



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2021



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ABOUT AAON

AAON provides highly configurable HVAC equipment that answers customer-specific needs in any commercial or industrial environment while bringing long-term value and efficiency. AAON is committed to driving the industry forward through the design, manufacturing and rigorous testing of innovative air solutions for a cleaner and more sustainable future.

REPORT HIGHLIGHTS



\$534.5 million in sales



2527 team members
69% diverse workforce enterprise-wide
44% board diversity



70 non-profits served



65% reduction in water usage since 2020
10% improvement in energy usage intensity
30% reduction in TRIR since 2020




At AAON, we strive to conduct our business in a socially responsible and ethical manner with a focus on environmental stewardship, team member safety, and community engagement. We comply with industry regulations and requirements while pursuing responsible economic growth and profitability. AAON prioritizes manufacturing its equipment through sustainable business practices. The enclosed AAON Sustainability Report provides a glimpse of our commitment to uphold and continually improve our environmental, social, and governance practices.

The 2021 AAON Sustainability/ Environmental, Social, and Governance Report is AAON's fourth ESG report and covers performance for the calendar year 2021. The information in this report does not include data from BASX, since the acquisition took place in December of 2021. The information and data included in this report are shared based on the best available information and data at publication and are subject to change. In some cases, information and data are estimated. This report was created in accordance with SASB Standards and informed by GRI Standards. The UN Sustainable Development Goals are also referenced.

FORWARD-LOOKING STATEMENT

This document includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “should,” “will,” variations of such words, and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made.

We undertake no obligations to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Important factors that could cause results to differ materially from those in the forward-looking statements include (1) the timing and extent of changes in raw material and component prices, (2) the effects of fluctuations in the commercial/industrial new construction market, (3) the timing and extent of changes in interest rates, as well as other competitive factors during the year, and (4) general economic, market or business conditions.



Proudly engineered and manufactured
in the United States of America.

LETTER FROM THE CEO

Sustainability has a different meaning for every industry as all vary in the impact they have on the people and the environment they touch. At AAON, we view the equipment that the commercial HVAC industry manufactures as being the number one impactful factor. Commercial buildings, which make up about 16% of U.S. carbon emissions, touch millions of people on a daily basis.

Moreover, approximately 40% of the carbon that commercial buildings emit is related to the HVAC systems that heat and cool the buildings. Therefore, the products we as an industry manufacture have by far the biggest impact on people and the environment.

Continued on page 6

For decades, AAON has manufactured the most sustainable equipment in the commercial HVAC industry, helping reduce the carbon footprint of buildings more than any of its competitors' equipment. On an absolute basis, our competition may be able to claim differently due to the volume of equipment they produce, but on a square footage relative basis, AAON is second to no one. Due to the semi-custom manufacturing and innovative engineering foundation our founder Norm Asbjornson built the company on, AAON designs and manufactures the most energy efficient HVAC equipment for commercial buildings.

Gary Fields
President & CEO



In 2021, the company made further strides at helping decarbonize commercial buildings with the introduction of its new zero degree cold climate air-source heat pump packaged rooftop units. These rooftop units are electrically powered, are the most energy efficient of their kind, and are the only rooftop units on the market operable down to zero degrees Fahrenheit. Most comparable units on the market are not even operable below 25 degrees Fahrenheit.

AAON also has no servicing revenue, so it has no incentive to manufacture a less than superior product to capitalize on future revenue streams. AAON's equipment is made with the highest quality designs, materials and components, extending the useful age of its equipment to at least 50% longer than most of the competition's equipment. We design our equipment so that it is the easiest to service when needed.

In addition to the impact we are making with the equipment we sell, AAON is a steward of society through the management of its people, facilities, and shareholders. In 2021, AAON's workforce was 69% diverse, above the manufacturing sector average. Women made up 28% of our workforce, in line with the manufacturing sector average.

The company also promoted Rebecca Thomason CFO in 2021. This is only the second time in company history a female has held this leadership role. A diverse and inclusive workplace is integral to our business strategy and critical to our continued success.

We continued to make progress at finding ways to reduce the energy intensity of AAON's manufacturing facilities. We also recognize water and waste management is critical to our planet and our business. In 2021, we realized a 65% reduction in water withdrawal and we recycled 17% more

metals while our volume of sales were slightly down.

Finally, we continue to strengthen the oversight of the company through our Board of Directors. We increased the size of the Board to nine, with the addition of two new independent directors. The Board is now 44% diverse, up from 28% in the prior year.

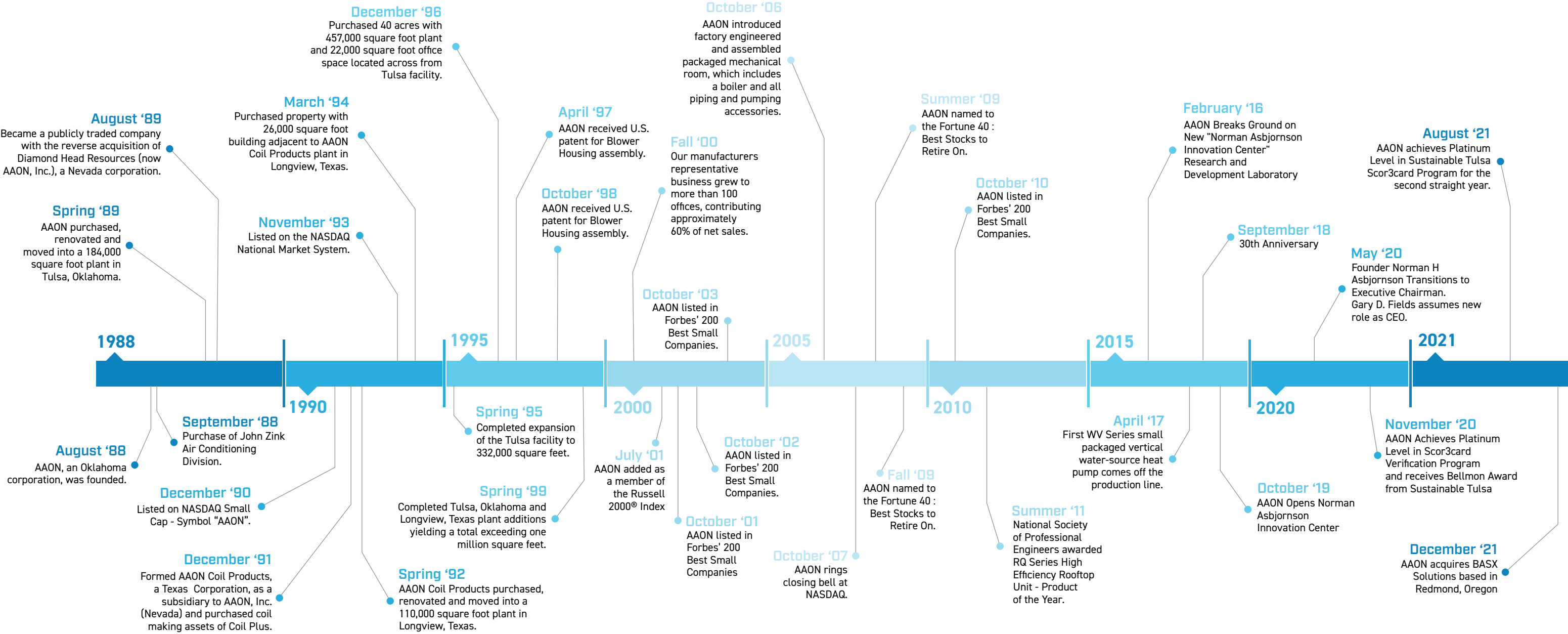
In conclusion, I am proud to lead a company that has such a significant impact on the world. We take a lot of pride at leading our industry in innovation and challenging our industry's limits related to energy efficiency. We lead our people and manage our facilities in a way to benefit the long-term growth of local and regional communities, while we look forward to making continued progress to improve sustainability.

Gary Fields

AAON President & CEO

“For decades, AAON has manufactured the most sustainable equipment in the commercial HVAC industry, helping reduce the carbon footprint of buildings more than any of its competitors’ equipment.”

COMPANY TIMELINE





MATERIALITY/ STAKEHOLDER ENGAGEMENT

In an ever-changing world, we regularly evaluate and align our strategy and reporting against the most material corporate responsibility topics for our business and stakeholders. This drives how we engage internally and externally, invest resources, and adapt our strategy on environmental, social, economic, and governance topics. We have identified the following as material topics for 2021:

- Stakeholder Engagement
- Innovation and Efficiency
- Environmental Responsibility
- Climate Change
- Occupational Health and Safety
- Talent Attraction and Retention
- Diversity and Inclusion
- Community Engagement and Investment
- Corporate Governance
- Ethics and Compliance

We have noted each topic's alignment within the UN Sustainable Development Goal framework.

STAKEHOLDER ENGAGEMENT

- **Team members:** We encourage communication from team members through surveys, development conversations, internal committees, and our "All Ideas Matter" program where team members can share thoughts, give feedback, and seek guidance.
- **Suppliers:** We actively collaborate with our supplier network. We are members of several industry organizations to collectively work on further developing the supply chain.
- **Government:** We proactively engage with local, state, and federal leaders to share information on public policy issues important to our business. We also partner with advocacy organizations that relate to our business.
- **Customers:** We seek customer input through dialogue and product and service training programs. We work with 65 sales professionals, 64 independent manufacturers' representative organizations, and 128 offices to stay connected to our end users.
- **Investors:** AAON believes in transparent and open communications with investors. As a publicly traded company, we regularly share information on financial performance, strategy, and company goals.
- **Communities:** We partner with over 70 nonprofits in our regions focused on workforce readiness, strong families and communities and environmental stewardship.

