300 RECON	T300 RECON Started	LCA for T300 RECON – CPO & Used versus New
	Develop a methodology and tool to calculate product portfolio impacts for water use and GHG emissions that meet GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Develop long-term improvement targets.	Methodology and tool development	•	•	•	•	•	
		Long-term, product portfolio target for GHG emissions (use of sold products – scope 3, category 11) set	•	•	•	•	•	
	Long-term, product portfolio target for water use set	–	–	–	–	–	Will revisit as part of planned strategy update	

	Metric	2021	2020	2019	2018	2017	Notes
Focus Area: Climate: Greenhouse Gas Emissions & Energy	Set long-term, science-based targets (SBT).	Preparing to resubmit new targets	•	•	Approved	•	SBTi approved early 2018
	SBT: Reduce absolute scope 1 & 2 emissions 25% by 2030 from a 2016 base year (Target: 24,360mT CO ₂ e).	20,494	21,166	25,855	29,572*	30,427	mT CO ₂ e
	SBT: Reduce scope 3 use of sold products emissions 50% per \$USD of equipment revenue by 2030 from a 2016 base year. (Target: 407*).	526	567	624*	697*	723*	mT CO ₂ e per million US\$ equipment revenue
	Scope 3 (upstream & downstream) LCA complete.	•	•	•	•	•	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.	Continued Engagement	Continued Engagement	Continued Engagement	Continued Engagement	Started	



Objective

Focus Area: Waste

Our aspirational waste goal is zero waste to landfill and energy recovery. Due to our scale and materials diversion infrastructure, we recognize zero waste may not be achievable or business practical. Nonetheless, we continuously review our operations and look for waste reduction opportunities. In 2021, we recycled over 3,900 metric tons of industrial material.

	Objective	Metric	2021	2020**	2019	2018	2017
Focus Area: People & Communities	Corporate giving	Employee volunteer hours	567	1,910	3,836	2,655	2,058.5
		Tennant giving***	\$880,425	\$922,271	\$679,270	\$655,447	\$624,125
	Safety (TRIR) Total Recordable Incident Rate	Operations	1.83	2.48	4.48	5.18	6.29
		NA TSSC****	1.9	1.33	1.88	2.69	6.5
	DART Rate Days Away, Rest and Transfer Rate	Operations	0.07	1.55	3.58	4.07	3.52
		NA TSSC****	0.95	0.77	1.44	2.07	4.66
	Company ethics	Number of issues	16	19	15	21	18
		Percent closed	100%	95%	100%	100%	100%
		Average days open	50	132	53	85	65

** In 2020, safety metrics expanded to include IPC Group and Gaomei.
 *** Includes sum of Tennant Foundation grant disbursements, employee gift matching, equipment donations, and employee scholarship program. 2020, 2019, 2018, and 2017 sums restated.
 **** Tennant Sales and Service.

Products

Sustainability is rooted firmly at the core of our innovations.

Tennant Company is committed to developing innovative and sustainable products and services that help our customers clean spaces more effectively with high-performance solutions that minimize waste, reduce costs, improve safety, and further sustainability performance.

These solutions empower customers to significantly reduce their environmental impact in the product “use phase.” With this proven model in place, we will extend innovation toward cradle-to-cradle solutions to realize broader sustainability value for our customers.

Tennant Company’s annual investment of approximately 3% of sales in research & development has aided breakthrough innovations and offerings like robotics, ec-H2O NanoClean®, the Pro-Panel™, IRIS®, and Smart-Fill™.

As we continue to bring forward new innovations, we are committed to designing durable and sustainable products, embedding sustainability into our new product design process, while also enhancing our current product portfolio through electrification and robotics, in order to drive a global circular economy.



Product Sustainability Targets

Our goal is to develop products that offer measurable environmental impact improvements. To track progress toward this goal, we record the total number of sustainability targets set at the beginning of the product development process and how many of those targets were achieved at the launch of the product.

To accomplish this, our engineering and product development teams hold sustainability strategy and target-setting discussions during the designing of new products, as part of our proprietary innovation process. This process is centered around customer needs and evaluates them relative to the emerging technologies and macro trends. This process allows for agile decision making on projects, which ultimately provides better outcomes and brings more value to our customers, as well as to our business overall and inspires innovations for the future. Examples of

sustainability targets that have been incorporated into projects in the past include reduced energy usage, improved recycling of lithium-ion batteries, and electrification.

Not all product development projects end up setting sustainability targets due to scope or timeline constraints. In 2021, four sustainability targets were established. However, due to a realignment of business priorities these projects were discontinued, and the targets could not be completed (Table 1).

Collaborating with our customers and embedding sustainability into our product design is a critical component of our business success and will be incorporated into our ongoing sustainability strategy refresh.

Table 1

Product Sustainability Targets

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



Power Source Transition

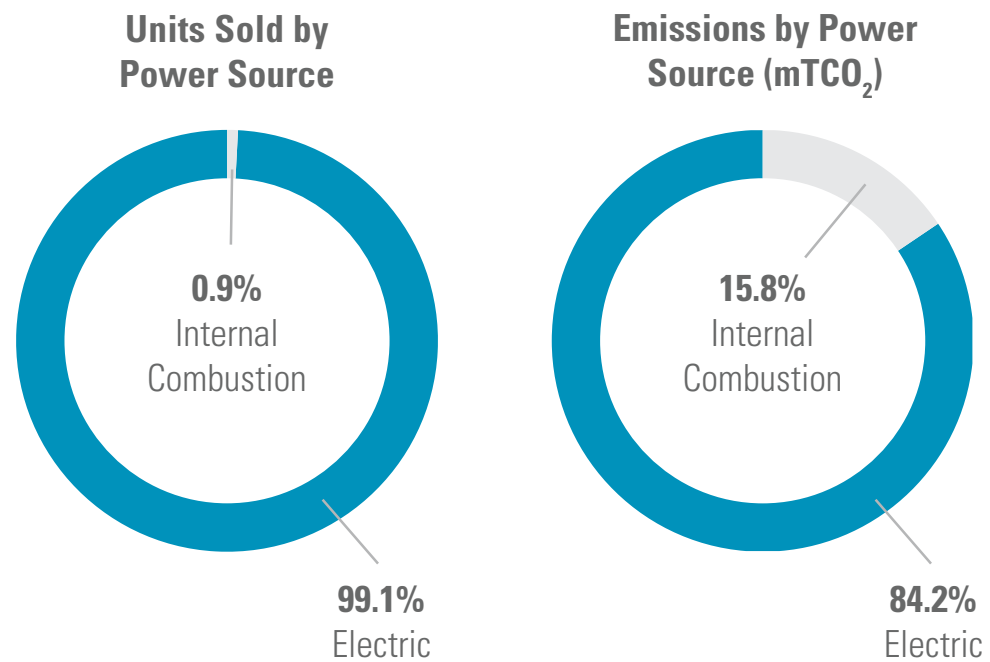
We continue to focus on electrification and maintaining engine standards to advance trends moving away from internal combustion (IC) equipment. In terms of units sold in 2021, 99.1% were electric and 0.9% were IC. The product use-phase emissions from IC machines fell to 15.8%, as compared to 18% in 2020 (Figure 1). This was in part due to our discontinuation of larger engine-powered equipment, which were very carbon intensive. Even more, this will help us achieve our science-based target of reducing intensity emissions from our products 50% by 2030.

IPC PW-E100: All-Electric Hot Pressure Washer

Traditional hot pressure washers use boilers powered by gasoline or diesel to heat the water. The **PW-E100** from IPC moves away from this standard convention with a purely electric design, eliminating the use of fossil fuels. This ensures greater efficiencies and zero exhaust emissions, making it ideal for use in poorly ventilated indoor areas or in facilities that restrict the use of internal combustion engines.

Figure 1

Product Power Source & Emissions



Advancing the Robotics Revolution

Like many other industries, the cleaning industry is undergoing a transition as a result of disruptive technologies that drive greater automation. Robotics and artificial intelligence technologies have made significant inroads into the cleaning industry. We continue to focus on automating cleaning tasks by using robotics, which results in more sustainable products and more value for our customers. Key benefits to customers include efficiency gains,

resource savings, and consistent cleaning results. Longer-term, robotics give us new avenues to explore resource efficiency, especially with data analytics.

The Impact of Robotics on Employment

Robotic cleaning machines can perform redundant tasks alongside their human counterparts, whose time can then be reallocated to higher-skilled, more detailed, and higher-valued tasks. This collaboration between robotic

cleaning machines and their human co-workers helps companies and their employees be more productive.

The robotics revolution is bringing about different kinds of jobs and shifts in the ways we all work. We are committed to bringing new, innovative cleaning solutions to market, helping create the jobs of tomorrow that will be required to build, repair, and operate robotic cleaning solutions.

Introducing the Industrial T16AMR Robotic Floor Scrubber

We first introduced robotic cleaning equipment into retail, schools, and healthcare facilities with the T7AMR and T380AMR. These machines allow for cleaning narrow aisles, making tighter turns and smaller U-turns—perfect for these smaller spaces. Our latest industrial solution, the **T16AMR**, is built for mid- to large-sized spaces such as warehouse and logistics facilities. With the optional lithium-ion batteries, the machine can clean up to 13 hours per day, 7 days per week.



“Robotics doesn’t replace people, but it’s a good complement to help our cleaners focus on doing more detailed work that has to be done by a person. It saves a lot of [hours] by not having to ride on the scrubber.”

Jim Ryan, Assistant Director of Buildings and Groups,
Churchville-Chili Central School District

Tennant Customer, from *Churchville-Chili Central School District T7AMR Case Study*

Contributing to a More Circular Economy

At Tennant we are committed to contributing to a global circular economy. A circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems. Recently, the concept of the circular economy has emerged to inspire fundamental shifts in how resources are managed.

One of the primary ways we contribute toward the circular economy is by keeping products in use. Our durable machines can be reused, repaired, and refurbished, preserving their working condition for many years. Our RECON™ program, where we take back products from customers, recondition them, and then resell to customers looking for a high-quality product at a lower price, is one example of our work to extend the lifecycle of our products and contribute to a more circular economy.



Along with the promise of high-quality products, it is also our responsibility to consider the safety of these extended-life products. We are members of a technical working group of the IEC (International Electrotechnical Commission) called Working Group 49, which is focused on circular economy and material

efficiency. In 2021, a technical specification was drafted and submitted to our Technical Committee, TC61, for initial comments. The primary goal of this group and guidance document is to ensure products continue to meet basic safety criteria through any repair or refurbishment.

At one of our factories in Italy, employees identified an opportunity to incorporate circular economy principles into the manufacturing process. Toward the end of the manufacturing process, plastic scraps are ground up and sold as a secondary raw waste material. Through collaboration with an external partner, the team is now able to use this plastic waste material to manufacture various components, **replacing virgin plastic material with 100% recycled materials from our own waste stream**. The team is also sourcing additional plastic scrap material from various suppliers to further increase the recycled content of various equipment components. These initiatives reduce waste as well as the costs associated with buying virgin material. Additionally, these learnings are being used to evaluate other processes for potential opportunities to expand this effort.



ETHYLENE VINYL ACETATE (EVA) GRINDED SCRAP



REGENERATED EVA



INJECTION MOLDED COMPONENT

Climate: Greenhouse Gas Emissions & Energy

At Tennant Company, our goal is to reduce greenhouse gas (GHG) emissions resulting from our operations and across our value chain.

To ensure accountability and transparency, we set our GHG emissions reduction targets in alignment with climate science and report our progress toward targets annually in this report as well as to the CDP climate change disclosure program. We proactively report GHG emissions to create mutual accountability with our value chain. Additionally, we track and report on various emissions reductions projects including operational efficiency initiatives and our renewable energy procurement practices.

Roadmap to New Science-Based Targets

In 2018, we set two greenhouse gas (GHG) emissions reduction targets with the Science Based Targets initiative (SBTi). We are proud to be one of the first 100 companies globally to have our science-based targets (SBT) approved, and to be featured in SBTi's Scope 3 best practices in greenhouse gas management guidance [document](#), highlighting our innovations in product design to reduce our value stream emissions.



Our SBT are:

1. Reduce our Scope 1 & 2 emissions by 25% by 2030 when compared to our 2016 baseline.
2. Reduce our Scope 3 emissions from the use of our products by 50%, normalized by total US dollars of equipment revenue, by 2030 when compared to our 2016 baseline.

We proudly achieved our Scope 1 & 2 target in 2020 ten years ahead of our 2030 target (Table 2) and, as a result, are in the process of developing a new goal aligned with SBTi's criteria. We are also reassessing our Scope 3 target due to our growth as a company through acquisitions, namely IPC Group and Gaomei Cleaning Equipment Company. Due to the timing of these acquisitions, neither IPC Group nor Gaomei Cleaning Equipment Company were included in our original SBT and, therefore, are not included in the data that we have reported since 2018. These new SBTs and goals correlate with our sustainability strategy refresh that is currently underway, and we will assess the need to include additional Scope 3 categories per SBTi guidance. We are still reporting annual Scope 1 & 2 emissions from our operations (Table 2) as well as emissions from our value chain (Table 3 & 4) because we remain committed to driving progress and will continue to work to reduce our greenhouse gas emissions throughout the process of setting our new SBTs.

