



CREATING A BETTER TOMORROW TODAY

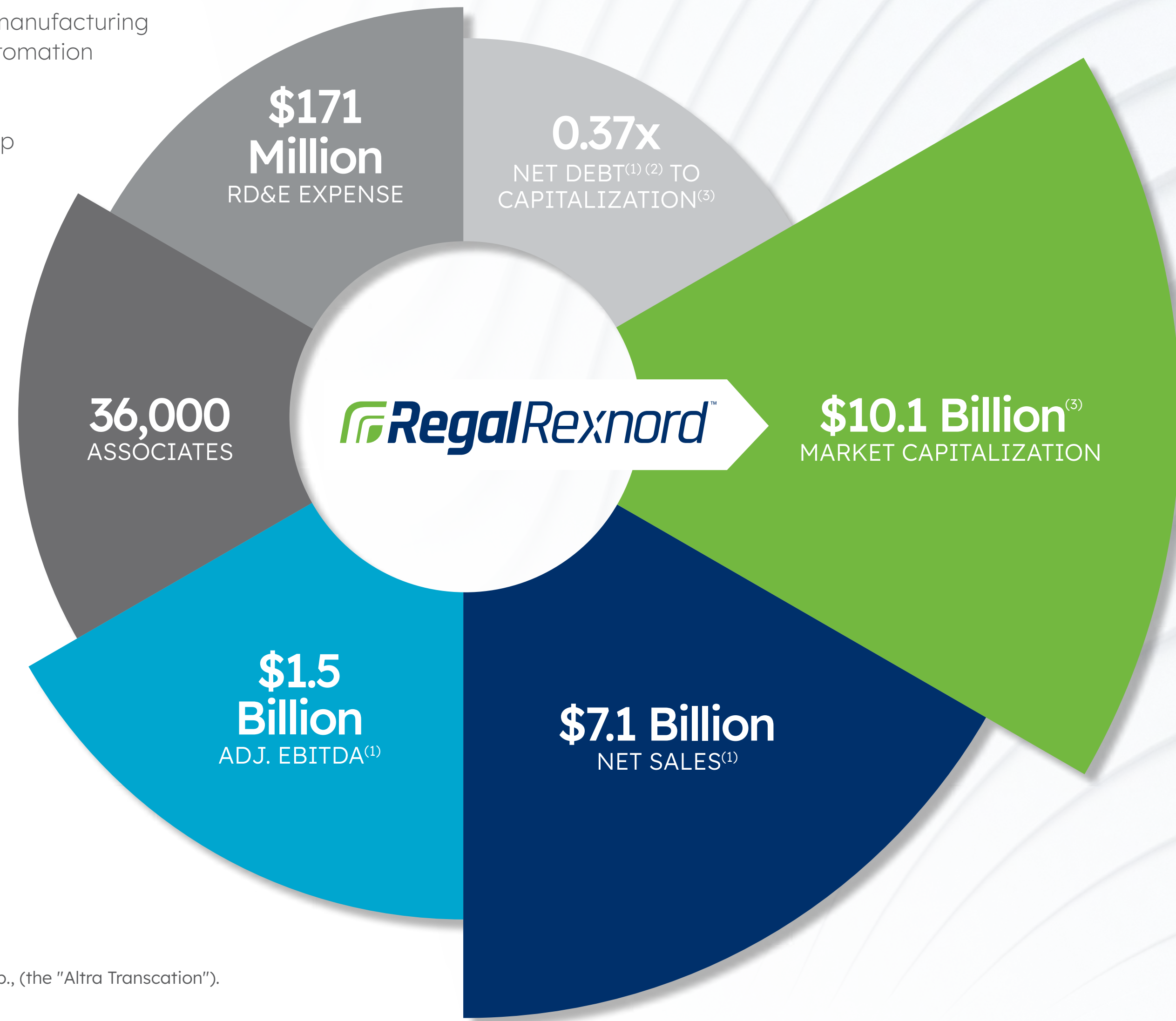
SUSTAINABILITY REPORT
Issued December 2023

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REGAL REXNORD BY THE NUMBERS

Regal Rexnord Corporation is a global leader in the engineering and manufacturing of factory automation subsystems, industrial powertrain solutions, automation and mechanical power transmission components, electric motors and electronic controls, air moving products, and specialty electrical components and systems. Through longstanding technology leadership and an intentional focus on producing more socially conscious and environmentally friendly products and subsystems, the Company is regularly addressing increasingly relevant secular demands of customers in the medical, alternative energy, aerospace, food & beverage, general industrial and warehouse/intralogistics end markets, among others. In short, Regal Rexnord's 36,000 associates around the world are proud to be working each day toward fulfilling the Company's purpose – helping create a better tomorrow – for its customers and for the planet.



REGAL REXNORD IS COMPRISED OF FOUR OPERATING SEGMENTS:

- Automation & Motion Control
- Industrial Powertrain Solutions
- Power Efficiency Solutions
- Industrial Systems

Notes:

Data is for fiscal year 2022 and is pro forma for the acquisition of Altra Industrial Motion Corp., (the "Altra Transaction").

(1) Non-GAAP Financial Measurement; see Appendix for reconciliation.

