

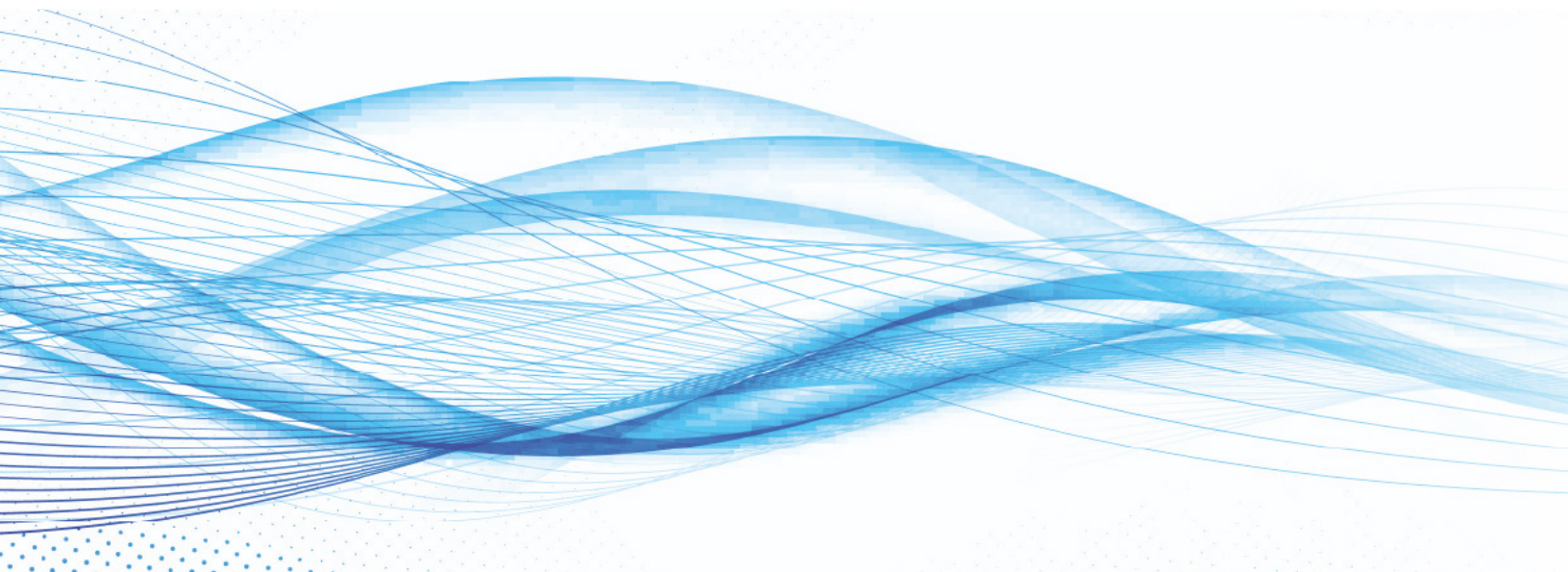
# Owning our Future



**Ingersoll Rand®**

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For more than 160 years, our employees, customers and stakeholders have been leaning on Ingersoll Rand to help make their lives better. This is our Purpose and what drives each and every one of us each and every day. We support this Purpose by living our Values and focusing on our five strategic imperatives, which are:

- Deploy Talent
- Accelerate Growth
- Operate Sustainably
- Expand Margins
- Allocate Capital Effectively

Our Operate Sustainably strategic focus guides our journey to develop our operations and improve our footprint in an environmentally and socially conscious manner. As part of this journey, we are honored to publish the first Sustainability Supplement of the new Ingersoll Rand, which was created through the combination of Gardner Denver and the Ingersoll Rand Industrial segment on March 1, 2020. This report reflects 2019 environmental, social and governance (ESG) data of the combined company on a pro forma basis when available.

**Ingersoll Rand Purpose and Values:** The formation of Ingersoll Rand's Purpose and Values began with employees from every region joining together for intentional dialogue and rigorous workshops. A steering committee of the CEO, business unit leaders and functional leaders approved the Purpose and Values:

**Purpose:** Lean on Us to Help You Make Life Better

**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.

All employees attend our unique, interactive Purpose and Values activation sessions. These activation sessions are virtual workshops designed to allow employees to learn and understand our Purpose and Values, meaningfully communicate them to others and integrate them into their daily work.

Our Purpose and Values are available in 15 languages. Our CEO and executive team maintain responsibility for our Purpose and Values.

**Reporting Period:** ESG data for Ingersoll Rand reflects 2019.

**Reporting Cycle:** Ingersoll Rand's ESG reporting is on an annual cycle.

**Date of Most Recent Report:** This is the first ESG report for the combined company arising from the merger of Gardner Denver and the Ingersoll Rand Industrial segment.

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

**Restatements of Information and Changes in Reporting:** With this being the first publication of our Sustainability Supplement, there are no restatements or changes in reporting at this time.

**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 boundary uses the financial control approach
2. Operational boundaries in respect to direct and indirect emissions include Scope 1 and 2, greenhouse gas (GHG) emissions are determined by the use of the GHG Protocol Initiative guidelines

The merger between Gardner Denver and the Ingersoll Rand Industrial segment resulted in reporting complexity and various disparate reporting systems across the two legacy organizations. Instead of waiting for all ESG data to be normalized before publishing, the company is reporting on what is available and continuing to harmonize processes to provide data for future reporting.

**External Assurance:** Ingersoll Rand Industrial segment data was assured by Lloyds Register – a third-party certified specialist. This represents approximately 60 percent of the company revenue. For further details and results, access the [2019 Assurance Statement](#).

**Report Contact:** Debbie Kalish, Director of Sustainability; [makinglifebetter@irco.com](mailto:makinglifebetter@irco.com), 704-655-4597



## Letter from Our CEO

Dear Stakeholders,

Ingersoll Rand is driven by an entrepreneurial spirit and an ownership mindset, inspiring us to care deeply about our neighbors and shared planet. The merger of Gardner Denver with the Ingersoll Rand Industrial segment in March 2020 unleashed our extraordinary potential to generate long-term value for our employees, customers, shareholders and communities, and pursue critical environmental, social and governance (ESG) priorities.

