

2006 Environmental, Safety, and Health Report

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This report summarizes Ingersoll Rand’s environmental, safety, and health (ESH) activities for 2006, unless otherwise noted. The format is based in part on the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines. Additional information on topics in this report is available on our website.

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Chairman's Message

In October 2006, Ingersoll Rand celebrated 100 years of continuous listing on the New York Stock Exchange—a notable achievement that speaks clearly to the long-term sustainability of our company. We achieved this milestone because of our vision, business strategy, and our passion for Inspiring Progress.

Every day, Ingersoll Rand employees are innovating, applying new technologies, and working collaboratively to inspire progress. Because of this, we can change the world for the better. This ability makes our company better able to serve our customers and have a positive impact on the lives we touch through our products, services, solutions, expertise, and citizenship.

An important component of citizenship is our environmental, safety, and health (ESH) practices. We have integrated ESH into our core business strategy. Of the 19 common measures we use to evaluate our progress in critical operational and financial areas across each of our businesses, two are ESH measures: lost workday case rate and total hazardous waste. These measures function as a diagnostic opportunity to adjust our activities when necessary. As a result, we can ensure that ESH management is integrated with our overall enterprise performance and our long-term business goals.

Ingersoll Rand is committed to investing significantly in product development, including solutions that improve efficiency and deliver environmental benefits. One recent innovation is a Thermo King auxiliary power unit that powers the air conditioning, heating, and electrical appliances in the cab of a truck when it is parked, eliminating the need to continuously run the engine. This new product reduces fuel use and vehicle air emissions, helps customers comply with anti-idling laws, and improves driver comfort. This product is one of many highlighted in this report that

demonstrate the strong connection between ESH leadership and business success.

In addition to describing solutions that help our customers conserve energy, this report highlights products that are ergonomically innovative and promote the health and safety of our customers and consumers. Our cold chain products keep food safe from the farm to the retail store. And our industrial equipment performs a vital role in the development and growth of economies throughout the globe.

As a global citizen, we take seriously our responsibility to be a good steward of the natural environment, to be a good neighbor to the communities in which we operate, and to provide a safe and healthy workplace for our employees. This report reflects our commitment as we continue to improve our facility ESH performance and management systems.

I encourage you to read this report to learn more about Ingersoll Rand's ESH goals, programs, and performance. ESH citizenship is driven by the values that define our company: integrity, respect, teamwork, innovation, and courage. ESH management is a key component of our business strategy and our passion for Inspiring Progress.

I welcome your interest in Ingersoll Rand and our journey to ESH excellence. Your feedback on this report helps us continue to innovate and improve.

Sincerely,



Herbert L. Henkel
Chairman, President and
Chief Executive Officer



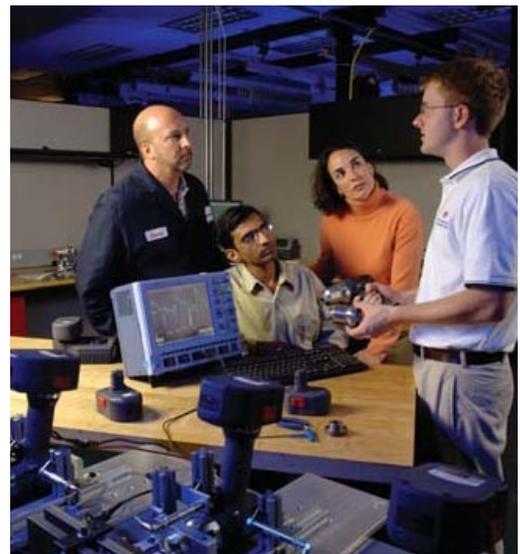
Company Profile

Since its inception a century ago, Ingersoll Rand has focused on results. We create products and services that have a positive impact on industries, on economies, and most importantly, on our customer. We're proud of our heritage of inspiring progress across diverse industries, stewarding the world's environmental resources responsibly, and ensuring the safety and health of our employees.

About Ingersoll Rand. Today, we provide products, services, and integrated solutions to industries ranging from transportation and manufacturing to food retailing, construction, and agriculture. Our diversification is reflected in the depth of our portfolio of market-leading industrial and commercial brands. These brands include Bobcat compact equipment; Club Car golf and utility vehicles; Hussmann stationary refrigeration equipment; Ingersoll Rand industrial and construction equipment; Schlage locks; and Thermo King transport temperature-control equipment, among others.

We inspire progress by unleashing the potential in people and technologies. We do this chiefly through our technological innovations, which help companies worldwide

to be more productive, efficient, and secure. In every line of our business, Ingersoll Rand helps our customers create progress.



Our Values

Our values represent the high standards to which we hold ourselves in our everyday operations at Ingersoll Rand. All business decisions are made with consideration given to these basic principles:

- **Integrity.** We act in the highest legal and ethical standards in everything we do.
- **Respect.** We communicate and act in ways that respect and value the worth of all people, cultures, viewpoints, and backgrounds.
- **Teamwork.** We work together and share resources to provide greater value to our customers, employees, business partners, and shareholders.
- **Innovation.** We use our diverse skills, talents, and ideas to develop innovative, imaginative, and creative solutions to challenges.
- **Courage.** We speak up for what is right and take measured risks so our company can thrive.

Global Operations

Ingersoll Rand maintains manufacturing facilities, warehouses, offices, and repair centers throughout the world. We employ approximately 40,000 people worldwide, approximately 19,000 of whom work in the United States. To support our growth outside North America, we have expanded our manufacturing capabilities in key global regions through acquisitions and investments in China and other countries.

In its “Global Most Admired Companies 2007” feature, FORTUNE magazine ranked Ingersoll Rand number 6 in its category. To arrive at the industry category rankings, the Hay Group, a management consulting firm, started with the FORTUNE 1,000 – the 1,000 largest US companies ranked by revenue – and the top foreign ones operating in the US. Hay sorted them by industry and selected the ten largest in each. To create the 63 industry lists, Hay asked executives, directors, and analysts to rate companies in their own industry on eight criteria, from investment value to social responsibility using a scale from 1 to 10. Only the best are listed as most admired: A company’s score must rank in the top half of its industry survey. Ingersoll Rand’s overall score was 6.25.

Sales (in billions)

2002	\$8.6
2003	\$9.0
2004	\$9.4
2005	\$10.5
2006	\$11.4

2006 Revenues by Sector (in billions)

Climate Control Technologies	\$3.2
Compact Vehicle Technologies	\$2.6
Construction Technologies	\$1.4
Industrial Technologies	\$1.9
Security Technologies	\$2.3

Number of Manufacturing Facilities by Sector

	US	Outside US
Climate Control Technologies	9	14
Compact Vehicle Technologies	3	2
Construction Technologies	3	3
Industrial Technologies	11	14
Security Technologies	10	20

ESH Stewardship through Product and Service Innovation

Through our products and services, we help companies become more efficient, innovative and successful.

“All of us have a role to play in making our company, our communities, and our planet as safe and environmentally sound as they can be.”

— *Herbert L. Henkel*
Chairman, President and CEO

Across the company, Ingersoll Rand develops products and services that help businesses to reduce energy consumption and costs, decrease harmful environmental emissions, and protect human health and safety. In this report, we highlight some of the dozens of technologies and services Ingersoll Rand has pioneered in recent years. From microturbines that transform methane gas into power, to antiviral, antibacterial, and odor protection for bus and rail passengers, Ingersoll Rand provides technologies and services that reduce ESH impacts across a range of global markets.

Each of our business sectors promotes ESH stewardship through product and service innovation. In this report, we describe how these products and services are enabling businesses to reduce their ESH impacts. And we touch upon ways that these innovations are shaping the lifestyles and livelihoods of the people who make contact with them around the world each day. Through our products and services, Ingersoll Rand is helping businesses contribute to economic, social, and environmental progress.

Climate Control Technologies

The Climate Control Technologies Sector provides equipment and services for transport and stationary refrigeration that increase energy efficiency, reduce fuel consumption and emissions, and remove contaminants from enclosed spaces.

- Hussmann’s Impact Excel low temperature display cases for merchandise feature technology that enables 15 percent greater energy efficiency on average than our standard models, and **21 percent greater efficiency** on average than the competition. Each display case includes Hussmann’s full length, continuous-tube coils that are designed to lower energy costs and reduce refrigerant leaks. Discharge air louvers further reduce energy consumption by decreasing turbulence.
- Hussmann has introduced an integrated night curtain for use in medium temperature, multi-deck merchandisers. The night curtain **cuts energy use by about 41 percent** while the curtain is down, or by more than 12 percent overall if the curtain is used 6 hours per day. An integrated channel fully conceals the curtain when not in use.

- The Hussmann Protocol HE distributed refrigeration system is 20 percent more energy efficient than the existing low-temperature Protocol design. The proprietary design **reduces the refrigerant charge by 60 to 90 percent** when compared to a standard parallel rack. Named after the Montreal Protocol—the first worldwide agreement to phase out chlorofluorocarbon (CFC) use—the Protocol HE has been designed to reduce the amount of tubing joints, thereby decreasing the likelihood of refrigerant leaks throughout the system’s life.
- Compared to standard doors, Impact Innovator doors on Hussmann refrigeration units provide 25 percent energy savings, and Impact Innovator II doors provide **40 percent energy savings**.
- Thermo King packages electric heating, ventilating, and air conditioning (HVAC) tech-

nology as a solution to help reduce engine emissions from buses. Bus manufacturers in the United States have been developing hybrid vehicles for more than ten years using a combination of battery packs and smaller engines. The successful application of **all-electric HVAC systems further reduces emissions** by using smaller systems that can run at a constant capacity regardless of engine speed. Because these systems are sealed and tested at the factory like a home refrigerator, reliability is improved while maintenance and repair costs are reduced.

- Thermo King’s air quality and air purification initiatives address one of the public’s top indoor air quality concerns by developing products that provide antiviral, antibacterial, and odor protection for bus and rail passengers. Three initiatives are currently being tested and evaluated. The

“Before TriPac, we were averaging 40 to 50 percent idle time. Now, we’ve reduced idle time to basically nothing.”