(2) Values pro forma for the Altra Transaction; balance sheet data as of June 30, 2023.

(3) Market capitalization calculated as of September 20, 2023.

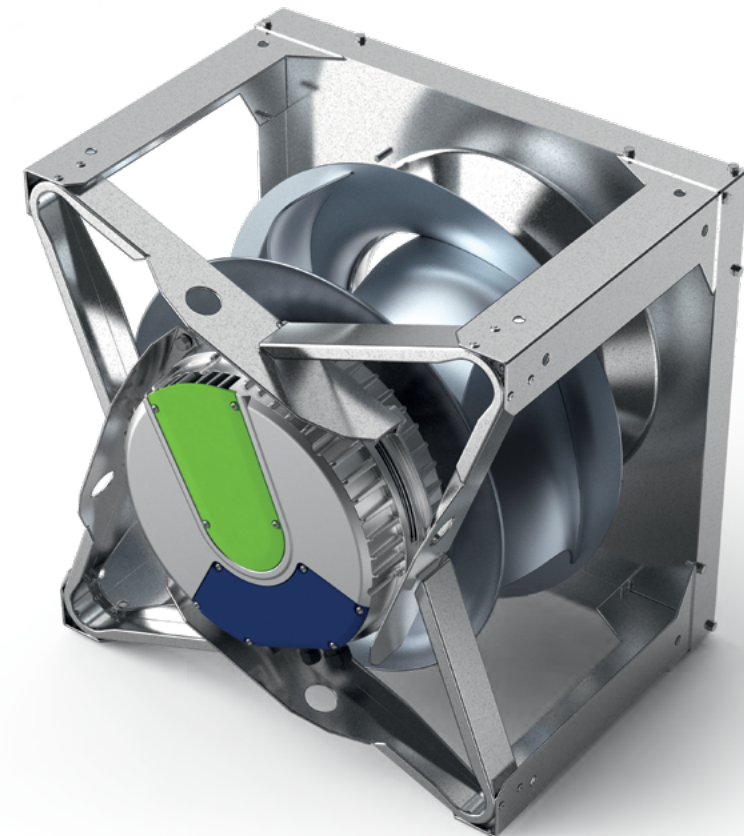
AUTOMATION & MOTION CONTROL (AMC)

The AMC segment designs, produces and services highly engineered industrial automation components and subsystems for a wide range of end markets, including medical devices, data centers, advanced material handling, semiconductor manufacturing, robotics, aerospace & defense, food & beverage and general industrial. Key products and subsystems include conveyors, conveying automation subsystems, precision aerospace components, precision motion control solutions, high-efficiency miniature motors and motion control products, automated transfer switches, switchgears and automation systems that enable and precisely control the transition of rotary motion to linear motion.



POWER EFFICIENCY SOLUTIONS (PES)

The PES segment designs and produces fractional to approximately five horsepower high and premium efficiency motors, electronic variable speed controls, fans, and blowers. PES serves a wide variety of markets and applications including residential and light commercial HVAC, water heaters, commercial refrigeration, commercial building ventilation, pool and spa, irrigation, dewatering, agriculture and general commercial.



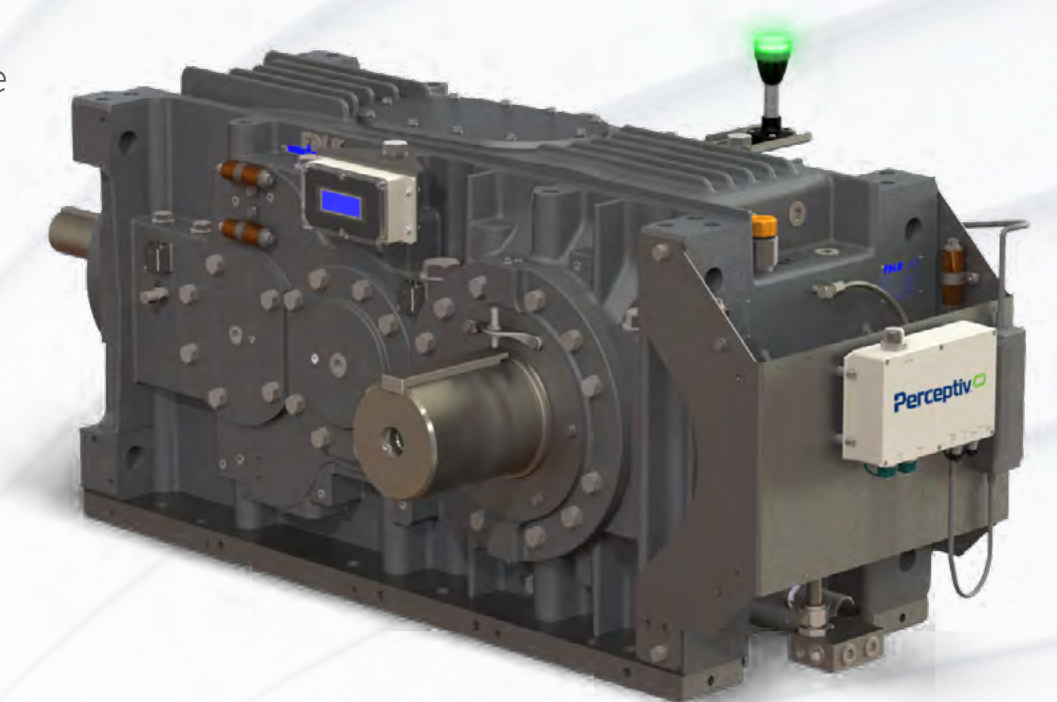
INDUSTRIAL SYSTEMS

The Industrial Systems segment designs and produces large electric motors and alternators, along with aftermarket parts and kits to support such products. These products serve markets that include agriculture, marine, mining, oil and gas, food and beverage, data centers, prime and standby power, and general industrial.



