

Cooler By Design.™

2019 ESG PERFORMANCE REPORT

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Dear Chart Stakeholder,

It is my pleasure to present the *Chart 2019 ESG Performance Report* highlighting our recent environmental, social and governance (ESG) activities and progress. Chart is proud to be at the forefront of the clean energy transition as a leading provider of the technology, equipment and services related to liquefied natural gas, hydrogen, carbon capture, biogas and biomethane amongst other applications. This leadership position is possible not only because we have the broadest offering of innovative solutions for industrial gas and energy, but also because we are committed to being responsible globally.

Reporting our ESG performance is one of the ways we demonstrate accountability and transparency to our team members, suppliers, customers and communities. That's why we, on an ongoing basis, seek feedback and open dialogue with our stakeholders about our ESG performance.

From an environmental standpoint, Chart contributes to the sustainability efforts of our customers who are setting carbon-reduction targets. The products we manufacture are essential to a cleaner energy future and emissions reductions. We are enabling our customers with the expansion of natural gas as a bridge fuel to a low-carbon future, advancing technology for liquid hydrogen and other clean energy sources, as well as supporting greater access to clean water. It is not only our customers' responsibility, it is ours as well. We are focused on reducing energy consumption at our sites to lower both emissions and costs.

Chart's social efforts are focused on our team members and communities. Employees are our most valuable resource, from the engineers who design the products that reduce carbon emissions to the welders who assure the quality and integrity of those products. As an example of our investment in our next generation of leaders, we launched three programs to further develop and diversify our workforce. These include an emerging leadership program focused on our next generation of executive leadership, to an engineering fellows and key experts program that brings expertise worldwide to all of our sites, to a Global Safety Council. The cross-functional Global Safety Council is dedicated to reaching our target of zero accidents. We also care about the communities where we have operations and support local charitable organizations.

Supplier relationships are essential to our ability to meet customer deadlines and expectations for quality. We expect our business partners to share our commitment to ethics, integrity, compliance, safety, human rights and environmental protection. As a supplier accountable to hundreds of companies worldwide, Chart meets our customers' requirements for information on our ESG performance.

In addition, strong corporate governance underpins all that we do at Chart. Our values – safety, integrity, customer driven, employer of choice and actively seeking profitable growth – help us build a reputation as a supplier of choice and a great place to work. Our governing body, the Board of Directors, is comprised of six directors (33% female) and governed with a separate Chairman and CEO.

Like all of our stakeholders, Chart has been affected by the COVID-19 pandemic. Governments in all countries where we operate designated Chart manufacturing facilities as essential businesses. As always, our top priority has been protecting the health and safety of our team members while producing critical products needed to save lives. We have also donated over 3000 industrial grade masks to local hospitals, vapor shippers for COVID-19 research, and disposable suits to healthcare workers. I am grateful to our team members who, as essential personnel, have worked tirelessly and safely to serve our customers around the world.

Thank you for taking the time to learn more about how ESG performance is contributing to Chart's success.



Sincerely,

Jillian Evanko Chief Executive Officer, Chart Industries

ABOUT THIS REPORT

About Chart Industries

Chart Industries (NASDAQ: GTLS) is a leading diversified global manufacturer of highly engineered, mission critical equipment focused on cryogenics for the industrial gas and energy and biomedical industries. Our offerings include products for exploration, production and pipeline; treatment; processing/liquefaction; transportation; storage; regasification; lifecycle services; and value proposition/application. Our business is organized into the Distribution & Storage East, Distribution & Storage West, Energy & Chemical Cryogenics and Energy & Cryogenics FinFans segments.



Number of units produced per business segment in 2019

D&S East	D&S West	E&C Cyrogenic	E&C FinFans
10,249	239,999	227	23,337

Based in Ball Ground, Georgia, U.S.A., Chart has operations in China, India, Malaysia, Australia, Czech Republic, France, Germany, Italy, the United Kingdom and Colombia. As of January 31, 2020, Chart had 5,743 employees, including 2,686 in the U.S. and 3,057 outside of the U.S.