BUSINESS

AAON Inc. products serve the commercial and industrial new construction and replacement markets within the heating, ventilation, and air conditioning (HVAC) equipment industry. Our business strategy involves mass customization that uses flexible computer-aided systems. We specialize in standard, semi-custom, and custom products. This allows us to combine the low unit costs of mass production processes with the flexibility of individual customization. Through a collaborative effort with our independent representative sales offices, we design and manufacture the precise semi-custom product offering that best serves the customer's needs. Our marketing strategy focuses on underserved market niches including establishing manufacturing methodologies to support market niche products.

Our company culture focuses on customer satisfaction, reducing product delivery channel time and cost while striving for the goal of product and manufacturing technology leadership. Our product mix lines, along with a deep investment

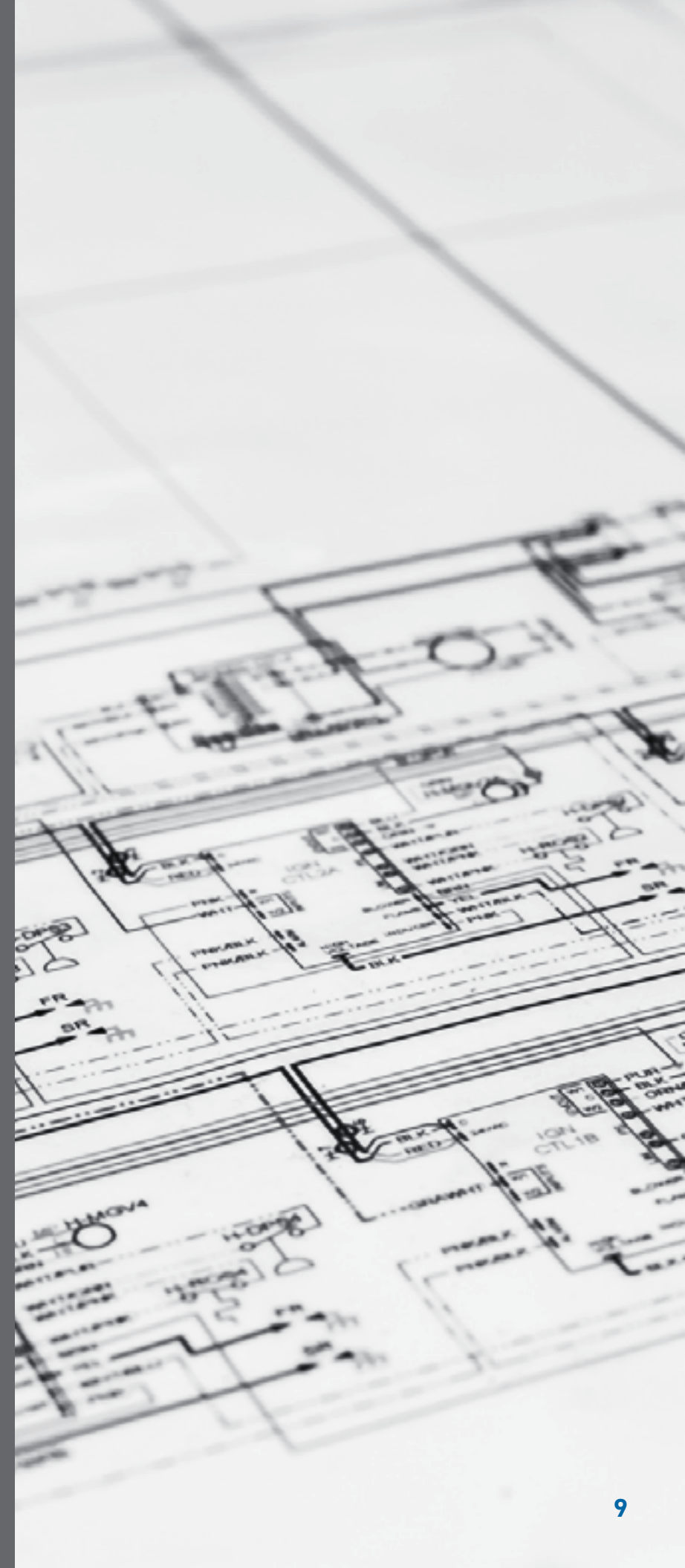
in research and development, has an emphasis on energy efficiency, environmental stewardship, and indoor air quality.

The Company conducts its business through three business segments: AAON Oklahoma including operations in Tulsa, Oklahoma and Kansas City, Missouri, and the Norman Asbjornson Innovation Center (NAIC); AAON Coil Products in Longview, Texas; and BASX Solutions, in Redmond, Oregon.

AAON Oklahoma designs, manufactures, sells, and offers service support for our standard, semi-custom, and custom heating, ventilation, and air conditioning (HVAC) systems. The facility houses the design and production for controls solutions for all AAON HVAC units and is a parts supplier to customers at two AAON retail store locations in Tulsa, Oklahoma. Through the NAIC, research and development laboratory facility, the Company is able to test units and measure both acoustics and thermal performance

under various environmental conditions. AAON Coil Products, in Longview, Texas, designs and manufactures a selection of our standard, semi-custom, and custom HVAC systems. In addition, this facility designs and manufactures various heating and cooling coils to be used in HVAC systems, mostly for the benefit of production lines at AAON Oklahoma and AAON Coil Products.

BASX, our most recent acquired facility in Redmond, Oregon, provides product development design and manufacturing of custom engineered air handling systems. These product lines include high-efficiency data center cooling solutions, cleanroom HVAC systems, commercial/industrial HVAC systems, and modular solutions. Additionally, BASX designs and manufactures cleanroom environmental control systems to support hospital surgical suites, pharmaceutical process facilities, semiconductor and electronics manufacturing, laboratory and isolation, and modular cleanrooms for facility flexibility.



RESEARCH AND DEVELOPMENT

Our products are engineered for performance, flexibility, and serviceability. Research and Development (R&D) has become a critical factor to compete in the HVAC equipment industry. We must continually develop new and improved products to compete effectively and to meet evolving regulatory standards in all of our major product lines. AAON self-sponsors our Research and Development activities, rather than relying on customer sponsored R&D.

Research and development activities have involved the RQ, RN, and RZ (rooftop units),

F1, H3, SA, V3, and M2 (air handling units), LF (chillers), CB and CF (condensing units), SA and SB (self-contained units), and WH and WV (water source heat pumps), as well as component evaluation and refinement, development of control systems and new product development. R&D expenses incurred were approximately \$16.6 million, \$17.4 million, and \$14.8 million in 2021, 2020, and 2019, respectively.

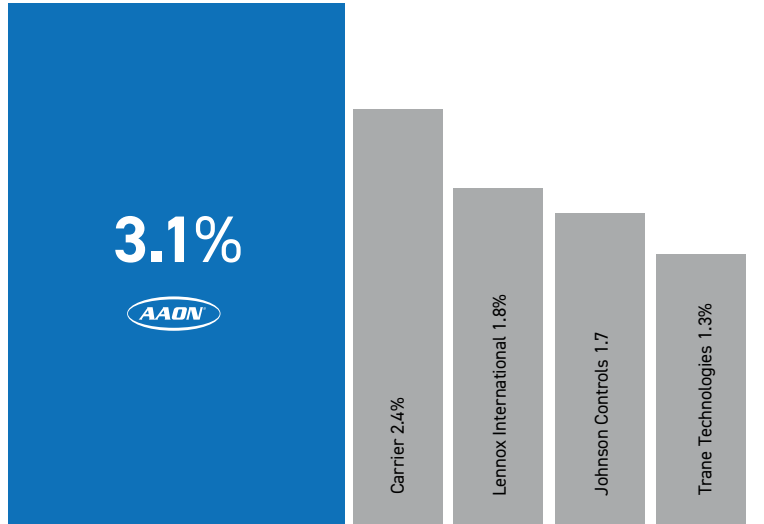
The Norman Asbjornson Innovation Center (NAIC), a research and development laboratory facility that opened in 2019, includes many unique

“Our products are engineered for performance, flexibility, and serviceability. Research and Development (R&D) has become a critical factor to compete in the HVAC equipment industry. We must continually develop new and improved products in order to compete effectively and to meet evolving regulatory standards in all of our major product lines.”



capabilities, and to our best knowledge, its equal exists nowhere else in the world. A few features of the NAIC include supply, return, and outside sound testing at actual load conditions, testing of up to a 300-ton air conditioning system, up to a 540-ton chiller system, and 80 million BTU/hour of gas heating test capacity.

Environmental application testing capabilities include -20 to 140°F testing conditions, up to 8 inches per hour rain testing, up to 2 inches per hour snow testing and up to 50 mph wind testing. We believe we have the largest sound-testing chamber in the world for heating and air conditioning equipment. We are unaware of any similar labs that can conduct this type of testing while putting the equipment under full environmental load.



R&D investment compared to peers as a percent of sales

The unique capabilities of the NAIC will enable AAON to lead the industry in the development of quiet, energy-efficient commercial and industrial heating and air conditioning equipment.

