



# Progress Powered by Sustainable Performance

Lead Sustainably

2022 SUSTAINABILITY REPORT



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*Ingersoll Rand employees (front cover, top from left): Sherrita Swann, Kelly Dye, Gary Marek (inner circle from left): Ingersoll Rand employees: Jessi Culbertson | Kevin Leal-Cisneros (left) and Johnny Senn (right)*

## WELCOME TO OUR 2022 SUSTAINABILITY REPORT

# Chairman and CEO Message

### DEAR STAKEHOLDERS,

**Welcome to our 2022 Sustainability Report. This report serves as a testament to the remarkable efforts of our dedicated team and their unwavering commitment to driving sustainability throughout our organization. We have made substantial strides integrating Environmental, Social and Governance (ESG) principles into our core business strategies, and I am proud to say that sustainability has become deeply ingrained in our corporate identity.**

*“While broad-based ownership is not currently recognized by ESG rating agencies as an important social initiative, we are leading the movement to ensure all employees can participate in the value created by stock ownership. To that end, we have awarded over \$275M in equity to our employees since 2017, which has increased to nearly \$590M in value as of March 31, 2023. We also continue to offer our **Ownership Works Program** that grants equity to all new employees after their one year anniversary.<sup>1</sup> We believe engaged employees with an ownership mindset create long-term shareholder value.”*



**Vicente Reynal**

Chairman, President and Chief Executive Officer

<sup>1</sup>Employees must be full time and have one year of service to be eligible. Not available to employees who participate in the company's management equity program or where prohibited by local law or regulation or where such grant is required to be bargained for with an employee union unless such grant is agreed to as part of such bargaining.

### CONTINUOUS IMPROVEMENT

We have made significant progress in establishing ourselves as a top quartile ESG company. Building on this success, we have raised the bar even higher in 2022 and set a new goal to be recognized among the top decile within our industry. We are well on our way to achieving this new goal. In fact, in 2022, we were acknowledged for our industry-leading sustainability efforts by being named to both the Dow Jones Sustainability World Index (DJSI World) and the Dow Jones Sustainability North America Index (DJSI North America). Ingersoll Rand was ranked as the number one performer in the IEQ Machinery and Electrical Equipment industry in North America and number four globally in 2022.

Furthermore, as of April 2023, Ingersoll Rand received an ESG Risk Rating of 12.8 from Morningstar Sustainalytics, and was ranked second in the Machinery Industry Group, which places our company in the 1st percentile in the Machinery Industry Group and in the 6th percentile of all rated companies.

Our inclusion in the DJSI, the reduction of our risk profile with Sustainalytics, and the improvement of our rating with MSCI from A to AA in 2022, are clear indicators of our steadfast commitment to sustainable leadership. We are immensely proud to be acknowledged for the progress we have made and are grateful for the recognition. However, we know our journey is just beginning. In fact, just recently, we reiterated our dedication to achieving net-zero emissions across Scope 1 and 2 by 2050 by committing to the Science Based Targets Initiative (SBTi). Over the next two years, we will work diligently on developing a comprehensive plan that aligns with the SBTi's rigorous standards.

### PIONEERING IN OWNERSHIP

While broad based ownership is not currently recognized by ESG rating agencies as an important social initiative, we are leading the movement to ensure all employees can participate in the value created by stock ownership. To that end, we have awarded over \$275M in equity to our employees since 2017, which has increased to nearly \$590M in value as of March 31, 2023. We also continue to offer our **Ownership Works Program** that grants equity to all new employees after their one year anniversary.<sup>1</sup> We believe engaged employees with an ownership mindset create long-term shareholder value.

### LEADING SUSTAINABLY

In 2022, we introduced “Lead Sustainably” as our updated strategic imperative to acknowledge that sustainability for us is about both growth and operations.

Sustainability is one of the key megatrends that we believe will help drive our future growth as we (i) supply our customers with energy efficient products that help them achieve their Scope 1 and 2 greenhouse gas (GHG) reduction goals and (ii) focus our commercial efforts on high-growth sustainable end markets.

We have also made great strides with respect to our own operations, and we are firmly on track to meet our 2030 goals for GHG emissions, water, waste, and safety.

- **GHG:** In 2022, we achieved a reduction of 16.3% in GHG emissions (Scope 1 and 2), which is 27% progress towards our 60% GHG reduction from the 2020 baseline.
- **Water:** We realized a reduction of 8.7 million gallons (6.1%) from prior year, representing 36% of our 2030 goal of 17% reduction from the 2020 baseline. We expect to meet this goal seven years early by the end of 2023.
- **Waste:** Twenty-five additional sites (13% of our total) achieved zero waste to landfill, bringing our total to 65 and achieving 68% of our 2030 goal from the 2020 baseline.
- **Safety:** Our Total Recordable Incident Rate (TRIR) was 0.69 at the end of 2022, which is 71% better than the Industrial Machinery Manufacturing average based on U.S. Department of Labor data. We are building a long-lasting culture of safety where employees are speaking up about risk and resolving hazards in the workplace. Over 13,000 near-misses and safety concerns were recognized and corrective actions put in place in 2022, to make our workplaces and working conditions at our customer sites safer. Our Behavior-Based Safety coaches make numerous safety observations and engage in dialogue with our employees in the field and factories to share positive work practices and identify risk reduction opportunities.

WELCOME TO OUR 2022 SUSTAINABILITY REPORT CONTINUED

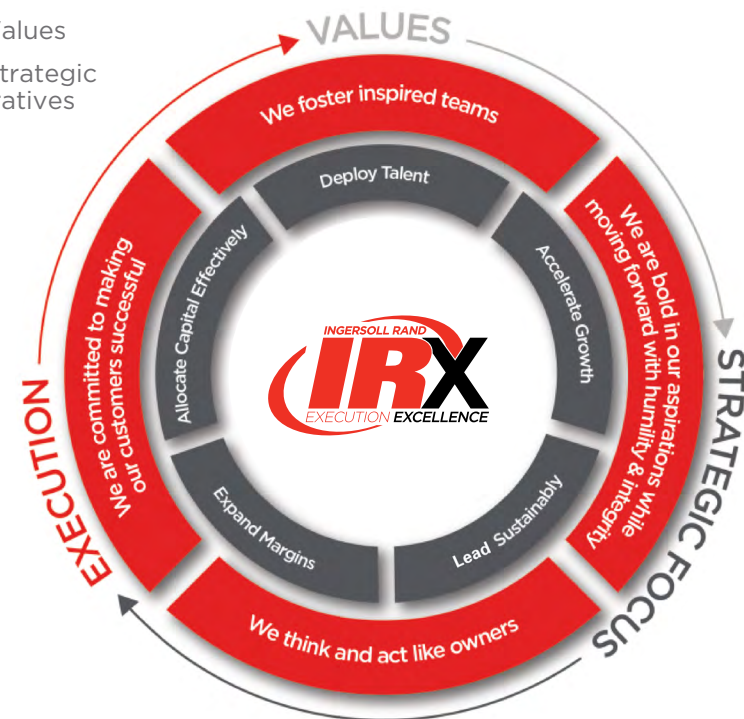
FOSTERING A DIVERSITY, EQUITY, AND INCLUSION CULTURE

At Ingersoll Rand, we are passionately committed to creating an inclusive workplace that cultivates a sense of belonging, empowerment and respect for all of our employees across the globe. We aspire to be a Diversity, Equity, and Inclusion (DE&I) leader within our industry that mirrors the communities and customers we serve. We leverage DE&I to exceed our business goals, attract and retain the best talent, and address today’s global challenges.

EXECUTION DRIVING PROGRESS

Sustainability is fully embedded in every element of our economic model and decision-making processes. In 2022, we continued to leverage our competitive differentiator—Ingersoll Rand Execution Excellence (IRX™)—to fuel our performance and power our purpose of Making Life Better for our employees, planet, customers and shareholders. Over 300 teams across the globe engage in weekly Impact Daily Management (IDM) meetings to improve processes, integrate new acquisitions, design products, and develop programs and initiatives to reach our stated ESG goals.

- Our Values
- Our Strategic Imperatives



I am extremely proud of the progress we have made towards our sustainability goals. With our clearly defined roadmaps to 2030 and beyond, we are on pace to exceed our sustainability goals through the use of IRX and focused actions of our more than 17,000 employee owners that make up the community of Ingersoll Rand around the world.

I extend my heartfelt appreciation to our employees, customers, partners, and shareholders for their invaluable contributions to our ESG journey. Your support and engagement are instrumental in driving our progress and realizing our vision of a more sustainable future.

Together, we will continue to make a meaningful difference in the world, creating a legacy that benefits generations to come. Thank you for your unwavering support and belief in our shared mission.

Sincerely,

Vicente Reynal

Chairman, President and Chief Executive Officer

PURPOSE AND VALUES

Driven by an entrepreneurial spirit, Ingersoll Rand is dedicated to Making Life Better for our employees, planet, customers, and shareholders. Customers lean on us for our technology-driven excellence in mission-critical flow creation and industrial solutions. We offer a wide range of products and services across more than 50 respected brands. Through a commitment to expertise, productivity and efficiency, our employees develop customers for life.

OUR PURPOSE

Making Life Better

For our Employees    For our Planet    For our Customers    For our Shareholders

OUR VALUES

- We think and act like owners
- We are committed to making our customers successful
- We are bold in our aspirations while moving forward with humility and integrity
- We foster inspired teams

## 2022 YEAR IN REVIEW



### LEAD SUSTAINABLY

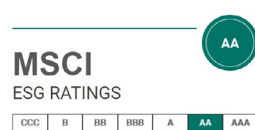
Safety Total Recordable Incident Rate<sup>1</sup>

# 71%

BETTER THAN THE INDUSTRIAL MACHINERY MANUFACTURING AVERAGE

ESG Score<sup>2</sup>

# AA



FROM A TO AA

**1,300+ suppliers enrolled to our supplier sustainability platform**, which represents ~80% of our total annual direct material spend

100% of new product development programs utilize our **Design for Sustainability (DfS) checklist** as of March 2023

ESG Score<sup>3</sup>

# 82

Member of **Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA

# #1

IN NORTH AMERICA

# #4

IN THE WORLD

MEMBER OF DJSI WORLD AND MEMBER OF DJSI NORTH AMERICA; AS OF FEB 17, 2023, INGERSOLL RAND RANKED AS THE #1 PERFORMER IN THE IEQ MACHINERY AND ELECTRICAL EQUIPMENT INDUSTRY IN NORTH AMERICA AND #4 GLOBALLY.

Low Risk Score<sup>4</sup>

# 12.8



FROM 23.5 (MEDIUM RISK) TO 12.8 (LOW RISK)

# #2

IN THE WORLD WITHIN THE MACHINERY INDUSTRY

Solar Locations

# 14



MANUFACTURING SITES POWERED BY ONSITE SOLAR

Green Energy

# 19

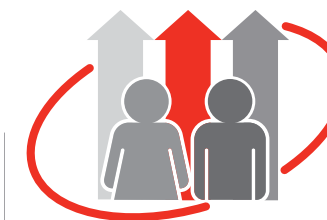
LOCATIONS HAVE CONTRACTS IN PLACE FOR THE PURCHASE OF GREEN ENERGY

GreenX Teams

# 35

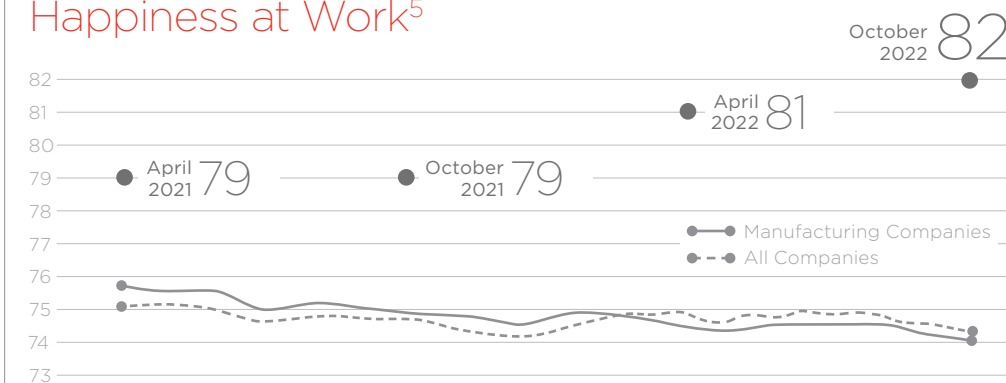


FOCUSED ON REDUCING ENERGY, WATER AND WASTE TO REACH OUR OPERATIONAL GOALS



### DEPLOY TALENT

Happiness at Work<sup>5</sup>



% OF EMPLOYEES ANSWERING FAVORABLY TO THE QUESTION "HOW HAPPY ARE YOU WORKING AT INGERSOLL RAND?"

Employee Ownership

# \$590M

AWARDED APPROXIMATELY \$275 MILLION IN EQUITY TO OUR EMPLOYEES SINCE 2017, WHICH HAS INCREASED TO NEARLY \$590M IN VALUE AS OF MARCH 31, 2023.

<sup>1</sup> Average Total Recordable Incident Rate (TRIR) for all Industrial Machinery Manufacturing companies in 2021 (most recent data available) was 2.4 according to the U.S. Bureau of Labor Statistics. At the end of 2022, Ingersoll Rand's TRIR was 0.69.

<sup>2</sup> The use by Ingersoll Rand of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Ingersoll Rand by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided "as-is" and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

<sup>3</sup> Receipt of an S&P Global ESG Score does not represent a sponsorship, endorsement or recommendation on the part of S&P Global to buy, sell or hold any security and a decision to invest in any subject company should not be made based on the receipt of any such note. S&P, S&P Global, and the S&P Global logo are trademarks of S&P Global Inc. or its subsidiaries, registered in many jurisdictions worldwide.

<sup>4</sup> As of April 2023, Ingersoll Rand received an ESG Risk Rating of 12.8 from Morningstar Sustainalytics, ranking it second in the Machinery industry group, which places it in the 1st percentile for its industry. This risk rating also places Ingersoll Rand in the 6th percentile of all companies rated by Morningstar Sustainalytics. This risk rating is based on information and data developed by Sustainalytics and is proprietary to Sustainalytics and/or its third party suppliers and is provided for informational purposes only. The risk rating does not constitute an endorsement of any product or project, nor an investment advice and the information upon which it is based is not warranted to be complete, timely, accurate or suitable for a particular purpose. The use of the risk rating is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>. In no event shall this risk rating be construed as investment advice or expert opinion as defined by any applicable legislation or otherwise.

<sup>5</sup> Employee engagement survey from third-party provider Glint, who administers the survey and provides comparable employee engagement survey figures.

2022 YEAR IN REVIEW CONTINUED



**ACCELERATE GROWTH**

Grew Organic<sup>1</sup> Orders

11%

YEAR-OVER-YEAR

**Delivered double-digit growth** in both orders and revenue on a year-over-year basis

**Doubled e-Commerce Revenue** over two years 2020 to 2022

**Doubled Marketing Qualified Leads** over two years 2020 to 2022

Introduced New Products

>100

WITH SUSTAINABLE ATTRIBUTES

Grew Organic<sup>2</sup> Revenue<sup>3</sup>

16%

YEAR-OVER-YEAR

Delivered IIoT-Ready Products and Services

19%

OF TOTAL REVENUE, OUTPACING 2022 AND 2023 TARGETS

Granted Patents<sup>4</sup>

172

IN 2022. 1,800+ TOTAL ACTIVE PATENTS



**EXPAND MARGINS**

Expanded Adjusted EBITDA Margins<sup>3</sup>

120bps

IMPROVEMENT IN 2022

Expanded Adjusted EBITDA Margins<sup>3</sup>

470bps

IMPROVEMENT SINCE 2019<sup>5</sup>

**\$265M in cost synergy savings** delivered since the Gardner Denver and Ingersoll Rand transaction

**Over 300 weekly Impact Daily Management (IDMS)** supporting Ingersoll Rand's IRX process



**ALLOCATE CAPITAL EFFECTIVELY**

Invested

\$800M

IN 12 ACQUISITIONS WHICH WE EXPECT TO GENERATE MORE THAN \$300 MILLION IN REVENUE IN 2023<sup>4</sup>

Returned to Shareholders

\$294M

THROUGH \$262M IN SHARE REPURCHASES AND \$32M IN DIVIDENDS

Paid Down

\$656M

IN DEBT

<sup>1</sup> Organic Order Growth is defined as reported order growth excluding the impacts of foreign currency and acquisitions.

<sup>2</sup> Organic Revenue Growth is defined as reported revenue growth excluding the impacts of foreign currency and acquisitions.

<sup>3</sup> Non-GAAP metric. For definitions and reconciliations of non-GAAP metrics to respective GAAP measures, see Annex A at the end of our 2022 Annual Report.

<sup>4</sup> Includes the acquisition of SPX Flow's Air Treatment business which closed on January 3, 2023.

<sup>5</sup> Comparison to 2019 is based on Supplemental Adjusted Revenue and Supplemental Adjusted EBITDA, which are non-GAAP metrics described in Annex A at the end of our 2022 Annual Report.

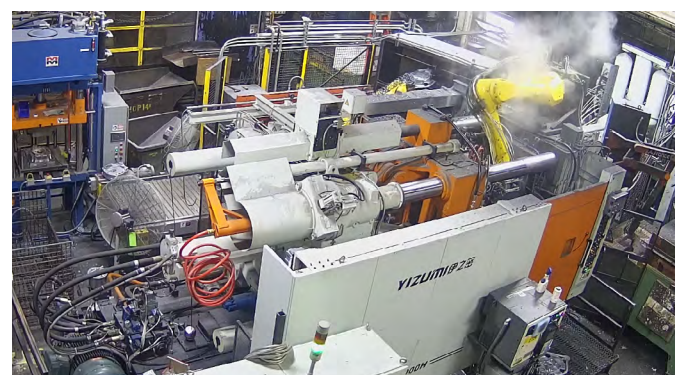
## AWARDS AND RECOGNITION

### RoSPA Gold Award



MB Air received the 2022 RoSPA Gold Award. RoSPA Gold Award winners have achieved a very high level of performance, demonstrating well-developed occupational health and safety management system and culture, outstanding control of risk, and very low levels of error, harm and loss.

### U.S. Department of Energy Award



Better Project and Better Practice Awards—U.S. Department of Energy.

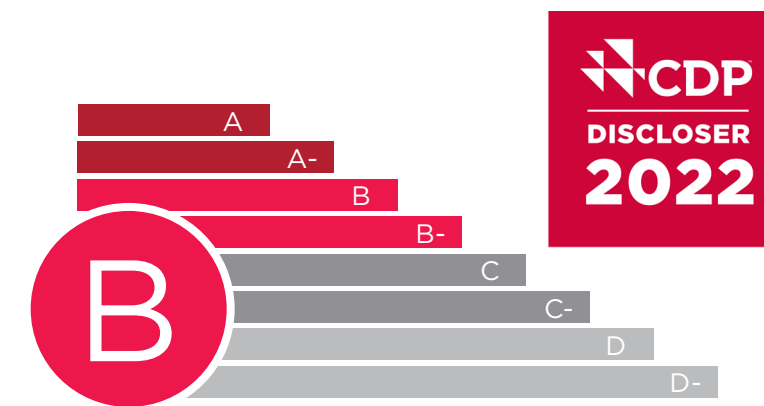
We are proud to share that our Sheboygan, Wisconsin, facility has been awarded the 2023 Better Project and Better Practice Award for its Aluminum Die Casting Water Reduction Project.

### ARO's EVO Series Electric Diaphragm Pump wins "Product of the Year" at the 2023 Pump Industry Awards



Recognized as the most innovative pump introduced into the market in the last 24-months, the EVO's design and features provide all the benefits of air operated diaphragm pumps, plus the efficiency and control of positive displacement pumps.

### CDP



Ingersoll Rand received a B rating for Climate Change disclosures in 2022. This score is above average in the Powered Machinery Industry in North America and globally.

### Top 100 Influential Latinos



Our chairman and CEO Vicente Reynal was named one of the top 100 influential Latinos on the Bloomberg Línea list in 2022. The list celebrates Latino leaders that drive value and innovation ideas and positively contribute to their industry and society. We congratulate Vicente on this well-deserved nomination and are proud to have him leading the Ingersoll Rand team with such purpose and dedication.

### North Carolina Department of Labor



Our Mocksville, NC plant received the Million-Hour Award from the North Carolina Department of Labor in 2022.

The NC Department of Labor's Safety Awards Program recognizes private and public firms throughout the state that achieve and maintain good safety records. The program is designed to stimulate interest in accident prevention and to promote safety in the workplace by providing an incentive to employers and employees to maintain a safe and healthful workplace.

### EcoVadis



Silver status earned Ingersoll Rand a spot in the top 25% of all EcoVadis subscribers.

### UNGC



United Nations Global Compact

Ingersoll Rand has been a participant in the United Nations Global Compact since July 2022.

## STRATEGIC IMPERATIVES

# Lead Sustainably

We have five strategic imperatives powering our progress. One of these, Lead Sustainably, was unveiled in 2022 and encompasses our commitment to sustainability with respect to both accelerated growth and our own operations. We firmly believe that by leading the way in sustainability, we provide value to our shareholders, establish Ingersoll Rand as the preferred supplier for our customers, foster a sense of purpose and inspiration among our employees, and make a positive impact on the planet.



“Witnessing our ownership culture in action is truly inspiring, as our employees act intentionally and collaboratively to develop sustainable products and services for our customers and solve complex decarbonization challenges within our operations and supply chain. Our story places sustainability as a core priority, aiming to generate enduring long-term value while prioritizing the safety of our employees and customers. Our future is bright!”

Mary Betsch, Vice President, Sustainability

### STRATEGIC IMPERATIVES



Deploy Talent



Accelerate Growth



Lead Sustainably



Expand Margins



Allocate Capital Effectively

### LEAD SUSTAINABLY

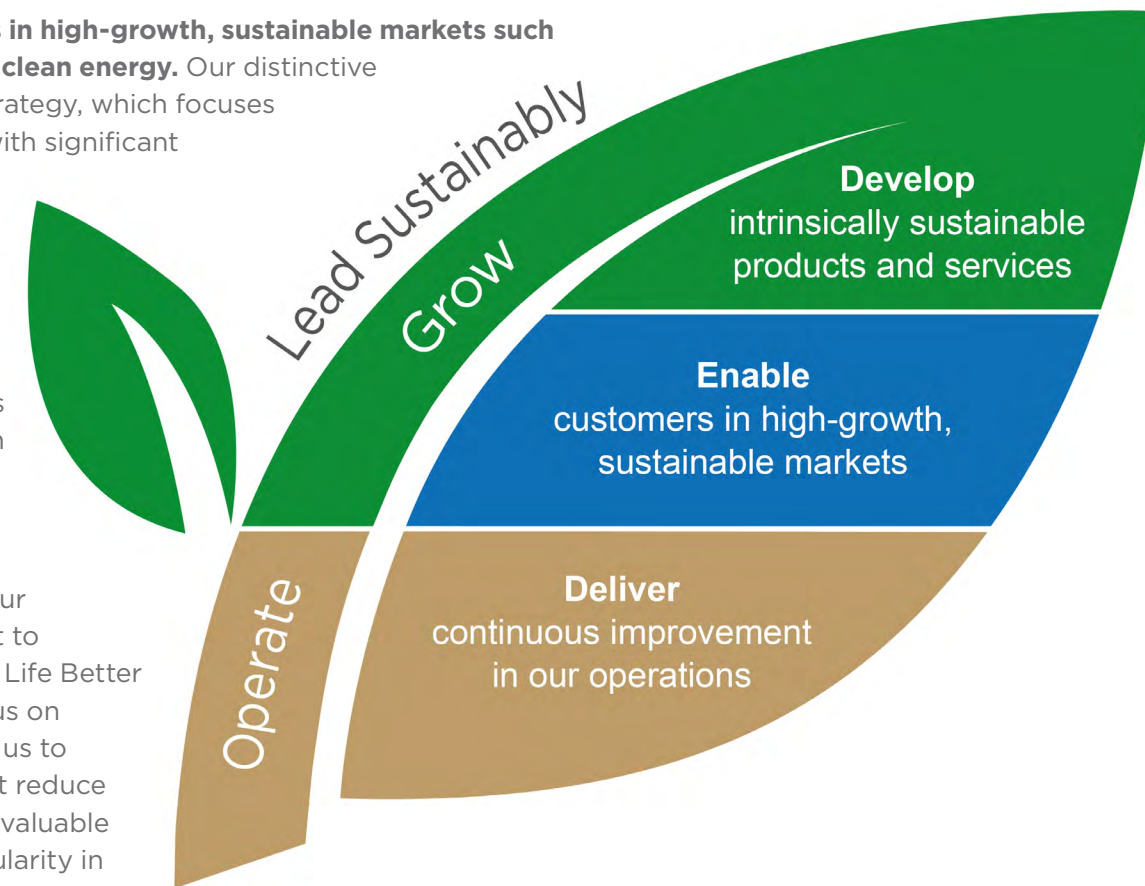
**Grow Sustainably** encompasses two clear and compelling growth paths:

**Products and Services: Innovative development of intrinsically sustainable products that deliver efficiency, circularity and safety to customers across all markets and regions.** In 2022, we introduced our DfS process for new product introductions. This will help us launch new products that continue to meet our customers’ efficiency, circularity and safety needs. In fact, in 2022, over 100 new products were launched with sustainable attributes.

The demand for sustainable products is rapidly increasing, and we are already experiencing significant growth in this area. Looking ahead, we anticipate that sustainable products will contribute over 25% of our total revenue by 2030.

**Markets: Supporting customers in high-growth, sustainable markets such as food, life science, water and clean energy.** Our distinctive advantage lies in our vertical strategy, which focuses on promising growth markets with significant potential for value creation and enduring resilience throughout economic cycles. Additionally, our ability to proactively identify and acquire companies operating within these market ecosystems further strengthens our position for success.

**Operate Sustainably** reflects our unwavering, authentic commitment to run our business in ways that Make Life Better for all of our stakeholders. Our focus on environmental stewardship has led us to implement innovative solutions that reduce our carbon footprint and conserve valuable resources. We have embraced circularity in our operations, striving to minimize waste and maximize the efficient use of materials throughout their lifecycle.





## INTRINSICALLY SUSTAINABLE PRODUCTS AND SERVICES

# Delivering More, Using Less

The first pillar of our Grow Sustainably strategy encompasses intrinsically sustainable products and services that deliver measurable environmental and safety benefits to our customers.

We define intrinsically sustainable products and services as delivering one or more of the following outcomes:



### Efficiency

Efficient products reduce the amount of electricity consumed while delivering equal or greater flow or performance. Reducing electricity means customers reduce their Scope 2 emissions, helping them achieve their decarbonization goals.



### Circularity

We offer solutions that conserve natural resources such as water, minerals, and metals. Moreover, we strive to use natural resources more thoughtfully and help eliminate waste by extending the useful life of equipment and facilitating component reuse and recycling.



### Safety

We deliver products that protect the health and safety of our customers' associates. This includes technicians, operators, engineers, assemblers, and other personnel who install, operate, maintain, and interact with our equipment at manufacturing or service sites around the world.



## PRODUCT DESIGN AND INNOVATION

# Responsibly Designed, Thoughtfully Executed

**Sustainability is a design imperative that is reflected at numerous points in the lifecycle of our products and services. Extensive work completed in March 2022 provided us with an assessment of our Scope 3 use-phase GHG emissions, totaling approximately 175 Million Metric Tons CO<sub>2</sub>e in our baseline year of 2020, and an understanding of the contributions to these emissions of each major product platform in the portfolio.**



*“Ingersoll Rand is embracing the challenge and opportunity of sustainability with the full commitment of our resources and capabilities as a global industry leader. Our Grow Sustainably strategy starts with the most important needs of our customers and our planet and results in the delivery of differentiated sustainable products and services, as well as application-specific solutions for critical markets such as clean energy and water.”*

*Mike Medaska, Vice President, Corporate Strategy*

### UNIQUELY POSITIONED TO PROVIDE SUSTAINABLE PRODUCTS

We leverage the unique strengths of our company and the people within it to deliver sustainable products and services to our industrial customers:

**An innovative and market-leading portfolio** of air and liquid flow creation and handling products

**1,800+ active patents**, many of which relate to energy efficiency, safety, and other sustainability elements

**>2,000 mechanical, electrical, and software designers and engineers** focused on developing innovative technologies

**A system-level approach** to performance optimization

### ADOPTING DESIGN FOR SUSTAINABILITY AS A DESIGN PRINCIPLE

With the goal of reducing the carbon footprint of our products, we have adopted DfS as a critical principle of our new product and service development processes. We define DfS as an approach that establishes the well-being of people and the sustainability of the environment as critical when developing new products or service offerings. The product and service design phase is crucial because the sustainability potential of the offering is often “locked in” based on the choices made by the development team.

### DESIGN FOR SUSTAINABILITY PILOT PROGRAMS

In 2022, we completed two pilot programs for DfS. The first project, led by our Industrial Technologies and Services segment team, evaluated options to improve the sustainability of our Ingersoll Rand brand rotary screw compressor airends through design, manufacturing, and materials choices. The second project, led by our Precision and Science Technologies segment team based in India, considered multiple paths to improve the sustainability of our Milton Roy brand side entry mixer product line including nature-inspired impeller designs and more stringent supplier selection. Following these pilots and in partnership with a leading sustainability consultancy firm, we developed “standard work” for DfS.

Beginning in Q1 2023, all new product development (NPD) programs at Gate 0, 1, or 2 across the enterprise will complete a DfS review during which each team will consider, among other things:

- Product functional and performance requirements
- Component and equipment energy efficiency
- Options to extend the product lifespan
- Recommended maintenance intervals
- Options for increased use of sustainable or recycled raw materials
- Ability to disassemble, recycle, and reuse components
- Elimination of inefficient or unnecessary processing and assembly procedures
- Supplier locations and associated transport emissions

This work is sponsored by our VP Sustainability and VP Corporate Strategy and executed through a network of DfS Champions across the company, each of whom serves in a senior engineering, product, or strategy leadership capacity. To facilitate the adoption and ongoing improvement of the standard work, the DfS team expects to build an extended network throughout 2023.

## PRODUCT AND SYSTEM EFFICIENCY

# Ensuring Energy Efficiency

### MAXIMIZING RESULTS WITH LESS ENERGY

Improving energy efficiency is the single biggest unmet need of our customers and a significant growth opportunity for Ingersoll Rand.

### COMPRESSED AIR SYSTEMS

Commonly referred to as the fourth utility, compressed air systems are ubiquitous and vital to the economy. Almost 70% of all manufacturing sites use compressed air<sup>1</sup> and approximately 5 million industrial air compressors<sup>2</sup> are currently installed around the world. Depending on the technology and environment, these compressors have a useful life of between seven and 30 years.<sup>2</sup>

### OPERATIONAL IMPACTS

- Compressed air systems can consume up to 30% of electricity in a manufacturing facility<sup>1</sup>
- The annual electricity cost to operate a compressor can equal or exceed its initial purchase cost
- Compression involves energy loss to heat and friction
- Systems degrade from leaks, moisture, and over-cycling
- Demand for air changes with increased production or plant expansion

<sup>1</sup> U.S. Department of Energy.

<sup>2</sup> Management estimate.

### SUSTAINABILITY CHALLENGES

- Air systems are complex with multiple supply and demand considerations
- Systems are not well instrumented or regularly monitored
- Users are focused on optimizing their production process, not their utilities

### HELPING CUSTOMERS TO CAPTURE VALUE, EFFICIENTLY

The U.S. Department of Energy and individual state and country mandates are expected to accelerate the demand for more energy-efficient compressors and systems. As a leading compressor manufacturer, Ingersoll Rand has deep expertise in both compressor design and system optimization built through our combined indirect and direct service network. What's more, our Industrial Internet of Things (IIoT) capability provides real-time visibility into compressor performance and optimization.

### POTENTIAL U.S. ENERGY SAVINGS

IMPROVING COMPRESSED AIR SYSTEM EFFICIENCY BY 15% COULD YIELD A SIGNIFICANT ANNUAL IMPACT.<sup>2</sup>

15 \$1.3B

BILLION KWH -  
LESS ELECTRICITY  
CONSUMED

SAVINGS FOR INDUSTRIAL  
CUSTOMERS



Ingersoll Rand Employees: Kyle Osborn and Dianne Osborn, Monroe, Louisiana site

**PRODUCT EFFICIENCY CONTINUED**

**REDUCING OPERATING COSTS AND SCOPE 1 AND 2 EMISSIONS WITH PRODUCT EFFICIENCY**

Across our air, gas, and liquid flow platforms, we provide many innovative solutions to our customers that reduce their GHG emissions footprint and improve their economics.