Chart Mission

To be a leader in high growth global niches for engineered equipment, systems, and aftermarket to the energy, industrial gas, and biomedical markets, and to be:

- Supplier of choice due to our product and service value to customers, and
- Employer of choice because we are a safe, ethical, challenging and rewarding place to work with high opportunity for individual growth.

Chart Values

Safety – If a job can't be done safely, don't do it.

Integrity – Do what you say and do it responsibly.

Customer driven – They are why we're here – we are dedicated to meeting the expectations and requirements of our customers.

Employer of choice – Challenging, rewarding individual growth opportunities. **Actively seek profitable growth** – Pursue all appropriate value increase strategies; don't apologize for value prices.

Chart 2019 ESG Performance Report

Chart is committed to excellence in our environmental, social and governance (ESG) performance as we enable the transition to a low-carbon economy. We also believe that strengthening and increasing transparency around our ESG performance supports our business strategy for growth and profitability and our corporate culture. We continue to monitor and assess trends and developments in ESG disclosure, including the Task Force on Climate-related Financial Disclosures (TCFD) guidelines.

This Chart 2019 ESG Performance Report summarizes our results and metrics for relevant disclosure topics in the Sustainability Accounting Standards Board's (SASB) *Industrial Machinery & Goods Sustainability Accounting Standard*.

This report covers Chart's operated assets worldwide from January 1, 2019 to December 31, 2019, unless otherwise noted.

Assurance

In keeping with our value of integrity, Chart is committed to providing accurate information about our ESG performance. The content for this report was provided by Chart managers and subject matter experts, approved by our executive leaders and reviewed by the Chart Board of Directors, the highest level of internal assurance.

Materiality Assessment

To help determine content for this report, the Chart CEO and other executive team members participated in a materiality assessment workshop facilitated by a third-party sustainability consultant in 2019. The team reviewed topics sourced from peer group materials, SASB standards, Nasdaq guidelines, Global Reporting Initiative (GRI) standards, and other common reporting frameworks to inform the materiality assessment. Chart leaders identified key stakeholders and material areas for reporting and mapped them on a materiality matrix. In addition to facilitating the materiality assessment, the consultant created a strategic reporting plan which identified SASB, plus additional indicators relevant to Chart's business, as the most pertinent custom framework to guide ESG reporting.

Note that the concept of materiality used in the preparation of this report is not meant to correspond to the concept of materiality associated with disclosures required by the U.S. Securities and Exchange Commission.

Feedback

We welcome feedback from investors and stakeholders. Please contact us at +1-770-721-8800 with your comments and questions.

GOVERNANCE

To promote our long-term growth and propel the energy transition, Chart is committed to doing business ethically, with integrity and in compliance with all applicable laws and regulations. Supported by strong corporate governance policies and practices, our employees and Board of Directors are building and fostering a culture of ethics and respect for each other, our customers, our shareholders and our communities.

Accountability for Risk Management

The Chart Board oversees material risk management and the related processes for the benefit of our shareholders. We have three standing Board committees: Audit, Compensation, and Nominations and Corporate Governance, which currently oversees Chart's corporate social responsibility and sustainability strategy. As of February 14, 2020, women hold three of eight Board positions, including the chief executive officer (CEO) (38 percent of directors), and occupy 29 percent of Board committee positions compared to 71 percent held by men. Minorities hold two of eight Board positions.

Rather than have a policy on separating or combining the Board chairman and CEO roles, the Chart Board has the flexibility to determine the leadership structure that best serves the Company's interests. Since 2018, the roles are separate to allow our CEO to focus on the critical operational and strategic management of the Company. Based on the Board's annual review of directors' independence, all current nonmanagement directors satisfy the independence requirements of the Nasdaq listing standards (87 percent of Board members); as a Chart employee, the CEO is not considered independent. Board and management succession planning is ongoing as we position Chart for long-term growth and profitability.