INDUSTRIAL POWERTRAIN SOLUTIONS (IPS)

The IPS segment designs, produces and services highly engineered power transmission components and subsystems. Components include mounted and unmounted bearings, couplings, mechanical power transmission drives and components, gearboxes and gear motors, clutches, and brakes. IPS is also a leading provider of complete industrial powertrains, which include a high-efficiency motor and the critical power transmission components that connect the motor to the work being done. IPS serves markets that include food and beverage, bulk handling, eCommerce/warehouse distribution, alternative energy, agricultural, turf & garden and general industrial.



It was another year of significant growth for Regal Rexnord as we continued to expand and enhance our value proposition with customers, associates, and shareholders. Perhaps most notably, in the first quarter, we completed the strategic acquisition of Altra Industrial Motion Corp. Together with Altra's nearly \$2 billion in sales, Regal Rexnord is now 36,000 associates strong – we are an engaged, global team that I can say with confidence is proud to be working each day toward fulfilling our business purpose – helping create a better tomorrow – for customers and for the planet – by energy-efficiently converting power into motion. I am excited to be updating you in this sustainability report on individual associate contributions and our collective progress, toward meeting our environmental, social, and governance goals and objectives.

Even through this year of tremendous growth and change, our prior commitments to sustainability are steadfast and our environmental impact goals set last year remain in place: achieving carbon emission neutrality in our operations across Scopes 1 and 2 by 2032 and achieving Net Zero across Scopes 1, 2, and 3 by 2050. Regal Rexnord associates are excited that our Company is having a positive impact on the planet, and with our culture of continuous improvement, we are making meaningful progress along the way. This year, we set a target for our Company to reduce greenhouse gas (GHG) emissions by 10%, and we are on track to exceed this goal. In short, our journey toward net zero is off to a great start!

Our environmental impact measures are one key piece of our broader environmental, social, and governance (ESG) strategy, which views each of these focus areas from two, complementary perspectives – impact and growth. Consistent with our belief in “the power of and,” our ESG initiatives are increasing the positive impact Regal Rexnord is having on our key stakeholders and our planet. Considering the “growth” and “impact” outcomes of our ESG strategy is important because it acknowledges the various ESG priorities for each of our primary stakeholders – associates, customers, and shareholders – and makes all our ESG efforts more effective and sustainable.

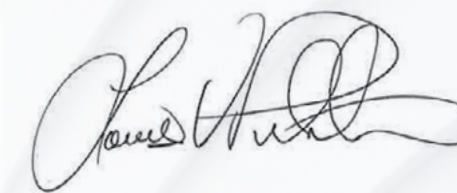
Regal Rexnord products are at the heart of driving our growth, and we are proud of our longstanding technology leadership and an intentional focus on producing more socially conscious and environmentally friendly products and subsystems. We are investing significantly in new product development and are on track to double our new product vitality by 2025. Many of these new products have value propositions rooted in greater energy efficiency and reduced environmental impact. The team in our Industrial Powertrain Solutions (IPS) segment is working on projects ranging from the electrification of construction equipment to enabling strategic, local-scale hydroelectric power installations. Our Automation & Motion Control (AMC) segment's aerospace team is developing critical components to dramatically reduce the emissions impact of commercial aircraft, and our Power Efficiency Solutions (PES) segment's air moving business has developed premium efficiency fans to make HVAC-R systems more energy efficient. Details on these and other applications are presented later in this report.

Regarding social considerations, I am pleased to share that we continue to advance in this area on several fronts. We added a new Director of Diversity, Engagement, and Inclusion (DEI) to our Human Resources leadership team, with responsibility for enhancing our global DEI strategy and deploying best practices when it comes to harnessing the power of DEI to advance Regal Rexnord's ESG strategy. To help attract and retain the best and brightest talent for our growing Company, we are committed to nurturing an inclusive workplace, where every associate can bring their best to Regal Rexnord, develop professionally, and work as a member of a unified team to drive success for customers, associates, and shareholders. In the realm of associate health and wellness, we recently added meaningful new benefits for our U.S. associates, including paid parental and family leave, adoption assistance, and insurance coverage for fertility treatments.

Giving back to the communities in which we live and work is a responsibility we take seriously and is one of the biggest ways that Regal Rexnord and our associates make a lasting social impact. Around the world, you will find Regal Rexnord associates engaged in activities such as helping communities meet basic needs, including food, shelter, and healthcare, and supporting education, with an emphasis on science, technology, engineering, and math (STEM). Our associates also take an active role in deciding how the corporation's charitable giving funds are allocated by nominating potential organizational recipients that matter to them.