Greenhouse Gas (GHG) Emissions

This year's sustainability report is being published after our 2021 GHG emissions have been assured and submitted to the CDP's climate change and supply chain disclosure programs. We have recoupled our GHG emissions data with our sustainability report. As such, this report includes our 2021 GHG emissions

data as well as our 2020 GHG emissions data, as it was not included in the previous year's report. Tennant Company makes full and timely public disclosure of detailed GHG emissions information on our corporate and investor websites.

We engaged S&P Global to provide assurance for our 2021 Scopes 1 & 2 and Scope 3, Category 11 emissions inventory. Assurance was conducted in accordance with the AA1000AS (2008 with 2018 addendum) standard, Type 2 moderate-level. The assurance statement can be found on our investor [website](#).

Full detail on 2021 Scope 3 emissions can be found within our 2022 (FY21) CDP Climate Change response and the S&P Global "Tennant Company Value Chain Footprint – Financial Year 2021" report. Both documents are publicly available on our investor [website](#).



Scope 1 & 2 GHG Emissions

In 2021, we continued to reduce our Scope 1 & 2 GHG emissions and achieved a 36.9% reduction since 2016 (Table 2). This is well beyond our original target to reduce Scope 1 & 2 emissions by 25% by 2030 and reaffirms our commitment to setting new, more ambitious science-based targets.



Scope 3 GHG Emissions

For the seventh consecutive year, our Scope 3 GHG emissions were assessed by S&P Global. For fiscal year 2020, S&P Global evaluated all 15 Scope 3 emissions categories to determine which are relevant to Tennant’s overall footprint. These categories include emissions from across the value chain, including upstream and downstream sources. It was determined that 4 of the 15 categories were relevant (Table 3). Since we saw no significant changes in our 2021 reporting year boundary, it was reasonable to assume that the same categories were relevant to Tennant’s overall footprint. The full report is publicly available on our investor [website](#).

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

	2021	2020	2019	2018	2017	2016 Base Year
Total GHG Emissions (mT CO ₂ e) ¹	20,494	21,166	25,855	29,572	30,427	32,480
Absolute Change YoY (mT CO ₂ e)	-672	-4,689	-3,717	-855	-2,053	–
Absolute Change from 2016 Base Year (mT CO ₂ e)	-11,986	-11,314	-6,625	-2,908	-2,053	–
% Change from 2016 Base Year	-36.9%	-34.8%	-20.4%	-9.0%	-6.3%	–

¹GHG emissions and equipment revenue do not include IPC Group or Gaomei acquisitions, which closed in 2017 and 2019, respectively

Table 3
Scope 3 Emissions Categories

	Scope 3 Category	Materiality*	Scope 3 (%)
UPSTREAM	1: Purchased goods and services	Relevant, calculated	22.55%
	2: Capital goods	Not relevant, calculated	0.10%
	3: Fuel- and energy-related activities (not included in scope 1 or scope 2)	Not relevant, calculated	0.44%
	4: Upstream transportation and distribution	Relevant, calculated	3.64%
	5: Waste generated in operations	Not relevant, calculated	0.01%
	6: Business travel	Not relevant, calculated	0.13%
	7: Employee commuting	Relevant, calculated	1.26%
	8: Upstream leased assets	Not calculated**	–
DOWNSTREAM	9: Downstream transportation and distribution	Not calculated**	–
	10: Processing of sold products	Not calculated**	–
	11: Use of sold products	Relevant, calculated	71.84%
	12: End-of-life treatment of sold products	Not relevant, calculated	0.03%
	13: Downstream leased assets	Not calculated**	–
	14: Franchises	Not calculated**	–
	15: Investments	Not calculated**	–

Source: S&P Global Tennant Company Value Chain Footprint Financial Year 2021

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

Scope 3, Category 11 Emissions Target

Emissions from the use of sold products remains our highest Scope 3 priority at more than 70% of our calculated 2021 Scope 3 GHG footprint. In 2021, our Scope 3, Category 11 emissions decreased and since 2016 we have reduced the emissions from the use of sold products by 32% (Table 4). When calculating 2020 Scope 3 GHG emissions, we corrected several product categorizations and a few product category assumptions which resulted in restatements for 2019, 2018, 2017, and 2016 Scope 3 emissions.*

Table 4

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

	2030 Target Year	2021	2020	2019	2018	2017	2016 Base Year
Total GHG Emissions (mT CO ₂ e) ^{1,2}	–	219,802	228,507	306,400*	338,486*	332,277*	354,685*
Equipment Revenue (\$M) ¹	–	418	403	491	486	460	457
GHG Emissions Intensity (mT CO ₂ / Revenue in \$M)	407	526	567	624*	697*	723*	776*
Intensity Change from 2016 Base Year (%)	-50%	32.2%	-26.9%	-19.6%*	-10.2%*	-6.8%*	–

¹GHG emissions and equipment revenue do not include IPC Group or Gaomei acquisitions, which closed in 2017 and 2019, respectively
²SBT boundary excludes sold products where Tennant does not have primary design control, at approximately 5% of total Cat 11 emissions

*For additional details, see [2021 \(FY20\) CDP response](#) pg 17.

CDP Climate Change Program

We submitted our ninth consecutive response under the CDP Climate Change program in 2021. Tennant Company’s 2021 (FY2020) score was “A -” and at “Leadership” level for the fifth consecutive year. Our score progression is shown in Table 5.



Table 5

Tennant Company CDP Score Progression

	2021 (FY2020)	2020 (FY2019)	2019 (FY2018)	2018 (FY2017)	2017 (FY2016)
Tennant Company	A –	A –	A –	A –	A –
Activity or Industry Group Average	B –*	C	B**	D	D

*Activity Group changed to Electrical & Electronic Equipment was Powered Machinery
 **Activity Group changed to Powered Machinery was Industrial Machinery

Tennant Company responds to the CDP questionnaire within the capital goods sector and the electrical & electronic equipment activity group. We are pleased to be among the 21% of companies that reached “Leadership” level in our activity group. Our full CDP response and score report are publicly available on our Investor [website](#).

Emissions Reduction through Efficiency

We regularly evaluate and implement efficiency improvements to our operations and vehicle fleets. Emissions reduction initiatives reduce operating costs as well as save energy and fuel. In 2021, we implemented nine Scope 1 & 2 emissions reduction projects. Total expected and realized emissions reduction from these projects is 978 mT CO₂e (Table 6).

Table 6

Project Portfolio – Scope 1 & 2 Emissions Reduction

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Number of Projects Implemented	9	14	18	14	19	16	10	15	9	6
Emissions Reduction Achieved (mT CO ₂ e)	978	1,848	4,945	2,008	1,185	1,312	424	661	1,128	710
Number of Projects In-process	3	5	6	5	3	2	3	1	0	1
Emissions Reduction Estimate (mT CO ₂ e)	447	520	2,572	476	234	1,052	58	2	0	38
Number of Projects Planned	5	9	9	17	13	13	10	7	0	2
Emissions Reduction Estimate (mT CO ₂ e)	312	773	1,116	5,611	5,094	3,918	495	425	0	300
Total Number of Projects in Portfolio	17	28	33	36	35	31	23	23	9	9
Total Emissions Reduction (mT CO₂e)	1,737	3,141	8,632	8,095	6,513	6,282	977	1,088	1,128	1,048

Source: 2022 CDP Climate Change response

In 2020, we completed the demolition and remodeling of our new corporate headquarters campus in Minneapolis, MN. As part of this project, we demolished a large, inefficient facility which we did not intend to occupy and in 2021 we realized a full year of energy savings from this project. The estimated annual savings from electricity and natural gas use are 1,250,500 kWh and 30,000 therms, respectively. This amounts to annual carbon savings of 505 mT CO₂e.



Emissions Reduction through Energy Purchasing

In 2021, we continued our commitment to renewable energy by purchasing Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) for the electricity consumption at multiple facilities. These include operations in Italy, The Netherlands, Holland, MI, Louisville, KY, Minneapolis, MN, along with smaller branch offices in various countries. The total renewable purchase represents 23,145 MWh, about 86% of all electricity consumed across the company in 2021. These purchases are reflected in our reported market-based emissions. Progress on renewable energy purchasing is shown in Table 7.

In 2021, our long-term Community Solar Garden (CSG) subscriptions in Minnesota produced about 10,690 MWh. Our subscriptions, along with those of other businesses and homeowners, have led to a significant increase in solar energy capacity in Minnesota. The environmental attributes, or RECs, associated with electricity from the CSG subscriptions belong to Xcel Energy Inc., the local electric utility. The solar energy from CSGs helps to increase the amount of clean, renewable energy sources for Xcel Energy’s electric grid and lowers their environmental impact.



Table 7

Renewable Energy Purchasing

	2021	2020	2019	2018	2017*	2016
Renewable Electricity Purchased (MWh)	22,350	21,150	15,160	5,100	2,850	2,000
% Increase Year-Over-Year	6%	40%	197%	79%	43%	–
% of Total Electricity Used*	85.8%	83.4%	53.5%	17.9%	13.2%	9.3%

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

Waste

At Tennant Company we strive to reduce—and eventually eliminate—all forms of waste.

Our aspiration is that all purchased materials provide the best use attainable to our customers and all other stakeholders. This aspiration feeds our broad view of waste, which includes operational inefficiencies in addition to material and resource waste. We define waste as materials that enter our reporting boundary, which is outlined in the index section of this report, that do not become part of the products we sell.

In 2014, we set an aspirational goal of zero waste to the landfill or disposal. We continue to make progress toward this aspiration by applying the solid waste management hierarchy of reduce, reuse, and recycle, along with the proven principles of lean manufacturing and continuous improvement.

Waste and recycling remain a primary area of concern, especially for customers and employees. We continue to expand and improve our industrial recycling as employees identify waste streams that should be diverted. In 2021, we collected over 3,900 metric tons of industrial recycling material.

**IN 2021, WE
COLLECTED OVER
3,900
METRIC TONS
OF INDUSTRIAL
RECYCLING MATERIAL**



Waste Reduction Projects

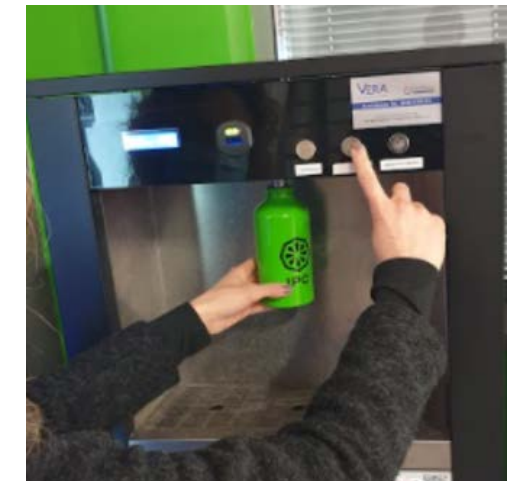
Our employees are always looking for continuous improvement opportunities using lean manufacturing principles. Many of these opportunities include the reduction of wasted materials as well as staff time. The following are a few projects and initiatives from 2021 that demonstrate how the everyday actions of our employees are having a positive impact.



Hefei, CN — Service parts were previously shipped to customers in new boxes, while like-new boxes were being recycled elsewhere in the warehouse. The packing department identified the opportunity to reuse inbound boxes, thereby reducing waste and costs for the warehouse. Now the department collects empty boxes from inbound production parts to be reused for outbound service parts. This is saving at least 400 new boxes each month.



Padua, IT — In an effort to keep employees safe, healthy, and hydrated, the IPC Tools plant provided bottled water to employees each day. In 2021, the plant installed a water dispenser and gave all employees a reusable water bottle to refill. This resulted in preventing over 60,000 plastic bottles from being used and disposed of annually.





Portogruaro, IT — We are proud of the relationships we have built with our strategic suppliers. We are consistently working together to find solutions which reduce waste and operating costs for us as well as our suppliers. Last year, the IPC Portotecnica warehouse team identified specific suppliers who regularly reused boxes and had consistent deliveries. Rather than recycling them after a single use, the boxes are now flattened and sent back to the supplier to be reused 3-5 times.



Minneapolis, MN — The manufacturing facility in Minneapolis, MN, fabricates frames and other metal parts that are used on almost all Tennant-branded machines. The final step before assembly is to paint each part, and in 2021, the paint department was experiencing an increase in rework due to some outdated equipment. The team worked with their production engineer to identify new equipment which increased efficiencies and ultimately reduced the quantity of paint used by 10%.



Louisville, KY — In the small parcels area of our Louisville, KY, distribution center, employees reorganized their shipping supplies to increase efficiency and reduce the amount of time staff spent looking for specific items. As a result of this project, the supplies are easier to access, saves staff time, and fewer materials are wasted.



Uden, NL — Employees at our plant located in Uden, The Netherlands, identified a process improvement and paper-reduction opportunity within the machine testing phase. The team used to print out a spreadsheet that was numerous pages long to give feedback and take notes during the testing process. In 2021, they were able to streamline this process by using an electronic tablet to take notes and photos. This change not only improved the testing process but will also save paper.