38% WOMEN ON THE BOARD Detailed information about the roles and responsibilities of our Board of Directors is available in our annual proxy statement, Corporate Governance Guidelines, Board committee charters and Officer Code of Ethics, all available at <u>http://www.chartindustries.com/</u>. Other governance resources accessible on our website include the Chart Code of Ethical Conduct (the Code), Supplier Code of Conduct, Whistleblower Policy, U.K. Modern Slavery Act Disclosure Statement, Conflict Minerals Policy and Conflict Minerals Report.

Designed and Made with Integrity

Our Code supports Chart's values, especially our value of integrity toward coworkers, business partners and investors. The Code also explains the standards our directors, officers and employees are required to understand and uphold while representing Chart. With oversight of the Board's Audit Committee, we review the Code annually to determine if updates are needed and last made comprehensive changes in 2018.

To ensure our workforce knows their obligations, new employees must certify to receiving and understanding the Code during onboarding. All employees must take annual training on anti-corruption compliance, conflicts of interest, insider trading and other Code topics, and must score 100 percent on the mandatory test of their knowledge. Salaried employees take the training and test online, and an annual audit of the salaried employee training report is performed to confirm completion. Hourly employees in Chart manufacturing facilities attend Code training in a group setting and sign a training log.

As part of our commitment to act with integrity, Chart is committed to complying with the U.S. Foreign Corrupt Practices Act (FCPA) and other anti-corruption laws. Under our anti-corruption compliance program, which is based on guidance from the U.S. Department of Justice, every Chart employee is responsible for complying with our Corporate Anti-Bribery Policy. As an additional safeguard, we screen high-risk third parties and require them to complete due diligence questionnaires before we will work with them.

All employees are expected to put into practice our Code standards, related policies, laws, rules and regulations in all countries where we operate. Designated ethics representatives are available for employees who have questions or need guidance on compliance. In addition, employees have a duty to report violations to a supervisor, manager, ethics representative or the confidential, anonymous Chart Ethics Hotline. Chart investigates alleged incidents and communicates the resolution to the person who reported it. We prohibit retaliation and threats of retaliation against anyone who reports a possible violation or misconduct in good faith, and protect employees with our Whistleblower Policy.

We believe our ethical standards and values help Chart build a reputation as a company that others want to do business with and is a great place to work.

PEOPLE

To sustain our technology advantage and support our sustainability initiatives, Chart wants talented, engaged employees who are excited about working for the Company and reflect the diversity of our communities. We're committed to providing a safe work environment, learning opportunities and career growth for all our employees, and building a culture of trust and open communications. We offer flexible work policies, comprehensive benefits, competitive salaries and wages, and assistance for employees obtaining certifications, licenses and continuing education. To have a positive impact in our communities, Chart facilities make financial donations and our employees volunteer for local nonprofit organizations.

We Don't Sacrifice Safety

Safety is a Chart value at the heart of our culture. We reinforce our commitment to improve employee health and safety in the <u>Chart Quality</u>, <u>Health</u>, <u>Safety and</u> <u>Environmental (QHSE) Policy</u>. The Chart Board of Directors receives a monthly update on our safety performance, ensuring scrutiny at the highest level of the Company.

To reduce the risk of occupational injuries and diseases, we voluntarily certify some facilities to the ISO 45001 Occupational Health and Safety standard for management systems. Our Distribution & Storage West sites converted from the earlier OHSAS 18001 standard to ISO 45001 in 2019 and our Energy & Chemical sites in the U.S. are in the process of converting to the newer ISO 45001 standard.

Chart does not sacrifice safety for any reason and emphasizes responsibility to our customers, coworkers and ourselves to work safely in everything we do.