—Ralph Moyle, Inc.
Ingersoll Rand customer

Long-haul tractor-trailer rigs waste more than 800 million gallons of fuel each year in the US idling at truck stops while their drivers sleep and rest, as required by local and federal regulations. Recognizing the huge burden these restrictions impose on truck and bus companies, Ingersoll Rand business unit Thermo King, a leading developer of refrigeration systems for transporting food and other perishable goods, introduced the TriPac Auxiliary Heating/Cooling Temperature Management System in 2005 to its US network of 200 factory-authorized service dealers.

The TriPac eliminates the need to idle truck and tractor engines for heating, cooling, and powering

accessories in the cab or sleeper compartment. The TriPac consumes up to 85 percent less fuel than diesel engine idling, reducing long-haul tractor-trailer idling emissions and alleviating trucking companies of the financial burden of today’s high fuel costs. With the new technology, owner operators can save hundreds of dollars a month in fuel costs. Depending upon how much time a truck spends idling and other factors, customers can gain a full return on their investment to purchase the technology within 18 months through savings in energy costs alone.



Smithfield Transportation Co. and its Packerland Transport subsidiary have purchased close to 200 TriPac units to reduce engine idling by tractor fleets.

first initiative is a new product named EnviroFresh that is dispensed through the HVAC system for **odor control and anti-bacterial protection**. The active ingredients in this product are known to have anti-viral capability as well. The second initiative is the application of ultraviolet light, which can kill harmful bacteria and viruses in the air. The third initiative addresses air filtration with the use of new high-airflow, low-micron filtering media. The media will trap more and finer particulates over a longer period of time with less reduction in airflow compared to conventional filters. The filtering media can also be treated with anti-microbial substances that trap and neutralize airborne microbes.

- Thermo King's innovative transport refrigeration equipment enables food distributors to address environmental concerns such as atmospheric ozone depletion, noise, and diesel fuel emissions. Thermo King's cryogenic-powered SB-III CR temperature control system uses carbon dioxide, a naturally occurring refrigerant, for heating and cooling. This system **eliminates the need for, and emissions of, ozone-depleting commercial refrigerants** and allows refrigeration equipment to operate without running a diesel engine.
- Climate Control's service branches provide an audit service for monitoring energy consumption. They assess efficiencies in refrigeration, lighting, and other electric-powered equipment, revealing **opportunities to reduce electrical costs**.

Industrial Technologies

The Industrial Technologies Sector is a collection of businesses that provide products and solutions to enhance industrial efficiency and worker safety and offer environmental benefits through waste reduction, pollution prevention, and energy-efficient power and equipment.

- The Air Solutions nitrogen tire inflation system, NitroFill, helps deliver fuel efficiency. Industry and government studies suggest that tires filled with compressed nitrogen rather than compressed air hold their pressure longer, which improves gas mileage by as much as 4 percent. The NitroFill system also provides safety benefits as tires that hold their pressure longer, handle better, and minimize the risk of catastrophic blowouts. The same studies also suggest that nitrogen-inflated tires last up to 40 percent longer than those filled with regular compressed air. Longer tire life means that fewer tires end up as waste. For commercial tire users, nitrogen helps reduce the amount of time needed between tire re-treading or replacement. Considering that tires are essentially petrochemical products, it makes even more sense to extend the life of a tire. According to the Tire Retread Information Bureau, it takes approximately 7 gallons of crude oil to produce a large-size tire retread, and more than 22 gallons to manufacture an entire tire. Inflating tires with nitrogen can **save millions of gallons of crude oil every year**.
- Ingersoll Rand is the leading supplier of Heat of Compression Air Dryers. This unique

product **provides clean dry air while consuming less power than a light bulb**, allowing our customers to greatly reduce their power consumption.

- The company's Nirvana variable speed drive air compressor has fewer rotating parts than any other air compressor in its class. In a conventional air compressor, starting up the drive motor creates an enormous energy draw, which can be as much as 800 percent of the full-load normal running current. Nirvana's Hybrid Permanent Magnet® motor and drive system limits the in-rush current to less than 100 percent. The significant decrease in starting amp requirements

minimizes peak charges, **leading to reduced energy use and cost.**

- Air Solutions also provides unique audits of customer air compressor systems. These audits typically reveal ways to **lower energy use and costs** through improved system design.
- Ingersoll Rand was selected to be the sole provider of compressed air systems for Tereos, a French company specializing in the conversion of sugar beets into sugar. Tereos purchased three air compressors, chemical absorption dryers, and a remote control system for the new bio-fuel production plant in Reims, France. France is aggressively

With ever-mounting pressures on the energy grid, more companies are turning to onsite electricity generation, also known as distributed generation (DG) technologies, as a source of environmentally friendly alternative energy.

Ingersoll Rand, through its Energy Systems business, is a leading pioneer of microturbines, the cleanest-burning type of combustion DG technology. Microturbines combine a gas-turbine engine, recuperator and generator as an integrated system that converts fuel into electricity and thermal energy. Ingersoll Rand microturbines, which are available in 70-kilowatt and 250-kilowatt models, have been engineered to produce electricity from a wide range of fuels, such as methane waste gases that emanate from landfills and wastewater treatment plants, and high-energy associated gases generated during oil production.

Ingersoll Rand microturbines also can harness and use thermal heat produced during energy generation. This heat can be circled back into the generator to promote its efficiency, as well as to heat water and power other

onsite processes. Combined heat and power (CHP) applications can be as much as 50 percent more energy efficient than conventional energy generation systems.

Microturbines are also a source of interest in developing regions of the world, particularly in Asia. China, India, Thailand, Malaysia, Indonesia, and Singapore have begun to implement DG policies that favor the use of technologies that enhance power reliability, reduce energy costs, and improve environmental conditions.

The city of Shanghai, China, for instance, has implemented a policy supporting high-efficiency CHP projects. The government will allow connection to the grid, provide gas price subsidies, and reduce import duties for qualified projects. In 2006, Ingersoll Rand became the first DG company to receive grid-parallel permitting from the government with a microturbine-based CHP project at the Minhang Industrial Estate.

An Ingersoll Rand microturbine-powered installation received a 2005 CHP Partnership certificate of recognition from the US Environmental Protection

Agency (EPA). The CHP system is used in high-rise apartment buildings for regulating electric and hot water demands. The CHP system is powered by an Ingersoll Rand natural gas-fired microturbine. Heat recovered from the microturbine's exhaust and lube oil-cooling circuit is used to produce hot water. The system reduces carbon dioxide emissions by an estimated 100 tons per year.

The Ingersoll Rand 250-kilowatt microturbine system became the first microturbine to be certified as complying with the California Air Resource Board's 2007 emissions standards for DG technologies. Compared with a typical utility scale power plant generating the same amount of electricity, the microturbine reduces emissions of nitrogen oxides by more than two tons annually.



A microturbine at a wastewater treatment plant in California

seeking **alternative energy options to replace fossil fuels.**

- Energy Systems offers clients energy savings and environmental benefits with no risk through innovative Environmental and Energy Services Agreements. Industrial, commercial, and environmental users can benefit from **power security and controlled energy costs** while contributing to a cleaner environment.
- Productivity Solutions offers an oil dispensing and evacuation unit that improves an automobile dealership's ability to comply with environmental regulations and **eliminate oil spillage in its facilities.**
- Ingersoll Rand air starters, from Productivity Solutions, provide an ecological advantage over electric starters in a variety of applications, including on- and off-highway vehicles, oil and gas, power generation, marine, rail, and mining. In addition

to providing the most reliable starting performance, air starters outlast electric starters 3:1, as well as **reduce battery usage and disposal.** By eliminating exposure to sparks from electrical systems and optional gas-sealed modules, air starters are the safest starting method. With today's increasing anti-idling laws for buses and trucks, the air starter's rugged design allows for increased starting frequency and reduced emissions to the environment.

- Productivity Solutions offers many ergonomic improvements through the Zimmerman handling systems, Ergo Power Tools, ARO and Ingersoll Rand balancers, and other equipment. For example, Ingersoll Rand manual hoists **help prevent worker injuries** from lifting heavy materials. Other Ingersoll Rand equipment helps auto industry employees be more efficient and reduces the risk of injuries associated

Ingersoll Rand Air Solutions is the first manufacturer in the world to be certified Class Zero for centrifugal air compressors. Concurrently, Ingersoll Rand has received Class Zero certification in their oil free rotary screw line of compressors. The certifications were granted to the entire range of Ingersoll Rand air-cooled and water-cooled oil-free rotary screw compressors (37 to 350kW) and water-cooled, oil-free centrifugal air compressors (160 to 5000 kW) by TÜV Rheinland®, an independent testing and assessment agency.

The most stringent of all ISO 8573.1 classifications, Class Zero certification was added in 2001 in response to critical applications where air purity is essential, such as the pharmaceutical, food and beverage, electronics and textiles industries. The certification recognizes compressors that discharge air free of added oil aerosols, vapors and liquids.

"The rigorous tests performed by TÜV Rheinland show

our commitment to providing best-in-class equipment for our customers," said Eric Seidel, General Manager for Ingersoll Rand Industrial Air Solutions Business Unit. "The Ingersoll Rand Class Zero solution means lower operating costs, improved productivity and risk avoidance."

With maintenance expenses comprising a significant percent of lifecycle cost, Ingersoll Rand oil-free centrifugal and rotary screw air compressors enable plants to better manage operating costs, minimizing the need for coolant oil, inline filters and oil / air separator components. By eliminating the risk of compressor-created contaminants, air system components last longer and ensure higher quality air.

Ingersoll Rand oil-free technology also helps companies avoid risk. Oil-contaminated air can spoil and ruin products, creating significant losses of revenue and customer trust. High-quality air reduces

liability and the potential of product recalls.

Certified Class Zero air compressors deliver consistently clean air to critical applications. By providing pure air, free from additional contaminants, Ingersoll Rand compressors minimize downtime associated with cleaning filters and other air system components. Oil-free technology increases productivity and ensures higher overall product quality.