**Operate Sustainably** is one of our five strategic imperatives along with Deploy Talent, Accelerate Growth, Expand Margins and Allocate Capital Effectively. This Sustainability Supplement is dedicated to how we sustainably operate across our people, products and processes.

Our **people** play an integral role in our sustainable measures; our future depends on our ability to develop, inspire and retain diverse, inclusive, high-performance teams propelled by mutual respect. Led by our inspired teams, we offer mission-critical flow creation and industrial **products** and services that improve the lives of our customers while minimizing our impact on our world. We are committed to incorporating publicly available environmental reporting measures into our **processes** and operations to show how we are reducing our waste, energy and water use, and increasing our material reuse.

We **prioritize** the integration of sustainability principles into every business, including a robust governance model and a focus on fostering social and environmental improvement in our communities and throughout the world. We believe that our ESG efforts will facilitate near- and long-term financial growth, resulting in success for our employees, partners and stakeholders.

We are **relevant and adaptable** to current conditions. As the COVID-19 pandemic spread globally, our team quickly modified operating procedures to ensure the safety of our employees as our first priority, but also to allow us to continue to deliver essential products and services to our customers. Looking ahead, we are leveraging our Ingersoll Rand Execution Excellence (IRX) process to respond to market shifts, and using digital tools to optimize our work, transform customer solutions and build resiliency while reducing risk.

We intend to continue our **pursuit of sustainability** with bold aspirations and transparency. Our operational goals will drive sustainability across the value chain, we will invest in innovation to hone more efficient and improved products and services, and we will expand into new markets responsibly and with social conviction.

This Sustainability Report documents our first steps on our ESG journey. Thank you for joining us in our pursuit of a better tomorrow.

Sincerely,

Vicente Reynal  
President and CEO  
Ingersoll Rand Inc.

## Ethics, Compliance and Emerging Risks

**Seeking Advice about Ethical and Lawful Behavior and Organizational Integrity:** Our [Code of Conduct](#) charges us with upholding the highest standards of legal and ethical conduct, and to do what is in the best interest of our employees, stakeholders, the environment and society. Ingersoll Rand conducts an annual Code of Conduct training and certification process for all employees.

**Reporting Concerns about Unethical or Unlawful Behavior:** Ingersoll Rand encourages anyone who seeks guidance on or suspects an ethical, legal or [Code of Conduct](#) violation to report their concerns through company leadership or our [global ethics hotline](#). These are safe, confidential (and if so chosen, anonymous) internal and external mechanisms available through both phone and online channels.

**Key Impacts, Risks and Opportunities:** At Ingersoll Rand, managing uncertainty is centered on risk recognition, management and reduction. We have processes in place to identify trends and recognize risks, followed by developing and implementing countermeasures designed to obtain the most favorable outcomes. Our processes are regularly reviewed for effectiveness and updated as needed.

### Significant Economic, Environmental and Social Impacts, Challenges and Opportunities:

Risk	Background	Mitigation	Opportunities
<b>Sustainability Integration</b>	Potential inability to integrate sustainability into business as quickly as necessary for stakeholder expectations.	Increased transparent public reporting and identified sustainability maturity plan.	Integrate broadly to recruit/retain talent, set bold targets, and maintain and enhance market share.
<b>Employee Matters and Culture</b>	Newly combined company culture needs employees working together.	Established our new Purpose and Values and Code of Conduct.	Participate in strategy and link Values to the work employees do.
<b>Cybersecurity</b>	Security disruptions/ breaches of technology systems, infrastructure or products could negatively impact our business.	Instituted security policies and continuity plans, and updated processes to protect unauthorized access.	Maintain strong processes to avoid security disruptions, creating further confidence in our business.
<b>Operational Growth</b>	Expanded international operations could present a challenge on business.	Focused on internal controls to business and risk tolerance.	Mitigate risks associated with sustainable growth.
<b>Climate</b>	Identify our climate strategy to address our impacts as well as to identify solutions.	Created emission targets; timing for scenario plan/ goal.	Integrate climate sustainability targets in our business.
<b>Occupational Health and Safety</b>	Hazards and ill health affect employees' ability to thrive and work.	Introduced company-wide health and safety management system.	Reinforce our safety culture and strengthen trust among the team.

Additional risk factors may be found in the 10-K section of the 2019 Annual Report on pp. 10-21.

## Our Employees

**Percentage of Employees Covered by Collective Bargaining Agreements:** Approximately 50 percent of Ingersoll Rand employees are covered by a collective bargaining agreement.

### Total Number of Employees by Employment Contract, by Gender:

Total Number of Employees by Employment Contract (Permanent and Temporary) by Gender				
	Male	Female	Undisclosed	Total
<b>Permanent</b>	13280	3757	2	17039
<b>Temporary</b>	84	36	1	121
	13364	3793	3	17160

### Total Number of Employees by Employment Contract, by Region:

Total Number of Employees by Employment Contract (Permanent and Temporary) by Region				
	Americas	AP	EMEIA	Total
<b>Permanent</b>	7099	3583	6357	17039
<b>Temporary</b>	29	33	59	121
	7128	3616	6416	17160

### Total Number of Employees by Employment Type by Gender:

Total Number of Employees by Employment Contract (Permanent and Temporary) by Employment Type				
	Male	Female	Unknown	Total
<b>Full-Time</b>	13268	3585	3	16856
<b>Part-Time</b>	208	96	0	304
	13476	3681	3	17160

### Diversity Indicator by Percentage of Employees:

Diversity Indicator	Percentage of Total Employee Population
<b>Female share of total workforce (%)</b>	22%
<b>Females in all management positions, including junior, middle and senior management (as % of total management workforce)</b>	20%
<b>Females in junior management positions, i.e. first level of management (as % of total junior management positions)</b>	25%
<b>Females in top management positions, i.e. maximum two levels from the CEO or comparable positions (as % of total top management positions)</b>	16%
<b>Females in management positions in revenue-generating functions (e.g. sales) as a % of all such managers (e.g. excluding support functions, such as HR, IT, legal, etc.)</b>	17%

**Portion of Organization’s Activities Performed by Non-Employee Workers:** There is not a significant portion of the organization’s activities performed by workers who are not employees.