Starting with our CEO, Chart regularly communicates our safety philosophy to all employees and invests in programs and resources to prevent injuries and ill health. All Chart employees have Stop Work Authority and are expected to use it if they're concerned that any task or procedure could be unsafe. Each site recognizes and rewards hourly employees based on local objectives such as reaching safety performance milestones and completing monthly audits. To further strengthen our culture and performance, all Chart sites implement our Occupational Health and Safety Program Requirements for training, reporting, accident investigation, auditing, implementation and compliance. The policy encourages employee involvement – a crucial element of a successful safety program – by requiring each site to create a safety committee and safety suggestion program.

We have ongoing communications about safety performance at all levels of the Company. Our recently formed Global Safety Council meets monthly to discuss accidents, injuries, near misses, trends and lessons learned. Council members present metrics and other safety information at every executive staff and Board of Directors meeting. In addition, Chart sites report their performance to division presidents each quarter.

We believe that accidents and injuries are preventable. When OSHA recordable injuries do happen, they are reported within 24 hours to all executives, including the CEO. To prevent future incidents, we thoroughly investigate incidents and near misses, put corrective actions in place, track results and share lessons learned.



As another safeguard, each manufacturing site has an auditing program to ensure that all safety-related items are maintained and hazards are identified. We also conduct an annual health, safety and environment (HSE) audit of each Chart location to ensure compliance with the applicable laws, regulations and our policies. A corrective action plan is implemented for all items found during an audit.

Chart believes a job is well done only if it is done safely, and we're committed to maintaining a safe work environment for the good of our employees and their families and the sustainability of our business.



<u>2019 Safety Performance</u> Total Recordable Incident Rate (TRIR): 1.14 Fatality Rate: 0



GTLS NasdaqListed



TAKING PRECAUTIONS DURING THE COVID-19 PANDEMIC

While the safety of Chart team members and customers is always our priority, we have heightened our safety protocols during the global COVID-19 pandemic. Chart facilities have been designated as essential businesses by governments in all countries where we operate, allowing our employees to continue manufacturing critical care products.

To ensure our workers' health and safety, Chart has taken a broad range of precautions based on Centers for Disease Control and Prevention (CDC) and World Health Organization (WHO) recommendations. The precautions include asking employees to take their temperature before entering the workplace, providing enhanced personal protective equipment (PPE) for workers, and staggering work shifts to reduce interactions where possible and limiting touchpoints. In addition to regularly disinfecting common areas at all facilities, we conduct deep cleaning in the workplace if an employee becomes ill. The employee portion of telemedicine fees was suspended for 90 days to support those in need of healthcare assistance, as well as to reduce non-critical hospital and doctor visits. We encouraged employees in administrative and functional roles to work from home whenever possible, mindful that they may have challenging circumstances, and restricted business travel.

Our CEO updates the Chart workforce frequently and detailed information about all aspects of our COVID-19 response is easily accessible on our internal website. Chart remains flexible to accommodate the health and safety needs of our workforce, while meeting increased demand for our products during the global health crisis.

Developing Our Top Talent

Chart strives to recruit, hire, develop and promote a diverse workforce. It's our goal to provide each employee a challenging and rewarding experience that allows for personal and professional growth.

In 2019, Chart launched programs aimed at developing, deepening and diversifying our strong bench of talent. We selected our first four Engineering Fellows, longtenured employees who are recognized externally as well as internally and have contributed to our success in unique ways. Our Key Experts are widely recognized within Chart for their engineering expertise and contributions to the field. Together, Fellows and Key Experts manage the rotational engineering program to mentor and develop our early-career engineers. The Emerging Leaders accelerated development program assigns immersive, high-impact projects to high-potential employees across the organization to prepare them for advancement to executive roles.

