

# 2021 Sustainability Highlights

At Dover, we are redefining what's possible through sustainable innovation, driving economic and environmental benefits for our business and stakeholders.

On this page and the following, we have highlighted key initiatives and performance metrics from our sustainability activities to date. For more detailed information on our ESG priority areas, please visit our sustainability website at [dovercorporation.com/sustainability](https://dovercorporation.com/sustainability). Our reporting aligns to key sustainability frameworks and we publish indices for ease of access to key data.



In 2021 we announced new social and environmental impact goals in line with the ESG priority areas defined in our 2020 materiality assessment, marking the latest step in Dover's commitment to safeguard its employees, customers, and the environment. We are focused on achieving these goals and continually improving our performance across all our ESG areas of focus.



## Environmental

- OUR PRODUCTS**
  - Innovation for sustainable products
  - Climate change risks and opportunities
- OUR OPERATIONS**
  - Energy and emissions
  - Water
  - Waste
  - Environmental compliance
- OUR SUPPLY CHAIN**
  - Environmentally responsible sourcing

## Social

- OUR PEOPLE**
  - Talent attraction and development
  - Employee health and safety
  - Diversity and inclusion
  - Fair remuneration practices\*
  - Labor relations\*
- OUR COMMUNITIES**
  - Community engagement and philanthropy
  - Human rights in the supply chain
  - Product quality and safety

## Governance

- OUR CULTURE**
  - Ethics and compliance
  - Data security and privacy
  - Governance and accountability

\* Dover progress information to be provided on these topics in 2022

## About Dover

Dover is a diversified global manufacturer and solutions provider delivering innovative equipment and components, consumable supplies, aftermarket parts, software and digital solutions, and support services through five operating segments: Engineered Products, Clean Energy & Fueling, Imaging & Identification, Pumps & Process Solutions and Climate & Sustainability Technologies.

## Dover's New ESG Goals

### Energy and Emissions

Science based targets to reduce our direct greenhouse gas emissions from operations (absolute Scope 1 and Scope 2 market-based emissions) 30% by 2030 from a 2019 base year and reduce our indirect (Scope 3) emissions 15% by 2030.

### Employee Health and Safety

Reduce annual Total Recordable Incident Rate (TRIR) by 40% by 2025.

### Diversity and Inclusion

Deploy a regular global employee engagement survey and establish an inclusion index baseline by 2022 and train 80% of leaders on inclusive leadership by 2023.



Recognized for our entrepreneurial approach for 65+ years, our team of

~25,000 employees

takes an ownership mindset, collaborating with customers to **redefine what's possible.**

# Dover's New ESG Goals

We are proud to announce that we met our 2020 greenhouse gas (GHG) and energy reduction goals ahead of schedule. Building on our achievements, we have renewed our environmental goals and have also set diversity and inclusion and employee health and safety goals, all of which have been methodically developed through conversations with our operating teams about what ESG issues are most critical to Dover and our stakeholders.

## Dover's 2030 Science-Based Targets

**By 2030:**  
 Reduce Scope 1+2 GHG emissions by **30%**  
 Reduce Scope 3 GHG emissions by **15%**

From a 2019 base year

## Dover's 2025 Health and Safety Goal

**By 2025:**  
 Reduce annual Total Recordable Incident Rate (TRIR) by **40%**

From a 2019 base year

## Dover's Diversity and Inclusion Goals

**By 2022:**  
 Deploy a regular global employee engagement survey and establish an inclusion index baseline

**By 2023:**  
 Train **80%** of leaders on inclusive leadership



## Progress Against Goals

### Progress against 2030 Science-Based Targets

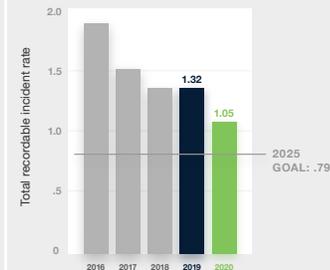
Greenhouse gas emissions in thousand metric tons CO<sub>2</sub>e



1. 2019 scope 1 and 2 emissions were restated in the 2021 CDP response to account for updated methodology as part of the science-based target setting process in 2020 and 2021.  
 2. GHG figures from 2020 reflect reduced emissions due to the COVID-19 pandemic's effect on our business. We anticipate emissions may increase in the next few years.  
 3. Scope 3 emissions for 2020 were estimated based on revenue. Scope 3 reduction YOY we attribute to reduction in product shipped (88% of our scope 3 emissions are category 11 – use of sold products) due to the COVID-19 pandemic.