Finally, our corporate governance policies and practices continue to serve as a cornerstone of effective risk management. Our governance principles, hand in hand with our core values – in particular Integrity; Responsibility for the safety of our fellow associates; Responsibility for the environment; Responsibility for the communities where we live; Diversity, Engagement and Inclusion; and Continuous Improvement – guide all that we do as we work to fulfill our purpose of creating a better tomorrow for customers, associates, shareholders – and our planet.

If I can leave you with one overarching thought, it is that Regal Rexnord's commitment to our environment, social and governance goals and objectives is strong, with sound strategies to continuously improve our growing Company's positive impact – for our stakeholders and for our planet. We believe that these actions are our responsibility as good corporate citizens. Our journey continues, we remain excited for the future, and we thank you for your interest in Regal Rexnord.



Louis Pinkham
CEO



REGAL REXNORD VALUES

Integrity | Responsibility | Diversity, engagement & inclusion | Customer success | Innovation with purpose | Continuous improvement | Performance | Passion to win
...With a sense of urgency



CUSTOMER
SUCCESS

CONTINUOUS
IMPROVEMENT

RESPONSIBILITY

INTEGRITY

**...WITH A SENSE
OF URGENCY**

DIVERSITY,
ENGAGEMENT
& INCLUSION

PASSION
TO WIN

INNOVATION
WITH PURPOSE

PERFORMANCE





WE CREATE A BETTER TOMORROW

BY ENERGY-EFFICIENTLY CONVERTING
POWER INTO MOTION™

Learn more about Regal Rexnord's corporate mission, our strategy to achieve that mission, and how in the course of executing our strategy we can fulfill our purpose.



MISSION

REGAL REXNORD'S MISSION IS TO BE THE MOST COMPELLING CHOICE FOR OUR KEY STAKEHOLDERS – CUSTOMERS IN THE MARKETS WE SERVE, CURRENT AND PROSPECTIVE ASSOCIATES, AND OUR SHAREHOLDERS AND INVESTORS CONSIDERING REGAL REXNORD

We measure progress toward our mission on clear, quantifiable metrics – with customers, based on market share and gross margin, with associates, on retention, engagement, and performance, and with our shareholders, on achieving top quartile Top Shareholder Return (TSR) performance versus our peers.

STRATEGY

CREATE PRODUCTS & SOLUTIONS

OUR CUSTOMERS VALUE BY LEVERAGING REGAL REXNORD'S TECHNOLOGY LEADERSHIP AND BY MAKING STRATEGIC INVESTMENTS IN RESEARCH, DEVELOPMENT AN ENGINEERING (RD&E), AND IN OUR DIGITAL CAPABILITIES

ENERGY EFFICIENCY,

MATERIAL CONTENT, AND THE NATURAL RESOURCES CONSUMED IN PRODUCTION ARE KEY CONSIDERATIONS WHEN DEVELOPING ALL NEW OR REDESIGNED PRODUCTS

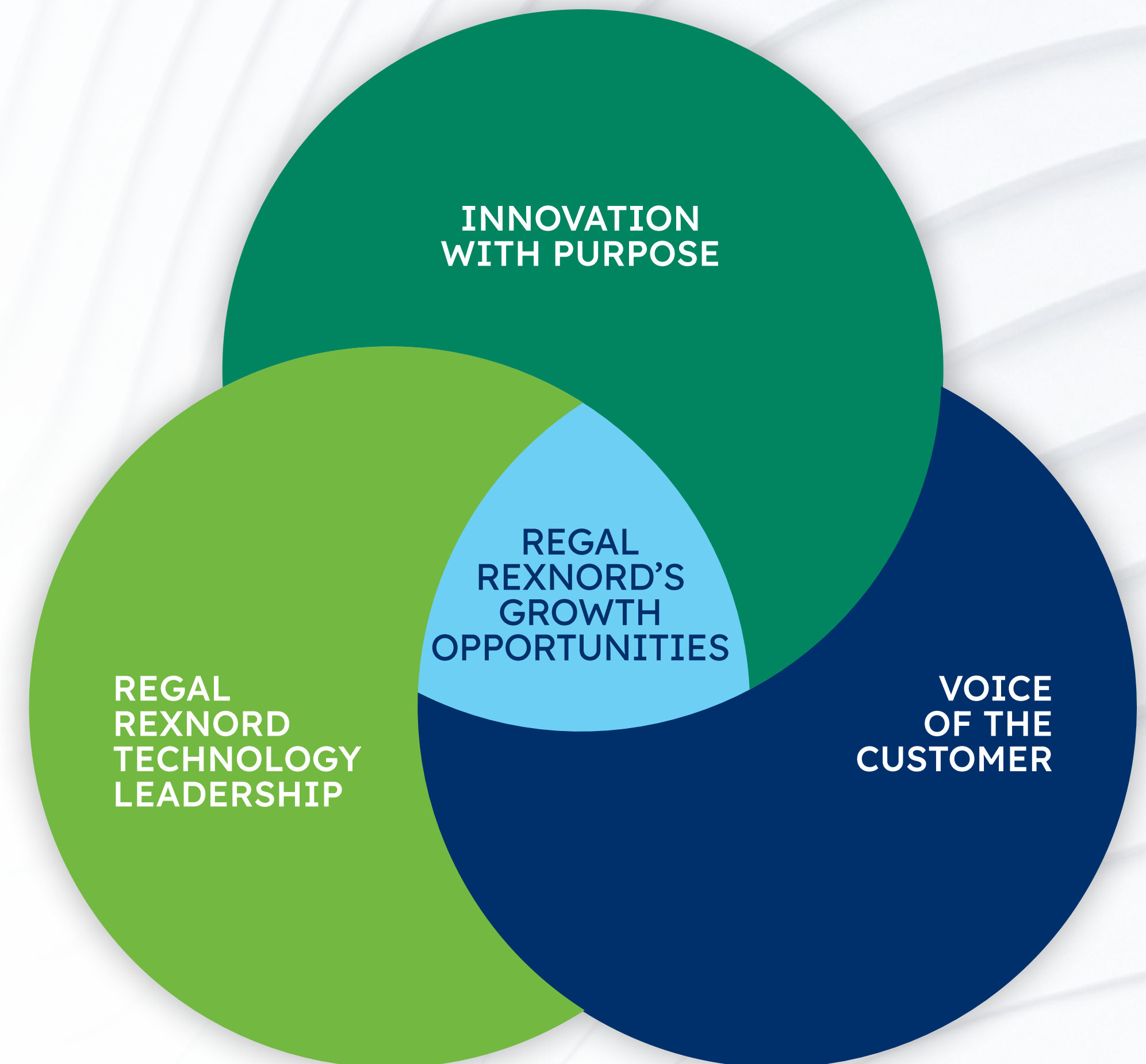
APPLY 80/20 PRINCIPLES to identify and direct resources to our most valuable opportunities