The NAIC currently houses twelve testing chambers. These testing chambers allow AAON to meet and maintain AHRI and U.S. Department of Energy (DOE) certification and solidify the Company's industry position as a technological leader in the manufacturing of HVAC equipment. Current voluntary industry certification programs and government regulations are only for up to 63 tons of air conditioning because that is the largest environmental chamber currently available for testing outside of our facility.

The NAIC contains both a 100-ton and a 540-ton chamber, allowing us to uniquely prove to customers our capacity and efficiency on these larger units.

The NAIC was designed to test units well beyond the standard AHRI rating points and allows us to offer testing services on AAON equipment throughout our range of product applications. This capability is vital for critical facilities where the units must perform properly and allows our customers to verify the performance of our units in advance, rather than after installation.

These same capabilities will enable AAON to develop a new extended range of operation equipment and prove its capabilities.

In 2021, we invested in our first Electronic Prototype Lab at our Kansas City, Missouri, location. This lab allows the AAON Controls Engineering team to experiment with new technology and create prototypes. A pick-and-place machine gives us the ability to place the latest components quickly, accurately, and reliably. The Electronic Prototype Lab allows AAON to increase speed to market and incorporate cutting-edge technology into our controls offering.



Premium Products

Outdoor Air Handling Units

(800-72,000 + cfm)

Condensing Units

(2-70 tons)

Chiller Units

(4-55 tons)

Self-Contained Units

(3-70 tons)

Water-Source Heat Pumps

(1/2-230 tons)

Indoor Air Handling Units

(800-50,000 + cfm)

Packaged Rooftop Units

(2-240 tons)

Custom Air Handling Units

Data Center Cooling Systems

Modular Cleanrooms

Controls

Coils

Innovative Solutions

Convenience Stores

Dedicated Outdoor Air System

Entertainment Venues

Governments

Hospitality

Indoor Air Quality

Natatorium

Restaurants

Supermarkets

Data Centers

Education

Geothermal

Health Care

Manufacturing

Office

Retail

NET SALES



Our rooftop and condensing unit markets primarily consist of units installed on commercial or industrial structures, generally less than ten stories in height. Our air handling units, self-contained units, geothermal/water-source heat pumps, chillers, and coils are suitable for all sizes of commercial and industrial buildings. The size of these markets is determined primarily by the number of commercial and industrial building completions and replacement demand from existing buildings.

The replacement market consists of products installed to replace units/components worn or damaged and to upgrade certain components such as low leakage dampers, high-efficiency heat exchangers, and modern control components.

Currently, close to two-thirds of the industry's market consists of replacement units. The commercial and industrial new construction market is subject to cyclical fluctuations, generally tied to housing starts and the economy, but has a lag factor of six to 18 months. Housing starts, in turn, are affected by such factors as interest rates, the state of the

economy, population growth, and the relative age of the population. When new construction is down, we emphasize the replacement market.

Based on our 2021 consolidated sales of \$530.4 million at AAON Oklahoma and AAON Coil Products, we estimate these sales represent about 10% share of the greater than five-ton rooftop market and a 2% share of the less than five-ton market. In 2021, approximately 60% of our sales generated from the renovation and replacement markets and 40% from new construction. The ratio of sales for new construction versus replacement to particular customers is related to various factors. Generally, the cyclicity of the new construction market impacts this ratio the most over an economic cycle.

To date, our sales have been primarily to the domestic market. Foreign sales accounted for approximately \$14.8 million, \$11.7 million, and \$14.8 million of our net sales in 2021, 2020, and 2019 respectively. As a percentage of net sales, foreign sales accounted for approximately 3%, 2%, and 3% of our net sales in each of those years, respectively.

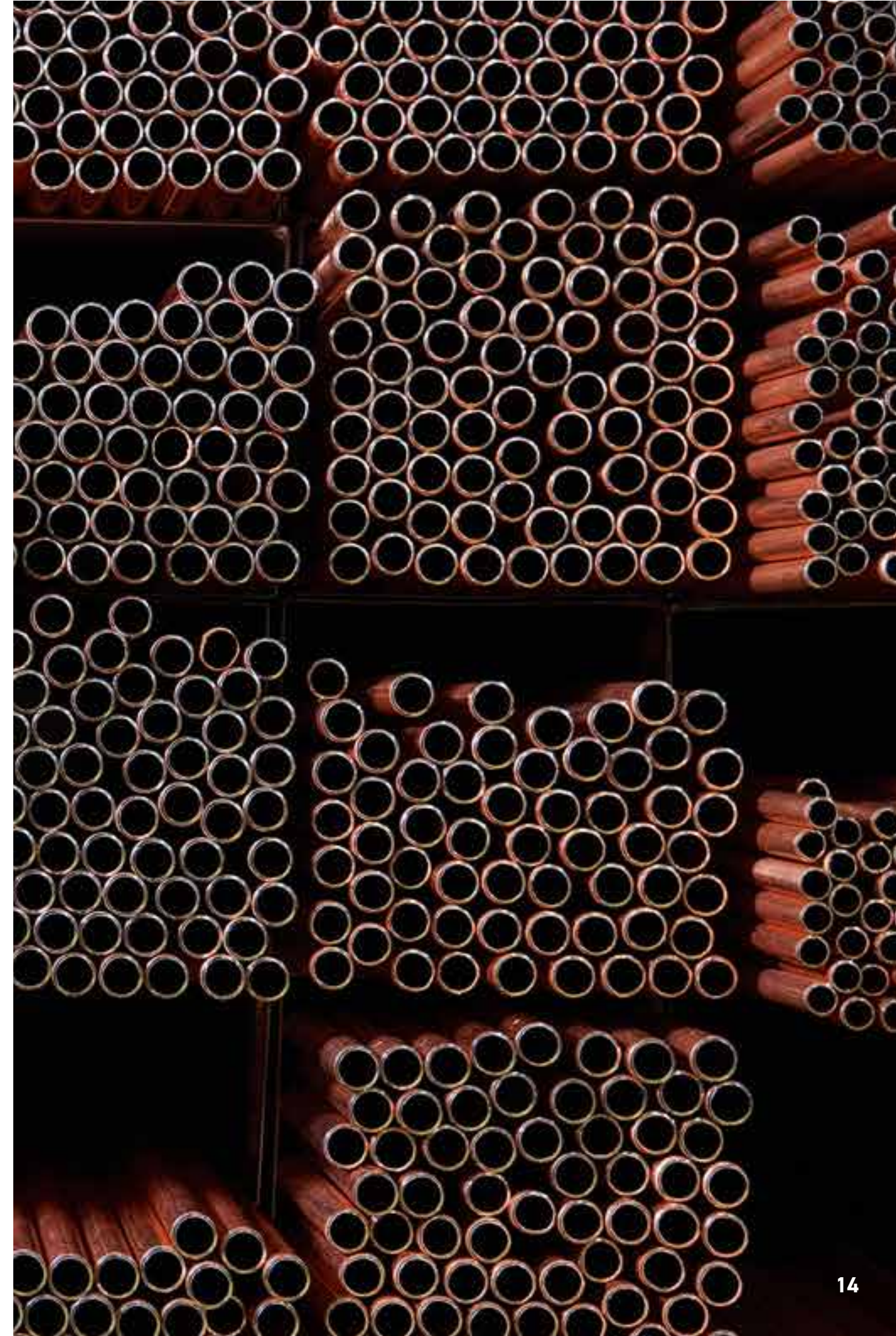
We purchase certain components, fabricate sheet metal and tubing, and assemble and test the finished products. Our primary finished products consist of a single unit system containing heating and cooling in a self-contained cabinet, referred to in the industry as “unitary products”. Our other finished products are chillers, coils, air handling units, condensing units, makeup air units, energy recovery units, rooftop units, geothermal/water-source heat pumps, and controls.


We offer three groups of rooftop units: the RQ-Series, consisting of five cooling sizes ranging from two to six tons; the RN-Series, offered in 28 cooling sizes ranging from six to 140 tons; and the RZ-Series, which is offered in 15 cooling sizes ranging from 45 to 261 tons.

We also offer the SA, SB, and M2-Series as indoor packaged, water-cooled, or geothermal/water-source heat pump self-contained units with cooling capacities of three to 70 tons.

Our small packaged geothermal/water-source heat pump units consist of the WH-Series horizontal configuration and WV-Series vertical configuration, from one-half to 12 1/2 tons, with options specifically for the replacement market and the new construction market. The replacement systems are designed to be compatible with most competitor water-source heat pump models.

We manufacture an LF-Series air-cooled chiller covering a range of four to 55 tons. We offer two groups of condensing units: the CB-Series, two to five tons, and the CF-Series, two to 70 tons. Our air handling units consist of the indoor F1, H3, and V3-Series and the modular M2-Series, along with air handling unit configurations of the RQ, RN, RZ, and SA-Series units.





“Our products are designed to compete on the higher quality end of standardized products.”

AAON PRODUCTS

AAON is committed to designing and manufacturing innovative HVAC products of the highest quality, efficiency, and performance. We meet certification standards of the relevant standard-setting bodies, including the Air-Conditioning, Heating, and Refrigeration Institute (AHRI); the American National Standards Institute (ANSI); American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE); and the International Organization for Standardization (ISO).

