



Inspired  
to make a difference.  
Committed  
to progress.

At ITW, we are inspired to make a difference for the environment, our people and our communities. Our commitment is consistent with our core values and guided by our robust governance practices.

### Our Sustainability Strategy

Consistent with our core values and decentralized, entrepreneurial culture, our sustainability strategy represents ITW's commitment, which is operationalized at the division level. Our sustainability strategy is built around four key elements: Our Governance & Ethics, Our Environment, Our People and Our Communities.



Our Governance & Ethics



Our Environment



Our People



Our Communities



## Our Governance & Ethics

ITW's commitment to strong corporate governance, ethical conduct and compliance is rooted in our core values and sets the foundation for how we operate our business every day. Driven by our management team and Board of Directors, this commitment is ingrained in our culture and all ITW colleagues understand the top-down expectation to uphold our values, and adhere to policies and practices related to fair, ethical and honest business dealings, robust governance, and compliance with applicable laws. These areas are a priority as we recognize governance and ethics play an essential role in ensuring our business resiliency and enabling our company to achieve its full potential.

View our policies governing ethical conduct and responsible behavior [here](#).



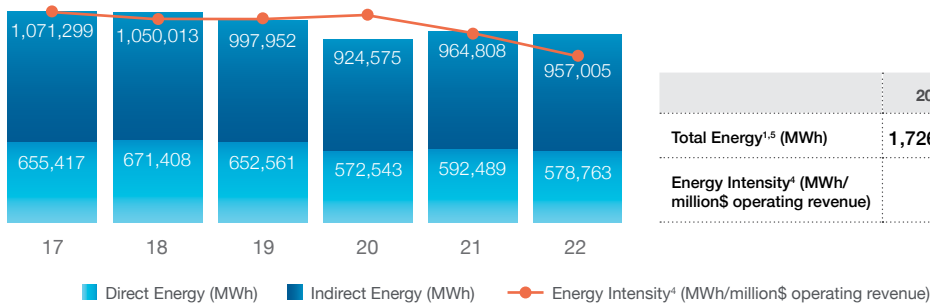
## Environmental Responsibility

ITW is committed to operating our business in a way that demonstrates our dedication to global environmental sustainability through continuous improvement in our environmental impact. We employ a fact-based, appropriately paced approach, consistent with our “Do What We Say” philosophy, acknowledging the needs of our businesses and key stakeholders. Nowhere is that more evident than in how we are addressing the issue of climate change

and reducing our greenhouse gas (GHG) emissions. ITW has a record of setting and achieving increasingly ambitious GHG emissions reduction goals and is thoughtfully and carefully approaching Scope 3 emissions.

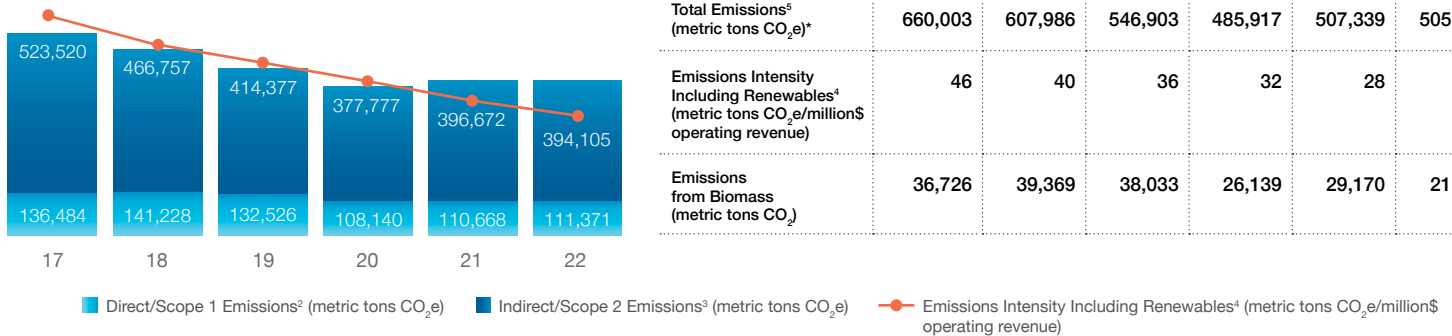
View our [GHG emissions verification statement](#).