EMPLOY LEAN TOOLS through the Regal Rexnord Business System (RBS) to eliminate waste, variance, and overburden in all processes

THOUGHTFULLY DEPLOY CAPITAL to accelerate organic growth, maintain a strong balance sheet, and pursue strategic acquisitions that adhere to Regal Rexnord's established criteria

INVEST IN OUR ASSOCIATES because Regal Rexnord's strategy is worthless without their engagement and performance

LOOK TO OUR REGAL REXNORD VALUES as a guide for all that we do



INNOVATION WITH PURPOSE

OUR REGAL REXNORD VALUE FOR PURPOSEFUL INNOVATION INTENTIONALLY ADDRESSES GROWING DEMAND for more energy-efficient products by leveraging Regal Rexnord's strong and differentiated technologies and RD&E resources.

WE CHALLENGE OURSELVES to create innovative products and solutions that our customers value and that support our growth and profitability goals. We strive to offer the most energy-efficient products in the categories where we compete.

PRODUCTS & SOLUTIONS THAT HELP CUSTOMERS MEET THEIR GOALS

- VOC-driven
- Offer good value
- Align with customers' ESG goals
- On-time delivery
- Function as customers expect

PURPOSEFUL FOR OUR CUSTOMERS

OUR PLANET

PRODUCTS & SOLUTIONS THAT BENEFIT OUR LOCAL COMMUNITIES & THE ENVIRONMENT AT LARGE

- More energy efficient
- Use fewer resources to produce
- Improve end user safety and quality of life (e.g., indoor air quality)



BUSINESS PURPOSE

BY EXECUTING OUR STRATEGY TO ACCOMPLISH OUR MISSION, WE AIM TO ACHIEVE SOMETHING BIGGER THAN REGAL REXNORD ITSELF – TO **CREATE A BETTER TOMORROW** BY ENERGY-EFFICIENTLY CONVERTING POWER INTO MOTION®

This is Regal Rexnord’s business purpose. Our products and solutions are used in so many applications globally, delivering meaningful gains in their energy efficiency, and reducing the natural resources used in their production. Regal Rexnord associates around the world derive satisfaction and fulfillment from knowing they are playing a role in making our world cleaner, healthier, and more sustainable.