Our energy recovery option applicable to our RQ, RN, RZ, and SB units, as well as our H3, V3, and M2-Series air handling units, responds to the U.S. Clean Air Act mandate to increase fresh air in commercial structures. Our products are designed to compete on the higher quality end of standardized products. Our air-cooled chillers LF-Series are certified per the AHRI Standard 550/590. Our RN, RQ, M2, and SB-Series, including our water-source heat pump products (WH and WV-Series), are AHRI certified per ANSI/AHRI/ASHRAE/ISO 13256.

Our unitary products RQ, RN, and CB-Series are certified with AHRI and the U.S. Department of Energy to ANSI/ AHRI210/240 up to five tons capacity and ANSI/AHRI340/360 up to 63 tons capacity.

Performance characteristics of our products range in cooling capacity from one-half to 261 tons and in heating capacity from 7,200 to 4,500,000 British Thermal Units (BTUs). Many of our units far exceed these minimum standards and are among the highest efficiency units currently available.

A typical commercial building installation requires one ton of air conditioning for every 300-400 square feet or, for a 100,000 square foot building, 250 tons of air conditioning, which can involve multiple units.

Our water-source heat pump products recover otherwise wasted energy and employ it to cool, heat, and provide dehumidification to a building, making it one of the most efficient and environmentally friendly systems.

AAON packaged rooftop units with two-stage compressors are optimized with high-efficiency evaporator and condenser coils and variable speed fans, leading to an AHRI certified performance up to 20.3 SEER and 22.5 IEER. AAON H3/V3-Series energy recovery wheel air handling units provide energy-efficient 100% outside air ventilation by recovering energy that would otherwise be exhausted from a building.

ALARM

VCCX-AHU
1088vXXX

M
MENU

UP

DOWN

ENTER

RS-485 COMM
LOOP WIRE
"R" TO "R",
"T" TO "T",
"SHLD" TO "SHLD"

AAON

www.aaon.com

VCCX2
CONTROLLER

AAON TULSA P/N: ASM01698
AAON COIL P/N: V87900

BINARY INPUTS

BI1 = PROOF OF AIRFLOW

BI2 = DIRTY FILTER

BI3 = HOOD ON/OFF

BI4 = REMOTE OCCUPIED

BI5 = REMOTE COOLING

BI6 = REMOTE HEATING

BI7 = REMOTE DEHUMID

BI8 = EMERG SHUTDOWN

ANALOG INPUTS

A11 = SPACE TEMPERATURE

A12 = SPACE SLIDE OFFSET

A13 = SUPPLY AIR TEMPERATURE

A14 = RETURN AIR TEMPERATURE

A15 = BUILDING PRESSURE

A16 = SUPPLY AIR TEMP RESET

A17 = OUTDOOR AIR TEMPERATURE

A18 = NOT CONNECTED USE DUCT
STATIC CONNECTOR

RELAY CONTACT
RATING IS 1 AMP
MAX @ 24 VAC

MAIN FAN

RELAY 2

RELAY 3

RELAY 4

RELAY 5

RELAY 6

RELAY 7

RELAY 8

RELAY
COMMON

BACNET + = R

BACNET SHIELD = SH

BACNET - = T

24 VAC POWER
ONLY
WARNING!
POLARITY
MUST BE
OBSERVED
OR THE
CONTROLLER
WILL BE
DAMAGED

MAIN SUPPLY FAN VFD = AO1

ECONOMIZER / WSE = AO2

MOD HEATING = AO3

EXHAUST / RETURN
FAN VFD = AO4

DUCT
STATIC

24 VAC

DUAL
FANS

LABEL P/N

12V

RLY1

RLY2

RLY3

RLY4

RLY5

RLY6

RLY7

RLY8

COMMON

COMMON

11795-1275153E

APP HB

OS HB

WDOG

STATUS 1

STATUS 2

EBUS

POWER

SS1088 V.1.48
CHECKSUM FD0B

BACNET

AO1

AO2

AO3

AO4

GND

GND

+5V

+3.3V

USB

C-4
94V-0

AAON designs and produces control solutions for all of our HVAC units including rooftop units, air-handlers, chillers, and water-source heat pumps. We provide factory-developed and tested control options for variable air volume systems associated with those units and other HVAC-related equipment.

We offer several control options: the Orion Controller, Pioneer Gold, Pioneer Silver, terminal block for field installed controls, and factory-installed customer-provided controls. Most of our controls are Underwriters Laboratories category ZPVI2 compliant and BACnet Testing Laboratories certified, ensuring our

products meet internationally recognized standards for safety, traceability, conformance, and production quality. Our economizer function is California Title 24 certified to minimize energy consumption. AAON's proven sequences of operation optimize the performance of our HVAC units.

Out of the box, our controls are user-friendly and configurable to provide a variety of HVAC unit application options. We can also customize our controls to meet customers' unique requirements. We have control solutions that enhance AAON's unique features and capabilities.





BASX PRODUCTS

The acquisition of BASX Solutions brings AAON, Inc. in front of attractive end markets in which the Company has historically had minimal exposure. The products BASX manufactures are highly engineered and customized products, fully complementing our existing business. BASX data center cooling solutions are focused on providing highly configurable, purpose-built equipment with a focus on efficiency, speed of deployment, and quality.

High-performance air-cooled chiller solutions include indirect airside economization and optional adiabatic assisted cooling, designed to integrate with high-performance computing systems requiring direct-to-chip cooling. White space process cooling solutions include: fan coil walls, computer room air handling (CRAH) units, overhead fan coils, in-row coolers, and chilled water air handlers. Packaged unit solutions include coupled economizing chillers with integrated air handling

units, direct evaporative coolers, and packaged direct expansion (DX) solutions with airside economizers.

BASX cleanroom products are built to provide environmental control serving critical processes and high-fidelity control for precise industry requirements. Process cooling solutions include recirculation air handling units and make-up air handling units including integration of piping systems and controls. Environmental control solutions include modular cleanroom environments, fan filter units, filtered ceiling grids with integral flush mount lighting, pressurized plenums with integral ceiling grids, and hospital surgical suites.

BASX custom air handling products are primarily used in commercial, industrial, healthcare, and institutional facilities employing chilled water cooling, packaged direct expansion, hot water, indirect gas direct heat, humidification, dehumidification, filtration, and integrated controls. BASX manufactures plenum fans for integration into air handling units and replacement applications. It also offers integrated sound performance solutions.

The Coronavirus Disease 2019 (COVID-19) pandemic fueled a great deal of concern over best practices in the design and operation of building HVAC systems. In order to mitigate the spread of COVID-19, influenza, and other similar types of respiratory diseases, we thoroughly researched what affects the transmission of these diseases and how AAON HVAC systems can be best-designed.

The American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE), a professional association with the goal of advancing HVAC systems designs and construction, established an Epidemic Task Force in 2020 and issued several

recommendations to mitigate the spread of the virus, including humidity control, air filtration, increased outdoor air ventilation, and air disinfection.

Humidity Control

AAON continues to lead the market in developing energy-efficient humidity control with the use of variable capacity compressors and modulating hot gas reheat. Designing HVAC systems with superior humidity control allows building management to maintain ASHRAE recommended ambient relative humidity levels of 40% - 60%, the ideal level to inactivate viruses in the air and on surfaces.

Air Filtration

AAON standardizes a design that uses a backward curved fan wheel, which can accommodate higher airflow required for the ASHRAE recommended MERV 13 filtration, the minimum filter level for virus mitigation, with very little reconfiguration. Prior to 2020, a vast majority of commercial buildings used filtration levels of MERV 4 to MERV 8, which has always been acceptable for filtering out typical particulates in the air stream.

Outdoor Air Ventilation

AAON's innovative use of energy recovery wheels and energy recovery plates combined with superior humidity control design can help with outdoor ventilation air recommendations while limiting increased energy use and maintaining recommended humidity levels.

Air Disinfection

AAON has basic design characteristics that allow for an easy installation of ultraviolet lighting equipment. In addition to this equipment offered as options in new units sold, AAON has basic design characteristics that allow for easy installation in our units already used in the field.