People & Communities

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



Over time, our community has expanded from a humble North Minneapolis sawmill to a global company. Our growth and expansion around the world give us greater opportunities to focus on people, communities, human rights, ethics, and safety. Ethics, integrity, and responsibility are core characteristics of Tennant Company's DNA. Our People & Communities efforts are accountable to:

- **Environment, Facilities, & Safety:** Operate our global facilities in a manner that protects the environment and promotes the health and safety of our employees and communities.
- **Human Rights & Company Ethics:** Foster and maintain ethical work environments free of discrimination.
- **Intentional Giving:** Align donations of time, money, and property with organizational vision.

Our Code of Conduct

Since our founding in 1870, we have conducted our business with the highest standards of ethics and integrity. We have built our reputation on being an ethical and reliable partner in the marketplace. Our **Business Ethics Guide** outlines our code of conduct and applies to everyone at Tennant Company in every region of the world. It applies to all our employees, directors, consultants, agents, and anyone else acting on the Company's behalf. Our business ethics are based on our core philosophy of stewardship, leaving something better off than when you found it. That philosophy and these guidelines govern our relationships with each other, our customers, suppliers, shareholders, and the communities in which we conduct business. Through our individual and collective efforts, ensuring our actions are ethical, we will remain the outstanding corporate citizen that we are today.



Human Rights

Throughout our 150-year history, our business has evolved, but our foundational values have endured. Our reputation for being an ethical company is one of our key strengths. We pride ourselves on our commitment to conducting business with dignity, respect, fairness, honesty, and integrity in all our activities, including dealings with employees, customers, suppliers, shareholders, and the communities in which we operate.

We made progress on the United Nations Global Compact (UNGC) principles of Human and Labor Rights in 2021 by developing and launching our enterprise-

wide Human Rights Policy. This policy was developed by a cross-functional team with guidance from leaders and outside experts. It applies to all employees and temporary workers globally. This policy is informed by the principles of the United Nations Universal Declaration of Human Rights and is reflective of our values and commitments toward all human rights. The policy was launched on December 10, 2021, World Human Rights Day, and shared with all employees globally, along with an introduction video.

Our Principles

HEALTH AND SAFETY

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

FREEDOM OF ASSOCIATION

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

FORCED OR COMPULSORY LABOR, HUMAN TRAFFICKING, AND UNDERAGE LABOR

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

NONDISCRIMINATION

We believe that no person shall be subject to any unlawful discrimination in employment, such as hiring, compensation, benefits, advancement, discipline, termination, or retirement, on the basis of race, color,

religion, sex, national origin, physical or mental disability, age, military service, pregnancy, sexual orientation, genetic information (including family medical history), marital status, gender identity or expression, parental status, political affiliation, or any other applicable prohibited basis.

ANTIBRIBERY AND ANTICORRUPTION

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

WORKING CONDITIONS

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

RESPECTFUL WORKPLACE

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

We maintain a robust ethics and compliance reporting system. Our Ethics Hotline contact information and our Business Ethics Guide are available in multiple languages by accessing the Ethics portion of our website. Anonymous reporting is available, where allowed by law. Concerns may also be reported by email at corpcompliance@tennantco.com or by writing to our General Counsel or Global Compliance Counsel at Tennant Company, 10400 Clean Street, Eden Prairie, MN, USA 55344-2650.

We educate our employees and temporary workers on the principles within this Human Rights Policy on a regular basis.



Diversity, Equity, and Inclusion: Message from our Human Resources Senior Director and our Diversity, Equity, & Inclusion Senior Manager

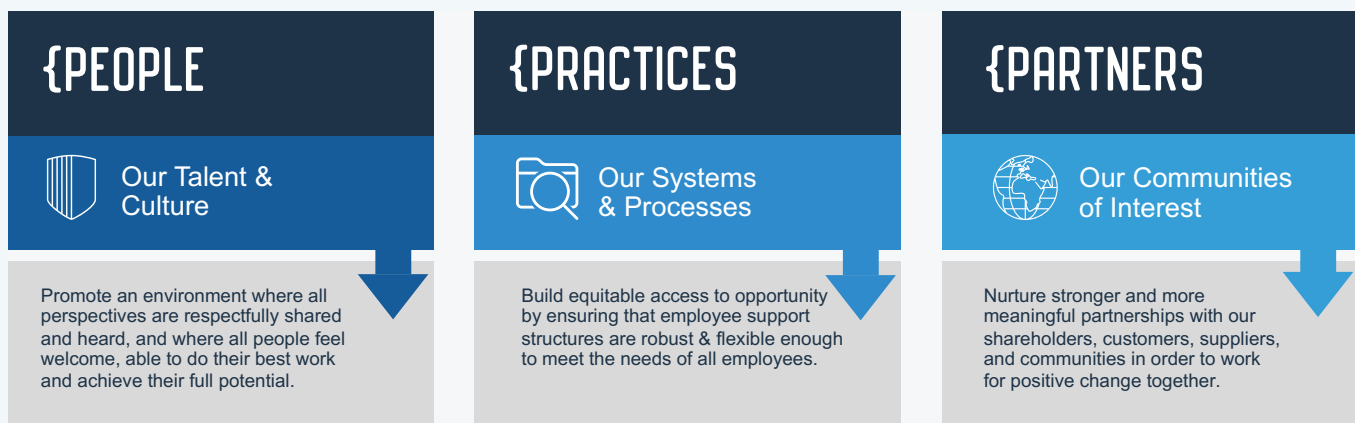


Kristen Bergstrom
Senior Director,
Talent Management and HR



Melanie Larsen Sinouthasy
Senior Manager,
Diversity, Equity & Inclusion

Our approach to DE&I is centered on three areas:



Our journey to a more diverse and inclusive organization

At Tennant, we believe that intentionally building and promoting diversity, equity, and inclusion (DE&I) across our organization is not only the right thing to do, but something we want to do, and that makes good business sense. Guided by a vision that diversity will be a differentiator for our organization, we celebrate the individual differences that our 4,300 employees bring to our Tennant community. We want our community to be a place where everyone feels a sense of belonging, creative problem solving is promoted, and collaboration is fostered to ensure our business and our employees reach their full potential, and act as a force for positive change.

In late 2020, we made the commitment to elevate DE&I to our organization’s strategic agenda and launched a planning process, beginning with a comprehensive organizational assessment to help us understand our current state, strengths, and areas of opportunity. The result of this assessment was our {New Perspectives DE&I strategic initiative. The foundation of this initiative are our strengths – our global diversity, our commitment to respecting each other, and our value of stewardship – which will enable us to build a diverse and inclusive community that promotes the success of all employees and strengthens our business overall.

2021 and beyond

In 2021, we formally launched {New Perspectives, hired our first DE&I leader, began to integrate DE&I elements into our processes, gathered employee feedback through our global engagement survey, and established our Employee Resource Group framework. We also provided education and skill building for our global leaders and Human Resources team members. We challenged ourselves to learn more about who we are as individuals and as a company, and how we can better learn from our global community.

As we look back on 2021, we are proud of what we’ve accomplished. Looking ahead, we are energized by the opportunity we have to make a positive difference in the world. We know that our ability to attract new talent and engage our talented employees will be the key to our continued success. We know that our {New Perspectives strategic initiative is crucial to this endeavor. We believe our DE&I actions are an important investment in our organization, and in our employees, that will strengthen our Tennant community. Together, we will continue to learn from and about one another as we move forward as individuals and as a company along our DE&I journey.

Kristen Bergstrom
Senior Director,
Talent Management and HR

Melanie Larsen Sinouthasy
Senior Manager,
Diversity, Equity & Inclusion

Gender Equitable Pay at Tennant Company

Acting on the commitment to fairness and integrity in all things, we conducted our annual gender wage gap analysis to evaluate any gender differences in pay in November 2021. Our results showed the median income for women working full time in the United States was reported to be 98.76% as compared to their male counterparts. In other words, our female employees were seen to be making 98.76 cents to every \$1 men earned. To put this figure in context, our wage gap findings were compared to the national average.

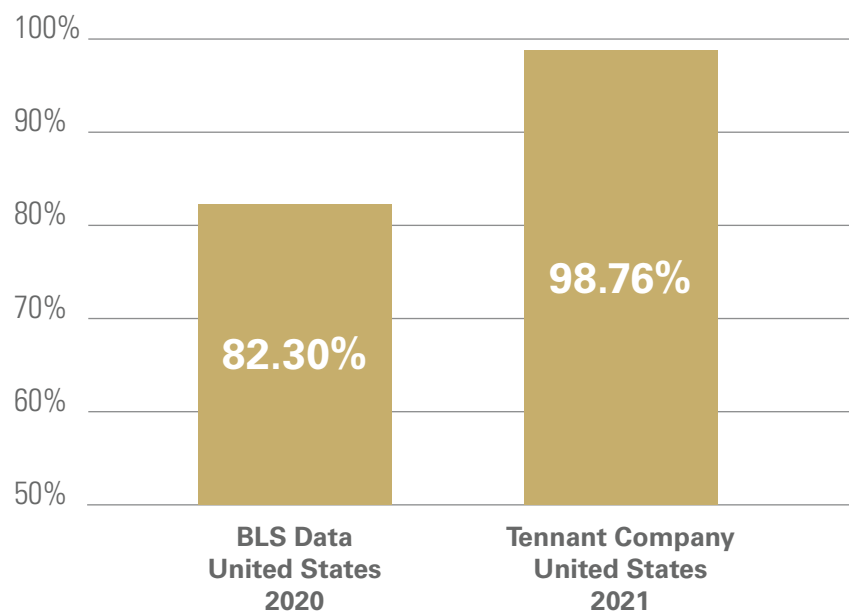
According to the national statistics published by the Bureau of Labor Statistics (BLS) in 2020, women on average made 82.3% of the earnings made by males.

Our adjusted pay gap was found to be 100% after controlling for variables such as title, grade, and work location, which are legitimate and non-discretionary reasons for pay difference. This analysis suggests there is no evidence of a gender pay gap at Tennant Company.

greater flexibility while still ensuring we would meet the needs of our customers and business overall.

We applied a collective approach to understand what flexibility means to our employees. Using this feedback, we have implemented flexible work programs while ensuring we stay true to our beliefs about collaboration and connection and continue to deliver on business commitments.

Figure 2
Gender Pay Gap



Return to Office

The COVID-19 pandemic continued to impact businesses around the globe throughout 2021, including Tennant. As an essential business, our facilities continued to comply with regional restrictions and we updated our safety protocols accordingly.

In 2021, employees globally began returning to our facilities after over a year of working remotely due to the pandemic. We approached returning to the office on a country-by-country basis taking into account the local pandemic conditions, relevant laws and regulations, and specific business requirements. We continue to respond to local pandemic conditions as appropriate. At the same time, we began to work with our leaders and employees on how we could provide



United Nations Global Compact Commitment

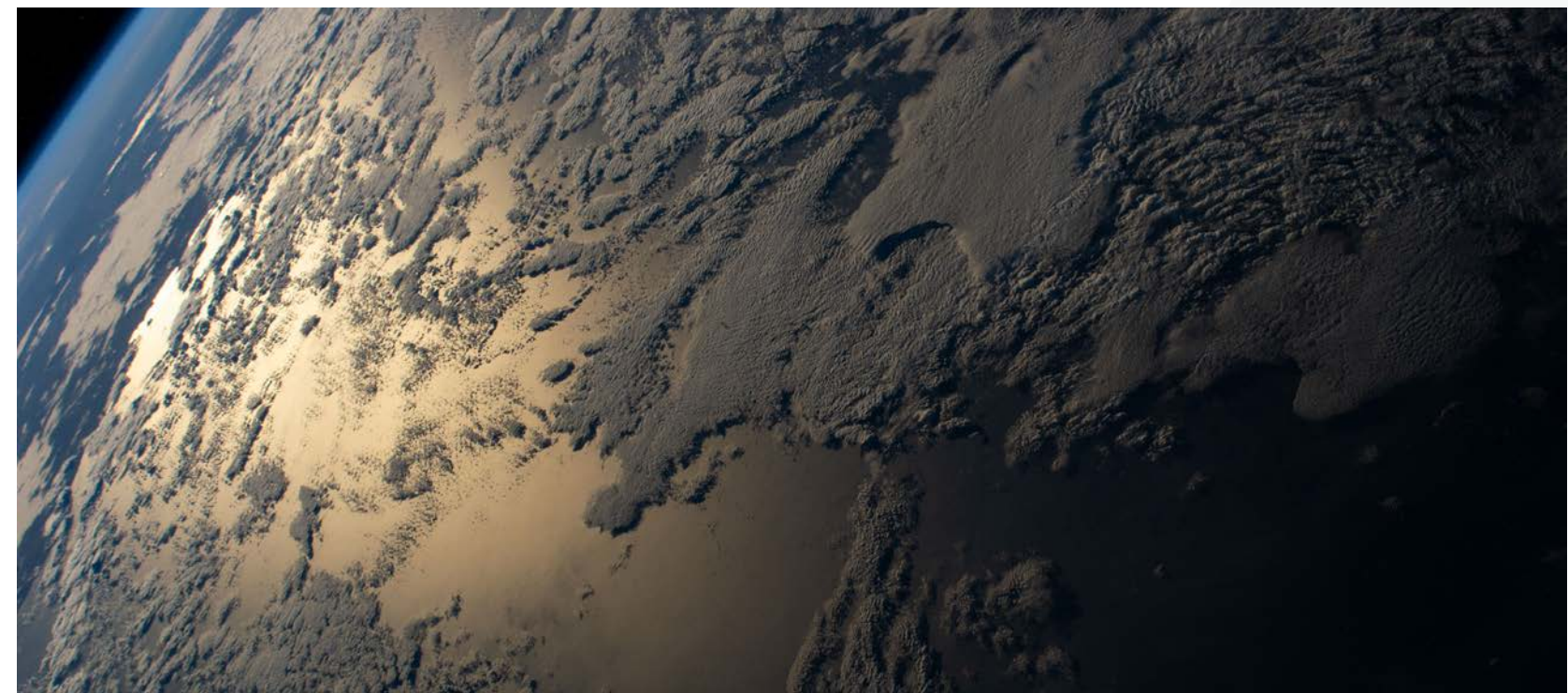
As a signatory of the United Nations Global Compact (UNGC), we are committed to continuing our engagement with the UNGC's Ten Principles around human rights, labor, environment, and anticorruption.


