

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Founded in 1870 by George H. Tennant, Tennant Company ("the Company, we, us, or our"), headquartered in Eden Prairie, Minnesota, is a world leader in designing, manufacturing, and marketing of solutions that help create a cleaner, safer and healthier world. Tennant was incorporated as a Minnesota corporation in 1909 and began as a one-person woodworking business, eventually evolving into a successful wood flooring and wood products company and finally into a manufacturer of floor cleaning equipment. Throughout its history, the Company has focused on advancing our industry by aggressively pursuing new technologies and creating a culture that celebrates innovation. Today, the Company has 11 global manufacturing locations and operates in three geographic areas, including the Americas, Europe, Middle East and Africa (EMEA), and Asia Pacific (APAC). We aggregate our operating segments into one reportable segment that consists of the design, manufacture, sale, and servicing of products used primarily to maintain nonresidential surfaces. The Company is committed to developing innovative and sustainable solutions that help customers clean spaces more effectively with high-performance solutions that minimize waste, reduce costs, improve safety, and further sustainability goals. The Company is 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.

The Company offers 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. The Company is committed to developing cleaning technologies, including autonomous solutions, which increase cleaning productivity. We have a strong brand presence in the global markets we serve, offering both premium and mid-tier products for each region to meet customer needs. The Company's products are used in many environments, including factories and warehouses, distribution centers, office buildings, public venues such as arenas and stadiums, office buildings, schools and universities, hospitals and clinics, and more. The Company markets its offerings under the following brands: Tennant, Nobles, Alfa Uma Empresa Tennant™, IRIS, VLX™, IPC brands, Gaomei and Rongen brands, and private-label brands. The Company's more than 40,000 customers include contract cleaners to whom organizations outsource facilities maintenance and businesses that perform facilities maintenance themselves. The Company reaches these customers through the industry's largest direct sales and service organization and a strong and well-supported network of authorized distributors worldwide. The Company has an extensive global field service network. We sell products directly in 15 countries and through distributors in more than 100 countries.

The 2022 Form 10-K (Annual Report) and latest Proxy Statement are available here: <https://investors.tennantco.com/reports/annual-reports/default.aspx>.

In 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework. This work had many drivers [\[NM1\]](#) including the need to re-evaluate our science-based greenhouse gas emissions reduction 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 104 companies globally to have our science-based targets (SBT) approved and to be featured in SBTi's Scope 3 best practices in the greenhouse gas management guidance document, highlighting our innovations in product design to reduce our value stream emissions. (https://sciencebasedtargets.org/resources/files/SBT_Value_Chain_Report-1.pdf).

Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate and seen a significant increase in engagement on climate from our stakeholders and demand for lower-emissions products from our customers. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in 2022, we began updating our SBT. We engaged internal stakeholders and various subject matter experts to align with other organizational priorities. We utilized SBTi's tools and resources to analyze Tennant's historical greenhouse gas emissions data to forecast future emissions. In December 2022, Tennant Company committed to becoming net-zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Australia
- Belgium
- Brazil
- Canada
- China
- France
- Germany
- India
- Italy
- Japan
- Mexico
- Netherlands
- Norway
- Portugal
- Spain
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	TNC
Yes, an ISIN code	US8803451033
Yes, a CUSIP number	880345103

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	<p>Climate-related issues are within the scope of responsibility of Tennant Company's Board of Directors Governance Committee. The Governance Committee charter includes oversight of the Company's sustainability programs, policies, and practices, including environmental, social, and corporate governance (ESG). The Governance Committee charter is publicly available on our investor website: https://investors.tennantco.com/governance/governance-documents/default.aspx.</p> <p>This committee is also responsible for reviewing the annual Sustainability Report. The Governance Committee completed its review of the 2022 (FY21) Sustainability Report in July 2022.</p> <p>The Governance Committee receives an annual update from the Director of Sustainability & ESG and the Chief Administrative Officer (through 2022; Chief Legal Officer starting in May 2023) on progress toward sustainability and ESG targets. There is also the potential to discuss pressing matters on an as-needed basis.</p> <p>In 2022, the Director of Sustainability & ESG presented to the Governance Committee three times. The topics covered included sharing the results of the new materiality assessment, reviewing the new sustainability strategy framework, net-zero analysis, and criteria for the Science Based Target initiative's corporate net-zero standard.</p> <p>An example of a climate-related decision by the Governance Committee was to endorse our new sustainability strategic framework and our commitment to become net-zero by 2040.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<p>Reviewing and guiding annual budgets</p> <p>Overseeing major capital expenditures</p> <p>Overseeing acquisitions, mergers, and divestitures</p> <p>Reviewing and guiding strategy</p> <p>Overseeing the setting of corporate targets</p> <p>Monitoring progress towards corporate targets</p> <p>Reviewing and guiding the risk management process</p>	<Not Applicable>	<p>Our Board is actively engaged in helping to advance the company’s strategy, ensuring that the Company’s talent and resources are aligned with the strategy. Within the Board of Directors, the Governance Committee oversees the Company’s sustainability strategy, programs, policies, and practices, including environmental, social, and corporate governance (ESG), including climate-related issues. This committee is also responsible for reviewing the annual Sustainability Report. The Governance Committee reviewed the 2022 (FY21) Sustainability Report in July 2022.</p> <p>The Governance Committee meets quarterly and receives an annual update from the Director of Sustainability and Chief Administrative Officer (through 2022; Chief Legal Officer starting in May 2023) on progress toward sustainability and ESG targets. There is also the potential to discuss pressing matters as they come up.</p> <p>In 2022, the Director of Sustainability & ESG presented to the Governance Committee three times. The topics covered included sharing the results of the new materiality assessment, reviewing the new sustainability strategy framework, net-zero analysis, and criteria for the Science Based Target initiative’s corporate net-zero standard. An example of a climate-related decision by the Governance Committee was to endorse our new sustainability strategic framework and our commitment to become net-zero by 2040.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>Within the Board of Directors, the Governance Committee oversees the company’s sustainability strategy, programs, policies, and practices, including environmental, social, and corporate governance (ESG), including climate-related issues. Members of our Governance Committee have experience in sustainability, environmental health and safety (EHS), shareholder activism, and other sustainability and climate-related issues. Their experience was gained both through their professional work and other corporate board services.</p> <p>The Director of Sustainability & ESG and SVP, Chief Administrative Officer (through 2022; Chief Legal Officer starting in May 2023), present to the Board of Directors Governance Committee at least once a year to update on progress toward sustainability and ESG targets, including climate-related issues. Part of this annual presentation includes educational and level-setting information. In 2022, the Director of Sustainability & ESG presented to the Governance Committee three times. The topics covered included sharing the results of the new materiality assessment, reviewing the new sustainability strategy framework, net-zero analysis, and criteria for the Science Based Target initiative’s corporate net-zero standard. An example of a climate-related decision made by the Governance Committee was to endorse our new sustainability strategic framework and our commitment to become net-zero by 2040</p> <p>Additionally, the Governance Committee reviews the annual Sustainability Report, which includes progress toward greenhouse gas emissions reduction targets and other climate-related information. The Governance Committee reviewed the 2022 (FY21) Sustainability Report in July 2022.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Other C-Suite Officer, please specify (Chief Administrative Officer (CAO) (through 2022, Chief Legal Officer starting in April 2023))

Climate-related responsibilities of this position

- Managing annual budgets for climate mitigation activities
- Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
- Integrating climate-related issues into the strategy
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

In 2022, the Director of Sustainability & ESG reported to the Chief Administrative Officer (CAO), who reports directly to the President and CEO and the Board of Directors. As such, the CAO oversaw Tennant Company's sustainability and ESG program and is the most senior individual with direct oversight of climate-related activities. This oversight includes meeting regularly with the Director of Sustainability & ESG, advocating for action toward climate-related objectives and goals across the company, and being responsible for the Sustainability team's performance. The CAO has the authority, influence, and resources to act on climate-related risks and opportunities in alignment with our corporate strategy and goals. In April 2023, the Chief Legal Officer assumed responsibility for sustainability and ESG.

With the Director of Sustainability & ESG reporting directly to the C-Suite, the organization understands the importance of our sustainability and ESG commitments, including our greenhouse gas (GHG) reduction goals.

The Senior Management Team (SMT), which consists of the company's C-Suite leaders (CTO, CFO, CLO, CEO, CCO, CAO), is responsible for enterprise performance and strategy, including sustainability and ESG initiatives; this includes climate-related initiatives. This group assigns enterprise accountability and allocates resources to implement sustainability and ESG strategies.

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

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Energy efficiency improvement
Increased investment in low-carbon R&D
Increased engagement with customers on climate-related issues
Other (please specify)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Tennant Company's executive compensation program is designed to align our short- and long-term operating goals, the interests of our shareholders, and our strategic agenda, which includes sustainability.

More information on executive compensation can be found in our annual Proxy statement <https://investors.tennantco.com/reports/annual-reports/default.aspx>.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This incentive is aligned with the implementation of Tennant's strategic agenda, which includes sustainability and climate-related issues. This includes our new sustainability strategic framework and commitment to becoming net zero by 2040.

Entitled to incentive

Other, please specify (Director of Sustainability & ESG)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Increased engagement with customers on climate-related issues

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Tennant Company's compensation program is designed to align our short- and long-term operating goals, including the objectives and goals outlined in our sustainability strategic framework.

More compensation information can be found in our annual Proxy statement <https://investors.tennantco.com/reports/annual-reports/default.aspx>.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Director of Sustainability & ESG's performance goals are tied to the specific objectives and goals outlined in our sustainability strategic framework, which includes our climate-related goals and GHG emissions reduction targets.

Performance goals are defined annually and reviewed at least quarterly.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	
Medium-term	2	5	
Long-term	5	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Specific to climate-related risks and opportunities, a substantive strategic impact is defined and established through our materiality process. In 2022, we completed an updated materiality assessment as part of a refresh of our sustainability strategy. We incorporated the concept of double materiality, which means we evaluated the potential impact of environmental and social issues on the financial performance and value of Tennant (financial materiality or "impact inwards"), and also the impact of Tennant's activities on people and the environment (environmental & social materiality or "impact outwards"). The results of the materiality assessment and a complete list of the issues with a substantive strategic impact can be found in our 2023 (FY22) Sustainability Report: <https://investors.tennantco.com/reports/sustainability-report/default.aspx>.

Specific to overall risks and opportunities, a substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.

More broadly, our finance department and internal audit partner Ernst & Young (EY) develop materiality, substantive financial impact, and deficiency reporting thresholds annually. These thresholds are reviewed annually by the Board of Directors Audit Committee in April and approved. A substantive financial impact is then included as a risk in our annual enterprise risk assessment (ERA). Risks to include in the yearly ERA are identified using a methodology that evaluates financial impact, the overall likelihood of that risk occurring, and our management preparedness.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Tennant Company uses an Enterprise Risk Assessment (ERA) process to identify, monitor, and assess the Company's short-, medium-, and long-term risks, including climate-related risks. It prompts the development of strategies to respond to those risks. The ERA is performed annually for the entire Company.

Our internal audit partner, Ernst & Young (EY), leads the overall ERA process and initiates the process by refreshing the enterprise risk assessment framework. The next step is surveying leaders from all geographic areas, product-type business units, and leaders from all business functions. For 2022, approximately 75 leaders anonymously participated in the survey.

The risk information from the survey is collected, aggregated, benchmarked against trend information from various sources, and presented to the Board of Directors. A cross-functional team of representatives from relevant business units is responsible for updating the enterprise risk profile. The enterprise risk profile includes rationalizing, prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.

The 2022 ERA was completed in Q4 and included ten top risks and opportunities, several of which encompass climate-related risks. These are business resiliency; supply chain procurement; competition; macroeconomic & geopolitical; and sustained value creation.

In conjunction with the ERA, our Product Regulatory Affairs (PRA) group within the Legal Department monitors responsible material sourcing and product regulatory risks and opportunities. PRA personnel review upcoming and current regulations and then work with product marketing, engineering, and global sourcing teams to determine if and how we will prepare and respond to the new rules.

Additionally, our enterprise-wide Global Positioning Strategy (GPS) identifies and executes risks and opportunities that fall under the three pillars of the strategy's framework. These are win where we have a competitive advantage, reduce complexity and build scalable processes, and innovate for profitable growth. Climate-related risks and opportunities are inherent in our approach to achieving these goals. For example, product simplification and innovation are focus areas of this strategy, both of which have inherent climate-related benefits to the business.