**Reported Number Variations:** There are no significant variations in the numbers reported.

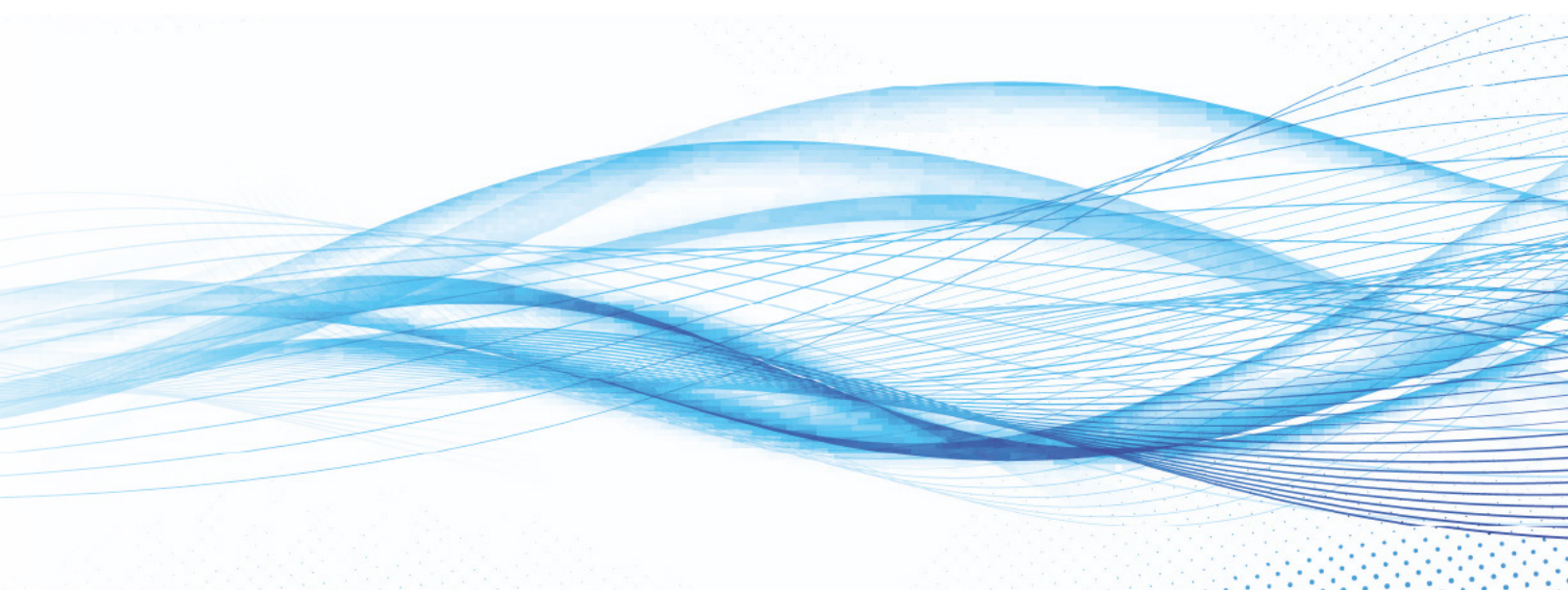
**Explanation of How Data Have Been Compiled:** All headcount numbers reflect data through December 2019 and represent Ingersoll Rand employees; no contractors were included in this data. Historical data reflects both former Gardner Denver and former Ingersoll Rand Industrial segment, which combined to form Ingersoll Rand in March 2020.

**Minimum Notice Periods Regarding Operational Changes:** We provide reasonable notice of significant operational changes to employees who could be affected by them. Provisions for consultation and negotiation are specified in collective bargaining agreements.

**Reporting on Breaches:** We evaluate disclosure of matters in light of applicable regulatory requirements (including applicable SEC rules and regulations and the listing standards of the NYSE) and the materiality of such matters to our company. Based on this evaluation, no such disclosures were made in 2019.

**Percentage of Actively Engaged Employees Based on Employee Engagement Survey:**

	Unit	FY 2017	FY 2018	FY 2019	2019 Target
<b>Employee Engagement</b>	% of Actively Engaged Employees	56.2	67	72	73
<b>Data Coverage</b>	% of Total Employees	91	92	92	100



# Social and Community Activities

**Ingersoll Rand Global Citizenship Strategy:** Ingersoll Rand’s global citizenship strategy is guided by the following principles:

1. **Support Our Purpose and Values:** Our global citizenship strategy must first and foremost support our Purpose and Values and integrate them into the fabric of our company.
2. **Enhance Our Reputation:** This is a key outcome of our global citizenship strategy; it should help support and promote us as the employer, investment and provider of choice.
3. **Promote Diversity & Inclusion:** Working toward the right solutions requires an integrated view of global citizenship, and diversity and inclusion. You cannot be socially responsible without diverse and inclusive perspectives.
4. **Respond to Local Community Needs:** Our global citizenship strategy should be responsive to identified needs in our communities that are appropriate for our involvement—“Think Global, Act Local”
5. **Engage Employee Preference:** The interests and preferences of our employees should be 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 should maximize the impact we have by leveraging our corporate and local initiatives. All of our activities should build on each other to ensure we outperform our objectives.

**Alignment with United Nations Sustainable Development Goals:** In 2019, Ingersoll Rand’s global citizenship strategy aligns with UN Sustainable Development Goals (SDG). Any group or local effort is aligned with one or more specific SDGs as shown below:



## Global Citizenship Priority Examples:

**Priority:** Improve education for 750 students at schools in sub-Saharan Africa by building water wells and sanitation systems.

## U.N. Sustainable Development Goal Alignment:



In sub-Saharan Africa, students in villages often miss school because they have to walk two kilometers to get clean water or because they have water-related illnesses from drinking unclean water. Ingersoll Rand partners with Drop in the Bucket to furnish company air compressors to assist with borehole drilling so that a water well can be provided to a school and neighboring villages. In many cases, more than 2,000 people are using the well each day, which was created through this community partnership with Ingersoll Rand. The result is that more than 1,000 students are now receiving more consistent education.





**Priority:** Foster an inclusive and engaged work culture by connecting the passions and talents of employees to community partners through volunteerism and giving.

**U.N. Sustainable Development Goal Alignment:**



Ingersoll Rand builds community partnerships in the countries in which it operates designed to enhance employee engagement, attract a high-quality workforce and increase employee retention. For example, Ingersoll Rand’s partnership with Akshyaya Patra in India tackles malnutrition in children to improve health and decrease absenteeism in the classrooms. Over the last year, an Ingersoll Rand sponsored mid-day meal program served more than 10 million hot and highly nutritious meals over nearly 250 days and fed more than 4,000 children. There are numerous avenues for Ingersoll Rand employees to become personally involved, such as through plate distribution and other events.