Total Energy<sup>1,5</sup>



	2017	2018	2019	2020	2021	2022
Total Energy <sup>1,5</sup> (MWh)	1,726,716	1,721,421	1,650,514	1,497,118	1,557,297	1,535,818
Energy Intensity <sup>4</sup> (MWh/million\$ operating revenue)	121	117	117	119	108	96

Total Emissions<sup>5</sup>



	2017	2018	2019	2020	2021	2022
Total Emissions <sup>5</sup> (metric tons CO <sub>2</sub> e)*	660,003	607,986	546,903	485,917	507,339	505,475
Emissions Intensity Including Renewables <sup>4</sup> (metric tons CO <sub>2</sub> e/million\$ operating revenue)	46	40	36	32	28	25
Emissions from Biomass (metric tons CO <sub>2</sub> )	36,726	39,369	38,033	26,139	29,170	21,589

<sup>1</sup> Includes electricity, purchased heat, natural gas, heating/fuel oil, diesel, gasoline, propane, wood and liquefied natural gas.

<sup>2</sup> Emissions from the combustion of natural gas, heating/fuel oil, diesel, gasoline, propane, wood and liquefied natural gas, the use of foam blowing agents, refrigerants and direct use of CO<sub>2</sub>. CO<sub>2</sub>e includes CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, with the exception of wood, which is CH<sub>4</sub> and N<sub>2</sub>O.

<sup>3</sup> Emissions from purchased heat and electricity use (location based); CO<sub>2</sub>e includes CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

<sup>4</sup> Total operating revenue was used in the calculation of intensity indicators.

<sup>5</sup> 2017–2021 Total Energy, Emissions, Water, Waste and Recycling figures were recalculated for the following reasons: added new sites, data corrections.

\* Location based emissions

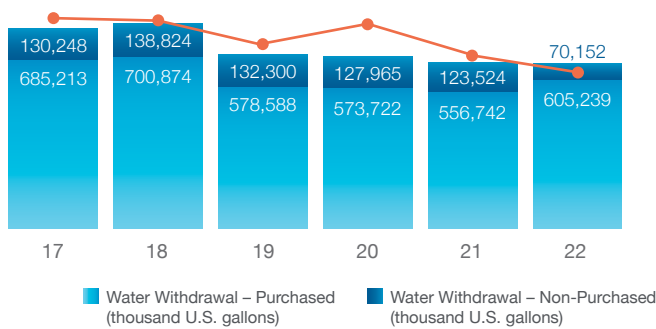
The reporting period for ITW's environmental, health and safety data is January 1, 2022–December 31, 2022. The reporting boundary includes companies over which ITW has operational control.

We use the following emission factors: UK-BEIS, published January 2022; National Greenhouse Accounts Factors: 2021, published August 2021; International Energy Association, September 2021 release; eGrid January 2022 release. We also use GHG Protocol Emissions Factors in our calculations.



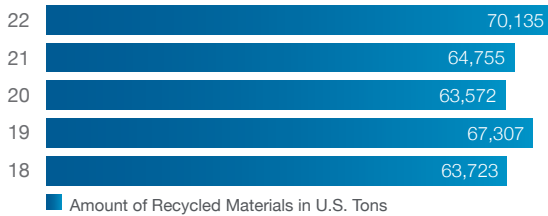
# Our Environment

## Total Water Withdrawn<sup>1</sup>

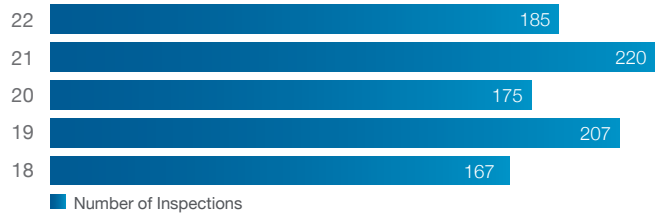


	2017	2018	2019	2020	2021	2022
Total Water Withdrawn <sup>1</sup> (thousand U.S. gallons)	815,461	839,699	710,888	701,687	680,266	675,391
Water Intensity <sup>2</sup> (U.S. gallons/thousand\$ operating revenue)	57	57	50	56	47	42