Ingersoll Rand oil-free rotary screw and centrifugal air compressors also help manufacturers comply with environmental standards such as ISO 14001 and EU requirements. Because the compressors are oil-free, manufacturers do not encounter disposal issues with waste oil and filtration components. Disposal of air compressor condensation can also be an issue in lubricated compressors. By creating a clean condensate that is easier to dispose, oil-free compressors don't require special treatment for oil and water mixtures.

with the use of weld guns. In addition, safety features on the computerized torque wrench relieve strain and can help to reduce repetitive motion injuries.

- With workplace safety and liability a constant concern for manufacturers, Ingersoll Rand has launched a tool safety program featuring a grinder safety video, brochure, and workplace posters. The 18-minute video focuses on potential risks, preventive measures, and the role operators play in workplace safety. The program is available in six languages and includes information on codes, standards, and documentation; personal protective equipment; air delivery system safety; abrasive wheel handling and mounting; protective grinder features; and safe grinding techniques. Preventable accidents are simply unacceptable in industry today; Ingersoll Rand will continue to **improve product safety** and provide programs such as this one to help limit future accidents.

Compact Vehicle Technologies

The Compact Vehicle Technologies Sector provides versatile, compact vehicles and machines for construction and for efficient movement of people and goods. The sector has focused on reducing the environmental impact of its vehicles.

- Club Car sells remanufactured golf cars. Not only does this provide a low-cost option to purchasers, it **extends the useful life of vehicles** after golf course leases expire.
- Bobcat K-Series loaders feature the SmartFAN cooling system—a hydraulically driven cooling fan that senses machine operating temperatures and then self-regulates to rotate only as fast as needed. The temperature-controlled, variable-speed fan optimizes the cooling needs of the loader and can be **30 percent quieter** in some operating conditions, which is beneficial to both operators and bystanders.
- Bobcat offers purifier mufflers for much of its equipment. These mufflers **reduce certain harmful exhaust emissions**.

Given the increase in energy prices and heightened environmental concerns, Club Car has been at the forefront of producing innovative technologies that reduce the use of gasoline and in turn reduce harmful environmental emissions. The new electrical drive, called IQ Plus, provides power and performance similar to gasoline-powered engines. Benefits of the system, compared to earlier electric drive vehicles, include longer range, increased top speed, better hill climbing ability, more customization of settings, and improved diagnostics.

Club Car's system is unique in delivering power and reliability versus a gasoline-powered car with faster charge times that equate to fewer recharges to operate the vehicle. The Club Car IQ Plus system has the significant environmental benefit of producing no direct emissions.

Club Car has also created a Carryall utility vehicle with the ability to run electric-powered outdoor maintenance equipment. The one-of-a-kind unit is completely electric and has no direct emissions. This "Green Vehicle" was created to help New York Power Authority employees maintain a state park. It can power electric lawn mowers, hedge trimmers, weed whackers, and leaf blowers.

In addition, Club Car provides comprehensive energy management services addressing all aspects of a golf course owner's energy use. The Club Car system helps owners recharge their fleets during off-peak hours when utility demands (and rates) are lowest. The system typically yields savings of hundreds of dollars a month.

In early 2006, Club Car launched an online Energy Cost Estimator tool on its website (www.clubcar.com) to help fleet golf car and utility vehicle owners as well as golf course operators calculate the cost of ownership for gasoline versus electric golf cars.



Club Car's Carryall 2 Plus utility vehicle

- Most Bobcat products are equipped with spark arrestor mufflers approved by the US Department of Agriculture. These **minimize the risk of creating a potential fire hazard** in certain work environments.
- Bobcat uses powder coat paint on its products, a process that results in **virtually no hazardous waste** at the point of manufacture, as well as nonhazardous propylene glycol in machine cooling systems.
- Bobcat machines have a variety of features specifically designed for operator safety: roll-over protective structures and falling object protective structures; various patented lock-out systems; skid-resistant steps, treads, and grab handles for entering and exiting machines; and patented secondary restraint systems (seat bars) and seat belts. The exclusive Bobcat deluxe instrument panel includes a keyless start security system, function lockouts, and catastrophic failure shutdown systems—all of which provide **safety advantages**. The panel can report this information in eight different languages.
- Bobcat offers operator and service **safety training kits** to owners and operators, promoting proper use of machines in English and Spanish.
- Bobcat offers a dedicated Training Resources website, providing **public access to all of its training materials** (www.bobcat.com or training.bobcat.com).



Construction Technologies

The Construction Technologies Sector provides equipment that supports responsible ESH performance in the construction, renovation, and repair of public works and private projects.

- Light towers **protect the safety of construction workers** at night. Product innovations include efforts to reduce ambient light pollution.
- A new line of PowerSource mobile generators introduced in 2006 has environmentally responsible features, including noise reduction and fluid containment. The PowerSource line is the only one in the industry to offer voltage selector switch protection with an automatic shut-off. PowerSource generators feature environmental skidbases that provide **a minimum 110-percent containment of all generator fluids for cleaner, safer worksites** and reduced potential for environmental contamination. All controls and connection points are grouped in an ergonomically designed power pedestal for convenience and safety.



Security Technologies

The Security Technologies Sector provides products and solutions to enhance the security and safety of residential, commercial, and industrial facilities and equipment.

- When considering exit devices, safety is the number one concern. Even with a door loaded to 250 pounds, the Von Duprin XP 98/99 requires less than 40 pounds of pressure to open. That is 25 percent less than the US fire code requires. In an emergency situation, people can **more easily get to safety**. The XP 98/99 has a static load force resistance of more than 2,000 pounds—twice that of competitive exit devices. The “smart” latch changes shape when subjected to external forces. This new design enables the exit door to withstand an external attack and remain secure. Additionally, the patented latch bolt design provides a greater, long-lasting latch bolt/strike contact—not easily affected by the twisting motion of a weak frame—resulting in an opening that remains strong.

- Other safety benefits of Security Technologies products include **safe egress during fires or other emergencies** with Von Duprin panic bars and **enhanced personal safety and security** through locks and locksets, door closers, steel doors and frames, portable security devices, electronic and biometric access control systems, and closed-circuit television monitoring.
- NORMBAU, part of Security Technologies, is the first worldwide manufacturer to offer architectural hardware, bathroom accessories and fittings, and toilet partitions with long-lasting, effective antibacterial protection. NORMBAU incorporates Microban® antibacterial protection into the polymer structure of the nylon during the production process. It cannot be washed away or rubbed off, and remains continually active to ensure that the antibacterial effect remains for the duration of the product’s life cycle. The homogeneous distribution of the agent throughout the product provides effective and **long-lasting prevention of germ build-up**, significantly reducing cross-contamination from contact areas—even in the most inaccessible places. The vicious cycle of continual germ transmission can thereby be broken in an effective manner in places such as schools and hospitals.

When teachers and school police officers train at the Safe Schools Institute in Boca Raton, Florida, US, they also receive an education on products offered by Ingersoll Rand Security Technologies. The institute’s campus includes the Don Estridge High Tech Middle School which is a showcase for cutting-edge teaching technologies and cutting-edge safety and security. The classes at Don Estridge are monitored from the institute, via cameras, for training educators, administrators and school police officers on how to offer the safest academic environment possible. The school is equipped with a number of Security Technologies offerings, including Schlage VIP locksets, Recognition Systems HandKey II biometric handreaders, and Schlage’s Security Management Software (SMS). The SMS system controls the classroom doors and monitors the school’s security cameras.

Vision and Strategy

Ingersoll Rand's corporate vision is dedicated to driving shareholder value by achieving Dramatic Growth, Operational Excellence, and Dual Citizenship.

Our Business Vision

Our pursuit of Dramatic Growth is based on our commitment to developing new, innovative solutions for our customers. In addition, Dramatic Growth involves the pursuit of market share and revenue growth through strategic acquisitions that expand our product offerings and enhance our competitiveness. It also involves the growth of recurring revenues from aftermarket parts and installation, maintenance, and other services.

Operational Excellence is a strategy that aims to improve operating performance. By pursuing continuous improvement in all of our operations through initiatives such as Lean Six Sigma, we intend to control costs and improve efficiencies for greater cash flows from operations and operating profit.

Dual Citizenship is our term for collaboration among our people and our businesses. Through Dual Citizenship, we are unleashing the collective strength of the enterprise by working collaboratively across our businesses, markets, and geographies; applying best practices; sharing information; transferring knowledge; and delivering enhanced product and service offerings to our customers.

Ingersoll Rand Leadership

Ingersoll Rand has an aligned leadership structure comprised of two teams of senior managers—the Enterprise Leadership Team and the Business Leadership Team—who work together to drive customer, shareholder, and internal value.

The Enterprise Leadership Team is comprised of Ingersoll Rand Chairman, President and Chief Executive Officer Herb Henkel, the sector presidents, and other senior leaders. The Enterprise Leadership Team provides strategic direction across the Ingersoll Rand enterprise, positioning the company to achieve Dramatic Growth, Operational Excellence, and Dual Citizenship. The Business Leadership Team consists of senior leaders from Ingersoll Rand business units and the Corporate Center. The Business Leadership Team executes strategy at the business/functional level.

To keep management apprised and engaged, the ESH corporate director reviews the company's ESH performance with the Enterprise Leadership Team. In 2006, each business sector president met with the ESH corporate director and corporate ESH staff to review the sector's ESH performance results. In addition,

starting in 2007, the sector presidents and senior management will receive an update on ESH performance at least annually.

ESH Vision and Strategy:

Supporting the Company's Vision

Our ESH vision was developed to reflect each of the three components of the corporate vision: Dramatic Growth, Operational Excellence, and Dual Citizenship. From this vision, we created an ESH strategy to drive our programs and performance.

Our strategy includes ESH policies and practices that support Ingersoll Rand's Dramatic Growth. Our ESH professionals track and evaluate ever-changing global ESH issues, including sustainable development, climate change, and product end of life; prepare shareholder documents; assist with due diligence support for mergers and acquisitions; integrate ESH policies and procedures of acquired companies; and develop ESH management systems to properly address all Ingersoll Rand operations.

To help Ingersoll Rand companies achieve and maintain ESH Operational Excellence, ESH professionals provide assistance with achieving regulatory compliance; track and plan for new regulations; establish ESH requirements for all Ingersoll Rand companies; provide portfolio management assistance for remediation projects; assist product manufacturing with process development; manage data; and identify and manage costs to ensure resources are prudently spent.