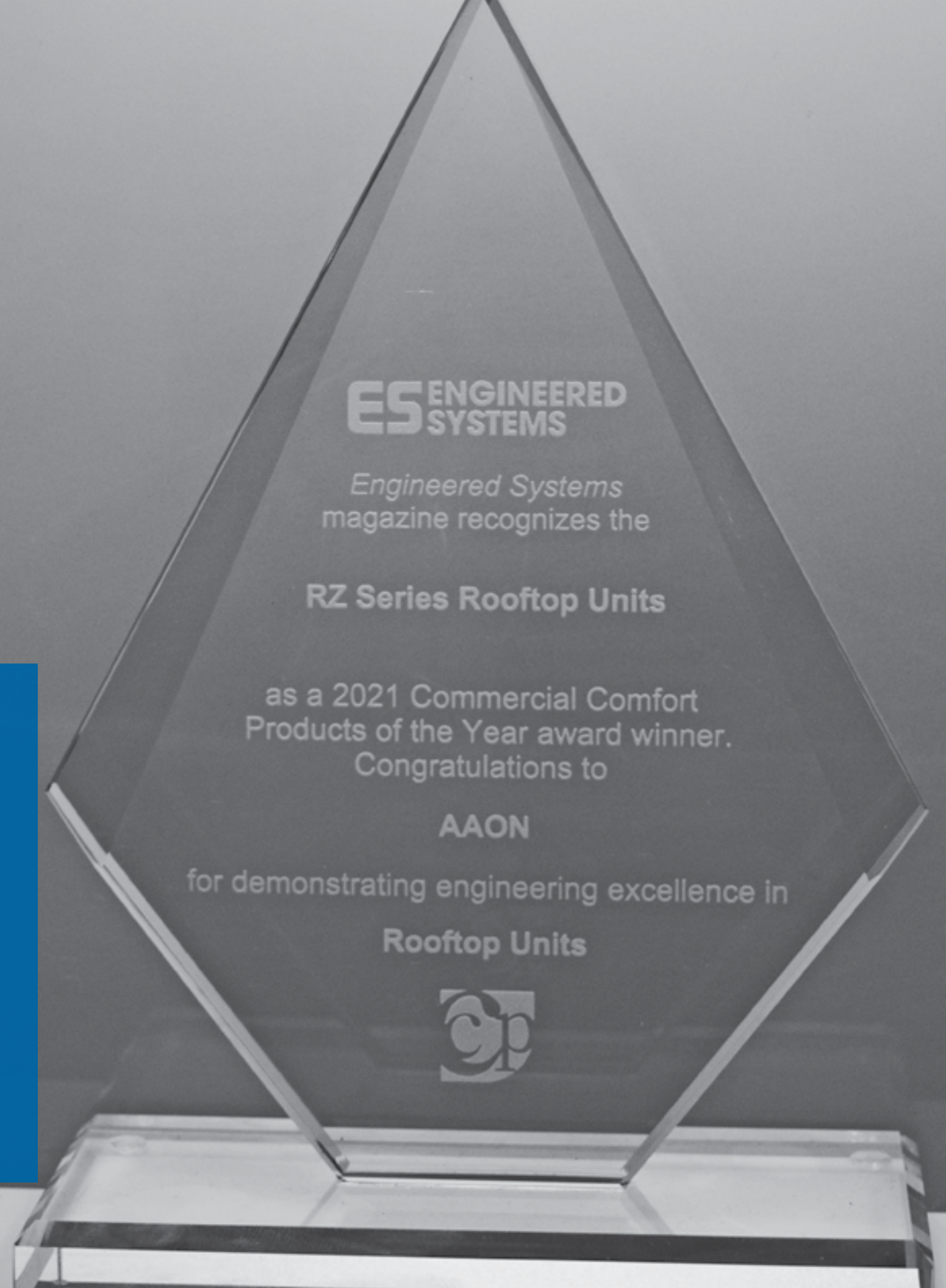
Overall, AAON is well-positioned to accommodate the heightened demand for features to help mitigate virus transmission and improve indoor air quality. The features that ASHRAE recommends require premium designs and configurations that are standard in AAON units. As a result, we are able to incorporate air quality features into our units at a minimal price premium and with no delivery delay.





PRODUCTS AWARDS AND RECOGNITIONS

AAON was recognized for excellence in product design in the 16th annual Consulting-Specifying Engineer Product of the Year awards. Readers of the industry magazine publication voted the AAON RZ-Series Rooftop Unit as the 2021 Product of the Year - Gold. AAON RZ-Series Semi-Custom Rooftop Units (45-261 tons) are selectable with all the features needed for a job. It is a simple, turnkey piece of equipment, minimizing installation time and reducing labor costs, constructed with the highest quality design and materials. High part load energy efficiencies (up to 22.5 IEER), variable speed compressors, modulating heating, modulating economizer, and energy recovery wheel provide operational savings and precise comfort control throughout the year.



COMPANY CORE VALUES

DEMONSTRATE great moral character

GIVE your very best

EMPOWER team members

INNOVATE and **PUSH** boundaries

PROMOTE a safe, respectful environment



MISSION & VISION

AAON provides premier, configurable HVAC solutions that bring long-term value to customers and owners. By leading the HVAC industry in innovation, we create tomorrow's solutions today.

We lead the charge in advancing HVAC innovation our world depends on.

ENVIRONMENTAL RESPONSIBILITY



Target:
Reduce GHG Emissions by 10% by 2025

Approach:
We recognize that climate change is a global crisis. We are committed to reducing our greenhouse gas emissions through operational efficiencies and investments in projects that reduce carbon emissions. In 2021, we continued to develop plans to reduce GHG emissions.



Target:
Increase Hazardous Material Recycling Rate by 10% by 2025

Approach:
We understand the need to reduce waste and materials going to landfills. We are continuing to partner with a reclamation organization to recycle paint and acetone products that are byproducts of our manufacturing processes. While hazardous material recycling decreased by 5% from 2020 to 2021, we anticipate hazardous material recycling will be higher in the future.



Target:
80% Total Equipment Sales Will be Non-Fossil Fuel Consuming Units by 2030

Approach:
One way we can address greenhouse gas emission reductions is through product design. We are committed to increasing production of air, water and electric powered units. In 2021 64% of units produced were non fossil fuel consuming.
In 2021, AAON established a cross-functional ESG Committee to oversee progress toward the Company's ESG targets and the development of the ESG reports.

At AAON, it's our business every day to work in a socially responsible and ethical manner as we improve our environmental stewardship, team member safety and community engagement practices.

Since 2017, our internal Go Green Sustainability Committee has set goals to regularly identify numerous waste streams that can be recycled, reused or reduced to create more efficient operations.

AAON participates in the non-profit organization Sustainable Tulsa's Scor3card program, which is a sustainability tracking and assessment tool for organizations that want to track and improve their sustainability plans. AAON achieved Platinum level in the 2021 Sustainable Tulsa Scor3card verification program. This follows the Company achieving Platinum in 2020, Gold in 2019, Bronze in 2018 and 2017.

REFRIGERANT TRANSITION

The Montreal Protocol is an international treaty that phased out the use of chlorofluorocarbon (CFCs) and hydro chlorofluorocarbon (HCFCs) refrigerants. This treaty was signed in 1987 and phased out the use of ozone-depleting substances (ODPs). HCFCs like R22 were commonly used in rooftop air conditioners. The Montreal Protocol banned the production of new air conditioners that used HCFC refrigerants in 2010. HFCs like R410A became the predominant refrigerant used in rooftop air conditioners in 2010. HFCs have zero ODP, but can have a very high global warming potential (GWP). The GWP of CO₂ is equal to one. The GWP of R410A is 2,088 - meaning R410A has a global warming potential that is 2,088 times that of CO₂.

The Kigali Amendment to the Montreal Protocol was created to reduce the use of high GWP refrigerants. This amendment created phase-down schedules for HFC refrigerants for developed and developing countries. The U.S. Senate is expected to ratify this treaty in 2022. The U.S. Environmental Protection Agency (EPA) did not have the authority to regulate refrigerants based on GWP through the U.S. Clean Air Act. Many states began to create phase-down requirements for HFC refrigerants since the EPA could not.

This would create market confusion and put tremendous pressure on HVAC manufacturers, as different states would require different refrigerants and dilute the economies of scale that HVAC manufacturers use to be profitable.

In December 2020, President Trump signed the AIM Act, which gave the EPA the authority to phase-down the use of HFCs based on the Kigali phase-down schedule. As of this writing, the EPA has not yet issued its final ruling for the sector-based HFC reductions. It is expected that the EPA will require the GWP to be less than 750 beginning January 1, 2024, for chillers and January 1, 2025, for air conditioners. ASHRAE 15 determines the safety classification for refrigerants. Historically this classification consisted of two digits. The first digit is either A or B to represent toxicity. An A is non-toxic a B is toxic. The second digit represents flammability. This could be 1 (non-flammable), 2 (flammable) or 3 (very flammable). R410A is an A1 refrigerant (non-toxic/non-flammable). Propane is an example of an A3 refrigerant. As the refrigerant manufacturers developed replacements for R410A, it became clear that a new flammability classification would have to be created.



All of the new R410A replacement refrigerants with GWP < 750 were mildly flammable so a new classification called A2L was created. These refrigerants are difficult to ignite, do not sustain ignition well, and propagate flame spread slowly. The HVAC industry has spent the last decade devoted to research and development for the safe use of A2L refrigerants and the adoption of the A2L classification into building codes. R32 and R454B became the main replacement candidates for R410A. AAON has selected R454B to replace R410A as our refrigerant of choice in all of our products. The GWP of R454B is 467 while the GWP of R32 is 675. R454B is very similar to R410A while R32 is more difficult to apply. Many manufacturers of air conditioners in the U.S. have selected R454B as their replacement refrigerant.

A few manufacturers have selected R32. R454B has about 1/3 less GWP than R32, which should allow for a longer useful life as GWPs are lowered over time to meet the Kigali Amendment and AIM Act.

We are currently in development to replace R410A with R454B in all of our products. We will begin producing R454B in some product lines beginning in Q4 of 2023. We will release new R454B

products every month in 2024 and all products will be ready for production with R454B by Q4 of 2024. It is expected that all products built for the United States must be manufactured with a GWP < 750 by January 1, 2025, and AAON will meet this requirement. AAON is committed to providing our customers with innovative products that solve their problems. We strive to create products that meet their environmental and efficiency goals.

Efficiency plays an important part in the equation in meeting environmental goals and most of AAON's products greatly exceed Federal and industry minimum efficiencies. Most of the lifetime emissions of an air conditioner come from electricity use. Reducing power through increased efficiency has a dramatic reduction in the lifetime emissions of an air conditioner. Efficiency is increasingly important as energy prices rapidly rise, and the grid becomes less reliable with more renewables added to the electric grid.

