



CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf

UK Carbon Reduction Plan Disclosure

Publication date: September, 2024

Commitment to achieving Net Zero

Tennant Company is committed to achieving Net Zero emissions by 2040.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2021	
Additional Details relating to the Baseline Emissions calculations.	
Tennant Company has set a baseline year of 2021, which aligns with our SBTi-Validated Net-Zero by 2040 goal. Our emissions reporting aligns with the GHG Protocol's Corporate Accounting & Reporting Standard. The emissions documented on the Carbon Reduction Plan (both for the baseline year and current reporting year) are market based, and include Scope 3 categories: 1, 2, 4, 5, 6, 7, and 11. Scope 3 categories not included were evaluated but deemed immaterial for our business – this includes category 9. Emissions are reported a global entity level.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	24,106
Scope 2	1,904 (Market Based)
Scope 3 (Included Sources)	717,902
Total Emissions	743,912 (Market Based)

Current Emissions Reporting

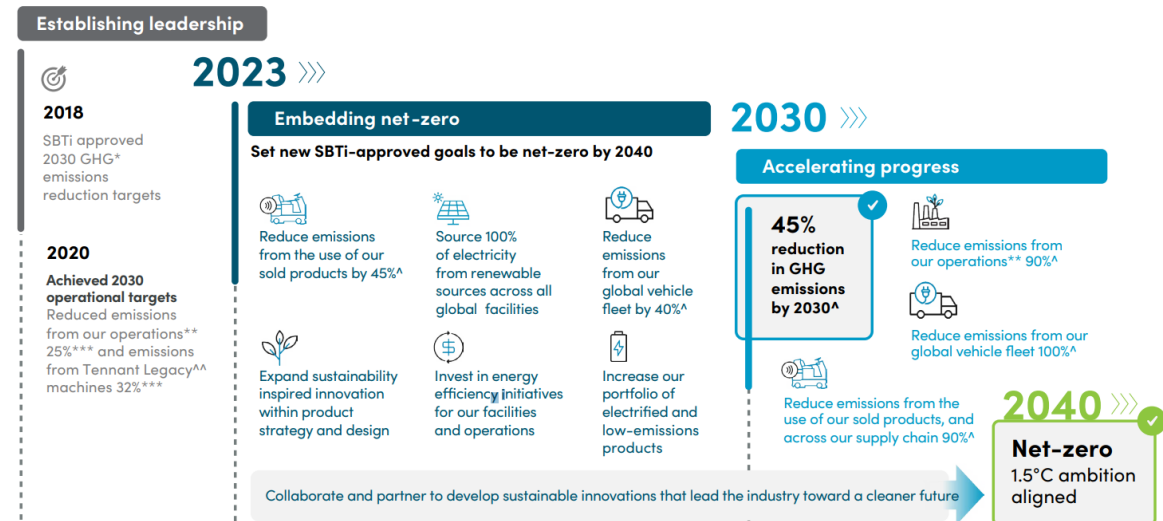
Current Reporting Year: 2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	21,802
Scope 2	837 (Market Based)
Scope 3 (Included Sources)	696,710
Total Emissions	719,349

Emissions reduction targets

Tennant Company established near- and long-term Company-wide net-zero targets utilizing SBTi’s Net-Zero Standard. In 2023, these targets underwent SBTi’s validation process and were approved. Tennant Company commits to reach net-zero greenhouse gas emissions across the value chain by 2040 from a 2021 base year. Near-Term Targets Tennant Company commits to reduce absolute scope 1 and 2 GHG emissions 45% by 2030 from a 2021 base year. Tennant Company also commits to reduce absolute scope 3 GHG emissions from use of sold products 45% within the same timeframe. Long-Term Targets Tennant Company commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2040 from a 2021 base year. Tennant Company also commits to reduce absolute scope 3 GHG emissions from purchased goods and services and use of sold products 90% within the same timeframe.

Tennant Company Net-Zero goals apply to our global footprint, including our UK facilities. Tennant Company UK operations emissions account for less than 5% of our total Scope 1 and 2 emissions.

[Our roadmap to net-zero](#)



*Greenhouse gas emissions | ** Scopes 1 and 2 | *** 2016 baseline year | ^2021 baseline year | ^^ Tennant Legacy is defined as Tennant Company before the IPC acquisition in 2017 and Gaomei acquisition in 2019.