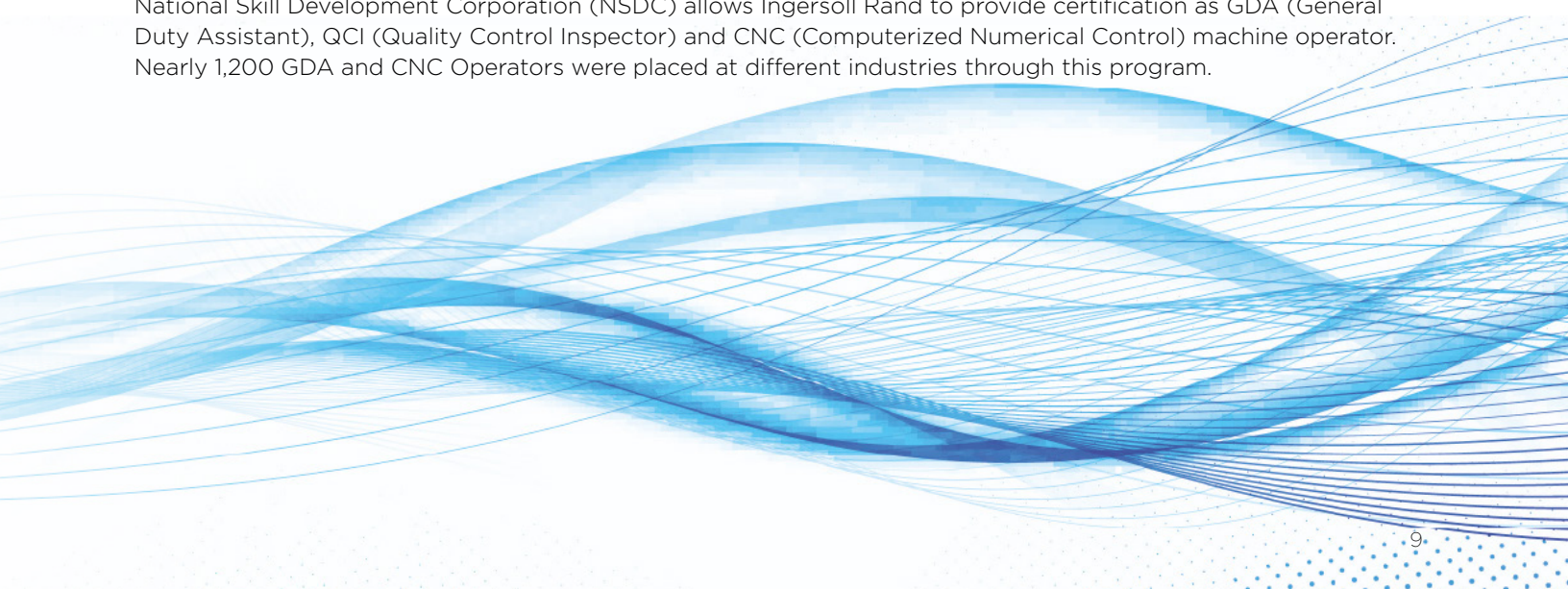


**Priority:** Skills training to educate youth from disadvantaged areas to economically empower them through industry placements.

**U.N. Sustainable Development Goal Alignment:**



Ingersoll Rand’s STEM education program in India is an example of our commitment to quality education (particularly for women and girls). Ingersoll Rand provides training and education to girls and women through a partnership with Agastya International Foundation’s science education programs for underprivileged children and adults in India. Employees actively volunteer in the schools on a monthly basis. During Ingersoll Rand’s seven-year partnership with the Agastya Foundation, more than 3 million children and 6,000 teachers have been more exposed to science education than they would have otherwise. In addition, a three-year partnership with the National Skill Development Corporation (NSDC) allows Ingersoll Rand to provide certification as GDA (General Duty Assistant), QCI (Quality Control Inspector) and CNC (Computerized Numerical Control) machine operator. Nearly 1,200 GDA and CNC Operators were placed at different industries through this program.



# Governance Model

**Governance Structure:** Our Board of Directors—the highest governance body—serves as the ultimate decision-making body on material economic, social and environmental topics. It includes an Audit Committee, a Compensation Committee and a Nominating & Corporate Governance Committee.

**Identifying and Managing Economic, Environmental and Social Impacts:** The Board of Directors reviews material economic, environmental and social topics and their impacts, risks and opportunities. Through a formal materiality assessment process, stakeholders have confirmed our most important economic, social and environmental topics.

**Highest Governance Body's Role in Sustainability Reporting:** In addition to our Board of Directors, the chief executive officer, chief compliance officer and chief financial officer formally review and approve the organization's sustainability report and ensure that all material topics are covered.

**Executive-level Responsibility for Economic, Environmental and Social Topics:** The company's general counsel/ chief compliance officer has executive-level responsibility for economic, environment and social topics. This position reports to the chief executive officer, and the position is responsible to the Board, which has high-level responsibility for overseeing Ingersoll Rand's sustainability approach.

## **Composition of the Highest Governance Body and Its Committees:**

- **Executive or Non-Executive:** Board of Directors consist of nine non-executives and one executive
- **Independence:** Board of Directors have nine independent directors and one non-independent director (the CEO)
- **Tenure:** Board of Directors have 3 years average tenure
- **Gender:** Board of Directors are 20% female; 80% male
- **Membership of Under-Represented Social Groups:** 50% of Ingersoll Rand Board of Directors are diverse
- **Stakeholder Representation:** Ingersoll Rand Board of Directors include stakeholder representation

Ingersoll Rand's Board of Directors possess a strong knowledge of current economic, environmental and social topics based on their leadership roles in other companies as well as their tenure on other boards. For information on the number of each individual's other significant positions and commitments, and the nature of the commitments, reference pp. 5-10 of the [Ingersoll Rand 2020 Proxy Statement](#).

**Chair of the Highest Governance Body:** Chairperson is non-executive and independent.

**Collective Knowledge of Highest Governance Body:** Ingersoll Rand conducts a minimum of four quarterly board meetings per year to enhance the Board's collective knowledge and provide updates on pertinent economic, environmental and social topics.