We actively integrate UNGC principles into our culture and the day-to-day operations as well as engage in collaborative projects which advance the broader development goals of the United Nations, including the Sustainable Development Goals (SDGs).

During the first half of 2021, we participated in the first cohort of the Sustainable Development Goals Ambition Accelerator Program. This program helped our team learn about the SDGs and how to develop our own goals in alignment with the United Nations. The program also provided the team with tools to determine which SDGs were material to our business,

namely goal 12: Responsible Consumption and Production. We plan to incorporate the learnings from this program into our sustainability strategy refresh that is currently underway.

The 2022 Sustainability Report (FY2021) is our third annual Communication on Progress. This report highlights our practical actions, including progress made on policies, procedures, and activities to implement the UN Global Compact principles in each of the four issue areas: Human Rights, Labor, Environment, and Anti-Corruption. These can be found in the GRI index.





COMMUNICATION
ON PROGRESS

UN GLOBAL COMPACT

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Tennant Foundation Report

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




Improving the quality of life in our community through social services and environmental programs.



Promoting workforce readiness through education, vocational rehabilitation and other related services.



Contributing to cultural and arts organizations.

2% 
**AWARD
RECOGNITION**

Tennant Company is a proud member of the Minnesota Keystone Program. The Minnesota Keystone Program recognizes companies that contribute 2% or more of their pre-tax earnings to enhance the quality of life in our communities. Tennant has been a participant in the program since it began in 1984 and again achieved the 2% award recognition level in 2021.



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:

- **Employee Scholarship Program**
- **Volunteer Matching Program**
- **Employee Gift Matching Program**
- **United Way**
- **Equipment Donations**
- **Operating Grants**



EMPLOYEE GIFT MATCHING

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



EMPLOYEE VOLUNTEER MATCHING

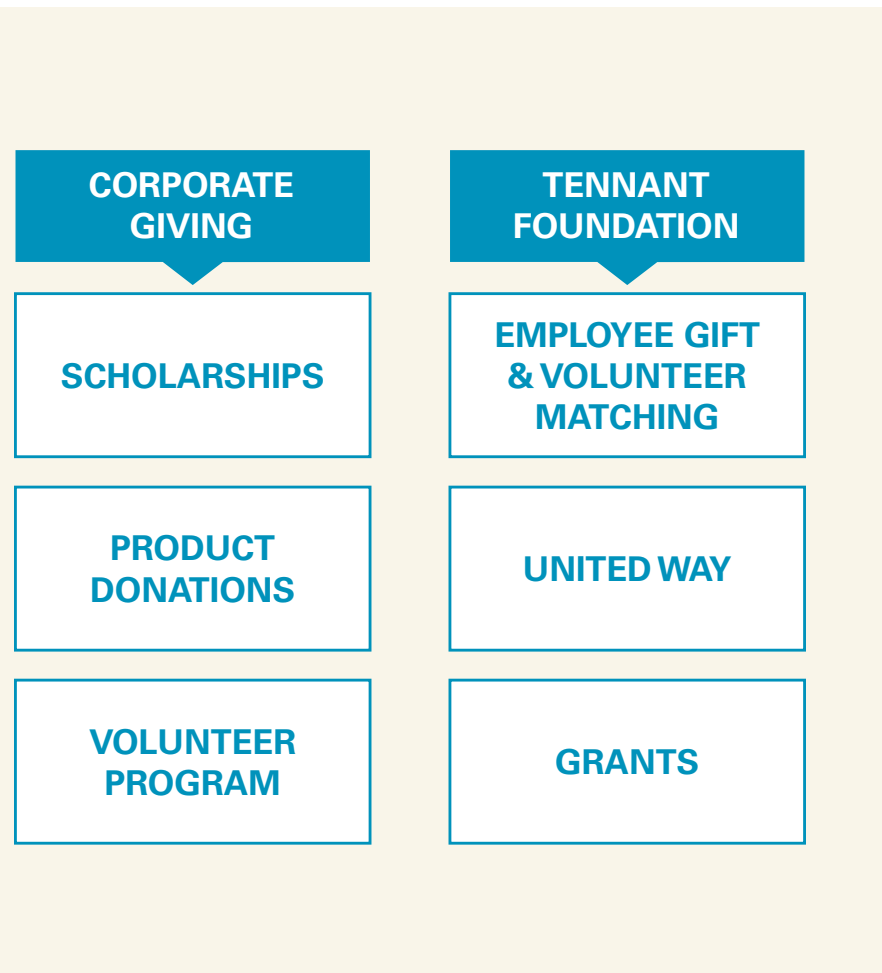
The Volunteer Matching Program recognizes the volunteer work of our employees in their respective communities. This innovative program supports 20 and 40 hours or more per year of volunteer hours to a single agency with a \$200 and \$400 gift, respectively, if that agency would otherwise be eligible for Foundation grants. The program encourages and rewards volunteerism in response to the ever-increasing needs of local nonprofit organizations.



GRANT PROGRAM

Tennant Foundation grants are directed to organizations generally serving local communities where our facilities reside and are typically modest operating grants. When reviewing requests for grants, the Tennant Foundation considers whether this request furthers our commitment to 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.

We 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. Only qualified 501(c)(3) organizations are eligible to receive a grant. The Foundation does not normally fund capital campaigns or organizations funded by the United Way. Organizations may apply [online](#).



Tennant Giving Program

EQUIPMENT DONATIONS

As part of the giving program, we donate equipment to nonprofit organizations. We consider it imperative that our company is a steward to the communities in which we do business. Organizations that are nonprofit entities, with IRS 501(c)(3) designation within the United States, may be eligible for equipment donation. Consideration will be given to the potential for a donation to adversely impact the business of a Company partner or distributor. Therefore, we may consult its partners prior to making a final decision.



SCHOLARSHIP PROGRAM

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

2021 Grants Awarded*

Achieve Minneapolis	Every Meal	Melanoma Awareness	Shakopee Area Catholic School
Air Force Academy Foundation	Feed My Starving Children	Metropolitan State University	St. Jude
Alzheimer’s Association	Feeding America	Milwaukee Rescue Mission	Stages Theatre Company
American Cancer Society	Fellow Mortals, Inc.	Minneapolis Institute of Arts	Summit Academy OIC
American Foundation for Suicide Prevention	Flight Expo Inc.	Minnesota Humane Society	The Food Group
American Heart Association	Fraser	Minnesota Opera	The Humane Society of the United States
American Red Cross	Friends of the World Food Program, Inc.	Minnesota Orchestra	The Leukemia & Lymphoma Society
Animal Humane Society	Gillette Children’s Specialty Healthcare	Minnesota Public Radio	The Lift Garage
ASPCA	GlobalGiving Foundation Inc.	Minnesota Zoo Foundation	The Salvation Army
BABY2BABY	Gods Dogs Rescue	Mission Animal Hospital	The St. Paul Chamber Orchestra
BestPrep	Great Minds Learning Center	Mississippi Park Connection	The Wildcat Sanctuary
Beyond Our Door	Grinnell College	MN Assistance Council for Veterans	The Works Museum
Big Brothers Big Sisters Twin Cities	Growth & Justice	MN Children’s Museum	Toys for Tots
BLIND, Inc.	Guthrie Theater	MN Institute for Talented Youth	Tree Trust
Bridging	Habitat for Humanity – Twin Cities	My Very Own Bed	Treehouse Inc.
BSA Central MN Council	HASRA	Nashua Children’s Home	Tunnel to Towers Foundation
Buffalo Hospital Foundation	Heifer International	National Coalition for the Homeless	Twin Cities Public Television
Carleton College	High Tech Kids	National Multiple Sclerosis Society	Union Gospel Mission
CEAP	Hindu American Foundation	NDSU Foundation	United Methodist Higher Education Foundation
Charity: water	HIRED	North Central College	United Way – Ottawa County, MI
Children’s Theatre Company	Holland Free Health Clinic	Northern STEM Robotics	United Way – Twin Cities
Chinese for Affirmative Action	Holland Rescue Mission	Out on a Limb	USTA/Midwest Tennis & Education Foundation
Cleaning Up For Cancer	ICA – Your Local Food Shelf	Ovarian Awareness of Kentucky	VIBHA
Code Savvy	Inland Valley Down Syndrome Association	Pet Haven Inc. of Minnesota	Walker Art Center
Community Action House	Interfaith Outreach	PRISM	Warrior Dog Rescue
Community Emergency Service	Jonah Inc.	ProLiteracy	Webster House
Community Thread	Junior Achievement	PROP	WildCat Ridge Sanctuary
Companion Rabbit Network	Last Hope Inc.	RAICES	Wildlife Intensive & Critical Care Unit
Cookie Cart	LifeSource	Rally4ACause Foundation	Women Venture, LLC
Darden School Foundation	Lifeworks Services, Inc.	Riley Children’s Foundation	World Wildlife Fund
Dare to Care Foodbank	Loaves and Fishes	Run For Tomorrow	YMCA of the Greater Twin Cities
Disabled American Veterans – OH	Make-A-Wish Foundation	Save the Chimps, Inc.	
Division of Indian Work	Manaloni Manishi Foundation	Science Museum of MN	
Dunwoody College of Technology	MEDA	Second Harvest Heartland	
East Side Neighborhood Services			

*Includes Foundation Board Grants and Tennant Employee Gift Matching

2021 Financial Data Foundation & Giving

Fiscal Year Ended December 31, 2021

TENNANT FOUNDATION

Total Grant Disbursement	\$481,499
Total Number of Grants	195
Total Employee Gift Matching	\$43,879
Administrative Expenses	\$33,500
Expenses as a Percentage of Disbursements	6.58%
Grants Paid in 2021	
Social Services (Live)	\$142,048
Health & Safety (Live)	\$11,164
Cultural & Arts (Play)	\$67,564
Education & Workforce (Work)	\$86,623
Public TV & Radio (Work)	\$11,100
United Way	\$163,000
Total Foundation Contributions	\$481,499

TENNANT GIVING

Tennant Scholarship Program	\$110,774
Equipment & Inventory Donations	\$288,152
Total Giving Contribution	\$398,926
Grand Total	\$880,425

Water

We recognize water is a critical resource, and we strive to use it as efficiently as possible in our operations and across our product portfolio.

As a part of our 2014 materiality assessment, we concluded that water in our operations is not a material aspect for setting goals and sustainability reporting. However, consistent with our core value of stewardship, Tennant Company will:

- 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.

Additionally, we know that water is a critical resource across our value chain. Our innovations continue to help our customers reach their sustainability goals, including ec-H₂O which uses up to 70% less water and requires fewer chemicals while still delivering the cleaning results our customers need and expect.



Our Suppliers

We expect our suppliers to achieve the highest ethical standards, with special attention to corporate citizenship and sustainability.

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

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



Furthermore, we expect our suppliers to conduct business in a way that demonstrates respect for the environment. Our suppliers should be alert to environmental issues and share in the commitment to conserve natural resources by reducing excess packaging and using recycled and non-toxic material whenever possible. Our suppliers should take steps to minimize the negative impact their business might have on the environment particularly concerning material selection and the handling and disposal of hazardous material and other waste.

Suppliers must permit Tennant and its agents to engage in assessment activities to confirm compliance with our expectations. Accordingly, our suppliers are expected to regularly evaluate their own facilities, books, and records and those of their suppliers and service providers. If we determine through our assessment process that a supplier is not meeting the requirements and expectations set forth, we will offer guidance for correction or improvement. We reserve the right, however, to cancel outstanding orders, suspend future orders or terminate a relationship with a supplier, as circumstances demand.

Responsible Minerals Sourcing

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

Tennant also uses a third-party service provider to assist with evaluating supply chain information regarding 3TGs, identifying potential risks, and in the development and implementation of additional due diligence steps that the Company will undertake with suppliers in regard to conflict minerals. Tennant leverages the vendor’s managed services to work with dedicated program specialists who support Tennant’s Conflict Minerals Program. Together with the vendor, Tennant developed a process to assess and respond to the risks identified in the supply chain. Tennant has a risk management plan through which the conflict minerals program is implemented, managed, and monitored.