Lastly, the Sustainability Team manages climate-related risks and opportunities through our carbon reduction initiatives. These initiatives include commitments, goals, plans, SOPs, policies, measurement, data management, internal/external communication, management reviews, and market research. For example, in preparation for the setting of our Science Based Target initiative (SBTi) goal, we identified that the "use of Sold Products" accounted for over 70% of our total emissions. This resulted in setting a goal to reduce carbon emissions from the Use of Sold Products, thereby influencing our future work internally and externally with suppliers, utilities, and customers. Also, in 2022, as part of our sustainability strategy refresh, we completed an updated materiality assessment, which included climate-related risks and opportunities.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Current regulation is considered relevant and is included in our annual ERA because we are subject to risks associated with emissions, energy, and other environmental regulations. Additionally, our products are subject to energy efficiency and other regulatory standards.</p> <p>An example of a current regulation risk Tennant Company considered in our annual ERA process is source materials limited due to supply chain issues and not having access to materials that are compliant with current regulations.</p>
Emerging regulation	Relevant, always included	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Emerging regulation is considered relevant and is included in our annual ERA. Because of our global footprint, we are subject to a changing system of commercial, tax, and trade regulations worldwide. Recent years have seen an increase in the discussion and development of laws regarding carbon taxes and emissions trading schemes, trade, tax compliance, labor and safety, and anti-corruption.</p> <p>Examples of emerging regulation risks Tennant Company considered in our annual ERA process are the European Union's Corporate Sustainability Reporting Directive and the proposed SEC climate rule, which will significantly increase reporting and disclosure requirements and the potential risk of not having the resources to comply. Throughout 2022, the finance department presented to the Board Audit Committee to update them on these emerging regulations.</p>
Technology	Relevant, always included	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Additionally, our enterprise-wide Global Positioning Strategy (GPS) identifies and executes risks and opportunities that fall under the three pillars that comprise the strategy's framework. These are win where we have a competitive advantage, reduce complexity and build scalable processes, and innovate for profitable growth. Climate-related risks and opportunities are inherent in our approach to achieving these goals.</p> <p>Technology is considered relevant and is a focal part of our GPS strategy because of the risks related to a lack of product and production innovations which may lead to a competitive disadvantage.</p> <p>An example of a technology-related risk is Tennant Company not responding to our customers' increasing demand for lower emissions products and services. Electrification of our products is a priority, and in 2022, 99.1% of units sold were battery-powered or corded electric and had fewer emissions than their internal combustion (IC) counterparts.</p>
Legal	Not relevant, explanation provided	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors.</p> <p>This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Climate-related legal risk is not relevant to Tennant Company because no legal risks associated with climate-related litigation claims have been identified that have a substantive financial impact as defined by the ERA process. If an activity is likely to exceed this threshold, it will be included in our next ERA process.</p>
Market	Relevant, always included	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Market risks are considered relevant and are included in our annual ERA because of the risks of competitors' products and technologies outperforming ours or not responding to customers' shifts in preferences to lower emissions products and services.</p> <p>An example of a market-related risk that Tennant Company considered in our annual ERA process is competition. Competition is based on product features and design, brand recognition, reliability, durability, technology, breadth of product offerings, price, customer relationships, and after-sale service. These features include reduced greenhouse gas (GHG) emissions, less water use, and other environmental attributes that can help our customers achieve their sustainability and climate-related goals. For example, in 2022, we introduced lithium-ion technology to our portfolio of AMR machines, which increases the efficiency of these products and decreases carbon emissions from internal combustion engines.</p>
Reputation	Not relevant, explanation provided	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Climate-related reputation risk is not relevant to Tennant Company because no reputation risks associated with climate-related issues have been identified that have a substantive financial impact as defined by the ERA process. If an activity is likely to exceed this threshold, it will be included in our next ERA process.</p>
Acute physical	Relevant, always included	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Acute physical risks are considered relevant and included in our annual ERA because of the risks associated with the increased severity and frequency of extreme weather events due to climate change.</p> <p>An example of an acute physical risk that Tennant Company considered in our annual ERA process is an extreme weather event occurring and affecting our transportation and logistics throughout our supply chain, which would create a domino effect for our manufacturing facilities and, ultimately, product delivery.</p>
Chronic physical	Not relevant, explanation provided	<p>Tennant Company uses a multi-disciplinary, company-wide Enterprise Risk Assessment (ERA) process to identify, monitor, and assess short-, medium-, and long-term risks to the Company, including climate-related risks, and prompts the development of processes to respond to those risks. The ERA is an annual process, and a part of that process is updating the enterprise risk profile, which includes prioritization, remediation planning, and reviews with the Senior Operating Committee (SOC), the Senior Management Team (SMT), and the Board of Directors. This ongoing process continues until the annual ERA update begins the following year again.</p> <p>Climate-related chronic physical risks are not relevant to Tennant Company because no chronic physical risks associated with climate-related issues have been identified that have a substantive financial impact as defined by the ERA process. If an activity is likely to exceed this threshold, it will be included in our next ERA process.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**Identifier**

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Tennant Company sees as a potential risk the increased costs of raw materials due to supply chain disruptions in part caused by climate change and other environmental issues. Climate change continues to drive extreme weather events, which may occur more frequently. Extreme weather events, such as tornadoes, hurricanes, typhoons, and flooding, present a global business interruption and resiliency risk to Tennant Company. These extreme weather events may occur more frequently. In 2022 the U.S. alone experienced 18 separate billion-dollar weather and climate disasters, costing \$165 billion (source: <https://www.climate.gov/news-features/blogs/2022-us-billion-dollar-weather-and-climate-disasters-historical-context#:~:text=In%202022%2C%20the%20U.S.%20experienced,the%2020%20events%20in%202021>).

We have many direct material supplier groupings within Tennant Company's complex and broad product line. These groupings include but aren't limited to batteries, chargers, castings, engines, motors, and drives. To help manage this risk, we have several suppliers in each grouping who, in turn, have some facilities across the globe in various markets and economies. However, having a sole source for our materials creates risk, and having numerous, more diverse suppliers creates complexity, so a strategic supplier approach is required to achieve a good balance.

Extreme weather events cause supply chain interruptions, including supplier facilities being shut down for several days, limited resource availability, and transportation issues, all driving up the price of raw materials. A specific example from 2022 includes a tornado in Oklahoma. This impacted a hydraulic motor supplier and a portion of the North American land transport network.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

13400000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We do not publicly share the financial details of specific products. However, to estimate the potential financial impact of the increased cost of raw materials, with an estimated 2% increase in the total sales costs – as reported in our 2022 10-K (pg. 16), the potential financial impact is about \$13,400,000. Please note that the total cost of sales figure includes many other expenses, including raw materials.

Cost of response to risk**Description of response and explanation of cost calculation**

Tennant Company manages the market risk of the increased cost of raw materials by communicating with our suppliers regularly to understand how and why any of their costs increase, including due to emerging climate-related regulations. The Global Strategic Supply teams work to mitigate raw material cost increases.

The Global Strategic Supply teams are responsible for our global supply chain, which includes: developing and implementing company-specific strategies for direct and indirect supply while driving continuous improvement throughout the supply chain; collaborating with manufacturing location-based groups; coordinating the global transportation network, contracts, and spend; and collaborating with global material control teams to manage supplier performance through key performance metrics.

We continued dialogue with additional suppliers on all aspects of sustainability (including carbon emissions) in 2022. C12.1a includes further details on supplier engagement.

Comment

We consider our supply chain partnerships confidential and generally do not disclose details on specific suppliers. We have supplied this detailed, confidential data to S&P Global to calculate carbon emissions from our Scope 3 - category 1 purchased goods and services.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Enhanced emissions-reporting obligations
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Emerging regulations Tennant Company sees as potential risks are enhanced emissions-reporting obligations in the United States and the European Union, where we have significant operations. Specifically, the U.S. Securities and Exchange Commission (SEC) proposed climate change disclosure rule and the European Union's Corporate Sustainability Reporting Directive would significantly increase our reporting and disclosure requirements.

In March 2022, the SEC proposed rule changes that would require registrants to include certain climate-related disclosures in their registration statements and periodic reports, including information about climate-related risks that are reasonably likely to have a material impact on their business, results of operations or financial condition, and specific climate-related financial statement metrics in a note to their audited financial statements. The required information about climate-related risks also would include disclosure of a registrant's greenhouse gas emissions, which have become a commonly used metric to assess a registrant's exposure to such risks.

In November 2022, the European Council (E.C.) and the European Parliament approved the CSRD, which will affect not only E.U.-based companies but all companies with significant operations in E.U. jurisdictions, which includes Tennant Company. The CSRD will mandate sustainability reporting beyond what we provide. The disclosure requirements of the CSRD are extensive, covering both quantitative and qualitative disclosures, and go beyond what the SEC's proposed rule on climate-related disclosures would require. The CSRD requires all companies within its scope to seek limited assurance of sustainability reporting.

To comply with these emerging regulations, we will have to enhance our current reporting process further to begin collecting the additional quantitative and qualitative data, accelerate our data collection, calculation, and assurance timelines to align with financial reporting deadlines, and increase our level of assurance to provide investor-grade data.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

100000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

We are investing in our people, processes, and systems to enhance our reporting process further to comply with these emerging regulations. Given that these emerging regulations are new and yet to be fully implemented, it is unknown what a potential non-compliance penalty(ies) could be. The combined financial impact of these factors meets our definition of a substantive financial impact from a magnitude standpoint. A substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.

Cost of response to risk

500000

Description of response and explanation of cost calculation

We have invested in our reporting process and systems to comply with emerging regulations. The cost of the response to risk was estimated based on past and future costs of the people processes, systems, and procedures to track and meet emerging regulations and disclosure requirements.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increase severity and frequency of extreme weather events such as tornados and floods.)
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Tennant Company sees acute physical risks and the increased severity and frequency of extreme weather events as a potential risk that could impact our business operations. Climate change continues to drive extreme weather events, which may occur more frequently. Extreme weather events, such as tornadoes, hurricanes, typhoons, and flooding, present a global business interruption and resiliency risk to Tennant Company. These extreme weather events may occur more frequently. In 2022 the U.S. alone experienced 18 separate billion-dollar weather and climate disasters, costing \$165 billion (source: <https://www.climate.gov/news-features/blogs/2022-us-billion-dollar-weather-and-climate-disasters-historical-context#:~:text=In%202022%2C%20the%20U.S.%20experienced,the%2020%20events%20in%202021>).

Acute physical risks for facilities are defined by characteristics of their physical location, such as land height above nearby waterways/lakes, tornado, or hurricane probability. Insurance agency ratings and premiums quantify these risks.

For example, our facilities in Texas and Minnesota are exposed to greater tornado risk than those in other U.S. states and countries. Our facilities in Louisville, KY, and Venice, Italy, are exposed to greater flood risk. As such, we must pay for a flood insurance rider on these facilities to mitigate the potential financial impact of a flood.

With a global manufacturing model, we have production locations in Brazil, China, Italy, The Netherlands, and the United States. Therefore, we face the possibility of extreme weather causing interruption at one or more manufacturing locations.

Climate-related physical risks such as these in locations where we operate or our suppliers are currently located could cause short-term manufacturing or shipping delays or increased manufacturing or shipping costs, putting customer orders and our revenue at risk. Long-term disruptions could provide an incentive for reconfiguring our operations or supply chain.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

100000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

Tennant's property insurance carrier assesses risks by conducting site reviews and calculating potential loss based on various known factors. Depending on these factors, revenue impact could fall within the range of \$100,000 to \$100,000,000. All material properties, physical assets, and stock and supplies are insured, but long recovery times could drive significant revenue impact.

Cost of response to risk

2250000

Description of response and explanation of cost calculation

Tennant Company works with our insurance broker to understand and assess our risk to potential extreme weather events linked to climate change. This is integral to our annual risk assessment and the responsibility of our Environmental Health and Safety, Tax and Treasury, and Legal Departments. The Tax and Treasury Department maintains a register of properties as a checkpoint on current and appropriate types of insurance coverage.

We also manage risks by instituting robust business continuity planning. Implementing business continuity plans across the enterprise ensures we mitigate risks. Initial response and crisis management are critical success determinants in mitigating risk. For example, an extreme weather event (caused or amplified by climate change) at one of our manufacturing facilities will invoke prepared initial response actions by action owners.

Tennant Company also has multiple redundant, off-site data centers to minimize the probability of business system unavailability.

The cost of the response to risk was estimated by evaluating potential deductibles in the event of extreme weather events.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Tennant Company designs, manufactures, sells, and services mechanized floor cleaning equipment to customers worldwide. Global awareness of climate change and its existential risk fuels demand for reduced- and low-carbon products. We have experienced increased engagement from investors, suppliers, and customers related to our sustainability and ESG program, which includes climate-related initiatives. Our customers continue to ask for more detailed sustainability information in solicitations and Requests for Proposals. We are seeing increasing customer demand for more efficient products that reduce customer costs and carbon emissions. This customer demand for more efficient products and services presents an opportunity for the Company to increase revenue by capitalizing on the increasing demand for our reduced- and low-emissions products.