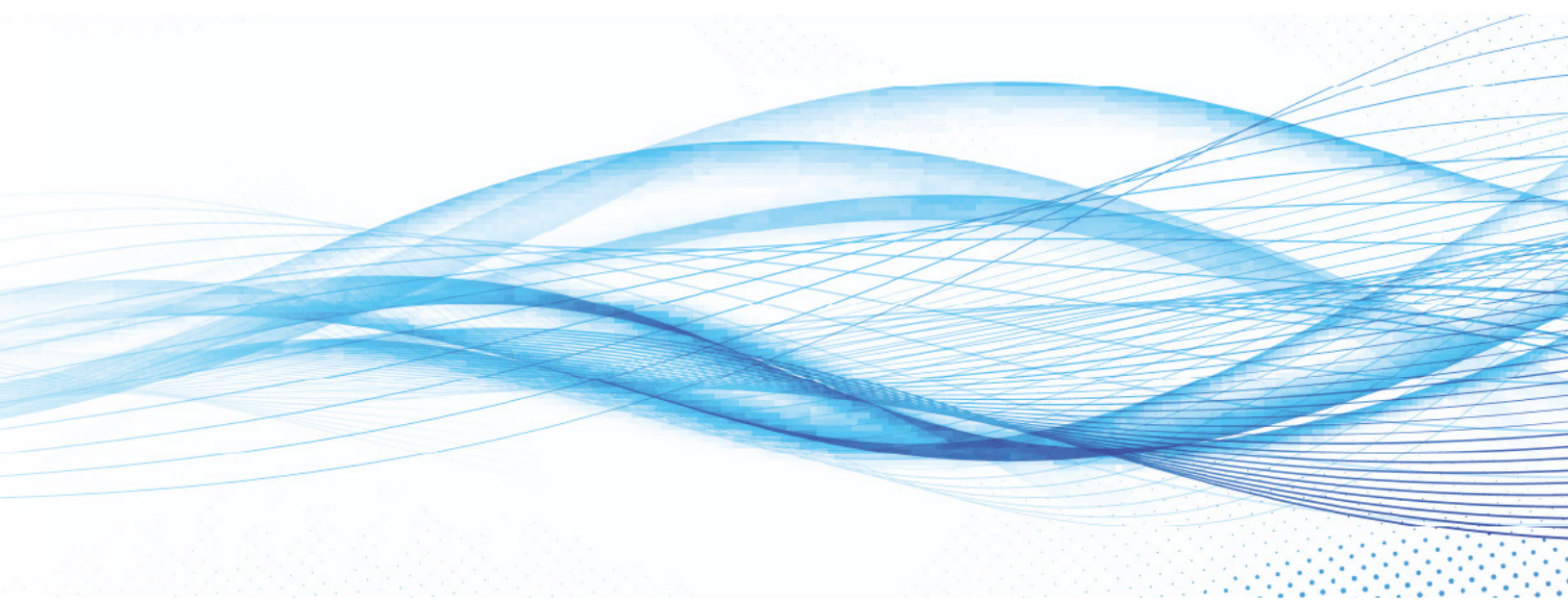
# Regulations and Public Policy

**Externally Developed Economic, Environmental and Initiatives the Organization Endorses:** Ingersoll Rand supports the CEO Action for Diversity and Inclusion, a third-party charter, which is the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.

**Main Membership of Industry Associations:**

(Total annual spend of approximately \$500,000)

- American Bureau of Shipping
- ANIMA & COMPO
- Association of Climate Change Officers
- British Compressed Air Society
- British Compressed Gas Association
- Compressed Air & Gas Institute
- Ethernet and Devicenet Industrial Communications Standards Organization
- European Power Tools Association
- German Machinery Manufacturers (VDMA)
- Hydraulic Institute
- Hydrogen Mobility Australia
- Industry Supply Association
- International Association of Drilling Contractors
- Material Handling Institute
- Northern Offshore Federation
- Outdoor Power Equipment Institute
- Petroleum Equipment & Services Association
- PNEUROOP
- Profibus Profinet North America
- Specialty Tools & Fasteners Distributors Association



# Environmental, Health and Safety Data

Ingersoll Rand is committed to providing open and transparent communication regarding our publicly available environmental data and coverage.

**Stakeholder Groups:** Ingersoll Rand's sustainability strategy creates value for our stakeholders, which include employees and their families, customers, suppliers, unions, works councils, shareholders and our local communities.

**Occupational Health and Safety Management System:** Ingersoll Rand has implemented a company-wide occupational health and safety management system based on standard guidelines, including:

- Tracking capital investment and operating expenses for proposed and actual environmental improvement/sustainability projects
- EHS staff and project engineers using the Gensuite® Eco Project Deck electronic tool to capture and track environmental project details; reporting can be done at the project, site or enterprise level to include critical project details such as resources, cost and time

The occupational health and safety management system applies to all employees and workers who are not employees but whose work is overseen by Ingersoll Rand.

**Environmental Violations:** Our responsibility is evidenced through the solid reputations of our program; Ingersoll Rand remained free of material environmental penalties in 2019.

## Operational Eco-Efficiency

### Direct Greenhouse Gas Emissions (Scope 1):

Direct GHG (Scope 1)						
	Unit	FY 2016	FY 2017	FY 2018	FY 2019	2019 Target
<b>Total direct GHG emissions (Scope 1)</b>	metric tonnes CO <sub>2</sub> equivalents	44160	43815	45264	41185	5% absolute reduction from 2018
<b>Data coverage (as % of denominator)</b>	Percentage of: Revenue	60	68	68	68	

### Direct Greenhouse Gas Emissions (Scope 2):

Direct Greenhouse Gas Emissions (Scope 2)						
	Unit	FY 2016	FY 2017	FY 2018	FY 2019	2019 Target
<b>Indirect greenhouse gas emissions from energy purchased and consumed (Scope 2)</b>	metric tonnes CO <sub>2</sub> equivalents	54708	64880	62298	59813	5% absolute reduction from 2018
<b>Data coverage (as % of denominator)</b>	Percentage of: Revenue	60	68	68	68	68