### Health and Safety in 2020

TRIR (Total Recordable Incident Rate)<sup>1</sup>



1. TRIR calculated per 200,000 hours, excluding Dover corporate

## Diversity and Inclusion Goals Progress Update

We are launching a global employee engagement survey with an inclusion index in 2022. As part of our focus on inclusion, we also launched inclusion training to some of our leaders during the fourth quarter of 2021. We will expand this training to additional leaders in 2022 and report progress toward our goals on our Diversity and Inclusion webpage later in 2022.

## Awards and Recognition

We are humbled by the recognitions as we continue to enhance our sustainability-related disclosures. Select recognitions include:

- Scored an A- on the [CDP Climate](#) ranking, outperforming the global average (B-) and powered machinery sector average (C)
- Recognized as a [Best 100 ESG Companies For Environmental, Social And Governance Values](#) by Investor's Business Daily as #42 of 100 companies, demonstrating a balance of strong financial and ESG performance
- Inclusion in Newsweek's list of [America's Most Responsible Companies](#) for 2022 as 21st of 42 Capital Goods companies and 246 of 500 overall
- Inclusion in 2022 [JUST Capital](#) index where Dover ranked 11th of 48 Industrial Goods companies and 285th of 954 companies overall
- Continued increase in ESG rankings, including increase in MSCI rating from BBB to A in 2021



# Environmental

At Dover, the management and use of environmental resources, including energy, water, and waste is an essential part of our business. We are committed to conserving natural resources and continually improving the efficiency of our operations

## Innovation for Sustainable Products

We believe that innovating for sustainability supports Dover’s mission of redefining what’s possible by helping our customers reduce their impact on the planet. Focusing on clean technology, optimizing resource use, and enabling the circular economy, some highlights include:



**Assist the transition to clean technology** by enabling electrification of trash and recycling trucks, providing electric vehicle charge points at retail fueling stations, and delivering cleaner fuels like hydrogen and liquid natural gas (LNG)



Helping customers **reduce greenhouse gas emissions** through innovative solutions like natural refrigeration technologies using carbon dioxide (CO2) as a refrigerant and highly efficient, compact brazed plate heat exchangers



Digitally-enabled maintenance solutions, remote diagnostics, and modular parts **help customers’ equipment run longer**, save costs, further the circular economy and reduce environmental footprint

## Water

Our operating companies have long managed water use as part of resource efficiency efforts. Additionally, in 2018 the corporate center began a process to collect and aggregate water data. We report annually to the [CDP Water Security](#) program and used the WRI Aqueduct tool 3.0 to assess the number of facilities located in water-stressed regions. Using this tool, we determined that 12% of Dover’s facilities are located in areas considered to be in high or extremely high overall water stress.

## Waste

Each business is responsible for managing waste but Dover focuses on efficiency and continuous improvement through lean manufacturing that reduces the 7 kinds of waste (e.g. overproduction, defects, transport) identified in the centralized ODOVER operational excellence and safety framework. Many operating companies set waste reduction goals as part of ISO 14001 environmental management efforts.

## Environmental Compliance

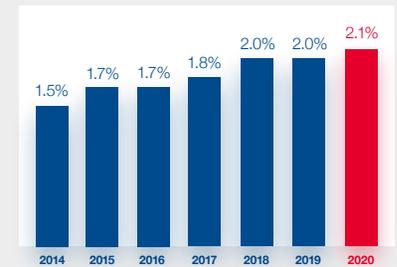
Environmental compliance is primarily the responsibility of facility-level EHS professionals. While our operating companies use different frameworks to manage environmental compliance specific to the unique needs of their respective industries, twenty-eight of our sites are ISO 14001 certified for their environmental management systems, covering ~29% of Dover employees.

## Environmentally Responsible Sourcing

We drive supply chain responsibility by requiring that all our suppliers comply with our Supplier Code of Conduct which establishes our expectations regarding environmental issues, workplace standards and business practices for our suppliers. Additionally, we utilize a supplier evaluation scorecard which evaluates supplier environmental management certification (ISO 14001), environmental health and safety, quality (including continuous improvement and Six Sigma) and other practices.

## Research and Development Spending

as a percentage of revenue



## Water in 2020

(megaliters/year)

CONSUMPTION

412

WITHDRAWAL

835

\*Dover began collecting water data from its global facilities starting in 2018. In 2020, water metrics are based on monthly data from 44% of all global facilities with water volumes extrapolated to cover 96% of all facilities.