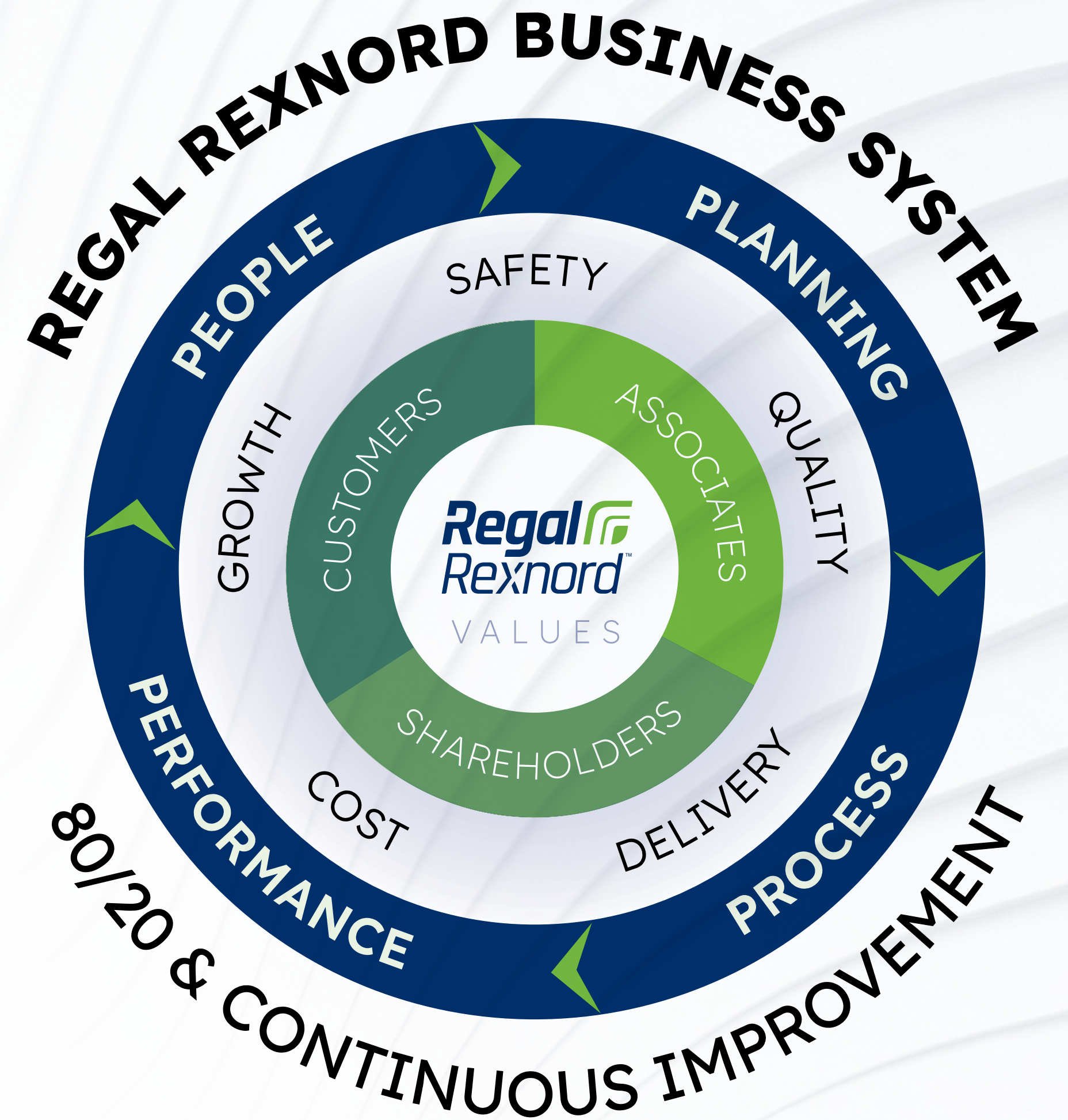
LEARN HOW 

THE REGAL REXNORD BUSINESS SYSTEM

IS OUR ENTERPRISE-WIDE FRAMEWORK FOR 80/20-FOCUSED GROWTH & CONTINUOUS IMPROVEMENT

With our Values at its core, the Regal Rexnord Business System enables leadership and engagement from each Regal Rexnord associate to progress 80/20-focused growth and performance excellence. The Regal Rexnord Business System, together with our management cadence, drives the achievement of our company-wide goals through facilitated and effective goal alignment, collaborative problem-solving, and sharing of best practices, tools, skills, and expertise.

Through our relentless commitment to Continuous Improvement, we strive to elevate the safety, quality, delivery, cost, and growth performance of the business to exceed the expectations of our customers, associates, and shareholders.



HELPING REFRIGERATION AND INDUSTRIAL CUSTOMERS MEET RISING GLOBAL ENERGY EFFICIENCY AND LOW-GWP REFRIGERANT STANDARDS



Product Overview

- Regal Rexnord's HILO MAXX subsystem includes a high-efficiency motor and an integrated fan pack system for OEM and aftermarket applications in the commercial refrigeration and general industrial end markets.

Differentiated Offering

- Marketing-leading energy efficiency and versatility.
- Universal voltage capability and global certifications allow customers to source fewer SKUs across a wider number of applications.
- Offers a wider output range, greater reliability and durability, with leading moisture and dust ingress protection.
- Compliant with more stringent global refrigerant requirements, including Low GWP, A2L, R290.
- HILO MAXX is ATEX certified (EU directive to ensure equipment will work safely in an explosive environment).
- Leading application engineering support for faster product qualification time.
- Regal Rexnord's global manufacturing footprint aids supply assurance at industry-leading lead times.

Growth Opportunity

- Addresses growing global demand for more energy efficient, commercial refrigeration and general industrial applications.
- Helps customers meet increasingly stringent regulatory standards for low-GWP refrigerants.
- HILO MAXX is backward compatible with existing applications, making it easy for OEMs and aftermarket contractors seeking greater energy efficiency and/or compliance with new, more environmentally friendly refrigerants to retrofit legacy installations.