Designing durable, high-quality, high-performing, and sustainable products is a top priority for the Company. To accomplish this, sustainability is embedded in our new product development (NPD) process to ensure we develop products with measurable environmental impact improvements. Our engineering and product development teams hold sustainability strategy and target-setting discussions as part of this process. This process centers on customer needs and evaluates them relative to emerging technologies and macro trends. It allows for agile decision-making on projects, which ultimately provides better outcomes, brings more value to our customers and our business overall, and inspires innovations for the future.

As a result, we have a broad line of eco-advantaged products which help our customers save money, increase efficiencies, reduce their emissions, and meet their sustainability goals. These eco-advantaged products include improved energy and resource efficiency, electric and battery-power sources, and reduced use-phase carbon emissions.

They are electric and battery-powered and, therefore, have fewer use-phase emissions than their internal combustion (IC) counterparts. Combined with the available e-H₂O NanoClean® technology, which uses less water and allows for detergent-free cleaning, these machines help our customers reduce their carbon emissions and make progress toward their other environmental objectives.

In 2022 our customers decided to buy our eco-advantaged products and machines more than 58,000 times, which will help those customers reduce their emissions and meet their sustainability goals.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

100000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

Tennant Company offers a variety of eco-advantaged products to help our customers address labor challenges, drive efficiencies, and maintain a high standard of cleaning while safely working alongside employees, customers, and guests.

In 2022, our customers made the decision to purchase our eco-advantaged products more than 58,000 times, which will help those customers reduce their emissions and meet their sustainability goals. We do not publicly share the financial performance of specific products. However, from a magnitude standpoint, selling eco-advantaged products meets our definition of substantive financial impact. A substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.

Cost to realize opportunity

32700000

Strategy to realize opportunity and explanation of cost calculation

We make significant R&D investments yearly, and our annual investment is approximately 3% of sales. We manage the opportunity associated with developing and expanding lower emissions products and services through our R&D investment and by embedding sustainability into our new product design (NPD) process.

Tennant Company's strategy to realize this opportunity is to actively and directly engage with our customers. We determine their evolving needs and expectations while considering micro and macro societal/market trends. We are working with our customers to simplify their operations while lowering their cleaning costs and reducing the emissions of their cleaning process. Having direct Sales and Service personnel in the field, in both developing and developed economies, and leveraging primary and secondary research helps this process immensely.

Engaging with customers enables Tennant Company to develop industry-leading products and services and continuously develop innovative sustainable solutions for customer facilities. To accomplish this, the Sustainability Innovation Manager works directly with the Global Engineering teams during the design of new products to identify sustainability targets for new products. Our engineering and product development teams are committed to holding sustainability strategy and target-setting discussions during the design process of new products. Designing sustainable and durable products is among the top sustainability priorities for the Company.

We use internal resources to help manage environmental programs and partnerships that benefit our customers and shareholders. Additionally, we create and distribute materials to help sell products with favorable environmental attributes. For example, Tennant Company has a brochure outlining the environmental attributes of various products and technologies: <https://www.tennantco.com/content/dam/resources/web-content/sustainability/environmental-brochure-en-noam.pdf>.

Comment

The cost to realize the opportunity is the total cost for all research and development expenses for 2022 and was applied across various initiatives. Project-level investment is confidential information.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

Tennant Company recognizes our unique opportunity and responsibility to drive position change while creating sustainable value for our business, customers, and society. A specific opportunity is to use renewable and lower-emissions energy sources to reduce our direct operating costs and greenhouse gas emissions. In 2022, we continued our commitment to renewable energy by purchasing Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) for electricity consumption at multiple facilities. These include operations in Italy and The Netherlands, and Holland, MI, Grand Prairie, TX, Louisville, KY, and Minneapolis, MN, in the US. Additionally, we invested in an on-site renewable energy project at our manufacturing plant in Limeira, Brazil. In June, 165 solar panels were installed and produced over 52,000 kWh of energy, which will save an estimated \$21,000 annually on electricity costs. This project reduced the factory's Scope 2 emissions by more than 70%. Overall, the project has an estimated three- and half-year return on our investment and is an essential first step in reducing GHG emissions from our operations. Tennant's total renewable energy purchased and produced represents 21200 MWh, or about 89% of all electricity consumed across the Company in 2022. These purchases are reflected in our reported market-based emissions.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

100000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

From a magnitude standpoint, investing in renewable and lower-emission energy sources and the subsequent savings in operating costs and reduction of greenhouse gas emissions meets our definition of substantive financial impact. A substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.

Cost to realize opportunity

150000

Strategy to realize opportunity and explanation of cost calculation

The cost to realize the opportunity includes the requested capital expenditure for the Brazil solar panel project and the total cost of our 2022 Guarantees of Origin (GOs) and Renewable Energy Credits (RECs).

Tennant Company's strategy to realize this opportunity is to continue investing in renewable and lower-emission energy sources. We will be developing an organization-wide renewable energy procurement strategy as part of our new sustainability strategic framework and commitment to net-zero by 2040.

Comment**Identifier**

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Circularity in products addresses the entire lifecycle of a product, from part creation to the end of life. At Tennant Company, we design our products with an enhanced focus on durability and quality, and they are built to have more than one life.

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

Reconditioning starts with a used machine returning to Tennant through a buy-back or trade-in program. The machine is assessed and rated based on its condition and will

either be cleaned and repaired for resale or dismantled for recycling. We recondition machines deemed appropriate to three different tiers: Certified Pre-owned, Used , and As-is.

Each tier requires a different level of reconditioning, and the 'newness' and quality of the resulting product will depend on the tier. RECON machines have been assessed and deemed appropriate for reconditioning, are thoroughly inspected, and components with excessive wear are replaced. After the machine returns to a high quality and functional state, it goes through an exterior restoration where many machines emerge looking brand new. Finally, the machines undergo a comprehensive quality check and are delivered to the customer with labor and parts warranties appropriate to their reconditioning tier.

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

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

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

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

100000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

We do not publicly share the financial performance of specific products. However, from a magnitude standpoint, current and potential future revenue from RECON products meets our definition of substantive financial impact. A substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.

Cost to realize opportunity

26000000

Strategy to realize opportunity and explanation of cost calculation

Tennant's global operations found opportunities with RECON and rental during economic downturns. Meanwhile, in the U.S., it was becoming more evident that we needed to take advantage of the opportunity because non-associated third parties were buying old Tennant machines and refurbishing them, which had a negative impact on our brand.

We decided to start a more focused reconditioning effort in North America, based on the success observed in different regions of the Company, and to take back the brand's integrity. The RECON business allows new customers to purchase Tennant equipment at a certified pre-owned, used, or as-is level, opening up Tennant to a new market of customers previously priced out because our products are generally priced higher than our competitors' products. This is due to our dedication to quality, innovation, and continued investment in research, technology, and product development.

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

The cost to realize the opportunity is as estimated value based on the 2022 total cost of RECON goods sold and operating expenses.

Comment

The cost to realize the opportunity is as estimated value based on the 2022 total cost of RECON goods sold and operating expenses.

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Tennant Company has a robust stakeholder engagement process to gather feedback on the contents and progress of our sustainability strategy, which includes our climate transition plans. Specifically, in 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework.

For the updated assessment, we engaged over ninety internal and external stakeholders to ensure that our strategy and reporting align with the most material sustainability issues, including environmental, social, and governance issues for stakeholders and our business. These stakeholders include our customers, employees, investors, and non-governmental organizations we partner with. They were surveyed or interviewed for direct feedback on prioritizing the material issues. We completed the process in April 2022.

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

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

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

Frequency of feedback collection

Annually

Attach any relevant documents which detail your climate transition plan (optional)

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA NZE 2050	Company-wide	<Not Applicable>	<p>We selected the IEA NZE 2050 scenario to conduct climate-related scenario analysis as part of our sustainability strategic framework and science-based target development.</p> <p>In December 2022, Tennant Company signed SBTi's Net Zero letter of commitment and submitted draft near- and long-term targets to be validated. As such, SBTi criteria and recommendations for parameters and assumptions were incorporated. We utilized SBTi's net-zero tools and followed the Internal Energy Agency's (IEA) Net Zero by 2050 Scenario, 1.5C aligned pathways.</p> <p>We chose a time horizon of about 20 years, aligning with our proposed SBTi target of net zero by 2040. We considered impacts regarding global energy grids, macroeconomic factors, GDP, raw materials, and customer preferences in our analysis.</p> <p>A few examples of assumptions for our analysis include projected global energy grids and sources (IEA) and continued and increased demand for our products and services.</p>
Transition scenarios IEA NZE 2050	Company-wide	<Not Applicable>	<p>We selected the IEA NZE 2050 scenario to conduct climate-related scenario analysis as part of our sustainability strategic framework and science-based target development.</p> <p>In December 2022, Tennant Company signed SBTi's Net Zero letter of commitment and submitted draft near- and long-term targets to be validated. As such, SBTi criteria and recommendations for parameters and assumptions were incorporated. We utilized SBTi's net-zero tools and followed the Internal Energy Agency's (IEA) Net Zero by 2050 Scenario, 1.5C aligned pathways.</p> <p>We chose a time horizon of about 20 years, aligning with our proposed SBTi target of net zero by 2040. We considered impacts regarding global energy grids, macroeconomic factors, GDP, raw materials, and customer preferences in our analysis.</p> <p>A few examples of assumptions for our analysis include projected global energy grids and sources (IEA) and continued and increased demand for our products and services.</p>

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

How might climate-related scenarios impact the cost and availability of energy to run our operations, including manufacturing plants and processes?

Results of the climate-related scenario analysis with respect to the focal questions

The results of the climate-related scenario analysis included determining that extreme weather disrupting energy generation, transmission, and distribution could significantly negatively impact the cost and reliability of electricity available for Tennant Company's operations. Our manufacturing plants could temporarily close due to a lack of energy for lighting, heating, and powering equipment. Sales and service calls could be temporarily discontinued due to road closures and non-functioning vehicle charging stations for an electrified fleet.

For example, Brazil is a potential region where risks to energy reliability are significant due to Brazil's increasing vulnerability to extreme weather, including extreme heat, torrential rains, flooding, and landslides. Our analysis found that the potential financial impacts and mitigation and adaptation measures meet Tennant's definition of a substantive financial impact. A substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.