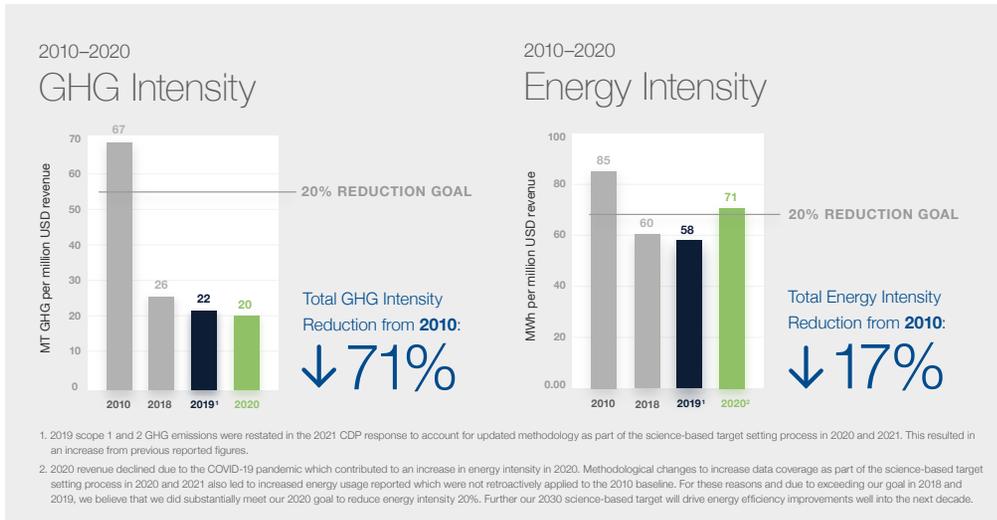


# Energy and Emissions and Climate Change Risks and Opportunities

We have reported annually to the CDP on our GHG emissions since 2011 and we have elevated our score to a A- which is higher than the North America and Powered Machinery average of C. For details, access our latest response [here](#).

## Energy and Emissions

We are proud to report that we attained and well-surpassed our ten-year GHG intensity goal, achieving a 71% reduction in GHG intensity from 2010. Dover renewed our targets committing to science based scope 1, 2, and 3 targets in 2021 and we report progress annually.



### Dover Scope 1 and 2 GHG Emissions

Tons of carbon dioxide equivalent (tCO<sub>2</sub>e)

Emission Type	2010 <sup>1</sup>	2018	2019 <sup>2</sup>	2020	2010-2020 Performance
<b>SCOPE 1</b>	133,344	45,985	47,075	39,747	<b>-70%</b>
<b>SCOPE 2</b>	164,584	138,381	109,884	92,835	<b>-44%</b>
<b>TOTAL</b>	297,928	184,366	156,959	132,582	<b>-55%</b>

1. Base year emissions have been updated annually with acquisitions and divestitures, including the divestiture of Tipper Tie in 2017 and the 2017 spin off of the Apery business.  
2. 2019 emissions were restated in our 2021 CDP Climate Change response as part of additional data collection during our science-based target application process. Emissions are higher than previously reported values due to additional work to estimate emissions where no data was previously available.

### Dover Scope 3 GHG Emissions

Tons of carbon dioxide equivalent (tCO<sub>2</sub>e)

Emission Type	Scope 3 Emission Category	2019 <sup>3</sup>	2020 <sup>4</sup>	% of Total S3
<b>SCOPE 3</b>	Processing of Sold Products	1.3	1.2	0%
	Waste Generated in Operations	8,341	7,812	0%
	Fuel and Energy-Related Activities	21,589	20,219	0%
	Business Travel	27,509	25,764	0%
	Capital Goods	31,461	29,465	0%
	Employee Commuting	40,013	37,475	0%
	Investments	92,687	86,808	1%
	Upstream T&D	223,516	209,340	1%
	Downstream T&D	238,790	223,645	1%
	End of Life Treatment of Sold Products	444,770	416,560	3%
	Purchased Goods and Services	1,029,634	964,328	6%
	Use of Sold Products	15,234,746	14,268,458	88%
	<b>Total Scope 3</b>		<b>17,393,057</b>	<b>16,289,876</b>

3. In late 2020 as part of setting our science-based target Dover completed a full Scope 3 inventory. This comprises emissions from 12 relevant categories: Purchased goods and services, Capital goods, Fuel-and-energy-related activities (not included in Scope 1 or 2), Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Downstream transportation and distribution, Processing of sold products, Use of sold products, End of life treatment, and Investments. Our 2017 and 2018 Scope 3 emissions only encompassed seven categories and hence are not comparable or reported here. Prior to 2017 Dover did not calculate and report Scope 3 emissions.  
4. 2020 scope 3 emissions are estimated based on a 6.34% revenue decline from 2019 to 2020 due to COVID-19.