We support Dual Citizenship through our system for sharing best practices across the company; by communicating across the company on ESH issues that affect Ingersoll Rand facilities; and by providing regional guidance on implementing programs and best practices through our regional councils.

Sector and Business Unit ESH Goals Drive Performance Improvement

Continuously improving ESH performance contributes to our corporate vision and ESH strategy. Each year, the sectors establish ESH goals at the sector, business unit, or facility level in the areas of lost workday case rate, total recordable case rate, hazardous waste disposal, or other areas as appropriate to each business unit's operations.

Engaging Stakeholders

Our stakeholders are similar to those of other publicly traded companies. They include:

- customers and consumers;
- employees and their families;
- retirees;
- shareholders and investor groups;
- suppliers and contractors;
- neighbors and community groups;
- regulators, legislators, and political leaders;
- nongovernmental organizations (NGOs); and
- academia.

Ingersoll Rand is a member of the Business Roundtable, an association of chief executive officers of leading US companies. The Roundtable is committed to advocating public policies that ensure vigorous economic growth, a dynamic global economy, and a well-trained and productive US workforce essential for future competitiveness. Ingersoll Rand participates in the Business Roundtable's Climate RESOLVE (Responsible Environmental Steps, Opportunities to Lead by Voluntary Efforts) initiative, which seeks to have every company in every sector of the economy undertake voluntary actions to control greenhouse gas (GHG) emissions and reduce the GHG intensity of the US economy. In addition, Ingersoll Rand participates in the Business Roundtable's S.E.E. (Social, Environmental, Economic) Change Initiative, which promotes better business and a better world by encouraging Roundtable members to adopt sustainability principles as a business planning tool and to showcase the results achieved. The initiative asks America's leading companies to set challenging goals for environmental and social improvement, and to meet these goals in a manner that creates business value.

Ingersoll Rand is also a member of the Organization Resources Counselors (ORC). The ORC mission is to contribute to the definition and achievement of human relations and organizational goals by executives in business, government, and nonprofit organizations worldwide. Ingersoll Rand actively participates in the Occupational Safety and Health Group, Lawyers Group, and Medical Benefits Group within ORC.

Ingersoll Rand is a member of the Manufacturers Alliance/MAPI. The alliance promotes technological and economic progress of the United States through studies and seminars on changing legal, economic, and regulatory conditions affecting industry. Ingersoll Rand actively participates in many of the MAPI councils, including the environmental council.

Governance Structure and Management Systems



Ingersoll Rand conducts its worldwide business operations in a safe and environmentally responsible manner.

Achieving Goals through Our ESH Policy

Our global operations, and companies in which Ingersoll Rand has greater than a 50 percent ownership, operate under a common ESH policy. We periodically review our ESH policy to ensure it continues to meet our needs and the growing expectations of our key stakeholders. The policy was formally

reviewed in 2007 and last revised in 2006.

The Ingersoll Rand ESH policy is available in English, Chinese, Czech, Danish, Dutch, French, German, Gujarati, Italian, Japanese, Kannada, Portuguese, Russian, Spanish, and Turkish and is posted at all Ingersoll Rand facilities.

Ingersoll Rand Environmental, Safety, and Health Policy

Ingersoll Rand embraces its responsibility to operate in a manner that protects the environment, and human health and safety in order to support the company's long-term growth and reputation as a responsible corporate citizen. We will meet this responsibility by the following actions:

As a minimum level of performance, we will comply with global, national, state, and local statutes, regulations, standards, and other requirements protecting the environment, and human health and safety. In the absence of laws and regulations, or where they are simply not adequate for our operations, we will apply sound environmental, safety, and health (ESH) management practices.

We will establish global internal ESH standards that are robust, scientifically sound, and protective of the environment, and human health and safety.

We will conduct regular audits to verify compliance with regulatory requirements and company standards.

We will implement ESH management systems to identify and manage ESH risks, obligations, and opportunities. We will establish specific ESH metrics to measure and report on our performance.

We will incorporate ESH considerations into our business decision-making processes. We will work to prevent accidents, injuries, and unsafe work conditions, promote energy and water conservation, encourage the reuse and recycling of materials, and reduce waste and

emissions, and the use of hazardous substances in our operations. We will share ESH best practices across the company.

We will monitor emerging issues and keep abreast of regulatory changes, technological innovations, and stakeholder interests. We will strive to develop effective and sustainable solutions to ESH challenges arising from our business activities.

We will regularly communicate relevant and meaningful information about our ESH performance to our internal and external stakeholders.

It is the responsibility of corporate ESH staff to establish policy, govern compliance, and review the company's ESH performance with company and business unit management on a periodic basis, including compliance with this policy. In addition, corporate ESH will facilitate participation in training and conferences to foster sharing of best practices across the enterprise.

Each business unit is responsible for implementing this policy, allocating adequate resources, and developing ESH programs. Employees and on-site contractors are responsible for integrating sound ESH practices into their everyday activities, and acting in a manner that is protective of the environment, and human health and safety.

This policy will be reviewed annually and updated as needed.

Ingersoll Rand is working to better integrate ESH into the company's business decisions and practices. For example, we are rolling out a new enterprisewide Business Operating System (BOS), which will yield benefits that extend beyond financial rewards. The BOS will create a safer work environment by implementing Lean tools and methodologies—and weeding out unsafe work practices. The BOS will drive financial and ESH benefits for the company.

Ingersoll Rand has identified six Enterprise Focus Areas (EFAs) to support BOS. Our strategy is to focus on Global Leadership, World Class Operations, Innovation, Life Cycle Management, Customer Value, and Strategic Management. Training will be provided for each EFA to develop companywide practices. The goal is to take Ingersoll Rand from being a good company to a great one, without settling for “good enough.”

Global ESH Management and Organization

Ingersoll Rand has an ESH policy, requirements, standards, and programs that enable the company to conduct worldwide operations in a safe and environmentally responsible manner and to meet our ESH goals. These requirements, standards, and programs assist business managers and facilities in developing and implementing environmental solutions tailored to their needs. Through the company's Audit Committee, the Board of Directors oversees ESH policy and compliance as part of its corporate governance.

Responsibility for developing ESH programs and assuring that our operations meet and sustain compliance with all applicable local, national, and international laws lies with our Corporate Director of ESH in cooperation with the company's business managers. Guidance is provided by the ESH councils, which are comprised of Ingersoll Rand ESH professionals worldwide.

ESH professionals partner with others across Ingersoll Rand's operations and business functions. Our goal is to move from a compliance assurance model of ESH management to a business integration model, in which ESH is integrated into our day-to-day and strategic business decisions.

The following elements of our ESH management approach are critical to our success:

- **Management Commitment**—We require strong leadership, support, and participation by managers at all levels for our ESH policy and programs.
- **Training**—Ingersoll Rand is committed to training. This includes site-specific training relative to applicable regulatory requirements. It also includes workshops and newsletters that address compliance with corporate policies, standards, and programs, and that promote the use of best management practices to improve ESH performance within the company.
- **Communication**—We communicate to our employees and stakeholders about our ESH performance and ESH management system.
- **Measurement**—Through our ESH councils, we measure critical ESH parameters, such as emissions, waste generation, recycling efforts, energy usage, water usage, and frequency and severity of workplace incidents. It is through these measurements that continual improvement toward established objectives can be monitored and achieved.
- **Evaluation**—We conduct periodic evaluations at our operating facilities. Each operating department or business unit is accountable for addressing the evaluation results and preparing a corrective action plan.

ESH Professionals

Primary responsibility for ESH management resides with each Ingersoll Rand sector. Starting at the facility level, staffs efficiently manage compliance with governmental regulations and Ingersoll Rand policies. In addition, we have business unit and sector staff dedicated to ESH.

At the corporate level, ESH staff establish policies and guidelines, and manage risks associated with transactions and site cleanups. The assistant general counsel and corporate director of ESH reports to the vice president – corporate governance and secretary, who in turn reports to the general counsel, who is also a Board member. Sector, business unit, and facility level ESH personnel are responsible for reporting certain matters to the corporate director of ESH. If a situation were to arise requiring immediate attention, it would be communicated to the CEO through the general counsel or a sector president.

At the sector, business unit, and facility levels, many people have responsibility for ESH. To direct ESH activities globally, Ingersoll Rand formed ESH councils in the 1980s. Additionally, Ingersoll Rand sponsors annual ESH conferences to share ESH practices and to foster learning across the enterprise.

Global ESH Requirements Provide Clear Performance Expectations

Ingersoll Rand global ESH requirements apply to all facilities worldwide. The requirements cover a broad range of topics, including:

- development and maintenance of an ESH Management System;
- restrictions on asbestos, chlorinated solvents, lead, and cyanide material use;
- management and control of the use of underground storage tanks (USTs) and other subsurface structures;
- use, maintenance, and disposal of polychlorinated biphenyl (PCB)-containing electrical equipment;
- guidelines for regulatory agency inspections and communication with external audiences;
- authorization of ESH documents; and
- internal reporting requirements.

In addition, each Ingersoll Rand business and facility is required to investigate, understand, and address any additional ESH issues that apply and that are not satisfactorily covered by the ESH requirements.

Each Ingersoll Rand business and facility is required to comply with the specific local, state, and federal requirements that affect their operation.

In 2006, Bobcat Company's Gwinner, North Dakota, US, facility became the first Ingersoll Rand site within the United States to receive third-party certification to OHSAS 18001. The facility also became certified to ISO 14001 during the same year. This accomplishment reflects the leadership, commitment, and hard work of Bobcat employees throughout the site.

The Climate Control Technologies plant in Pamplona, Spain received OHSAS 18001 certification in 2006. By 2005, the plant had achieved ISO 9001 and ISO 14001 certification and decided to add the safety and health component addressed by OHSAS. It took a year of hard work, but the plant achieved its objective, and will continuously improve its practices regarding employees' safety and health.

ESH Management System

Ingersoll Rand requires each facility to have an ESH management system (ESHMS). The management system is modeled after ISO 14001 and OHSAS 18001. In 2006, the ESHMS was updated to more closely align with the OHSAS 18001 and ANSI Z10 standards, clarify

certain management system requirements, and mandate annual ESH self-assessments.