Consequently, we invested in an on-site renewable energy project at our manufacturing plant in Limeira, Brazil. In June, 165 solar panels were installed and produced over 52,000 kWh of energy, reducing the factory's Scope 2 emissions by more than 70%. Overall, the project is an essential first step in reducing GHG emissions from our operations, helping mitigate climate change's effects, and providing a reliable, renewable energy source.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Tennant Company's sustainability strategy has been influenced by the opportunity to address the increase in demand for reduced and low-carbon products. In 2022 we updated our sustainability strategic framework, which consists of six impact areas where we have the opportunity to drive positive change while creating sustainable value for our business, customers, and society. One of these areas is circular products & waste. From a products and services perspective, Tennant Company's most substantial strategic decision to date is incorporating sustainability into the new product design process and prioritizing high performance and durability. Generally, our products have a higher average selling price, margin, and revenue than other entry-level products.</p> <p>As a result, the Company offers many products with various environmental attributes to help our customers save money, increase efficiencies, reduce their emissions, and meet their sustainability goals.</p> <p>We have seen an increase in customer questions and requests regarding the environmental impact of our products as they set and make progress on their sustainability targets. Specifically, our customers want to know our products' carbon emissions over their lifetime, including how much is emitted with each use, how their cleaning programs impact their carbon emissions, and more.</p> <p>As a result, in 2022, Tennant Company's IPC brand sought ISO 14067 certification in collaboration with a third-party assurance provider. IPC currently offers eight scrubber dryer machines with ISO 14067-certified carbon footprints -https://www.ipcworldwide.com/carbon-footprint/ - and plans to continue certifying more products to provide customers with an excellent selection of options.</p> <p>We expect our sustainable products strategy to remain in place through 2040 in conjunction with our proposed science-based target to reduce Scope 3 emissions (category 1 purchased goods & services and category 11 use of sold products) by 90% by 2040.</p>
Supply chain and/or value chain	Yes	<p>Tennant Company's sustainability strategy has been influenced by the climate-related risks and opportunities throughout our value chain.</p> <p>For several years, the Company's largest source of emissions has been our Scope 3 emissions, specifically our Scope 3 – category 11, Use of sold products, which accounted for xx% of our total 2022 value chain emissions. As a result, our customers' Use of Tennant products is an integral part of our value chain sustainability and climate-related strategy. Tennant Company's most substantial strategic decision to date was setting a science-based target (SBT) in collaboration with the Science Based Target initiative (SBTi) to reduce our Scope 3 - category 11 emissions and transparently report on our impact to create mutual accountability between our value chain partners and us.</p> <p>By embedding sustainability into our new product development process and enhancing our current product portfolio through efficiency improvements such as electrification and robotics, we were able to avoid a linear increase in our Scope 3 – category 11, Use of sold products emissions as compared to the higher percentage increase of our equipment revenue in 2022.</p> <p>We expect our value chain sustainability strategy to remain in place through 2040 in conjunction with our proposed science-based target to reduce Scope 3 emissions (category 1 purchased goods & services and category 11 use of sold products) by 90% by 2040.</p> <p>Also, in 2022 we updated our sustainability strategic framework, which consists of six impact areas where we have the opportunity to drive positive change while creating sustainable value for our business, customers, and society. Our supply and value chain are integrated into this framework, including our goal to reduce emissions in our supply chain.</p>
Investment in R&D	Yes	<p>Tennant Company's strategy has been influenced by the opportunity to address the increase in demand for reduced and low-carbon products and services through R&D and innovation. Throughout our 150-year history, Tennant Company has been dedicated to advancing the cleaning industry by developing innovative technologies to create a cleaner, safer, healthier world. As a result, we have embedded sustainability strategy and target-setting discussions into our new product development process. Our innovation efforts are focused on holistically solving our customers' needs by addressing various issues, such as managing labor costs, enhancing productivity, and making cleaning processes more efficient and sustainable. We create new growth opportunities through core product development, partnerships, and technology enablement.</p> <p>One of Tennant Company's most substantial strategic decisions to date was to gradually transition our product portfolio power source from internal combustion (IC) engines to electric sources, including lithium-ion and lead acid batteries and corded-electric. This decision had multiple drivers, including increasing customer demand for lower emissions products, the emerging regulatory risks that could affect IC engines, and our commitment to reducing emissions throughout our value chain.</p> <p>In 2022, 99.1% of units sold were electric, and 0.9% were IC. The Company achieved this, along with other product innovation and sustainability goals, by investing approximately 3% of annual sales in research and development annually.</p> <p>We expect our sustainable products strategy to remain in place through 2040 in conjunction with our proposed science-based target to reduce Scope 3 emissions (category 1 purchased goods & services and category 11 use of sold products) by 90% by 2040.</p> <p>In 2022 we updated our sustainability strategic framework, which consists of six impact areas where we have the opportunity to drive positive change while creating sustainable value for our business, customers, and society. One of these areas is circular products and waste.</p>
Operations	Yes	<p>Tennant Company's sustainability strategy has been influenced by climate-related risks to our operations. These risks include potential carbon market mechanisms and other emerging regulations that could increase the total costs of energy and the emissions they generate.</p> <p>One of our most substantial strategic decisions to date was to prioritize energy and emissions reduction projects. Tennant Company has implemented various energy efficiency and reduction projects annually, reducing operating costs for our manufacturing facilities and sales/service vehicle fleets. We achieved this by adapting energy- and fuel-saving technologies.</p> <p>We expect our operations sustainability strategy to remain in place through 2040 in conjunction with our proposed science-based target to reduce Scope 1 & 2 GHG emissions by 90% by 2040.</p> <p>In 2022 we updated our sustainability strategic framework, which consists of six impact areas where we have the opportunity to drive positive change while creating sustainable value for our business, customers, and society. One of these areas is climate & energy. We aim to contribute to global decarbonization by achieving net-zero GHG emissions in our operations and reducing emissions in our supply chain.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Capital allocation	<p>Climate-related risks and opportunities have influenced our financial planning regarding revenues, direct costs, capital expenditures, capital allocation, and research and development expenditures. For example, climate-related risks and opportunities related to product and services innovation, regulations and standards, and customer preferences and requirements were identified in our annual enterprise risk assessment (ERA) and influenced our long-term financial planning as related to revenues. In 2022, customers decided to buy our eco-advantaged products and machines more than 58,000 times, which will help those customers reduce their emissions and meet their sustainability goals. The revenue generated meets our definition of substantive financial impact. A substantive financial impact is any activity or event that affects our profitability or financial position by more than \$100,000. This threshold was designated by the Sustainability Team and Finance Team to assist in deciding whether executives should be notified of a climate-related impact.</p> <p>We also continue to see an increase in sustainability questions and requirements in our customers' solicitations and requests for proposals, including issues related to the climate risks and opportunities described above. We anticipate continued interest and growth in the magnitude of these customer requirements; thus, it represents an opportunity for the Company to increase investment in developing new and expanding current, low emissions products or services.</p> <p>As another example, Tennant Company has a climate-related risk to direct costs, capital expenditures, and allocations as we consider how best to achieve our proposed science-based carbon reduction targets for 2030.</p> <p>Direct costs risk includes rising energy costs, potential carbon market mechanisms, and other emerging regulations that could further increase the total costs of fossil-fuel energy and the emissions they generate. Our efforts to reduce carbon emissions have resulted in significant savings in electricity, natural gas, and vehicle fuel costs. Impacts include reduced current operating costs and mitigating the longer-term risk of potential carbon market mechanisms. We have reduced operating costs for manufacturing facilities and sales/service vehicle fleets by adapting energy- and fuel-saving technologies. One company-specific example is installing 165 solar panels at our manufacturing plant in Limeira, Brazil, in June 2022. They produced over 52,000 kWh of energy, which will save an estimated \$21,000 annually on electricity costs. This project reduced the factory's Scope 2 emissions by more than 70%. Overall, the project has an estimated three- and a half-year return on our investment and is an essential first step in reducing GHG emissions from our operations.</p> <p>Capital expenditures and allocations include investing in energy-efficient equipment and efficiency projects and sourcing renewable energy. In capital expense financial analysis, Tennant Company considers long-term energy and fuel cost savings. This is part of the financial model required for capital planning and approval. One Company-specific example was our continued commitment to renewable energy by purchasing Guarantees of Origin (GOs) and Renewable Energy Credits (RECs) for electricity consumption at multiple facilities. The total renewable purchase represents 21,200 MWh, more than 89% of all electricity consumed across the Company globally in 2022.</p> <p>In 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework. There were many drivers for this work, including the need to reevaluate our science-based greenhouse gas emissions reduction targets.</p> <p>In 2018, we set two greenhouse gas (GHG) emissions reduction targets with the Science Based Targets initiative (SBTi). We are proud to be one of the first 104 companies globally to have our science-based targets (SBT) approved and to be featured in SBTi's Scope 3 best practices in the greenhouse gas management guidance document, highlighting our innovations in product design to reduce our value stream emissions (https://sciencebasedtargets.org/resources/files/SBT_Value_Chain_Report-1.pdf).</p> <p>Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate and seen a significant increase in engagement on climate from our stakeholders and demand for lower-emissions products from our customers. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in 2022, we began updating our SBT. We engaged internal stakeholders and various subject matter experts to align with other organizational priorities. We utilized SBTi's tools and resources to analyze Tennant's historical greenhouse gas emissions data to forecast future emissions. In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation.</p>

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with our climate transition plan	<Not Applicable>

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

<Not Applicable>

Objective under which alignment is being reported

<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

6709600

Percentage share of selected financial metric aligned in the reporting year (%)

23.79

Percentage share of selected financial metric planned to align in 2025 (%)

25

Percentage share of selected financial metric planned to align in 2030 (%)

27

Describe the methodology used to identify spending/revenue that is aligned

There is a sustainability section on our capital expenditure request form. This section asks if the project contributes to our sustainability strategy and goals. If so, they must describe how this project will contribute, any estimated cost or carbon emissions savings, and the source for those estimations.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2021

Base year Scope 1 emissions covered by target (metric tons CO2e)

24105.6

Base year Scope 2 emissions covered by target (metric tons CO2e)

1903.6

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
26009

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
99

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
99

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99

Target year

2030

Targeted reduction from base year (%)

45

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

14304.95

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

24578

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

997

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

25575

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

3.708118130049

Target status in reporting year

New

Please explain target coverage and identify any exclusions

This target includes at least 99% of the Company's total global gross Scope 1 & 2 emissions for the base year 2021. We reassess our operational control boundary annually. What is not covered by this target are small facilities which use very little energy. All emissions from these facilities are less than 1% of the total emissions covered by the target reporting boundary. When conducting the annual boundary assessment, if we identify relevant emissions not previously reported, we restate prior year emissions to include them. No boundary-related restatements are included in our CDP Climate Change 2022 response.

Plan for achieving target, and progress made to the end of the reporting year

In 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework. There were many drivers for this work, including the need to reevaluate our science-based greenhouse gas emissions reduction 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 104 companies globally to have our science-based targets (SBT) approved and to be featured in SBTi's Scope 3 best practices in the greenhouse gas management guidance document, highlighting our innovations in product design to reduce our value stream emissions. (https://sciencebasedtargets.org/resources/files/SBT_Value_Chain_Report-1.pdf).

Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate and seen a significant increase in engagement on climate from our stakeholders and demand for lower-emissions products from our customers. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in 2022, we began updating our SBT. We engaged internal stakeholders and various subject matter experts to align with other organizational priorities. We utilized SBTi's tools and resources to analyze Tennant's historical greenhouse gas emissions data to forecast future emissions. In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2021

Base year Scope 1 emissions covered by target (metric tons CO2e)

24105.6

Base year Scope 2 emissions covered by target (metric tons CO2e)

1903.6

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

26009

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

99

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

99

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99

Target year

2040

Targeted reduction from base year (%)

90

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

2600.9

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

24578

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

997

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

25575

Does this target cover any land-related emissions?

Yes, it covers land-related CO2 emissions/removals associated with bioenergy and non-land related emissions (e.g. non-FLAG SBT with bioenergy)

% of target achieved relative to base year [auto-calculated]

1.8540590650245

Target status in reporting year

New

Please explain target coverage and identify any exclusions

This target includes at least 99% of the Company's total global gross Scope 1 & 2 emissions for the base year 2021. We reassess our operational control boundary annually. What is not covered by this target are small facilities which use very little energy. All emissions from these facilities are less than 1% of the total emissions covered by the target reporting boundary. When conducting the annual boundary assessment, if we identify relevant emissions not previously reported, we restate prior year emissions to include them. No boundary-related restatements are included in our CDP Climate Change 2022 response.

Plan for achieving target, and progress made to the end of the reporting year

In 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework. There were many drivers for this work, including the need to reevaluate our science-based greenhouse gas emissions reduction 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 104 companies globally to have our science-based targets (SBT) approved and to be featured in SBTi's Scope 3 best practices in the greenhouse gas management guidance document, highlighting our innovations in product design to reduce our value stream emissions (https://sciencebasedtargets.org/resources/files/SBT_Value_Chain_Report-1.pdf).

Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate and seen a significant increase in engagement on climate from our stakeholders and demand for lower-emissions products from our customers. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in 2022, we began updating our SBT. We engaged internal stakeholders and various subject matter experts to align with other organizational priorities. We utilized SBTi's tools and resources to analyze Tennant's historical greenhouse gas emissions data to forecast future emissions. In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 3

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 11: Use of sold products

Base year

2021

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

496239.3

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

496239.3

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

496239.3

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

95

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

71.84

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

95

Target year

2030

Targeted reduction from base year (%)

45

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

272931.615

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

464637

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

464637

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

464637

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

14.151908833769

Target status in reporting year

New

Please explain target coverage and identify any exclusions

This target includes at least 95% of the Company's total global gross Scope 3 - category 11 emissions in the base year 2021. The target does not include intermediate products, reconditioned equipment, or third-party products outside our design control.

Plan for achieving target, and progress made to the end of the reporting year

In 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework. In 2018, we set two greenhouse gas (GHG) emissions reduction targets with the Science Based Targets initiative (SBTi). Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate and seen a significant increase in engagement on climate from our stakeholders and demand for lower-emissions products from our customers. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in December 2022, Tennant Company committed to becoming net-zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation. Tennant strives to offer products that can provide measurable sustainability improvements. These initiatives are implemented during product development and tracked throughout design until the machine reaches the customer. At the launch of a product, our product development teams look back to understand what targets were achieved. This process is controlled by specific requirements stated within our product development strategy. Engineering and product development teams meet to discuss opportunities to achieve sustainability criteria and address customer needs. In 2022, three environmental impact improvement targets were set. Product development sustainability goals are core to our product strategy and will continue to be a focus in the future. As we implement our new sustainability framework, we will be undertaking a concentrated effort to revamp our sustainability goal-setting process within product development. This will include specific development metrics that directly apply to our ambitious goals, including our commitment to achieve net zero by 2040. We will partner with our customers to increase the energy efficiency of our portfolio and offer solutions that will eliminate GHG emissions during the product's use phase. We 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 2022, 99.1% were electric and 0.9% were IC.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 4

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 11: Use of sold products

Base year

2021

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

155795

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

496239.3

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

652034.3

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

652034.3

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

95

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

95

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

94.39

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

95

Target year

2040

Targeted reduction from base year (%)

90

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

65203.43

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

129015

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

464637

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

593652

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

593652

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

9.94874383482928

Target status in reporting year

New

Please explain target coverage and identify any exclusions

For Scope 3 - category 1 emissions, suppliers with relatively small expenditures (contributing to the bottom 5% of the total expenditure) were excluded because their environmental impact is considered not material. This target also includes at least 95% of the Company's total global gross Scope 3 - category 11 emissions. The target does not include intermediate products, reconditioned equipment, or third-party products outside our design control.