	Category	Climate-related risk and/or opportunity	Risk Exposure <sup>2</sup> Results from Scenario Analysis	
			"Red" 4°C	"Green" 2°C
Transition	<b>Policy and Legal</b>	<b>#1:</b> Risk of increased operation costs due to carbon pricing/taxes/cap	Low-moderate	Moderate
	<b>Technology</b>	<b>#2:</b> Opportunity to improve energy efficiency and switch to renewable energy via on-site solar or wind generation or a virtual purchase power agreement (vPPA), reducing energy costs, emissions and exposure to carbon pricing	Low	Moderate-high
	<b>Market</b>	<b>#3:</b> Opportunity of research and development (R&D) advancements achieving goals for sustainable products and technologies and losing or gaining market share	Moderate	High
		<b>#4:</b> Risk of reduced demand for fossil fuels and Dover products serving energy and retail fueling industries impacting future revenues	Low-moderate	High
		<b>#5:</b> Risk of increasing logistics costs impacting materials costs	Low-moderate	Moderate
	<b>Reputation</b>	<b>#6:</b> Risk to sustain and enhance Dover's reputation as a strong climate action performer to stakeholders (e.g., employees, investors, customers, and the communities we operate in)	Low-moderate	Moderate
Physical	<b>Acute</b>	<b>#7:</b> Risk of increased frequency and severity of storms shutting down operations	Moderate	Low-moderate
		<b>#8:</b> Risk of disruptions to critical suppliers due to hurricanes, flooding or other climate-related extreme weather events	Moderate	Low-moderate

## Climate Change Risks and Opportunities

We conducted a detailed Task Force on Climate-related Financial Disclosures (TCFD)-aligned climate risk assessment process during which members of the Sustainability Steering Committee (SSC) analyzed and prioritized a broad range of climate-related risks and opportunities to Dover. An in-depth scenario analysis was then completed to assess the potential likelihood and impact of climate risks and opportunities to our business under two different potential future climate scenarios – one business-as-usual 4°C “Red” scenario aligned with RCP 8.51 and one aggressive mitigation 2°C “Green” scenario aligned with RCP 2.6. We found typically low to moderate impact of climate risks, with higher transition risk under the 2°C scenario and higher physical risk under the 4°C scenario and similar levels of opportunity and risk under both scenarios. We believe our plan to achieve our new 2030 science-based targets positions us well in terms of resilience to climate risks under both scenarios.



# Social

Our employees are our most important asset and we take pride in providing a safe, inclusive workplace with opportunities for development. We value the diversity of our team and are committed to giving back to our communities and respecting human rights.

## Talent Attraction and Development

We attract skilled talent to help ensure we continue to develop innovative and high-quality products. Our Boston-based Dover Digital Labs serves as our digital innovation hub. Across our businesses, we invest in workforce and leadership development to advance the skills of our workforce.

## Employee Health and Safety

In keeping with our commitment to health and safety, we have created the **Zero Harm Program**, which is designed to provide guidance on a safe working environment and knowledge of safety hazards. We also promote health and safety through a Center of Safety Excellence (COSE) team and **Safety Excellence Awards**. We also offer a broad range of benefits to improve our employees' health and wellness.

## Diversity and Inclusion

An enhanced focus on inclusion with specific goals aligns with our core values and will set us up for continued progress on diversity and inclusion. These goals will be supported by training and engagement programs such as inclusive leadership training as well as establishing a D&I Leadership Council composed of champions from each operating company.

## Community Engagement and Philanthropy

The Dover Foundation supports not-for-profit organizations, causes, and programs that promote education, literacy, the advancement of STEM initiatives (science, technology, engineering and math), and other local community needs identified and supported by our operating companies. The Dover Foundation Sons & Daughters Scholarship Program recognizes college students who are the children or dependents of Dover employees eligible for a recurring scholarship.

## Human Rights in the Supply Chain

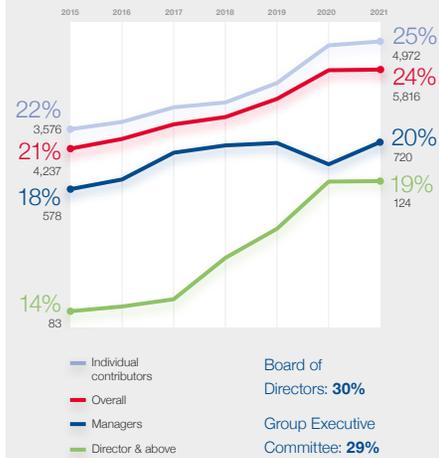
We conduct supplier screening and partner with third parties that reflect the values in our Code of Business Conduct & Ethics and our Supplier Code of Conduct. Our Conflict Minerals Policy ensures sourcing of components and materials from companies that share our values regarding human rights and social responsibility.