Our progress is reported annually in our Corporate Sustainability Report. Additional information can be found [here](#). Relevant tables for our emissions reduction progress can be seen below:

Near-term net-zero target: reduce scope 1 & 2 GHG emissions 45% by 2030*

Scope 1 and 2 GHG emissions	2023	2022**	2021 base year	Unit
Scope 1 GHG emissions	21,802.1	23,237	24,105.6	mT CO2e
Scope 2 (market-based) GHG emissions	837.4	1,357	1,903.6	mT CO2e
Combined scope 1 and 2 (market-based) GHG emissions	22,639.5	24,594	26,009.2	mT CO2e
Change in scope 1 and 2 (market-based) GHG emissions from 2021 baseline	-13%	-5%	-	Percentage

*Tennant Company reports based on operational control method outlined in the GHG Protocol Corporate Standard

Scope 3 GHG emissions inventory*

Scope 3 Category	2023	2022	2021	Unit	Scope 3 (%)	Materiality**	
UPSTREAM	1: Purchased goods and services	148,202	129,015	155,795	mT CO2e	21.3%	Material, calculated
	2: Capital goods	4,160	2,463	723	mT CO2e	0.6%	Not material, calculated
	3: Fuel- and energy-related	-	-	-	-	-	Not material, not calculated
	4: Upstream transportation and distribution	64,842	85,826	33,515	mT CO2e	9.3%	Material, calculated
	5: Waste generated in operations	1,026	604***	71	mT CO2e	0.1%	Not material, calculated
	6: Business travel	2,495	4,146	1,037	mT CO2e	0.4%	Not material, calculated
	7: Employee commuting	2,201	5,865	10,764	mT CO2e	0.3%	Not material, calculated
	8: Upstream leased assets	-	-	-	-	-	Not material, not calculated
DOWNSTREAM	9: Downstream transportation and distribution	-	-	-	-	-	Not material, not calculated
	10: Processing of sold products	-	-	-	-	-	Not material, not calculated
	11: Use of sold products	473,784	477,149***	515,997***	mT CO2e	68.0%	Material, calculated
	12: End-of-life treatment of sold products	-	-	-	-	-	Not material, not calculated
	13: Downstream leased assets	-	-	-	-	-	Not material, not calculated
	14: Franchises	-	-	-	-	-	Not material, not calculated
	15: Investments	-	-	-	-	-	Not material, not calculated
Combined material and calculated scope 3 emissions		696,710	705,068	717,902	mT CO2e	100%	

*Tennant Company reports based on operational control method outlined in the GHG Protocol Corporate Standard

**Materiality based on 1% threshold relative to total scope 3 emissions inventory. Not material, calculated categories are relevant to other strategic priorities. Not calculated categories were determined to be not relevant due to the nature of the Company and its business activities

***Reference GRI disclosure 2-4 for restatement information

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021 baseline.

- In 2023, Tennant Company completed the SBTi validation process for our Net-Zero by 2040 near- and long-term targets and were approved. Using the SBTi guidance, Tennant Company has established a plan to reduce our overall emissions by 90% (SBTi-defined Net-Zero, from a baseline year of 2021). These initiatives will be implemented over the course of our Net-Zero journey.
- We have increased our renewable energy production by investing in on-site solar panels at our manufacturing facility in Brazil. 2023 was the first full year of operation. Tennant Company is also investing in on-site solar at our manufacturing facilities in Italy, planned to be operational in 2024.
- To achieve our net-zero by 2040 targets, we will reduce emissions from our global vehicle fleet 40% by 2030 and 100% by 2040. In 2023, we established an impact area workstream team dedicated to reducing emissions from our global vehicle fleet. The team identified areas to incorporate electric vehicles into our fleet, initiated a refresh of our fleet management policies, and began developing other driver behavior initiatives to help further reduce emissions. In 2023, GHG emissions from our global fleet decreased by 8% from 2021.

In the future, we plan on continuing our efforts in these areas, as well as driving innovation into our products to reduce the impact of our Use-Phase emissions.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with Tennant Company's Net Zero plan, which we believe complies with the standard set forth in PPN 06/21, and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵ for Scopes 1 and 2.

Scope 1 and Scope 2 emissions have been reported in accordance with GHG Reporting Protocol, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁶.

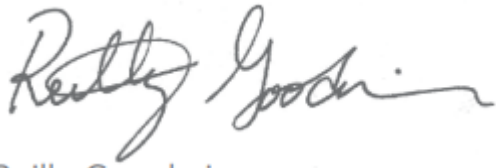
Tennant's Board of Directors has reviewed and signed off on Tennant's SBTi Net -Zero plan (December, 2022), which we believe substantially/materially complies with the UK Carbon Reduction Plan. Tennant's Board of Directors and Senior Management Team review the plan and progress against goals annually.

⁴<https://ghgprotocol.org/corporate-standard>

⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶<https://ghgprotocol.org/standards/scope-3-standard>

Signed on behalf of Tennant Company:

A handwritten signature in black ink, reading "Reilly Goodwin". The signature is written in a cursive style with a large initial "R" and a long horizontal stroke at the end.

Reilly Goodwin

Sr. Director of Sustainability and ESG
& Vice President, Tennant Foundation

Date: 09/17/2024