Chart believes education empowers our people to identify and adopt best practices that will enhance our sustainability. Our university relations program includes recruitment, co-operative programs and internships. To train a local workforce, our manufacturing facilities forge relationships with community colleges and trade schools and pay their employees based on the job and level of skill. In addition, we reimburse the cost of tuition and books for employees in pursuit of higher education or certifications who maintain a passing grade.

It is a Chart core value to be an employer of choice. In addition to promoting a workplace where everyone is treated with respect and fairness, Chart is committed to recruiting, hiring, training and promoting based on an individual's qualifications and Company needs. To ensure our pay practices align with our core values and commitments, we're conducting a gender pay study in 2020.





CONNECTING WITH OUR COMMUNITIES

Chart cares about the communities where our employees live and work. In 2019, we donated \$388,300 to organizations focused on children and families, hunger, health care and other local needs, while our employees participated in fundraisers, food drives and other activities. We also engage families and communities by inviting them to tour some of our facilities to learn about our operations and job opportunities. Through the Chart Employee Relief Fund, our workers can help each other by voluntarily donating to coworkers who face emergencies and unexpected financial needs. Going forward, we're taking a focused approach to ensure our community engagement is effective.

ENVIRONMENT

Chart is committed to environmental stewardship and sustainable practices for the health of our business and to earn our place as a leader in the energy transition. We are sensitive to the effects of our operations on the environment, make our employees aware of our environmental impacts and integrate environmental considerations into business planning. Chart sets forth our environmental principles and commitments in our <u>Environmental and Sustainability Policy and QHSE Policy</u>.

Managing Our Environmental Performance

We're committed to meeting or exceeding customer expectations as well as regulatory, industry, safety and environmental standards. To demonstrate this and reduce our environmental impact, certain Distribution & Storage East, Distribution & Storage West and Energy & Chemical manufacturing sites are certified to ISO 14001:2015 for environmental management systems, and our remaining sites are completing the certification process. Chart conducts annual HSE compliance audits at all locations to ensure they remain in compliance with ISO 14001 requirements, as well as all applicable laws and regulations.

To be a sustainable and environmentally responsible business, we seek to continuously improve energy efficiency and reduce energy consumption at our manufacturing facilities. Several Chart facilities significantly reduced their energy use in recent years by converting to LED lighting, using smart compressors to manage energy loads, installing programmable thermostats and other strategies.

We take a similar approach to reducing emissions by focusing on our local facilities. Our Ball Ground, Georgia facility, reduced greenhouse gas (GHG) emissions by consolidating third-party carrier loads for outbound deliveries. Ball Ground also eliminated carbon dioxide (CO2) emissions by using nitrogen for testing instead of CO2. By replacing worn out motors with energy-efficient models, the New Prague, Minnesota, U.S. tank manufacturing facility realized a dramatic reduction in CO2 emissions.



2019 Environmental Performance

Greenhouse gas emissions, carbon dioxide equivalent: Scope 1: 13,400 metric tons Scope 2: 48,200 metric tons

Total Energy Consumed: 521,500 gigajoules (GJ) Percentage Grid Electricity: 48.9% Percentage Renewable: 0.4% Our commitment to quality supports our environmental stewardship and sustainability efforts. For example, the high quality and durability of our storage tanks makes it possible for our Distribution & Storage division to refurbish them. Remanufacturing promotes sustainability by reducing material consumption and waste, while saving money for our customers. The sale of after-market tanks and repair services represents about 13 percent of Chart's 2019 revenue [1].

Interacting Globally

Chart contributes to the development and administration of technically and economically sound environmental standards and compliance procedures. We do this by interacting with professional and trade groups, legislative bodies, regulatory agencies and citizens' organizations. We're involved in the global conversation about the energy transition as a member of the Carbon Capture Coalition, a supporting member of the Hydrogen Council and a participant in industry events such as the Global LNG Forum, North American CO2 Summit and Baker Hughes Annual Meeting. As a leading manufacturer of cryogenic products for life sciences applications, Chart was represented at the American Society for Reproductive Medicine (ASRM) Scientific Congress and Expo 2019, World Stem Cell Summit and other events.