Eighteen Ingersoll Rand facilities have received third-party certification of their ESHMS to the ISO 14001 standard. Six of these facilities also received OHSAS 18001 (health and safety) certification.

ISO 14001 Certified Ingersoll Rand Facilities

<i>Sector</i>	<i>Location</i>	<i>Year certification was first achieved</i>
Climate Control Technologies	Barcelona, Spain	2005
	Galway, Ireland	2000
	Kolin, Czech Republic	2001
	Luoyang, China	2003
	Pamplona, Spain	1999
	Prague, Czech Republic	2001
	Shenzhen, China	2003
Compact Vehicle Technologies	Suzhou, China	2005
	Gwinner, North Dakota, US	2006
Industrial Technologies	Guilin, China	2006
	Naroda, India	2002
	Oberhausen, Germany	2005
	Pavlovo, Russia	2005
	Sahibabad, India	2006
	Shanghai, China	2005
Security Technologies	Uničov, Czech Republic	2003
	Leamington Spa, UK	2006
	Walsall, UK	2002

OHSAS 18001 Certified Ingersoll Rand Facilities

<i>Sector</i>	<i>Location</i>	<i>Year certification was first achieved</i>
Climate Control Technologies	Galway, Ireland	2006
	Kolin, Czech Republic	2005
	Pamplona, Spain	2006
	Suzhou, China	2005
Compact Vehicle Technologies	Gwinner, North Dakota, US	2006
Industrial Technologies	Sahibabad, India	2006
	Uničov, Czech Republic	2005

ESH Tools

ESH staff are provided with a variety of tools to achieve ESH requirements and program goals, including a company-wide newsletter, intranet site, conferences, training programs, and on-demand access to specialized expertise. Ingersoll Rand maintains an employee hotline, staffed by an external ESH consulting firm, to handle specific questions. In 2006, the hotline received nearly 120 calls covering a wide variety of issues, such as the EU product regulations for electrical products, ESH review of new chemicals, hazardous materials management, DOT requirements, spill management, toxic inventory and emissions reporting, and ESH training requirements.

A Code of Conduct hotline is also available for employees to voice concerns about business conduct confidentially.

ESH Councils Enhance Dual Citizenship

Ingersoll Rand has three regional ESH councils, covering North America, Europe, and Asia-Pacific. The council members include sector, business unit, and facility-level ESH staff, and additional environmental, risk, safety, and health experts. Corporate ESH professionals participate in all three councils. The roles and responsibilities of the council members are to:

- serve as representatives for their entire business unit;
- participate in developing or revising ESH policy, requirements, and guidelines;
- provide council meeting minutes and shared information to ESH contacts at the facilities;
- seek best practices throughout the business units to share with the council;
- serve as primary point-of-contact for the business unit for critical ESH communications;
- distribute critical ESH information promptly to all business unit facilities; and
- collect requested data from all business unit facilities.

In 2006, the North American ESH Council met once and held two teleconferences. The European ESH Council held a teleconference, and the newly formed Asia-Pacific ESH Council met for the first time in September.

Council meetings generally consist of a review and discussion of ESH subjects that impact Ingersoll Rand facilities. The meetings are typically held at or near an Ingersoll Rand facility and include a facility tour.

Topics generally discussed during the council meetings include:

- status of ongoing ESH programs;
- upcoming ESH programs;
- regulatory changes and how they will impact operations;
- ESH involvement in merger, acquisition, and divestiture activities;
- updates to the ESH manual and training issues; and
- ESH awards and best management practices.

Top left and right: Simon Liu, ESH engineer for Thermo King Suzhou, China, participated in an ESH communication conference hosted by the Safety Surveillance Bureau of the local government.



Bottom left: Inaugural Asia Pacific ESH Council meeting.



Bottom right: Dave Sordi (left), Manager Environmental Engineering and Gretchen Digby (right), Manager Safety & Health Engineering, present the 2006 ESH awards at the Global ESH Conference.



The inaugural meeting of the Asia Pacific ESH Council meeting was held in Shanghai, China, in September 2006. More than 25 people attended, including ESH staff, plant managers, and senior leadership team members from various business units operating in China and India. During the one-day meeting, attendees shared details of best practices in their facilities and participated in discussions on the company's global ESH assessment program, metrics, regulatory updates, pandemic preparedness, and the environmental aspects of real estate and due diligence activities.

Promoting ESH Excellence through the Annual Conferences

Ingersoll Rand held its first North American environmental conference in 1979 and began many of its environmental programs shortly thereafter. Annual North American conferences continued through 2005. In 2006, the company hosted its first Global ESH Conference, which took place in Monterrey, Mexico, with a theme of "One Ingersoll Rand Around the World." Attendees from the Americas, European-served areas and Asia Pacific participated in the conference. It

provided a platform for information sharing on topics of interest globally and supported the company's vision of Dual Citizenship.

The annual conferences help demonstrate senior management's commitment to ESH. Through best practice sharing and benchmarking with other Ingersoll Rand facilities around the world, ESH staff learn how to integrate ESH into the business and have a positive impact on their facilities and the communities in which they live and work. The conferences provide important training for the company's ESH professionals and encourage communication across different regions and business sectors.

ESH Training

Ingersoll Rand corporate ESH offers training in various forms—for instance, through annual ESH conferences, workshops, and teleconference seminars. Past teleconference seminars addressed the following topics:

- SARA Title III Toxic Release Inventory. The issues discussed during the teleconference included applicability of the regulations, threshold calculations, form completion, emission calculations, and *de minimis* exemptions.
- Hexavalent chromium use. The topics discussed included the ban on the use of hexavalent chromium, lead, cadmium, and mercury in products containing electronic or electrical components in EU countries.
- EU environmental and safety regulations. The teleconference updated stakeholders within the company on the status of changing regulations, including the progress made by Ingersoll Rand operations in EU countries to implement the EU directives regarding electric and electronic equipment waste and associated hazardous substances.
- ESH compliance. These teleconferences focused on regulatory and Ingersoll Rand requirements, and they were held during the week prior to the annual conference. These teleconferences will be held annually going forward.



ESH Performance Results



Ingersoll Rand is committed to improving its ESH performance.

As a result of our ESH requirements and goals defined by the various business units, there are many procedures and programs in place to decrease the environmental impact of our operations and products on human health and the environment. This section describes the ESH metrics we track and our performance results.

ESH Data in this Report

This report includes ESH performance metrics collected from the North American manufacturing facilities. Data from divested operations are included for the years they were part of Ingersoll Rand. Ingersoll Rand is in the process of creating a company-wide metrics collection system.

Data in this report include:

- electricity used,
- heating oil and kerosene used,
- water used,
- hazardous waste generated,
- nonhazardous waste generated,

- nonhazardous oils and coolants generated,
- nonhazardous waste recycled,
- use of underground storage tanks (USTs), and
- polychlorinated biphenyls (PCBs).⁽¹⁾

Information regarding Ingersoll Rand's toxic chemical use and waste management in the United States is available through EPA's Toxic Release Inventory (TRI) database (<http://www.epa.gov/tri/tridata/index.htm>).

Compliance through the ESH Assessment Program

ESH assessments are generally performed for all manufacturing and service locations worldwide on a three-year cycle. Facilities are assessed against local regulatory and Ingersoll Rand requirements, including the ESH manual, the facility's management system, and best management practices. Third-party ESH professionals are retained by Ingersoll Rand's legal department to perform the assessments.

(1) PCBs are toxic chemicals, suspected of causing cancer in humans, which have been used in hundreds of industrial and commercial applications, including electrical and hydraulic equipment.

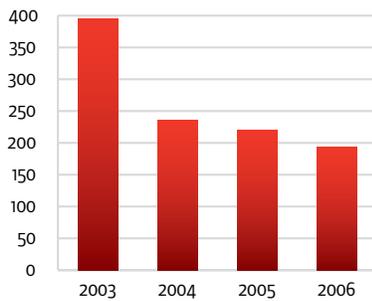
Environmental Performance Metrics

Water Use

The amount of water used by Ingersoll Rand facilities includes the total amount of water used for processes, cooling, maintenance, landscaping, sanitary needs, and other activities. This does not include water in closed loop systems other than water added during the year. Ingersoll Rand manufacturing facilities in North America used 194 million gallons of water during 2006.

Water Use

North America, million gallons



Energy Use And Greenhouse Gas Emissions

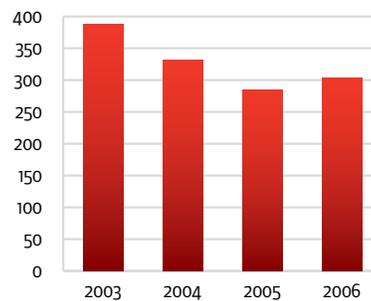
Ingersoll Rand facilities report electricity and kerosene use on an annual basis. Kerosene tracking includes fuel use only and does not include kerosene used as a solvent or degreaser.

In 2006, Ingersoll Rand manufacturing facilities in North America used 303 million kilowatt hours (kWh) of electricity and 104 thousand gallons of kerosene.

Ingersoll Rand is working toward developing a greenhouse gas (GHG) inventory. We are in the process of determining which GHG metrics are useful and the appropriate baseline year for data collection. In the future, Ingersoll Rand facilities may develop GHG reduction plans that will not only reduce emissions but also generate cost savings by reducing the amount of energy, solvents, and fuel used.

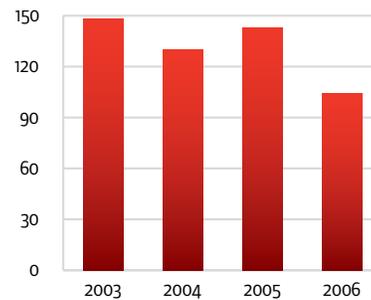
Electricity Use

North America, million kilowatt-hours



Heating Oil, Kerosene Use

North America, thousand gallons



Hazardous Waste Management

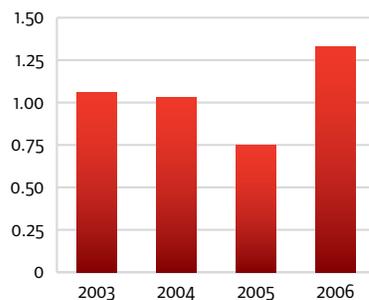
Ingersoll Rand facilities report on a monthly basis the total sum of hazardous waste, as defined locally, and all oils and coolants that are shipped off-site for disposal, recycling, or reuse.