Governance of Sustainability and ESG

The Board of Directors of Tennant Company appoints the members of the Governance Committee which is one of the four committees of our Board. The Governance Committee is responsible for proposing composition and leadership for the Board of Directors, as well as ensuring the Board is understanding and complying with new corporate governance laws, regulations, and policies. This Governance Committee also provides oversight of the Company's sustainability programs, policies and practices, including environmental, social, and corporate governance (ESG).

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

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

The Sustainability team, led by the Director of Sustainability, is responsible for helping define the enterprise sustainability and ESG agenda, prioritize issues,



and impact. The team provides dedicated oversight of strategy, initiatives, and goals. The team collaborates with stakeholders to enable enterprise integration and progress.

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

About This Report

Our 2022 Sustainability Report reflects activities, data, and initiatives in our 2021 fiscal year (January 1, 2021 – December 31, 2021 except where noted).

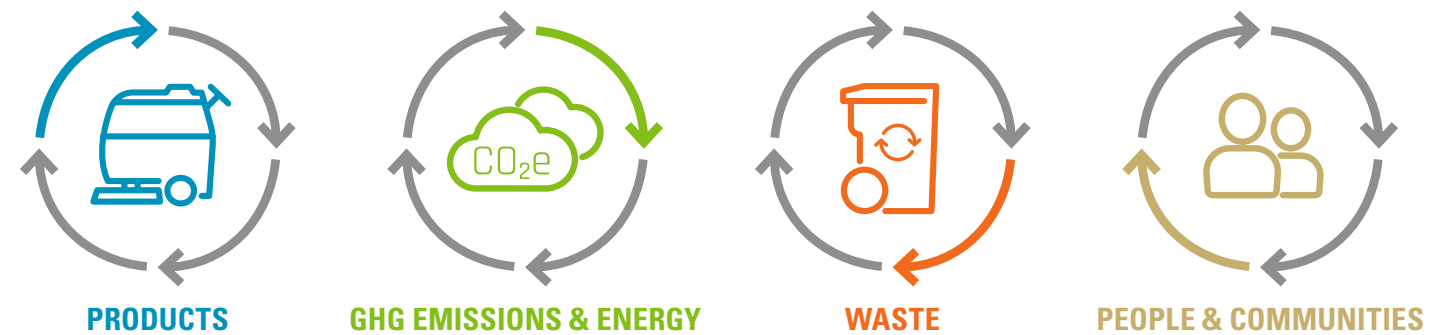
This report utilizes the Global Reporting Initiative (GRI) framework to ensure we are reporting on relevant and material information supporting our sustainability initiatives. The GRI index can be found in the appendix, along with additional details regarding our stakeholder engagement, materiality analysis, and reporting boundary. This report also serves as our Communication on Progress to the UN Global Compact (UNGC).

This 2022 report builds on previous years' initiatives and report **content**. Tennant Company's core business model, governance, policies, practices, customers, and stakeholders changed little between 2020 and 2021.

Stakeholder concerns and priorities, as well as our material issues and opportunities, remain consistent. Results of a materiality assessment conducted in 2022 will be published in our 2023 Sustainability Report.



We regularly engage and reaffirm material issues with our three main stakeholder groups: employees, customers, and investors. The material issues help to shape our objectives, goals, and metrics for our four focus areas:





We continue to see an increase in interest in environmental, social and governance (ESG) factors from investors and customers. To ensure that our focus areas, sustainability goals, and strategies are still aligned with industry standards and to maintain our legacy of leadership in sustainability, we initiated a strategy refresh toward the end of 2021. This strategy refresh work will continue into 2022 and the results of which will be published in next year’s sustainability report.

This year’s sustainability report is being published after our 2021 greenhouse gas (GHG) emissions have been assured and submitted to the CDP’s Climate Change and Supply Chain programs. As a result, this year’s report includes our 2021 GHG emissions data. The intention is to use this format moving forward; if you have comments or concerns, please contact SustainabilityReport@tennantco.com.

Reporting Boundary

The 2022 Sustainability Report (FY2021) reporting boundary consists of Tennant Company’s global facilities and Sales & Service fleets. Based on analysis of the facility ownership, rental, and lease arrangements as well as utility usage, we have identified 46 facilities as material. These will be included in our reporting boundary for 2022 (FY2021). All fleets in countries with direct sales and service presence are within the reporting boundary. The facilities outside the boundary are, in aggregate, less than 1% of our total emissions and energy consumption.

Tennant Company has updated our internal reporting calendar and as result included our 2021 GHG emissions data. We made the decision to assimilate the GHG emissions data into the full Sustainability Report based on feedback from our stakeholders.

The reporting boundary for 2021 shows minimal changes when compared to 2020. In February 2021, Tennant completed the sale of its coatings business, Tennant Coatings, Inc. This divestment did not change Tennant Company’s core business. The sale included a facility located in northern Illinois. As a result, the reporting boundary only includes one month of utility responsibilities for that facility.

Materiality

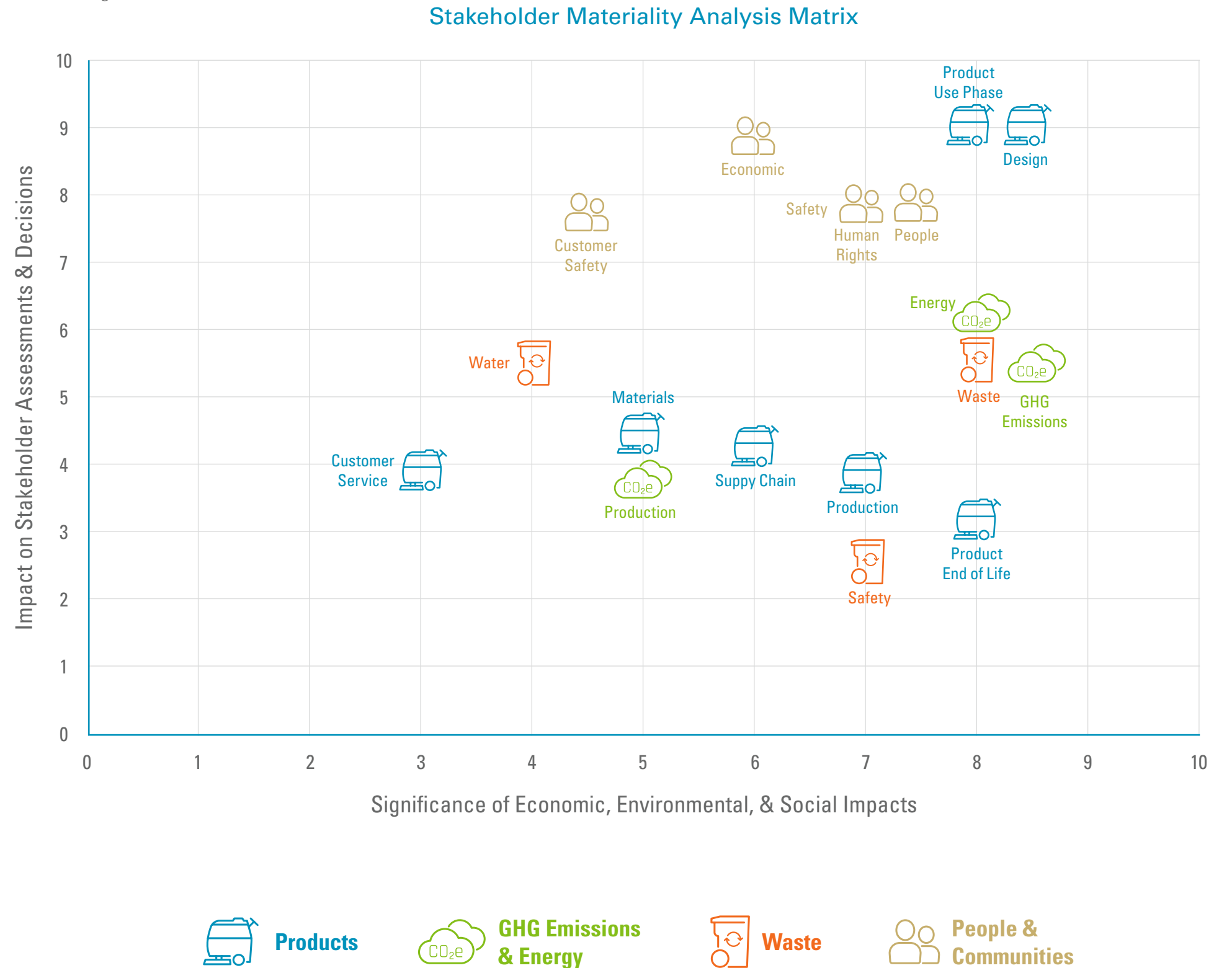
Tennant’s current sustainability strategy was developed starting in 2013 and into 2014. Six materiality workshops were conducted with employees representing key functions from across the enterprise. During the workshops, participants brainstormed Tennant Company’s impacts on the environment, society, and economy. We used the GEMI (Global Environmental Management Initiative) Metrics Navigator™ tool to prioritize the list of environmental, social, and economic issues and opportunities. This ensured that we focused on topics our stakeholders are concerned about, but that are also relevant to our operations.

The outcome of these workshops established the four focus areas that became the core of our sustainability strategy, each with objectives, goals, and metrics that were detailed earlier in this report. The material issues for each focus area were mapped onto a matrix to demonstrate each topic’s significance of economic, environmental, and social impacts and their impact on Tennant Company’s stakeholders (Figure 3).

Tennant’s sustainability strategy four focus areas:

1. Products
2. Climate: Greenhouse Gas Emissions & Energy
3. Waste
4. People & Communities

Figure 3



Throughout 2021, we reviewed numerous important issues that were brought to our Sustainability team by internal and external stakeholders. We evaluated these issues to identify their alignment with our current strategy and where they could potentially impact Tennant's value chain to better prioritize future projects. This can be seen in Table 8. It showcases the cross functionality of issues and indicates which teams should be involved in addressing each one. Additionally, in 2021 we initiated a refresh of our corporate sustainability strategy, which will include an updated stakeholder materiality assessment, results of which will be published in our 2023 Sustainability Report.

Stakeholder engagement occurs throughout the year and is different for each stakeholder group. The stakeholder engagement table (Table 9) identifies the engagement strategy, tactics, and major issues and concerns for each stakeholder group. As the major issues and concerns change, our engagement strategy and tactics adjust as well.

For the customer stakeholder group, we directly engage our global strategic accounts sales managers, account managers, and sales support staff to review customer requests. The top four areas of concern for our customers are (Table 9): product sustainability, waste and recycling, sustainability policies, and social responsibility, including human rights, labor practices, safety, ethics, and corruption.

Investor engagement occurs through meetings with our Investor Relations personnel and responding to ESG questionnaires. Investors' primary interests are economic and governance, which are covered in our **SEC filings**. However, in the last several years, there has been an emerging interest in our environmental, social, and governance (ESG) performance.

Our final primary stakeholder group is our employees. We survey employees regularly to understand employee satisfaction in areas such as communication, collaboration, and job gratification. We use different collaboration platforms to educate and request feedback from employees, as well as training on a variety of sustainability topics, including energy efficiency, waste and recycling, and the circular economy.

Tennant Company's Sustainability team has continued to collaborate with the **Minnesota Sustainable Growth Coalition** (SGC) which focuses on advancing the circular economy. The Sustainability team has also continued to engage with the UN Global Compact and participated in the Sustainable Development Goals (SDGs) Ambition Accelerator Program in the first half of 2021. This program helped the team prepare for the upcoming sustainability strategy refresh, as we intend to align it with the relevant SDGs.