Examples include:

**AIR AND GAS FLOW PLATFORM**

- High-efficiency oil-free rotary, contact-cooled rotary, and centrifugal compressors
- Dry screw blowers
- High-efficiency vacuum pumps
- Variable frequency drives (VFD)
- Air dryers (refrigerated) with low-GWP refrigerants
- Heat of compression dryers that reuse waste heat
- Energy recovery units
- Air system components (controls, valves) to reduce system losses and save energy
- Electric Q-Drive gas compressors

**LIQUID FLOW PLATFORM**

- Low power-consuming pumps
- Solar-powered injection pumps
- EVO electric-operated positive displacement pumps
- Dosatron water-powered dosing pumps (require no electricity)

**PRODUCTS WITH ENVIRONMENTAL BENEFITS**



**Gardner Denver Ultima Oil-Free Rotary Compressor**

- 13% higher efficiency than the prior generation
- 98% heat recovery
- Lowest unloaded power (<8kW vs. 20kW) vs. Ingersoll Rand and competitors at the time of launch
- Ultra quiet (63 dBA)



**E-Max Turnkey Heat Recovery Unit for Water-Cooled Oil-Free Compressors**

- Recovers 92-94% of otherwise wasted energy from the compression process to heat water for use in other manufacturing processes such as pre-heating boiler feed water or space heating
- Average payback <1 year, improves as electricity prices rise



**Dosatron D30WL Water-Powered Dosing Pump**

- Uses no electricity
- Specifically designed for high-flow drinking water, treatment, and disinfection applications
- Allows fully proportional dosing, regardless of flow and pressure variations



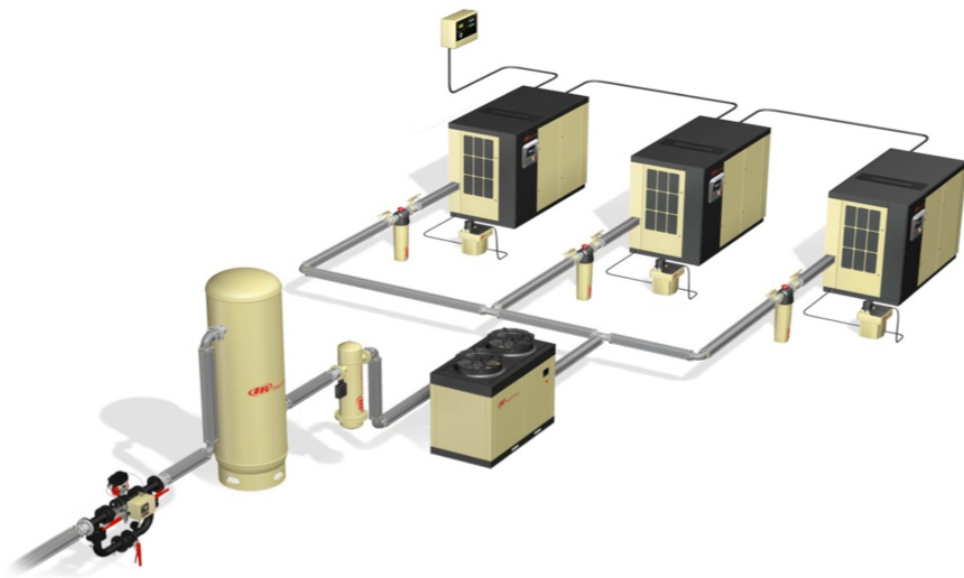
**ARO EVO Electric Diaphragm Pump**

- Innovative design can save more than 20% in energy costs compared with competitive models and technologies
- 400V electric motor eliminates the need for compressed air supply

**PRODUCT EFFICIENCY CONTINUED**

**COMPRESSED AIR SYSTEM EFFICIENCY REPRESENTS A MAJOR OPPORTUNITY FOR GROWTH**

Ingersoll Rand's Air System Assessment process provides customers with an objective and data-driven view of the health and efficiency of their complete compressed air system. Each year, our team of air system experts conducts thousands of assessments, with most resulting in improved uptime, performance, and/or energy efficiency.



**OUR AIR SYSTEM ASSESSMENT PROCESS**

<p>STEP</p> <p><b>1</b> Score</p>	<p>STEP</p> <p><b>2</b> Assess</p>	<p>STEP</p> <p><b>3</b> Implement</p>
<ul style="list-style-type: none"> <li>• Conduct onsite visual walk-through of customer system by a trained auditor</li> <li>• Perform multipoint inspection</li> <li>• Grade Supply Side (A-F) and Demand Side (A-F)</li> </ul>	<ul style="list-style-type: none"> <li>• Instrument machines and system for 7+ days</li> <li>• Measure key attributes</li> <li>• Recommend remediation actions including machine or part replacement, service actions, adjustments to filtration, piping, storage, valves or controls, each with clear return on investment</li> </ul>	<ul style="list-style-type: none"> <li>• Implement remediation actions</li> <li>• Monitor for the achievement of energy reduction, downtime elimination, etc.</li> </ul>

**Air System Optimization Case Studies**

CASE STUDY #1	CASE STUDY #2
<p><b>Saving a Leading Global Consumer Products company &gt;\$250,000 Annually</b></p> <p><b>SITUATION</b></p> <p>A &gt;\$50B leading global consumer products company with a manufacturing site in the United Kingdom was operating four competitive, variable speed drive, rotary compressors to provide air for its process and packaging equipment. The company incurred high annual expenses for electricity and maintenance.</p> <p><b>SOLUTION</b></p> <p>Ingersoll Rand conducted a comprehensive Air System Assessment to identify ways to increase efficiency and recommended the installation of one centrifugal compressor to provide the base load with two rotary machines providing trim capacity.</p> <p><b>RESULTS</b></p> <p>Based on our recommendations, the customer purchased a new Ingersoll Rand centrifugal compressor and PackageCARE agreement. This resulted in an annual savings of &gt;\$250,000 with payback &lt;1 year (at current energy rates) as well as an annual reduction in CO<sub>2</sub>e emissions of 383 metric tons.</p>	<p><b>Eliminating Critical Inefficiencies for a Global Food and Ingredient Manufacturer</b></p> <p><b>SITUATION</b></p> <p>A &gt;\$50B global food and ingredient manufacturer with a processing facility in the Southeastern U.S. was interested in updating the legacy equipment in its compressor room. An Ingersoll Rand competitor was a long-standing incumbent supplier to the company.</p> <p><b>SOLUTION</b></p> <p>An Ingersoll Rand Strategic Account Assessment Engineer conducted a complete Air System Assessment that revealed a 25-psi pressure drop and a collapsed filter in a one-year-old competitive post-filter assembly. This required unnecessary overpressurization of the system, with a significant electricity and GHG emissions impact to the customer.</p> <p><b>RESULTS</b></p> <p>Based on our demonstrated expertise, the customer selected Ingersoll Rand as its new supplier and ordered two rotary screw air compressors, one desiccant dryer, and accessories and signed a five-year PackageCARE agreement on both legacy and new equipment. This win created follow-on opportunities at other plants within the customer's network.</p>

## PRODUCT CIRCULARITY

# Circularity in Our Products and Services

### REDUCING WASTE AND REUSING RESOURCES

Circularity in products and services has emerged as an important concept in today's global economy, driven by the need for sustainable and responsible practices. We believe Ingersoll Rand is at the forefront of fostering circularity in its products and services, prioritizing the efficient use of resources, minimizing waste, and promoting the principles of a circular economy.

### CONSERVING WATER

At Ingersoll Rand, circularity is key to our environmental efforts. Here are four ways our products impact water.

- 1 Products that use less water during their operation
- 2 Products that transfer water more efficiently
- 3 Products that serve water and wastewater processing applications
- 4 Products that do not use water for their operation but replace those that do

<sup>1</sup> Management estimate when compared to the typical solution that is replaced by the RunEco system.

<sup>2</sup> Management estimate when compared to the solutions that were replaced by the current installed base of RunEco systems.

<sup>3</sup> Average U.S. household consumes >300 gallons of water per day (source: epa.gov/watersense).

### INNOVATIVE SOLUTIONS THAT REDUCE WATER USAGE

Through engineering design, product substitutions, and less energy consumption, we reduce the volume of water used by our customers.

How we do it:



#### RunEco Paper Machine Vacuum Blower Systems

- Eliminates the requirement for water in the pulp and paper drying process
- Reduces electricity consumption by ~45% on average<sup>1</sup>
- Water savings: >7.5 billion gallons of water per year is being saved by the current installed base<sup>2</sup>
- Potential for saving >50 billion gallons of water per year with full market adoption; equivalent to the annual water consumption of >450,000 U.S. households<sup>3</sup>



#### Liquid Ring Vacuum Pumps

- Innovative enclosed product design includes a self-contained onboard water recirculation system
- Once filled, requires no additional fresh water

### ENVIRONMENTALLY CONSCIOUS REMANUFACTURING SERVICES

Through remanufacturing and retrofit programs, we extend the life of existing installed equipment, reducing GHG emissions associated with the production of new units, and saving our customers money.

How we do it:



#### Air Compressor Remanufacturing

- Well-established program to rebuild and refurbish legacy machines and components
- Rotary compressor and airend remanufacturing centers located in all regions: Mocksville, North Carolina (USA), Vignate, Italy, and Wujiang, China
- Centrifugal compressor remanufacturing on-site or at Ingersoll Rand sites
- Factory-certified work for customer peace of mind
- Meaningful contributor to global compressor revenue



#### NASH Unit Exchange (UX) Program

- Cost-effective and sustainable alternative to buying new liquid ring vacuum pumps
- Customers save >50% or more of the cost of a new pump
- Environmental benefits: avoids the use of ~3,300 lbs of new cast iron and >850 kWh of electricity per unit
- Significant growth since launch with runway ahead

**PRODUCT CIRCULARITY CONTINUED**
**LIFE CYCLE ASSESSMENT (LCA) AND PRODUCT LABELS AND DECLARATIONS**

As part of our commitment to advancing towards a low-carbon society, we have taken an important step by conducting simplified life cycle assessments (LCAs) on the use-phase of nearly 100% of our manufactured products. These assessments serve as a measurement tool to track our progress towards achieving our 2030 GHG product reduction goal. The LCAs are conducted in alignment with ISO 14040. A small percentage (0.22%) of products have undergone an extensive full LCA. Impacts covered by LCAs include but are not limited to: abiotic depletion, land use, water depletion, ecotoxicity, global warming, ozone depletion and impacts on humans, such as human toxicity. The simplified LCA verified data is covered by the [Assurance Statement](#) delivered by our third party independent global assurance provider.

**RESOURCE EFFICIENCY PRODUCT BENEFITS**

We estimate that a significant majority of our products, ~65%, offer resource efficiency benefits to our customers and consumers during their use-phase. These products contribute to a range of positive impacts, including decreased energy and water consumption, reduced waste generation, lower GHG emissions, pollution reduction, decreased raw material consumption, and increased product durability and longevity.

**END OF LIFE CYCLE RESPONSIBILITY**

Ingersoll Rand actively pursues opportunities to promote circularity through recycling of our products and their components as detailed below.

Product Circularity	2019	2020	2021	2022
% Products sold that can be reused or recycled	33%	70%	72%	75%
Products and materials that were actually reused or recycled by Ingersoll Rand or a third-party contracted for this purpose	2.2%	2.3%	1.2%	1.2%
Financial benefit from take-back programs	\$133M	\$109M	\$63M <sup>1</sup>	\$72M

<sup>1</sup> The substantial decrease in 2021 was due to the divestiture of a business unit (Club Car), which had previously generated a meaningful portion of the financial benefit from remanufactured golf and utility vehicles.

**ENVIRONMENTAL LABELS AND DECLARATIONS**

The following Environmental labels and declarations provide information about our products and solutions in terms of their overall environmental attributes.

Environmental Labels and Declarations	% of Revenues Covered in FY 2022
Type III Environmental Product Declarations (in accordance with ISO 14025 or the European construction standard EN 15804)	0.0%
Type II self-declared environmental claims (in accordance with ISO 14021)	0.0%
Type I or other ecolabels (in accordance with ISO 14024 or independent ecolabels e.g. WWF, national and international labels e.g. energy star, LEED, or accepted industry-specific best practices).	15.1%
<b>Total</b>	<b>15.1%</b>

Type I is a voluntary label developed by a third-party indicating overall environmental performance based on life cycle considerations; Type II is a self-declaration of environmental information by the producer; Type III is an eco-label with quantified environmental data awarded by a third-party and based on verified full life-cycle assessment.

## PRODUCT SAFETY

# Safety is Built Into Everything We Do

**Our pledge to Make Life Better includes protecting those who put their trust in our products. Our mission-critical flow creation and industrial products excel in the most complex and harsh conditions, and our rigorous commitment to product safety helps develop customers for life.**

Ingersoll Rand's Global [Environmental Health and Safety \(EHS\) Policy](#) outlines our formal dedication to ensuring product safety through compliance with applicable regulations, extensive product testing and quality assurance. Each business unit assumes responsibility for managing product safety, overseen by the Unit's Vice President/General Manager who reports directly to the Chairman, President and CEO.

- The business units review emerging regulatory and industry standard changes on an ongoing basis. Any significant impact is socialized to the broader business leadership team for awareness and necessary action.
- The business units conduct product safety risk assessments to protect employees and customers from recognized hazards that are likely to cause physical harm. If a product safety incident occurs, it is escalated to the Unit's Vice President/General Manager, an investigation occurs, and if necessary, a product hold and/or recall is initiated. Product recall/safety bulletins are distributed to affected parties as applicable, when and if any safety-related issue occurs. All incidents are investigated, and swift mitigation actions are implemented.
- The annual goal is always zero incidents and, in 2022, our businesses had zero product safety claims and did not initiate any product safety recalls.

### NEW PRODUCT DEVELOPMENT PROCESS

During the NPD process, businesses assess technical readiness, product safety risks, and evaluate regulations and product safety. Ingersoll Rand also has various third-party approvals to supplement our commitment to product safety. Furthermore, independent third-party inspectors verify compliance with CE and UL regulations by auditing (at a minimum of every three years) various products and components at multiple Ingersoll Rand sites worldwide.

### ISO 9001 CERTIFICATION

A total of 73 Ingersoll Rand manufacturing sites (82% of our total) are ISO 9001 certified, and these sites undergo a rigorous audit every three years. Internal Quality Leaders audit sites routinely to monitor product and service safety performance, and corrective actions are managed within the business's corrective action tracking system.

### PROTECTING OUR CUSTOMERS, EMPLOYEES, OPERATORS, AND TECHNICIANS

By designing safety into our products, we help ensure the health and safety of all technicians, operators, engineers, assemblers, and other personnel who install, operate, maintain, and interact with our equipment at manufacturing or service sites around the world.

#### How we do it:



#### Oil-free air compressors and blowers

eliminate the requirement for oil, keeping the air free of contaminants.



#### ATEX-certified products

Compressors, vacuum pumps, impact wrenches, drills, hoists, and other products offer spark- and explosion-resistance for potentially hazardous environments.



#### Air quality monitoring, testing, and purification

We provide comprehensive systems and services for the analysis and purification of breathing air in order to keep safe first responders, divers and others who rely on breathable air.

**IP**  
Rating

#### Touch-safe control panels

Onboard control panels are rated IP20 for ingress protection against objects larger than 12mm.

**YZ**  
SYSTEMS

#### Natural gas odorization

Systems to inject mercaptan into natural gas streams enable human detection.



#### Ergonomic Tightening System (ETS) tools

Reduce reaction force experienced by operators by up to 63%.

### DESIGN FOR SERVICEABILITY

We engage our air compressor service technicians during the early stages of the product development process to identify and implement opportunities to improve service ergonomics and safety. Custom tooling and special fixtures are available to ensure the safe removal and reassembly of components.



Ingersoll Rand Employee: Tim McLoughlin, Kansas City site



PRODUCT SAFETY CONTINUED

INDUSTRIAL INTERNET OF THINGS (IIOT)

IIoT-ready and connected products enable remote machine health assessments rather than requiring an in-person inspection.



ASSURING BEST PRACTICES

As a market leader, we follow best practices for product design, safety, quality, engineering, and testing published by leading standards and trade organizations, including the below:



HAZARDOUS SUBSTANCE COMMITMENT

A critical aspect of our sustainability commitment as embodied in our [EHS Policy](#) is the reduction or elimination of hazardous substances from our products and within our operations. In line with our commitment, we collaborate with our customers to develop and provide products and services that help meet or exceed their EHS objectives, including a commitment to phase out hazardous substances.

Ingersoll Rand locations have a process to confirm that the following banned substances are not used, sold or stored at the site: asbestos, chlorinated solvents including: methylene chloride (MC), perchloroethylene (PCE), 1,1,1-trichloroethane (1,1,1-TCA), trichloroethylene (TCE), vinyl chloride (VC), cyanide and cyanide-containing compounds and lead, and polychlorinated biphenyls.

PROGRESS ON REFRIGERATED DRYERS

A vivid illustration of our commitment is the phased discontinuation of the use of Refrigerant R404A. This decision is driven by its high global warming potential (GWP) of 3,922. In its place, we have transitioned to R410A, which has a significantly lower GWP of 2,088. This change has allowed us to reduce our GHG emissions of our refrigerated dryers by 47%.

We have transitioned 100% of our large refrigerated dryers (1,800 to 24,000 SCFM flow) to low-GWP refrigerants. We plan to transition all medium refrigerated dryers (200 to 1,600 SCFM) to low-GWP refrigerants by 2024.



Ingersoll Rand Employee: P. Purusoth, Chennai, India site

**HIGH-GROWTH SUSTAINABLE MARKETS**

# Enabling Progress in High-Growth Sustainable Markets

The second pillar of our Grow Sustainably strategy is high-growth sustainable markets. We define high-growth sustainable markets as the set of industries that we expect to grow above Gross Domestic Product levels because they are supported by sustainability megatrends including decarbonization, water conservation, and rising standards of living. We create value for customers in these markets with a product portfolio and application-specific knowledge built on decades of accumulated engineering and commercial experience.



*“Sustainability is fundamental to our industrial compounder model and includes investments to drive organic and inorganic growth. In product and service innovation, our teams are embracing the DfS process, and a significant percentage of our intellectual property portfolio is related to sustainability. On the inorganic side, we continue to acquire companies that enhance and expand our product and service capabilities and enable us to deliver efficiency benefits to customers when they need it. These investments support our customer acquisition and retention initiatives.”*

*Liz Hepding, Senior Vice President, Strategy and Corporate Development*

**MARKETS MEETING THESE CRITERIA INCLUDE, BUT ARE NOT LIMITED TO:**



**Clean Energy**

Enabling the transition to clean, low-carbon and zero-carbon energy



**Food**

Enabling the safe and effective growth processing, packaging and delivery of food and beverages



**Life Science**

Contributing to human health, care, comfort and longevity



**Water**

Facilitating the transport, treatment and protection of water and wastewater resources

**COMPETITIVE ADVANTAGES IN NEW HIGH GROWTH SUSTAINABLE MARKETS**

Our deep application-specific knowledge acquired over decades of experience and our long-standing relationships with key end-users and system/device builders are the basis of our competitive advantage. Additionally, we possess an extensive global channel and Original Equipment Manufacturer (OEM) network, enabling us to cater to both global and small to medium-sized industrial users. Our expansive Demand Generation database, comprising approximately three million contacts, reinforces our reach and influence. Furthermore, our capability to scout and acquire new companies operating within these market ecosystems allows us to continuously expand and adapt to changing demands.

**SUB-SEGMENTS WITHIN TRADITIONAL INDUSTRIES**

We also consider sub-segments within traditional industries, such as electric vehicles within the broader motor vehicle industry, to be a high-growth sustainable market. Given our novel collection of assets and capabilities, we believe we are uniquely positioned to succeed in these markets.

## CLEAN ENERGY

# Advancing Clean Energy

### ENABLING THE TRANSITION TO CLEAN, LOW-CARBON AND ZERO-CARBON ENERGY

We are committed to advancing a responsible economy that provides a sustainable and secure future for everyone.

Our product offering plays a crucial role in supporting decarbonization efforts throughout the energy transition. For **biogas** applications, we provide renewable natural gas (RNG) capture and compression systems, as well as waste grinding and conveyance pumps.

In the **hydrogen sector**, our offerings include hydrogen compressors, vehicle refueling stations, and industrial hydrogen (brown, grey, blue, green) gas compressors. In the **wind energy** sector, we offer high-torque cordless power tools for wind turbine assembly and maintenance, as well as piston pumps for spray-application of turbine blade coatings.

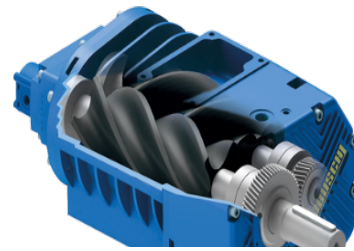
For **solar energy** applications, we provide vacuum pumps for solar photovoltaic panel production and lamination, adhesive dispensing systems for solar panel assembly, and precision cordless power tools for solar farm erection.

In **decarbonization**, we offer vacuum pumps, blowers, and compressors for carbon capture, utilization, and storage (CCUS), flare gas capture and compression systems, zero methane emission natural gas odorizers, and gas sampling diaphragm pumps.

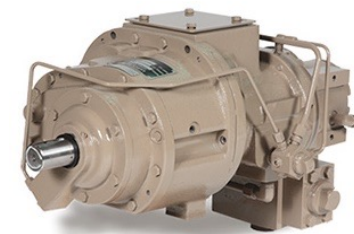
In the **electric vehicle and transport sector**, our products include air compressors for electric vehicle and battery manufacturing plants, power tools for vehicle and lithium-ion pack assembly, ergonomic handling devices for battery packs, dosing pumps and mixers for battery cell production, natural gas compressors for hybrid cargo ships, and blowers for cargo ship air lubrication systems (ALS).

Finally, for **nuclear** applications, we offer blowers for steam pressurization.

### PRODUCTS FOR GROWING SUSTAINABLY WITH CLEAN ENERGY



Screw blower for marine Air Lubrication Systems (ALS)



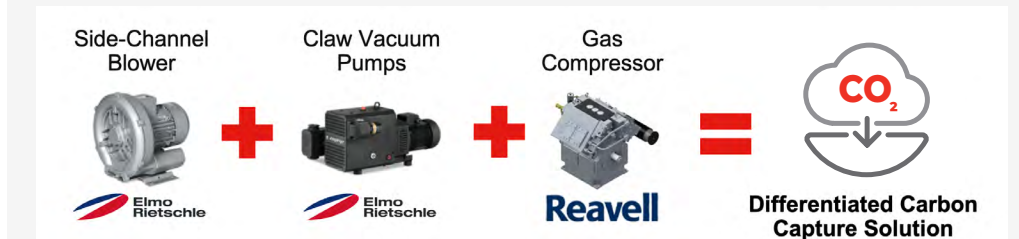
LeROI HG12 Biogas (RNG) compressor



Haskel hydrogen refueling station

### CLEAN ENERGY CUSTOMER SUCCESS STORIES

#### DEVELOPING A SCALABLE CO<sub>2</sub> CAPTURE SYSTEM



Ingersoll Rand partnered with Aqualung, a clean technology innovator based in Oslo, Norway to develop a novel system for industrial CO<sub>2</sub> capture. The modular solution marries a patented membrane technology with four Ingersoll Rand products on each module: a side-channel blower, two vacuum pumps, and one gas compressor. The new and highly-scalable solution will make viable carbon capture accessible to more industrial companies seeking to reduce their GHG emissions.

#### TRANSFORMING BIOGASES INTO USABLE RENEWABLE NATURAL GAS (RNG)

As landfill and livestock waste degrade, carbon-containing biogases including methane are emitted, causing more harm to the atmosphere than carbon dioxide. In a more sustainable solution that is increasingly required by local regulation, these gases can be captured under membranes or canopies. Ingersoll Rand LeROI compressors are then used to pressurize these biogases, which can be treated and injected into traditional natural gas pipelines for industrial or residential use or provided to power plants for electricity generation. LeROI has a long-standing strategic partnership with the recognized leader and innovator in these applications, which is also one of the largest renewable natural gas producers in the United States.



## FOOD

# Enabling a Sustainable Food Supply

### MEETING THE NEEDS OF PRESENT AND FUTURE GENERATIONS

Our impact spans the entire food and beverage value chain, encompassing stages from harvesting to processing, packaging, and delivery. We actively contribute to each step of this chain, ensuring efficiency, sustainability, and innovation throughout.

Our commitment to minimizing the environmental impact in the food industry while ensuring sustainable food production for future generations is reflected in the products we provide. In the **agriculture sector**, we offer dosing pumps for precise plant nutrient delivery, control systems for efficient farm management, cold plasma systems for water oxygenation, irrigation pumps, and systems for controlled environment agriculture (CEA).

For **livestock management**, our products include dosing pumps for nutrition and vaccination, control systems for monitoring and maintaining livestock health, and biogas harvesting compressors.

In **food processing**, we offer oil-free air compressors and food-grade lubricants, blowers for the bulk conveyance of powders, cereals, and dry foods, and progressive cavity, diaphragm, and other pumps for the transfer of food and beverages. Our Food and Drug Administration (FDA)-compliant diaphragm pumps feature clean-in-place (CIP) designs, ensuring sanitary operations. We also provide powered hoists for the efficient handling of large containers and bags during processing.

In the **packaging** phase, we offer high-pressure centrifugal and reciprocating compressors for PET bottle forming, air compressors for glass bottle forming, and air compressors to power cutting, folding, forming, and other packaging equipment. Our ergonomic handling systems facilitate efficient box and pallet manipulation, while vacuum pumps enable robotic or manual handling of packages and vacuum-sealing food for freshness. Additionally, our nitrogen-injection systems help preserve the freshness of food and beverages.

For **transportation and delivery**, our micro pumps are utilized in beverage and soft-serve ice cream dispensing machines, while our blowers facilitate the unloading of dry bulk powder and liquid from tankers.

### PRODUCTS FOR GROWING SUSTAINABLY IN THE FOOD INDUSTRY



Maximus precision GHG management controller and software



Ingersoll Rand turbo air NX2500 oil-free centrifugal compressor



SEEPEX pumps for the food industry

### CUSTOMER SUCCESS STORIES

#### GROWING FOOD WITH LESS WATER AND LOWER EMISSIONS

With headquarters in Sweden and manufacturing sites in India and Taiwan, Spowdi is a green tech innovation company focused on regenerative, precision agriculture. The company's flagship product is an inexpensive solar-powered water supply system used for irrigating crops in regions without electrical infrastructure. Ingersoll Rand experts worked together with Spowdi during the product design phase, furnishing a critical system component: a brushless piston pump to create the flow of water. With this solution, a single person can easily manage the irrigation of a full acre per day, a 10X improvement in productivity. In addition, the efficacy of the precision drip solution versus conventional watering can increase harvest yields by 100% and reduce total water consumption by 80%, all while producing zero GHG emissions given the use of solar energy to power the system.



## LIFE SCIENCE

# Contributing to Human Health, Care, Comfort, and Longevity

**Ingersoll Rand improves the quality of life for individuals by designing products and delivering services that serve the healthcare industry. Our products play vital roles in drug discovery and production, ensure patient care and well-being in hospitals and homes, and enable laboratory diagnostics and research.**

For the pharmaceutical industries, we offer oil-free compressors for pharmaceutical production sites, blower and vacuum pumps for pharmaceutical manufacturing and hygienic and quick-knock-down and clean-in-place pumps for solution and liquid transfer in pharmaceutical production. We also provide pumps for the transfer of lotions, shampoos, pastes, and other consumer products.

For **in-patient care and medical devices**, we provide oxygen pumps for breathing support and respiratory therapy, small pumps and compressors for medical devices such as blood analyzers, blood pressure monitors, drug delivery systems, autoclaves, nebulizers, dental carts, chair lifts, hospital beds, and more. Our offerings also include diaphragm pumps for respiratory gas capture for capnography, liquid pumps for dialysis machines, vacuum pumps and compressors for negative pressure wound therapy (NPWT) and compression therapy, breathing air compressors, hospital and surgical vacuum systems, liquid ring vacuum pumps for sterilizing systems, and precision low-torque power tools for medical device and equipment assembly.

In the field of **research, discovery, and laboratory analysis**, we supply small vacuum pumps and compressors for life science research equipment such as centrifuges, microplate washers, aspiration systems, cell harvesting devices, concentrators, filtration units, pipetting instruments, evaporation systems, degassing equipment, tissue culturing setups, vacuum ovens, and more. Additionally, our portfolio includes peristaltic pumps for organic fluid transfer in bioprocessing, peristaltic pumps for laboratory liquid handling, vacuum pumps for sample testing, and laboratory automation systems.

### PRODUCTS FOR GROWING SUSTAINABLY IN LIFE SCIENCE

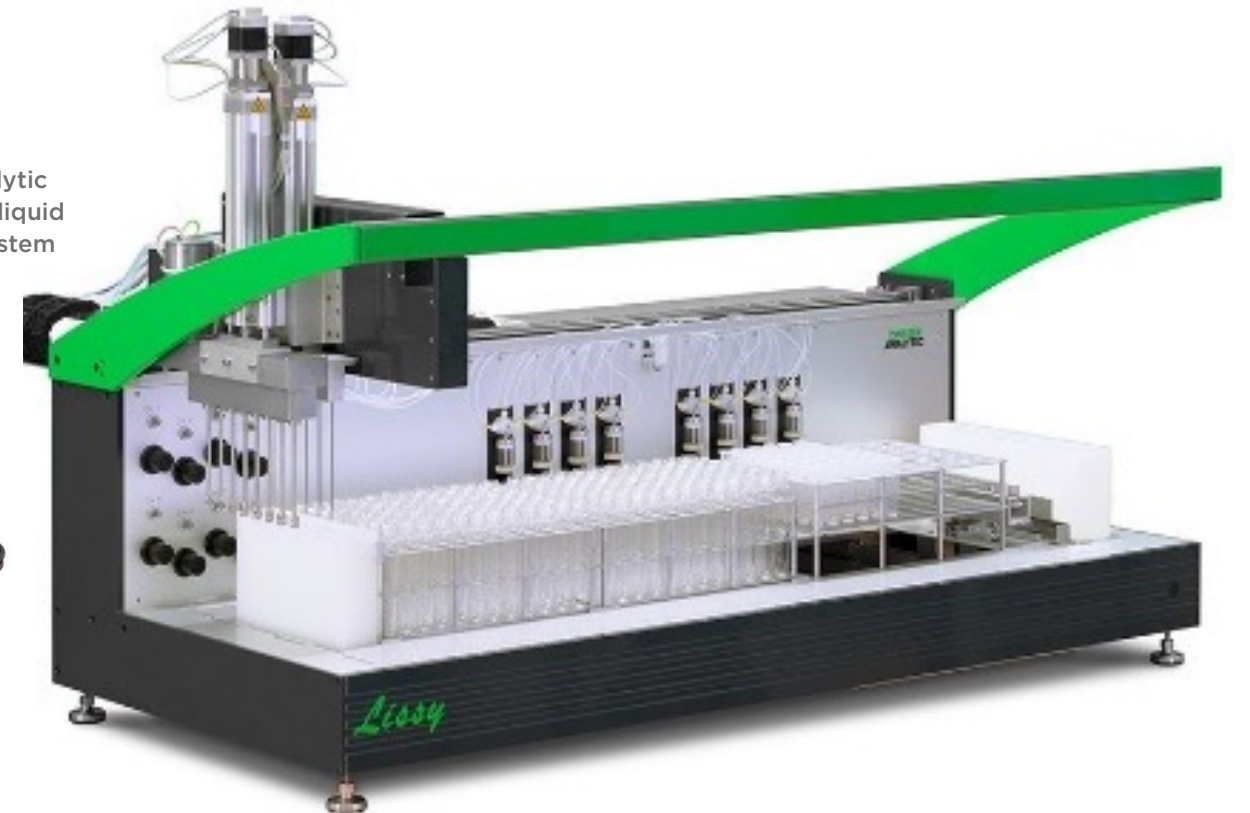


Elmo Rietschle rotary vane vacuum pump



Ingersoll Rand QE2 precision fastening system

Zinsser analytic automated liquid handling system



### LIFE SCIENCE CUSTOMER SUCCESS STORY

#### AUTOMATING SAMPLE PREPARATION FOR A MASS PHOTOMETRY TECHNOLOGY INNOVATOR

A UK-based pioneer in producing analytical instruments that puts molecular mass measurement within the reach of scientists was searching for a platform that supplied both great repeatability and high-precision pipetting to avoid manual inconsistencies in sample preparation for their instrument. Ingersoll Rand's Zinsser team responded to the challenge by developing an integrated platform that included the TriContinent Air-Z Premiere automated pipettor to cover sample preparation and aliquoting on our partner's measurement system, satisfying a demanding specification and timeline.

## WATER

# Sustaining A Vital Resource

### FACILITATING THE TRANSPORT, TREATMENT, AND PROTECTION OF WATER AND WASTEWATER RESOURCES

Our products and services enable the delivery of clean and pure drinking water, both in established and developing economies, as well as facilitating the treatment of industrial and municipal wastewater.

We provide a range of specialized products designed for various applications within the **water and wastewater sectors**. Our product portfolio includes pumps specifically developed for pH regulation, softening, and disinfection of drinking water, as well as pumps for chemical dosing in wastewater and cooling water treatment processes. We offer peristaltic and diaphragm pumps for precise chemical transfer, along with pumps dedicated to reverse osmosis (RO) systems. Our progressive cavity pumps excel in the efficient transfer of sludge, while our effluent sampling pumps facilitate the collection of representative samples.

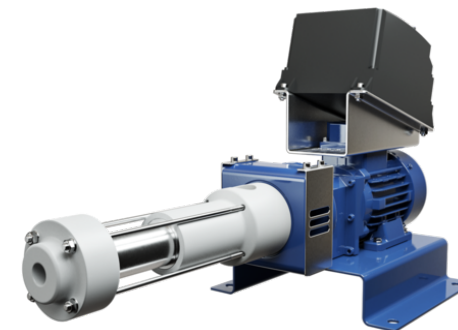
Ingersoll Rand blowers and mixers provide effective wastewater aeration. Additionally, we provide pumps for industrial wastewater handling, filter press feed, dewatering of mining and construction sites, and condensate removal. Our cold plasma systems are specifically designed for oxygenation and disinfection.

Within the water and wastewater industry, we serve diverse market sub-segments. These include water treatment within industrial, commercial, municipal, and residential sectors, covering processes such as purification, filtration, and disinfection. We also contribute to wastewater treatment in various settings, including industrial, commercial, municipal, and residential applications. Our involvement extends to water sampling, monitoring, sensing, control, and testing, promoting accurate analysis and management of water quality. Furthermore, we support water infrastructure construction and maintenance, encompassing mains, basins, sewers, tanks, and inspection processes. Additionally, we offer solutions for dewatering applications, aiding in the removal of water from construction sites or other areas where excess water poses a challenge. Lastly, we contribute to the field of desalination, enabling the conversion of seawater into freshwater.