[1] Includes revenue from refurbished tank sales, repairs, and warranty service.





SUSTAINABILITY SUCCESSES IN 2019

Chart is leading the way to a sustainable future with our products, equipment and solutions. Here are just a few examples of how we supported our customers' sustainability efforts and helped reduce their environmental impacts in 2019:

- Treated **over 1 billion gallons** of water per day in the U.S.
- Cut coal use in U.S. power generation by **40 million tons**
- Produced **over 45 million tons** of LNG to replace coal-fired power generation outside of the U.S.
- Reduced diesel fuel used in power generation in the Caribbean and Europe by 120 million gallons
- Reduced diesel fuel used in over-the-road trucks by 350 million liters
- Reduced the amount of polyethylene terephthalate (PET) used in plastic bottles by U.S. beverage makers, which eliminated nearly 250 million pounds of plastic from bottle manufacturing, reduced waste and cut energy use by 10 percent

SASB INDEX

SASB Code	Торіс	Activity Metric	2019 Results	Page
RT-IG-130a.1	Energy Management	(1) Total Energy Consumed in Gigajoules(2) Percentage Grid Electricity(3) Percentage Renewable	(1) 521,500 GJ (2) 48.9% (3) 0.4%	12
RT-IG-320a.1	Employee Health & Safety	 (1) Total Recordable Incident Rate (TRIR) (2) Fatality Rate (3) Near Miss Frequency Rate (NMFR) 	(1) 1.14 (2) 0 (3) Not available [2]	7-8
RT-IG-410a.1 to RT-IG-410a.4	Fuel Economy & Emissions in Use-phase	Not applicable. Chart does not manufacture medium- and heavy-duty vehicles or non-road equipment.	Not applicable	N/A
RT-IG-440a.1	Material Sourcing	Description of the management of risks associated with the use of critical materials	See <u>Conflict Mineral</u> <u>Policy</u> & <u>Conflict</u> <u>Mineral Report</u>	N/A
RT-IG-440b.1	Remanufacturing Design and Services	Revenue from remanufactured products and remanufacturing services	\$168.9 million USD	13
RT-IG-000.A	Activity Metric	Number of Units Produced by Product Category [3]	D&S East 10,429 D&S West 239,999 E&C Cryogenic 227 E&C FinFans 23,337	3
RT-IG-000.B	Activity Metric	Number of Employees	5,743	3

[2] NMFR is tracked at site level only and is not tracked company wide

[3] The number of units produced is reported by our business segments instead of product category.

FORWARD-LOOKING STATEMENT

Certain statements made in this presentation are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning the Company's environmental, social and governance (ESG) policies and performance, including sustainability and environmental targets, goals, commitments and programs, as well as other business plans, initiatives and objectives. Forward-looking statements may be identified by terminology such as "may," "will," "should," "could," "expects," "anticipates," "believes," "projects," "forecasts," "outlook," "guidance," "continue," "target," or the negative of such terms or comparable terminology.

Forward-looking statements contained in this presentation or in other statements made by the Company are made based on management's expectations and beliefs concerning future events impacting the Company and are subject to uncertainties and factors relating to the Company's operations and business environment, all of which are difficult to predict and many of which are beyond the Company's control, that could cause the Company's actual future results, including the achievement of our targets, goals or commitments, to differ materially from those matters expressed or implied by forward-looking statements. Factors that could cause the Company's actual results to differ materially from those described in the forward-looking statements include changes in circumstances with respect to our ESG policies, performance or targets, assumptions not being realized, risks related to our operations and overall business environment, or other risks, uncertainties and factors, including the other factors discussed in Item 1A (Risk Factors) in the Company's most recent Annual Report on Form 10-K filed with the SEC, which should be reviewed carefully. The Company undertakes no obligation to update or revise any forwardlooking statement.



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