In 2006, Ingersoll Rand manufacturing facilities in North America generated 1.33 million pounds of hazardous waste. This represents a 43 percent increase over 2005, and resulted primarily from one-time events at several facilities:

- Replacement and disposal of old wooden boxes that were coated with lead paint
- Leak in a plating bath that generated chrome waste
- Contaminated soil and materials from site cleanup
- One-time shipment off site of polishing lint that was classified as hazardous

For the three previous years, our hazardous waste generation had been declining. We expect this trend to continue in 2007.

Hazardous Waste
North America, million pounds

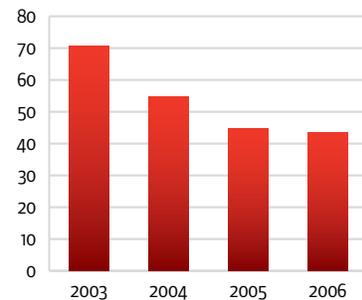


Nonhazardous Waste Management

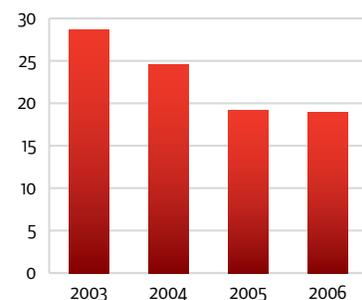
Ingersoll Rand facilities report on an annual basis the amount of waste not classified as “hazardous waste” that is shipped off site for disposal, recycling, or reuse; excluding scrap metal. This includes oils and coolants that are used for fuel blending, as long as they are not classified by local regulations as hazardous waste.

In 2006, North American manufacturing facilities generated 43.37 million pounds of nonhazardous waste, generated 1.81 million pounds of nonhazardous oils and coolants, and recycled 18.92 million pounds of nonhazardous waste.

Nonhazardous Waste
North America, million pounds



Recycled Nonhazardous Waste
North America, million pounds



Other Environmental Reporting Metrics

Other environmental reporting metrics include chlorinated solvent, UST, and PCB use. All chlorinated solvents, with the exception of materials used for HVAC equipment, fire extinguishers, and other non-solvent uses, are reported by the facilities on an annual basis. UST and PCB use is governed by our ESH requirements. Facilities report the number of USTs in use, excluding process tanks. Also, facilities report on the number of PCB units in use at our facilities. A "PCB unit" is defined as a transformer or capacitor with oil with a PCB concentration of 50 milligrams per liter or higher (excluding capacitors within lighting ballasts).

In 2006, there was only one UST in use at our North American facilities.

Since 1986, Ingersoll Rand's policy is to dramatically reduce the use of chlorinated solvents in all processes and eliminate them unless no alternatives are available. In 2004,

Ingersoll Rand facilities in North America eliminated totally the use of chlorinated solvents in all manufacturing processes. In 2006, we used 35 gallons of a chlorinated solvent within a controlled lab environment which was required for performance tests on our products.

Since 2003, there have been no facilities in North America with PCB units. Internationally, the last PCB units were eliminated in late 2005.

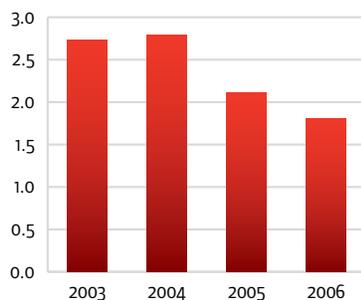
Environmental Expenditures

Through proactive programs, such as the ESH requirements and ESH assessments, Ingersoll Rand strives to improve human health and environmental protection. These same programs are designed to prevent future environmental liabilities.

As of December 2006, Ingersoll Rand was involved in 56 environmental cleanups worldwide associated with past activities, although the activities were lawful at the time they occurred. These 56 sites are in various

Nonhazardous Oils and Coolants

North America, million pounds



Environmental Metrics: North American Manufacturing Facilities

	Units	2003	2004	2005	2006
Water Use	million gallons	395	235	220	194
Electricity use	million kWh	388	331	284	303
Heating oil/kerosene use	thousand gallons	148	130	143	104
Hazardous waste	million pounds	1.06	1.03	0.75	1.33
Nonhazardous waste	million pounds	70.5	54.8	44.6	43.4
Recycled nonhazardous waste	million pounds	28.7	24.6	19.2	18.9
Nonhazardous oils and coolants	million pounds	2.73	2.79	2.11	1.81
Chlorinated solvents used	gallons	466	0	0	35
PCB units (not including lights)	units	0	0	0	0

stages of remedial activity. At some sites, remedial activities are occurring; at other sites, remediation is complete and the site is in a monitoring-only phase; and some sites are still in the investigation stage. Ingersoll Rand strives to utilize the most effective remediation techniques possible. Remediation managers regularly interact with government agencies to provide cost-effective remediation methods and technologies that protect human health and the environment.

To date, Ingersoll Rand has achieved closure at 33 sites. These sites have received some type of “No Further Remedial Activity Necessary” certification from the appropriate regulatory agency or remedial activities were discontinued because the risks have been mitigated.

During 2006, the company spent \$9.4 million for environmental remediation expenditures at sites presently or formerly owned or leased by Ingersoll Rand. These remediation costs are reviewed four times per year by our corporate ESH professionals and our auditor, PricewaterhouseCoopers, to assure appropriate reserves. In addition to our ESH programs, we are establishing a remedial scorecard system. This scorecard will assist in managing our remedial activities, support timely interaction and compliance with the appropriate regulations, and help to mitigate risks to receptors.

Ingersoll Rand also spent approximately \$5 million during 2006 on capital projects for pollution abatement and control at its operating facilities. It should be noted that

these amounts are difficult to estimate because environmental improvement costs are generally a part of the overall improvement costs at a particular plant. Therefore, an accurate estimate of which portion of an improvement or a capital expenditure relates to an environmental improvement is difficult to ascertain. The company believes that these expenditure levels will continue and may increase over time. Given the evolving nature of environmental laws, regulations, and technology, the ultimate cost of future compliance is uncertain. Based on our evaluation of the facts and legal issues, Ingersoll Rand has reserved funds to fully cover our projected liability. The remediation cost estimate is not material to the company’s financial statement. Additional information regarding environmental liabilities can be found in our annual report on Form 10-K for the year ending December 31, 2006.

Employee Safety and Health Programs and Performance

Ingersoll Rand is committed to continuously improving its safety and health practices. Ingersoll Rand supports the promotion of safety and health, and the prevention of disease, illness, and disability at all of our facilities. Preventive health care is the cornerstone of any health care system designed to reduce costs and human suffering.

Wellness is the dynamic process of promoting and pursuing ideas, attitudes, and behaviors toward a culture and way of life that

focuses on attaining balance, good health, and peace of mind. By encouraging employees to adopt more healthful choices and behaviors, wellness promotion has been proven to lower health care and insurance costs, decrease absenteeism, and improve performance and productivity.

To help protect employees from the traditional seasonal influenza or “flu,” Ingersoll Rand established a Seasonal Influenza Vaccine Policy in 2006. Employees worldwide have the opportunity to receive at no charge the seasonal influenza vaccine. Employee participation in the program is voluntary, but all are encouraged to participate.

Ingersoll Rand has developed and implemented a Pandemic Influenza Preparedness Plan. The plan was designed to reduce the risk of illness among employees and their families through proactive implementation of preventive measures in the event of a pandemic influenza.

Safety And Health Training For Nurses

Ingersoll Rand corporate medical services conducts monthly global teleconference seminars for our manufacturing facility nurses. Topics discussed during the calls include Ingersoll Rand policies and procedures, medical information, resources for medical information, best practices, current medical issues, and business travel related information. An annual Ingersoll Rand nurses meeting is held in conjunction with the annual ESH conference to allow further discussions and

presentations. Additionally, corporate medical services facilitates compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) guidelines for US-based nurses. *Occupational Health Nursing Guidelines for Primary Clinical Conditions* 3rd Edition by Rogers, Randolph, and Mastroianni was adopted as standard, evidence-based guidelines for all US-based nurses.

Ingersoll Rand nurses offer safety and wellness activities to employees at their locations throughout the year. A health and wellness calendar has been developed and distributed, which highlights topics for raising awareness among employees throughout the year.

Monthly activities offered by facility nurses in 2006 included:

- fitness awareness and weight reduction;
- vision and hearing programs;
- heart disease prevention;
- immunization awareness;
- cancer awareness;
- cholesterol and nutrition education;
- high blood pressure and stroke screening;
- diabetes prevention; and
- case management of claims.

International Travel Health Programs

Ingersoll Rand understands that employees traveling on business may experience increased risk to their personal health and safety. For this reason there is a well-coordinated set of programs designed to minimize risks and protect our business travelers.

“When it comes to safety, Bobcat is the gold standard.”

During the 2006 Association of Equipment Manufacturers (AEM) Product Safety Seminar in San Antonio, Texas, US, members of AEM credited Bobcat with being an industry leader in safety. The seminar, which was themed “Product Safety – From Start to Finish,” was attended by all employees of the Product Safety Department. Two Bobcat employees spoke about multicultural communications and incident investigation reporting. The seminar was a great success of industry sharing.

Thermo King's Galway, Ireland, facility is making significant achievements toward its goal of 1 million hours worked without a lost time accident by creating a safety culture, both at home and at work. This innovative program launched an ESH competition for the families of all employees to celebrate 250,000 hours worked without incident. The competition catered to all ages and included a road safety coloring competition, a bicycle safety quiz, and an ESH crossword puzzle. Employees also received a special edition ESH newsletter that explained safety metrics, behavior, and culture, and outlined key information and achievements.