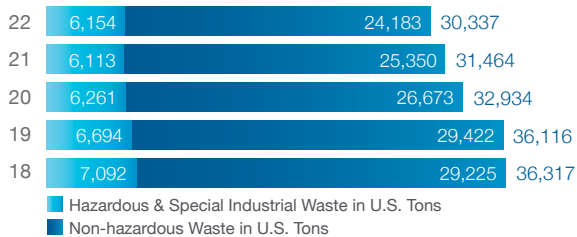
## Total Recycled Material<sup>1</sup>



## Government Environmental Inspections



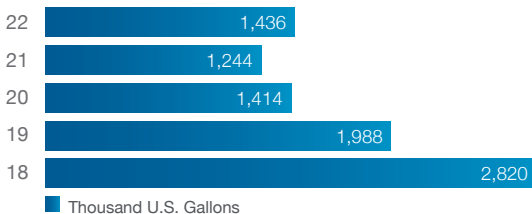
## Total Solid Waste<sup>1</sup>



## Government Environmental Inspections' Resulting Fines<sup>3</sup>



## Total Liquid Hazardous and Special Industrial Waste<sup>1</sup>



<sup>1</sup> 2017–2021 Total Energy, Emissions, Water, Waste and Recycling figures were recalculated for the following reasons: added new sites, data corrections.

<sup>2</sup> Total operating revenue was used in the calculation of intensity indicators.

<sup>3</sup> 2020 includes a fine resulting from the settlement of a U.S. EPA enforcement action against a facility in Rockland, Massachusetts, alleging lack of compliance with rules relating to process documentation, training and equipment maintenance, none of which resulted in a chemical release. Fine was paid in 2021.

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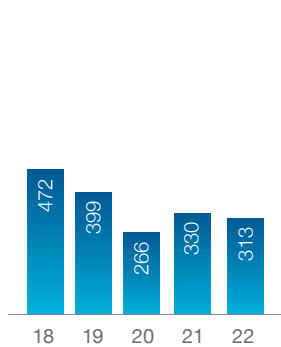
# Our People

## Employee Safety

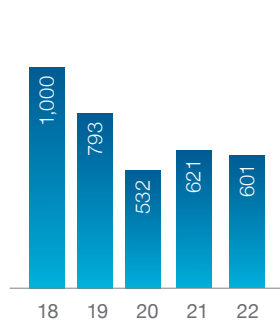
The safety of our approximately 46,000 colleagues around the world is an essential component of our commitment to be a great employer. We strive every day to foster a proactive safety culture through the execution of our Enterprise Safety Strategy, which is based on a philosophy that every accident is preventable and with a shared goal of zero accidents. Our division-driven approach ensures we have a shared responsibility to protect the well-being of every ITW colleague, and our teams are committed to continuous improvement of our safety culture.

For 2022, our total recordable incident rate (TRIR) was 1.33 incidents per 100 employees\*, and our lost time incident rate (LTIR) was 0.69 incidents per 100 employees. These rates decreased by 8% for TRIR and 9% for LTIR from 2021, and by 35% and 29%, respectively, from 2018.

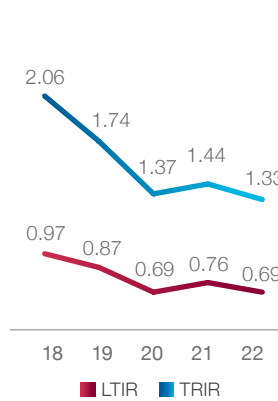
**Lost Time Accidents**  
(Number of accidents)



**Medical Treatment Incidents**  
(Number of incidents)



**Lost Time and Total Recordable Incident Rates**



**Fatalities\***  
(Number of fatalities)



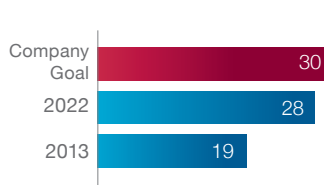
\* Aligned with the Industrial Machinery and Goods Sustainability Accounting Standard under SASB's Sustainable Industry Classification System®. ITW's safety metrics are based on full-time equivalent.