Plan for achieving target, and progress made to the end of the reporting year

In 2022, the Company completed an updated materiality assessment and refreshed our sustainability strategy framework. In 2018, we set two greenhouse gas (GHG) emissions reduction targets with the Science Based Targets initiative (SBTi). Our world has significantly changed since setting these targets, as has our business. We have learned more about our changing climate and seen a significant increase in engagement on climate from our stakeholders and demand for lower-emissions products from our customers. Combined with accelerated progress against our targets, our growth as a business, and the drive to future-proof our business growth in our ever-changing world, in December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. Tennant strives to offer products that can provide measurable sustainability improvements. These initiatives are implemented during product development and tracked throughout design until the machine reaches the customer. At the launch of a product, our product development teams look back to understand what targets were achieved. This process is controlled by specific requirements stated within our product development strategy. Engineering and product development teams meet to discuss opportunities to achieve sustainability criteria and address customer needs. In 2022, three environmental impact improvement targets were set. Product development sustainability goals are core to our product strategy and will continue to be a focus in the future. As we implement our new sustainability framework, we will be undertaking a concentrated effort to revamp our sustainability goal-setting process within product development. This will include specific development metrics that directly apply to our ambitious goals, including our commitment to achieve net zero by 2040. We will partner with our suppliers on GHG reduction initiatives. We will also partner with our customers to increase the energy efficiency of our portfolio and offer solutions that will eliminate GHG emissions during the product's use phase. We continue to focus on electrification and maintaining engine standards to advance trends moving away from internal combustion (IC) equipment. Regarding units sold in 2022, 99.1% were electric and 0.9% were IC.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Abs3

Abs4

Target year for achieving net zero

2040

Is this a science-based target?

Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Please explain target coverage and identify any exclusions

This target includes at least 99% of the Company's total global gross Scope 1 & 2 emissions. We reassess our operational control boundary annually. What is not covered by this target are small facilities which use very little energy. All emissions from these facilities are less than 1% of the total emissions covered by the target reporting boundary. When conducting the annual boundary assessment, if we identify relevant emissions not previously reported, we restate prior year emissions to include them. No boundary-related restatements are included in our CDP Climate Change 2022 response. For Scope 3 - category 1 emissions, suppliers with relatively small expenditures (contributing to the bottom 5% of the total expenditure) were excluded because their environmental impact is considered not material. This target also includes at least 95% of the Company's total global gross Scope 3 - category 11 emissions. The target does not include intermediate products, reconditioned equipment, or third-party products outside our design control.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Unsure

Planned milestones and/or near-term investments for neutralization at target year

<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	19	
To be implemented*	6	333.1
Implementation commenced*	2	683.8
Implemented*	5	779.96
Not to be implemented	3	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV
------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

47.25

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

21000

Investment required (unit currency – as specified in C0.4)

70000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

In June 2022, we invested in an on-site renewable energy project at our manufacturing plant in Limeira, Brazil. 165 solar panels were installed and produced over 52,000 kWh of energy, which will save an estimated \$21,000 annually on electricity costs. This project reduced the factory's Scope 2 emissions by more than 70%.

Initiative category & Initiative type

Other, please specify	Other, please specify (Facility move and consolidation)
-----------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

85.62

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
 Scope 2 (location-based)
 Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

200

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

Moved some of our Australia operations and office to a new building in Horsley Park, New South Wales.

Initiative category & Initiative type

Other, please specify	Other, please specify (Energy efficiency in buildings and production processes)
-----------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

402.57

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
 Scope 2 (location-based)
 Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

500

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Lighting efficiency initiatives and process improvements at Gaomei factory. Lighting initiatives include reducing unnecessary lighting and installing sensors to automatically turn off when a space is not in use. Also, adjusted manufacturing equipment to consume gas and electricity more efficiently.

Initiative category & Initiative type

Low-carbon energy consumption	Hydropower (capacity unknown)
-------------------------------	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

230.64

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
 Scope 2 (location-based)
 Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

4000

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

530 incremental Norway Hydro GOs

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

13.88

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Lighting upgrades throughout IPC Norway and IPC UK branches.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Regulatory requirements and standards related to energy and fuel efficiency continue to help drive emissions reduction. The Renewable Energy Standard (RES) in Minnesota is a good example. The RES has significantly increased the percentage of renewable energy sources on the grid supplying our largest electrical demands (Minneapolis campus). We also see electricity demand reduction benefit from standards-driven upgrades to devices we regularly replace. These devices include but aren't limited to computers, monitors, and printers.
Employee engagement	<p>Employees are encouraged to submit all improvement ideas, including energy reduction and efficiency, through various Continuous Improvement (CI) programs. One example CI program is the Value Stream Tier Boards at our largest manufacturing facility in Minneapolis, MN. Example value streams include fabrication and assembly. All employees in each particular value stream can add improvement ideas to the Tier Board. Ideas are then evaluated and prioritized by a Manufacturing or Process Engineer.</p> <p>A global program called Frontline Employee-Led CI Wins has been implemented to highlight significant improvements made at our principal manufacturing facilities. Each facility submits one "win" per month, and there is a "Sustainability Notes" section where they can declare energy or waste savings resulting from the initiative.</p> <p>There are many different CI programs globally; each is tailored to specific functions and/or location activities.</p> <p>Energy reduction ideas are considered at each of our global facilities. These ideas contribute to our progress on emission reduction.</p>
Financial optimization calculations	<p>Estimating energy and/or fuel reduction for building upgrades, new equipment, and process investments is part of the Annual Operating Plan-Capital Planning template. The list of Capital projects is routed to the Director of Sustainability during the planning process, who advocates for investment toward efficiency projects.</p> <p>Additional detail is required in Capital Expenditure Requests (CERs). The CER is used to analyze and justify capital investments. Each CER is routed through required approvers before a project can start.</p> <p>CER routing includes the Sustainability Innovation Manager, who can advocate for investment toward efficiency projects, help quantify total cost savings, and manage the entire portfolio of emission-reduction initiatives.</p>
Internal incentives/recognition programs	Employees can be nominated by their peers and leadership for APPLAUSE and Leading Edge Awards. These programs continue to provide recognition and monetary rewards for work toward energy and fuel efficiency and emissions reductions. The Frontline Employee-Led CI Wins program at each of our global manufacturing facilities also recognizes those employees who implemented the CI project with their names and photo.
Internal finance mechanisms	The Annual Operating Plan process was revised so capital equipment projects which yield greenhouse gas (GHG) emission reductions are distinctly identified. Since then, all capital equipment projects have been viewed as a company-wide portfolio to ensure the best investments.
Internal price on carbon	<p>We use an internal price on carbon (shadow price) to assess current and future enterprise risk from market mechanisms addressing external costs of fossil fuels. These market mechanisms are expanding globally, and we expect this expansion to continue over the long term.</p> <p>We have used an internal price of carbon to quantify risk and understand the full potential impacts of our energy use changes.</p> <p>Current and emerging regulations are relevant and always included in our annual ERA (C2.2a). Given that our facilities in the UK are already subjected to a carbon tax, the climate change levy used that tax rate for our internal price on carbon. In 2022, GO.UK 2022 tax rates for electricity (£/\$ per kilowatt hour (kWh)) was 0.00775/0.00958, and for gas (£ per kWh) was 0.00568/0.00702</p>
Other (External partnerships)	<p>We employ independent energy assessment organizations to identify energy reduction and efficiency opportunities. For example, Xcel Energy in Minnesota administers a process efficiency program. We have engaged in this program for more than 10 years. Graphet Data Mining has independently assessed our major facilities to identify the most promising opportunities for energy reduction.</p> <p>We also regularly engage our business partners, including utilities (Xcel Energy, CenterPoint Energy, and Holland Board of Public Works) and fleet management companies. Through this engagement, we identify new opportunities and best practices around energy/fuel efficiency improvements and emissions reductions.</p>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other	Other, please specify (Detergent-free products, including ec-H2O™ and ec-H2O NanoClean® scrubber-driers)
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Description of product(s) or service(s)

A machine with integrated cleaning technology turns water into a cleaning solution, omitting the need for detergents, typically used in most cleaning processes. Avoiding the use of detergents over the lifetime of a product results in significant emissions savings, primarily due to the avoided manufacture and transportation of these detergents and associated packaging.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify (Life Cycle Assessment using version 6 of the GaBi Life-Cycle Software. Secondary data from GaBi and Ecoinvent datasets, supplemented by proprietary Ecoform data sets, comprised the entirety of the life-cycle inventory data.)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Cradle-to-grave

Functional unit used

Cleaning 25,000 square feet of resilient floor over a period of five years

Reference product/service or baseline scenario used

A typical conventional, chemical-based floor scrubbing system with the following parameters: concentrated detergent with a dilution rate of 1 ounce per gallon; detergent in a 1-gallon bottle with HDPE weight of 0.14 kg; detergent packaged with 4 bottles per carton with a corrugate weight of 0.65 kg.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Cradle-to-grave

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

10200

Explain your calculation of avoided emissions, including any assumptions

In 2022, we estimate our customers avoided more than 10,200 mT CO2 from all ec-H2O™ and ec-H2O NanoClean® equipped scrubber-driers (using these cleaning technologies instead of packaged detergents). This estimate is based on independent LCAs performed by EcoForm and the installed base operating in 2022. Avoided emissions are the result of significant reductions of input materials and detergent manufacturing, elimination of packaging, and elimination of emissions from transportation. We estimate our customers have avoided more than 127,000 mT CO2 emissions to date by using this group of products. This estimate is based on independent LCAs performed by EcoForm and total ec-H2O™ unit sales from inception.

These estimates are extremely conservative. They are based on LCAs for T3 & T300 size machines, the smallest models sold with ec-H2O™ and ec-H2O NanoClean® options. The range of machine sizes sold with these options runs from a 17-inch (430 mm) cleaning path on T300 to 64-inch (1625 mm) on M30. All larger machine models sold and used by customers have greater quantitative environmental impact reductions, including carbon emissions. There are 16 models larger than T3 & T300, including Tennant branded T350, T380AMR, T500, T600, T7, T7AMR, T12, T16, T17, T20, M17, M20, and M30, plus Nobles branded SS350, SS500, and SpeedScrub Rider. The larger models mentioned above represent 65% of the units sold with this detergent-free technology in 2021. The "by the size of machine" distribution of units sold is similar to prior years. Those units remain part of the operating installed base.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

7.2

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	In 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. This transition will increase the transparency of our GHG emissions calculations and allow for more quality control. This software's GHG emissions calculation methodologies are aligned with best management practices, including the Greenhouse Gas Protocol. We have updated our emissions factors accordingly based on the sources of emissions factors in the new software.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because we have not evaluated whether the changes should trigger a base year recalculation	<Not Applicable>	In December 2022, Tennant Company committed to becoming net-zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation. Through this validation process, we will collaborate with SBTi as they review the data and the updated methodology to see if a recalculation of our base year is necessary.	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

24105.6

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 2 (location-based)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

10201.5

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 2 (market-based)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

1903.6

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

155535

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 2: Capital goods

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

723

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

3043

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

25114

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

71

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 6: Business travel

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

891

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 7: Employee commuting

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

8683

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

496239

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

224

Comment

In December 2022, Tennant Company committed to becoming net zero by 2040 and submitted draft near- and long-term company-wide greenhouse gas reduction targets to SBTi for validation. These draft targets aligned with SBTi's Net Zero Corporate Standard and the greater ambition of limiting global warming to 1.5 °C. 2021 is the proposed new base year for our new draft science-based targets.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

- Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
- The Climate Registry: General Reporting Protocol
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- The Greenhouse Gas Protocol: Scope 2 Guidance
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
- US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity
- US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
24578

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

9246

Scope 2, market-based (if applicable)

997

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Small facilities

Scope(s) or Scope 3 category(ies)

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of Scope 3 emissions from this source

<Not Applicable>

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

1

Estimated percentage of total Scope 3 emissions this excluded source represents

<Not Applicable>

Explain why this source is excluded

We reassess our operational control boundary annually and did so in Q1 2023 for reporting the year 2022. What is not covered by this target are small facilities that use very little energy. All emissions from these facilities are less than 1% of the total emissions covered by the target reporting boundary. When conducting the annual boundary assessment, if we identify relevant emissions not previously reported, we restate prior year emissions to include them. No boundary-related restatements are included in our CDP Climate Change 2023 response.