### PRODUCTS FOR GROWING SUSTAINABLY IN THE WATER SECTOR



Robuschi ROBOX turbo blower



SEEPEx intelligent metering pump

### WATER AND WASTEWATER CUSTOMER SUCCESS STORY

#### INCREASING DAILY PROCESSING VOLUME BY 50% FOR A WATER AND RECYCLING SERVICES LEADER

The largest water utility in England by geographic area, Anglian Water, supplies water and recycling services to over six million domestic customers. During 2020–2021, the company processed 142,000 tons of dry solid sewage sludge to generate 115 GWh of bioenergy used to run the facility and export. However, they identified that the progressive cavity pumps used to handle sludge cake were problematic, with high maintenance and logistics costs and a low transfer rate that limited biogas production. Ingersoll Rand's SEEPEx team delivered a turnkey solution by removing the competitive pumps and installing progressive cavity pumps with custom open hoppers that enabled a faster transfer rate and an isolation device to allow future maintenance without emptying the silos. This resulted in a 50% increase in daily processing volume and a payback time of less than one year.



**CUSTOMER RELATIONSHIP MANAGEMENT**

# Customer Satisfaction

**By implementing a proprietary holistic approach known as Demand Generation, we engage with potential customers and existing clients at every step of their buying journey, supporting and enhancing business capabilities throughout the entire customer lifecycle. Demand Generation is a proprietary growth engine that deepens our ability to leverage the sustainability megatrend and helps our customers achieve their own GHG emission reduction goals.**



*“To accelerate our Demand Generation efforts, with a particular focus on Sustainable Markets, we are heavily investing in both talent and tools. We are deploying state-of-the-art technology for our web, data and customer relationship tools and processes to ensure that we provide the most relevant information to our customers and prospects when they need it.”*

*Cesare Trabattoni, Vice President, Demand Generation, Pricing and Commercial Excellence*

**THE RIGHT INFORMATION AT THE RIGHT TIME**

We provide our customers with the information they need at the right time, through the right channel to deliver a great experience and outstanding results. Our Demand Generation engine, in addition to the traditional core element of digital marketing, is currently focused on delivering results in four areas: pricing, commercial excellence and technology, e-commerce, and advanced data analytics. These areas combine to provide the best possible experience to our customers and channel.

**IMPROVING THE CUSTOMER EXPERIENCE**

Ingersoll Rand continuously enhances customer experience by leveraging Ingersoll Rand Execution Excellence (IRX™) throughout the organization. Our teams have identified and mapped out critical customer experience journeys, actively collecting feedback from customers to pinpoint areas for improvement. These improvements are then implemented through IDM. IDM is executed in 100-day sprints and prioritizes areas of focus that emphasize the “how” rather than just the “what,” ultimately leading to long-term success through standardized procedures.

Our strategic focus on leading sustainably extends beyond our company, as we are committed to driving customer sustainability success as well. This commitment is deeply embedded across all aspects of our organization, representing another way in which we consistently deliver value to our customers on a daily basis.

**CUSTOMER SATISFACTION MEASUREMENT**

In 2021, we launched a company-wide IRX initiative to improve the customer experience. As part of this effort, we extended our automated and scalable survey system to encompass a broader range of business units. This expansion enables us to assess customer satisfaction across more customer touchpoints, providing us with valuable insights. The system uses Net Promoter Score (NPS) methodology which provides a consistent measurement of customer satisfaction across the organization.



*Ingersoll Rand Employees: Mocksville, North Carolina site*

The initial program, NPS Request for Quote, involved sending surveys to customers who requested a quote on any of our websites. Since its inception, the program has been consistently expanded to include additional customer touchpoints, such as post-purchase, post-service, and post-customer service interactions. In cases where low scores are received, they are automatically forwarded to the front line sales and service teams within the relevant business units for prompt follow-up and action. We conduct monthly reviews of the overall results to ensure continuous improvement. These reviews allow us to assess the progress made through this initiative on a regular basis.

The majority of our coverage in 2020 focused on a segment of our business that had already implemented a strong customer satisfaction program, resulting in the company attaining high NPS scores within the industry. However, in 2021, as we expanded our coverage to previously unaddressed customer touchpoints and extended it to areas of the organization with less developed customer satisfaction programs, NPS scores experienced a decline. In 2022, our scores have reached a stable level. Although our expanded surveys continue to reveal areas for improvement, the lower scores are now balanced by enhancements made in the earlier expansion areas. Below is a table displaying customer satisfaction measurements.

**Customer Satisfaction Measurement**

Metric	Unit	2020	2021	2022
Satisfaction Measurement	Net promoter score	39	18	18
Data Coverage	% of Revenue	34	44	54

**OPERATIONALIZING SUSTAINABILITY**

# Responding to the Call for Environmental Action

**As an industry leader of mission-critical products and services, we have the responsibility to use our entrepreneurial spirit and ownership mindset to positively impact our planet today, tomorrow and for generations to come.**

In 2021, we took a significant step forward by introducing our ambitious 2030 and 2050 Environmental Goals. These goals are not only aspirational but also reflect our determination to drive positive change and shape a sustainable future. At Ingersoll Rand, we are fully committed to achieving these goals, which form a crucial part of our broader ESG initiatives. Guided by our ESG framework, we strive to create a better world for our employees, customers, shareholders, and the planet we all share.



*“As the Operational Sustainability Director leading the implementation of the GreenX program globally, my passion lies with establishing, training and empowering cross-functional GreenX teams at our manufacturing sites that work to drive continuous improvements in operational sustainability year over year. Through the GreenX program, we are committed to reducing our environmental footprint and embracing innovative solutions that promote sustainability across our operations. By integrating sustainable practices into our daily operations, we can create a more resilient and environmentally conscious future. Together with our teams, stakeholders, and partners, we are dedicated to making a positive impact and fostering a greener world for generations to come.”*

**Gordon Smith**, Director, Operational Sustainability

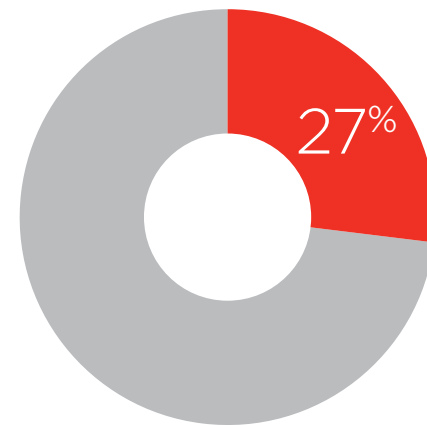
**2030 OPERATIONAL GOALS<sup>1,2</sup>**

(Baseline year 2020)

**Reduce Absolute Annual GHG Emissions 60% (Scope 1 and 2)**

Absolute Progress Since 2020: Reduction of 17,233 metric tons (16.3%), representing 27% of our 2030 goal

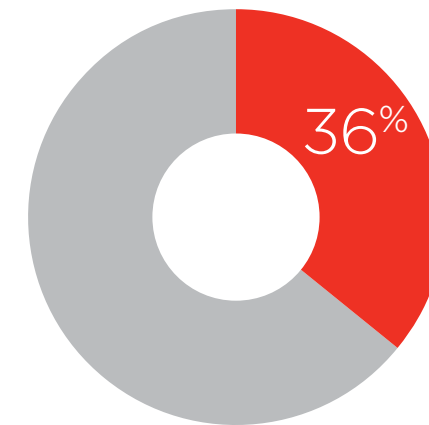
Intensity Progress Since 2020: Reduction of 9.4 metric tons CO<sub>2</sub> e/revenue in millions USD, representing a 38.5% GHG Intensity Reduction



**Reduce Absolute Annual Water use by 17%**

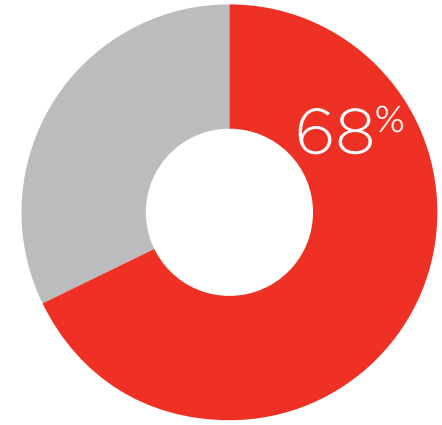
Absolute Progress Since 2020: Reduction of 8.7 million gallons (6.1%), representing 36% of our 2030 goal

Intensity Progress Since 2020: Reduction of 10.2k gal/revenue in millions USD, representing a 31% Water Intensity Reduction



**>50% of In-Scope Sites Zero Waste to Landfill**

Absolute Progress Since 2020: Increase of 25 sites (13%), representing 68% of our 2030 goal

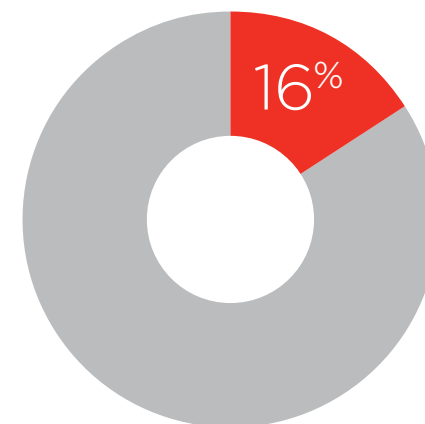


**2050 OPERATIONAL GOALS<sup>1,2</sup>**

(Baseline year 2020)

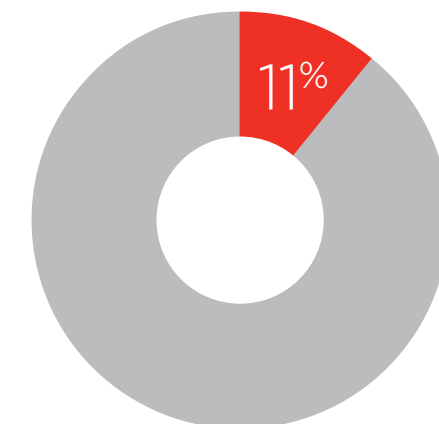
**Net-Zero (Scope 1 and 2)**

Absolute Progress Since 2020:



**100% Renewable Energy**

Absolute Progress Since 2020:



<sup>1</sup>In 2022, our 2020 base year was recalculated for all environmental metrics in accordance with the GHG Protocol Corporate Accounting and Reporting Standard Revised Edition, January 2005, World Resources Institute. This recalculation included the locations acquired in 2021 and adjusted for data errors. All subsequent years after the base year were calculated in conformance with this method.

Excluded from the most recent base year recalculation are the locations acquired in 2022 that lack 12 months of data in our Environmental Management System pursuant to our standard work as allowed for under the GHG Protocol.

Revenue from 2022 acquisitions has been included in the intensity calculations as it represents an immaterial amount.

<sup>2</sup> Whole values and percent variances represent the change between 2022 and the recalculated 2020 baseline year.

Footnotes 1 and 2 apply to all 2030 and 2050 operational goals in this report.



OPERATIONALIZING SUSTAINABILITY CONTINUED

# Operational Eco-Efficiency

## CLIMATE | WATER | WASTE

Operating sustainably is about Making Life Better for our communities where we operate and the planet we share while creating value for our stakeholders. We take seriously our responsibility to minimize energy, water and waste impacts by defining, accelerating and scaling sustainability performance in all of our locations through the rigor and discipline of IRX. Plant GreenX Teams play a critical role in this process, where Champions own the energy, water and waste pillars and have the responsibility to identify and implement improvements. These pillars are:



- Compressed Air
- HVAC and Lighting
- Packaging and Recycling
- Manufacturing Efficiency
- Water
- Waste
- Startup/Shutdown Processes

### 2022 SUSTAINABILITY AWARD WINNERS:

Two teams, one located in various countries within EMEIA and the other in Monroe, Louisiana, won the 2022 GreenX Sustainability Awards for their outstanding implementation of the GreenX program in multiple categories across manufacturing operations and services.

These teams demonstrated remarkable collaboration and successfully executed projects that yielded documented efficiencies in their respective locations. Their accomplishments reflect their dedication, teamwork, and commitment to sustainability.



By following the program standards, the plant GreenX team becomes the primary contributor toward reducing the water, waste and energy footprint of our operations. Our EHS management system then standardizes our environmental programs, resulting in sustainability initiatives being operationalized across our sites.

We measure our impacts monthly to track performance against our 2030 and 2050 Environmental Goals. As we work towards these goals, we create value by becoming more efficient in our own operations through reductions in energy, water, material usage, and waste. We have 35 active GreenX Teams around the world with over 143 sustainability projects active or in the pipeline as of May 2023. In 2022, we completed nearly 90 sustainability projects.

We are pleased to announce that we are already 27% of the way toward our GHG emissions reduction goal of 60% for Scope 1 and 2. Additionally, we achieved 16% progress toward our 2050 goal of net-zero from the 2020 baseline.

### LAUNCHING INGERSOLL RAND'S GREENX TEAMS AND EFFICIENCY TOOLS

Ingersoll Rand has taken a proactive approach to drive efficiencies and promote sustainability by establishing GreenX Teams. These teams have been carefully assembled to focus on specific areas crucial to achieving environmental excellence within the organization.

Each GreenX Team member is assigned specific responsibilities within their respective focus areas, which include compressed air management, start-up/shut-down management, temperature management, waste and water management, and equipment efficiency. Under the sponsorship of the site manager, these teams work together to implement strategies and initiatives that enhance operational efficiency and reduce environmental impact.

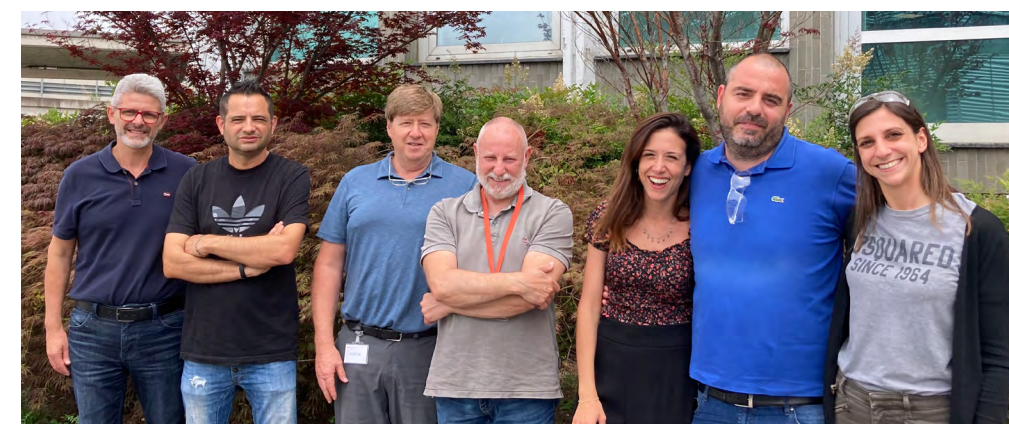
To ensure effective communication and progress monitoring, the GreenX Teams hold meetings at least twice a month, with the site manager attending once a month. During these meetings, the team leader guides the discussion around key performance indicators progress, environmental tracker projects, capital planning, new equipment and site changes, renewable energy purchases and onsite

initiatives, audits, and data integrity. This structured approach ensures that the teams stay aligned with their objectives and provides an opportunity for collaboration and knowledge sharing.

By fostering regular communication and accountability through these team meetings, Ingersoll Rand maintains a strong focus on continuous improvement and sustainability. The GreenX Teams play a vital role in driving the company's commitment to efficient operations, environmental stewardship, and a culture of sustainability throughout the organization.



GreenX Team in Monroe, Louisiana (from left): Christy Aelavanthara, Mark Ingram, Gordon Smith, Kal Cormier, Toby Truex, Gregg Williams and Tim Hammonds



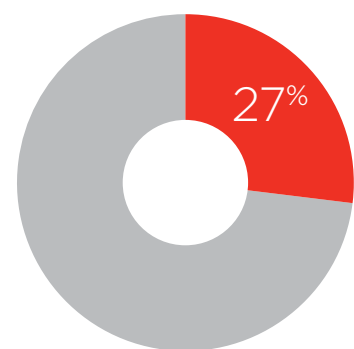
GreenX Team in Vignate, Italy (from left): Emilio Teruzzi, Vincenzo Ciriello, Gordon Smith, Marco Fenini, Erika Daliso, Andrea Gioffrè and Sara Cremonesi

OPERATIONAL ECO-EFFICIENCY CONTINUED

CLIMATE

# Proactively Addressing Climate Change

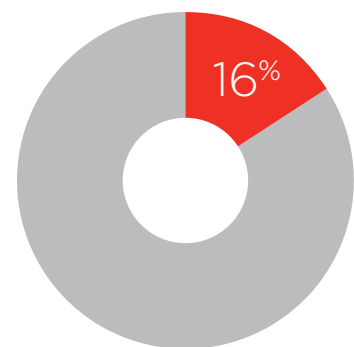
With concern about climate change continuing to be a top priority, we are focused on sustainable innovation that leverages alternative sources of green energy to address this critical issue.



**Target: Reduce Absolute GHG Emissions 60% (Scope 1 and 2) by 2030**

Absolute Progress Since 2020: Reduction of 17,233 metric tons (16.3%) representing 27% of our 2030 goal

Intensity Progress Since 2020: Reduction of 9.4 metric tons CO<sub>2</sub> e/revenue in millions USD, representing a 38.5% GHG Intensity Reduction



**Target: Net-Zero (Scope 1 and 2) by 2050**

Absolute Progress Since 2020: 16% of our 2050 goal

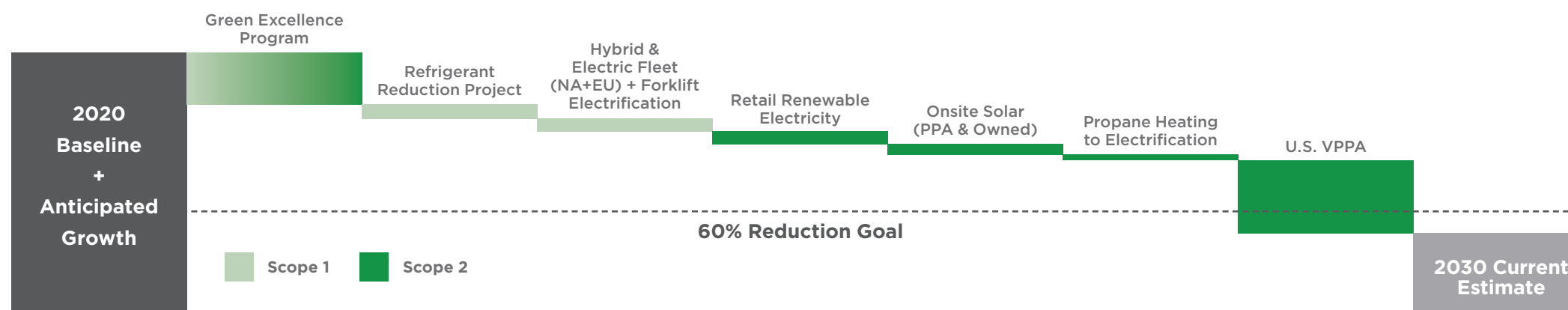
Direct GHG (Scope 1)

Direct GHG (Scope 1)	Unit	2019	2020	2021	2022	2022 TARGET
Total direct GHG emissions (Scope 1)	Metric tons CO <sub>2</sub> equivalents	41,185	40,315	39,006	35,771	36,666 (-6.0%)
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	

Indirect GHG Emission (Scope 2)

Indirect GHG (Scope 2)	Unit	2019	2020	2021	2022	2022 TARGET
Location-based	Metric tons of CO <sub>2</sub> equivalents	59,813	65,651	63,103	65,367	62,169 (-1.48%)
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	
Market-based	Metric tons of CO <sub>2</sub> equivalents	59,813	65,651	57,991	52,962	54,511 (-6.0%)
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	

GHG Emission Reduction Roadmap Metric Tons (MT) 2030 Goal: 60% Scope 1 and 2 Reduction (from 2020 recalculated baseline)



**OPERATIONAL ECO-EFFICIENCY CONTINUED****Indirect GHG Emissions (Scope 3)<sup>1, 2</sup>**

Total metric tons CO <sub>2</sub> e	2020	2021	2022	2022 TARGET
		177,213,018	199,059,718	223,886,412
Scope 3 Category	Metric tons CO <sub>2</sub> e	Metric tons CO <sub>2</sub> e	Metric tons CO <sub>2</sub> e	Emissions calculation methodology and exclusions
1. Purchased Goods and Services	1,614,573	2,027,080	2,461,622	Spend (monetary) based method
2. Capital Goods	89,918	97,435	111,728	Spend (monetary) based method
3. Fuel-and-energy-related-activities (not included in Scope 1 or 2)	23,209	21,350	19,535	Average-data method
4. Upstream transportation and distribution	218,249	154,008	201,293	Spend (monetary) based method
5. Waste generated in operations	4,801	10,740	9,381	Spend (monetary) based method
6. Business travel	377	2,076	4,103	Fuel-based method
7. Employee commuting	24,853	24,475	23,270	Average-data method
8. Upstream leased assets	1,318	1,318	1,318	Average-data method
9. Downstream transportation and distribution	45,164	31,870	34,488	Spend (monetary) based method
10. Processing of sold products	7,183	10,146	14,057	Spend (monetary) based method
11. Use of sold products	174,834,057	196,309,808	220,623,559	ISO LCA 14040
12. End of life treatment of sold products	8,916	10,426	11,987	Average-data method
13. Downstream leased assets	115,994	134,586	145,679	Spend (monetary) based method
14. Franchises	N/A	N/A	N/A	N/A
15. Investments	224,407	224,400	224,392	Spend (monetary) based method

<sup>1</sup>In 2022, Ingersoll Rand adjusted the calculation methodology for use of sold products to derive a more accurate calculation of its products' lifecycle emissions. The International Energy Agency (IEA) emission factors (most recently published actuals) were applied to the base year (2020) and all subsequent years reported. Additionally, IEA scenario-based electricity emission factor values (World Energy Outlook Dataset) based on Stated Policies (STEPS) were applied to all years after the reporting year to 2050. Additionally in 2022, Ingersoll Rand adjusted business travel and employee commuting to better align with published EPA emission factors. Also, Ingersoll Rand previously did not account for business travel emissions. All base year calculations were performed in accordance with the GHG Technical Guidance for Calculating Scope 3 Emissions, 2013, World Resources Institute. All subsequent years after the base year were calculated in conformance with this method. Ingersoll Rand's Scope 3 emissions data were prepared in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We expect to make regular adjustments to our Scope 3 emissions data in accordance with these standards as we collaborate with external advisors to enhance our methodology and transition from broad measurement approaches (such as spend or average) to more detailed methods. These procedural enhancements and external feedback have the potential to lead to noteworthy fluctuations in the Scope 3 emissions data reported for previously reported periods. Ingersoll Rand's 2021 and 2022 Scope 3 Use of Sold Products emissions are third-party verified by our global assurance provider.

<sup>2</sup>Our use of sold products (category 11) model covers the GHG emissions from 80%+ of our total complete units revenue. The GHG emissions from the remaining portion of our complete units revenue was extrapolated from the model.



Ingersoll Rand Employees (from left): Ray Myers, Dale Herendeen, Rory Barror, Mocksville, North Carolina site

**OPERATIONAL ECO-EFFICIENCY CONTINUED**

**Volatile Organic Compounds Emissions<sup>1</sup>**

Direct VOC emissions	Unit	2019	2020	2021	2022	2022 Target
Direct VOC emissions	Metric tons	39	54	61	76	57.3 (-6%)
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	

<sup>1</sup> Only includes facilities that emit greater than 1 ton of volatile organic compound emissions in a calendar year.

**Energy Consumption<sup>2</sup>**

Total energy consumption	Unit	2019	2020	2021	2022	2022 Target
Total non-renewable energy consumption	MWh	228,295	285,797	282,325	261,272	278,147 (-1.48%)
Total renewable energy consumption	MWh	0	1,455	22,123	32,236	22,853 (+3.3%)
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	

<sup>2</sup> Ingersoll Rand solar panels returned 575 MWh of solar electricity to the grid in 2022. For accuracy, this energy was subtracted from the total energy covered by the Assurance Statement delivered by our third party independent global assurance provider.

**CASE STUDY: ENERGY CONSUMPTION**

**MONROE COMPRESSED AIR AND ENERGY FOCUS**

Our Monroe, Louisiana site was challenged with a suboptimized compressed air system, leading to high electricity costs. To address this issue, the site team acquired an infrared leak detection gun to locate multiple air leaks and enable prompt repairs, an investment with a payback of less than a year. Additionally, several manifolds, valves, and hoses were upgraded to ensure optimal performance.

In addition to addressing air leaks, the site pursued other energy-saving opportunities. A new energy-efficient chiller was installed, eliminating R-12 refrigerant. To further reduce electricity consumption, the GreenX Team replaced over 1,000 fluorescent bulbs throughout the facility and parking lot with energy-efficient LED bulbs.

These successful improvements not only enhanced operational efficiency but also laid the groundwork for further exploration of energy-saving opportunities in the future.



Ingersoll Rand Employee: Gregg Williams, Monroe, Louisiana site

OPERATIONAL ECO-EFFICIENCY CONTINUED

## GOING SOLAR

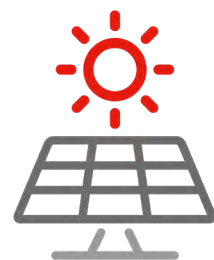
**A major part of our commitment to leading sustainably is achieving sustainable energy sources for our manufacturing facilities around the world.**

By installing solar photovoltaic panels at our sites, we benefit from a clean and renewable source of energy and reduce the carbon footprint of our operations. To date, 14 Ingersoll Rand manufacturing facilities throughout China, Germany, India, Italy, Korea, and Spain are actively using onsite solar energy to power their facilities.

Our Power Tools and Lifting (PTL) facility in Changzhou, China successfully launched a solar photovoltaic system, which was driven by a cross-functional team consisting of external support, the in-house maintenance team, and executive sponsors. The energy produced by the installation of this system is expected to account for 25% of the plant's electricity usage. Any energy the facility does not use on weekends or holidays is redistributed to the electricity grid for the surrounding community. By the end of 2022, this installation saved over 500 metric tons of greenhouse gas emissions. This project supports Ingersoll Rand's 2030 and 2050 Environmental Goals and aligns with China's Blue-Sky Initiative.



Changzhou, China site, before solar panel installation



The solar installations at our sites produced over 10 million kilowatt-hours (kWh) of electricity and saved 5,846 metric tons of CO<sub>2</sub> emissions in 2022. This is a critical step on the roadmap to Ingersoll Rand's 2030 and 2050 Environmental Goals to improve air, water, and land quality. Ingersoll Rand is also committed to improving the communities of our facilities as we returned over 500,000 kWh of solar-generated electricity to the local electrical grid in 2022.

### Solar Locations

14

- Changzhou, China
- Shandong, China
- Wujiang, China
- Wuxi, China
- Schopfheim, Germany
- Simmern, Germany
- Chennai, India
- Naroda, India
- Sahibabad, India
- Fogliano, Italy
- Parma, Italy
- Vignate, Italy
- Busan, Korea
- Barcelona, Spain



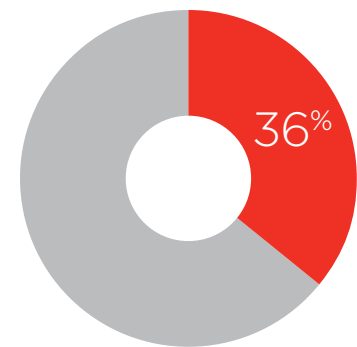
Changzhou, China site, after solar panel installation

OPERATIONAL ECO-EFFICIENCY CONTINUED

WATER

# Water Stewardship

Water is a finite resource. Minimizing water use and harvesting water for reuse are key components of our water stewardship program.



**Target: Reduce Absolute Annual Water use by 17% by 2030**

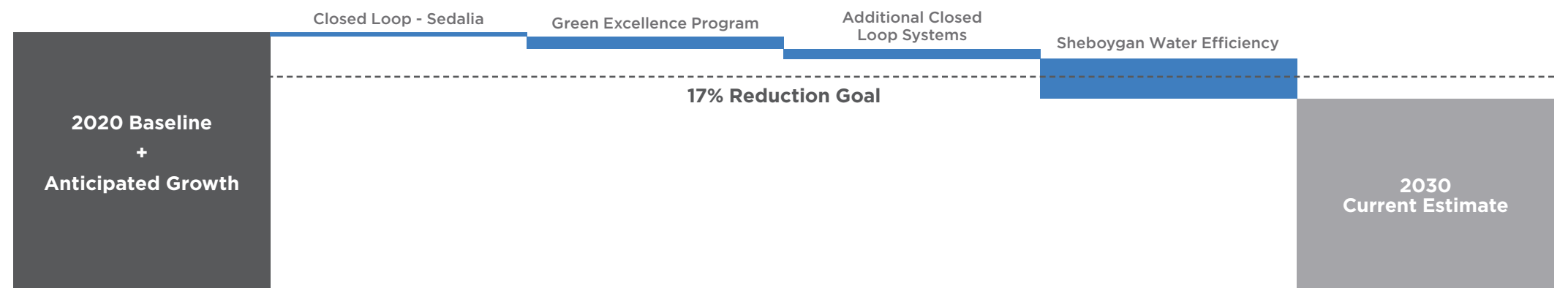
Absolute Progress Since 2020:  
Reduction of 8.7 million gallons (6.1%)  
representing 36% of our 2030 goal

Intensity Progress Since 2020:  
Reduction of 10.2K gallons/revenue in  
millions USD, representing a 31% Water  
Intensity Reduction

Water Consumption

Metric	Unit	2019	2020	2021	2022	2022 Target
A. Withdrawal: Total municipal water supplies (or from other water utilities)	Million cubic meters	0.208	0.184	0.202	0.187	
B. Withdrawal: Fresh surface water (lakes, rivers, etc.)	Million cubic meters	0	0.276	0.321	0.241	
C. Withdrawal: Fresh groundwater	Million cubic meters	—	0.080	0.080	0.079	
D. Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to B and C)	Million cubic meters	—	—	—	—	
<b>TOTAL NET FRESH WATER CONSUMPTION (A+B+C-D)</b>	Million cubic meters	0.208	0.540	0.603	0.507	0.590 (-2.5%)
Data coverage (as % of denominator)	Percentage of revenue	60%	100%	100%	100%	

Water Reduction Roadmap Gallons 2030 Goal: 17% Reduction (from 2020 baseline)



**OPERATIONAL ECO-EFFICIENCY CONTINUED**

**HARVESTING RAINWATER FOR IRRIGATION AND DRINKING WATER**

Ingersoll Rand India is Making Life Better by providing drinking water for the people of India in water-stressed areas. During the rainy season, flooding occurs, and water is harvested at several of our India plants to sustain groundwater levels for reuse by the plants for irrigation and reuse for drinking water within the communities where we operate. In Sahibabad, India, the GreenX Team installed three additional rainwater harvesting wells for a total of seven, to recharge the groundwater and improve the water quality in the aquifers, conserving 1,188,774 gallons/year during the monsoon season. Similarly, our Naroda, Coimbatore, and Chennai facilities all have rainwater harvesting pits for a total harvesting capacity of 140,750,087 gallons/year.



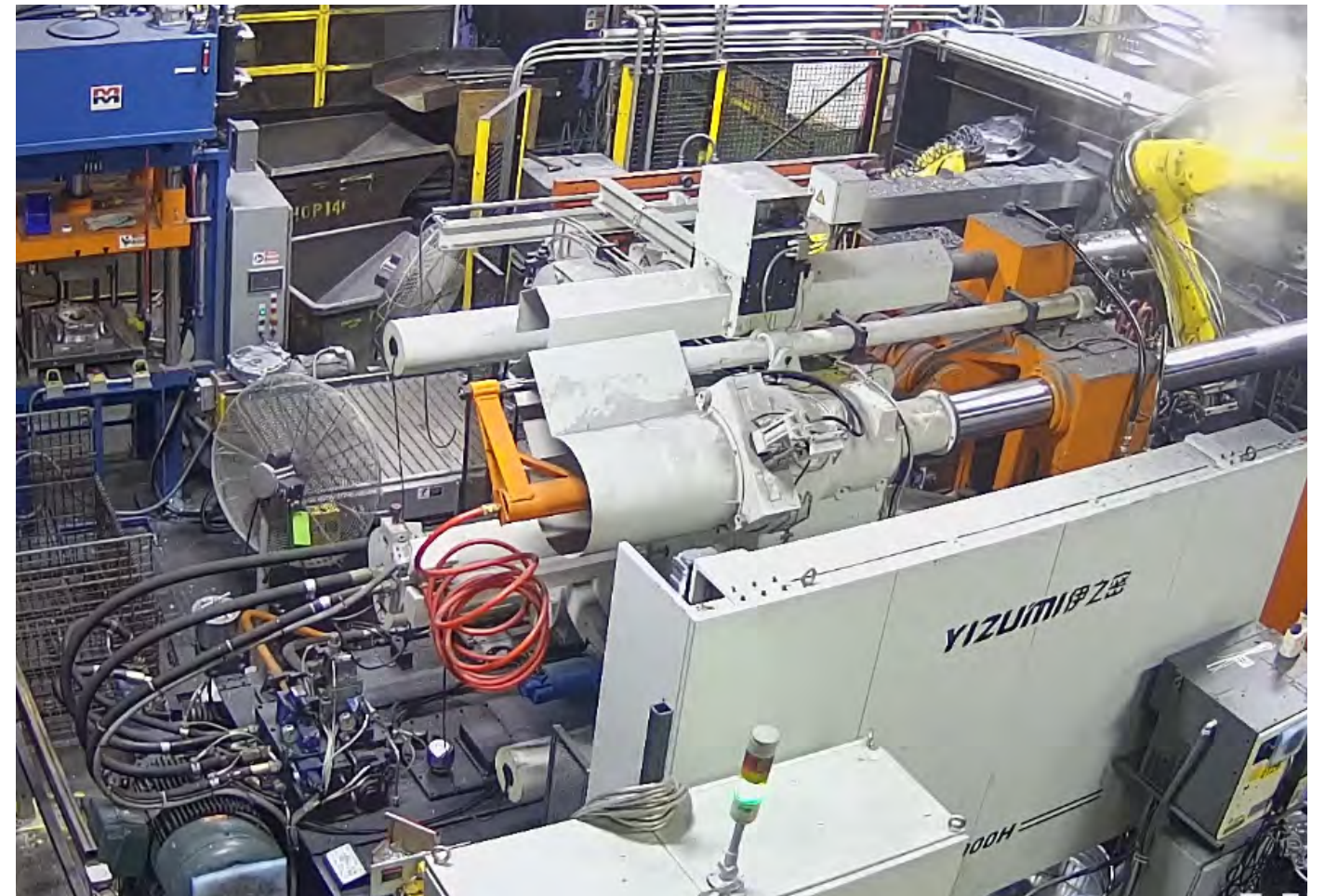
Ingersoll Rand Employee: Naresh Kumar, Bahadurgarh, India site

**SHEBOYGAN WATER REDUCTION**

To meet our 2030 water goal of a 17% reduction in absolute water usage, we concentrated on two pilot machines in our Sheboygan, Wisconsin die cast operations as that plant represents over 52% of our total global water consumption. By implementing water circulation temperature control systems and improved piping arrangements, we realized a 23% reduction in absolute water usage in Sheboygan. The impact of these savings resulted in a reduction in our global absolute water consumption of 12%. The lessons learned from this initiative is expected to be implemented in 2023 for the remainder of our die-casting and injection molding machines.