Refrigerant Type	Global Warming Potential (GWP)
R410	2090 <small>The use of R410 has been eliminated</small>
R32	675
R454B	467 <small>2023 AAON Refrigerant</small>

The difference between GWP of R410A compared to R454B is a reduction of GWP by 1623. The R454B refrigerant is well below the new Standard of GWP (below) <750.

CLIMATE CHANGE

Climate Change is one of the most significant issues facing humanity. Non-residential buildings utilize approximately 15% of the energy consumed in the United States, and from that, 40% is associated with heating, ventilation, and air-conditioning. As a leading designer and manufacturer of the most energy-efficient products in the commercial HVAC industry, our innovative designs substantially help our customers reduce their carbon footprint while reducing the cost of building management and maintenance.

Many AAON HVAC units are unique in their design, with two-stage variable capacity or variable speed compressors, high-efficiency evaporators, condenser coils, and variable speed fans. This led to an AHRI Certified performance of up to 20.3 SEER and 22.5 IEER, compared to the industry ASHRAE 90.1 minimum requirement of 12-14 SEER/IEER. AAON eliminated the usage of R134A in the foaming process and switched to a non-fluorinated, non-ozone-depleting alternative with a global warming potential of 0.

In 2021, AAON designed, engineered, and tested its new Zero Degree Cold Climate Air-Source Heat Pump packaged rooftop units. This product line is a critical solution that meets the increasing demand for building decarbonization in cold climates





and is a direct result of our investment in research and development in our NAIC laboratory. Our work continues as we expand the product line into larger capacity equipment and its operating range down to even lower ambient temperatures, set to be released in 2022.

The Company also transitioned to a lower VOC paint for all units and products. AAON has an ongoing focus on reducing its operational carbon footprint through energy efficiency and GHG reduction projects.

In addition to our focus on product design and operations, we support charitable organizations and conservation efforts that increase the resiliency of communities in addressing the physical and transitional impacts associated with climate change.



ENERGY

Energy efficiency is a priority in current operations and future planning. Our capital investments have focused on equipment and facility optimization. AAON has transitioned to over 95% LED lighting, leading to considerable cost savings and reduced energy consumption. The company participates in an energy demand response program and saved over \$10,000 by reducing energy loads during peak periods in 2021. Twenty-seven percent of AAON's energy portfolio is currently derived from renewable sources, and the company's carbon footprint has been calculated as part of the Scor3card sustainability benchmarking initiative.

Energy efficiency has been a priority in the \$55 million of capital investments for improvements, including the purchase of new, energy-efficient equipment for the production floor, high-speed overhead facility doors, and the installation of new HVAC equipment and building control systems. The application of heat and light reflective material to production facilities, along with other behavioral-based energy efficiency changes have made impactful improvements.

Energy usage and carbon emissions are a priority with new construction of The AAON Exploration Center, on-target to be a net-zero building. We are tracking our energy usage intensity before and after these updates and have seen a 10% decrease in energy usage intensity.

WATER

We recognize water is a critical resource to our planet and our business. We monitor usage at all of our facilities and strive to conserve and reduce consumption where possible. We track our water usage monthly through the THG Energy Solutions platform. Through infrastructure improvements, we recorded a 65% reduction in our water withdrawal from 2020 to 2021. Reducing our water consumption decreases the potential for business disruption and helps to conserve scarce resources.

“As a leading designer and manufacturer of the most energy-efficient HVAC products in the commercial HVAC industry, our innovative designs substantially help our customers reduce their carbon footprint while reducing the cost of building management and maintenance.”

WASTE

AAON recognizes the need to reduce more waste. We focus on recycling, reducing, reusing, and sourcing more environmentally-friendly materials into our processes. AAON recycled 17% more metals in 2021 as compared to 2020. Through additional equipment training opportunities, we anticipate seeing metal scrap reduction.

The Company has developed a relationship with an organization to recycle hazardous waste, including oil and paint. We successfully transported and recycled 68 tons of hazardous waste in 2021.

Our facilities also recycle paper, wood, and cardboard where available through our partnership with a waste-to-energy facility. We successfully diverted more than 460 tons of waste from landfills and our Tulsa facility is landfill-free. We continue to innovate ways to reduce and reuse shipping packaging between facilities and identify new opportunities to reduce or reuse items in our production and administrative area.

WORKPLACE HEALTH AND SAFETY

The safety of all AAON employees, visitors, business partners, and our environment is a fundamental value of our organization. Efforts are directed at developing processes and systems that demonstrate our commitment to safe practices. Implementing programs that support our philosophy of continuous improvement is a key part of our success.

Safety is the responsibility and accountability of every employee. Every individual working in our facilities is critically important to AAON's success. Our goal is to ensure that we all go home each day to our families in the same condition that we left them. We continue to see a reduction in our overall injury rates year over year through the implementation of programs that drive hazard elimination and risk reduction. Through training programs, improved work processes, and modifications to work environments, AAON saw another 30% decrease in TRIR from 2020 to 2021.

Ergonomic studies, machine guarding assessments, risk assessments, root cause analysis, and product/pedestrian flow improvements contribute to our safety success. Safety committees and safety focus groups allow opportunities for employee engagement and activity in safety improvements. Our frontline leaders help improve safety for employees and customers by providing feedback and solutions to product and process challenges.

We believe that a happier, healthier workforce is a more productive workforce. The AAON Wellness Club is free to employees at our Tulsa facility and promotes fitness by covering the costs of several local cycling and running competitions in the region. AAON also supports employee participation in team sports such as softball, soccer, and basketball by covering league fees. The Company partners with YMCA to offer discounted gym memberships to AAON team members.

AAON promotes healthy lifestyles through health fairs, yoga and meditation sessions, an outdoor meeting space, health and fitness-related lunch-and-learn sessions, on-site personal health assessments, and on-site flu shots, all free to employees. AAON encourages healthy eating by offering "healthy selection" discounted items in the vending machines, and installed convenient water bottle filling stations.

All of our facilities are tobacco and e-cigarette free. Team members also have access to the Employee Assistance Program offering stress management, health information, and online health-management tools. The company has also Question, Persuade, Refer (QPR) suicide prevention training, stress management, and mental health awareness sessions.



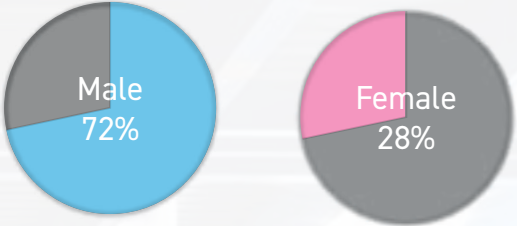
PEOPLE AND CULTURE

Our team members are AAON's greatest strength. The diversity of thoughts, experiences, and perspectives of each team member is what drives our innovation, productivity and sustainability. AAON is committed to uplifting our people and culture through our company core values to further strengthen families and communities. Safety, health, and wellness are an integral part of AAON's culture that offers employee engagement opportunities to improve AAON as a positive and healthy workplace.

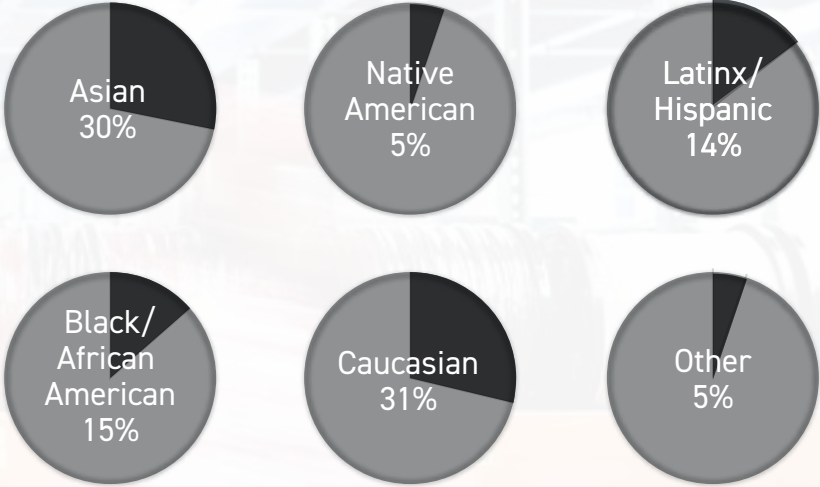
From recruiting talent to developing our workforce, all team members work to understand and share AAON's core values. Our working environment is a place where team members can grow and advance both professionally and personally. Team members who have a vision and optimistic outlook for their future are more engaged and prepared to help our customers.