Explain how you estimated the percentage of emissions this excluded source represents

We estimated the percentage of emissions by estimating these small facilities' electricity and gas usage. This was done in one of two ways: looking at actual usage via utility bills or determining the facility's square footage. Primarily, these facilities are very small storage units to store a few demonstration machines.

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**Purchased goods and services****Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

129015

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

2.6

Please explain

To estimate emissions for purchased goods and services, S&P Global used Tennant's FY2022 supplier spend combined with supplier-disclosed emissions data from Sustainable1 Environmental Register and the Sustainable1 Environmentally Extended Input-Output (EEI-O) model. The results represent Tennant's supply chain emissions through all tiers, including raw material extraction. Suppliers with relatively small expenditures (contributing to the bottom 5% of the total expenditure) were excluded because their environmental impact is considered not material.

Capital goods**Evaluation status**

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

2463

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

2.6

Please explain

To estimate emissions for capital goods, S&P Global used Tennant's FY2022 supplier spend combined with supplier-disclosed emissions data from Sustainable1 Environmental Register and the Sustainable1 Environmentally Extended Input-Output (EEI-O) model. The results represent Tennant's supply chain emissions through all tiers, including raw material extraction. Suppliers with relatively small expenditures (contributing to the bottom 5% of the total expenditure) were excluded because their environmental impact is considered not material.

We determined this category is not relevant (less than 1% of total GHG emissions) based on a quantitative analysis of 2022 data.

Fuel-and-energy-related activities (not included in Scope 1 or 2)**Evaluation status**

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

For FY2022, emissions were modeled based on revenue and emission trends from the previous year across this category. We determined this category is not relevant (less than 1% of total GHG emissions) based on a quantitative analysis of 2022 data. This analysis was organization-wide and included IPC Group and Gaomei. Since we saw no significant changes in our 2022 reporting year boundary, it was reasonable to assume that the same categories were not relevant to Tennant's overall footprint. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Upstream transportation and distribution**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

85826

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

As described in C5.1b, in 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. Emissions from upstream and downstream transportation and distribution are one of the calculations that are now calculated internally with support from the new software. We collect all spend data for inbound and outbound road, air, and ocean freight. We use the U.S. EPA EEIO database and apply the commodity emissions factors.

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

848

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

As described in C5.1b, in 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. Emissions from waste generated in operations are one of the calculations that are now calculated internally with support from the new software. We collect all waste and recycling weight data and apply U.S. EPA emissions factors.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

4146

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

As described in C5.1b, in 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. Emissions from business travel are one of the calculations that are now calculated internally with support from the new software. We collect all spend data and apply Quantis emissions factors.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

5865

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

As described in C5.1b, in 2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. Emissions from employee commuting are one of the calculations that are now calculated internally with support from the new software. We collect the total number of employees and remote employees per country data and apply U.S. EPA emissions factors.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

464637

Emissions calculation methodology

Other, please specify (Products that directly consume energy (fuels or electricity) during use)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We developed a product portfolio emissions calculator tool, which estimates product life emissions based on a set of assumptions for each product category. The assumptions include product life (in years), number of uses per year, and energy per use (kWh or fuel volume). These assumptions are combined with appropriate emission factors. We use the electric grid emission factor for the sold-to country for cord and battery products. We use standard emission factors for each fuel type (gasoline, diesel, or LPG) for internal combustion products. We also include an indirect emission factor, which represents indirect emissions required for wastewater treatment, water use, and maintenance activities. The indirect emissions factor is based on Life Cycle Assessment data for a representative product (T300). The indirect emissions factor is adjusted up or down based on relative product category complexity or simplicity. S&P Global has verified our calculated 2022 emissions for the use of sold products.

In developing the product portfolio emissions calculator tool, we used sales/service machine life data and hour-meter and IRIS® usage frequency data. This data comes directly (or indirectly) from our customers. Our reported Scope 3 – Category 11, use of sold products emissions do not include intermediate products or reconditioned equipment.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Based on the screening assessment of emissions from this category, we determined it is not relevant. We will assess materiality at least once every five years, and if the relevance changes, we will calculate emissions from this category.

C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	Yes	<p>We have a science-based target (SBT) for Scope 3 – Category 11, Use of sold products emissions. We developed a product portfolio emissions calculator tool to establish this target and for verification by the Science Based Targets initiative (SBTi). The tool estimates product life cycle carbon emissions based on a set of assumptions for each product category. Assumptions include product life (in years), number of uses per year, and energy per use (kWh or fuel volume). These assumptions are combined with appropriate emission factors. We use the electric grid emission factor for the sold-to country for cord and battery products. We use standard emission factors for each fuel type (gasoline, diesel, or LPG) for internal combustion products. We also include an indirect emission factor, representing the indirect emissions required for wastewater treatment, water use, and maintenance activities. The indirect emissions factor is based on Life Cycle Assessment (LCA) data for a representative product (T300). The indirect emissions factor is adjusted up or down based on relative product category complexity or simplicity.</p> <p>Using this tool, we calculate and report the carbon emissions of every product we sell if the product's use-phase carbon emissions are material.</p> <p>We have also used this tool when responding to customer requests on the emissions of specific products and on competitive tenders when carbon emissions are considered. The frequency of customer requests for this product level detail increases yearly.</p> <p>PE International (now Sphera) performed an in-depth LCA for the T300 product (see C-CG6.6a for more detail). Through this LCA, we learned that customer use is the most significant life cycle impact phase for our products, as is typical for capital goods type products. Quantifying impacts and relative impact measurements from this LCA have been the basis for significant action over the 2015-2021 period, including driving sustainability strategies for new product development projects.</p> <p>We have also assessed, through LCA, the environmental impacts of returned, used products which become an input to our reconditioned equipment (RECON) business. In this case, we used the T300 baseline LCA model and combined it with several reconditioning scenarios.</p>

C-CG6.6a

(C-CG6.6a) Provide details of how your organization assesses the life cycle emissions of its products or services.

	Products/services assessed	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	Representative selection of products/services	Cradle-to-grave	GHG Protocol Product Accounting & Reporting Standard Other, please specify (GaBi software)	<p>We have performed several Life-Cycle Assessments (LCAs) with business partners EcoForm and PE International (now Sphera).</p> <p>Product and technology LCAs include ec-H2O™, ec-H2O NanoClean®, water recycling system concepts, and the T300 machine.</p> <p>When we make product environmental marketing claims based on an LCA, we make that LCA public information. Company-specific examples include:</p> <p>LCA for ec-H2O™ is available here: https://www.tennantco.com/content/dam/tennant/tennantco/products/Innovations/ec-H2O%20Ecoform%20Report.pdf</p> <p>LCA Summary for ec-H2O NanoClean®, available here: https://www.tennantco.com/content/dam/tennant/tennantco/products/Innovations/ec-h2o-nanoclean-ecoform-flyer.pdf</p> <p>The LCA performed on the T300 is representative of a large portion of our product line. We have used the knowledge gained from this LCA in several ways. This includes reorganizing the Sustainability team function in 2016-2017, reallocating resources for dedicated staff to focus on products, and determining where to focus the efforts of the Sustainability Innovation Manager.</p>

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

23.4

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

25575

Metric denominator

Other, please specify (Unit total revenue, in \$M)

Metric denominator: Unit total

1092.2

Scope 2 figure used

Market-based

% change from previous year

1.7

Direction of change

Decreased

Reason(s) for change

Other, please specify (Efficiency projects completed and increased renewable energy purchases, as described in sections C4.3 and C8.2e)

Please explain

Reasons for the 1.7% intensity decrease are efficiency projects completed and increased renewable energy purchases, as described in sections C4.3 and C8.2e.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Australia	1580.59
Belgium	116.31
Brazil	558.18
Canada	682.95
China	227
France	937.21
Germany	1308.26
India	2.28
Italy	1710.49
Japan	2.11
Mexico	336.41
Netherlands	1097.77
Norway	91.16
Portugal	186.59
Spain	630.45
United Kingdom of Great Britain and Northern Ireland	1154.58
United States of America	13956.05

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Americas - North, Central, and South America	15533.6
EMEA - Europe, Middle East, and Africa	7232.82
APAC - Asia Pacific	1811.97

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Australia	97	97
Belgium	8.41	8.41
Brazil	30.92	30.92
Canada	1.69	0
China	638.75	638.75
France	1.15	1.15
Germany	56.18	56.18
India	29.27	29.27
Italy	1526.04	31.61
Japan	27.17	27.17
Mexico	13.13	13.13
Netherlands	581.11	0
Norway	1.85	1.85
Portugal	2.97	2.97
Spain	25.08	25.08
United Kingdom of Great Britain and Northern Ireland	33.9	33.9
United States of America	6171.54	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Americas - North, Central, and South America	6217.29	44.05
EMEA - Europe, Middle East, and Africa	2236.69	161.15
APAC - Asia Pacific	792.19	792.19

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	87.88	Decreased	0.3	$0.3 = (87.88/26009.2) * 100$. Our 2021 market-based Scope 1 & 2 emissions as reported: 26,0109.2 mT CO2e. In June 2022, we invested in an on-site renewable energy project at our manufacturing plant in Limeira, Brazil. 165 solar panels were installed and produced over 52,000 kWh saving an estimated \$21,000 annually on electricity costs. This project reduced the factory's Scope 2 emissions by more than 70%.
Other emissions reduction activities	819.73	Decreased	3.2	$3.2 = (819.73/26009.2) * 100$. Our 2021 market-based Scope 1 & 2 emissions as reported: 26,0109.2 mT CO2e. In 2022, we purchased and applied 6,407.27 incremental RECs and GOs. These additional environmental attribute certificates were applied to our U.S., Canada, The Netherlands, and Italy facilities. We also completed the energy efficiency projects details in C4.3a.
Divestment	0	No change	0	Not applicable for 2022.
Acquisitions	0	No change	0	Not applicable for 2022.
Mergers	0	No change	0	Not applicable for 2022.
Change in output	475.99	Increased	1.8	$1.8 = (475.99/26009.2) * 100$. Our 2021 market-based Scope 1 & 2 emissions as reported: 26,0109.2 mT CO2e. Our 2022 total revenue increased when compared to 2021. This growth is reflected in our Scope 1 emissions, specifically emissions from vehicle fuel consumption and the increase in miles driven by our sales and services teams.
Change in methodology	0	No change	0	Not applicable for Scope 1 & 2 2022 emissions.
Change in boundary	0	No change	0	Not applicable for 2022.
Change in physical operating conditions	0	No change	0	Not applicable for 2022.
Unidentified	0	No change	0	Not applicable for 2022.
Other	0	No change	0	Not applicable for 2022.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Increased

C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Purchased goods and services

Direction of change

Decreased

Primary reason for change

Other emissions reduction activities

Change in emissions in this category (metric tons CO2e)

26780

% change in emissions in this category

17.19

Please explain

-17.19% = $(129,015 - 155,795) / 155,795$. FY2021 Scope 3 – Category 1 emissions were 155,795 mT CO2e. For FY2022, an external consultant calculated our Scope 3 – Category 1 emissions using proprietary data sources from other clients and an EEI-O model. Based on increased GHG disclosure from their other clients, they could incorporate more disclosed data and use less modeled data. Combined with the overall trend of more companies measuring their environmental impact and GHG emissions, our Scope 3 – Category 1 emissions decreased.

Capital goods

Direction of change

Increased

Primary reason for change

Change in output

Change in emissions in this category (metric tons CO₂e)

1740

% change in emissions in this category

240.66

Please explain

$240.66\% = (2,463 - 723)/723$. FY2021 Scope 3 – Category 2 emissions were 723 mT CO₂e. For FY2022, our business activities returned to more normal levels compared to FY2021 and the continued impacts of the global pandemic. As a result, our capital expenditures increased and increased our Scope 3 – Category 2 emissions.

Upstream transportation and distribution

Direction of change

Increased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO₂e)

60712

% change in emissions in this category

241.75

Please explain

$241.75\% = (85,826 - 25,114)/25,114$. FY2021 Scope 3 – Category 4 emissions were 25,114 mT CO₂e. In FY2022, we increased our spend on upstream transportation and distribution by more than 10%. Additionally, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. This transition will increase the transparency of our GHG emissions calculations and allow for more quality control. This software's GHG emissions calculation methodologies are aligned with best management practices, including the Greenhouse Gas Protocol. We have updated our emissions factors accordingly based on the sources of emissions factors in the new software. This resulted in an increase in our Scope 3 – Category 4 emissions.