## Diversity & Inclusion

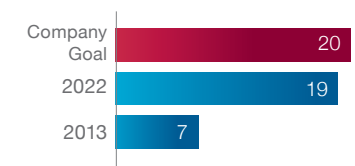
ITW's commitment to diversity and inclusion (D&I) spans for more than a decade. However, we recognize this work takes time, and our dedicated team of leaders is proud of the steady progress we have made to diversify our workforce and build a more inclusive workplace. We believe we are at our best when we bring together unique perspectives, experiences and ideas. Rooted in our core values of Respect and Integrity, we are committed to treating all colleagues with dignity, fairness and respect, and afford everyone the opportunity to reach their full potential for growth and advancement. We strive to create diverse and inclusive workplaces where all ITW colleagues are heard, valued and engaged.

### DIVERSITY & INCLUSION PERFORMANCE AND GOALS\*

**Global Women Leaders**  
(%)



**U.S. Racially/Ethnically Diverse Leaders**  
(%)



\* Top 1,000 leaders (i.e., division directors and above) across ITW.



## Philanthropy & Community Involvement

### Our Culture of Giving

Recognizing our responsibilities extend beyond our business operations, we encourage and support our colleagues globally in their efforts to make positive contributions through financial gifts and volunteerism to the communities they call home. In the spirit of ITW's commitment to "Do What We Say," we strive to positively impact and influence others through our support of critical initiatives that bring about change at the local level.

Our divisions and colleagues have the flexibility to contribute to organizations and causes in ways that are meaningful to them and align with the needs of those in their communities.

**In 2022, ITW's philanthropic giving was more than \$22 million. Over the past five years, we have invested more than \$109 million in support to our communities.**

Key elements of our colleague giving program in the U.S. and Canada include:

- ITW Gift + Volunteer Match Program, which provides:
  - » A 3:1 match for qualified charitable giving by our colleagues
  - » A \$15-per-service-hour match for qualified volunteering opportunities reported by our colleagues (increased from \$10 per service hour in 2022)
- A corporate match to United Way and its partner agencies for every dollar contributed through our annual employee giving campaign
- Scholarship programs for high-achieving dependents of ITW colleagues pursuing a post-secondary education

In addition to amplifying our colleagues' giving efforts, ITW strategically invests in education, workforce development and arts and culture through key partnerships in the community. In 2022, ITW gave more than \$9 million in support of these focus areas.

## Support for Education

Our long-standing commitment to education is demonstrated through the support we provide for STEM-related (science, technology, engineering and mathematics) programming in schools and organizations.

### ITW David Speer Academy

Since 2014, ITW has proudly sponsored the ITW David Speer Academy in memory of former ITW chairman & CEO David Speer, who passed away in 2012. The Chicago high school focuses on offering a world-class STEM education to over 1,000 students in grades 9 through 12.

From day one, the ITW David Speer Academy creates a differentiated learning experience for students. In their first

two years, curriculum is focused on ensuring all students are grade appropriate. Rising juniors are then enrolled in the academy's Summer of a Lifetime program, an enrichment program hosted on college campuses across the country that provides students with real-world experiences. In their junior and senior years, students choose an elective pathway and complete an accredited internship.

ITW's impact extends far beyond our ongoing financial support. Our colleagues are actively involved in the school's programs and regularly engage with its many talented students, including hosting student interns at ITW. We also collaborate and partner with other organizations to offer the students unique opportunities that enrich their overall learning experience.



### ITW David Speer Academy by the Numbers

**280**  
graduates

in the class of 2022

**97%**  
of students

who attend college are first in their family to do so

**88%**  
of 2022 graduates

pursuing education beyond high school

**\$45 million**

in scholarships awarded to the class of 2022 from various institutions/organizations

**867**

cumulative graduates since first graduating class in 2018