**Energy Consumption:**

<b>Total Energy Consumption</b>						
	<b>Unit</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>2019 Target</b>
<b>Non-renewable fuels (nuclear fuels, coal, oil, natural gas, etc.) purchased and consumed</b>	MWh	99963	109627	136755	114604	
<b>Non-renewable electricity purchased</b>	MWh	102588	122341	132560	113691	
<b>Steam/heating/cooling and other energy (non-renewable) purchased</b>	MWh	0	0	0	0	
<b>Total renewable energy (wind, solar, biomass, hydroelectric, geothermal, etc.) purchased or generated</b>	MWh	0	0	0	0	
<b>Total non-renewable energy (electricity and heating &amp; cooling) sold</b>	MWh	0	0	0	0	
<b>Total non-renewable energy consumption</b>	MWh	202551	231968	269315	228295	1% reduction from 2018
<b>Total costs of energy consumption*</b>	USD - US Dollar	15835919	17550028	18564661	20341404	
<b>Data coverage (as % of denominator)</b>	Percentage of Revenue	60	68	68	68	

\*Total costs of energy consumption estimated.

**Volatile Organic Compounds Emissions:**

<b>Direct VOC Emissions</b>						
	<b>Unit</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>2019 Target</b>
<b>Direct VOC emissions</b>	metric tonnes	37	44	38	39	No Target for 2019
<b>Data coverage (as % of denominator)</b>	Percentage of Revenue	100	100	100	100	

**Occupational Health and Safety**

**Lost-Time Injury Frequency Rate (LTIFR) - Employees:**

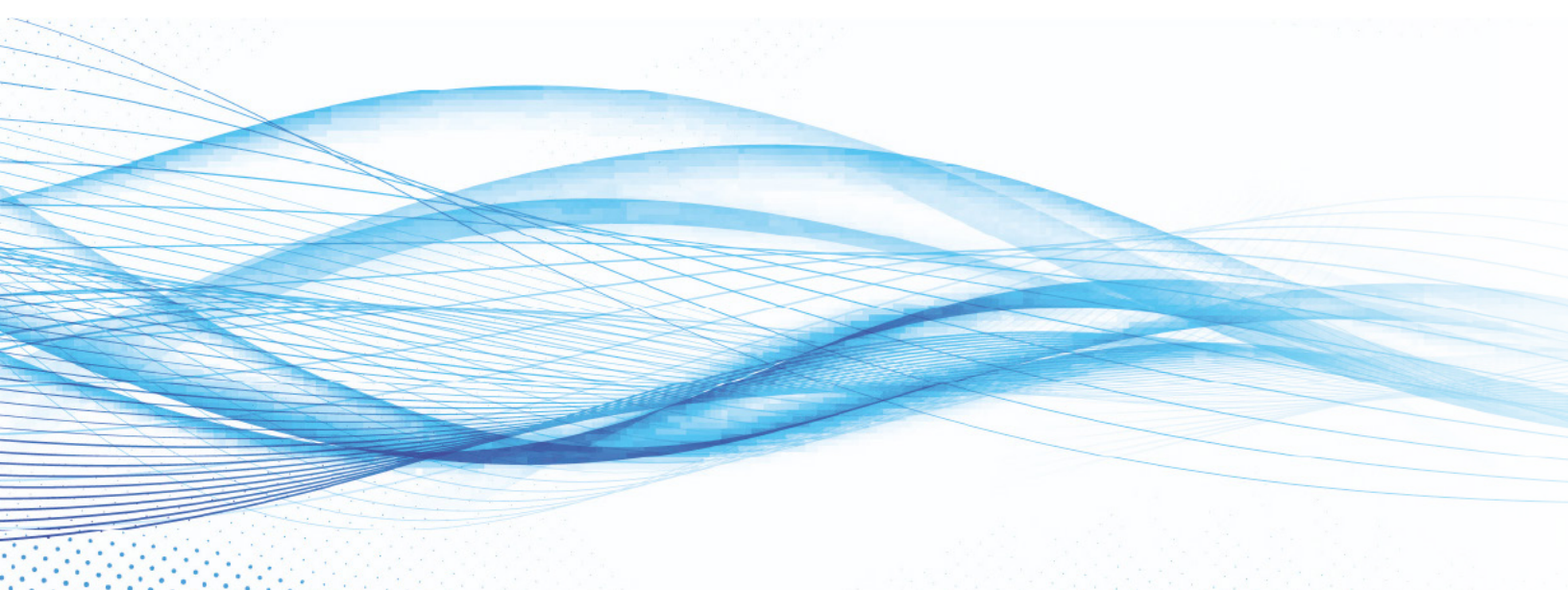
<b>Lost-Time Injury Frequency Rate (LTIFR) - Employees</b>					
	<b>Unit</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Employees</b>	n/million hours worked	0.64	0.61	0.56	0.56
<b>Data coverage</b>	Percentage of Employees	100	100	100	100

**Lost-Time Injury Frequency Rate (LTIFR) - Contractors:**

<b>Occupational Illness Frequency Rate (OIFR) - Employees</b>					
	<b>Unit</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Contractors</b>	n/million hours worked	0.13	0	0.56	0.5
<b>Data coverage</b>	Percentage of Contractors	100	100	100	100

**Occupational Illness Frequency Rate (OIFR) - Employees:**

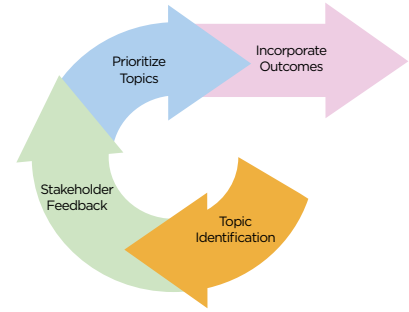
<b>Occupational Illness Frequency Rate (OIFR) - Employees</b>					
	<b>Unit</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Employees</b>	n/million hours worked	0	0	0	0
<b>Data coverage</b>	Percentage of Employees	100	100	100	100



# Materiality, Targets and Customers

## Our Materiality Assessment Process

Ingersoll Rand executed a formal materiality assessment process that included our most important stakeholders. The assessment process followed the GRI Standards framework with the goal of pinpointing topics most impactful to Ingersoll Rand. GRI’s materiality principles were applied throughout the process to guide topic selection and evaluation.