**EFFICIENCY IMPROVEMENT PILOT MACHINES #6 AND #9**

- Added water meters
- Measured water consumed per pound of aluminum
- Modified trim press software and added solenoid valves to automatically shut-off the water valves when not in use
- Audited all casting machines and trim presses for correct piping arrangements
- Inspected all water savers for proper functionality
- Determined and verified the optimum set points for the water savers



**Better Project and Better Practice Award from U.S. Department of Energy for Aluminum Die Casting Water Reduction Project**



Ingersoll Rand Employees (from left): Clayton Dale and Gordon Smith

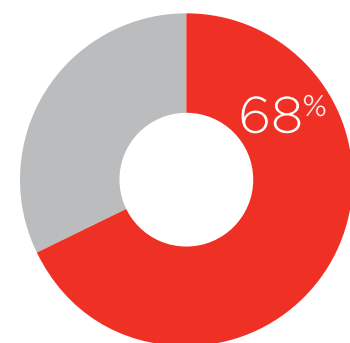
OPERATIONAL ECO-EFFICIENCY CONTINUED

WASTE

# Reducing Waste

**We are committed to eliminating the impact of waste on the environment and are pursuing a wide range of waste reduction and recycling programs at our sites around the world.**

By integrating circular economy solutions into our business models, we help get more out of the materials and resources we use with less impact on the environment.



**Target: >50% of In-Scope Sites Zero Waste to Landfill by 2030**

Absolute Progress Since 2020: Increase of 25 sites (13%), representing 68% of our 2030 goal

Waste Disposal

Metric	Unit	2019	2020	2021	2022	2022 Target
Total waste recycled/reused <sup>1</sup>	Metric tons	9,039	852	18,108	16,852	
Total waste disposed	Metric tons	1,611	12,570	13,531	11,025	12,855 (-5%)
Waste landfilled	Metric tons	0	3,461	2,900	2,725	
Waste incinerated with energy recovery	Metric tons	0	0	0	0	
Waste incinerated without energy recovery	Metric tons	0	0	0	0	
Waste otherwise disposed	Metric tons	0	0	0	0	
Waste with unknown disposal method	Metric tons	1,611	9,109	10,631	8,300	
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	

<sup>1</sup>Ingersoll Rand started tracking metals recycled in 2021.



**OPERATIONAL ECO-EFFICIENCY CONTINUED**

**DEVELOPING A COOLANT RECLAMATION SYSTEM**

Our Ilkeston, U.K. plant took on our strategic imperative of Leading Sustainably by designing an automated machine coolant reclamation system to reduce their waste coolant, limit the water used for the system, and improve employee safety and health. This system automatically mixes coolant and water to the correct concentration and pipes the mixture directly to each Computer Numerical Control (CNC) machine. As the coolant mixture becomes “dirty,” it is sent to be reclaimed and then added back into the system for reuse, instead of being disposed.

Operators can remotely monitor the coolant levels of each machine and add or remove coolant as necessary, eliminating exposures to the coolant.



**Hazardous Waste**

Metric	Unit	2019	2020	2021	2022	2022 Target
Total hazardous waste recycled/reused	Metric tons	0	0	0	0	
Total hazardous waste disposed	Metric tons	548	1,186	1,524	1,443	1,509 (-1%)
Hazardous waste landfilled	Metric tons	0	73	32	78	
Hazardous waste incinerated with energy recovery	Metric tons	0	0.15	0.15	124	
Hazardous waste incinerated without energy recovery	Metric tons	0	0	0	245	
Hazardous waste otherwise disposed,	Metric tons	0	0	0	0	
Hazardous waste with unknown disposal method	Metric tons	548	1,113	1,492	996	
Data coverage (as % of denominator)	Percentage of revenue	68%	100%	100%	100%	

**IMPACT STORY**

**SCHOPFHEIM PACKAGING REDUCTION SAVES TONS OF WASTE EACH YEAR**

At our Schopfheim, Germany plant, employees working in the Shipping Department came up with a brilliant improvement idea to reduce packaging waste. Instead of adding excess Kraft paper and cardboard to the shipping crates to protect equipment during shipment to our customers, now a single sheet of post-consumer cardboard is delivered with pre-cut holes that stabilize our pumps and compressors during transport. This simple solution saves three tons of waste per year, and our customers can easily recycle the cardboard.

**IMPACT STORY**

**BIODEGRADABLE PACKAGING**

Ingersoll Rand's team in the Burbank, California facility embraced our value of **making our customers successful** by reducing the environmental impacts of the packaging materials of their own products. Packaging wastes become a growing issue as supply chains stretch around the globe that leave customers with leftover materials that are not reusable or recyclable. The Burbank team was able to reduce the use of a two-part foam system by sourcing foam inserts made of recycled plastic that are cut by the supplier to fit their highest volume products. This not only reduces the use of an environmentally harmful foam that cannot be reused, but provided customers the ability to recycle their inserts. Searching for the next opportunity to Make Life Better for our customers, communities and the environment, this team went to the next level by rethinking another packaging material. The site recently began using 100% biodegradable foam peanuts to protect their smaller products during shipment, again reducing the use of the two-part foam system.

## ENVIRONMENTAL COMPLIANCE

# Environmental Health and Safety (EHS) Management System

**Our EHS management system framework is comprised of a collection of processes and practices aimed at minimizing our environmental footprint while maximizing operational efficiency and safety.**

This framework is built upon standardized work, guidelines, and established processes, which include the following key components:

- 1** The company's global EHS Council is composed of representatives from each region and business unit. The council convenes on a weekly basis to supervise and guide the company's EHS direction.
- 2** Standardized procedures serve as the cornerstone of our EHS Management System. Every Ingersoll Rand facility worldwide adopts this framework of standardized procedures, and individual functional owners at each site are accountable for implementing and overseeing all aspects of the EHS Management System.

- 3** A performance management program is in place where each site annually conducts a compliance self-assessment. Approximately every three years, locations are audited by a group of Ingersoll Rand EHS professionals. In addition, some of our sites are ISO 14001, ISO 45001, ISO 50001, or have other country or organization-specific certifications such as MASE or VCA.
- 4** Best practices are shared across all locations on a monthly Global EHS Learning Session for adaptation by other locations where relevant.
- 5** EHS training is carried out in compliance with both country and local regulations, as well as adhering to Ingersoll Rand's standardized procedures. The progress and completion of training sessions are recorded either locally or in the company database, ensuring comprehensive tracking and documentation.
- 6** All EHS metrics are monitored and recorded in our comprehensive company-wide database. On a monthly basis, these metrics are communicated to our CEO, Executive Leadership Team, and all location management, ensuring transparency and alignment across the organization.
- 7** Our company database enables us to track capital EHS investments and operating expenses throughout the entire process, from the idea stage to implementation. This tracking encompasses several elements, including resources, capital and operating costs, waste and recycling, water utilization, energy consumption, and GHG savings.

Through our EHS Management System, our global EHS leaders are empowered to prioritize the safety and well-being of our people and communities worldwide. This comprehensive system extends its coverage to all employees as well as workers who are not direct employees but whose work is overseen by Ingersoll Rand.

### ENERGY SECURITY PROGRAM

**Ingersoll Rand established an energy security program in 2022. The goal was to develop and implement strategies to minimize the business risks from increased prices for electricity and natural gas in specific European countries due to supply restrictions and volatility.**

Thirteen sites immediately launched a GreenX Team to identify energy-saving solutions for implementation.

Examples of short-term actions that have been taken include the following:

**Review the temperature set points and heat only when needed**

**Stop running machines or equipment not used routinely**

**Stop leaks within the compressed air system**

**Inspect buildings with infrared cameras to identify heat loss**

**Improve heating efficiency of natural gas boilers**



Using the IRX process, the EHS Council meets weekly and oversees the EHS direction of the company.

**ENVIRONMENTAL COMPLIANCE CONTINUED****EHS Management System: Certification/Audit/Verification**

Certification/Audit/Verification	Coverage (%) <sup>1</sup>	Examples of Certification Documents
EMS is verified through international standards (e.g., ISO 14001, ISO 45001, EMAS certification).	39%	28 Sites have verified certifications
Third party certification/audit/verification by specialized companies.	14%	10 Sites have had a Limited Environmental Health and Safety Compliance Review
Internal certification/audit/verification by company's own specialists from headquarters.	27%	Corporate EHS Internal Audits performed by EHS Professionals throughout the company. Managed by our VP of Sustainability. 19 audits performed in 2022
<b>Total</b>	<b>80%</b>	

<sup>1</sup> Table coverage percentage is based on a total of 71 manufacturing sites.

**Return on Environmental Investments<sup>2</sup>**

Currency	2019	2020	2021	2022
Capital Investments	\$5,200	\$1,190,433	\$18,083,399	\$7,786,972
Operating Expenses	\$0	\$8,000	\$14,578	\$34,542
<b>Total Expenses</b> (= Capital Investment + Operating Expenses)	\$5,200	\$1,198,433	\$18,097,977	\$7,821,514
Savings, cost avoidance, income, tax incentives, etc.	\$2,800	\$452,401	\$725,906	\$1,200,103
% of operations covered	44%	100%	100%	100%

<sup>2</sup> Projects beginning in previous years generally continue reporting into subsequent years as they are multi-month. These values are estimates only and may not reflect the actual investment or savings. Additionally, these values may not include all environmental projects as the database is continuously being updated.

**ENVIRONMENTAL VIOLATIONS**

Ingersoll Rand has not paid any significant fines (> USD \$10,000) related to environmental or ecological issues in the past four fiscal years.

	2019	2020	2021	2022
Number of violations of legal obligations/regulations	0	0	0	0
Amount of fines/penalties related to the above	\$0	\$0	\$0	\$0
Environmental liability accrued at year end	\$0	\$0	\$0	\$0



## RISK AND IMPACT MANAGEMENT

# Biodiversity

### OUR BIODIVERSITY COMMITMENT

At Ingersoll Rand, we recognize that the natural environment and its associated benefits are fundamental to the well-being of the communities we serve. Our company places great importance on safeguarding biodiversity and protecting threatened species. In line with our commitment outlined in the 2021 Sustainability Report, we recently completed a comprehensive assessment of the ecosystems in which we operate worldwide, adhering to globally-recognized standards and frameworks. This evaluation aimed to enhance our understanding of these ecosystems and implement measures to prevent biodiversity loss.

Moving forward, we remain dedicated to preserving local biodiversity and considering how best to achieve a state of no net loss (NNL) of biodiversity in our own operations. To ensure the effectiveness of our efforts, we plan to establish a program in 2023-2024, with monitoring and evaluation set to commence thereafter. This program will be designed to integrate the responsible management of land, water, and living resources, promoting conservation and enhancing the quality of life for our customers, employees, and the environment.

We expect to ultimately report annually on our progress using the following methodology:

- 1 Identify** priority biodiversity baseline values for each new construction project and select the priority biodiversity features that the project can meaningfully influence.
- 2 Work** collaboratively with stakeholders to achieve mutually beneficial outcomes.
- 3 Apply** the biodiversity mitigation hierarchy: avoidance actions, minimization actions, restoration actions and offset actions.
- 4 Implement** the project plan and monitor progress.

### RISK AND IMPACT MANAGEMENT

Understanding and managing risks and opportunities is an integral part of our commitment to biodiversity. Through Risk and Impact Management, we follow detailed processes for identifying and assessing nature-related dependencies, impacts, risks and opportunities in our direct operations.

The first step of this assessment process is focused on understanding the underlying data for biodiversity intactness in the following four areas:

#### Overall state of biodiversity in a given area

#### Depletion in biodiversity

#### Elements of habitat quantity and quality

#### Does not reflect change

Secondly, all 88 manufacturing sites (by address) were assessed for nature-related dependencies, impacts, risks and opportunities. The results were spread across nine unique biomes with four priority biomes.

Third, we determined the biodiversity intactness level for each specific site and associated biodiversity hotspots. The data was overlaid with biome identification and priority biomes to determine the number of facilities that are located in a priority biome and are in a biodiversity hotspot.

- 1. Temperate Broadleaf and Mixed Forests** (18 locations)
- 2. Temperate Grasslands, Savannas and Shrublands** (4 locations)
- 3. Tropical and Subtropical Moist Broadleaf Forests** (1 location)
- 4. Tropical and Subtropical Dry Broadleaf Forests** (3 locations)

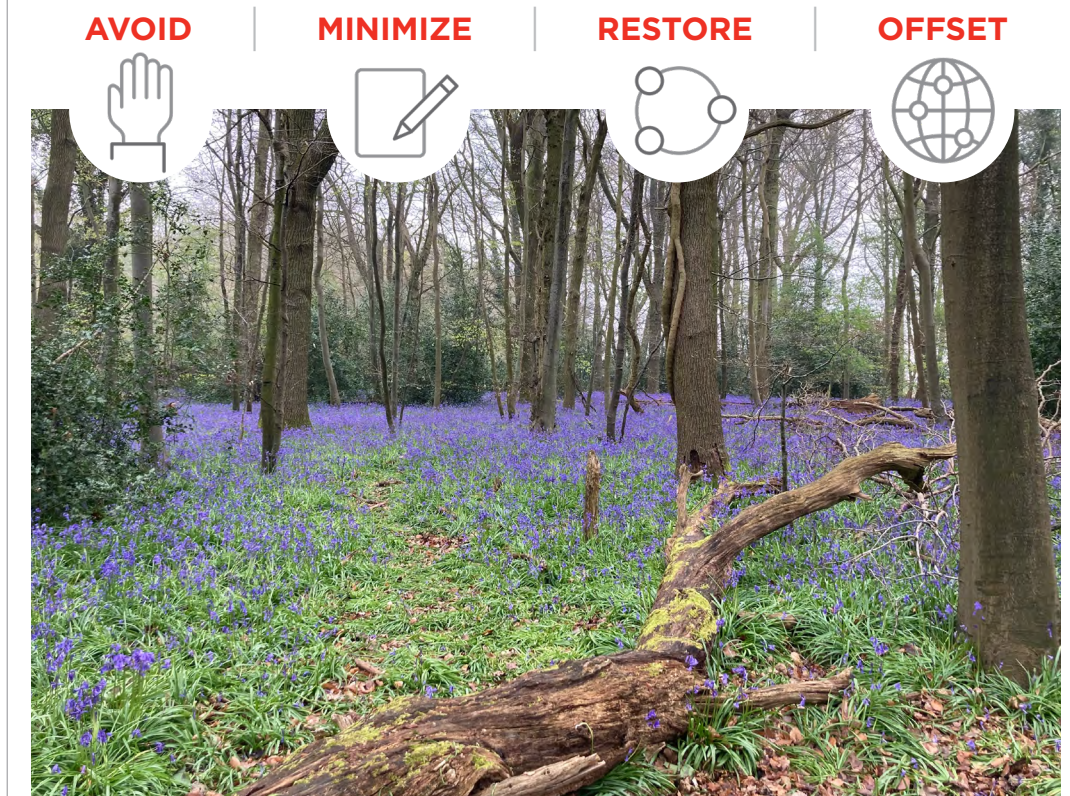
### LEVERAGING RELIABLE TOOLS

The World Resources Institute's Resource Watch, is the tool Ingersoll Rand used for the facility-specific biome mapping. Resource Watch is a map of the world's 14 terrestrial biomes, which represent major ecological communities of organisms that are adapted to that particular climate and can provide facility-specific biome mapping.

The ENCORE tool is the main tool used to identify Ingersoll Rand's dependencies, impacts, and hotspots. The underlying data comes from a variety of sources, including the International Union for the Conservation of Nature (IUCN). It is a dashboard where sectors and sub-industries can explore dependencies and impacts on natural capital, including through a biodiversity-specific module.

While most of our manufacturing sites are located in areas with high biodiversity loss, 31% of sites are found in a biodiversity hotspot. Nearly 100% of the hotspot sites are in the four priority biomes.

New construction in priority biomes will be evaluated for mitigation actions using the following hierarchy to help keep the biome intact.



**RISK AND IMPACT MANAGEMENT CONTINUED**

**THE LOCATIONS WHERE OUR DIRECT OPERATIONS ARE IN PRIORITY AREAS**



**UNITED STATES OF AMERICA**

Enon, OH  
Sidney, OH  
Alsip, IL  
Princeton, IL  
Sedalia, MO  
St. Charles, MO  
Burbank, CA

**CHINA**

Shanghai (Jiamei Road), China  
Shanghai, China (ITS)  
Shanghai, China (PST)  
Wuxi, China

**UNITED KINGDOM**

Ilkeston, United Kingdom  
Redditch, United Kingdom  
Bradford (Cross Lane), United Kingdom  
Sunderland, England, United Kingdom  
Nantwich, United Kingdom

**INDIA**

Naroda (Plant 1), India  
Naroda (Plant 2), India  
Pune, India  
Sahibabad, India

**GERMANY**

Moers, Germany  
Frankfurt, Germany

**FRANCE**

Wasquehal, France

**JAPAN**

Yokohama, Japan

**NETHERLANDS**

Heerlen, Netherlands

**SLOVENIA**

Horjul, Slovenia

**POSITIVE EFFECTS FROM OUR EFFORTS**

Our commitment to reducing 60% operational GHG emissions by 2030 has an overall positive effect on biodiversity. Furthermore, our emphasis on reduction and recycling have favorable impacts. Our annual goals established for each location to improve air quality, water conservation and pollution reduction help drive local improvements.

We factor nature into financial and business decisions for new construction and engage the local government and stakeholders for guidance. For example, in 2022, we built a new warehouse in Simmern, Germany where we planted 860 beech trees and 475 silver fir trees to achieve a nature-positive outcome.

**GOVERNANCE**

**BOARD OVERSIGHT OF BIODIVERSITY**

Our Board of Directors has oversight of biodiversity through its Sustainability Committee which meets at least three times a year. The biodiversity-related risks identified through the application of the Taskforce on Nature-related Financial Disclosures (TNFD)-applied framework are reviewed by the Sustainability Committee as well as the countermeasures designed to address such risks.

**MANAGEMENT'S ROLE**

Ingersoll Rand Management is involved in the biodiversity risks and opportunities through our ERM process.

**METRICS AND TARGETS**

The metrics used to assess and manage material nature-related risks and opportunities is in-line with our strategy and risk management process.

We intend to eventually report annually on new construction using the following methodology:

1. Identify priority biodiversity baseline values for each new construction project and select the priority biodiversity features that the project can meaningfully influence.
2. Work collaboratively with stakeholders to achieve mutually beneficial outcomes.
3. Apply the biodiversity mitigation hierarchy: Avoidance actions, minimization actions, restoration actions, and offset actions.
4. Implement the project plan and monitor progress.

## RISK AND IMPACT MANAGEMENT CONTINUED

**IDENTIFYING, ASSESSING AND MANAGING NATURE-RELATED RISKS ARE INTEGRATED INTO THE OVERALL RISK MANAGEMENT PROCESS.**

We utilize a continuous ERM process that enables us to pursue our strategic mission while identifying, controlling and mitigating risks. Our ERM process is based on the Committee of Sponsoring Organizations (COSO) Enterprise Risk framework. The TNFD-aligned framework has been incorporated into the overall ERM process and is used by Ingersoll Rand to assess and manage biodiversity risks and opportunities. Our Chief Financial Officer, who is also our Chief Risk Officer, leads the ERM process, supported by a cross-functional Executive Committee that includes Ingersoll Rand's Chairman and CEO, Chief Information Officer, General Counsel, SVP HR, SVP Strategy and Corporate Development, Corporate Controller, and VP Internal Audit.

Impact identification is grounded in the relationship between impact drivers, which are quantifiable indicators, natural capital assets, and applicable impacts for the Industrial Machinery industry. Impact drivers are a measurable quantity of natural resources and are either used as a natural input to production (i.e., number of logged trees) or a measurable output of a business activity (i.e., GHG emissions). This translates into Ingersoll Rand's potential impacts: changes in the state of nature, which may result in changes in nature's capacity. The list of potential impacts were prioritized based on how many impact drivers can measure the said impact connecting the biomes, hotspots, dependencies, and impact information. Habitats and Species are influenced by seven impact drivers, which translate into 11 potential impacts on habitats and 14 potential impacts on species.

Of these potential impacts, population changes (changes in species populations over time and space), habitat modification (major changes in habitat composition and location, for example deforestation), and pollution (threats arising from the introduction of contaminants into the natural environment), are the most influenced. The most influential impacts, population changes, habitat modification, and pollution, vary across biomes and facility operations, but serve as the starting point for connecting the data points for future action.

**Habitats**

Ecosystem Service	Importance of Ecosystem Service to Ingersoll Rand Production	Dependence of Ecosystem Service on Habitats
Flood and storm protection	<b>Medium</b> Although less practical, production processes can take place without the ecosystem service due to availability of protection substitutes.	<b>High</b> Flood protection is provided directly by a diversity of habitats and their elements, such as mangroves, wetlands, reefs, beaches, sand dunes, and others.
Mediation of sensory impacts	<b>Medium</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>High</b> Habitats serve as barriers and buffers that mediate the impact of light, noise, and smells.
Water flow maintenance	<b>Medium</b> Most of the time the production process can take place with limited (but not full) disruption of the ecosystem service.	<b>Medium</b> Habitats affect the way water flows through landscapes and changes in habitats can therefore lead to impacts on the water cycle.
Filtration	<b>Very Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>High</b> Habitats are essential to the provision of filtration, sequestration, storage, and accumulation by ecosystems. The impact of changes in habitats on the service is however highly variable as the relationship between the two is non-linear.
Climate regulation	<b>Very Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>High</b> Habitats are essential to the provision of filtration, sequestration, storage, and accumulation by ecosystems. The impact of changes in habitats on the service is however highly variable as the relationship between the two is non-linear.
Mass stabilization and erosion control	<b>Very Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>Medium</b> Habitats are key to erosion control. Most of them provide this service through vegetation or by structure of the habitat that protects or buffers erosion drivers.

**RISK AND IMPACT MANAGEMENT CONTINUED**

**ENGAGEMENT OF AFFECTED STAKEHOLDERS.**

Ingersoll Rand collaborated with expert consultants to create our own biodiversity strategy based on nature-related dependencies, impacts, risks and opportunities identified over the short, medium, and long term. Time horizons were decided upon given the expected useful life of our assets and lease agreements for our properties. We have conducted scenario analysis to understand climate-related impacts in the short-term (0-5 years), medium-term (5-10 years), and long-term (10-25 years).

Dependency pathways are grounded in ecosystem services and natural capital assets. By outlining dependencies on biodiversity specifically, we can begin to identify potential business risk areas. While Ingersoll Rand depends on seven of the eight natural capital assets, habitats and species are the main biodiversity assets. We can further narrow down the applicable ecosystem services to eight unique services, with varying degrees of dependency.

**OUR NO DEFORESTATION COMMITMENT**

We hold a deep reverence for the essential role that forests play in sustaining life on our planet. As such, we are dedicated to protecting and preserving these natural resources. We understand that forests are not only integral to the natural ecosystem but also serve as global carbon sinks due to the ability to absorb and store GHGs. We are firmly committed to protection of forests to help mitigate climate risks, improve climate change resiliency, safeguard biodiversity and provide livelihoods and economic opportunities for forest-based communities.

Our goal is to understand the potential consequences of deforestation throughout our value chain. As we discover our impact and seek to transparently set ambitious and attainable no deforestation goals that are aligned to our strategic imperatives, we will consider globally-recognized standards and frameworks. Once understood, we plan to monitor, verify, and implement action plans to create a deforestation-free value chain as we seek long-term sustainability of our business and shared planet.



**Species**

Ecosystem Service	Importance of Ecosystem Service to Ingersoll Rand Production	Dependence of Ecosystem Service on Habitats
Flood and storm protection	<b>Medium</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>High</b> Vegetation is the main natural barrier used to reduce noise and light pollution and is key in reducing air pollution, including smells.
Mediation of sensory impacts	<b>Low</b> Most of the time the product process can take place even with full disruption of the ecosystem service.	<b>Medium</b> Species provide important services, such as nutrient cycling and water filtration that contribute to water quality.
Water quality	<b>Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>Medium</b> Species provide important services, such as nutrient cycling and water filtration that contribute to water quality.
Filtration	<b>Very Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>High</b> Species directly provide filtration services. Any reduction in the quantity or quality of species can therefore be expected to have a negative influence on the service provision.
Ventilation	<b>Very Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>High</b> Ventilation and transpiration are directly provided by species. Any reduction in the quantity or quality of species can therefore be expected to have a negative influence on the service provision.
Climate regulation	<b>Very Low</b> Most of the time the production process can take place even with full disruption of the ecosystem service.	<b>Medium</b> Global, regional, and micro-climate regulation by terrestrial ecosystems is sensitive to changes in species as they play an important role in carbon sequestration and storage.

Input is received annually by the Board of Directors (BOD) through its Audit and Sustainability Committees to evaluate alignment of risk and opportunity priorities between the BOD and Management. Our ERM process includes a yearly risk identification and review resulting in an annual update of our risk register as well as a risk analysis and evaluation to ensure the correct prioritization of risks after taking into account current countermeasures. This process involves a number of senior Ingersoll Rand business and functional leaders and also includes feedback from our BOD and its committees. Biodiversity-related risks are integrated into this overall process and include a third-party-led assessment of biodiversity-related risks and opportunities utilizing the TNFD framework.

PEOPLE AND COMMUNITY

# Health, Safety, and Wellness

**Nothing is more important than the health and safety of our people. We are committed to keeping our employees, visitors, and contractors safe by fostering a positive safety culture. We reduce risk in the workplace and empower employees to speak up about safety concerns. Our EHS Policy fosters individual participation and motivates employees to play an active role in the overall safety improvement process. Annually, a variety of safety goals are communicated to our Business Units, which then share these goals with the individual sites, track progress and report to leadership in a monthly scorecard.**

The safety goals and associated targets include Total Recordable Injury Rate (TRIR) of 0.6, Lost Time Injury Rate (LTIR) of 0.06, Safety Concerns (one for every four employees), Behavior-Based Safety (one for every four employees), Implementation of Standard Work (80%), and Compliance (90%).



*“We are proud of our highly engaged culture, with all 17,000+ employees focused on living our purpose of Making Life Better for our customers, our employees and our communities. Our employees think and act like owners...because they are. Our talented, innovative employees share ownership in creating an inclusive experience for all.”*

*Kate Keene, Senior Vice President, Human Resources, Talent and DE&I*

Safety data is reviewed at least quarterly by the Global EHS Council, and various initiatives are prioritized for integration into our quarterly IDM operating system action plan. In 2022, such initiatives all related to our accident types of cuts/lacerations and strains/sprains and included: onboarding new sites to Health and Safety standards, Behavior-Based Safety, new employee training, and communications. Most importantly, we have pledged to mitigate the risks occurring from machines due to the severity of crushing and laceration risk and injuries. To address this workplace risk, we set a target of zero serious hand injuries in 2023. Progress for all our safety initiatives including the hand injury KPI is tracked weekly.

Risk assessments are required of all job tasks before starting work. At a minimum, the assessment must include the job steps, the hazards, the potential consequences, the risk rating and controls including Personal Protective Equipment (PPE). Ingersoll Rand sites review the assessments and rank all the activities in order of importance to determine the focus areas. A hierarchy of controls is then applied, which starts with the controls perceived to be most effective and moves down to those considered least effective. It flows as follows:

- Elimination:** Physically remove the hazard
- Substitution:** Replace the hazard
- Engineering Controls:** Isolate people from the hazard
- Administrative Controls:** Change the way people work
- Personal Protective Equipment:** Protect the worker with PPE

**Days Away Restricted Transfer Rate<sup>1</sup>**

Days Away Restricted Transfer Rate	Unit	2019	2020	2021	2022
Employees Days Away Restricted Transfer Rate	N/200,000 hours worked	0.73	0.31	0.36	0.52
Data coverage	Percentage of employees	100%	100%	100%	100%
Contractors Days Away Restricted Transfer Rate	N/200,000 hours worked	0.38	0.38	0.24	0.07
Data coverage	Percentage of contractors	100%	100%	100%	100%

<sup>1</sup>Data as of December 31, 2022. This footnote applies to all tables within this section excluding the Engagement Survey data.

FY 2019, 2020, 2021, 2022

# ZERO

NUMBER OF WORK-RELATED FATALITIES AMONG ALL EMPLOYEES AND CONTRACTORS

Corrective actions are developed to control risks, targets are set with time-frames for completion, responsibilities are assigned, and budgetary needs are identified for risks that cannot be eliminated. The corrective actions are tracked in the company database.

Risk assessments are expected to be reviewed annually or when there is a change in production, process, or controls which may result in new or additional health and safety exposures. All new chemicals require a risk assessment and identified PPE prior to introducing the new chemical onsite.

In the field, risk assessments are required to be completed on every customer site for every job. In the factory, risk assessments are required to be conducted on all jobs before the process is released to operations. If the activity is new or non-standard, no work can begin until a thorough risk assessment is completed and reviewed with all employees involved in the job. At any point, an employee has the authority to stop work and review the risk until it is satisfactorily mitigated.



**PEOPLE AND COMMUNITY CONTINUED**

A strong and sustainable safety culture is the foundation to all our safety programming at Ingersoll Rand. We strive to continuously improve our safety performance and promote safety in everything we do. Our global EHS community is actively delivering regulatory and Ingersoll Rand-specific EHS training, implementing standard work, investigating near misses and incidents, reducing risk through hazard and ergonomic assessments, auditing, and rolling out our annual 100 Days of Safety campaign to all employees worldwide.

One example of this is our Behavior-Based Safety (BBS) program where employees are actively involved in observing how work is performed and providing immediate feedback to ensure employees continue their safe behavior and correct any at-risk behavior. All employees, whether at a customer site, factory, or other site such as a repair center, warehouse or R&D facility, are engaged in BBS. Our BBS Coaches are actively observing employees in their work environment, coaching standard work and getting involved by helping solve some of our employees' most pressing challenges at work.

Training and education are imperative to our employees' understanding to ensure the standard work is followed. **In 2022, nearly 60,500 safety training hours were delivered to our employees.** Additionally, at the start of every meeting, whether in a conference room, online, or on the shop floor, a Safety Moment is presented to keep everyone's mind attentive to safety at work and at home.

**100 DAYS OF SAFETY**

From June through August every year, we celebrate our 100 Days of Safety Campaign aimed at educating employees on safety measures to prevent on- and off-the-job accidents. In 2022, our campaign focused on creating greater awareness of the most important safety issues among our employees. The focus of the campaign was on risk identification and mitigation, including the development of risk assessment capabilities.

Some of the improvements resulting from this campaign have included:

- Removing trip and fall risks by tying up cables and wiring, installing retractable air lines, and marking aisles
- Eliminating crushing hazards where employees are working under suspended loads by installing fixtures instead
- Improving collision risks by installing mirrors and other alerting devices in high-traffic areas
- Solving oil/coolant slip and fall hazards
- Substituting tools to avoid slipped wrenches
- Improving driver safety awareness to avoid collisions
- Eliminating electrocution at test stands
- Covering open and loose electrical wiring

**MACHINE SAFETY INITIATIVE**

Data has shown that machine injuries can be prevented with physical guards and operational controls. As such, we launched an initiative to verify that all equipment—from small grinders and drill presses to complex presses, shears, and lathes—is guarded and operating safely. This included updating our standard work to include specific Ingersoll Rand requirements for each type of machine.

Each quarter, a specific type of equipment was selected for evaluation, guarding, and operating procedures. Our site EHS leaders were trained in the requirements and then over 90 days they worked to install the proper guards as necessary, update Job Hazard Assessments, and establish safe operating procedures including routine equipment inspections. Once complete, the EHS leaders met with another EHS leader within the region or country to review and verify the guarding. All machines were identified by site and tracked to completion.



Before and after photos of a saw in our Coimbatore, India site

**100**  
 DAYS OF  
**SAFETY**

Globally Eliminated Nearly

**870**

RISKS, RESULTING IN AN 8.3% REDUCTION IN POTENTIAL INJURIES DURING OUR CAMPAIGN

PEOPLE AND COMMUNITY

# Diversity Equity and Inclusion

We recognize that our employees are our greatest asset, providing us with a competitive edge. For that reason, we believe the power of employee ownership best defines our commitment to DE&I. We are proud to offer all employees equity in our company as part of our Ownership Works Program.<sup>1</sup> By fostering an environment of employee ownership, we create widespread economic opportunities for all our employees and their families, regardless of their role, location, or background. Ingersoll Rand extends the opportunity of ownership to thousands of people around the world who would not otherwise realize the possibility of long-term value creation through stock ownership. While dialogue and training are critical, employees thinking, acting and being owners is what sets Ingersoll Rand apart in truly taking action to nurture a DE&I culture.

Beyond employee ownership, Ingersoll Rand’s DE&I culture is focused on improvement for women and under-represented talent (URT) in five key areas:

- Talent attraction
- Engagement
- Development
- Advancement
- Retention

Over the past two years, we have cultivated Ingersoll Rand’s DE&I culture by emphasizing these five areas and fostering an ownership mindset, driving us closer to our goal of becoming a DE&I leader.