The competition was just one tool used by the facility to promote a safety culture across all levels. The plant is also incorporating several best practices, including daily and weekly safety and housekeeping walkabouts and audits, weekly ergonomic and noise improvements, and weekly Safety Committee meetings. These activities built the foundation for OHSAS 18001 accreditation, which the site received in 2006.

Ingersoll Rand offers a pre-travel program for all of its business travelers worldwide through Traveler's Medical Service (TMS). The TMS program provides employees customized pre-travel consultation with a specially trained nurse to minimize the risk for health-related issues. The TMS program meets US OSHA recommendations related to pre-travel medical preparation. Ingersoll Rand business travelers receive appropriate immunization recommendations, prescription medications, a standardized travel kit, and advice to help safeguard their health during travel.

Ingersoll Rand is committed to protecting the health and safety of its employees as they travel worldwide. Employees can obtain up-to-date information regarding travel advisories through the company's intranet site. Business travelers are automatically enrolled in the International SOS Corporate Medical Services membership that provides intra-travel emergency medical and security assistance. This program covers business travelers from all global locations when traveling outside of their home country.

It is essential to consider the health

and well-being of employees and any accompanying family members who accept a long-term assignment outside of their home country. All outward-bound employees and accompanying family members are required to participate in the Expatriate Medical Program. The program helps identify any existing medical conditions that the employee or other family members may have in order to ensure that adequate medical services are available in the host country and that the employee's or family member's health will not be compromised while on assignment.

Safety Performance

Ingersoll Rand tracks safety performance through lost workday case rate (LWCR) and total recordable case rate (TRCR). The metrics cover all North American research and development, manufacturing, warehouse and distribution, and service facilities owned or operated by Ingersoll Rand. In 2006, the LWCR was 0.84 and the TRCR was 3.98 per 100 employees. Since 2001, Ingersoll Rand has reduced both LWCR and TRCR by approximately 44 percent each.

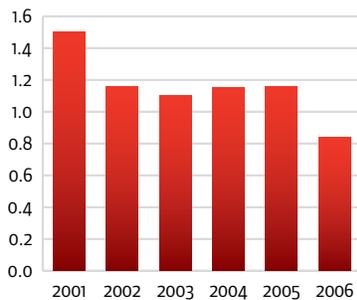
On April 4, 2006, the employees and contractors at the Von Duprin facility in Indianapolis, Indiana, US, reached 1 million working hours without a lost workday incident. The facility has held STAR certification in the US Occupational Safety and Health Administration (OSHA) Voluntary Protection Programs

(VPP) STAR since 2004. Managers have developed special programs to make safety considerations a part of everyone's day-to-day activities. Some of the programs include: a safety and health auditing program, adding safety programs and policies to the Pathway to Excellence system, addressing safety issues during

daily 5-star department audits, daily safety messages for Shift Startup meetings, and monthly newsletters with quizzes about safety and health. These steps and others have helped the facility achieve more than 1 million manhours without incident and will help to continue the facility's success.

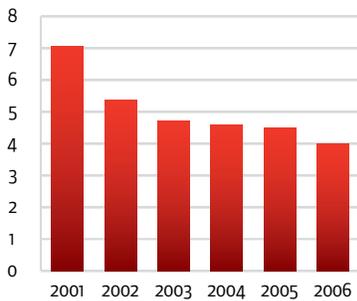
Lost Workday Case Rate

North America, per 100 employees



Total Recordable Case Rate

North America, per 100 employees



Vehicle Safety

Ingersoll Rand tracks the motor vehicle safety of employees using company vehicles in the United States. The accident rate in 2006 was 14.6 percent, which is below the industry average of 23 percent. Through training and building awareness, Ingersoll Rand is committed to improving vehicle safety. In 2006, Ingersoll Rand successfully completed a full year of Driver Safety training for all drivers with multiple violations on their motor vehicle record.

With 1,396 employees, 200 robots, and 5 manufacturing processes, Bobcat Company's Gwinner, North Dakota, US, facility successfully clocked over 1 million hours without a lost-time accident in 2006. The plant was able to achieve this goal by employing an extensive safety plan, which included the following best safety practices and many more:

- Pursuing STAR certification under the US OSHA VPP initiative
- Increasing new employee orientation from 1 day to 3 days
- Achieving OHSAS 18001 certification in 2006
- Communicating safety metrics on weekly Supervisor Scorecards and encouraging competition in identifying and correcting hazards in the facility
- Making safety the first topic discussed at all meetings organization-wide
- Addressing safety, quality, delivery, and cost at Shift Startup meetings
- Instituting a comprehensive contractor safety program and annual day-long contractor safety meeting



ESH Awards and Recognition

In 2006, Ingersoll Rand facilities have received recognition for their ESH programs, management systems, and results.

External Awards

- The local Occupational Disease Prevention Center recognized Thermo King in Suzhou, China in June 2006 for being in compliance with all requirements of the Chinese Occupational Disease Prevention Law.
- In May 2006, the Hindley Green, UK, facility was again presented with the International Safety Award by the British Safety Council. The award is given based on contractor and customer recommendations to recognize significant health and safety advances.
- Security Technologies in Security, Colorado, US, received a recognition letter from the US EPA, and the Colorado Department of Public Health and Environment, for its prompt achievement of cleanup goals set for completion in 2008.
- The Industrial Technologies manufacturing facility in Davidson, North Carolina, US, received the Gold Certificate of Safety Achievement for both 2005 and 2006 for its impressive lost workday case rate. To achieve gold status, the rate must be at least 50 percent below the statewide rate. The facility also received the Gold Award for Environmental Excellence from the Charlotte-Mecklenburg Utilities Department for achieving 100 percent wastewater disposal compliance.
- The Industrial Technologies Remanufacturing and Technology Center, also located in Davidson, North Carolina, US, received the Gold Certificate of Safety Achievement in 2006.
- The Accident Compensation Commission of New Zealand recognized all New Zealand-based Climate Control Technologies facilities with the tertiary level award for Safety Management Practices. Achievement of this award demonstrates a high level of compliance, following a rigorous countrywide audit of all ESH management systems.
- Ingersoll Rand PowerSource mobile generators are designed to offer compact design for performance, simplicity, and value. The six G10 to G125 models received a 2006 Innovative Product Award from *Rental Equipment Register (RER)* magazine. The award was created to recognize excellence in new product development for the rental industry (see page 10 for more information about this product line).

Annual Ingersoll Rand Awards

Ingersoll Rand has several types of internal awards — environmental, safety, and health innovation. The awards program encourages innovation, continuous improvement, and good management behavior that aligns ESH with the company’s overall strategic goals.

The environmental awards recognize facilities that have demonstrated superior environmental performance, continuous environmental improvement, and innovations in environmental engineering and management. The safety and health awards also emphasize implementing management systems and best practices that maintain an injury-free workplace. The awards go a step beyond OSHA guidelines, which focus only on injury rates and collect data only within the United States.

The ESH awards program is open to all non-office sites around the world, including manufacturing facilities, service centers, and warehouse/distribution sites. There are three awards categories: achievement, innovation, and facility of the year. To be nominated in the achievement and innovation categories, sites have to demonstrate that their practices improved workplace environmental or safety and health conditions. Only facilities earning accolades in both the achievement and innovation categories can be placed in the running for the top facility of the year award, and in addition, the facility of the year must earn external third-party recognition for its practices.

Ingersoll Rand also recognizes our business units with quarterly President’s Awards. The category of “Progress and Principles” typically includes the most ESH-related awards. At the end of the year, all President’s Awards winners will be nominated for the Chairman’s Award. Some of this year’s “Progress and Principles” winners include:

- The facility in Litchfield, Minnesota, US, which successfully reduced recordable injuries by 63 percent and lost-time accidents by 54 percent as a result of its Safety Contact Program. The program highlights a monthly safety topic and provides a 5-minute one-on-one safety discussion with each employee’s supervisor about that topic.
- The Von Duprin facility in Indianapolis, Indiana, US, who worked 1.4 million hours without a lost workday incident. Its safety program utilizes daily safety messages, monthly newsletters, and safety metrics to improve safety performance.

The number of submissions for internal awards grew from 19 to 50 during the period 2005 to 2006.



All award winners from the Industrial Technologies sector with sector president Jim Bolch.



All award winners from Climate Control Technologies sector with sector ESH director Tom Wind.



All award winners from Compact Vehicle Technologies sector with sector president Dick Pedtke.



Award winners from Security Technologies sector.

2006 Internal Award Winners

Environmental Achievement

Climate Control Technologies

- Galway, Ireland
- Suzhou, China

Industrial Technologies

- Campbellsville, KY
- Changzhou, China
- Guilin, China
- Nanjing, China
- Oberhausen, Germany
- Shanghai, China

Compact Vehicle Technologies

- Gwinner, ND

Security Technologies

- Security, CO

Environmental Innovation

Compact Vehicle Technologies

- Gwinner, ND: Electronic waste facility management and tracking

Climate Control Technologies

- Galway, Ireland:
 - Nitrogen generator elimination of glass bottles
 - Excellent environmental management system

Environmental Facility of the Year

Compact Vehicle Technologies

- Gwinner, ND

Safety/Health Achievement

Climate Control Technologies

- Auckland, New Zealand
- Bolingbrook, IL
- Christchurch, New Zealand
- Dunedin, New Zealand
- Galway, Ireland
- Kolin, Czech Republic
- Salem, NH

Industrial Technologies

- Campbellsville, KY
- Changzhou, China
- Philadelphia, PA
- Seattle, WA

Security Technologies

- Indianapolis, IN
- Security, CO

Safety Innovation

Compact Vehicle Technologies

- Gwinner, ND: On-line contractor management system
- Augusta, GA: Heat stress management program

Security Technologies

- Indianapolis, IN: Powered industrial truck usage and recertification system

Community Commitment

Each year, Ingersoll Rand contributes financial donations and volunteer time from its employees to support communities around the world.

Ingersoll Rand's commitment includes generous contributions to community organizations such as the American Cancer Society, Easter Seals, Goodwill, Habitat for Humanity, Red Cross, and Special Olympics. Highlighted below are examples of Ingersoll Rand employees helping their communities during 2006.