### 1. Topic Identification

The assessment process evaluated key topics that demonstrated high economic, environmental and/or social impact as well as those that have essential influence on the valuations and decisions of stakeholders. Topics were selected from:

- |                                    |   |
|------------------------------------|---|
| 1. Employee dialogue               | 5. Benchmarking                                     |
| 2. Customer requests               | 6. Reputable sustainability standards and protocols |
| 3. Investor dialogue and questions | 7. ESG indicators                                   |
| 4. Identified risks                |   |

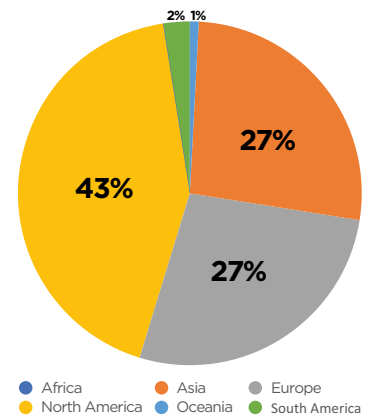
### 2. Stakeholder Feedback

We identified internal and external stakeholders because they offer critical value in making decisions, shaping strategy and promoting long-term sustainability. We solicited input from the following:

- Ingersoll Rand employees
- Ingersoll Rand leaders
- Customers
- Investors
- Supply chain partners

To ensure data integrity, all stakeholders were polled directly via survey, and additional engagement and feedback was collected through qualitative interviews. Employee stakeholders formed the largest response group that provided input into the materiality assessment. More than 2,800 global employees provided full, detailed responses to the survey.

Employee Respondents

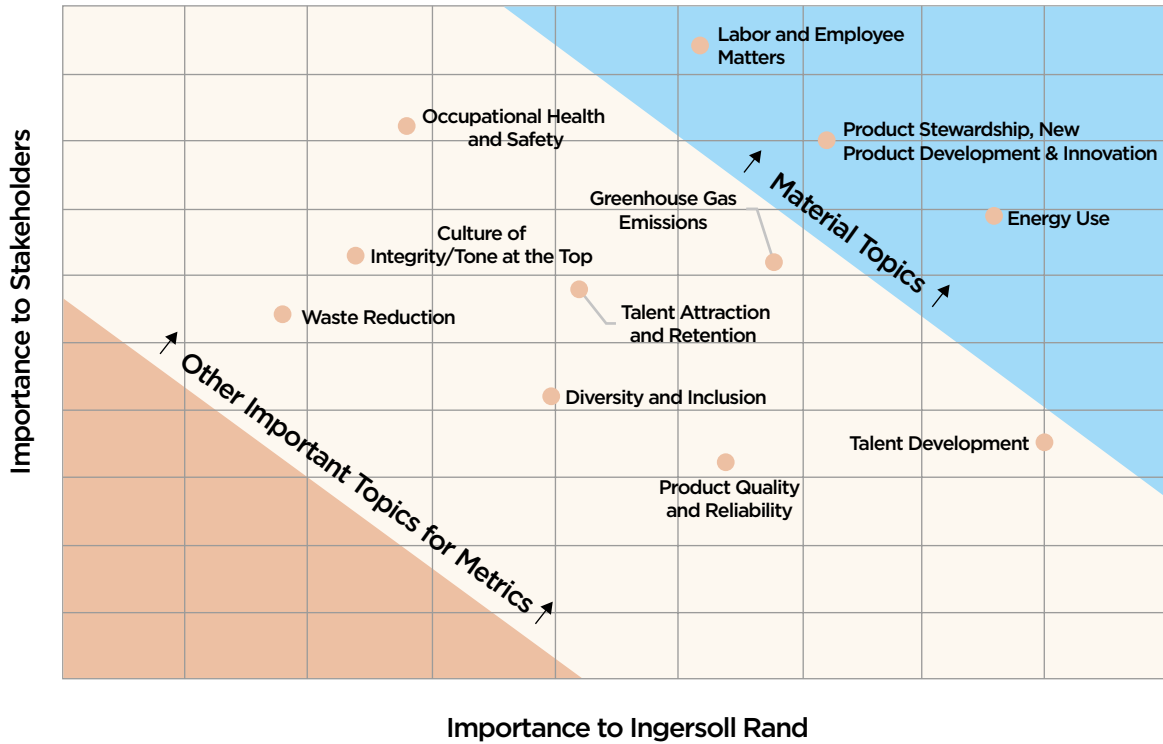


### 3. Prioritize Topics

The matrix below displays the sustainability issues that were deemed most material based on the results of the assessment. We identified issues based on their relative importance to stakeholders and to the Ingersoll Rand business. Topics were prioritized based on three criteria:

1. If not done correctly or addressed, it will negatively impact our business.
2. Differentiates us within our industry to achieve above market growth.
3. Provides an opportunity to contribute to solving one or more pressing global issue(s).

## Ingersoll Rand Materiality Matrix



After plotting the topics based on our three criteria, we selected the three most material topics to Ingersoll Rand (which are shaded in blue in the matrix):

- **Labor and Employee Matters** – our employees are the bedrock of Ingersoll Rand; their safety and engagement are paramount to our success.
- **Product Stewardship, New Product Development and Innovation** – we provide customers with the sustainable products they need, growing our business through the creation of innovative customer solutions, new products and services, and associated technologies.
- **Energy Use** – reducing energy use of our products and in our operations offers positive value and return to our customers and the company, while also mitigating climate change.

Other items shown also have importance in our targets and reporting. Material topics have been reviewed and approved by executive leaders. All topics will be reviewed annually.

### 4. Incorporate Outcomes

The material topics were aligned with our strategic imperatives and outcomes were established for each material topic that support the UN Sustainable Development Goals. In addition, for each material topic, we analyzed where the company has the greatest ability to influence and have an impact. See below:





## Inspired Teams



### Focus

Team members who share similar values, embrace diversity, encourage partnerships and possess the knowledge and tools necessary to make life better for our community.

### Area of Materiality

- Labor & Employee Matters
- Product Stewardship, New Product Development and Innovation

### Outcomes

- Connected, learning employees
- Diverse, innovative, engaged team
- Shared values
- Healthy lives
- Well-being
- Retaining key talent
- Positive relationships
- Culture of integrity
- Environmental, Health and Safety

Alignment with UN Sustainable Development Goals



## Successful Customers



### Focus

Delivering products that fit customers' needs while protecting their well-being and reducing their operating impact.