<sup>1</sup> Employees must be full time and have one year of service to be eligible. Not available to employees who participate in the company’s management equity program or where prohibited by local law or regulation or where such grant is required to be bargained for with an employee union unless such grant is agreed to as part of such bargaining.

INGERSOLL RAND 2025 DE&I GOALS



## Representation

*Balancing global representation*  
Increase representation for under-represented<sup>2</sup> employee groups

**By 2025**

- Increase URT in the U.S. workforce to at least 30%
- Increase global employment of women to at least 25%

**Enabling Initiatives**

- Diversity sourcing strategy and action plan
- Platform to support diversity hiring, tracking and reporting



## Experience

*Increasing inclusivity*  
Foster a sense of belonging and build global networks/relationships

**By 2025**

- Increase “belonging” on employee engagement survey to top percentile ranking among all companies
- Build networks, mentoring and sponsorships

**Enabling Initiatives**

- Expansion and annual programming of Inclusion Groups
- Mentoring programs
- Unconscious Bias training and DE&I learning path



## Advancement

*Fostering inspired teams*  
Help navigate career paths and ensure equal opportunities

**By 2025**

- Increase “growth” and “equal opportunity” on employee engagement survey to top percentile ranking among all companies

**Enabling Initiatives**

- Employee confidence in career advancement regardless of ethnicity or gender
- E-learning platform
- Leadership competency model aligned with DE&I
- Structured career paths for all roles

**Progress on Representation Goal**

Percent of Women in Total Global Workforce						
	2020	2021	2022	2023	2024	2025
Target	22.0%	22.25%	22.75%	23.50%	24.3%	25.0%
Actual	21.6%	22.6%	21.9%			

**Progress on Representation Goal**

Under-Represented Talent Representation in U.S. Workforce <sup>2</sup>						
	2020	2021	2022	2023	2024	2025
Target	25.0%	25.5%	26.25%	27.5%	28.75%	30.0%
Actual	25.0%	15.3%	17.5%			

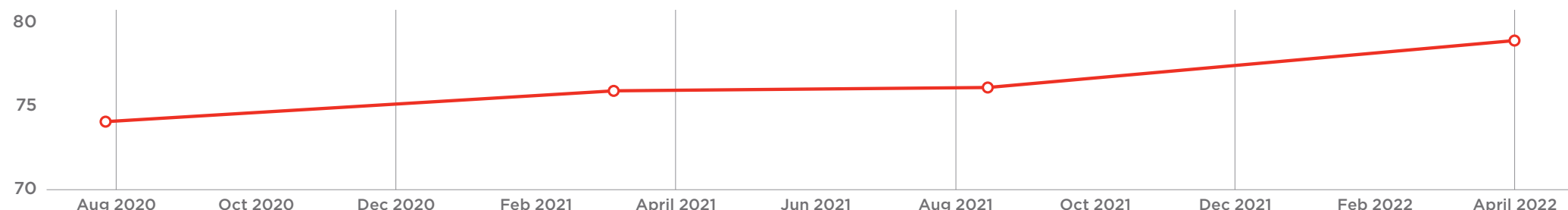
<sup>2</sup> URT is defined as Black or African American, Hispanic or Latin, Asian, American Indian, Alaska Native, Native Hawaiian. Source: Management Leaders for Tomorrow (MLT). URT representation was significantly negatively impacted in 2021 due to two divestitures of companies that had high levels of URT representation. We are currently developing our standards on how and when to re-base-line targets due to significant divestitures, acquisitions or other events and may revise baseline and targets.

PEOPLE AND COMMUNITY CONTINUED

**PROGRESS ON EXPERIENCE GOAL**

We firmly believe that a sense of belonging is the strongest driver of employee engagement and is at the heart of our value: **We Foster Inspired Teams**. When our employees truly feel they belong, we believe it enriches their experience and enables us to deliver exceptional performance. This creates a positive cycle of success that benefits not only our employees but also our partners, customers and communities. We have improved on our experience goal over the last two years. Employees who feel a sense of belonging is now in the top-10% of benchmark manufacturing companies according to our employee engagement survey partner. Our improvement trend with respect to this goal is shown below.

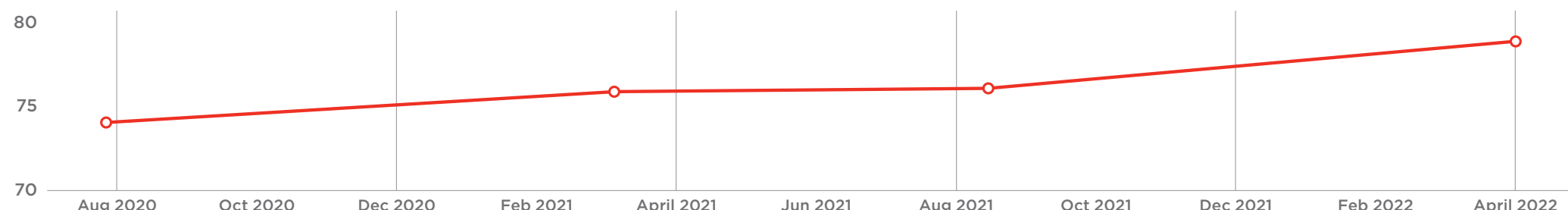
**Belonging Historical Trend<sup>1</sup>** SURVEY QUESTION: *“I feel a sense of belonging at Ingersoll Rand.”*



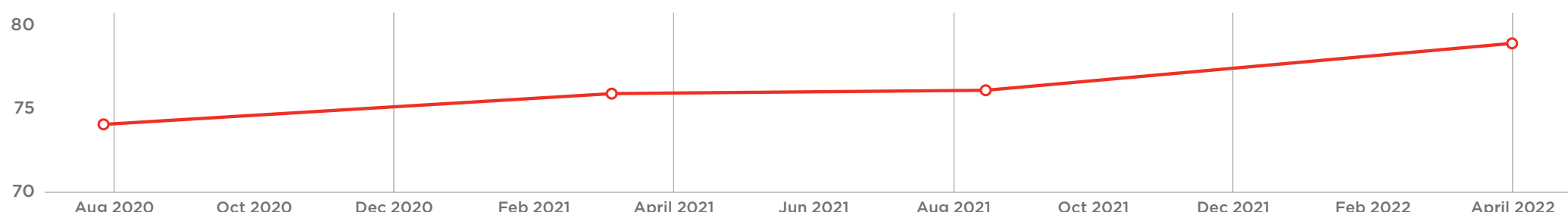
**PROGRESS ON ADVANCEMENT GOAL**

We are passionate about solidifying and advancing the development of our company culture by increasing diversity of talent, supporting navigation of career paths, and ensuring equity in opportunities. Reflecting on the progress of our 2022 advancement goal progress, our promotion rate for females outpaced our female representation rate. This encouraging trend indicates that our targeted activities aimed at development and advancement are proving effective. Furthermore, we are backfilling this talent with a higher rate of gender diversity than our representation rate. These are leading indicators of success related to our DE&I commitment and investment. Over the past few years, we have demonstrated significant progress in the advancement of survey ratings that we believe impact our public goals related to equal opportunity and growth. In fact, our ratings for both equal opportunity and growth now rank in the top 10% of benchmark manufacturing companies as determined by our employee engagement survey partner. The chart below highlights the positive trend in our survey results for questions relating to equal opportunity and growth.

**Equal Opportunity Historical Trend<sup>1</sup>** SURVEY QUESTION: *“Regardless of background, everyone at Ingersoll Rand has an equal opportunity to succeed.”*



**Growth Historical Trend<sup>1</sup>** SURVEY QUESTION: *“I have good opportunities to learn and grow at Ingersoll Rand.”*



<sup>1</sup> 113,535 (87%) employees responded in April 2022.

**INCLUSION GROUP SUPPORTS FOUR COMMUNITIES**

In May, four Ingersoll Rand communities in Charlotte, North Carolina, Monroe, Louisiana, Atlanta, Georgia and Nashville, Tennessee, participated in the Black Employee Network Inclusion Group (BEN-IG) community food drive to donate food items, raise money and volunteer at the local food drive. Jocelyn Cushion, cost accountant at the Charlotte Distribution and Logistics Center (DLC), led this effort to support BEN-IG's goal to become more involved in the communities where employees live and work. These communities each selected local food banks to support.

**Industrial Technologies and Services (ITS) Americas—Charlotte DLC:** The DLC team, donated two pallets of food items to Leah's Hopes and Dreams to support the homeless community in Charlotte, North Carolina. Thirteen DLC volunteers served breakfast at a community event.

**Precision and Science Technologies (PST)—Monroe:** The Monroe team donated to the Food Bank of Northeast Louisiana. They raised \$3,132, which created about 16,500 meals. They also packed 245 food boxes at the food bank.

**ITS Americas—Atlanta and Nashville sites:** Employees from our Atlanta and Nashville sites contributed to food drives that supported the Atlanta Community Food Bank.



Ingersoll Rand employees (from left): Brianna Crawford, Will Stansell, Joseph Quint, Ashleigh Branham, Maddison Allen, and Barbara Johnson, Atlanta, Georgia site

## PEOPLE AND COMMUNITY CONTINUED

**EMPLOYEE TRAINING**

To better equip our employees and solidify our expectations, we continue to lay the groundwork to promote respect, inclusion and belonging by training our employees on unconscious bias. This training teaches employees to recognize bias in the workplace and encourages self-examination to expose bias in ourselves. We have deployed our unconscious bias training to more than 82% of our salaried employees and have conducted personalized sessions to over 150 leaders on “DE&I Matters.” In addition, in 2022, we continued our powerful initiative called “Lean into Change” where employees from across the company participate in culturally sensitive conversations with trust and transparency.

We are passionate about solidifying and advancing the development of our company culture by increasing diversity of talent, supporting navigation of career paths and ensuring equal opportunities while fostering a sense of belonging.

**DIVERSITY, EQUITY AND INCLUSION WORKFORCE DATA**

The following documents our 2022 DE&I employee data with respect to our workforce.

**Gender Breakdown of our Global Employee Population by Percentage of Employees**

Diversity Indicator	Percentage of Total Employee Population
Females in total workforce	21.9%
Females in all management positions, including junior, middle and senior management (as % of total management workforce)	19.8%
Females in junior management positions, i.e., first level of management (as % of total junior management positions)	21.0%
Females in senior management positions, i.e., maximum two levels from the CEO or comparable positions (as % of total senior management positions)	21.5%
Females in management positions in revenue-generating functions (e.g., sales, as % of all such managers, e.g., excluding support functions such as HR, IT, Legal)	16.0%
Females in STEM (Science, Technology, Engineering, and Math) related positions (as % of total STEM positions)	13.0%

**Age Breakdown of our Global Employee Population**

Total Population	<30 Years Old	30-50 Years Old	>50 Years Old
17,105	12.1%	56.4%	31.4%

**Diversity Breakdown of our Employee Population in the U.S.**

Breakdown	Share in total U.S. workforce (as % of the total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Asian	3.0%	3.7%
Black or African American	6.9%	2.3%
Hispanic or Latino	7.1%	5.5%
White	70.9%	79.5%
Indigenous or Native	0.3%	0.0%
Other	11.3% not specified 0.6% two or more races	8.8% not specified 0.3% two or more races

**Gender Pay Indicators**

Differences between employee pay by level		
Total Population	Men (Average)	Women (Average)
Management level (base salary only)	\$96,613	\$91,577
Management level (base salary + other cash incentives)	\$124,410	\$118,217

Differences between male and female annual employee pay		
Pay Type (USD)	Mean	Median
Gender Pay Gap	\$4,605	\$10
Gender Bonus Gap	\$1,530	\$6

## PEOPLE AND COMMUNITY CONTINUED

With more than 17,000 employees across six continents, Ingersoll Rand prides itself on creating a diverse workforce that is welcoming and inclusive. It's foundational to our culture and one of the core values under which we operate.

**MADRID FAMILY DAY FOSTERS TEAM AND SHARES PRIDE**

One Saturday in late May, our Ingersoll Rand Coslada, Spain facility celebrated its first Family Day, bringing to life our value of fostering inspired teams. Our team's commitment to fostering a culture that embraces diverse points of view, backgrounds, and experiences was evident throughout the family fun day event, which brought together employees and their families to celebrate inclusion, belonging, and respect as they bonded and took pride in sharing the exciting work they do.

- Live demonstrations of how compressors work, where all the children participated by inflating balloons
- Equipment demonstrations and education
- Presentations showcasing the variety of applications and manufacturing processes using compressed air
- Engineering projects and activities, and the application of compressors in transport and their use, allowing attendees to see the assembly on a truck

It strengthened our bonds and, perhaps even encouraged the next generation to enter the manufacturing industry with Ingersoll Rand.

**FOSTERING A CULTURE OF ALLYSHIP**

Our ongoing mission to foster inspired teams by making all employees feel safe, engaged, and valued is supported by numerous inclusion groups and developmental programs throughout the company. Most importantly, it is supported by Ingersoll Rand's employees who embrace this responsibility by practicing empathy, breaking down barriers, and influencing change through a strong commitment and a bias for action. This is what allyship is all about.

Allyship is the action of promoting equity through supportive relationships and advocating for those facing organizational inequalities. Practicing active allyship is not passive but an ongoing commitment. An ally is any person who continually learns, actively promotes, and works to advance the culture of inclusion through intentional, positive, and conscious efforts that benefit one another.



*Asian Inclusion Group Employees during the Dragon Boat Race and Asian Festival*

Being an ally and advocating for colleagues of different identities can create a valuable impact on the well-being, growth, and development of different groups. We believe that a diverse workforce is linked to stronger performances in innovation, productivity, profitability, and customer satisfaction. To promote allyship and support existing allies, Ingersoll Rand deployed ongoing resources, tips, and tools on the subject matter, including opportunities for discussion and reflection through our employee-only LinkedIn group.

**INGERSOLL RAND SUPPORTS HABITAT'S INTERNATIONAL WOMEN BUILD WEEK**

Ingersoll Rand's team in our Buffalo, New York site joined forces with Habitat for Humanity during the annual Habitat's International Women Build Week. The weeklong event organized by Habitat's Women Build program is aimed to make a difference in the lives of families in need and uplift the local community. This rewarding experience not only improved the local community, but also brought all the employees at the site together where everyone had a chance to contribute.

Women Build served as an exceptional avenue to engage friends and family members of all ages in significant work that has a lasting impact. The act of women supporting and empowering other women sends a positive and powerful message, reinforcing the importance of collaboration, compassion, and community involvement.



*Ingersoll Rand Employees: Buffalo, New York site*

**MOTIVATING GIRLS AND WOMEN TO PURSUE CAREERS IN SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (STEM)**

Held in May every year, Germany's Girls' Future Day is designed to motivate girls and women to pursue careers in STEM. Our SEEPEX Germany site offered school girls from 5th grade and higher the opportunity to come onsite to experience industrial-technical professions as a career option.

PEOPLE AND COMMUNITY CONTINUED

**OUR DE&I JOURNEY AHEAD**

As a longstanding supporter of the CEO Action for Diversity and Inclusion pledge, we take pride in the diversity of our BOD at Ingersoll Rand. Currently, 50% of our BOD members represent diverse backgrounds in terms of gender or ethnicity and the full extended leadership team is 20% female and is nearly 30% diverse in gender or ethnicity.

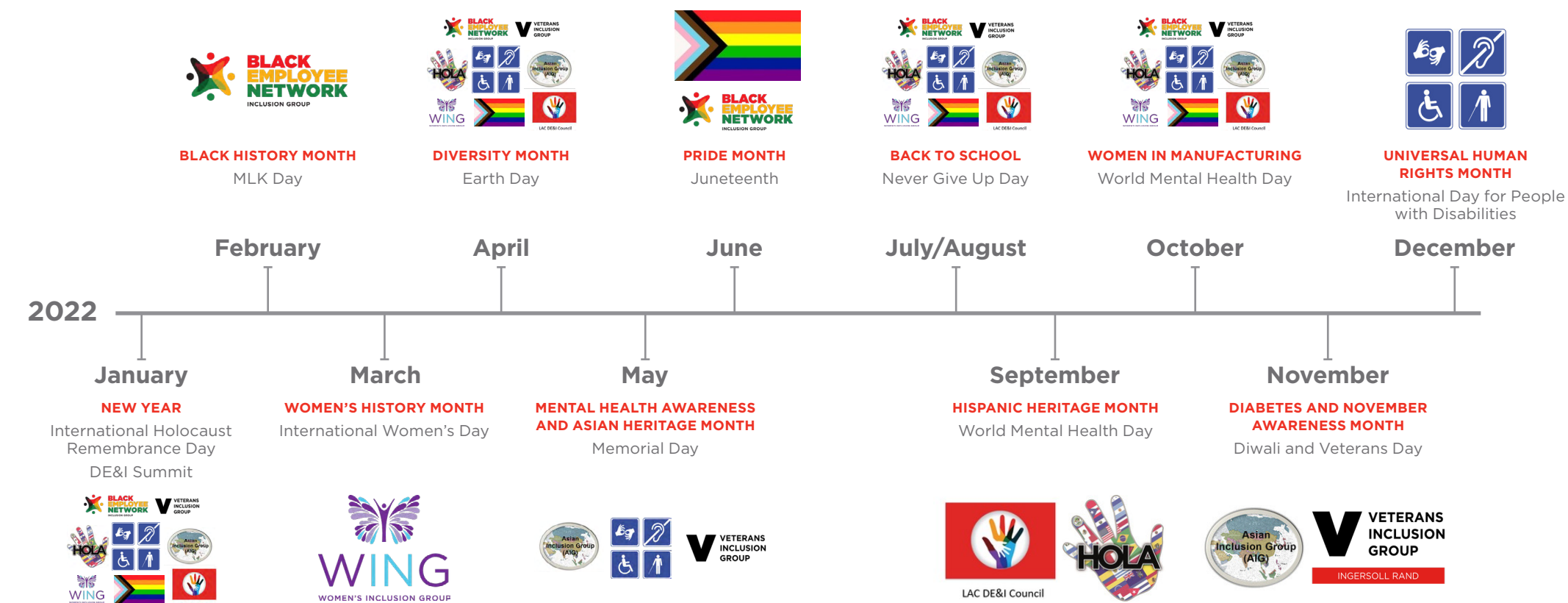
Ingersoll Rand has made significant strides towards fostering inclusivity through the creation of seven employee inclusion groups in the past three years. In addition, we have established four regional groups in Europe and Asia Pacific, as well as a DE&I council in Latin America. We have enhanced our global connectivity and reinforced our commitment to cultivating a more inclusive organizational culture. Our seven company-wide employee inclusion groups include:

- Asian Inclusion Group
- Black Employee Network
- Disability Inclusion Group (IRealabilities)
- Hispanic/Latinx Org for Leadership Advancement
- Pride Alliance
- Veteran Inclusion Group
- Women's Inclusion Group

The groups serve as strategic employee resources for talent management, community influence, employee experience, as well as leadership development and mentoring. Ingersoll Rand continues to see an increase in membership and participation of our employees in these groups each year which aligns with continued increase of the sense of belonging (by 5 points since 2021) and engagement shown in our annual employee engagement surveys.

Ingersoll Rand's Inclusion Groups actively participated in and organized celebrations for important diversity and inclusion observances in 2022. Each year, all group leaders from around the world gather to strategize and develop plans for engaging monthly activities for the employees as well as enhancing the culture of belonging. The timeline of activities depicts some opportunities employees can participate in to create an equitable workplace. Year-round events to include, but are not limited to lunch and learn sessions, facilitated workshops, panel discussions,

**DE&I ENGAGEMENT ACTIVITIES 2022**



empowerment and mentorship circles, art contests, cultural celebrations, external outreaches, community volunteerism, participation in summits and much more.

Providing educational resources, sharing personal experiences and knowledge enhances the understanding and appreciation of different cultures, identities, and perspectives cultivated at Ingersoll Rand, and ultimately creates a preferred workplace in the industrial manufacturing space.

At Ingersoll Rand, we are steadfast in our commitment to DE&I, and we understand that achieving our objectives requires a continuous focus on talent attraction, engagement, development, advancement, and retention. By prioritizing these areas, we are confident in our ability to further advance our DE&I commitment and cultivate a workforce that is not only highly skilled but also reflects the rich diversity of our global community.

## HUMAN RIGHTS

The activities of Ingersoll Rand impact the lives of millions around the world, and we recognize we play an important role in respecting and upholding human rights. To illustrate our active commitment to and respect of human rights in our business relationships, we developed our [human rights policy](#) to further embed and ensure responsibility for people throughout Ingersoll Rand.

**TRAINING AND DEVELOPMENT**

# Developing Talent

**Recognizing that our employees are the cornerstone of our success, we are deeply committed to investing in their growth and development.**

**Training and Development Inputs**

Per Full-time Employee	2022
Average hours of training and development	8.98 hours
Average amount spent on training and development	\$288.25

**TALENT DEVELOPMENT**

Talent development programs are essential to growing our business. By aligning learning to our business strategy and goals, incorporating technology, and ensuring company-wide access to world-class learning opportunities, we have increased employee engagement, development and overall business success. Further, we have placed a strong emphasis on individual development plans tied to specific, measurable, time-bound actions and learning to drive improvement. These actions not only offer a path to career advancement for our employees, they ensure strong internal succession.

The main objectives of our Talent Development strategy are:

- 1 Be the Employer of Choice** by offering meaningful work, attractive benefits, career growth, and development opportunities.
- 2 Build a Better Employee Experience** by creating an environment that fosters employee engagement, growth opportunities, and satisfaction.
- 3 Provide our employees** with unmatched development opportunities.

**Human Capital Return on Investment**

Human Capital ROI	2019 <sup>1</sup>	2020 <sup>2</sup>	2021 <sup>3</sup>	2022
Total Revenue	\$6,164,500,000	\$5,380,100,000	\$5,152,400,000	\$5,916,300,000
Total Operating Expenses	\$4,536,000,000	\$4,350,600,000	\$4,043,900,000	\$4,562,100,000
Total Employee-Related Expenses (Salaries + Benefits)	\$1,195,800,000	\$1,237,200,000	\$1,207,400,000	\$1,286,300,000
Total Employees	17,000	15,900	15,830	17,105
Resulting Human Capital Return on Investmentn (Total Revenue - (Total Operating Expenses - Total Employee Related Expenses))/ Total Employee Related	\$2.36	\$1.83	\$1.92	\$2.05

<sup>1</sup>For 2019, the amounts include the impact of one full year of standalone legacy Ingersoll Rand Industrial Segment activity.  
<sup>2</sup>For 2020, the amounts include the impact of two months (January and February of 2020) of standalone legacy Ingersoll Rand Industrial Segment activity.  
<sup>3</sup>For 2021, the amounts exclude our two formerly-owned businesses, Specialty Vehicle Technologies and Solutions, that were sold during the year.



*“By fostering a supportive and inclusive work environment, we aim to attract, develop, and retain top talent. We believe that investing in our people is key to driving innovation, achieving operational excellence, and sustaining long-term success. Together, we will continue to nurture a culture of continuous learning and growth, ensuring that our organization remains agile and resilient in an ever-evolving business landscape.”*

*Patrick Davis, Vice President, Talent and Organizational Capability*

**Our Sustainability Ambassador program offers employees the opportunity to participate in ESG activities such as carbon accounting, sustainable operations, materiality assessment, biodiversity and product life cycle assessments to learn about sustainability as part of their development program.**

**TRAINING AND DEVELOPMENT CONTINUED**

**EMPLOYEE DEVELOPMENT PROGRAMS**

With an emphasis on training and development, we offer dozens of in-house courses that are specifically designed to educate, motivate, and equip our employees for personal and professional growth. We exemplify our commitment to ongoing training and development by providing learning opportunities through: Women in Leadership, Lead Like an Owner, and LinkedIn Learning.

**WOMEN IN LEADERSHIP**

One initiative that aligns with our talent development strategy is the Women’s Leadership Development Program (WLDP). This program develops 30 top-talent women worldwide to prepare them for a new opportunity at Ingersoll Rand. Focusing on areas connected to our purpose and values, the WLDP prepares them for leadership roles impacting the cohort and the organization. The WLDP measures success through increased engagement, decreased attrition, and internal role changes.

**LEAD LIKE AN OWNER (LLaO)**

Our Lead Like an Owner program, focuses on setting the leadership standard for Ingersoll Rand. This program is connected to our value of thinking and acting like owners to enhance our leadership bench strength. It builds a strong leadership community globally while increasing the engagement of our top leaders. Thirty leaders responsible for business segments and functions worldwide align with our values, strategic imperatives, and execution tools that help Make Life Better for our customers and employees.

**WOMEN’S LEADERSHIP DEVELOPMENT PROGRAM**

	Personal Development	Business Development	Personal Development	Business Development	Business Development	
<b>Develop Yourself as a Leader</b>	<b>Assessment Feedback and Development</b> We foster inspired teams	<b>Execute Boldly with IRX™</b> We are bold in our aspirations while moving forward with humility and integrity	<b>Confidence and Influence</b> We foster inspired teams	<b>Financial Data: Business Impact</b> We think and act like owners	<b>Customer Insight</b> We are committed to making our customers successful	<b>Tying it Together: Graduation</b>
<b>Coaching/Mentor Feedback</b>						
WLDP purpose: women’s development matters Learning framework and expectations How women rise	Giving and receiving feedback effectively Personal assessment Preparing for your feedback session Development planning	IRX™ overview IDM excellence: role of the meeting owner and joyful observer	Executive presence Leadership branding Candor with confidence Influencing others	The financial cycle Key metrics at Ingersoll Rand Data and decision making	Net Promoter Score (NPS) Voice of the customer Customer insights Ingersoll Rand business unit overviews	Putting it all together as an Ingersoll Rand leader Graduation
<b>Complete assigned individual post-class assignments/peer coaching circles meet</b>						

**LEADING LIKE AN OWNER**

<b>Your Leadership Matters</b>	<b>LeadIRship eXcellence</b>	<b>Financial Health: Beyond the Numbers</b>	<b>Bold Introspection: Prepare for Feedback</b>	<b>Moments of Truth: IRX Execution</b>	<b>Customer: Insights to Excellence</b>	<b>Putting it Together: Strategy to Action</b>
<b>Complete assigned pre-work</b>						
Welcome and intros Development matters Owning development Learning framework Expectations Launch assessment What’s next	Debrief prior session Leading the Ingersoll Rand way Monthly Business Review (MBR) homework What’s next	Debrief prior session Discuss the MBRs Investor perspective Data-driven decisions Storytelling w/data What’s next	Debrief prior session Preparing for coaching Feedback Reflection: opportunities & strengths Support on the journey Development plan What’s next	Debrief prior session Psychological safety Radical candor Creating moments of truth via IRX™ What’s next	Debrief prior session NPS + customer satisfaction Customer insights PAINstorming What’s next	Debrief prior session Moving from strategy to action Trying it all together as an Ingersoll Rand leader Graduation
<b>Complete assigned individual post-class assignments/peer coaching circles meet</b>						





Ingersoll Rand Employees: Women in Manufacturing Summit 2022

Career Advancements

7%      33%

OF THE LLaO COHORT  
SINCE INCEPTION

OF THE WLDP COHORT  
SINCE INCEPTION

QUANTITATIVE IMPACT OF BUSINESS BENEFITS

The benefits of the WLDP and LLaO align with our goals of improving retention, talent development, succession planning, engagement, and DE&I.

- 1 Retention:** Employees who feel like there are opportunities to grow and develop within an organization are more likely to stay. We expect to reduce attrition for the cohorts and similarly situated employees as a result of these programs.
- 2 Talent development:** Internal mobility can be a powerful tool for talent development. When employees move to different roles within an organization, they can gain new skills and experiences that can help them become more well-rounded and valuable to the company. Since its inception in 2021, 7% of the LLaO cohort has moved into new roles. 33% of the WLDP cohort has moved into new roles since it began in 2022.
- 3 Succession planning:** Tracking internal mobility can also be essential for succession planning. By identifying employees who have the potential to move up within the organization, we can better prepare them for roles with increased responsibility.
- 4 Engagement:** Employee engagement survey results have indicated the importance of providing development opportunities to them. The LLaO and WLDP demonstrate our commitment to providing development opportunities for our employees.
- 5 DE&I:** Internal mobility can also be necessary for promoting DE&I. Tracking internal mobility helps us identify potential barriers to mobility so we can take steps to address them. The programs align with our DE&I goals of increasing growth and opportunity for all. The WLDP specifically aligns with our goal of increasing women in leadership roles to 25% by 2025.

TRAINING AND DEVELOPMENT CONTINUED

**LINKEDIN LEARNING**

Leveraging a world-class skill-building solution like LinkedIn Learning has strengthened our training and development initiatives. Drawing from real-time data and insights, LinkedIn Learning offers personalized recommendations based on an employee's interests, job role, and learning history, making it easier for employees to find high-quality content most relevant to their career goals. In addition, the platform enables internal mobility by highlighting open opportunities at Ingersoll Rand and providing personalized, actionable steps for an employee to pursue available roles. The adoption has been tremendous, with Ingersoll Rand learners activating over 4,900 seats in the program's first three months.

**LINKEDIN LEARNING CONTENT HIGHLIGHTS FROM DECEMBER 2022 TO JUNE 2023**

4,477

LINKEDIN LEARNING COURSE COMPLETIONS

25,883

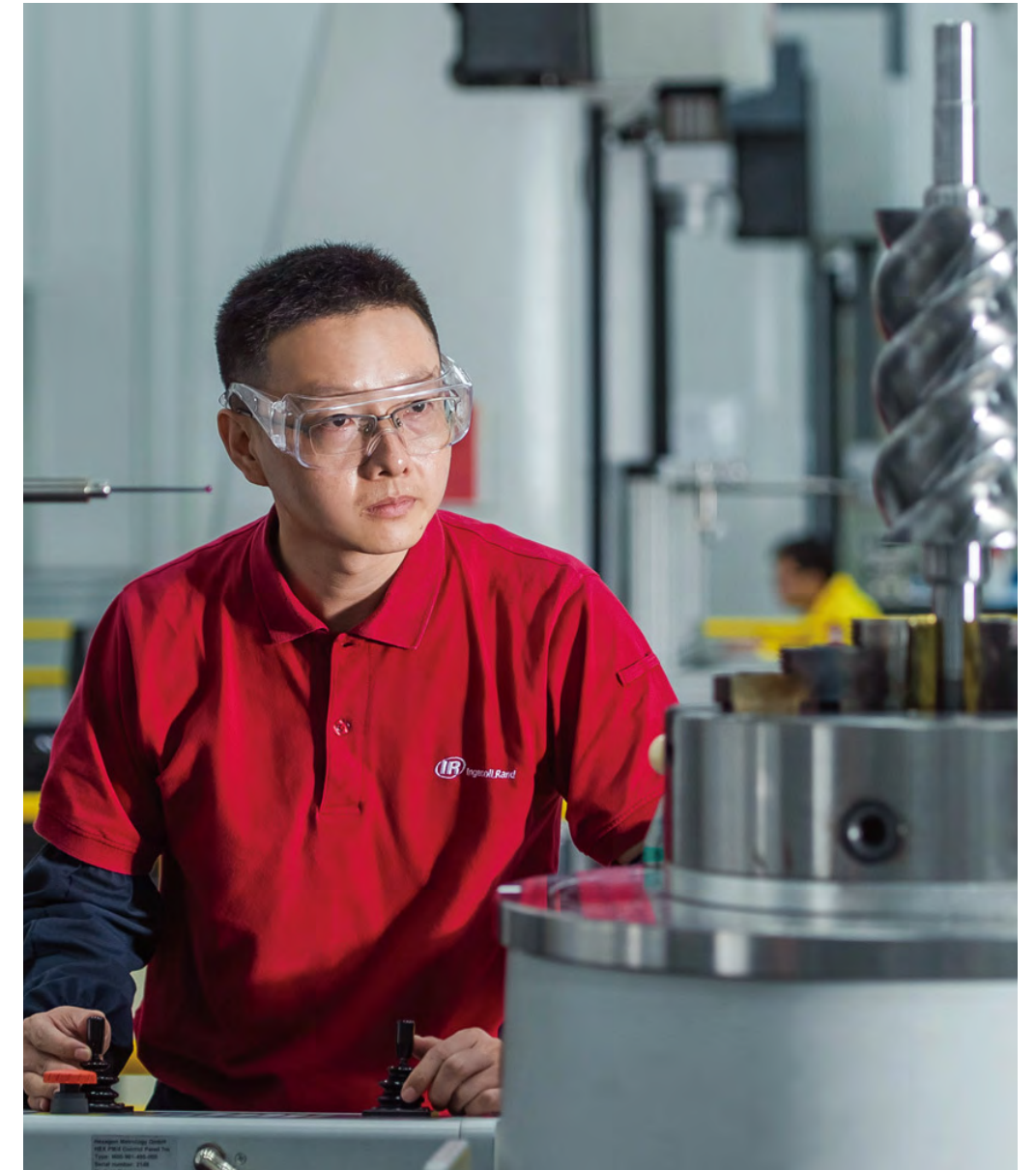
LINKEDIN LEARNING COURSE VIEWS

98,350

LINKEDIN LEARNING VIDEO COMPLETIONS

123,023

LINKEDIN LEARNING VIDEOS VIEWED



Ingersoll Rand Employee: Zhou, Vincent, Wujang, China site

## EMPLOYEE EXPERIENCE

# Talent Attraction and Retention

**The most critical asset of our business is our employees. Not only is supporting our people the right thing to do, it also contributes to the creation of stronger and more motivated teams. True to our values, we continue to promote a sense of belonging, empowerment and respect for employees in our culture.**

### EMPLOYEE ENGAGEMENT

Employee engagement is critical to our company's commitment to create a diverse, inclusive and equitable culture where everyone has the opportunity to thrive. Making Life Better for our employees starts with creating opportunity, which includes a personal ownership stake in Ingersoll Rand.