Table 8

Material Issues Value Stream

Focus Area	Topic	Product Development	Source of Material	Upstream Supply Chain	Production	Downstream Supply Chain	Use of Products	End of Life
Products								
Customer Service	Management of warranty claims, recalls, and customer issues.	•				•	•	•
Design	CO ₂ 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		•	•				

Table 8 Continued

Focus Area	Topic	Product Development	Source of Material	Upstream Supply Chain	Production	Downstream Supply Chain	Use of Products	End of Life
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 and products	●		●	●	●	●	
Waste								
Safety	Occupational health risk from e-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	Discrimination, ethics, corruption, bribery, and human rights	●	●	●	●	●	●	●
People	Labor practices		●	●	●	●		
	Community involvement	●			●		●	
Safety	Occupational Health and Safety: risks exposure to toxic chemicals, operations, and supply chain		●	●	●	●	●	●

Table 9

Stakeholder Engagement Strategies, Tactics, and Areas of Interest

Stakeholder Group	Engagement Strategy	Engagement Tactic	Major Issues and Concerns
	What strategy will Tennant Company employ to engage stakeholders?	How will Tennant Company implement these strategies?	What are stakeholders most concerned about?
Customers	<p>Know customers’ concerns and needs</p> <p>Meet their reasonable expectations</p> <p>Respond to customer requests for information</p>	<p>Direct dialogue with customers, where feasible</p> <p>Leverage customer requests for information as proxy for their sustainability priorities</p> <p>Publish performance in CSR and CDP reporting</p>	<p>GHG emissions, energy use, waste, water, packaging, supply chain, end-of-life (EOL), sustainability plans and certifications, sustainability-minded innovations, social responsibility and accompanying policies</p>
Investors	<p>Proactively share sustainability highlights with investors</p> <p>Increase ESG disclosure transparency</p>	<p>Include sustainability performance on investor website</p> <p>Publish performance in CSR and CDP reporting</p> <p>Respond to ESG rating firm requests</p>	<p>Return on investment, security of investment, investment risk reduction</p>
Employees	<p>Listen and understand employees’ concerns and needs</p> <p>Meet their reasonable expectations</p> <p>Promote sustainable mindset and actions at work and at home on varying communication channels</p>	<p>Conduct all-employee attitudinal survey at regular intervals</p> <p>Form employee focus groups to address key concerns and issues</p> <p>Refer interested employees to online CSR report</p> <p>Formal and informal training on sustainability focused topics</p> <p>Support employee interest in projects that contribute toward objectives, goals and metrics</p>	<p>Varies by region and includes topics such as: GHG emissions & energy, alternative energy, electric vehicles, waste reduction & recycling, social responsibility</p>
Value Stream	<p>Maintain a secure, reliable, balanced and respectful partnership with suppliers and distribution channel members</p> <p>Responsible Mineral Initiative membership</p>	<p>Evaluate supplier compliance with Tennant Company’s supplier guidelines and expectations</p> <p>Annual RMI Audits</p> <p>Meet reasonable needs of distribution channel members and respect their business</p> <p>Regular Supplier Summits</p>	<p>Risk mitigation: supply disruptions due to environmental disasters, pandemics, or social unrest</p>
Governments	<p>Have policies in place to ensure full compliance with regulatory requirements</p>	<p>Monitor regulations, react to changes and new legislation as appropriate</p>	<p>Varies by region. Regulatory compliance: conflict minerals, emissions, discharges, hazardous materials, recycling, EOL, safety, labor practices, anticorruption, and ethics</p>
Communities	<p>Have policies and practices in place to ensure Tennant Company is an exemplary corporate resident: locally, nationally, globally</p>	<p>Meet local codes for emissions, discharge, noise, etc.</p> <p>Offer employment opportunities at fair market compensation</p> <p>Give back to communities in which we work, live, and play</p>	<p>Employment, compliance with ordinances, tax revenue</p>
NGOs (Non-Government Organizations)	<p>Partner with those whose mission is aligned with Tennant Company’s business objectives</p> <p>Remain open to dialogue from NGOs who are not aligned but may provide other benefits</p>	<p>Support through memberships and sponsorships; participate in meetings, forums and workshops</p>	<p>Support and align with their mission</p>
Trade Organizations & Partners	<p>Maintain membership in organizations that are aligned with Tennant Company’s business purpose</p>	<p>Support through memberships and participation in industry work groups, forums and workshops</p>	<p>Support and align with their mission</p>

Index

GRI Index

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

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

We also designate which disclosures align with the United Nations Global Compact (UNGC) Principles by denoting the principle number and category. The categories include human rights, labor, environment, and anti-corruption. As a signatory, we report our Communication on Progress annually, and the notation in the GRI improves transparency.

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

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
102-1	•		Name of the organization	About Tennant Company	
102-2	•		Activities, brands, products, and services	About Tennant Company	We are not prohibited from entering any intended market for any product or service: however, we do not enter all markets due to various strategic or business reasons.
102-3	•		Location of headquarters	About Tennant Company – Global Footprint	Headquarters located at: 10400 Clean Street, Eden Prairie, MN 55344
102-4	•		Location of operations	10-K pg 9	
102-5	•		Ownership and legal form	10-K pg 1	
102-6	•		Markets served	About Tennant Company	Geographies, sectors, customers
102-7	•		Scale of the organization	About Tennant Company 10-K pgs 6, 9	Total number of employees: 4,263
102-8	•	6: Labor	Information on employees and other workers	Table 10: Tennant Employees by Country & Gender Figure 4: Tennant Employees by Gender & Age Group Table 11: Tennant Employees by Age, Gender, & Country Figure 5: Tennant Employees by Gender	Tennant Company reports employee numbers as Headcount and not FTE. Temporary employees are organized at the team and business level, and therefore, we do not have a complete temporary employee count for the entire enterprise.

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
102-9	•		Supply chain	Our Suppliers	With Tennant Company’s complex and broad product line, we have many different direct material supplier groupings like batteries and chargers, castings, engines, motors, and drives. We have a number of suppliers in most direct material groups; and many of these suppliers have some facilities in advanced economies like the EU, US, Japan, China, and Mexico. Sole source creates risk and more diverse sourcing creates complexity, so a strategic supplier approach is required to achieve a good balance. We consider our supply chain partnerships confidential and, in general, chose not to disclose details on specific suppliers.
102-10	•		Significant changes to the organization and its supply chain		No significant organizational changes made in 2021. One significant supply chain change occurred in 2021, which was outsourcing metal fabrication.
102-11	•		Precautionary Principle or approach		<p>For many customers, Tennant Company products are considered capital equipment due to their long lifetimes. Life cycle assessments (LCA) have proved the use of our equipment contains the highest percentage of environmental impacts for our company. Most Tennant products use energy in the form of electricity or fuel, and all scrubber-dryers use water during the cleaning process. The LCAs proved both energy and municipal water use significantly contribute to global warming potential, the primary driver of climate change. Therefore, an internal focus on reducing energy and water use play a crucial role during the design of new products, and helps to ensure we do our part to reduce our contributions to climate change. Our science-based target was approved by SBTi in 2018 for Scope 3, Category 11 Use of Sold Products; this is a reflection of our focus on the precautionary principle in product design.</p> <p>Extreme weather events, such as tornadoes, hurricanes, typhoons and flooding, may increase general awareness of climate change as a serious issue. In turn, this increased awareness may drive additional demand for Tennant Company products and solutions that offer customers the ability to reduce carbon emissions. Our focus and speed of the said design efforts will depend on industry trends, as these indicate what our largest stakeholder group, customers, are requesting.</p>
102-12	•		External initiatives		Signatory of the United Nations Global Compact. Member of the Responsible Minerals Initiative.
102-13	•		Membership of associations	2022 (FY21) CDP Response pgs 53-54	American Association of Cleaning Equipment Manufacturers; International Sanitary Supply Association; Eunited Cleaning-The European Cleaning Machine Association; Cremona Energy Consortium; Environmental Initiative & MN Sustainable Growth Coalition; UN Global Compact; Canada Green Building Council; U.S. Green Building Council; Waste Wise Minnesota; Northstar Initiative for Sustainable Enterprise; BSCAI; PRSM; SEAC; ABRALIMP; ABIMAQ; Cleaning Industry Research Initiative; CEB/Gartner Human Resources Practice Group; Minnesota Chamber of Commerce; Minnesota Business Partnership; National Association of Corporate Directors; Responsible Minerals Initiative
102-14	•		Statement from senior decision-maker	Our Leadership – Message from our CEO	
102-15			Key impacts, risks, and opportunities	10-K pgs 6-9 2022 (FY21) CDP Response pgs 10-30	See 2022 (FY21) CDP Response for additional details regarding climate risk and how that is incorporated into annual enterprise risk assessment (ERA).

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
102-16	•	10: Anti-corruption	Values, principles, standards, and norms of behavior	Tennant Company Business Ethics Guide pgs 4-8	We have an employee handbook ethics policy, anticorruption training, and nondiscrimination policy which are available to all employees in digital and printed formats. Certification that employees have read and reviewed the employee handbook is required upon hire and each time the handbook is updated. We have an ethics hotline to anonymously report ethics, discrimination, unsafe workplace conditions.
102-17		10: Anti-corruption	Mechanisms for advice and concerns about ethics	Tennant Company Business Ethics Guide	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.
102-18	•		Governance structure	Proxy pgs 14-20 Governance Committee Charter	Tennant Company is governed by our Board of Directors, which has four standing Board Committees: Audit, Compensation, Executive and Governance. Each committee of Tennant Company's Board of Directors has a written charter covering the committee's purpose and responsibilities. The Charters and Corporate Governance Principles for Tennant Company's Board Committees are available at investors.tennantco.com. More information is available in our Proxy.
102-19			Delegating authority	Proxy pg 15	
102-20			Executive-level responsibility for economic, environmental, and social topics	Proxy pgs 15-18	Economic responsibilities are held by the Audit Committee, Environmental responsibilities roll into the SVP of Human Resources, and Social responsibilities roll into the General Counsel. Environmental, Social, and Corporate Governance responsibilities roll into the Governance Committee.
102-21			Consulting stakeholders on economic, environmental, and social topics		Director of Sustainability reports to the Chief Administrative Office, who reports to the CEO who is on the Board of Directors. Sustainability 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 pgs 20-22	
102-23			Chair of the highest governance body	Proxy pgs 14-15	Steven A. Sonnenberg became the Chairman of the Board in March of 2021.
102-24			Nominating and selecting the highest governance body	Proxy pgs 19-20	
102-25			Conflicts of interest	Proxy pg 14	
102-26			Role of highest governance body in setting purpose, values, and strategy	Proxy pgs 15-16	

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
102-27			Collective knowledge of highest governance body	Proxy pgs 6-14 Governance Committee Charter	In 2021, Tennant Company’s Board of Directors Governance Committee continued to provide oversight of the Company’s sustainability programs, policies and practices, including environmental, social, and corporate governance (ESG) as per the committee’s charter. The Governance Committee charter is publicly available on our investor website: https://investors.tennantco.com/governance/governance-documents/default.aspx . The Director of Sustainability presents to the Governance Committee at least once a year to provide an update on progress being made toward sustainability and ESG targets and to enhance the Committee’s collective knowledge on ESG topics.
102-28			Evaluating the highest governance body’s performance	Proxy pg 19	
102-29			Identifying and managing economic, environmental, and social impacts	Proxy pgs 15-16 Governance Committee Charter	Economic responsibilities are held by the Board of Directors Audit Committee, environmental responsibilities roll into the SVP of Human Resources, and social responsibilities roll into the General Counsel. Environmental, social, and governance (ESG) and sustainability programs, policies, and practices oversight is the responsibility of the Board of Directors Governance Committee. The Governance Committee charter is publicly available on our investor website .
102-30			Effectiveness of risk management processes	Proxy pgs 15-16 2022 (FY21) CDP Response pgs 10-16	
102-31			Review of economic, environmental, and social topics	Proxy pgs 15-16	
102-32			Highest governance body’s role in sustainability reporting	Governance Committee Charter	Report is reviewed by members of the Governance Committee, executive management team, and Sustainable Enterprise to ensure material topics are covered. The Sustainability Reporting will go to the full Board of Directors sometimes as well.
102-33			Communicating critical concerns		All interested parties may communicate with the independent members of the Board of Directors by writing to the Chair of the Executive Committee at: ATTN: General Counsel Tennant Company 10400 Clean Street Eden Prairie, MN 55344 All of the communications will be delivered to the General Counsel who will forward communications to the appropriate member(s) of the Board of Directors to address the matter.
102-34			Nature and total number of critical concerns	Key Achievements – Tennant Company 2021 ESG Scorecard	
102-35			Remuneration policies	Proxy pgs 29-40	
102-36			Process for determining remuneration	Proxy pgs 29-42	

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
102-37			Stakeholders' involvement in remuneration	Proxy pgs 29-42	
102-38			Annual total compensation ratio	Proxy pgs 29-44	Although we have significant operations outside of the US, we do not report on country-specific pay at this time.
102-39			Percentage increase in annual total compensation ratio	Proxy pgs 29-44	From 2018 to 2019: 3:1 From 2019 to 2020: 2:1 From 2020 to 2021: 1:1 2018 Pay Ratio: 86:1 CEO Pay: \$4,236,191, Average employee: \$49,436 2019 Pay Ratio: 94:1 CEO Pay: \$4,923,183, Average employee: \$52,172 2020 Pay Ratio: 89:1 CEO Pay: \$4,245,227, Average employee: \$47,768 2021 Ray Ratio: 87:1 CEO Pay: \$4,436,367, Average employee: \$51,033
102-40	•		List of stakeholder groups	Table 9 – Stakeholder Engagement Strategies, Tactics, and Areas of Interest	
102-41	•	3: Labor	Collective bargaining agreements	Tennant Company Human Rights Policy	Tennant Company recognizes an individual's rights to collective bargaining. Collective bargaining agreements exist where required per local laws. 18.79% of employees are covered by a Collective Bargaining Agreement. (This dataset does not include Italy.) Tennant Company's Human Rights Policy is publicly available on our sustainability page, under the People & Communities, in the documents section.
102-42	•		Identifying and selecting stakeholders	About This Report – Materiality	
102-43	•		Approach to stakeholder engagement	About This Report – Materiality	
102-44	•		Key topics and concerns raised	Table 9 – Stakeholder Engagement Strategies, Tactics, and Areas of Interest	
102-45	•		Entities included in the consolidated financial statements	10-K pg 9	
102-46	•		Defining report content and topic Boundaries		The team works to collect information from our global operations by sending out a call for content to the management team, in addition to a brainstorming meeting with the report team. The team ensures content aligns with four focus areas.