### Area of Materiality

- Product Stewardship, New Product Development and Innovation
- Energy Use

### Outcomes

- Environmental considerations during design
- Lower use-phase impacts
- Reduced product footprint
- Product ease of use
- Easier, safe servicing

Alignment with UN Sustainable Development Goals



## Operate Sustainably



**Focus**

Improving our global community by reducing our operational environmental impacts.

**Area of Materiality**

- Labor & Employee Matters
- Product Stewardship, New Product Development and Innovation
- Energy Use

**Outcomes**

- World-class, safe workplace
- Healthy team members
- Reduced energy impacts
- Reduced waste
- Efficient water use

Alignment with UN Sustainable Development Goals



**Customers**

We appreciate the uniqueness of every customer. Our ability to innovate and adapt to meet our customers’ needs illustrates our commitment to our company Purpose. Ensuring we delight the customer each and every time is critical to the long-term success and future growth of our business. We seek and rely on customer feedback to hold us accountable to our own high standards of customer service and satisfaction.

Because of the diversity of Ingersoll Rand’s businesses, brands and offerings, it is crucial we approach customer satisfaction with the same appreciation and care we give our unique customers in fulfilling their product and service needs. As such, each business unit creates appropriate customer satisfaction and channel quality standards for their distinct offering and customer segment. The valuable customer feedback is used to adapt and improve our products and processes, to promote brand loyalty and to strengthen our customer relationships—with the end goal of creating customers for life.

# Supply Chain Partners

**Description of Organization’s Supply Chain:** Ingersoll Rand manufactures many components included in our products, which requires us to procure a variety of commodities. Principal commodities, such as steel, copper and aluminum, are purchased from a large number of independent sources around the world, primarily within the region where the products are manufactured.

**Significant Changes to the Organization and Supply Chain Partners:** With the merger of Gardner Denver and the Ingersoll Rand Industrial segment in March 2020, positive changes in operations occurred focused on efficiency, quality and safety. In addition, as part of the integration, we are addressing a comprehensive supply chain strategy, including organization capital, supplier location, structure of supply chain and relationship with suppliers.

**Transparency and Reporting:** Ingersoll Rand publicly reports on our supply chain management approach, including the following elements:

- **Supply chain spend analysis with number of suppliers, spend value and geographical spread:**  
The monetary value of purchases from all suppliers in 2019 was greater than US \$2 billion annually.
- **Supply chain awareness (identification of critical suppliers):**

Type of Supplier	Absolute Number of Suppliers	Share of Total Procurement Spent (%)
Critical Tier 1 Suppliers	403	54.6
Total Tier 1 Suppliers	14451	100

**ESG integration in supply chain management strategy (e.g. minimum thresholds or alignment of overall supply chain management strategy with ESG objectives):**

Supply Chain Reporting Quantitative KPIs and Targets

Supply Chain Critical KPIs					
KPI	KPI Description	KPI Target	Historical Results*		
			2017	2018	2019
KPI 1	60% of our direct spend will be with the preferred supplier program	Target: 60% of direct spend Target Year: 2019 fiscal year	NA	NA	43%
KPI 2	100% of new suppliers will agree to Business Partner Code of Conduct	Target: 100% of new suppliers Target Year: 2019 fiscal year	100%	100%	100%
KPI 3	Designate percent of direct material spend assessed on a quarterly basis for risk	Target: 90% Target Year: 2019 fiscal year	NA	NA	100%

\* This data pertains to the legacy Ingersoll Rand Industrial segment, which represents approximately 60 percent of the current Ingersoll Rand revenues. For KPI 1 and KPI 3, information for years 2017 and 2018 is not available, as we are unable to obtain this data from the prior owner of the Ingersoll Rand Industrial segment.

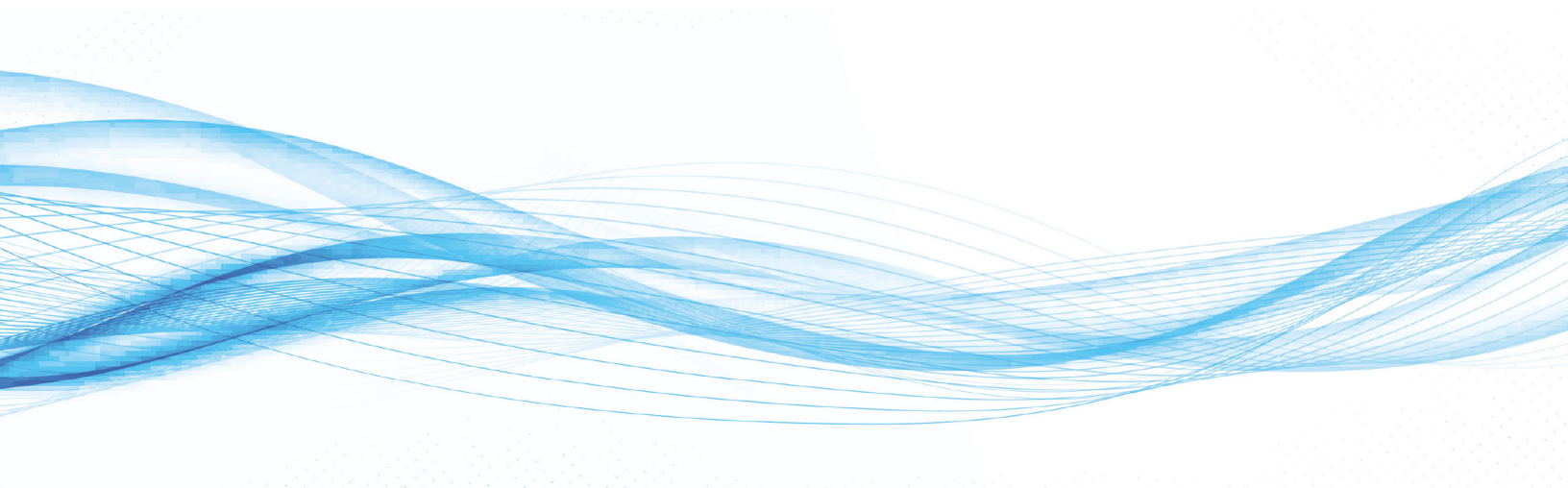
# GRI

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