Waste generated in operations

Direction of change

Increased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO₂e)

777

% change in emissions in this category

999

Please explain

$1094.37\% = (848 - 71)/71$. FY2021 Scope 3 – Category 5 emissions were 71 mT CO₂e. In FY2022, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. This transition will increase the transparency of our GHG emissions calculations and allow for more quality control. Historically this consultant modeled our Scope 3 – Category 5 emission instead of modeling it. This software's GHG emissions calculation methodologies are aligned with best management practices, including the Greenhouse Gas Protocol. We have updated our emissions factors accordingly based on the sources of emissions factors in the new software. For these reasons, our Scope 3 – Category 5 emissions increased. Regardless of the 1094.37% change in emissions in FY2022 compared to FY2021, Scope 3 – Category 5 emissions make up less than 1% of our total GHG emissions and do not meet our threshold for a material and relevant Scope 3 category.

Business travel

Direction of change

Increased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO₂e)

3255

% change in emissions in this category

365.33

Please explain

$365.33\% = (4,146 - 891)/891$. FY2021 Scope 3 – Category 6 emissions were 891 mT CO₂e. In FY2022, we increased our spend on business travel. Additionally, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. This transition will increase the transparency of our GHG emissions calculations and allow for more quality control. Historically this consultant modeled our Scope 3 – Category 6 emissions. Our new tool has enabled us to calculate our Scope 3 – Category 6 emissions instead of modeling them. This software's GHG emissions calculation methodologies are aligned with best management practices, including the Greenhouse Gas Protocol. We have updated our emissions factors accordingly based on the sources of emissions factors in the new software. For these reasons, our Scope 3 – Category 6 emissions increased. Regardless of the 365.33% change in emissions in FY2022 compared to FY2021, Scope 3 – Category 6 emissions make up less than 1% of our total GHG emissions and do not meet our threshold for a material and relevant Scope 3 category.

Employee commuting

Direction of change

Decreased

Primary reason for change

Change in methodology

Change in emissions in this category (metric tons CO₂e)

2818

% change in emissions in this category

32.45

Please explain

-32.45% = (5,865 - 8,683)/8,683. FY2021 Scope 3 – Category 7 emissions were 8,683 mT CO₂e. In FY2022, we continued to maintain hybrid and flexible work agreements across the organization. Additionally, we invested in and implemented new software to help streamline our emissions and other ESG data collection and management process. With this new software, we are transitioning from having a consultant with proprietary calculations and data sources and bringing this work internally. This transition will increase the transparency of our GHG emissions calculations and allow for more quality control. This software's GHG emissions calculation methodologies are aligned with best management practices, including the Greenhouse Gas Protocol. We have updated our emissions factors accordingly based on the sources of emissions factors in the new software. For these reasons, our Scope 3 – Category 7 emissions decreased.

Use of sold products

Direction of change

Decreased

Primary reason for change

Other emissions reduction activities

Change in emissions in this category (metric tons CO₂e)

31602

% change in emissions in this category

6.37

Please explain

-6.37% = (464,637 - 496,239)/496,239. FY2021 Scope 3 – Category 11 emissions were 496,239 mT CO₂e. In FY2022, we continued electrification of our products (selling fewer fossil-fuel using internal combustion products as compared to electric), and global grids are getting cleaner on average (meaning emission factors are trending downwards and bringing our total emissions with them). For these reasons, our Scope 3 – Category 11 emissions decreased.

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	34.92	112329.86	112364.78
Consumption of purchased or acquired electricity	<Not Applicable>	21166.27	2679.83	23846.1
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	52.2	<Not Applicable>	52.2
Total energy consumption	<Not Applicable>	21253.39	115009.69	136263.08

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable for 2022.

Other biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable for 2022.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

34.92

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This comes from 1,290.27 gallons of bioethanol (E85) consumed in 2022 by some of our fleet vehicles.

Coal

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable for 2022.

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Not applicable for 2022.

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

45313.71

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This comes from natural gas consumed in our facilities for heating and process use.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

67016.15

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This comes from diesel, gasoline, and liquid propane consumed in 2022 by our fleet vehicles and manufacturing processes.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

112364.78

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This is the sum of all our renewable fuels, non-renewable fuels, and natural gas used in our manufacturing facilities and fleet vehicles.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	52208	52208	52208	52208
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

13781.27

Tracking instrument used

US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

13,781.27 RECs certified by the North American Renewables Registry.

Country/area of low-carbon energy consumption

Netherlands

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7385

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Norway

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

7,385 GOs Retired via certiq Registry.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Australia

Consumption of purchased electricity (MWh)

131.17

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

131.17

Country/area

Belgium

Consumption of purchased electricity (MWh)

64.21

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

56.65

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

120.86

Country/area

Brazil

Consumption of purchased electricity (MWh)

232.29

Consumption of self-generated electricity (MWh)

52.21

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

114.07

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

398.57

Country/area

Canada

Consumption of purchased electricity (MWh)

67.71

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

467.37

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

535.08

Country/area

China

Consumption of purchased electricity (MWh)

1025.29

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

977.36

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2002.65

Country/area

France

Consumption of purchased electricity (MWh)

21.19

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]21.19

Country/area

Germany

Consumption of purchased electricity (MWh)

157.03

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

342.15

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]499.18

Country/area

India

Consumption of purchased electricity (MWh)

42.11

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]42.11

Country/area

Italy

Consumption of purchased electricity (MWh)

5651.99

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

7013.2

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]12665.19

Country/area

Japan

Consumption of purchased electricity (MWh)

58.63

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

58.63

Country/area

Mexico

Consumption of purchased electricity (MWh)

35.28

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

35.28

Country/area

Netherlands

Consumption of purchased electricity (MWh)

1850.08

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

4416.48

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6266.56

Country/area

Norway

Consumption of purchased electricity (MWh)

451.5

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

17.02

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

468.52

Country/area

Portugal

Consumption of purchased electricity (MWh)

19.7

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

19.7

Country/area

Spain

Consumption of purchased electricity (MWh)

165.95

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

165.95

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

175.3

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

268.27

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

443.57

Country/area

United States of America

Consumption of purchased electricity (MWh)

13696.69

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

31908.6

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

45605.29

C-CG8.5

(C-CG8.5) Does your organization measure the efficiency of any of its products or services?

	Measurement of product/service efficiency	Comment
Row 1	Yes	We measure the efficiency and energy use of all sold products where we have design control as part of our science-based draft target for Scope 3 – Category 11, Use of sold products. We quantify the carbon emissions of sold products to track progress toward this target. We also closely assess and review our equipment's energy-consuming components, subsystems, and actions. This work is integral to all new product development projects. In December 2022, Tennant Company committed to becoming net-zero by 2040 and submitted draft near-and long-term company-wide greenhouse gas reduction targets to SBTi for validation.

C-CG8.5a

(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Category of product or service

Other, please specify (Mechanized equipment for cleaning industrial and commercial floors)

Product or service (optional)

New equipment is sold by several main brands (Tennant, Nobles, Alfa, VLX, IPC, and Gaomei) with hundreds of different product models.

Product model examples include Tennant T16, Tennant S20, Nobles S300, Alfa A140, Alfa Fox, VLX 838R, IPC CT90, IPC PT15, IPC CT71, Gaomei GM50B, Gaomei S-1900, etc.

% of revenue from this product or service in the reporting year

2.4

Efficiency figure in the reporting year

9400

Metric numerator

watt-hour

Metric denominator

unit hour worked

Comment

Efficiency is reported in units of mT CO2 / Hour Work

The boundary for this group includes legacy Tennant, IPC, and Gaomei products, including third-party products.

We have this data for every product model, it is calculated by understanding the average power draw of each machine over a given time period. This can then be used to calculate metric tons of CO2 emitted based on region. That level of breakdown is nearly 10,000-line items, given the breadth of our product lines. It is not practical to include that information in the CDP response. We share such information with customers on request and as part of competitive tenders when the information is desired. The frequency of customer requests for this level of detail increases each year. This response is for a standard configuration T7 as an example.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

89

Metric numerator

Renewable electricity

Metric denominator (intensity metric only)

Total electricity purchased in MWh

% change from previous year

3.2

Direction of change

Increased

Please explain

The total renewable energy increased in 2022 due to energy efficiency projects being implemented, which decreased our overall electricity usage from fossil fuels, in addition to the solar project at our Brazil factory.

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	<p>Tennant Company strives to design our products with an enhanced focus on repair, serviceability, replacement of parts, recycling, and recovery of materials and help to close the loop on the lifecycle of our products. We have a long history of innovation, creating solutions that help our customers improve and clean the spaces we all share. We are committed to offering sustainable solutions that help our customers clean spaces more effectively, reduce waste, and improve the safety of those who operate our machines.</p> <p>We make significant investments in R&D every year, and our annual investment is approximately 3% of sales. We manage the opportunity associated with developing and expanding lower emissions products and services through our R&D investment and by embedding sustainability into our new product design (NPD) process.</p> <p>Tennant strives to offer products that can provide measurable sustainability improvements. These initiatives are implemented during product development and tracked throughout design until the machine reaches the customer. At the launch of a product, our product development teams look back to understand what targets were achieved.</p> <p>This process is controlled by specific requirements stated within our product development strategy. Engineering and product development teams meet to discuss opportunities to achieve sustainability criteria and address customer needs. In 2022, Tennant focused on stability and recovery from the COVID-19 pandemic, and no additional products were launched with defined sustainability goals.</p> <p>Product development sustainability goals are core to our product strategy and will continue to be a focus in the future. As we implement our new sustainability framework, we will be undertaking a concentrated effort to revamp our sustainability goal-setting process within product development. This will include specific development metrics that directly apply to our ambitious goals, including our commitment to achieve net zero by 2040. We will partner with our customers to increase the energy efficiency of our portfolio and offer solutions that will eliminate GHG emissions during the product's use phase. We will continue to invest in electrification innovations and focus on product circularity in the design process.</p>

C-CG9.6a

(C-CG9.6a) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Technology area

Unable to disaggregate by technology area

Stage of development in the reporting year

<Not Applicable>

Average % of total R&D investment over the last 3 years

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

32700000

Average % of total R&D investment planned over the next 5 years

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

The R&D investment figure in the reporting year is the total cost of all research and development expenses in 2022. Project-level investment is confidential information. We make significant R&D investments yearly, and our annual investment is approximately 3% of sales. We manage the opportunity associated with developing and expanding lower emissions products and services through our R&D investment and by embedding sustainability into our new product design (NPD) process. In December 2022, Tennant Company signed SBTi's Net Zero letter of commitment and submitted draft near- and long-term targets to be validated. These draft targets include a target to deeply cut our Scope 3 emissions, including emissions from the use of our sold products.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2023 (FY22) S&P Global Assurance Statement.pdf

Page/ section reference

page 1

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2023 (FY22) S&P Global Assurance Statement.pdf

Page/ section reference

Page 1

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2023 (FY22) S&P Global Assurance Statement.pdf

Page/ section reference

Page 1

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

2023 (FY22) S&P Global Assurance Statement.pdf

Page/section reference

Page 1

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

64.66

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C7. Emissions breakdown	Year on year change in emissions (Scope 3)	AA1000AS Type 2 moderate-level assurance	Category 11, Use of sold products year-on-year change in emissions, was verified by S&P Global Sustainable1. GHG Scope 3 – Use of sold products (2021) - on page 1 of attachment: 2022 (FY2021) S&P Global Assurance Statement Scope 3 – Category 11, Use of sold products is the largest portion of our value chain carbon footprint. Prior year (2020), Use of sold products emissions were verified as 464,637 mT CO2 by S&P Global. See attachment: "2022 (FY2021) S&P Global Assurance Statement" Reporting year (2021) emissions were also verified as 496,239 mT CO2. See attachment: "2022 (FY2021) S&P Global Assurance Statement." The year-on-year change in Use of sold products emissions is calculated using these verified 2021 and 2020 figures. 496,239 – 464,637 = 31,602 mT CO2. The resulting 31,602 mT CO2 year-on-year absolute change is a 6.4% year-on-year decrease.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Other carbon tax, please specify (UK Climate Change Levy (CCL))

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Other carbon tax, please specify

Period start date

January 1 2022

Period end date

December 31 2022

% of total Scope 1 emissions covered by tax

Total cost of tax paid

3671.45

Comment

The UK Climate Change Levy (CCL) is a carbon tax applied to our business. The CCL is applied to natural gas and electricity used at our UK locations. In 2022, the additional cost was 2,970 GBP (* 1.123618 USD average 2022 exchange rate = 3,671.45 USD). This cost was quantified by examining invoice detail and total energy consumption and multiplying it by the tax rate on GOV.UK (<https://www.gov.uk/guidance/climate-change-levy-rates>).