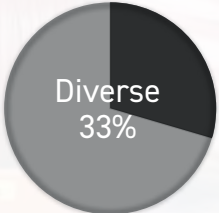
Employee Gender



Employee Ethnic Groups



AAON Senior Leadership Team

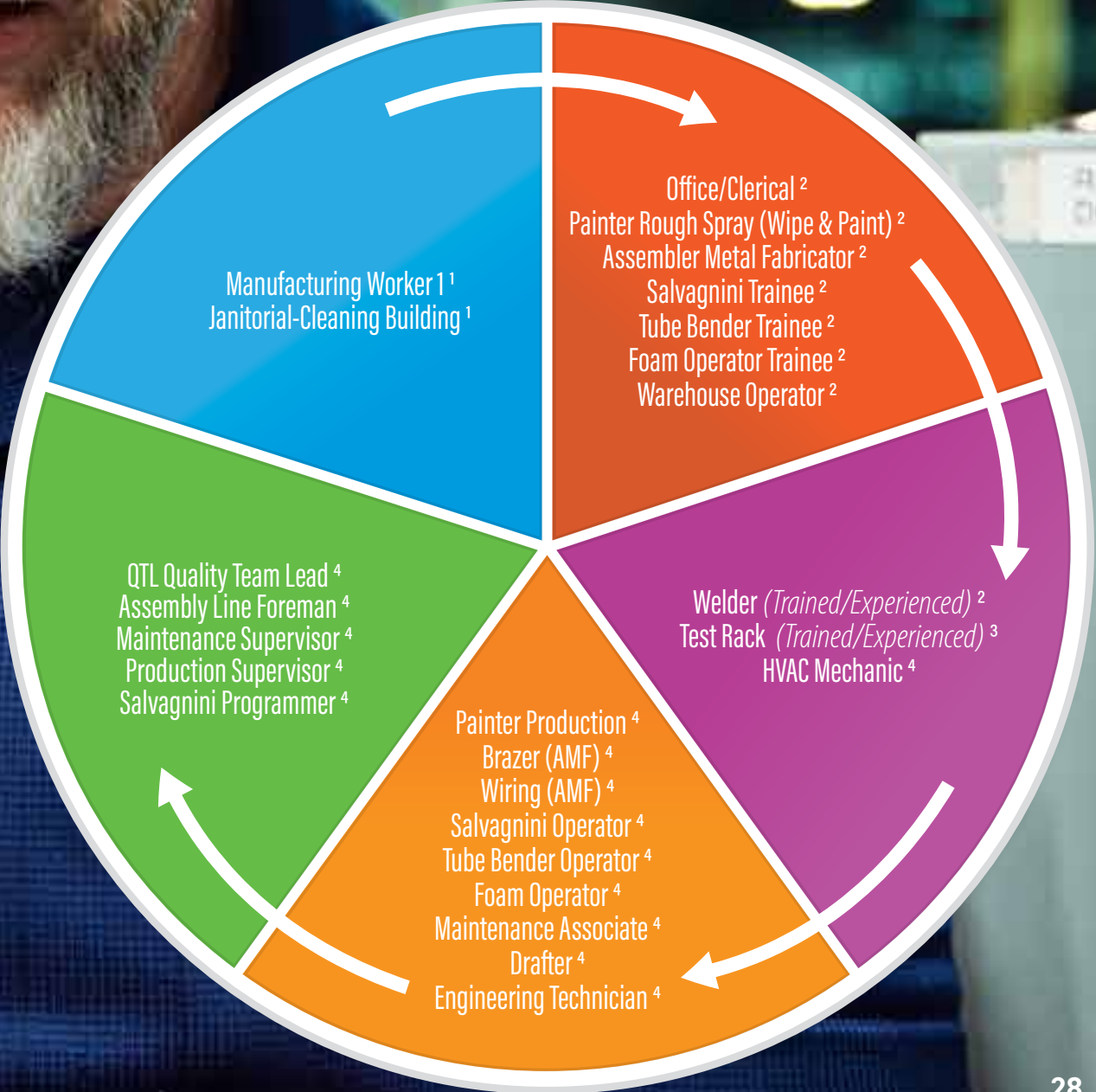


CAREER DEVELOPMENT

AAON has developed internal career pathway opportunities for team members, and typically promotes over 300 team members internally annually. Career opportunities are posted internally, and the company has hosted internal job fairs. AAON encourages team members to make use of the tuition reimbursement opportunity to gain additional knowledge to advance within the company.

In 2021, AAON launched an internal mentorship program to further team member development and advance diversity and inclusion initiatives. AAON has a robust college and high school internship program, and sponsors manufacturing classes at four different high schools.

This career wheel is displayed around AAON's facilities to visually share internal career development opportunities.





AAON profiles team members throughout the year for an internal campaign called Aim High to encourage career development and growth.

Here are a few of the 2021 AAON team members featured in our AIM High program.

Mike Dennis

Inventory Control Manager



Dan Rhoades

NAIC Operations Manager



Jennifer Overmeyer

Quality and Training Manager



Aracely Faglie

Sheet Metal Supervisor



Josh Armas

Production Supervisor



Gina Means

Customer Service



DIVERSITY AND INCLUSION

A diverse and inclusive workplace is integral to our business strategy and critical to our continued success. We are committed to hiring, retaining and promoting a diverse workforce while advancing a workplace culture of inclusion, in which each team member is valued for their ideas, identities, experiences and talents. Diversity and inclusion are key drivers for furthering innovation, productivity, and team member engagement at AAON. AAON employs individuals from over 32 countries. At the end of 2021, 69% of our total workforce included Black, Indigenous, and people of color and 28% were female.

AAON has two team member resource groups: AAON Veterans Empowering through Service (V.E.T.S.) and the Women's Alliance and Resource Program (WARP).

The mission of AAON V.E.T.S. is to unify the core values, beliefs, and understanding of active, reserve, National Guard, veterans and military family members with our AAON business culture.

WARP strives to foster a supportive, encouraging, and inclusive environment to provide programs and resources for professional and personal development opportunities. The group aims to promote the advancement of women in the workplace, communicate and connect to overall company strategy, and provide mentorship opportunities. WARP also

educates and shares information about common gender biases, celebrates the diversity among women, and builds on strengths, supporting collaboration over competition to empower women.

In 2021, AAON signed the Pay Equity Pledge, designed to combat inequality in the compensation of women. If the pay gap is narrowed, it can reduce poverty, improve economic growth, and promote prosperity.

AAON supports Oklahoma Women in STEM and is a corporate member of Women in Manufacturing, a national association dedicated to supporting, promoting and inspiring women in all manufacturing job roles.

AAON participates in the Tulsa Chamber's Mosaic Diversity and Inclusion Index and has been recognized as a Mosaic Top Inclusive Workplace. Mosaic is the Tulsa Regional Chamber's diversity business council committed to educate, lead, and influence businesses on creating diverse and inclusive workforce cultures to enhance competitive advantage.

AAON offers on-site classes such as: English as a Second Language, Spanish Language Classes, and Frontline Leadership Training to help team members develop professionally and advance in the company.

AAON regularly promotes team member achievements with our internal Team Member Spotlight program and the AAON Aim High program. The AIM High program highlights employees from various cultural and educational backgrounds to showcase their career achievements and advancement at AAON.

AAON has hosted Disability Etiquette training and partners with organizations in our communities such as A New Leaf, The Bridges Foundation, and ARC that support individuals with developmental disabilities.

The Company hosted inclusion training in 2021 that was available enterprise wide and was featured as a best practice case study by the Manufacturing Institute for work with immigrants and refugees.

AAON was featured as DEI Best Practices Case Study by the Manufacturing Institute for Working with Diverse Populations.



Scan the QR code to read the DEI Best Practice Case Study.



EMPLOYEE BENEFITS

AAON is a first-class HVAC manufacturing company that offers competitive wages and a robust benefits package including tuition reimbursement, generous paid time off, paid holidays, healthcare insurance, and an extraordinary 401(k) plan.

Through integrity, mutual trust and innovation, AAON strives to define quality, build comfort, and be the employer of choice in the communities in which we work.

AAON Benefits include:

- Quarterly Profit Sharing
- 175% 401(k) Matching
- 175% Health Savings Account Matching
- Health Insurance
- Paid Holidays
- Paid Time Off
- Tuition reimbursement (\$5,250 per year)

EMPLOYER OF CHOICE AWARDS

- Forbes America's Best Employers for Diversity
- Forbes Best Mid-Cap Companies
- Mosaic Top Inclusive Workplace
- Certified Healthy Business
- Potts Family Foundation Family Positive Workplace
- Oklahoma Magazine Great Companies to Work For
- Oklahoma Magazine Best of the Best Industrial and Manufacturing Companies
- Sustainable Tulsa Scorecard Platinum Level
- Veteran Employer Champion
- YWCA Corporate Champion

CORPORATE SOCIAL RESPONSIBILITY

At AAON, we build community one unit at a time. Part of our corporate social responsibility journey is centered around the communities in which we operate. We recognize that our success is interwoven with the vitality of these communities and apply our assets, resources, and capabilities to contribute to resiliency and prosperity. We understand that community also encompasses the physical space. AAON is dedicated to corporate social responsibility through our AAON Serves initiative. We define quality and build comfort in the communities in which we operate through volunteerism and strategic investments.

As a manufacturer of HVAC products, AAON has also made equipment donations to nonprofit capital campaign projects that align with the company's priorities in the community. Each team member is allowed 24 hours of paid volunteer hours per year, and AAON partners with over 70 nonprofit organizations. AAON team members served over 5,900 volunteer hours during this reporting year. In 2021, AAON expanded its matching gifts program. To further support team member gifts to nonprofits that they have a passion for, AAON contributed more than \$180,000 in matching gifts. AAON also has a nonprofit board placement program to further connect team members to area nonprofits.

WORKFORCE READINESS

We support organizations that contribute to workforce readiness, such as Resonance Center for Women, Goodwill, Tulsa Regional STEM Alliance and Junior Achievement and other programs that will drive economic prosperity for individuals and our nation.



PARTNERSHIP HIGHLIGHT: RESONANCE

Resonance clients have the opportunity to learn life skills and good work habits at the Resonance Take 2 Social Enterprise Café. Resonance promotes and supports the well-being and self-sufficiency of women and their families challenged by the criminal justice system. The organization’s goal is to help female offenders succeed. AAON provides volunteers for Resonance and provides employment opportunities for clients.