## Product Quality and Safety

Our businesses implement quality management systems to manage product life cycle processes and procedures. Our diverse operating companies use different frameworks to manage quality, but 57 of our sites (~46% of Dover employees) use the ISO 9001 Quality Management standard. We also aim to innovate with the goal of improving product safety to keep end users safe.

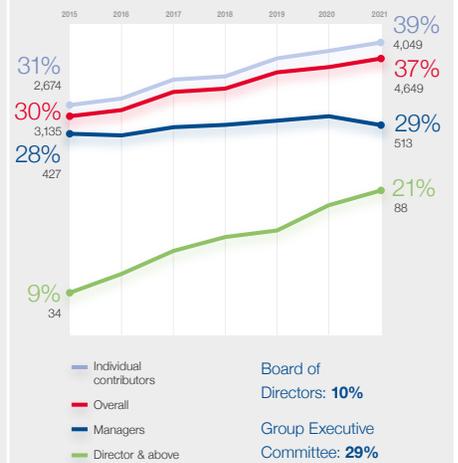
## Global Gender Diversity

Steadily increasing  
*(percent and number of women)*



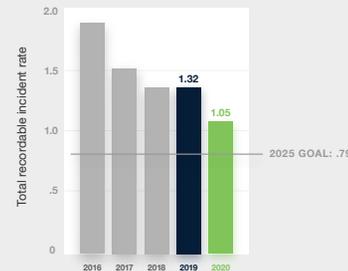
## US Ethnic Diversity

Steadily increasing  
*(percent and number of ethnic minorities)*



## Health and Safety in 2020

**TRIR (Total Recordable Incident Rate)<sup>1</sup>**



1. TRIR calculated per 200,000 hours, excluding Dover corporate



**24%** of the Dover global workforce are women.

**19%** of senior leaders are women.\*

\*Includes Director and above

**36%** of the Dover US workforce are ethnic minorities.\*

\*Includes all races except white

In 2020, the Dover Foundation contributed **\$1.2 million** in grants, scholarships, and matching gifts.



# Governance

At Dover, we have clearly defined principles that guide us to work ethically, handle data responsibly, and champion sustainability at the highest level of governance.

“Our reputation for performing with integrity is the cornerstone of our success. We’ve earned that success over many decades by demonstrating an unwavering commitment to high ethical standards—everywhere and every day. These standards are at the heart of our Dover culture.”

— Rich Tobin, CEO



## Ethics and Compliance

All employees must abide by our Code of Business Conduct & Ethics and participate in trainings that cover topics such as ethical conduct, anti-corruption, conflicts of interest, and other key subjects. Our dedicated team of compliance professionals conducts an annual compliance risk assessment process.

## Data Security and Privacy

We prioritize data security and privacy along with our digital innovation efforts so that our products provide the digital protections our customers depend on. Our engineers, software architects, and product owners follow the security by design approach as part of the development process. We conduct risk assessments and prioritize security validation of our products following Industry Security Standards such as ISA 62443, UL 2000-1, and the NIST Cybersecurity Framework.

## Governance and Accountability

Our Board oversees our ESG strategy and the incorporation of sustainability related risks and opportunities into its overall strategic decision-making process across all our portfolio companies. Our governance framework serves as the strong foundation to promote the long-term interests of our shareholders. To manage the ESG issues that impact our businesses, we established a cross-functional Sustainability Steering Committee (“SSC”) comprised of Dover corporate and operating company leaders to oversee our sustainability strategy, initiatives, target-setting, performance, and reporting.

## Governance Highlights

- ✓ Separate independent Chair and CEO roles
- ✓ All directors are independent, other than our CEO

- ✓ ESG oversight responsibility included as one of CEO’s strategic objectives within Annual Incentive Plan

- ✓ Diversity search policy for external director and CEO searches
- ✓ Comprehensive annual individual evaluations of one-third of directors

- ✓ Robust succession planning
- ✓ Pay-for-performance philosophy
- ✓ Annual election of directors

Our employees are instructed to:



### Do

- Keep personal data secure and confidential at all times.
- Maintain accuracy of personal data.
- Only collect data that is relevant to the purpose for which it is collected.
- Read and understand the Global Data Privacy Policy.



### Don't

- Transfer data outside the country in which it was collected, even within Dover, without seeking guidance.
- Share personal data with anyone who does not have a relevant and legitimate business responsibility related to the data.
- Retain personal data longer than necessary to complete business objectives or meet legal requirements.



## Our Values