REGAL REXNORD POWERTRAINS SUPPORTING INNOVATION IN LOCALIZED HYDROELECTRIC POWER GENERATION WITH MINI HYDRO APPLICATIONS



Bauer Gearboxes with C Adapter Motor Connection For Mini Hydro and Hydropower Applications

Product Overview

- Regal Rexnord created a powertrain comprised of a Bauer gearbox, an Ameridrives universal joint, and a Marathon ultra-high-efficiency motor to support a fast-growing application in renewable energy – smaller-scale hydroelectric turbines designed to harness the power of water flowing through canals and similar, smaller-scale water conduits.
- Unlike conventional hydropower, which requires gravity drop and head pressure for effective operation, mini-hydro technology optimizes on the kinetic energy or velocity of the volume of water flowing through a channel. A movement away from large hydroelectric dams to smaller systems can add scalability and speed to hydroelectric generation while minimizing ecological impacts.

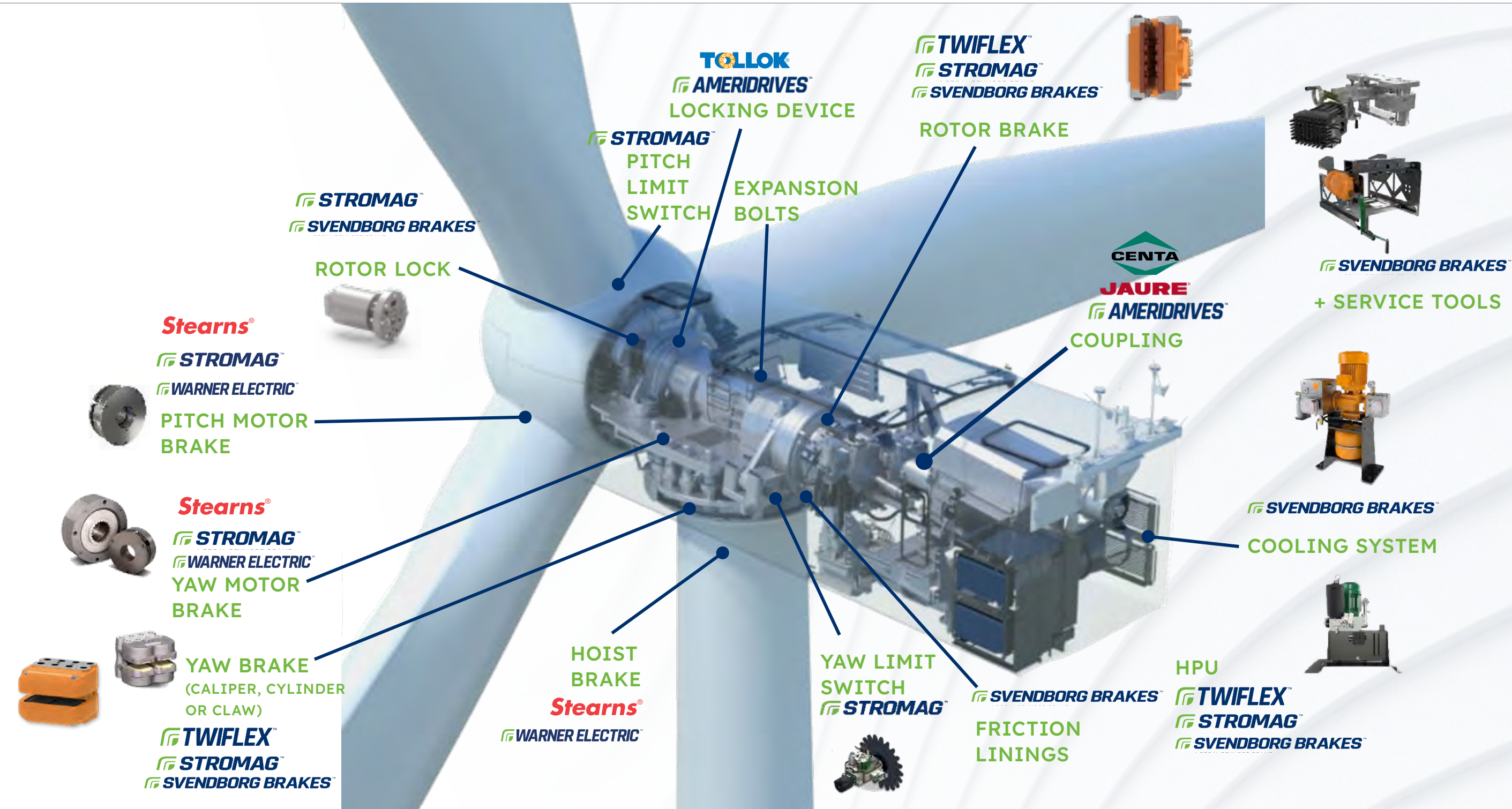
Differentiated Offering

- Regal Rexnord’s gearboxes are known for being rugged and reliable, and they are also water-resistant, making them ideal for mini hydro projects that are expected to generate power over 20-year-plus time spans.
- Regal Rexnord’s products also have demonstrated long run times between requisite maintenance checks, which is a key feature because mini hydro installations can be in remote or semi-remote locations where maintenance checks can be costly.
- High-precision machining and helical-style gearing makes Regal Rexnord’s gearbox 99% efficient, which is consistent with the value proposition for alternative energy project managers; fewer mechanical losses through the system maximizes power generation.
- Regal Rexnord’s ultra-high efficiency permanent magnet motor optimizes the total mini hydro system.
- Because mini hydro installations are being led by alternative energy startups, being able to get the power source (i.e. motor) and related power transmission components in a complete subsystem hastens development time and imposes less burden on their in-house engineering resources.