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
102-47	•		List of material topics	Figure 3 – Stakeholder Materiality Analysis Matrix	
102-48	•		Restatements of information	Tennant Company 2021 ESG Scorecard 2021 (FY20) CDP Response pgs 17, 29, 36, 45	The annual totals for Corporate giving, specifically Tennant giving, for 2020, 2019, 2018, and 2017 are restatements. For Scope 3 restatement see details in 2021 CDP Response (FY2020).
102-49	•		Changes in reporting	Reporting Boundary	
102-50	•		Reporting period		Tennant Company’s fiscal year/calendar year 2021 (January 1 - December 31).
102-51	•		Date of most recent report		2021 Sustainability Report (FY2020) was published in July of 2021.
102-52	•		Reporting cycle		Report 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 in accordance with the GRI Standards: Core option.
102-55	•		GRI content index		GRI Content Index located at the end of the Sustainability Report.
102-56	•		External assurance	CDP assurance statements	At this time there is no external assurance of Sustainability Report. We do receive external assurance for CDP using the AA1000AS (2008 with 2018 addendum) Type 2 Moderate-level assurance.
103-1			Explanation of the material topic and its Boundary	Table 8 – Material Issues Value Stream	
103-2			The management approach and its components	Table 8 – Material Issues Value Stream	
103-3			Evaluation of the management approach	About This Report – Materiality	
201-1			Direct economic value generated and distributed	10-K pgs 19-56	

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
201-2			Financial implications and other risks and opportunities due to climate change	2022 (FY21) CDP Response pgs 10-30	Climate change risks are detailed in the 2022 (FY2021) CDP Response.
201-3			Defined benefit plan obligations and other retirement plans	10-K pgs 13-14	Tennant Company offers benefit plans to employees around the world in compliance with local requirements and with consideration for local markets. In the United States and Canada: Retirement Savings Plan match from the company at 75% on the first 4% of deferrals, or 3% total company match, beginning on employees' hire date. 91% of employees participate in the U.S. plan and 84% participate in the Canada plan. The savings plan offers a profit sharing option which has averaged 2.96% over three years. In Brazil: Retirement plan provides for 100% company match on the first 4% of employee contributions. 75% of employees participate in this plan.
201-4			Financial assistance received from government		Tennant Company received financial assistance from governments in 2021. Tennant received around \$22,000 of COVID-related financial assistance from the Australia government.
202-2		6: Labor	Proportion of senior management hired from the local community	Table 12 – Tennant Company Hiring Process Overview	Six of the seven members of senior management team are from the local community.
203-1			Infrastructure investments and services supported	Tennant Foundation Report	Tennant Company Foundation donations.
203-2			Significant indirect economic impacts	Tennant Foundation Report	Tennant Company Foundation donations.
204-1			Proportion of spending on local suppliers		In 2021, 27% of spend was with local suppliers, globally. Local is defined as based in the state that the Tennant Operations is located in within the United States and within the country for all other locations. This does not include data from our facilities located in Brazil or Italy.
205-1		10: Anti-corruption	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		10: Anti-corruption	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		10: Anti-corruption	Confirmed incidents of corruption and actions taken		None in 2021.

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
206-1			Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		None in 2021.
302-1		7: Environment 8: Environment	Energy consumption within the organization	2022 (FY21) CDP Response pgs 89-104	
302-2		8: Environment	Energy consumption outside of the organization	2022 (FY21) CDP Response pgs 89-104	
302-3		8: Environment	Energy intensity	Climate: Greenhouse Gas Emissions & Energy 2022 (FY21) CDP Response pgs 89-104	
302-4		8: Environment 9: Environment	Reduction of energy consumption	2022 (FY21) CDP Response pgs 46-52	
302-5		8: Environment 9: Environment	Reductions in energy requirements of products and services	Products Climate: Greenhouse Gas (GHG) Emissions & Energy	
303-1		7: Environment 8: Environment	Interactions with water as a shared resource	Water	Based on a 2013 study, compared to our full production process, water is not material, but our customers are concerned about water use in their machines. We have developed different technologies that allow our customers to monitor their water use and/or use less water to clean their floors. Water is used to test new tanks in rotomold production areas and cleaning used equipment at our recon facilities.
305-1		7: Environment 8: Environment	Direct (Scope 1) GHG emissions	Climate: Greenhouse Gas Emissions & Energy 2022 (FY21) CDP Response pg 66	
305-2		8: Environment	Energy indirect (Scope 2) GHG emissions	Climate: Greenhouse Gas Emissions & Energy 2022 (FY21) CDP Response pgs 66-67	
305-3		7: Environment 8: Environment	Other indirect (Scope 3) GHG emissions	Climate: Greenhouse Gas Emissions & Energy 2022 (FY21) CDP Response pgs 69-77	

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
305-4		8: Environment	GHG emissions intensity	Climate: Greenhouse Gas Emissions & Energy 2022 (FY21) CDP Response pgs 39-46	Estimated industrial recycling, including metals, plastics, cardboard, and electronics totaled over 3,908 metric tons globally.
305-5		8: Environment 9: Environment	Reduction of GHG emissions	Climate: Greenhouse Gas Emissions & Energy 2022 (FY21) CDP Response pgs 39-46	
306-4		8: Environment	Waste Diverted from disposal	Waste	Estimated Industrial Recycling, including metals, plastics, tires, cardboard, and electronics totaled over 3,600 tons globally.
307-1		8: Environment	Non-compliance with environmental laws and regulations		In 2021 Tennant Company did not have any further non-compliance incidents as it relates environmental laws and regulations.
308-1		8: Environment	New suppliers that were screened using environmental criteria		Supplier evaluation tool is under development, with plans to include environmental criteria.
308-2		8: Environment	Negative environmental impacts in the supply chain and actions taken		Tennant Company is not aware of any negative environmental impacts in the supply chain.
401-1		6: Labor	New employee hires and employee turnover		26.08% Global New Hire Rate for 2021 22.04% Global Turnover Rate for 2021 These rates include Gaomei employees for part of the year and do not include IPC employees in non-integrated countries.
401-2			Benefits provided to full-time employees that are not provided to temporary or part-time employees	Figure 6 – Tennant Company Wellness and Well-being program overview	Tennant Company values our employees and their families. The company is committed to providing a competitive benefits package as part of a Total Rewards Paradigm (benefits, compensation, well-being, and recognition). Benefits for our different global locations are set up to follow local laws and regulations, as well as to be competitive for the local market. In 2021, our compensation program included salaries, benefits, bonuses, incentives, stock awards, and retirement benefits. Global employee recognition: Tennant’s “Applause” program delivers timely, personalized, and meaningful recognition to employees globally. Individuals can nominate colleagues or teams for a monetary reward to recognize outstanding work, or to send a quick “thank you” at any time. See Table 401-2 for the full list of Employee benefits. Benefits vary for global locations depending on local rules and regulations.

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
401-3		6: Labor	Parental leave		<p>In 2021, 146 employees took parental leave.</p> <p>Tennant Company designs its parental leave programs to comply with local laws, regulations and to be competitive in the market.</p> <p>In the US Tennant grants up to 12 weeks of leave as specified by the federal Family and Medical Leave Act (FMLA) for, among other things, a family member's serious health condition and the birth or adoption of a child. In addition to a birth or adoption of a child, Tennant provides an employee with up to 40 hours of pay under Parental Leave if they have been employed for at least 12 months prior. 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.</p>
402-1		3: Labor	Minimum notice periods regarding operational changes		Tennant Company does not have a defined notice period. Notice period is determined for each event based on business needs.
403-1			Workers representation in formal joint management-worker health and safety committees		Tennant Company has health and safety committees at most of the production facilities globally. The committees include members of plant management and employees from the different departments at the facility.
403-2		1: Human Rights	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Tennant Company 2021 ESG Scorecard	<p>There were zero work-related fatalities in 2021 for Tennant Employees and Contractors.</p> <ul style="list-style-type: none"> • Total Recordable Incidents Rate (TIRI): # recordable injuries X 200,000 hours ÷ Actual hours worked • Days Away, Rest and Transfer (DART) Rate: # of DART cases X 200,000 hours ÷ Actual hours worked <p>Tennant Company uses the following definitions when reporting near misses, incidents and injuries:</p> <p>Near miss: Anything considered unsafe. An event where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred. Something you walk away from or past and think to yourself "someone could have been hurt" or "that was close."</p> <p>Incident: An unplanned, undesired event that results in personal injury requiring only in-house medical attention (i.e., band-aid), property damage or spill.</p> <p>Injury: An unplanned, undesired event that results in personal injury requiring outside medical attention.</p>
404-1		6: Labor	Average hours of training per year per employee		<p>There are many points throughout the year that our employees complete training, whether that be safety training, ethics training, orientation, or machine operation training. There is not currently a central point that manages and monitors enterprise training.</p> <p>Globally, employees completed 23,069 hours of training on our e-learning platform, Tennant University.</p> <p>We had an average of eight hours of training per employee in 2021. We believe this is a low estimate due to our lack of global training tracking.</p>

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
404-2			Programs for upgrading employee skills and transition assistance programs		<p>Talent Management/Development: Tennant Company utilizes a talent review process to identify top talent, critical roles, successors, and to plan individual development. Individual development plans are used to help employees to enhance their skills and prepare them for future opportunities. In addition to the talent review, Tennant Company currently offers 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.</p> <p>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.</p> <p>Transition Assistance/Career Management: Tennant Company 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.</p>
404-3		6: Labor	Percentage of employees receiving regular performance and career development reviews		All eligible Tennant Company employees receive a performance review with the goal of completing the review within one month of the scheduled common review date (April).
405-1		6: Labor	Diversity of governance bodies and employees	Figure 7 – Diversity of Board of Directors as of March 17, 2021 Table 13 – Diversity of U.S. Employees	
405-2		6: Labor	Ratio of basic salary and remuneration of women to men	People & Communities	Ratio calculated for employees working in the United States.
406-1		1: Human Rights 6: Labor	Incidents of discrimination and corrective actions taken	Tennant Company 2021 ESG Scorecard	In the ordinary course of business, allegations of discrimination may be received by Tennant Company through supervisors, representatives of Tennant Company’s Human Resources organization, Tennant Company’s Ethics Hotline or external authorities. The Ethics Hotline number is available globally and complaints may be made anonymously, where allowed by law. All allegations are promptly investigated using internal or external independent investigators. Tennant Company enforces a strict anti-retaliation policy to encourage employees to provide prompt notice of issues and to encourage early resolution. In addition, Tennant Company’s Human Resources organization regularly audits internal procedures and responds to requests for information from external authorities, such as state and federal labor and government contracting authorities.

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
407-1		3: Labor	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supplier Code of Conduct	In 2021 Tennant Company was not made aware of potential risks to freedom of association or collective bargaining at our operations or our suppliers. This is specifically addressed in our supplier code of conduct (supplier core expectations) which is publicly available on our website and all suppliers are subjected to adhere to. Additionally Tennant Company is a signatory of the United Nations Global Compact, which demonstrates our support and efforts to align our strategies and operations with universal principals on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. Principal #3 refers to upholding the freedom of association and the effective recognition of the right to collective bargaining.
408-1		5: Labor	Operations and suppliers at significant risk for incidents of child labor	Supplier Code of Conduct	It is Tennant Company's policy that it will not employ, nor knowingly engage with suppliers who employ, workers younger than the minimum age prescribed by local law. This is specifically addressed in our supplier code of conduct (supplier core expectations) which is publicly available on our website and all suppliers are subjected to adhere to. Notwithstanding, Tennant Company's policy is to not employ, nor knowingly engage with suppliers who employ, workers younger than 15 years of age. Additionally Tennant Company is a signatory of the United Nations Global Compact, which demonstrates our support and efforts to align our strategies and operations with universal principals on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. Principal #5 refers to effective abolition of child labor.
409-1		4: Labor	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Code of Conduct	Tennant Company does not use, nor does it knowingly engage with suppliers who use, forced labor, whether in the form of prison labor, indentured labor, bonded labor, slavery, or otherwise. This is specifically addressed in our supplier code of conduct (supplier core expectations) which is publicly available on our website and all suppliers are subjected to adhere to. Additionally Tennant Company is a signatory of the United Nations Global Compact, which demonstrates our support and efforts to align our strategies and operations with universal principals on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. Principal #4 refers to the elimination of all forms of forced and compulsory labor.
412-1		1: Human Rights	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. The Company maintains a global hotline to receive complaints and issues, anonymously, where allowed by law, and enforces a strict anti-retaliation policy to encourage self-regulation.
412-2		1: Human Rights	Employee training on human rights policies or procedures		Employees are trained annually on our code of conduct that included Human Rights topics, policies and procedures. Training included information on reporting function, including the ethics hotline which can accommodate Human Rights concerns.
412-3		2: Human Rights	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Supplier Code of Conduct	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 (supplier code of conduct) which include human rights and is publicly available on our website. Additionally Tennant Company is a signatory of the United Nations Global Compact, which demonstrates our support and efforts to align our strategies and operations with universal principals on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. Principals #1 and #2 refers to human rights.
414-1		2: Human Rights	New suppliers that were screened using social criteria	Supplier Code of Conduct	Supplier evaluation tool is under development. A team is reviewing and updating the screening criteria to align with supplier code of conduct.
414-2		2: Human Rights	Negative social impacts in the supply chain and actions taken		Tennant Company was not made aware of any negative social impacts in the supply chain in 2021.