### OWNERSHIP WORKS PROGRAM

In September 2020, Ingersoll Rand made 16,000 employees owners with its \$150 million worldwide equity grant. We believe this is one of the largest equity grants ever given to all employees of an industrial company. This follows the same approach Gardner Denver took in 2017 with a \$100 million equity grant given to all employees. We believe these grants are a meaningful way to build an ownership culture where all employees can benefit from creating value as they contribute to our success.

In recognition of the significance of shared ownership, we introduced our **Ownership Works Program** in 2021, which is an equity grant program that provides equity to employees after one year of service.<sup>1</sup> In 2022, we granted an additional \$11.6M of equity through this program.

<sup>1</sup> Employees must be full time and have one year of service to be eligible. Not available to employees who participate in the company's management equity program or where prohibited by local law or regulation or where such grant is required to be bargained for with an employee union unless such grant is agreed to as part of such bargaining.

This program allows each and every employee of our company to become an owner.<sup>1</sup> We believe in the power of ownership as owners enjoy higher engagement and have a vested interest in Making Life Better for Ingersoll Rand, its valued customers and local communities.

### CONNECTIONS EMPLOYEE ENGAGEMENT SURVEYS

While our equity grants illustrate our financial investment to making our employees owners, we appreciate that true ownership requires employee engagement at every level of the company. To give a voice to every employee on the workings of their company, we conduct Connections Employee Engagement surveys to ensure continuous improvement and feedback. The confidential survey, conducted by a third party, is a catalyst to ensuring every employee is empowered to influence the future of our company and their careers. It also equips Ingersoll Rand with the data needed to make the best decisions to improve in the areas deemed most important to our employees.

From the 27-question survey, employee engagement ratings are based on the answers to two questions: "How happy are you working at Ingersoll Rand?" and "I would recommend Ingersoll Rand as a great place to work." We ensure industry-leading response rates for our survey by distributing it to 100% of our employees, providing comprehensive messaging that emphasizes its significance. We continue to encourage participation at a local level with local sponsors and employee engagement champions in order to maintain consistent participation.

### OCTOBER 2022 EMPLOYEE ENGAGEMENT SURVEY

We are proud to share that we received a high level of participation from our global employee population in the survey, with over 88% of employees completing it. This participation rate surpasses the manufacturing benchmark of 80%, reflecting our employees' commitment to providing feedback and contributing to the improvement of our organization.

Responses to "How happy are you working at Ingersoll Rand?" scored 82, which is eight points higher than benchmark and ranks Ingersoll Rand in the top 10% of manufacturing organizations, according to our survey partner.

The score of 80 for "I would recommend Ingersoll Rand as a great place to work" is six points higher than benchmark manufacturing organizations according to our survey partner. Overall, the October 2022 engagement index was six points above the manufacturing benchmark.

Responses to all questions exceeded the mean manufacturing benchmark, with ten topics in the top 10% of benchmark manufacturing organizations: accountability, satisfaction, empowerment, feedback, initiative and respectful treatment. Additional strengths include our commitment to safety and manager performance, demonstrating our ownership commitment and "lean on us" mindset.



Ingersoll Rand Employees: Bordeaux, France site

**EMPLOYEE EXPERIENCE** CONTINUED

Employee feedback affirms that embracing an ownership mindset leads to positive transformations and a culture characterized by empowerment, continuous improvement and respect for all. All survey questions first measured in 2020 have improved by meaningful margins in just three years. In fact, the six questions with greatest growth—equal opportunity, feedback, growth, inclusion, strategy and sustainability—directly align with our focus on creating measurable success through the IRX™ process and fostering inspired teams.

**Five-Year Trend for Employee Engagement Survey**

Employee Engagement	2019	2020	2021	2022
Employee Engagement Index (Index Score of Positively Engaged Employees)	72	76	78	81
Participation Rate (% of Total Employees)	92%	95%	91%	88%

**Employee Turnover Rate**

The engagement of our global team members, as well as the power of ownership, is reflected in our turnover rate.

Employee Turnover Rate	2019	2020	2021	2022
Total Employee Turnover Rate	13.9%	16.7%	13.4%	15.9%
Voluntary Employee Turnover Rate	9.0%	7.2%	9.4%	11.1%
Data Coverage (as % of all full-time employees globally)	100%	100%	100%	100%

40% of employees covered by collective bargaining agreements

**EMPLOYEE SUPPORT PROGRAMS**

Ingersoll Rand is proud to care for its employees and attract quality talent with an array of competitive benefits, including but not limited to:

- Flexible work hours
- Work-from-home arrangements where available
- Part-time work options
- Breast-feeding/lactation facilities where available
- Paid parental leave for primary caregivers and non-primary caregivers in excess of the minimum legal requirement



EMPLOYEE ENGAGEMENT  
INDEX SCORE

**HIRING**

Below is a breakdown of employees by a variety of indicators. All data is as of December 31, 2022.

Hiring Breakdown	2020	2021	2022
Total number of new employee hires	1,321	1,856	2,199
Percentage of open positions filled by internal candidates	18%	26.6%	25.4%
Average hiring cost per full-time employee	\$2,645	\$1,282	\$1,902

**Total Number of Employees by Gender**

	Male	Female	Undisclosed	Total
Permanent	13,164	3,686	0	16,850
Temporary	186	69	0	255
	<b>13,350</b>	<b>3,755</b>	<b>0</b>	<b>17,105</b>

**Total Number of Employees by Region**

	Americas	AP	EMEIA	Total
Permanent	5,764	3,572	7,514	16,850
Temporary	24	1	230	255
	<b>5,788</b>	<b>3,573</b>	<b>7,744</b>	<b>17,105</b>

**Total Number of Employees by Type**

	Male	Female	Undisclosed	Total
Full-time	13,200	3,530	0	16,730
Part-time	150	225	0	375
	<b>13,350</b>	<b>3,755</b>	<b>0</b>	<b>17,105</b>

**COMMUNITY IMPACT**

# Making Life Better

**As global citizens, we are committed to meeting the most pressing needs of the communities in which we operate by connecting them to the resources they need to thrive.**

**PST INDIA—INSTALLATION OF PLANT WATER TOWER**

After successful completion of three community water purification projects in India in 2021, Ingersoll Rand's Precision Science and Technologies (PST) India division decided to continue the momentum in 2022 and support two additional water purification projects for schools located in Kelambakkam and Thirukazhukundram.

Both schools relied solely on groundwater for their water supply, but unfortunately, it was unsuitable for consumption. Situated in a rural region, the schools lacked the financial means to afford a water purifier for filtering purposes. Recognizing this issue, Ingersoll Rand and Planet Water collaborated to select these schools for the installation of an Aqua tower, effectively providing them with access to clean drinking water. Overall, 2,298 students benefited from access to fresh water.

*“Complementing Government efforts to provide universal access to clean water, we at Milton Roy India, have joined hands with Planet Water Foundation to supply and install five Aqua Towers providing safe and clean water to over 5,000 primary and middle-level Government school students in nearby villages. Our present initiatives, we hope, will assist enhance student health, lower dropout rates, and assure improved literacy levels in our communities by helping them meet this fundamental human need.”*

**Srikanth Narasimhan**, VP and General Manager, India and Middle East, PST



Installation of Aqua Tower at school in Kelambakkam, India



Installation of Aqua Tower at school in Thirukazhukundram, India

**YUNNAN UNIVERSITY PRESERVING CULTURAL HERITAGE**

ZhangLang Village is a traditional Chinese village with good ecological environmental protection and culture. It is located in a remote mountainous area at the border of Yunnan and Myanmar and the largest Bulang nationality village in the region. Ingersoll Rand partnered with Yunnan University to carry out image recording and creative exchange activities around the traditional culture of the villages, daily production and life, local characteristic industries and other fields by supporting local young talents. Our goal was to help protect and inherit the excellent traditional culture and provide practical help for the cultural construction and social development of the village to promote the development of local society.



Zhanglang Village, China



## COMMUNITY IMPACT CONTINUED

# Citizenship and Philanthropy

At Ingersoll Rand, we strongly believe that we have the power and responsibility to build a better world, and we wake up every day with the desire to help Make Life Better. Our company-wide citizenship strategy guides our philanthropic priorities and activities, which are aligned to the UN Sustainable Development Goals (SDGs) and to our company's business drivers. Managing our citizenship strategy in this way provides clear direction and enables us to use our product expertise and strength of our employee volunteers to have maximum, measurable societal impact on communities and the world. In 2022, Ingersoll Rand contributed over \$1.25M in charitable donations around the globe.

## ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Ingersoll Rand's global citizenship efforts—whether globally or at the local level—are aligned with the following SDGs:



## INGERSOLL RAND GLOBAL CITIZENSHIP STRATEGY

The following principles define Ingersoll Rand's global citizenship strategy:

- 1 Support Our Purpose and Values.** Our global citizenship strategy must first and foremost support our Purpose and Values and assist in integrating them into the fabric of our company.
- 2 Enhance Our Reputation.** A key outcome of our global citizenship strategy is that it should help support and promote us as the provider, employer and investment of choice.
- 3 Diversity, Equity & Inclusion.** Working toward the right solutions requires an integrated view of global citizenship, and DE&I; social responsibility requires diverse, equitable and inclusive perspectives.
- 4 Respond to Local Community Needs.** Our global citizenship strategy must be responsive to identified needs in our communities that are appropriate for our involvement to "Think Global, Act Local."
- 5 Engage Employee Preference.** The interests and preferences of our employees are taken into account when determining the programs we support.
- 6 Achieve Impact.** Our emphasis will be on making resource investments that lead to measurable, observable changes in people, communities and the environment.
- 7 Leverage Resources.** Our efforts will maximize our impact by leveraging corporate and local initiatives; all of our activities will build on each other to ensure we outperform our objectives.

## OUR CORPORATE CITIZENSHIP/PHILANTHROPIC CONTRIBUTIONS

Having a diversified approach to corporate citizenship ensures we make full use of the different types of capital at our disposal, including financial and talent. We manage our corporate citizenship/philanthropic program with a clear direction and focus on our guiding principles as outlined in our citizenship strategy. Doing so enables us to have awareness of community impact, direct beneficiaries and full costs. We further recognize that charitable contributions can be used as a conduit for bribery and that is why our publicly available [Anti-Bribery, and Corruption Policy](#), applicable globally, addresses and controls the manner in which these types of contributions can be made, and to whom.

## LENDING SUPPORT TO THOSE IMPACTED BY THE EARTHQUAKE IN TURKEY

In response to the 2022 earthquake in Turkey, Ingersoll Rand partnered with Planet Water Foundation to fund the installation of an AquaBlock emergency water system, which provided immediate and safe drinking water for up to 10,000 individuals daily.

This donation exemplifies our commitment to living our Purpose—Make Life Better—when it's needed most.



Planet Water Foundation Employees installing AquaBlock water system

COMMUNITY IMPACT CONTINUED

**EARTH DAY 2023: INVEST IN OUR PLANET**

Each year Ingersoll Rand takes time on April 22<sup>nd</sup> to participate in Earth Day, an annual global event to promote the involvement in actively improving and protecting the environment. Earth Day provides Ingersoll Rand the perfect opportunity to Make Life Better.

During Earth Day 2023, 2,751 employees around the world showed their commitment to the theme of **Invest in our Planet** by volunteering over 3,873 hours to leave a lasting, positive impact on the environment.

Number of participating locations	70
Number of trees planted	1,268
Energy saved (kWh)	1,113
Waste collected (lbs)	5,644
Waste recycled (lbs)	3,604
Number of employee volunteers	2,751
Total number of volunteer hours	3,873

We believe that through our actions in celebration of Earth Day that employees from any part of the globe can make positive changes to their shared environment. We believe in carrying the responsibilities and actions shown on Earth Day throughout each and every day of the year by Operating Sustainably and maintaining a commitment to conserving water and energy and reducing waste.



Ingersoll Rand Employees: Nuremberg, Germany site



Ingersoll Rand Employees: Chennai, India site

**PRETTY IN PINK**

The Ingersoll Rand team in Southern Pines participated in a fundraising event for the Pretty in Pink Foundation with Ingersoll Rand matching employee contributions. The foundation is a local non-profit started in 2004 by Dr. Lisa Tolnitch, a Raleigh breast cancer surgeon. Its mission is to provide uninsured and under-insured breast cancer patients in North Carolina, our Champions, with financial assistance for quality, life-saving medical treatment. This fundraiser brought our team together for a common goal of helping others in our community.



Ingersoll Rand Employees: Southern Pines, North Carolina site

## OUR ESG PRIORITIES

# Materiality Assessment Process

### A Double Materiality Assessment Methodology

Ingersoll Rand's approach to refreshing our Materiality Assessment in 2023<sup>1</sup> was conducted based on the principle of double materiality as outlined in the Global Reporting Initiative (GRI). This deepened the definition of materiality to encompass and emphasize the economic, environmental and social impacts of our value drivers. In our approach, we focused on the importance of each topic to stakeholders, long-term shareholder value creation and competitive positioning. We also considered the short-term and long-term impacts, intended and unintended impacts, positive or negative impacts, and reversible and irreversible impacts affecting our financial, organizational, and reputational

*"I firmly believe that strong governance practices are the foundation for sustainable and ethical business operations. By upholding the highest standards of transparency, accountability, and integrity, we not only ensure compliance with regulations but also build trust with our stakeholders. Good governance is not just a box to check, but a guiding principle that shapes our decision-making processes, risk management strategies, and organizational culture. At Ingersoll Rand, we are committed to fostering a governance framework that promotes ethical conduct, protects the interests of our stakeholders, and drives long-term value creation."*

**Andy Schiesl**, Senior Vice President and General Counsel

performance now and in the future. This in-depth analysis helped us identify the most material topics and allowed us to arrange the topics in order of significance to stakeholders and impact on Ingersoll Rand.

### IDENTIFYING MATERIAL TOPICS

Identifying our material topics was a multi-step process. We first assessed our prior materiality results. This was followed by identifying the material topics that are considered important to the manufacturing industry and assessing these topics against our current strategy, purpose and values. We reviewed the regulatory frameworks, such as GRI, Sustainability Accounting Standards Board (SASB), United Nations SDGs and the Task Force on Climate-Related Disclosures (TCFD) framework to ensure alignment and completeness of our material topics.

The results were 20 material topics that we grouped into the following categories:

- Labor and Employee Matters
- Economic Value Creation
- Climate Stewardship
- Product Stewardship/New Product Development and Innovation

### STAKEHOLDERS

To ensure a comprehensive understanding of our material topics, we surveyed our employees as well as selected customers, investors and suppliers in various geographies. During the process, we conducted internal interviews, met with focus groups, and conducted an impact assessment of the material topics on our business within our most senior leadership. In the surveys, we asked the stakeholders to rate the topics that Ingersoll Rand should be most concerned about in respect of impacts on environment, human rights, communities, and the economy. We applied a weighting system that assigned a 50% weighting to external stakeholders and a 50% weighting to internal stakeholders. Our senior leaders along with the Sustainability Committee of our BOD provided final approval of the Materiality Assessment.

### THE PROCESS

## Understand

- Review company's purpose, values, strategies
- Review types of products, services, customers, and locations
- Review and determine stakeholders and review peer benchmarking

## Identify

- Identify impacts on the economy, environment and people, including impacts on human rights
- Engage with relevant assessments of business relationships such as legal or anti-corruption, etc.
- Determine the population and means of assessments (surveys, focus groups, interviews)

## Assess

- Assess significance of selected topics on environment, people, communities and the economy
- Assess financial, positive or negative impact on business
- Engage stakeholders in the assessment

## Prioritize

- Group the topics based on impacts and test against applicable GRI sector standards to prevent any overlooked topics
- Validation and approval from the highest governance body at Ingersoll Rand

<sup>1</sup> A Materiality Assessment is conducted every two years at Ingersoll Rand.



**MATERIALITY CONTINUED**

**MATERIALITY MATRIX**

We define “material issues” as those issues important to our stakeholders and the success of our business. We assessed these issues to help us dedicate resources to those areas where we have a potentially significant impact on the environment, society and the economy.

While all the issues on the Materiality Matrix carry importance, the issues in the upper right quartile were ranked as the most critical to our stakeholders and Ingersoll Rand. This assessment is an input into how we prioritize the issues. We have programs in place to address both the risks and opportunities these issues represent.

**ERM AND ONGOING MONITORING OF IMPACT**

We utilize an ERM process that enables us to pursue our strategic imperatives while identifying, controlling and mitigating risks. This process is based on the COSO Enterprise Risk framework. The Materiality Assessment process is incorporated into the overall ERM process and is used to assess and manage material topics. We continue to monitor and update material issues on an ongoing basis and engage our key stakeholder groups to keep pulse on any changing environmental, social and economic impacts.

**MATERIAL TOPICS PRIORITIZATION**

We identified 20 material topics categorized in four main categories:

**1 Labor and Employee Matters**



*Ingersoll Rand values diversity and promotes an equitable and inclusive environment for all employees. Ensuring a “safety first” culture, Ingersoll Rand maintains world-class safety metrics and offers a wide range of trainings and resources to support employees’ overall health, safety and well-being.*

**2 Economic Value Creation**

*Although Economic Value Creation is one of our top four Material topics, it does not correlate to a UN Sustainable Development Goal.*

**3 Climate Stewardship**



*Ingersoll Rand continues to mitigate risks derived from climate change and focuses on improvements in its operations by reducing emissions through energy efficient projects, installing solar, purchasing hybrid and electric vehicles, and purchasing green energy.*

**4 Product Stewardship/New Product Development and Innovation**



*Through innovation and new product development, Ingersoll Rand reduces its impact on the environment through emission reduction and water conservation in products and ensures the health and safety of the customers as end-users.*

**MATERIALITY MATRIX 2023**

**Material Topics**

**Labor and Employee Matters**

- 1 Anti-corruption
- 3 Labor and Human Rights
- 7 Employee Training and Development
- 8 Employee Engagement
- 15 Employee Diversity, Equity and Inclusion
- 16 Occupational Health and Safety
- 20 Employment Benefits, Health and Wellness

**Economic Value Creation**

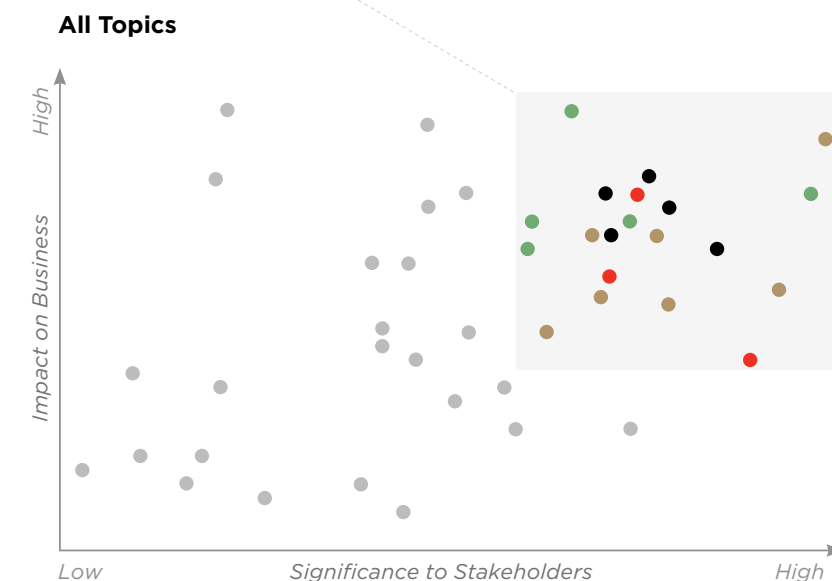
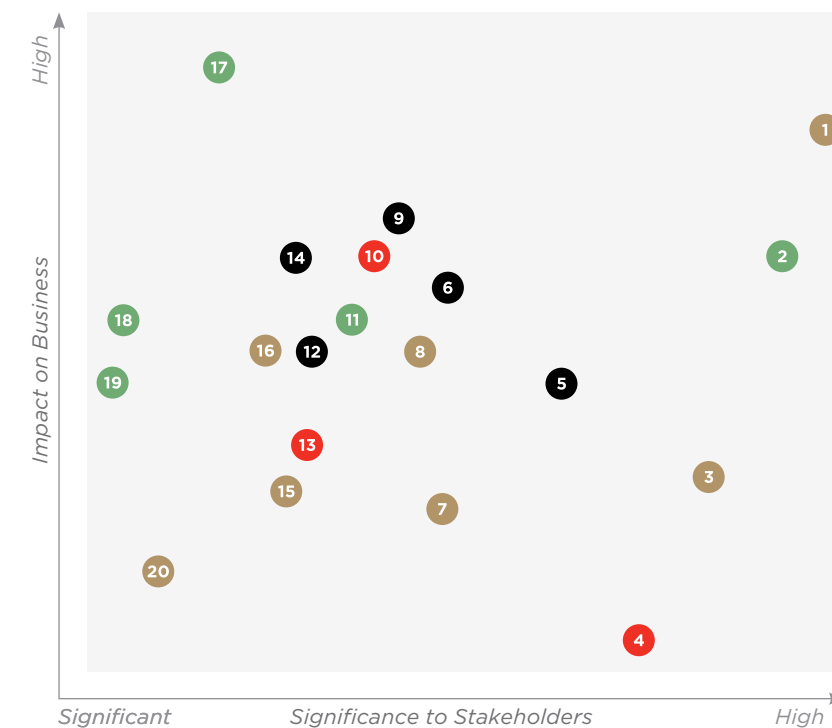
- 2 Capital Allocation Strategy
- 11 Supply Chain Reliability
- 17 EBITDA
- 18 Debt Leverage
- 19 High Growth Sustainable End Markets

**Climate Stewardship**

- 4 Company Energy Use
- 10 Environmental Compliance
- 13 Greenhouse Gas Emissions

**Product Stewardship/New Product Development and Innovation**

- 5 Customer Health and Safety
- 6 Product Quality
- 9 Understanding and Meeting Customer Needs
- 12 Product Energy efficiency
- 14 New Product Development and Innovation



MATERIALITY CONTINUED

ESG PRIORITIES

**Material Issue #1 Labor and Employee Matters**

Why Issue is Material to Ingersoll Rand	Primary Business Strategy to Address Issue	Long-Term Metric to Measure Progress on Issue
<p>Our success is largely dependent on the skills, experience, efforts and safety of our talent across the company. Our future success also depends on our ability to attract, retain and develop qualified personnel at all levels of the organization. We know the diverse and inclusive views of a global team will help us deliver strong performance, creating a cycle of success that benefits our employees, partners and customers. The availability of highly qualified, diverse talent is limited and the competition for talent is robust.</p>	<p>Deploy Talent is the first of Ingersoll Rand’s five strategic priorities, and the one that drives how we, attract, develop, nurture, mentor and retain our employees. We do this in a number of ways.</p> <p>First, we believe that cultivating an ownership mindset through actual ownership results in employees having a vested interest in the success of the Company and desiring to build a long-term career with us. We have awarded over \$275M in equity to our employees since 2017, which has increased to nearly \$590M in value as of March 31, 2023. We also continue to offer our Ownership Works Program that grants equity to all new employees after their one-year anniversary.<sup>1</sup></p> <p>We believe a workplace that cultivates a sense of inclusion, belonging and respect will develop the most talented, engaged and capable employees. Diverse, inclusive teams improve productivity and quality of work, while increasing employee engagement, all of which drives employee attraction and retention.</p> <p>Employee engagement is also critical to our ability to attract, retain and develop our employees. In order to give a voice to every employee, we conduct annual employee engagement surveys. The confidential survey is a catalyst to ensuring every employee is empowered to influence the future of our company. It also equips Ingersoll Rand with the data needed to make the best decisions to improve in the areas deemed most important to our employees.</p> <p>Finally, the safety of our employees is imperative and critical to retaining talent. In addition, when our employees know they are safe at work, we believe they perform better and work more efficiently.</p>	<p>Metrics and targets are multi-year with specific public targets announced through 2025.</p> <p>Targets related to DE&amp;I include tracking % of women and URT<sup>2</sup> including:</p> <ul style="list-style-type: none"> <li>• 25% women in total workforce by 2050</li> <li>• 30% URT in the U.S. workforce by 2025<sup>2</sup></li> </ul> <p>Our 2022 target for employee engagement, which includes questions regarding employee growth and development, equal opportunity and sense of belonging, was a score of 81, which was achieved.</p> <p>With respect to safety, Ingersoll Rand targets the following world-class safety rates on an annual basis:</p> <ul style="list-style-type: none"> <li>• Achieve world-class Total Recordable Incident Rate (TRIR) safety level of 0.6</li> <li>• Achieve world-class Lost Time Incident Rate (LTIR) safety levels of 0.06</li> </ul>

<sup>1</sup> Employees must be full time and have one year of service to be eligible. Not available to employees who participate in the company’s management equity program or where prohibited by local law or regulation or where such grant is required to be bargained for with an employee union unless such grant is agreed to as part of such bargaining.  
<sup>2</sup> URT is defined as Black or African American, Hispanic or Latin, Asian, American Indian, Alaska Native, Native Hawaiian. Source: MLT. URT significantly declined in 2021 due to two divestures of companies that had high levels of URT representation. We are currently developing our standards on how and when to re-baseline targets due to significant divestures, acquisitions or other events and may revise baseline and targets.



Employees with Vicente Reynal, Sunderland, England site

MATERIALITY CONTINUED

**Material Issue #2 Climate Stewardship**

Why Issue is Material to Ingersoll Rand	Primary Business Strategy to Address Issue	Long-Term Metric to Measure Progress on Issue	Topic Relevance to External Stakeholders, Environment and Social Matters
<p>Climate stewardship is material to Ingersoll Rand for a number of reasons. First, reducing the use of energy, water and materials significantly reduces our costs and makes us more efficient. Obtaining efficiencies through reducing natural resource usage is critical to our future competitiveness and growth. Second, climate change presents unique physical and transition risks that we need to be prepared for in order to prevent financial harm and ensure long term viability. Finally, our mission is to Make Life Better, and reducing our impact on the environment is a key part of fulfilling that mission and protecting the planet and our communities.</p>	<p>Ingersoll Rand is using the IRX process to operationalize sustainability within all of our business units. Our primary business strategy to reduce energy consumption through our Green Excellence (GreenX) Teams has proven successful as we are continuously reducing GHG emissions year over year. The cross-functional GreenX teams around the world are trained in energy efficiency opportunities including:</p> <ul style="list-style-type: none"> <li>• Compressed air management</li> <li>• Start-up/Shut-down management</li> <li>• HVAC and lighting systems improvement</li> <li>• Manufacturing efficiency</li> </ul> <p>With respect to each of our physical and transition risks and opportunities, we have a plan to determine whether we will monitor, manage, mitigate, enhance or adapt as the climate risks and opportunities change.</p> <p>Overall, risks from sea level rise, flooding, wildlife, heat-waves and cold waves are relatively low across our profile. However, water stress has several properties in the high risk category and are spread across our manufacturing and service sites. The risk is not imminent and with proper planning it is not a significant risk to Ingersoll Rand. Our plan anticipates the adverse effects of climate change and takes appropriate action to prevent or minimize the damage they can cause or taking advantage of opportunities that may arise. Ingersoll Rand has comprehensive climate and water roadmaps to assist with mitigation and adaptation measures for our operations. Annually, based on the data from such monitoring, we determine whether we intend to implement any adaptation measures.</p>	<p>Ingersoll Rand has targeted a 4% energy reduction year-over-year within its operations to reach the stated mid and long-term climate goals.</p> <ul style="list-style-type: none"> <li>• Reduce operations GHG emissions 60% by 2030</li> <li>• Achieve net zero GHG emissions by 2050</li> <li>• All operations will be powered by 100% renewable energy by 2050</li> <li>• 17% reduction in water use</li> </ul>	<p>Climate stewardship and Ingersoll Rand’s physical and transition risks are material to our external stakeholders because our operations contribute to the global challenge of climate change. In addition, in order for us to create economic value for our stakeholders, we need to be able to operate more efficiently than our competitors. Reducing our use of energy, water and waste is one way to do that.</p> <p>The impacts assessed include our company energy use, environmental compliance and GHG emissions of 100% of our operations. Our company’s energy use and reduction in GHG emissions contribute to the quality of air, reduce cost and enable investments in renewable energy, which reflects positively on our stakeholder’s return on investment, the environment and is linked with the company’s capital allocation strategy.</p> <p>Ingersoll Rand calculated a quantitative output metric linked to this material issue of our operations in total CO<sub>2</sub>e emitted annually. Based on the current social cost of \$51 per metric ton CO<sub>2</sub>e emitted, the total calculated cost for Ingersoll Rand’s 2022 combined Scope 1 and 2 emissions of 88,733 MT CO<sub>2</sub>e amounts to \$4,525,383.</p>

## MATERIALITY CONTINUED

**Material Issue #3 Product Stewardship/New Product Development and Innovation**

Why Issue is Material to Ingersoll Rand	Primary Business Strategy to Address Issue	Long-Term Metric to Measure Progress on Issue	Topic Relevance to External Stakeholders, Environment and Social Matters
<p>Growing sustainably at Ingersoll Rand is about attracting customers that are seeking sustainable solutions to: reduce energy consumption and associated GHG emissions; reduce water consumption; reduce waste; extend the useful life of equipment; leverage the Industrial Internet of Things (IIoT) for operations optimization and maintenance prediction to eliminate unplanned downtime; and keep their employees safe, healthy, and productive.</p> <p>A key driver of growth for us is the development and sale of intrinsically sustainable products that deliver efficiency, circularity and safety to customers across all markets and regions.</p> <p>Another key aspect of our growth strategy is supporting customers in high-growth sustainable markets. We are uniquely positioned to deliver sustainable products and services into these end markets and make a significant difference now and in the future.</p>	<p>Ingersoll Rand's growth strategy is two-fold. We design, manufacture and deliver products and services that: (1) offer inherent sustainability benefits such as efficiency, circularity and safety; and (2) serve high-growth, sustainable end markets, including renewable energy (clean tech), water and wastewater, food and beverage, and life and sciences.</p> <p>Our DfS process, which is focused on designing innovative and sustainable solutions into our products, is a critical component of our strategy to offer sustainable products to our customers to help them achieve their sustainability goals.</p> <p>In addition, we continue to invest in product and service innovation to deliver a well-positioned portfolio to address our customer needs, deliver value to customers in high-growth sustainable end markets while driving profitable growth for our Company and making life better for our customers and our planet.</p>	<p>Our goals for product stewardship include:</p> <ul style="list-style-type: none"> <li>• Greater than 15% reduction in GHG emissions across Ingersoll Rand products by 2030</li> <li>• Greater than 1 billion gallons of water recycled annually using Ingersoll Rand products by 2030</li> <li>• Generate &gt;25% of our revenue from high-growth, sustainable end markets (including renewable energy, water and wastewater, food and beverage, life and sciences) by 2025</li> </ul>	<p>Sustainable products and services are material to our external stakeholders because our customers request efficient, circular and safe products. Additionally, our products help our customers lower their Scope 1 and 2 emissions and have a direct long-term positive impact on the environment.</p> <p>The impacts assessed were product energy efficiency, new product development and innovation, product quality, customer health and safety, and understanding and meeting customer needs.</p> <p>Ingersoll Rand calculated a quantitative output metric which is &gt;15% reduction in GHG emissions across Ingersoll Rand products by 2030.</p>

## BUSINESS ETHICS

# Ensuring Ethical Behavior

Integrity, honesty and sound judgment are fundamental to Ingersoll Rand's reputation, success and growth. Our **Code of Conduct** helps ensure that all employees, irrespective of their position, consistently conduct themselves in a lawful manner and uphold the highest ethical standards in every facet of their business interactions. The Code is designed to assist us in avoiding even the appearance of improper behavior and serves as a guide for employees when faced with legal or ethical questions. All Ingersoll Rand employees are expected to read the Code carefully, understand its expectations and apply it to all aspects of work. Ingersoll Rand continues to partner with outside experts to enhance its online Code of Conduct training module, which has been successfully implemented across the entire organization.

We hold our suppliers to the same high standards, requiring their compliance with the company's **Supplier Code of Conduct** and adherence to the company's principles of responsible global sourcing and sustainability.

*"The transformation our Compliance program has experienced over the past three years really is something to be proud of. We're seeing levels of awareness, accountability and action that can take organizations a lifetime to accomplish. Quite a testament to the seriousness with which each and every Ingersoll Rand employee embodies doing the right thing."*

*Robert Mayfield, Director, Global Compliance*



Ingersoll Rand Employees: Cristiana Algieri and Roberto De Fusco, Vignate, Italy site

**BUSINESS ETHICS CONTINUED****CODE OF CONDUCT COVERAGE**

% Relative to Total Number of:

**Population**

100%

OF EMPLOYEES, SUPPLIERS, SUBSIDIARIES AND JOINT VENTURES  
(INCLUDING OWNERSHIP ≥10%)

**Written/Digital Acknowledgement**

100%

OF EMPLOYEES, SUPPLIERS, SUBSIDIARIES AND JOINT VENTURES  
(INCLUDING OWNERSHIP ≥10%)

**Training**

100%

OF EMPLOYEES, SUPPLIERS, SUBSIDIARIES AND JOINT VENTURES  
(INCLUDING OWNERSHIP ≥10%)

A Code of Conduct is only effective if it is acknowledged and followed. Ingersoll Rand recognizes that there must be systems and procedures in place to ensure the Code of Conduct and its guidance is understood locally, adopted globally and complied with universally. Partnering with Internal Audit, the Compliance department utilizes a risk and control program to regularly assess its material operations against high-risk elements of the compliance system, including integrity and ethical standards, bribery and corruption exposure, and overall policy adherence.

**COMPLIANCE SYSTEMS/PROCEDURES**

Ingersoll Rand incorporates expected competencies into its performance appraisal system, which is ultimately linked to employee remuneration. Within those competencies is Ingersoll Rand's ultimate compliance tenant: "acting with integrity regardless of how hard the challenge." In the unfortunate instance an employee is seen to have fallen short of that competency, the performance appraisal system is designed to identify and reflect that deficiency in the annual employee remuneration assessment process.