This year, the President's Awards category of "Progress and Principles" included several community awards. Some of this year's "Progress and Principles" winners that relate to community commitment include:

- The Carmel/Hillsdale site in Indiana, US, for its impressive efforts to increase charitable contributions to the United Way by 440 percent over 2005 contributions.
- Bobcat employees were recognized for their strength during a time of tragedy. Employees raised \$27,710 in funds for the families of five Bobcat employees who were killed in car accidents. The Bobcat Company matched these funds.
- Seventy Thermo King managers from the US, Mexico, and Puerto Rico who met for a mid-year review that focused on team building, idea generation, a broader understanding of

Ingersoll Rand values, and the donation of eight bikes to underprivileged children.

- The Get Involved Volunteer Event (GIVE) campaign was recognized for encouraging the participation of 19 Ingersoll Rand facilities in local volunteer activities. Participation in 2006 was up 300 percent over last year.

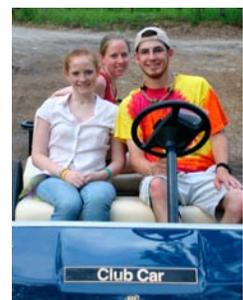
Striving for Medical Advances

Many Ingersoll Rand employees volunteer their time to support improvements in health care. In 2006, employees in Hartford, Connecticut, US; St Louis, Missouri, US; and Toronto, Canada, participated in "Race for the Cure" events to fight breast cancer, raising over \$5,000 to support breast cancer research.

Employees in Montvale, New Jersey, US, participated in a Multiple Sclerosis Walk and raised over \$1,500, which the company matched. Funds generated by the walk are used to find treatments and a cure for multiple sclerosis.

Club Car donated a vehicle to "Camp No Worries," a summer camp for 6- to 16-year-old cancer patients and their siblings. The vehicle is used to transport campers whose treatment has affected their mobility, and ensures that

"For more than 100 years, our employees have been serving their communities by volunteering their time and expertise for a variety of worthy causes and institutions," says Chairman, President and Chief Executive Officer Herb Henkel. "Their volunteer service honors this tradition, and I'm proud to recognize them for those efforts. They are making a real difference in the lives of others."



Left: IR Employees Race for the Cure in St. Louis, MO.



Right: Hussmann employees from Gloversville, NY, facility helping local Habitat for Humanity.



everyone is able to enjoy their camping experience.

To further support the fight against childhood cancer, employees of Ingersoll Rand Productivity Solutions in Annandale, New Jersey, US, contributed \$12,300 to the annual Penn State Dance Marathon. The event is dedicated to conquering childhood cancer through superior care, comprehensive support, and innovative research.

The Ronald McDonald House of Indiana, a place for families to stay when their child is in a hospital far from home, relies heavily on donations. Security Technologies donated handicap-accessible hardware for doors at the facility. The new automatic openers make it easier for wheelchair bound guests to maneuver around the home.

A group of employees from Security Technologies in New Zealand participated in the Lake Taupo Cycle Challenge, raising more than \$71,000 (US dollars) for the Heart Children New Zealand, whose mission is to provide and facilitate the best support and care for children with congenital heart disease and their families in New Zealand.

Helping to Build Communities

Ingersoll Rand reaches out to local communities through Habitat for Humanity by donating labor to help build new homes for

disadvantaged families. Hussmann employees in Gloversville, New York, US, installed vinyl siding on a house for a mother and her two young children.

Ingersoll Rand has pledged financial support to the Ada Jenkins Center, a community center offering a variety of education, health, and human services to the North Mecklenburg and South Iredell areas of North Carolina. After a two-week long school supply drive, Ingersoll Rand's Davidson, North Carolina, US, campus donated to the Ada Jenkins Center 60 book bags filled with school supplies. Supplies included paper, pencils, crayons, and glue, and represent just one small way in which Ingersoll Rand employees are helping prepare children for the future.

The Nike Reuse-A-Shoe program collects, slices, and grinds old athletic shoes to make sports surfaces. Since its inception in 1993, the program has recycled more than 13 million pairs of shoes and donated over 100 athletic courts, tracks, fields, and playground surfaces around the world. In 2006, Security Technologies employees in Forestville, Connecticut, US, donated over 300 pairs of sneakers to the program. Each year, the non-profit WeRecycle! Inc. makes a competition out of it among local businesses, and Ingersoll Rand employees donated the most sneakers of any business in 2006.

"Ingersoll Rand is setting an example for corporate community involvement," said Bill Johnson, executive director of the Ada Jenkins Center. "The company's support enables us to reach many more neighbors in our community with much-needed programs and services, such as emergency food assistance, education, and medical services. We look forward to working with Ingersoll Rand for many years to come."



The Security Technologies facility in Colorado Springs, Colorado, US, donated displays of Schlage locks to a local representative of the “Refuse to be a Victim” crime prevention program. The program is conducted in 10 states.

As part of a team-building activity, 70 Thermo King sales, service, and aftermarket managers from the United States, Puerto Rico, and Mexico worked together and learned information about Ingersoll Rand while building new bikes for underprivileged kids from the Campfire USA program, a nonprofit youth organization dedicated to building caring, confident youth and future leaders.

The annual Get Involved Volunteer Event (GIVE) consists of members from the Accelerated Development, Sales Leadership, and Sales Development Programs planning, recruiting, coordinating, and executing local volunteer events at numerous Ingersoll Rand facilities. Examples of volunteer events in 2006 include installing windows with Habitat for Humanity, cooking a meal for the Ronald McDonald House, and setting up a children’s event with a local family shelter.

The Productivity Solutions team at the Ingersoll Rand Engineering Center in Bangalore, India, sponsored 30 orphans so they could create and perform in a play at a nearby town. Through the generosity of Ingersoll Rand



Left: Security Technology employees from Forestville, CT, facility contributed over 300 sneakers to Nike Reuse-A-Shoe program.

Right: Donated Schlage lock displays from Security Technologies Colorado Springs, CO, facility.

employees, the children attended a 20-day workshop conducted by a volunteer artist, who helped them design and make their own costumes. The Ingersoll Rand team plans to assist the children on an ongoing basis.

A total of 595 coats were donated by Ingersoll Rand employees at the Carrollton, Georgia, US, facility. The coats were distributed to needy families in the local county.

Club Car is supporting the PGA Tour’s efforts to provide financial aid, accessible housing, and direct programs for US servicemen and women. The Compact Vehicle Technologies Sector donated three new 4x4 vehicles decked out in camouflage and accessories for use in fundraising efforts. Funds raised were dispersed equally to three organizations: Homes for Our Troops, a nonprofit organization that adapts or builds new homes with accessibility for military men and women returning to the United States with serious injuries and disabilities; Intrepid Fallen Heroes Fund, a nonprofit organization that supports the families of military personnel lost in performance of their duty; and Wounded Warrior Project, a nonprofit organization that provides programs and services to meet the needs of wounded service members and their families.

Left: Employees from Security Technologies in New Zealand participate in the Lake Taupo Cycle Challenge.



Right: Bobcat employees from North Dakota helping clean-up efforts after Hurricane Katrina in New Orleans.



Supporting United Way

Contributions to Ingersoll Rand's Davidson, North Carolina, US, and Montvale, New Jersey, US, campuses' annual United Way campaigns have steadily increased each year for the past five years. For the first time in 2006, the Ingersoll Rand Foundation matched 100 percent of all employee donations to the United Way and Habitat for Humanity, making this year the most successful ever. Employees committed \$52,832, which amounts to \$105,664 with the matched funds.

Employees of Thermo King in Hastings, Nebraska, US, had an unusual way to raise money for a good cause. Funds were collected in piggy banks, placed in the facility lobby, each with the name of a supervisor or manager assigned to it. The plant manager had the "winning" piggy bank, and he good-naturedly accepted his prize of being awarded a kiss from a real pig. Overall, employees pledged donations totaling more than \$25,000 to the United Way and Combined Health Agencies Drive for 2007.

Natural Disaster Relief

Following a natural disaster, Ingersoll Rand and its employees are ready to do their part.

In 2006, efforts continued in the recovery and cleanup following Hurricane Katrina. Bobcat employees from North Dakota traveled to the New Orleans area to help with repair and cleanup efforts. Since regulations limit pickup to roadside debris only, a Bobcat was used to help property owners push debris to the road for pickup.

In 2006, Bobcat donated more than \$66,000 to the Red Cross for hurricane relief. The company contributed \$100 from each "gold package" option on Bobcat machines shipped between September 1 and December 31, 2005. The total donation amounted to \$132,000 by the end of the year. Half of this money was distributed to 14 Bobcat employees who were directly affected by the hurricane, and the remainder to the Red Cross.



ESH—Looking Forward

Providing a safe workplace for our employees, being a responsible neighbor in the communities in which we operate, and protecting environmental resources is integral to the way Ingersoll Rand conducts its business.

As demonstrated throughout this report, we have many procedures and programs in place that are advancing our ability to attain the important goal of ESH excellence. We will continue to set and implement ESH goals that improve our operations and enhance our prospects for growth and long-term sustainability. There is a clear path forward:

- Ingersoll Rand is committed to excellence in its ESH programs. We have a demonstrated record of achieving important goals, and we intend to continue reporting our progress.
- ESH is an important business priority that improves the company's ability to support Dramatic Growth, Operational Excellence, and Dual Citizenship.
- Top ESH performance involves the participation of every employee. Without

conscientious and consistent effort by all of Ingersoll Rand's people, our ESH programs will never reach their full potential.

- We've inspired progress for over a century by driving innovation through revolutionary technology and talented people. We will continue our heritage of providing products and services that help our customers use energy efficiently, eliminate waste and reduce harmful emissions.

We are proud of the strides we are making to keep our employees safe and to be a good neighbor in the communities where we operate. Through our ESH policies, procedures, and practices, we demonstrate our commitment each day to helping to make the world a better place.

Progress is greener with Ingersoll Rand

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Climate Control Technologies
Industrial Technologies
Security Technologies

Ingersoll Rand is a global diversified industrial firm providing products, services and solutions to transport and protect food and perishables, secure homes and commercial properties, and enhance industrial productivity and efficiency. Driven by a 100-year-old tradition of technological innovation, we enable companies and their customers to create progress.