Disclosure Number	Core	UNGC Principle	Disclosure Title	Reference	Disclosure Statement
415-1		10: Anti-corruption	Political contributions		<p>Aside from our participation in public industry bodies that recommend product safety standards, in which our participation is appropriate, public, and fully transparent, Tennant Company does not lobby or participate in public policy development.</p> <p>We do support Non-Governmental Organizations (NGOs) that work to improve conditions in facilities; e.g., Healthy Schools Campaign, Environmental Initiative, The NorthStar initiative at the University of Minnesota, and Global Environmental Management Initiative. We believe the goals of such organizations are aligned with our vision of creating a cleaner, safer, healthier world.</p>
416-1			Assessment of the health and safety impacts of product and service categories		<p>Tennant Company actively engages internal and external test and evaluation agencies to review products for health and safety impact and to ensure Tennant Company is compliant with all applicable product regulations. This occurs during new product development and also during a product's lifecycle as updates are made to meet the changing needs of our customers and stakeholders, and to meet changing regulations in our markets. Through Tennant Company's Quality Assurance process, issues are reviewed regularly, including customer feedback. Any issue impacting health or safety related to our products is addressed immediately by various committees that are authorized to implement any necessary changes.</p>
416-2			Incidents of non-compliance concerning the health and safety impacts of products and services		<p>Tennant has recorded zero incidents of non-compliance with regulations and/or voluntary codes in 2021.</p>
417-1			Requirements for product and service information and labeling		<p>Internal ISO-9001 processes require that Tennant Company identify and comply with applicable product safety regulations which include labeling. Product safety regulations specify 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 Company complies with WEEE and RoHS directives in Europe.</p>
417-2			Incidents of non-compliance concerning product and service information and labeling		<p>Zero in 2021.</p>
417-3			Incidents of non-compliance concerning marketing communications		<p>Zero in 2021.</p>
418-1			Substantiated complaints concerning breaches of customer privacy and losses of customer data		<p>Zero in 2021.</p>
419-1			Non-compliance with laws and regulations in the social and economic area		<p>Zero in 2021.</p>

GRI 102-8: Information on Employees and other Workers

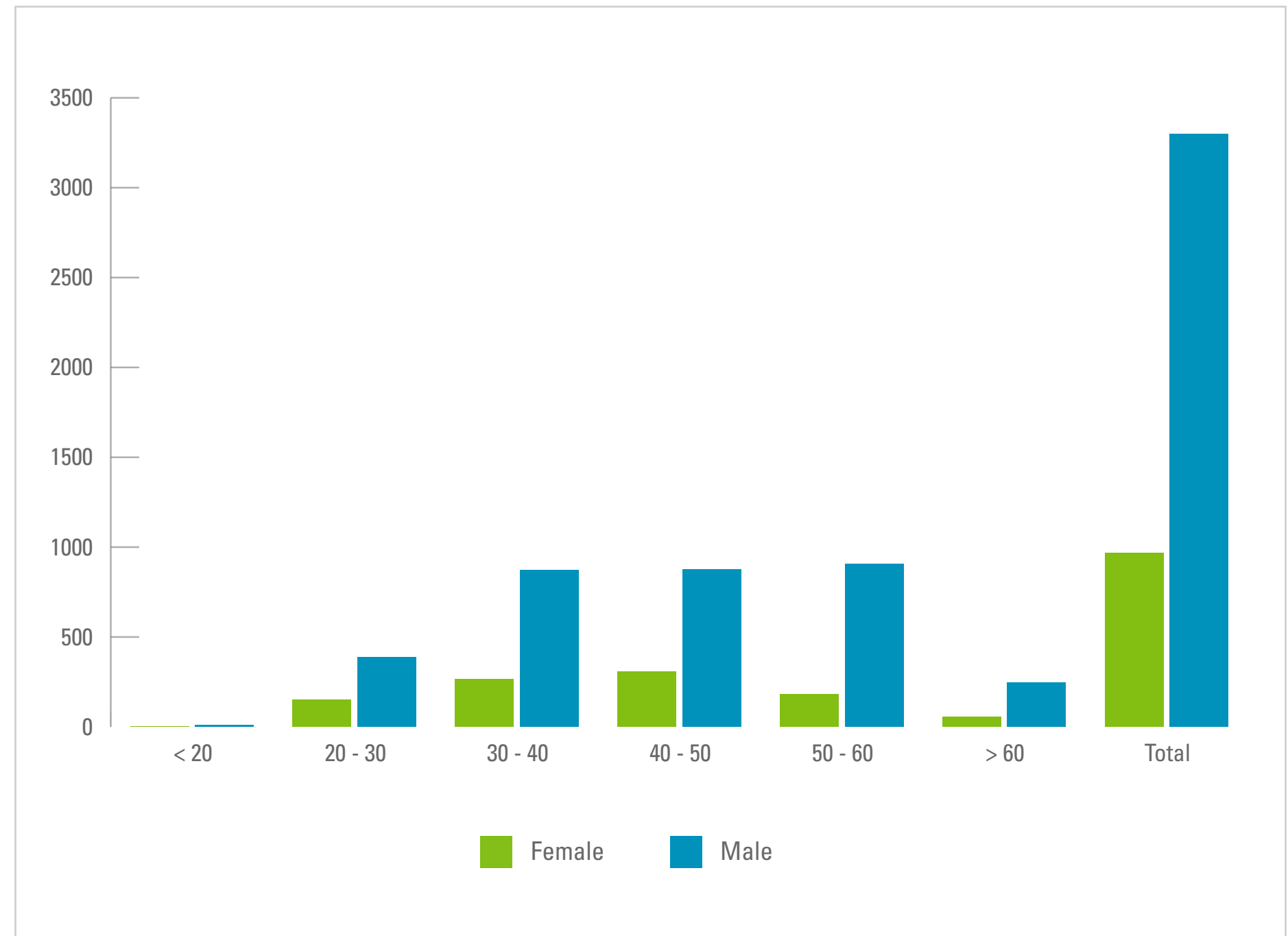
Table 10

Tennant Employees by Country & Gender

COUNTRY	FEMALE	MALE	TOTAL
Australia	17	66	83
Belgium	23	24	47
Brazil	42	174	216
Canada	3	68	71
China	133	173	306
France	37	143	180
Germany	10	128	138
India	6	72	78
Italy	227	421	648
Japan	4	10	14
Mexico	26	56	82
Netherlands	36	205	241
New Zealand		5	5
Norway	3	26	29
Portugal	6	17	23
Singapore	2	2	4
Spain	25	100	125
Sweden	0	1	1
Thailand	0	0	0
United Kingdom	33	128	161
United States	333	1,478	1,811
GRAND TOTAL	966	3,297	4,263

Figure 4

Tennant Employees by Gender & Age Group



GRI 102-8: Information on Employees and other Workers

Table 11

Tennant Employees by Age, Gender, & Country

COUNTRY	FEMALE						MALE						TOTAL
	< 20	20 - 30	31 - 40	41 - 50	51 - 60	> 60	< 20	20 - 30	31 - 40	41 - 50	51 - 60	> 60	
Australia		3	6	3	4	1		6	22	21	14	3	83
Belgium		5	4	12	2				6	6	9	3	47
Brazil	2	20	9	5	3	3		47	73	35	18	1	216
Canada					1	2		2	13	18	28	7	71
China		26	76	30	1			15	87	55	16		306
France		11	14	8	3	1		17	49	40	34	3	180
Germany		1	3	3	2	1		8	37	30	49	4	138
India		3	2	1				14	35	18	5		78
Italy		14	49	101	56	7		28	64	163	143	23	648
Japan			1	1	1	1				5	3	2	14
Mexico		3	7	12	4			8	19	16	12	1	82
Netherlands		3	5	13	12	3	5	23	29	40	70	38	241
New Zealand								1	1	1	2		5
Norway				2	1				6	10	7	3	29
Portugal			1	4	1			1	3	7	6		23
Singapore				1	1					2			4
Spain		3	11	9	1	1		14	27	46	12	1	125
Sweden											1		1
United Kingdom		10	6	13	3	1	2	12	18	26	50	20	161
United States	1	49	70	90	87	36	2	193	383	336	428	136	1811
GRAND TOTAL	3	151	264	308	183	57	9	389	872	875	907	245	4263

Figure 5

Tennant Employees by Gender

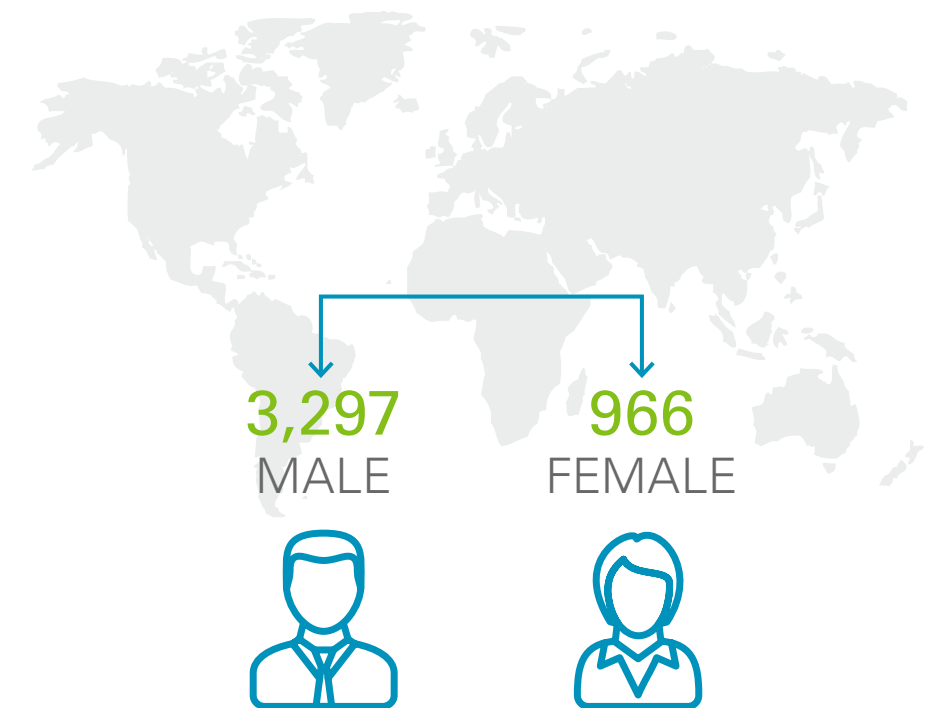


Table 12

Tennant Company Hiring Process Overview

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

GRI 401-2: Benefits Provided to Full-Time Employees

Figure 6

Tennant Company Wellness and Well-Being Program Overview

PHYSICAL WELL-BEING

Programs that help our employees live a healthy lifestyle



- Health insurance (individual, family, domestic partner)
- Dental insurance (individual, family, domestic partner)
- Vision insurance (individual, family, domestic partner)
- Hospitalization insurance
- Critical Illness insurance
- Telemedicine
- Smoking Cessation

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

- Office Visits
- ER Visits
- Urgent Care Visits

Additional Wellbeing support (On-site & virtual wellness screenings, flu shots)

FINANCIAL WELL-BEING

Programs that help our employees achieve financial security



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

EMOTIONAL WELL-BEING

Programs to help employees maintain strong mental well-being



- Employee Assistance Program
- Adoption assistance
- Parental Leave
- Paid COVID-19 Leave
- Paid sick days
- Paid vacation
- Bereavement leave
- Paid jury duty leave
- Paid military leave
- Floating Holidays (for religious or personal reasons)
- Legal services plan
- Travel assistance program
- Paid Time off for Volunteer activities
- Tennant Foundation
 - Matching dollars for Employee Charitable Giving
 - Emotional Well-being Programs
 - Stress management tools
 - Resilience training

GRI 405-1: Diversity of Governance Bodies and Employees

Figure 7

Diversity of Board of Directors as of March 17, 2021

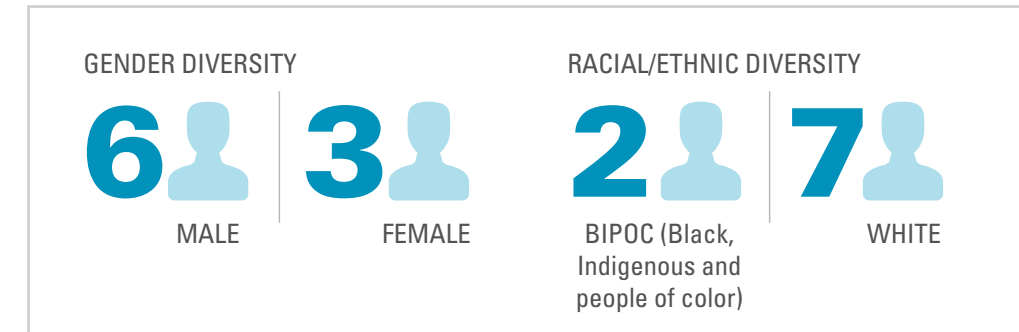


Table 13

Diversity of U.S. Employees

US Employees as of 12/31/2021	American Indian/Alaskan Native	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or Other Pacific Island	Two or More Races	White	Not Disclosed	TOTAL	Not Disclosed	Vet Status Protected	Vet Status Not Protected	Vet Status Prefers Not to Answer
Senior Management							7		7			7	
Managers		10	2	7			206		225	5	10	210	
All Others	6	95	79	147	1	21	1124		1473	64	86	1323	



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