To assure external stakeholders that the Code of Conduct is not only established but also effective, Ingersoll Rand engages Deloitte and Touche, an independent third party, to perform an annual audit of its consolidated financial statements and the effectiveness of internal controls. As part of this work, they perform entity-level audit procedures that assess the

Code of Conduct compliance program. Components of the entity-level control audit procedures include annual confirmation of the global Code of Conduct certification exercise, verification of the global ethics hotline, including upward reporting to the Audit Committee of the BOD, enforcement of the Code of Conduct and the establishment of a Management Representation Letter that requires quarterly compliance certification from company leaders.

**BRIBERY AND CORRUPTION**

Ingersoll Rand maintains its unwavering commitment to conducting global operations in-line with the utmost ethical standards and in full compliance with relevant laws and regulations. This includes strict adherence to the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act, as well as other anti-corruption and related laws in the countries where we operate.

The company's reputation and business success depend on the collective dedication of its employees to uphold these standards with the utmost integrity. We expect a similar level of commitment from our agents, consultants, representatives, and other entities and individuals acting on our behalf, as well as those representing our transaction partners in relation to their work for the company. Our steadfast commitment lies in the prevention of corruption, including any appearance thereof, in all our business dealings. We maintain a zero-tolerance stance towards

bribery and corruption, leaving no room for excuses, even if bribery is considered customary in a particular country. In simple terms, we strictly prohibit all forms of bribery, regardless of their scale.

We also acknowledge that political and charitable donations can potentially serve as a means for bribery. To address and regulate these types of contributions, we have put in place our global [Anti-Bribery and Corruption Policy](#) which is publicly available. The policy outlines the following controls and guidelines regarding such contributions:

- The company or its personnel are prohibited from making contributions of any valuable items, on behalf of the company, to a government employee or charitable organization or cause, unless such contributions are approved in advance by the general counsel, permitted by law, and made to a legitimate organization.
- Company personnel are only permitted to engage in such contributions if explicitly authorized by the director of global compliance.
- It is strictly prohibited for company personnel to make political or charitable contributions, either in their own name or on behalf of the company, with the intention of obtaining or retaining business or gaining an improper advantage in business matters.

**BUSINESS ETHICS** CONTINUED**ETHICS AND COMPLIANCE****INGERSOLL RAND'S CODE OF CONDUCT REPORTING**

Aligned with our Purpose and Values, Ingersoll Rand actively cultivates a culture that promotes open and honest communication as the norm, rather than the exception. We actively encourage both internal and external stakeholders to come forward with good faith reports concerning suspected violations of our Code of Conduct or seek guidance regarding internal policies and procedures. We deeply value the trust placed in us by these individuals and, in accordance with legal requirements, ensure the necessary protections for those who report violations. For stakeholders who prefer to submit anonymous reports confidentially, our [global ethics hotline](#) provides that option.

We take our responsibility to address situations that contradict our Purpose and Values seriously, and that is why we actively promote and require the visibility of our integrity materials at every Ingersoll Rand location worldwide. These materials are made available in local languages, and we provide in-country phone numbers to facilitate the reporting process.

Below is a breakdown of the reports received through both internal and external channels, consolidated through Ingersoll Rand's global ethics hotline. The breakdown includes categories for the reports, cases that led to disciplinary actions, and the overall value of fines associated with all investigations.

2022 Type of Reports	# of Reports	# of Breaches	Serious <sup>1</sup> Cases
Corruption or Bribery	4	0	0
Discrimination or Harassment	0	0	0
Customer Privacy Data	0	0	0
Conflicts of Interest	3	1	0
Money Laundering or Insider Trading	0	0	0
"Other" Governance and Ethics <sup>2</sup>	13	1	0
<b>Total</b>	<b>20</b>	<b>2</b>	<b>0</b>
Fines Imposed	\$0	\$0	\$0
Human Resources	66		

<sup>1</sup>"Serious cases" equates to those having a material impact on the management of the organization. "Discipline" is up to, and including, termination. Ingersoll Rand received 20 "Governance & Ethics" reports globally in 2022 with 10% of those cases substantiated and resulting in employee discipline. All 20 reports were presented to the global ethics hotline "case management team" consisting of the SVP, General Counsel; VP, Internal Audit; and Director, Global Compliance. Of those reports, 100% were also disclosed to the Ingersoll Rand Board of Director's Audit Committee.

<sup>2</sup>"Governance and Ethics" includes all non-Human Resources reports related to Code of Conduct matters that are not otherwise specified in the table.

**POLITICAL CONTRIBUTIONS**

In 2022, Ingersoll Rand did not make contributions or expenditures to political campaigns, organizations or lobbying groups whose primary role is to influence political campaigns, public policy or legislation. However, Ingersoll Rand does from time-to-time contribute to trade associations and tax-exempt entities that we believe support our purpose to help Make Life Better, and it is possible that these associations and entities may have engaged in incidental, ad hoc lobbying activities. Further details on the company's contributions to these associations and entities can be found on the next page under Regulations and Public Policy.

**CHARITABLE CONTRIBUTIONS AND SPONSORSHIP**

In 2022, the value of Ingersoll Rand's corporate citizenship/philanthropic contributions totaled \$1.25 million. Further detail on the reporting of the company's philanthropic contributions can be found in the [Community Impact](#) section.

## BUSINESS ETHICS CONTINUED

# Regulation and Public Policy

Companies frequently engage in legitimate representation within legislative, political, and public discourse. However, when companies make excessive contributions to political campaigns, spend significant amounts on lobbying efforts, or associate too closely with tax-exempt groups like trade associations, it can potentially harm their reputation and pose corruption risks.

Ingersoll Rand seeks to refrain from making contributions to political campaigns or organizations that solely aim to influence political campaigns, public policy, or legislation. As part of our commitment to making a positive impact through our purpose of Making Life Better, Ingersoll Rand occasionally provides support to trade associations and tax-exempt entities that align with our purpose, although their primary focus is not lobbying. However, it is worth noting that these associations and entities may engage in incidental, sporadic lobbying activities from time to time. In this context, a “contribution” refers to an amount given during a specific fiscal period to an individual candidate, organization, ballot measure, or pertaining to an “issue area” or “topic” requiring lobbying efforts.

The following table provides transparent details regarding Ingersoll Rand’s annual monetary contributions and expenditures related to trade associations and other tax-exempt groups. It’s important to note that Ingersoll Rand does not maintain a Political Action Committee (PAC), and therefore PAC contributions do not appear in the presented information.

## ASSOCIATION MEMBERSHIPS

Ingersoll Rand actively collaborates with various industry, economic, and environmental associations, as well as engages in partnerships, endorsements, and memberships with initiatives that are relevant to our business and hold significance for our employees and communities. Additionally, we align ourselves with several organizations that promote and advance our core areas of focus. While the list provided below is representative of these associations and organizations, it may not encompass the entirety of our engagements:

- Australian Hydrogen Council
- British Compressed Gases Association
- CEO Action for Diversity and Inclusion (external social charter)
- China Environment Protection Association
- China General Machinery Association
- China Vacuum Society
- Compressed Air and Gas Institute (CAGI)
- Compressed Air Association of Australasia
- Confederation of Indian Industry
- CSA Group Testing and Certification
- Ecovadis
- European Power Tools Association
- Federation of Malaysian Manufacturers
- Global Shippers Association
- German Mechanical and Plant Engineering Association
- Hefei General Machinery Research Institute
- Hydrogen Europe
- Hydraulic Institute
- Malaysia Motor and Equipment Manufacturers
- Manufacturers Alliance for Productivity and Innovation (MAPI)
- Material Handling Industry Association
- National Society of Black Engineers
- Portuguese Association for the Promotion of Hydrogen
- Responsible Minerals Initiative
- Shanghai Energy Conservation Association
- Society of Hispanic Professional Engineers
- Spanish Hydrogen Association
- Scottish Hydrogen and Fuel Cell Association
- United Kingdom Hydrogen and Fuel Cell Association
- United Nations Global Compact
- U.S. China Business Council
- U.S. Department of Energy’s Better Plants Initiative (external charter)
- Women in Manufacturing

	2019	2020	2021	2022
Lobbying, interest representation or similar	\$0	\$0	\$0	\$0
Local, regional or national political campaigns/organizations/candidates	\$0	\$0	\$0	\$0
Trade associations or tax-exempt groups (e.g., think tanks)	\$933,523	\$868,108	\$841,191	\$1,089,088
Other (e.g., spending related to ballot measures or referendums)	\$0	\$0	\$0	\$0
<b>Total contributions and other spending</b>	<b>\$933,523</b>	<b>\$868,108</b>	<b>\$841,191</b>	<b>\$1,089,088</b>
Data coverage (as % of revenue)	100%	100%	100%	100%



## SUPPLY CHAIN

# Supply Chain Management

**We deeply value our supplier partners and recognize the pivotal role they play in manufacturing, delivering, and servicing our mission-critical products. To ensure the smooth operation of our supply chain, we have developed a comprehensive strategy focused on building a resilient and sustainable network of strong supply partners.**

Our supply chain strategy revolves around striking a balance between in-region/for-region sourcing. This approach aims to maintain supply chain security and mitigate potential disruptions by sourcing materials and components locally or within proximity to our operations. Simultaneously, we also leverage best-cost country sourcing to capitalize on lower commodity and component costs, enhancing our competitiveness in the market. We also have a strong sustainability component to our supply chain strategy, which is ultimately overseen by the Sustainability Committee of our BOD.

*“I want to emphasize our unwavering commitment to collaborating with our supply chain partners in achieving Ingersoll Rand’s sustainability targets. We recognize the critical role they play in our journey towards a more sustainable future. By fostering strong relationships and open communication, we can collectively drive positive change throughout the value chain. Together, we will continue to prioritize responsible sourcing practices, promote resource efficiency, and minimize our environmental impact. Our shared commitment to sustainability will not only benefit our business but also contribute to a more sustainable and resilient global community.”*

**Chris Neubauer**, Vice President,  
Global Sourcing and Logistics



By adopting this in-region/for-region approach, we not only bolster our supply chain’s resilience, but also minimize our environmental footprint. By reducing the distances that finished goods, components, and raw materials need to be transported, we effectively decrease carbon emissions associated with transportation and contribute to a more sustainable future.

### OUR TOP FIVE STRATEGIES:

- 1 Consolidate our supplier base to generate cost synergies while maintaining/improving quality and lead time, and enhance our commitment to in-region/for-region sourcing.
- 2 Assess 100% of supplier spend to determine spend “at risk” due to (a) sole or single sourcing; (b) current buy of less than 25% in region of consumption; and (c) inability to buy 100% in region of consumption (if needed).
- 3 Establish standardized systems, reporting and metrics to create an ongoing, comprehensive view of the supply chain.
- 4 Prioritize, standardize and implement existing best practices across the combined entity.
- 5 Achieve net working capital (NWC) improvements through inventory reduction.

### TO DELIVER THESE STRATEGIES, WE ARE FOCUSED ON THE FOLLOWING KEY INITIATIVES:

#### SUPPLY CHAIN RISK ASSESSMENT

The events of the last several years have highlighted the risk in our supply chain, including the length and complexity of our supply chains globally. Beginning in late 2022, we executed a strategy (#2 above) to conduct a systematic assessment of our supply chains globally to assess risk. A part is considered at risk if it (a) is single or sole sourced; (b) Ingersoll Rand currently buys less than 25% in the region it is consumed; or (c) Ingersoll Rand does not see a path to source 100% in region (if needed). Using these criteria, We are taking a hard look on a part-by-part basis to identify gaps in supply chains with the goal of developing a nimble, flexible supply chain that ensures a more in-region/for region focus. Our goal in 2023 is to assess the top 25% of spend in each business.

We have invested in resources to identify “near-shoring” opportunities, strengthening our ability to find strong supply partners in Latin America, Eastern Europe, Southeast Asia, and Africa. By driving a greater portion of our supply chain to more local sources, this initiative has significant impacts to both our supply chain risk as well as our global supply chain sustainability, significantly decreasing emissions in the transport of these goods from supplier to Ingersoll Rand.

#### INGERSOLL RAND PREFERRED SUPPLIER PROGRAM

We concentrate on identifying our critical and strongest partners in order to consolidate our supply base, generate cost synergies, and support our in-region/for-region sourcing strategy (#1 and #2 above). We want to work with our best partners to drive sustainability throughout our supply chain, as well as give these partners the opportunity to bid on new business as we execute supply chain consolidation and in-region/for-region sourcing strategies.

Ingersoll Rand defines a critical Tier I supplier as one in the Top ~80% of cumulative spend. This represents a small percentage (~6.5%) of our overall supply base that drives a significant portion of our business, as well as our impact on the environment.

Type of supplier	Absolute number of suppliers	Share of total procurement (%)
Critical Tier I suppliers	1,305	79%
Total Tier I suppliers	20,233	100%
Total number of significant suppliers in non-Tier 1	-5,855	—
Total number of significant suppliers (Tier 1 and non-Tier 1)	-7,160	—

SUPPLY CHAIN CONTINUED

**OUR PREFERRED SUPPLIER PROGRAM DEFINES CRITERIA AND BENEFITS FOR OUR CRITICAL SUPPLIERS**

Our preferred supplier program focuses on building these strategic partnerships to ensure quality and delivery while decreasing costs. We require these suppliers to have clear sustainability plans for their business and collaborate with us to help achieve our sustainability targets. **In 2022, we successfully achieved 95+% enrollment of our critical Tier I suppliers into this program.**

This process will continue to strengthen our existing supplier partnerships and identify new mutually advantageous partnerships, including our support of the development of smaller suppliers to enhance their capabilities. We believe that doing so is critical to ensuring exceptional customer service and continued advancement of our sustainability objectives.

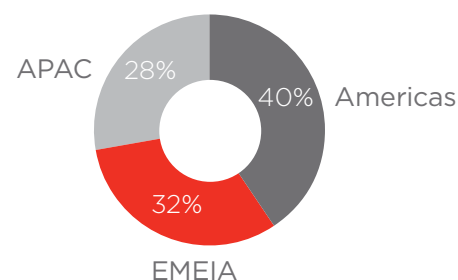
**ESTABLISH CONSISTENT METRICS, SYSTEMS AND BEST PRACTICES TO MEASURE AND IMPROVE SUPPLY CHAIN PERFORMANCE**

We have a global and diverse supply chain that provides goods and services across our entire portfolio. To achieve consistent, real-time assessments of our supply chain, it is critical that we standardize metrics, systems, and best practices to identify opportunities, drive improvement actions, and measure the effectiveness of those actions. This is the objective of strategies #3 and #4 above.

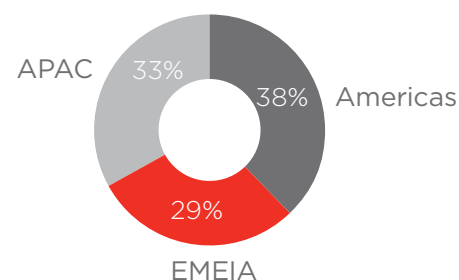
**SUPPLY CHAIN SPEND**

The monetary value of purchases from all suppliers in 2022 was greater than \$2 billion, annually.

**% Cost of Goods Sold Consumed by Region**



**% Cost of Goods Sold Supplied by Region**



**STANDARDIZED PROCESSES AND BEST PRACTICES TO MANAGE SUPPLIER RISK**

To manage the sustainability risk of Ingersoll Rand's global suppliers, the supply base is assessed annually based on percent of spend with Ingersoll Rand, operational criticality and business contingencies. In 2022, we assessed our top 1,300 critical Tier I suppliers (representing ~80% of spend) for sustainability performance and risk. From this assessment, suppliers are identified as critical or non-critical to ensuring Ingersoll Rand's production continuity. The four critical aspects of this assessment process are described below.

**1. INTEGRITYNEXT—ONGOING ASSESSMENT OF SUPPLY BASE**

In order to continually assess the sustainability risk of our supply base, Ingersoll Rand has established an independent third-party partnership with IntegrityNext. The comprehensive assessment program through IntegrityNext evaluates for potential risks in environmental protection, human rights and labor, anti-bribery and anti-corruption, health and safety, and supply chain responsibility (including conflict mineral compliance). Through IntegrityNext's data validation process they are able to work with our critical suppliers who have a yellow or red status and create a corrective action plan to improve their standing. Using a four-step process with IntegrityNext, we can quickly identify and request corrective action as needed for sustainability risks. A summary of this process is as follows:



*Ingersoll Rand Employee: Kyle McGee, Mocksville, North Carolina site*

Step 1 Real-Time Monitoring	Step 2 ESG Assessment	Step 3 Validation Service	Step 4 Compliance Profile
IntegrityNext scans around one billion messages every day to ensure we know the risks associated with 100% of our suppliers as early as possible (news, authorities, social media etc.).	IntegrityNext uses a pre-built ESG and compliance self-assessment. It automatically obtains the assessment and certificates from our suppliers to confirm their compliance with the relevant sustainability standards.	Each time a supplier uploads a certificate to the IntegrityNext platform or makes changes to the associated responses, a trained IntegrityNext staff member checks the certificate and associated responses for content validity and validity date, and requests confirmation of validity from the accreditation body. In this way, not only is an initial check carried out, but the effect of any improvement measures introduced are also checked, and findings are reported to Ingersoll Rand.	After the supplier has finished its self-assessment, a compliance profile will be generated:  <b>Status Green</b> = Approved (no risk, no action needed)  <b>Status Yellow</b> = Sustainability Risk (corrective action plan will be addressed)  <b>Status Red</b> = High Sustainability Risk (corrective action plan will be addressed immediately)

**Ingersoll Rand successfully enrolled our top 1,300 critical Tier 1 suppliers into IntegrityNext, achieving our 2022 goal. Within that population, we have begun to address any identified sustainability or other risks. Ingersoll Rand intends to expand this program moving forward, enrolling suppliers in 1,000 count batches, prioritized by spend, with the goal of incorporating the top 90% of our entire spend base by 2025.**

**SUPPLY CHAIN CONTINUED**
**2. ONSITE ASSESSMENTS**

We manage the risks of supply chain disruptions through various standardized processes, which include enforcing our Global Supplier Quality Manual, implementing Supplier Corrective Action Request (SCAR) Agreements, and implementing formal correction action plans as necessary. The SCAR process follows an 8D-based problem investigation and solving method, which involves the supplier conducting root cause investigation and implementing corrective actions. If required, our Supply Chain and Quality teams may conduct in-person, On-Site Assessments (OSAs) to directly identify the root cause and implement countermeasures with the supplier.

To address on-site suppliers with recurring quality, delivery, or sustainability issues, our Supply Chain teams regularly monitor and hold weekly meetings. During these meetings, they review high-risk suppliers in detail. Additionally, the Supply Chain teams present a monthly executive summary to the plant and operational leadership team, highlighting suppliers with the most significant business impact concerns. These sessions provide a comprehensive overview and facilitate decision-making at a higher level within the organization.

**3. CONFLICT MINERALS**

Ingersoll Rand does not source raw materials or minerals; rather, we acquire finished and semi-finished components and products from a vast network of companies worldwide. The nature of these relationships is intricate, necessitating Ingersoll Rand's efforts to educate these suppliers about the significance of responsible sourcing. Additionally, we emphasize the importance of their transparency, as it plays a crucial role in fulfilling our annual Securities and Exchange Commission disclosure obligations under the Dodd-Frank Act.

Our commitment to responsible sourcing is expressed in our [Conflict Mineral Policy](#), and downstream expectations of our suppliers are clearly articulated in the Ingersoll Rand [Supplier Code of Conduct](#).

**4. SUPPLY CHAIN REPORTING OR QUANTITATIVE KPIS AND TARGETS**

To ensure comprehensive visibility into the performance of our supply chain, we employ a diverse range of KPIs. The table below highlights a few essential KPIs, which are either mandatory for conducting business with Ingersoll Rand or directly assess the progress made towards the strategies mentioned above.

**Supply Chain Critical Key Performance Indicators (KPIs)**

KPI	KPI Description	KPI Target	Historical Results		
			2020	2021	2022
<b>KPI 1<sup>1</sup></b> (measures Strategy 2)	Assess top 25% of spend by business to determine "at risk" status and countermeasures as needed.	<b>Target: 25% total spend</b>	NA	NA	NA
<b>KPI 2</b> (mandatory to do business with Ingersoll Rand)	100% of new suppliers will agree to Business Partner Code of Conduct.	<b>Target: 100% of new suppliers annually</b>	100%	100%	100%
<b>KPI 3<sup>2</sup></b> (measures Strategy 3 and 4)	Percentage (by spend) of critical Tier I suppliers that are "red" on IntegrityNext sustainability scoring	<b>Target: &lt;5% Target Year: 2024</b>	NA	NA	12%

<sup>1</sup> Ingersoll Rand began tracking this measure as of 1/1/22 and figures will be available in 2023.

<sup>2</sup> This new initiative was introduced in 2022 and will be our primary mechanism for scoring sustainability in our Supply Chain subsequent to 2022.

**ACHIEVE NET WORKING CAPITAL BENEFITS THROUGH INVENTORY REDUCTIONS**

While our final supply chain strategy focused on inventory reduction may not initially seem to have sustainability implications, it actually encompasses an important aspect related to sustainability. One of the key elements of this strategy involves reshoring critical parts of the supply chain, which effectively reduces transit distances and lowers emissions. To achieve this, we intend to establish for each of our businesses KPIs that aim to relocate certain portions of the supply chain for regional production. Additionally, we plan to closely manage the frequency of deliveries to our facilities to further minimize the environmental impact caused by emissions.

## GOVERNANCE MODEL

# Corporate Governance

At Ingersoll Rand, we bring together sustainability and governance through our core value of: *We think and act like owners*. Our operations are guided by a comprehensive framework of ethical, social, and environmental principles and policies, helping us achieve our goal of transparency and accountability to all our stakeholders. In 2022, Ingersoll Rand remained steadfast in our commitment to implementing industry-leading corporate governance practices.

### OUR GOVERNANCE STRUCTURE

As the highest governance body for the company, our BOD holds the responsibility of making crucial decisions on matters of economic, environmental, and social significance. Our BOD ensures comprehensive oversight and expertise in key areas of corporate governance through our Audit Committee, Compensation Committee, Sustainability Committee, and Nominating and Corporate Governance Committee.



*“Sustainability is at the core of all business practices at Ingersoll Rand. Whether it be our plans for both organic and inorganic growth, how we operate in our plants, or our company-wide governance policies and practices, sustainability is a core governing principle that we deploy across the enterprise through the use of Ingersoll Rand Execution Excellence. The progress we have seen across all aspects of sustainability in just the past few years is remarkable and is an ongoing testament to the commitment and hard work of our global employee base.”*

*Vikram Kini, Senior Vice President, Chief Financial Officer*

Ingersoll Rand Vignate, Italy site

**GOVERNANCE MODEL CONTINUED**
**AN ACTIVELY INVOLVED BOARD OF DIRECTORS**

Our BOD reviews and provides oversight with respect to material economic, environmental, and social topics and their impacts, risks, and opportunities. The BOD works to ensure that all topics material to the company and their impacts are addressed appropriately, including overseeing our Lead Sustainably strategy and our ERM process. This oversight is accomplished through the BOD's committees, as more fully described below, as well as through reporting from management.

**A THOUGHTFUL GOVERNANCE MODEL**

In 2022, the Sustainability Committee continued to aid the BOD in overseeing the company's strategy with respect to climate strategy, environmental, employee health and safety, DE&I, corporate social responsibility, and other sustainability matters. The Sustainability Committee assesses current aspects of the company's environmental, health and safety policies and performance and makes recommendations to the BOD and management to promote and maintain superior standards of performance. This includes processes to ensure compliance with applicable laws and regulations and programs to manage risks related to environmental and safety matters. These processes are integrated with our ERM process and the overall risk oversight and direction provided by the Audit Committee of the BOD. In addition, the Compensation Committee provides oversight with respect to our compensation philosophy and succession planning, and the Nominating and Corporate Governance Committee provides overall oversight with respect to our governance processes. The involvement of our BOD in our sustainability efforts through three of its committees demonstrates how we bring the same intentionality and thoughtfulness to our Governance efforts as we bring to the Environmental and Social aspects of ESG.

**COMBINING EXPERTISE**

In addition to the Sustainability Committee, the Audit Committee and Nominating and Corporate Governance Committee join in advising the BOD on certain economic, environmental, and governance matters. The Audit Committee represents the BOD in a risk oversight role by periodically reviewing our business practices and our compliance with legal and regulatory requirements and reviewing and assessing overall company risk through a formalized ERM program. In addition, the Nominating and Corporate Governance Committee focuses on ensuring we have appropriate corporate governance structures and processes in place.

**BOARD OF DIRECTORS COMPOSITION AS OF JUNE 30, 2023**

- **Independence/Non-Executive:** Nine independent, non-executive directors and one non-independent director (the CEO).
- **Lead Director:** The position of independent Lead Director is held by Mr. William P. Donnelly.
- **Tenure:** Average of 3.5 years.
- **Gender:** 20% women; 80% men.
- **Membership of Underrepresented Social Groups:** 50% of members are diverse in gender or ethnicity.
- **Meetings:** A minimum of four BOD meetings per year are held to enhance the BOD's collective knowledge and provide updates on pertinent business topics. In 2022, our BOD held five meetings and acted seven times by unanimous written consent.
- **Meeting Attendance:** BOD Members are required to attend a minimum of 75% of BOD and committee meetings. In 2022, each of our current members of the BOD nominated for re-election attended more than 75% of the aggregate BOD meetings and respective committee meetings (held during the period for which he or she was a director).
- **Corporate Governance Guidelines:** Our BOD publicly commits to a series of best-in-class guidelines related to corporate governance which can be found in the [Governance](#) section of our website.
- **Performance Reviews:** Our BOD and each of its committees perform an annual performance review, as required by our Corporate Governance Guidelines. This review is administered by an outside firm (Boardspan, Inc.) that provides its assessment of performance and works with the BOD, the committees, and their members to implement improvements designed to increase the effectiveness of the BOD and its committees.

**EXECUTIVE-LEVEL RESPONSIBILITY**

Our Chief Financial Officer (CFO) has executive-level responsibility for economic topics and our overall ERM process and is also our company's Chief Risk Officer. Our head of internal audit, who is responsible for monitoring and auditing the company's operational risk management performance, reports to the Audit Committee and administratively to the CFO. In addition, Ingersoll Rand's General Counsel/Chief Compliance Officer has executive-level responsibility for ESG topics. Both the CFO and General Counsel directly report to the CEO and have reporting responsibility to the BOD (which oversees Ingersoll Rand's sustainability approach through its various committees as described above). In addition, the CEO, General Counsel/Chief Compliance Officer, and CFO formally review and approve the organization's public reporting to ensure that all material topics are covered.

For further information on the BOD's and management's commitment to sustainability governance, reference the [Ingersoll Rand 2022 Proxy Statement](#).

**ENTERPRISE RISK MANAGEMENT**

# Key Impacts, Risks and Opportunities

**To help ensure responsible sustainability, we strive to effectively handle uncertainty through a meticulous and strategic approach to recognizing, managing, and mitigating risks utilizing our ERM process.**

This well-defined process enables us to identify trends and potential risks, then develop and implement countermeasures to reduce risks to an acceptable level based on the risk levels set by our executive management team, the Audit Committee, and our BOD. Our ERM process is reviewed regularly for effectiveness and is updated as needed.

The accompanying chart reflects a select number of the risks identified by our ERM process and also shows mitigation plans for these risks and potential opportunities associated with these risks.

*“Our commitment to robust risk management practices enables us to protect our stakeholders, maintain business continuity, and seize opportunities even in the face of uncertainty. At Ingersoll Rand, we understand that a well-prepared and agile approach to risk and crisis management is a key driver of long-term success and sustainable growth.”*

*Kimberly Ford, Vice President, Internal Audit*



**Significant and Emerging Risk Challenges and Opportunities Identified<sup>1</sup>**

Risk	Background	Mitigation	Opportunities
<b>Sustainability Integration</b>	Potential inability to integrate sustainability into the business as quickly as necessary for stakeholder expectations.	Increased transparent public reporting and identified sustainability maturity plan. ESG gap closure using IRX. Goals set to provide targets across products, services and operations.	Innovate products and services to help customers achieve their environmental goals by reducing their energy consumption and water usage. Integrate broadly to recruit/retain talent, set bold targets, and maintain and enhance market share. Cost savings from energy, water and waste improvements in our own operations.
<b>Employee Matters and Culture</b>	Working to successfully spearhead the transition back to work in a manner taking into account the impact of COVID-19.	Processes and systems established to keep employees as safe as possible through phased return to work.	Healthy employees. Returning to face-to-face live interactions increases opportunities to connect and engage.
<b>Products and Services</b>	Inability to develop new products and technologies can impair our competitive position, which could affect sales and market share.	Invest in resources that allow us to remain on top of technological research and innovation. Effectively utilize voice of the customer research and release efficient products that help meet customer demands. A robust Innovate to Value (i2V) program is part of our operational framework to re-design products in a cost-efficient manner using voice of the customer data.	The ability to increase market share and the ability to reduce Scope 3 emissions.
<b>Climate</b>	Identification of our climate strategy to address our impacts as well as to identify solutions supporting 2°C or lower scenarios.	Created Scope 1 and Scope 2 emissions reduction targets for operations by 2030. Scope 3 goal set for product use phase. Assessed physical risks including water-stress using WRI’s Aqueduct Water Risk Atlas Tool during scenario planning. Created water reduction target for our operations. Created target to eliminate, reduce or recycle >1 billion gallons of water annually through product use.	Lower operational costs, increase resiliency. Product changes create new customer solutions resulting in increased product revenue, improved downstream impacts, and improved customer sustainability.
<b>Occupational Health and Safety</b>	Hazards and ill health affect employees’ ability to thrive and work.	Company-wide health and safety management system. Audit program to ensure capabilities of the system. Continued use of Behavior-Based Safety with regular leadership involvement and program review.	Reinforce our safety culture and strengthen trust among the team.

<sup>1</sup>See our Form 10-K included in our [2022 Annual Report](#) for the year ended December 31, 2022, for additional material risk factors, as such factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission.

ENTERPRISE RISK MANAGEMENT CONTINUED

Significant and Emerging Risk Challenges and Opportunities Identified continued

Emerging Risks	Background	Mitigation	Opportunities
Disruptive / Alternative Technology	The markets in which we operate are characterized by changing technologies and introductions of new products and services. Our ability to develop new products based on technological innovation, including those that drive sustainability, energy reduction and the reduction and/or recycling of water in our customers' processes, can affect our competitive position. If we do not compete successfully, our business, financial condition, results of operations and cash flows could be materially adversely affected.	Ingersoll Rand invests in, designs, manufactures, and delivers products and services that:  (a) offer inherent sustainability benefits such as efficiency, circularity and safety; and (b) serve high-growth, sustainable end markets, including renewable energy (clean tech), water and wastewater, food and beverage, and life and sciences.  As part of our strategy to help customers achieve their environmental goals, we will continue to invest in products and services to improve our offerings.  We have a commitment to product stewardship, including energy efficiency research and new technology for product development and innovation to ensure our products are long lasting, reliable, sustainable and relevant.	Customers purchasing innovative energy- and water-efficient products. By offering full system assessments and audits to our customers, we can help them identify energy leaks. Because of their unprecedented capabilities, our service technicians are able to make upgrade recommendations based upon evaluations of energy efficiency. This interaction presents an opportunity to connect and educate our customers on total cost of ownership and energy efficiency. We estimate that two thirds of our current global installed base could realize meaningful improvements in efficiency by upgrading their compressor system.  We know optimizing compressor and air treatment systems is critical to our customers to help them solve their Scope 1 and Scope 2 challenges.
Geopolitical Risk	Approximately 59% of our revenues for the year ended December 31, 2022, were from customers in countries outside of the United States. We have manufacturing facilities in several countries outside of the U.S. Our non-U.S. operations and U.S. exports sales could be adversely affected as a result of political or economic instability or changes in political policy within and outside of the U.S.	We continue to expand into new countries and diversify as a strategic initiative which limits our overall risk and operations in a particular geography or market. There are plans in place and active projects to localize, where appropriate, key components of our supply chain. This provides immediate response to customers and continues to meet demand, while also lowering product costs and minimizes global risks. We actively manage and monitor our cash positions in foreign markets.	Maintain strong processes to avoid any significant impact from any one geography or market. Continue to leverage our in-region/for-region strategy to drive growth and reduce GHG emissions.



Ingersoll Rand employee: Zhou Jianxin, Wujiang, China site

## INFORMATION SECURITY/ CYBERSECURITY

# Information Security

The cybersecurity team at Ingersoll Rand operates under the leadership of the Chief Information Security Officer (CISO). The CISO, in turn, reports to the Chief Information Officer (CIO), who holds a key position within the executive management team and reports to our CEO. This organizational structure ensures a direct line of communication and coordination between the cybersecurity team and the top-level decision-makers, emphasizing the importance of cybersecurity within the overall information technology governance of the company.

Our CISO stays abreast of industry trends and best practices with respect to cyber threats, security products and regulatory requirements. Our CISO and dedicated cybersecurity team is tasked with securing our Information Technology (IT) systems and protecting customer data, intellectual property and privacy data. Additionally, under the direction of our CISO, our team performs regular testing of cybersecurity capabilities and engages with third parties to support the five domains within the National Institute of Standards and Technology cybersecurity framework to ensure confidentiality, integrity, and availability of IT systems. The Audit Committee of the Board has oversight responsibility for the company's overall risk management activities, including the effectiveness of our cybersecurity program.

To reduce the likelihood of negative consequences from an attempted cybersecurity attack, all employees, contractors and partners are required to comply with the Ingersoll Rand IT Acceptable Use and Security Policy that details our information security requirements. All employees are also required to take annual security awareness training that includes current security challenges and aligns with the company's risk management objectives. This training is updated annually and helps educate our user base on the various cybersecurity risks faced by Ingersoll Rand. These risks include disruptive cyber-attacks, fines and injunctions, unauthorized access to sensitive information, and fraud.