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

For systems we are regulated by, we comply by paying carbon taxes as a cost of business. Carbon taxes currently apply to some portions of our global business. We do not track carbon taxes paid separately in each country where we operate. These taxes are not always easy to identify individually; some are indirectly passed on to end-users. One example of a carbon tax directly applied to our business is The UK Climate Change Levy (CCL). The CCL is applied to natural gas used at our UK locations. In 2022, the additional cost for natural gas due to CCL was 2,970 GBP (* 1.123618 USD average 2022 exchange rate = 3,671.45 USD). This cost was quantified by examining invoice detail and total energy consumption and multiplying it by the tax rate on GOV.UK (<https://www.gov.uk/guidance/climate-change-levy-rates>).

For systems we anticipate being regulated by, our strategy is to continue to monitor emerging regulations around carbon market mechanisms, including carbon pricing and carbon taxes, to address the externalized costs from the use of fossil fuels. We expect this trend to continue across the global economy. The impact these emerging regulations may have on the Company is a potential increase in fossil-fuel energy costs and the emissions they generate if comprehensive carbon market mechanisms are implemented throughout the global economy. To mitigate this impact, we monitor our energy use and implement activities to reduce energy consumption and CO2 emissions. These activities include investing in energy efficiency and reduction projects and sourcing energy from renewable sources. We also partner with our utilities, facility, operation managers, and other relevant associations to keep current on potential regulations, rules, and rate changes.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of a carbon tax

Other, please specify (Given that our facilities located in the UK are already subjected to a carbon tax, the climate change levy, we used that tax rate for our internal price on carbon)

Objective(s) for implementing this internal carbon price

Change internal behavior

Drive energy efficiency

Identify and seize low-carbon opportunities

Other, please specify (Quantify risk)

Scope(s) covered

Scope 1

Scope 2

Scope 3 (upstream)

Scope 3 (downstream)

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Static

Indicate how you expect the price to change over time

<Not Applicable>

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

0

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

0

Business decision-making processes this internal carbon price is applied to

Risk management

Opportunity management

Mandatory enforcement of this internal carbon price within these business decision-making processes

No

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

We have used an internal price of carbon to quantify risk and understand the full potential impacts of our energy use changes. Our risk management process is described in C2.2.

Current and emerging regulations are relevant and always included in our annual ERA (C2.2a). Given that our facilities in the UK are already subjected to a carbon tax, the climate change levy used that tax rate for our internal price on carbon. In 2022, GO.UK 2022 tax rates for electricity (£/\$ per kilowatt hour (kWh)) were 0.00775/0.00958, and for gas (£ per kWh) were 0.00568/0.00702.

Using these rates, for FY2022, we estimate the total costs of our Scope 1, 2, and 3 GHG emissions at more than \$57 million, which is well beyond Tennant's definition of a substantive financial impact (C2.1b).

The results of this analysis inform our 2022 sustainability strategy refresh, our commitment to becoming net zero by 2040, and our draft near- and long-term company-wide greenhouse gas reduction targets that have been submitted to SBTi for validation.

To mitigate this impact, we have invested in energy efficiency and emissions reduction projects as well as renewable energy (C4.3a). Additionally, we have invested in new technologies and products that can reduce our customer's emissions and related risks. We use Life Cycle Assessments to quantify environmental impacts, including carbon emissions (C-CG6.6).

We have qualitatively and quantitatively considered carbon prices in long-term capital investments. This aided decision-making, especially for larger facility projects. In 2022, we invested in an on-site renewable energy project at our manufacturing plant in Limeira, Brazil. In June, 165 solar panels were installed and produced over 52,000 kWh of energy, which will save an estimated \$21,000 annually on electricity costs. This project reduced the factory's Scope 2 emissions by more than 70%. Overall, the project has an estimated three-and-a-half-year return on our investment and is an essential first step in reducing GHG emissions from our operations.

C3.3, C3.4, and C.5, describe how climate-related risks and opportunities influence our financial planning, including capital allocation and spend.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Other, please specify (Environmental aspects in supplier code of conduct)

Details of engagement

Other, please specify (Sustainability and ESG criteria, including climate-related topics, are incorporated into our supplier code of conduct.)

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

19

Rationale for the coverage of your engagement

Sustainability and ESG criteria, including climate-related topics, are incorporated into our supplier core expectations (https://www.tennantco.com/en_us/about-us/suppliers.html). We expect our suppliers to adhere to this policy and maintain the highest ethical standards, with particular attention to corporate citizenship and sustainability. 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 (https://www.tennantco.com/en_ca/about-us/corporate-citizenship/ethics-and-business-conduct.html) and Human Rights Policy (https://www.tennantco.com/en_ca/blog/2021/12/human-rights-policy.html). Our Supplier Core Expectations policy establishes expectations for our suppliers in forced labor and human trafficking, child labor, discrimination, reasonable working conditions and wages, anti-corruption, compliance, and reporting.

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

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

Impact of engagement, including measures of success

To measure the impact and success of this engagement, Tennant Company tracks annual Scope 3 emissions as detailed in C6.5 and strives to reduce emissions throughout our value chain. To drive emissions reductions, our Global Strategic Supply teams assess potential suppliers, and this assessment includes sustainability and climate-related questions, which state that Tennant Company is engaged in and open to new opportunities to reduce our environmental impact throughout our value chain. We may have a different supplier engagement strategy depending on the material group and/or the supplier. We intend to work collaboratively with our suppliers to find efficiency gains that can be applied across multiple products. Also, in 2022, the Company completed an updated materiality assessment and a refresh of our sustainability strategy framework. The supply and value chain is an integral part of this new framework. We looking forward to activating this new strategy in 2023 and beyond.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)
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% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

64.66

Please explain the rationale for selecting this group of customers and scope of engagement

Tennant Company's Scope 3 – Category 11, Use of sold products is the largest portion of our value chain emissions. As such, we recognize the importance of engaging with all customers and increasing awareness around how our products can help them reduce their environmental impacts, including carbon emissions. We broadly communicate our product and technology environmental advantages through all sales channels.

Each product sold comes with an operator manual through which we provide essential product information to customers (100% of customers are covered). The specific information in the manuals depends on the product. Still, they generally provide information on safe use and how to minimize the environmental impact, such as proper waste disposal and battery maintenance.

Our Sales and Service teams are our primary method for engaging with and educating customers. They are the first to receive sustainability or climate-related questions and are provided educational opportunities (annual sales meeting) and have access to educational resources, including the brochures listed below, to help respond to these questions. The teams also partner with the Sustainability team, who is a resource to assist with responding to customers' questions and can provide educational opportunities as needed. Sales and Services teams receive emails to inform them of details on newly released products and updates to any sales collateral.

Another way we engage with our customers is through the "Tennant Environmental Responsibility Brochure" that identifies which of our products have third-party certifications, such as Green Seal, and which products may contribute to LEED points. We update this regularly to ensure it has the most up-to-date information and is available on the sustainability page on our website: https://www.tennantco.com/en_us/about-us/sustainability.html.

Our sustainability webpage also has a "Lithium-ion Battery Recycling Program" guide to help customers responsibly manage the lithium-ion batteries from their machines. https://www.tennantco.com/en_us/about-us/sustainability.html

Impact of engagement, including measures of success

One way we measure the success of our customer engagement is by tracking our total Scope 3 – Category 11, Use of sold products emissions, which is 71.8% of total Scope 3 emissions (C10.1c). Specifically, our goal is to reduce emissions from the use of sold products by 45% by 2030.

Another way we measure the success of our customer engagement strategy is by evaluating the sales of our most popular eco-advantaged products. For example, Tennant Company's detergent-free ec-H2O™ technologies and products help customers achieve significant environmental footprint reduction, including avoiding carbon emissions. We have used the Life Cycle Assessment model results to show our customers how ec-H2O can provide significant carbon emission reduction, among other environmental benefits. We consider this product family a tremendous success. It continues to produce both environmental impact reductions and significant revenue and profit contributions to our business. Since the introduction of ec-H2O™ in 2008, our customers' cumulative carbon emission reduction has been more than 127,000 mT CO2. In 2021 alone, our customers made the decision to purchase our products with the ec-H2O™ technology over 5,000 times, which will help those customers avoid more than 10,200 mT of greenhouse gas emissions over the use phase of the products.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Tennant Company Paris Agreement.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Engagement activities are governed by Tennant Company's internal policy, Political Contributions and Public Policy Activities. This policy specifically states that the Company engages only "in public policy activities where there are legal and support issues that directly affect our business objectives and protect or enhance the interests of our stakeholders."

The Company's current sustainability strategy, which includes climate-related issues, included a materiality assessment that identified and prioritized environmental, social, and governance issues and opportunities based on our business objectives as well as the interests of our stakeholders.

In addition to this policy, another consideration for engagement activities is whether the organization's mission is consistent with our vision, business strategies, and stewardship guiding principle, which is as follows: "We will use our core value of stewardship to guide our actions. We are accountable to our colleagues, customers, investors, and communities. We care for one another and work together for our mutual safety." Additionally, the organization is evaluated to see if it is focused on sustainability issues, including climate change. These considerations in our engagement process have led us to partner with many organizations that educate and advocate for responsible energy and resource use and other changes which benefit the environment.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (American Association of Cleaning Equipment Manufacturers (AACEM))

Is your organization's position on climate change policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

ISSA works to educate member companies and society on environmental issues like air quality and climate change. ISSA also advocates for green cleaning, which results in carbon emission reduction. Many ISSA members, including Tennant Company, have ambitious carbon-reduction targets. AACEM and ISSA have not taken an explicit position on climate change.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

3300

Describe the aim of your organization's funding

Tennant is a member of the AACEM and pays annual membership dues. Our objective is to support their mission to promote public awareness, professionalism, industry-wide safety standards, and education for the advancement of the cleaning equipment industry. AACEM is a subsidiary of the International Sanitary Supply Association (ISSA). ISSA advocates for green cleaning, and as a result, the outcomes of our membership could influence policy, law, or regulation related to green cleaning, which in turn impacts the climate.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is not aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding

U.S. Green Building Council

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

0

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Tennant has been a member of the U.S. Green Building Council since 2006, and we have pre-paid a long-term membership that is valid until 2028. Our objective is to support their mission to transform how buildings are designed, constructed, and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life. Also, incorporate their practices and principles into our facility operations, construction, and renovation practices. USGBC supports green building regulations, policies, and practices. As a result, the outcomes of our membership could influence policy, laws, or regulations related to green buildings, which in turn impacts the climate.

Additionally, several Tennant products can earn project points in the USGBC's Leadership in Energy and Environmental Designs (LEED) rating system. Details of these products are outlined in the "Tennant Environmental Responsibility Brochure." We update this regularly to ensure it has the most up-to-date information and is available on the sustainability page on our website: https://www.tennantco.com/en_us/about-us/sustainability.html.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

2022-(FY21)-Sustainability-Report-Final (7).pdf

Page/Section reference

Governance pg. 40
 Strategy pg. 9 - 12
 GHG emissions pg. 18 - 23
 Other metrics pg. 11 - 12

Content elements

Governance
 Strategy
 Emissions figures
 Emission targets
 Other metrics

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

2023 (FY22) S&P Global Assurance Statement.pdf

Page/Section reference

Pages 1 – 2. Our organizational response to climate change and GHG emissions performance is regularly made public here:
<https://investors.tennantco.com/reports/sustainability-report/default.aspx>

Content elements

Governance
 Strategy
 Risks & opportunities
 Emissions figures
 Emission targets
 Other metrics

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

2023 (FY22) S&P Global Scope 3 Report - Public Version.pdf

Page/Section reference

pg. 9

Content elements

Emissions figures

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C Race to Zero Campaign UN Global Compact We Mean Business	Our role within these initiatives is part of our commitment to the Science Based Target initiative's (SBTi) Net Zero Standard.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, but we plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization’s activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

United States of America

Name of the biodiversity-sensitive area

Allegan State Game Area & Kalamazoo River (Galesburg to Saugatuck)

Proximity

Up to 50 km

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Our facility in Holland, MI, has offices and manufacturing and distribution of our products.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Not assessed

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

<Not Applicable>

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

Italy

Name of the biodiversity-sensitive area

Venice Lagoon

Proximity

Up to 50 km

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Our facilities around Venice, Italy, have offices and manufacturing and distribution of our products.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Not assessed

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

<Not Applicable>

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

Belgium

Name of the biodiversity-sensitive area

Durme en Middenloop Van de Schelde

Proximity

Up to 25 km

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Our facility in Belgium is our EMEA headquarters and has offices.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Not assessed

Mitigation measures implemented within the selected area

<Not Applicable>

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

<Not Applicable>

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
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C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President & CEO	Chief Executive Officer (CEO)