Scan the QR code to read about one AAON team member’s story here as published by the Tulsa World newspaper.



Scan the QR Code to read the story of one of AAON’s new Afghan team members, published by the Tulsa World newspaper.

PARTNERSHIP HIGHLIGHT: YWCA TULSA

In December, 2021, the Tulsa community welcomed 850 Afghanistan refugees. AAON partnered with the YWCA, listening and learning more about the Afghan culture and offer the opportunity for employment.

As Afghan refugees joined the AAON team, leaders and trainers continued to meet challenges of cultural differences

to create an environment of inclusion. This included transportation, banking, translators at all onboarding classes, special lunches to meet cultural dietary needs, scheduled prayer times and prayer areas, foot washing stations, and translation software for Pashto and Dari languages for manufacturing documentation and training.



STRONG FAMILIES AND COMMUNITIES

We value families and community and understand that as a business, we do not operate in isolation. We give back to improve and sustain the communities we live and work in. AAON team members contribute their time and resources by volunteering at local schools, participating in mentoring programs and supporting our signature community partners, including the Tulsa Area United Way, Junior Achievement, Tulsa River Parks and other organizations.

The AAON Community Council allows employees to help build our culture of service. We create a close-knit network through our utilizing our different talents, learning about each other's service passions, and coming together to serve our communities. Through our AAON Serves program we are able to educate ourselves further about the communities needs while strengthening important community partnerships.

ENVIRONMENTAL STEWARDSHIP

AAON is committed to environmental stewardship and ensuring natural resources are available for future generations. The Company has an active internal Go Green sustainability committee and ESG Committee. We are a proud participant in the Sustainable Tulsa Scorecard sustainability benchmarking initiative and continuously improve our environmental and social impact. We partner with organizations such as The Nature Conservancy and River Parks that conserve green spaces.

GOVERNANCE

Our corporate governance framework provides the directive for a culture of integrity and ethical behavior in our business. Our nine-member Board of Directors includes our Executive Chairman, Chief Executive Officer, and seven independent directors. The Board of Directors provides advice, insight, and oversight to advance the interests of AAON, shareholders, and other stakeholders. AAON strives to maintain governance standards through governance charters and the Code of Business Conduct and Ethics.

The Company is led by Chief Executive Officer, Gary Fields, and Officers of the Company: Rebecca

Thompson, Doug Wichman, Stephen Wakefield, and Chris Eason along with additional members of the Senior Leadership Team. We believe this team-oriented leadership structure, along with improved internal processes, will best position the Company to continue to build on its impressive foundation while fostering sustainable, long-term success. AAON's Senior Leadership Team oversees and directs corporate strategy. Amendments to the Board of Directors roles to create the positions of an Independent Chair and Vice Chair may be considered and voted on for 2022.



2021 Board of Directors
44% Diverse

CONDUCT AND ETHICS

This Code of Business Conduct and Ethics reinforces our commitment to how we do business. We expect all AAON team members and business partners to act in a manner consistent with the values and standards outlined in our Code of Ethics. The code encompasses compliance with laws, rules, and regulations, conflicts of interest, insider trading, corporate opportunities, competition and fair dealing, discrimination, harassment and fraternization, health and safety, record keeping, confidentiality, protection and proper use of company assets, payments to government personnel, waivers of the code, reporting illegal or unethical behavior and compliance procedures.

ESG Disclosure Content Index						
Standard	Disclosure Language	2021 Response				Related SDG
	The Organization and its Reporting Practices					
GRI 2-1	Organizational Details	AAON, Inc is headquartered in Tulsa, Oklahoma with facilities in Longview, Texas, Kansas City, Missouri and Redmond, Oregon. The Company is publicly traded on the NASDAQ Stock Exchange.				
GRI 2-2	Entities included in the organization's sustainability reporting	AAON locations in Tulsa, OK, Longview, TX and Kansas City, MO				
GRI 2-3	Reporting period, frequency and contact point	About This Report p. 3				
	Activities and workers					
GRI 2-6	Activities, value chain and other business relationships	See Form 10K				
GRI 2-7	Employees	Total Workforce: 2527 team members, 28% Female, 72% Male, 69% People of Color				SDG 8
	Governance					
GRI 2-9	Governance structure and composition	Governance p. 36				SDG 9
	Strategy, policies and practices					
GRI 2-22	Statement on sustainable development strategy	About This Report p. 3				SDG 12
GRI 2-27	Compliance with laws and regulations	About This Report p. 3				SDG 12
GRI 2-28	Memberships of Association	Air-Conditioning, Heating and Refrigeration Institute(AHRI), American Society of Heating, Air-Conditioning and Refrigeration Engineers(ASHRAE), Business Roundtable, US Chamber of Commerce, State Chamber of Oklahoma, Longview Chamber of Commerce, National Association of Manufacturers, Kansas City Chamber of Commerce, Tulsa Regional Chamber of Commerce, Women in Manufacturing				SDG 17
	Stakeholder Engagement					
GRI 2-29	Approach to stakeholder engagement	Materiality & Stakeholder Engagement p. 8				SDG 17
	Disclosures on Material Topics					
GRI 3-1	Process to determine material topics	Materiality & Stakeholder Engagement p. 8				SDG 12
GRI 3-2	List of material topics	Materiality & Stakeholder Engagement p. 8				SDG 12
GRI 3-3	Management of material topics	Materiality & Stakeholder Engagement p. 8				SDG 12
	Economic Performance					
GRI 201-1	Direct economic value generated and distributed	See Form 10K				SDG 2, SDG 5, SDG 7, SDG 9
	Materials					
SASB RT-IG-440a.1	Materials sourcing	See Conflict Minerals Policy				SDG 12
	Energy					
SASB RT-IG-130a.1	Energy Management	(1) Total energy consumed 139237.2 GJ, (2) percentage grid electricity 100%, (3) percentage renewable 27%				SDG 12, SDG 13
GRI 302-1	Energy consumption within the organization	Energy Use by Source	2021	2020	2019	SDG 7 SDG 12 SDG 13
		Purchased Electricity (MWh)	38,677	35,006	32,883	
		Natural Gas (MMBTU)	25,525	20,667	16,698	
GRI 302-3	Energy intensity	Energy p. 25				SDG 13
GRI 302-4	Reeducation of energy consumption	Energy p. 25				SDG 13
GRI 302-5	Reductions of energy requirements in products and services	Products p. 15				SDG 13

ESG Disclosure Content Index						
Standard	Disclosure Language	2021 Response				Related SDG
	Water					
GRI 303-3	Water Withdraw	Total Water Withdraw (in gallons)	2021	2020	2019	SDG 6, SDG 8, SDG 12
			3,815,613	10,928,300	11,237,200	
	Emissions					
GRI 305 1 & 2	Scope 1 & 2 Emissions	2021	2020	2019	SDG 6, SDG 8, SDG 12	
		18,837.59 Mt	19,366 Mt	18,415 Mt		
	Waste					
GRI 306-4	Waste diverted from disposal	Recycle by Type	2021	2020	2019	SDG 3, SDG 6, SDG 12, SDG 13, SDG 14, SDG 15
		Metals (tons)	13,796	11,741	9,386	
		Waste to Energy (tons)	460	556	523	
		Hazardous Waste (tons)	68	72	58.5	
	Employment					
GRI 401-2	Benefits provided to full-time employees	Employee benefits p. 31				SDG 3
	Occupational Health and Safety					
GRI 403-1	Benefits provided to full-time employees	Workplace Health and Safety p. 26				SDG 3
GRI 403-2	Hazard Identification, risk assessment and incident investigation	Workplace Health and Safety p. 26				SDG 3
GRI 403-3	Occupational health services	Workplace Health and Safety p. 26				SDG 3, SDG 8
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace Health and Safety p. 26				SDG 3
GRI 403-5	Worker training on occupational health and safety	8,520 hours				SDG 3, SDG 8
GRI 403-6	Promotion of worker health	Workplace Health and Safety p. 26				SDG 3
SASB RT-IG-320a.1	Work related injuries (1) Total Recordable Injury Rate (2) Fatality Rate, and (3) Near Miss Frequency Rate	(1) 2021 - 2.53 2020 - 3.6 (2) 2021 - 0 2020 - 0 (3) Not disclosed				SDG 3
	Training and Education					
GRI 404-1	Average hours of training per employee	Quality, Safety, Maintenance and Professional Development: 32,467 hours. Average hours per employee: 12				SDG 4, SDG 5, SDG 8
GRI 404-2	Programs for upgrading employee skills	AAON Career Development p. 28				SDG 8
	Diversity and Equal Opportunity					
GRI 405-1	Diversity of governance body and employees	Diversity and Inclusion p. 30, Governance p. 36				SDG 5, SDG 8
	Local Communities					
GRI 413-1	Operations with local community engagement, impact assessments and development programs	Corporate Social Responsibility p. 33				SDG 11, SDG 17
	Environmental Responsibility Targets					
	Reduce Scope 1 & 2 Emissions by 10% by 2025	Environmental Responsibility p. 21				SDG 13
	Increase Hazardous Material Recycling Rate by 10% by 2025	Environmental Responsibility p. 21				SDG 12
	80% of total equipment sales will be non-fossil fuel consuming products by 2030	Environmental Responsibility p. 21				SDG 13

Pushing boundaries for
a more sustainable future.