## STANDARDS AND FRAMEWORKS: 2022 SUSTAINABILITY REPORT GRI INDEX

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE NAME	LOCATION REFERENCE	PAGE NUMBER
GRI 2: GENERAL DISCLOSURES 2021	2-1	Organizational details	<a href="#">10-K in 2022 Annual Report</a>	p. 1
	2-2	Entities included in the organization's sustainability reporting	<a href="#">10-K in 2022 Annual Report</a>	p. 4-5
	2-3	Reporting period, frequency and contact point	Sustainability Report Data	p. 82
	2-4	Restatements of information	Sustainability Report Data	p. 82
	2-5	External assurance	Sustainability Report Data	p. 82
	2-6	Activities, value chain and other business relationships	<a href="#">10-K in 2022 Annual Report</a>	p. 3-7
	2-7	Employees	People and Community	p. 39-43
	2-8	Workers who are not employees	<a href="#">10-K in 2022 Annual Report</a>	p. 52, 88
	2-9	Governance structure and composition	<a href="#">2022 Annual Report Governance Model</a>	p. 11-13 p. 68
	2-10	Nomination and selection of the highest governance body	Governance Model	p. 68
	2-11	Chair of the highest governance body	<a href="#">2022 Annual Report</a>	p. 13
	2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">2022 Annual Report</a>	p. 13
	2-13	Delegation of responsibility for managing impacts	<a href="#">10-K in 2022 Annual Report</a>	p. 14
	2-14	Role of the highest governance body in sustainability reporting	<a href="#">10-K in 2022 Annual Report</a>	p. 14
	2-15	Conflicts of interest	Business Ethics, Code of Conduct	p. 60
	2-16	Communication of critical concerns	Business Ethics, Code of Conduct	p. 60
	2-17	Collective knowledge of the highest governance body	Our ESG Priorities Governance Model	p. 55-59 p. 68
	2-18	Evaluation of the performance of the highest governance body	Governance Model	p. 68
	2-19	Remuneration policies	<a href="#">Human Rights Policy</a>	p. 2
	2-21	Annual total compensation ratio	<a href="#">2022 Proxy Statement</a> <a href="#">10-K in 2022 Annual Report</a>	p. 57 p. 26, 104, A1
	2-22	Statement on sustainable development strategy	Letter from Our CEO	p. 2

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE NAME	LOCATION REFERENCE	PAGE NUMBER	
GRI 2: GENERAL DISCLOSURES 2021	2-23	Policy commitments	Letter from Our CEO	p. 2-3	
	2-24	Embedding policy commitments	Welcome to our 2022 Sustainability Report Human Rights	p. 2-3	
	2-25	Processes to remediate negative impacts	Our ESG Priorities	p. 55-59	
	2-26	Mechanisms for seeking advice and raising concerns	Enterprise Risk Management	p. 69	
	2-27	Compliance with laws and regulations	<a href="#">10-K in 2022 Annual Report</a>	p. 95	
	2-28	Membership associations	Business Ethics	p. 63	
	2-29	Approach to stakeholder engagement	Our ESG Priorities	p. 55-59	
	2-30	Collective bargaining agreements	Employee Experience	p. 51	
	GRI 3: MATERIAL TOPICS 2021	3-1	Process to determine material topics	Our ESG Priorities	p. 55-59
		3-2	List of material topics	Our ESG Priorities	p. 55-59
3-3		Management of material topics	Our ESG Priorities	p. 55-59	
GRI 201: ECONOMIC PERFORMANCE 2016	201-2	Financial implications and other risks and opportunities due to climate change	TCFD	p. 75-78	
	201-3	Defined benefit plan obligations and other retirement plans	<a href="#">10-K in 2022 Annual Report</a>	p. 53, 69-73	
GRI 205: ANTI-CORRUPTION 2016	205-1	Operations assessed for risks related to corruption	Business Ethics	p. 61	
	205-2	Communication and training about anti-corruption policies and procedures	Business Ethics	p. 61	
	205-3	Confirmed incidents of corruption and actions taken	Business Ethics	p. 61	

## 2022 SUSTAINABILITY REPORT GRI INDEX CONTINUED

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE NAME	LOCATION REFERENCE	PAGE NUMBER
	<b>301-2</b>	Recycled input materials used	Product Circularity	p. 14
	<b>301-3</b>	Reclaimed products and their packaging materials	Product Circularity	p. 14
<b>GRI 302: ENERGY 2016</b>	<b>302-1</b>	Energy consumption within the organization	Operational Eco-Efficiency	p. 27
	<b>302-2</b>	Energy consumption outside of the organization	Operational Eco-Efficiency	p. 27
	<b>302-3</b>	Energy intensity	Operationalizing Sustainability	p. 23
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<b>GRI 304: BIODIVERSITY 2016</b>	<b>304-1</b>	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity	p. 35-38
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<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>	<b>403-1</b>	Occupational health and safety management system	People and Community	p. 39-40
	<b>403-2</b>	Hazard identification, risk assessment, and incident investigation	People and Community	p. 39-40
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	<b>403-7</b>	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People and Community	p. 39-40
	<b>403-8</b>	Workers covered by an occupational health and safety management system	People and Community	p. 39-40
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GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE NAME	LOCATION REFERENCE	PAGE NUMBER
<b>GRI 404: TRAINING AND EDUCATION 2016</b>	<b>404-1</b>	Average hours of training per year per employee	Training and Development	p. 46-49
	<b>404-2</b>	Programs for upgrading employee skills and transition assistance programs	Training and Development	p. 46-49
	<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	Training and Development	p. 46-49
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>	<b>405-1</b>	Diversity of governance bodies and employees	<a href="#">10-K in 2022 Annual Report</a>	p. 9-11
	<b>405-2</b>	Ratio of basic salary and remuneration of women to men	People and Community Gender Pay Indicators	p. 43
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<b>GRI 415: PUBLIC POLICY 2016</b>	<b>415-1</b>	Political contributions	Business Ethics	p. 62
<b>GRI 418: CUSTOMER PRIVACY 2016</b>	<b>418-1</b>	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Business Ethics and Information Security	p. 62, 71

## SASB 2023

TOPIC	ACCOUNTING METRIC	CODE	CATEGORY	UNITS OF MEASURE	REPORTING FIGURE	LOCATION/ PAGE
<b>Energy Management</b>	Total energy consumed	RT-IG-130a.1	Quantitative	MWh	292,933	p. 27
	Percentage Grid Electricity	RT-IG-130a.1	Quantitative	%	38.7%	p. 74
	Percentage Renewable	RT-IG-130a.1	Quantitative	%	11.0%	p. 74
<b>Employee Health &amp; Safety</b>	Total recordable incident rate (TRIR)	RT-IG-130a.1	Quantitative	Rate	0.69	p. 2
	Fatality Rate	RT-IG-130a.1	Quantitative	Rate	0	p. 39
	Near miss frequency rate	RT-IG-130a.1	Quantitative	Rate	6.16	p. 74
<b>Fuel Economy &amp; Emissions in Use-phase</b>	Sales-weighted fuel efficiency for non-road equipment	RT-IG-410a.2	Quantitative	Gallons per hour	NA	NA
<b>Materials Sourcing</b>	Description of the management of risks associated with the use of critical materials	RT-IG-440a.1	Discussion and Analysis	NA	NA	<a href="#">10-K in 2022 Annual Report p. 73</a>
<b>Remanufacturing Design &amp; Services</b>	Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1	Quantitative	Reporting currency	\$72,100,000	p. 14

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

### GOVERNANCE

Disclose the organization's climate-related risks and opportunities

GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
Board's supervision over climate-related risks and opportunities	Ingersoll Rand's disclosure impacts of climate change include the risks and opportunities presented by rising temperatures, climate-related policy, and emerging technologies in our changing world. The BOD has oversight of climate related risks and opportunities through its Sustainability Committee which meets at least three times a year. The climate-related risks and opportunities identified through the application of the Task Force on Climate-Related Financial Disclosures (TCFD) framework are reviewed by the Sustainability Committee as well as the countermeasures designed to address such risks.
Management's role in assessing and managing climate-related risks and opportunities	<p>Ingersoll Rand utilizes a continuous ERM process that enables Ingersoll Rand to pursue its strategic mission while identifying, controlling and mitigating risks that is based on the COSO Enterprise Risk framework. The TCFD framework has been incorporated into the overall ERM process and is used by Ingersoll Rand to assess and manage climate-specific risks and opportunities. The Chief Risk Officer leads the ERM process, supported by a cross functional Executive Committee that includes Ingersoll Rand's Chairman, President and CEO, Corporate Controller, Chief Information Officer, SVP HR, SVP General Council, VP Strategy and Innovation, and VP Internal Audit.</p> <p>Input is also received annually by the BOD to evaluate alignment of risk priorities between the BOD and Management. The process includes Risk Identification through an annual review and update of Ingersoll Rand's risk register, risk analysis, and risk evaluation by a number of leaders throughout the business and functions to assess the prioritization of risk in the risk register based on the current countermeasures in place for the risk. The process also includes a third-party led assessment of climate-related risks and opportunities utilizing the TCFD framework. Risk mitigation is developed by the subject matter experts/Risk Owners for those risks (including climate-related risks) that need additional countermeasures to bring the risk to an acceptable level. Monitoring by the Chief Risk Officer and the ERM Committee occurs on a quarterly basis. During these quarterly meetings, updates are provided on status of new countermeasures identified by the committee or risk owners and to monitor the key performance indicators of the top risks of the company as identified through the risk evaluation.</p> <p>In support of our strategic imperatives including our "Lead Sustainably" objective, our CEO, Executive Officers and Managers had a 2022 objective for achieving a 6% GHG emission reduction in their Performance Management Plans. An employee's achievement of the objectives in their Performance Management Plan is taken into account in determining their compensation.</p>

### STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material

GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
Short-, medium-, and long-term climate-related risks and opportunities identified	<p>Climate-related risks were evaluated over the short, medium, and long term. The climate-related risks in priority order of high to low include:</p> <ul style="list-style-type: none"> <li>• Component shortages</li> <li>• Fuel price fluctuations</li> <li>• U.S. Securities and Exchange Commission (SEC) reporting regulations</li> <li>• Environmental regulations</li> <li>• Severe weather</li> <li>• Heat stress, sea-level rise</li> <li>• Water scarcity</li> <li>• Ingersoll Rand's reputation</li> </ul> <p>The climate-related opportunities in priority order from high to low include:</p> <ul style="list-style-type: none"> <li>• Energy-efficient equipment</li> <li>• Sustainable end markets</li> <li>• Oil-free products and consumables</li> <li>• Clean energy-related products</li> <li>• Remanufacturing</li> <li>• Operational energy efficiency</li> <li>• Increased renewable energy use</li> <li>• Operational water use and operational waste</li> </ul>
Climate-related risks and opportunities having significant impact on the organization's businesses, strategy and financial planning	Annually, the functions and businesses complete a multi-year strategy and financial plan called Making Life Better (MLB). Sustainability risks and opportunities are specifically addressed by each business unit as part of this process including the climate-related impacts on the business units' financials. The plan is reviewed and approved by the Executive Leadership Team and CEO. The plan is pulsed monthly in the Management Business Review and adjustments made to ensure Ingersoll Rand realizes the short- and long-term climate goals.
Potential impacts from different climate-related scenarios on the organization's business, strategy and financial planning	We have evaluated Ingersoll Rand's physical risk related to sea-level rise, flood, water-stress, wildfire, heatwaves, and cold waves. Overall, risks from sea-level rise, flooding, wildlife, heatwaves and cold waves are relatively low across our profile. However, water-stress has several properties in the high-risk category and are spread across our manufacturing and service sites. Our strategic planning enables us to proactively address water-stress. Our resilient strategy allows time to address water-stress risks and develop site-specific and regional mitigation strategies in response, which could include shifting production to non-stressed areas, water reclamation, rainwater harvesting, and process efficiency improvements through our site GreenX teams.

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTINUED

### RISK MANAGEMENT

Disclose how the organization identifies, assesses, and manages climate-related risks

GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
<p>Organization's processes for identifying and assessing climate-related risks</p>	<p>Ingersoll Rand followed the TCFD framework to identify climate-related risks as part of its ERM process. This assessment focused on physical and transitional risks. A physical risk assessment was performed on Ingersoll Rand's properties to identify their risk to sea-level rise, flood, water-stress, wildfire, heatwaves, and cold waves.</p> <p>Data was utilized from S&amp;P Global and World Resources Institute to obtain climate risk scores for each property. Ingersoll Rand has completed an assessment of material physical climate risks using the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) to understand our climate trajectory. We used the following pathways to capture these future trends:</p> <ul style="list-style-type: none"> <li>• RCP 2.6</li> <li>• RCP 4.5</li> <li>• RCP 8.5</li> </ul> <p>Time horizons were decided upon given the expected useful life of our assets and lease agreements for our properties. We have conducted scenario analysis to understand climate-related impacts in the short-term (0-5 years), medium-term (5-10 years), and long-term (10-25 years). These time horizons align with our goals of reducing absolute GHG emissions in our operations by 60% by 2030 and achieving net-zero by 2050.</p> <p>Our plan below outlines mitigation measures for controlling the physical high-risk properties.</p> <p><b>Sea-Level Rise:</b></p> <ul style="list-style-type: none"> <li>• <b>SVC-New Orleans, LA-USA:</b> Relocate property or work remotely</li> <li>• <b>MFG-Wujiang-China:</b> Flood-proofing, flood warning systems, flood preparedness; improve drainage systems, building or inflatable temporary flood barriers (e.g. water-gates, flood guards around windows), shifting production to low-risk areas</li> </ul> <p><b>Rain and River Flooding:</b></p> <ul style="list-style-type: none"> <li>• <b>MFG-Sheboygan, WI-USA:</b> Flood-proofing, flood warning systems, flood preparedness; and building or inflatable temporary flood barriers (e.g. water-gates, flood guards around windows).</li> <li>• <b>SVC-Rexdale, ON-CAN:</b> Relocate property or work remotely</li> </ul> <p><b>Water-Stress:</b></p> <ul style="list-style-type: none"> <li>• <b>MFG-Wujiang-China:</b> Temporary-water trucking, rainwater harvesting, water reclamation systems, water reuse and water conservation improvements, well installation, shifting production to low-risk areas, outsourcing painting operations and other water intensive processes.</li> <li>• <b>MFG-Naroda-India:</b> Install and/or overhaul rainwater harvesting systems, water reclamation systems, water reuse and water conservation improvements</li> <li>• <b>SVC-Jenison, MI-USA:</b> Relocate property or work remotely</li> <li>• <b>SVC-San Antonio, TX-USA:</b> Relocate property or work remotely</li> <li>• <b>SVC-Goshen, IN-USA:</b> Relocate property or work remotely</li> <li>• <b>SVC-Aurora, CO-USA:</b> Relocate property or work remotely</li> <li>• <b>SVC-Phoenix, AZ-USA:</b> Relocate property or work remotely</li> <li>• <b>SVC-Buena Park, CA-USA:</b> Relocate property or work remotely</li> <li>• <b>MFG-Burbank, CA-USA:</b> Temporary-water trucking, Install rainwater harvesting, water reclamation systems, water reuse and water conservation improvements, well installation, Relocate property</li> <li>• <b>SVC-San Diego, CA-USA:</b> Relocate property or work remotely</li> </ul> <p><b>Wildfire:</b></p> <ul style="list-style-type: none"> <li>• <b>ADMIN-Auburn, CA-USA:</b> fire protection systems, fire warning systems, relocate the property or work remotely</li> </ul> <p>A transitional risk assessment was performed and interviews were conducted to identify climate-related risks and opportunities relevant to the business as the world transitions to a lower-carbon economy. Our assessment is based on potential scenarios for legislation, technological development or market conditions and is based on short-, medium- and long-term time horizons considering the expected lifetime of the assets or activities. These risks and opportunities were evaluated for likelihood, impact, and velocity and the final compilation of risks and opportunities was assessed through the ERM strategic process.</p> <p>Ingersoll Rand uses qualitative and quantitative climate-related transition scenario analysis. We used two scenarios from the International Energy Agency (IEA) for climate scenario analysis: Net-Zero Emissions by 2050 Scenario (NZE) and Stated Policies Scenario (STEPS). The scope of the assessment includes all our own factory operations globally based on our short, medium, and long-term climate-related risks and opportunities. The qualitative scenario analysis assessed the sensitivity of each risk and opportunity relative to each of the two scenarios and the associated level of impact.</p> <p>The majority of our risks have a larger potential impact in the STEPS due to them being more closely related to physical impacts (e.g., component shortages that may be exacerbated by supply chain disruptions).</p> <p>The majority of opportunities have a larger potential impact in the Net-Zero emissions by 2050 Scenario (NZE) due to Ingersoll Rand being able to supply products that aid in the transition to a lower-carbon economy (e.g., energy-efficient equipment and clean energy-related products).</p> <p>Transitioning to a lower-carbon energy-efficient economy involves both risk and opportunity for Ingersoll Rand. To that end, we will continue to monitor and mitigate risks that have an associated physical impact that can impact operations and disrupt Ingersoll Rand's supply chain. R&amp;D investments in more energy-efficient, low-carbon technologies are planned to capitalize on potential opportunities.</p>

**TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTINUED**

**RISK MANAGEMENT**

Disclose how the organization identifies, assesses, and manages climate-related risks

GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
<p>Organization's processes for managing climate-related risks</p>	<p>Ingersoll Rand's plan anticipates the adverse effects of climate change and takes appropriate action to prevent or minimize the damage they can cause or take advantage of opportunities that may arise. Our ability to monitor, manage, mitigate/enhance, and adapt to climate-related risks was evaluated using the following definitions:</p> <p>Monitor: Observe our operations and activities for potential impacts                      Manage: Address day-to-day impacts associated with risks                      Mitigate/Enhance: Attempt to address the root cause of the impacts                      Adapt: Address the long-term impacts associated with risks</p> <p>A summary of Ingersoll Rand's assessment of risks and opportunities is below:</p> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• <b>Component Shortages:</b> Monitor and Adapt</li> <li>• <b>Fuel Price Fluctuations:</b> Monitor, Manage and Adapt</li> <li>• <b>SEC Reporting Regulations:</b> Monitor and Adapt</li> <li>• <b>Environmental Regulations:</b> Monitor and Adapt</li> <li>• <b>Severe Weather:</b> Monitor and Adapt</li> <li>• <b>Heat Stress/Sea-Level Rise:</b> Monitor, Manage and Adapt</li> <li>• <b>Water Scarcity:</b> Monitor and Adapt</li> <li>• <b>Ingersoll Rand's Reputation:</b> Monitor, Mitigate and Adapt</li> </ul> <p><b>Opportunities:</b></p> <ul style="list-style-type: none"> <li>• <b>Energy-Efficient Equipment:</b> Monitor, Enhance and Adapt</li> <li>• <b>Sustainable End Markets:</b> Monitor, Enhance and Adapt</li> <li>• <b>Oil-free Products and Consumables:</b> Monitor, Enhance and Adapt</li> <li>• <b>Clean Energy-Related Products:</b> Monitor, Enhance and Adapt</li> <li>• <b>Remanufacturing:</b> Monitor, Enhance and Adapt</li> <li>• <b>Operational Energy Efficiency:</b> Manage and Adapt</li> <li>• <b>Increased Renewable Energy Use:</b> Monitor, Enhance and Adapt</li> <li>• <b>Operational Water Use and Operational Waste:</b> Manage and Adapt</li> </ul> <p>Transitioning to a lower-carbon energy efficient economy involves both risk and opportunity for Ingersoll Rand. To that end, we will continue to monitor and mitigate risks that have an associated physical impact that can impact operations and disrupt Ingersoll Rand's supply chain. Research and Development (R&amp;D) investments in more energy-efficient, low-carbon technologies are planned to capitalize on potential opportunities.</p> <p>Ingersoll Rand's risk assessment and plan to adapt to physical climate risks cover 39% of total revenue. Annually, we monitor the risks and opportunities, and based on the data from such monitoring, we determine if adaptation measures need to be adopted, and if so, will begin to implement those measures for completion in less than five years.</p>

**RISK MANAGEMENT**

Disclose how the organization identifies, assesses, and manages climate-related risks

GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
<p>How to integrate the processes of climate-related risk identification, assessment and management into the overall risk management</p>	<p>Ingersoll Rand utilizes a continuous ERM process that enables Ingersoll Rand to pursue its strategic mission while identifying, controlling and mitigating risks that is based on the COSO Enterprise Risk framework. The TCFD framework has been incorporated into the overall ERM process and is used by Ingersoll Rand to assess and manage climate-specific risks and opportunities. The Chief Risk Officer leads the ERM process, supported by a cross-functional Executive Committee that includes Ingersoll Rands' Chairman and CEO, Corporate Controller, Chief Information Officer, SVP HR, SVP General Council, VP Strategy and Innovation, and VP Internal Audit.</p> <p>Input is also received annually by the BOD to evaluate alignment of risk priorities between the BOD and Management. The process includes Risk Identification through an annual review and update of the Ingersoll Rand Risk Register, Risk Analysis, and Risk Evaluation by a number of leaders throughout the business and functions to assess the prioritization of risk in the risk register based on the current countermeasures in place for the risk. The process also includes a third-party-led assessment of climate-related risks and opportunities utilizing the TCFD framework. Risk mitigation is developed by the subject matter experts/Risk Owners for those risks (including climate-related risks) that need additional countermeasures to bring the risk to an acceptable level. Monitoring by the Chief Risk Officer and the ERM Committee occurs on a quarterly basis. During these quarterly meetings, updates are provided on status of new countermeasures identified by the committee or risk owners and to monitor the key performance indicators of the company's top risks of the company as identified through the risk evaluation.</p>

**TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTINUED**

**METRICS AND TARGETS**

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
<p>Indicators used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p>	<p>The climate metrics used by Ingersoll Rand include the following: renewable electricity (purchased, generated and returned), non-renewable electricity, natural gas, propane, diesel, gasoline/petrol and refrigerants. The data is reviewed, and actions are developed to meet the publicly stated 2030 and 2050 goals, as well as annual targets, to mitigate identified risks including regulatory changes and drive revenue and growth through product improvements and growth into sustainable end markets. The results of the review are communicated broadly throughout the organization at regular frequencies to all employees. Additionally, the metrics are reported to the Chief Risk Officer and the Executive Committee for review and response in alignment to the climate-specific risks and opportunities.</p> <p>The data is reviewed and actions are developed by the company through its annual MLB (Make Life Better) strategic plan and ERM process to stay on track to meet or exceed the publically stated 2030 and 2050 goals. We have an Operationalizing Sustainability IDM that covers all business units globally with accountability for specific impact plans to achieve the annual targets. In addition, our operationalizing sustainability strategy includes roadmaps to achieving the metrics primarily through implementation of site-specific GreenX Teams and specific tools to improve energy and water efficiency. With respect to climate-related opportunities, our greatest opportunity is our energy efficient product portfolio that has the opportunity to dramatically help our customers reduce their GHG emissions. Ingersoll Rand's strategy for addressing climate change is most notable with its product efficiencies. Product improvements create new customer solutions resulting in improved downstream impacts, improved customer sustainability, and increased revenue. We know that nearly all of our customers now consider energy efficiency when making decisions, and governments around the world are now regulating energy conservation standards for compressors. We embrace this trend and aim to remain at the forefront of these requirements with 100% of our new product innovation designed with energy efficiency improvements. This is how Ingersoll Rand manages its contribution to the 2°C or lower scenario, which includes a 15% reduction in product use-phase GHG emissions.</p> <p>Operationally, Ingersoll Rand is ensuring the resiliency of its organizational strategy with onsite solar installations, purchasing renewable energy, introducing Virtual Power Purchase Agreements and other site-specific energy efficiency projects. Ingersoll Rand has business continuity plans in place to successfully execute on the organizational strategy as various climate scenarios take place. These business continuity plans ensure Ingersoll Rand will be able to supply energy efficient products to help achieve global climate goals.</p> <p>Energy efficiency is integral to our new product development process. Each new product includes an evaluation of total GHG emissions measured using a life-cycle assessment process. The opportunities created by this new product innovation are reflected in the annual MLB (Make Life Better) strategic financial plan developed by each of Ingersoll Rand's business units.</p>


**METRICS AND TARGETS**


Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material


GUIDING PRINCIPLES	INGERSOLL RAND DISCLOSURES
<p>Scope 1, Scope 2, and Scope 3 GHG emissions, and the related risks</p>	<p>Scope 1 and Scope 2 climate-related potential risks include: (1) Increased frequency of severe weather, which can cause disruptions to Ingersoll Rand's operations and supply chain; (2) Difficulty in obtaining the water used by our facilities that are in areas of projected water-stress (although our manufacturing processes do not use particularly large amounts of water compared to other industries); and (3) Sea-Level Rise including to the manufacturing facility in Wujiang, China, where there is a high-risk score.</p> <p>Scope 3 climate-related risks include: (1) Regulations around equipment efficiency could present risks if our products don't meet these standards; and (2) Potential regulations of a carbon tax and other regulations around emissions have the potential to disrupt our business due to the global supply chain and emissions associated with sourcing components overseas (mostly from China and India).</p> <p>According to the GHG Protocol, Ingersoll Rand has conducted GHG inventories of direct emissions (Scope 1) and indirect emissions (Scope 2) and verified the amount based on the ANSI ISO 14046-3 GHG inventory standards. With reference to GHG Protocol Scope 3, Ingersoll Rand conducts GHG inventories of Scope 3, which include employee commute, business travel, use of sales products, and obtains the ISO 14064-3 GHG verification report for employee commute and business travel only. For product use, the product use is evaluated against the ISO 14000 series of standards and the GHG Protocol. The results are identified in the Assurance Statements.</p>
<p>Targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>	<p>GHG reduction of 60% by 2030 and Net-Zero by 2050 targets have been publicly stated. Additionally, by 2050, Ingersoll Rand aims to be using 100% renewable energy. The company has overall roadmaps to reach 2030 and 2050 goals and the business units are executing annually towards the goals. Weekly, the business units report on their progress to Corporate with a quarterly business review with the CEO and CFO. Our progress to the climate goals is an early indicator of the resiliency of our strategy we have achieved. We are executing towards the goals in all our business units and have achieved an absolute reduction of 16.4% in GHG emissions in 2022, which is 27% progress towards our 60% GHG reduction goal and 16% progress towards net-zero goal.</p>


## UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS


As an industrial company, Ingersoll Rand has a significant role to play in addressing the United Nations Sustainable Development Goals (SDGs) and contributing to a more sustainable future. Our operations, products, and services align with the 17 SDGs:


**1 NO POVERTY**  **No Poverty:** Through employment opportunities and promoting fair wages, Ingersoll Rand supports economic growth by reducing poverty, enhancing economic well-being and contributing to local communities around the world.


**2 ZERO HUNGER**  **Zero Hunger:** Ingersoll Rand contributes to this goal by providing food for employees in some countries around the world. Additionally, we ensure efficient and equitable distribution of food resources by supporting external companies and volunteering in areas of need of food and water.


**3 GOOD HEALTH AND WELL-BEING**  **Good Health and Well-being:** Ingersoll Rand prioritizes workplace safety by providing access to healthcare services and benefits, and promoting employee well-being on the job and beyond.


**4 QUALITY EDUCATION**  **Quality Education:** Ingersoll Rand supports educational initiatives by providing STEM education and training programs in schools, supporting educational institutions, and promoting skill development to help achieve quality education and lifelong learning opportunities.


**5 GENDER EQUALITY**  **Gender Equality:** By promoting diversity and gender equality within our workforce, implementing equal opportunity policies, and supporting initiatives that empower women, Ingersoll Rand contributes to achieving gender equality in our industry.


**6 CLEAN WATER AND SANITATION**  **Clean Water and Sanitation:** Ingersoll Rand implements sustainable water management practices and usage reduction solutions through our GreenX efforts. We continue to develop water-efficient technologies, ensuring clean water and sanitation.


**7 AFFORDABLE AND CLEAN ENERGY**  **Affordable and Clean Energy:** Ingersoll Rand continues to invest in renewable energy sources, improving energy efficiency, and promoting sustainable energy practices.


**8 DECENT WORK AND ECONOMIC GROWTH**  **Decent Work and Economic Growth:** Ingersoll Rand provides fair and equal employment opportunities, promotes safe working conditions and supports economic growth in all areas of operations.


**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**  **Industry, Innovation, and Infrastructure:** In ever-growing and evolving infrastructure, Ingersoll Rand promotes technological advancements in its products, and fosters innovations within the industry that are aligned with this goal.


**10 REDUCED INEQUALITIES**  **Reduced Inequalities:** Ingersoll Rand promotes equal opportunities, diversity, and inclusion in the workplace with the goal of ensuring equal opportunities for all employees. We contribute to reducing inequalities within society through various partnerships with marginalized communities.


**11 SUSTAINABLE CITIES AND COMMUNITIES**  **Sustainable Cities and Communities:** Ingersoll Rand supports communities through implementation of green building practices that are crucial for achievement of this goal.


**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  **Responsible Consumption and Production:** Ingersoll Rand strives to adopt and implement sustainable production methods, minimizing waste generation, and recycling.

**13 CLIMATE ACTION**  **Climate Action:** Implementing strategies to reduce GHG emissions, promoting energy-efficient practices throughout the organization, and adopting sustainable production processes contribute to addressing climate change. Additionally, we are implementing sustainable solutions to provide energy-efficient and lower GWP refrigerant equipment in our product portfolio.

**14 LIFE BELOW WATER**  **Life Below Water:** Within our operations, we take measures to prevent water pollution and therefore protect the ecosystems and marine flora and fauna.

**15 LIFE ON LAND**  **Life on Land:** Ingersoll Rand has been working on understanding the impacts on biodiversity and made a commitment to support and protect life on land.

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**  **Peace, Justice, and Strong Institutions:** Ingersoll Rand promotes ethical business practices, upholds human rights, and supports transparent governance align with this goal.

**17 PARTNERSHIPS FOR THE GOALS**  **Partnerships for the Goals:** Ingersoll Rand understands the importance of collaborating with stakeholders, engaging in public-private partnerships, and contributing to sustainable development initiatives.





## **ASSURANCE STATEMENTS**

Ingersoll Rand's 2022 Assurance Statements (as well as past years' Assurance Statements) are publicly available at [2022 Assurance Statements](#).

**POLICIES**

[Anti-Bribery and Corruption Policy](#)

[Conflict Minerals Policy](#)

[Environmental, Health & Safety Policy](#)

[Human Rights Policy](#)

[Code of Conduct](#)

[Supplier Code of Conduct](#)

[Political Involvement Policy](#)

## SUSTAINABILITY REPORT DATA

### REPORTING PERIOD

All ESG data for Ingersoll Rand reflects calendar year 2022, unless otherwise noted.

### REPORTING CYCLE

Ingersoll Rand's ESG reporting is on an annual cycle.

### REPORTING IN ACCORDANCE WITH GLOBAL REPORTING INITIATIVE (GRI) STANDARDS AND IS IN ALIGNED WITH SASB

This report is in accordance with the Global Reporting Initiative (GRI) standards core option.

### RESTATEMENTS OF INFORMATION AND CHANGES IN REPORTING

There are no restatements from our inaugural 2019 Sustainability Supplement. This 2022 report reflects 100% data coverage for Ingersoll Rand. Unless otherwise noted, all data for all periods is presented on a pro forma basis to take into account the Merger of Gardner Denver and the Ingersoll Rand Industrial segment on March 1, 2020.

### PROCESS FOR DEFINING THE REPORT AND TOPIC BOUNDARIES

The process to define the Ingersoll Rand ESG reporting data is to set its organizational and operational boundaries; this report has two topic boundaries:

1. Organizational boundaries use the financial control approach for environmental data and the operational control approach for safety data.
2. Operational boundaries in respect to direct and indirect emissions are determined by the use of the GHG Protocol Corporate Accounting and Reporting Standard.

### EXTERNAL ASSURANCE

Environmental and safety data was assured by LRQA—a third-party certified specialist. This represents 100 percent of the company's global operations and products manufactured for 2022. For further details and results, access the [2022 Assurance Statements](#).

### REPORT CONTACT

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For online version of our report and more information on our ESG efforts, please visit [Ingersoll Rand Sustainability](#).

## DISCLAIMER

This report addresses a multitude of topics to meet the requests and interests of the company's wide range of stakeholders. Due to the varied interests of these groups, this report contains voluntary disclosures and includes certain information that the company believes is not material to the company as such term is defined under applicable securities laws. Accordingly, the inclusion of information in this report should not be construed as a characterization regarding its materiality or significance for any other purpose, including for purposes of applicable securities laws or any other laws of the United States or any other jurisdiction, or as that concept is used in the context of financial statements and financial reporting. This report covers the calendar year 2022 unless otherwise noted and contains forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995) that are subject to risks and uncertainties. Forward-looking statements are based on Ingersoll Rand's current expectations and projections about future trends, events and uncertainties. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "forecast," "outlook," "target," "endeavor," "seek," "predict," "intend," "strategy," "plan," "may," "could," "should," "will," "would," "will be," "on track to" "will continue," "will likely result," or the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements, although not all forward-looking statements contain such terms.

Forward-looking statements may include, among others, statements regarding the company's plans, objectives, expectations and intentions, legal, economic and regulatory conditions, the future impact of the ongoing coronavirus (COVID-19) pandemic on the company's business and other statements regarding Ingersoll Rand's future beliefs, expectations, plans, intentions, liquidity, cash flows, financial condition or performance. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance or results, and are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. The statements made in this report are opinions and beliefs of Ingersoll Rand and should not be relied upon as a promise or representation as to past or future performance. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including those described in Ingersoll Rand's Annual Report on Form 10-K for the year ended December 31, 2022 and the company's other filings with the U.S. Securities and Exchange Commission, available at the company's Investor Relations site at [investors.irco.com](http://investors.irco.com). Ingersoll Rand undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by law. Additionally, the information contained on our website and social media platforms are not incorporated by reference into this report.

This report may contain links to other Internet sites and may frame material from other Internet sites. Such links or frames are not endorsements of any products or services in such sites, and no information in such site has been endorsed or approved by Ingersoll Rand. We make no warranties or representations of any kind as to the accuracy, currency, or completeness of any information contained in such third-party websites, including any third-party social media or mobile app platform.