Growth Opportunity

- Demand for more environmentally friendly sources of electricity is growing quickly. One area seeing significant innovation is smaller-scale hydroelectric power – tapping more localized sources of energy that, until recently, have been essentially hidden in plain view. Regal Rexnord’s industrial powertrain team is helping emerging mini-hydro providers realize this opportunity.
- Across the U.S., thousands of miles of canals have waterflows with embedded energy – energy that can be harnessed in a quick, modular way using mini hydro turbines. These “hydrokinetic” turbines can each generate 5-25 kilowatts of power, and multiple such modules can be installed at a given point along a canal. The power generated is then used to support the needs of individual consumers, or can be delivered directly to the local electrical grid.

A PORTFOLIO OF CRITICAL COMPONENTS THAT ENABLE WIND ENERGY



Product Overview

- Regal Rexnord offers a wide variety of content for wind turbines, but has a particular focus on brakes, couplings, and hydraulic power units (HPUs).

Differentiated Solution

- With over 40 years of experience in the wind market, Regal Rexnord has deep domain expertise.
- Innovations in friction materials support unique value-added brake offerings.
- High quality and reliability plus strong aftermarket service levels are key differentiators.

Growth Opportunity

- Significant aftermarket opportunity given Regal Rexnord content on >200,000 wind turbines globally.
- Expect at least a MSD % CAGR of wind-generated megawatt capacity expansion through 2031.

AUTOMATION SOLUTIONS - MEDICAL

KOLLMORGEN



Product Overview

- A broad and versatile portfolio of motors, drives, and controls that optimize motion in surgical robotics, imaging, rehabilitation, in vitro diagnostics, and many other medical applications in which speed, precision, and reliability are critical.

Differentiated Solution

- Regal Rexnord’s frameless motors deliver precise, smooth performance in a compact package, at the very low speeds typical of exacting surgical procedures.
- High-performance servo solutions enable high-speed, accurate imaging that minimizes patient exposure to noise and excess radiation, making medical procedures safer.
- Frameless motors are broadening the use of battery-operated and mobile-motorized prosthetics and rehab exoskeletons, enabling quiet, smooth motion that speeds recovery time and improves patient quality of life.

Growth Opportunity

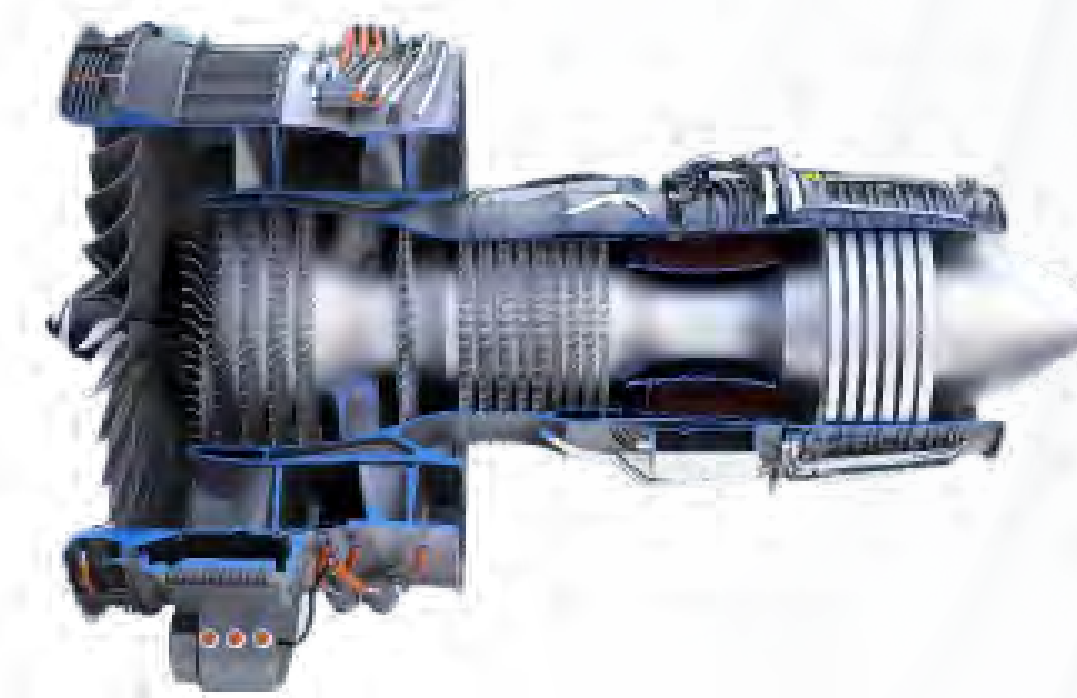
- Regal Rexnord’s automation solutions for medical applications are helping enable the rapidly evolving field of robotic-assisted surgery, where the goal is minimally invasive procedures that expedite successful patient outcomes.
- Our systems also enable critical motion in medical imaging and rehabilitation robotics to support a growing and aging population, and in diagnostic applications to accelerate identification and treatment of illnesses and diseases
- Regal Rexnord’s global footprint offers machine builders reliable supply and personalized support anywhere in the world, including in developing economies.

REGAL REXNORD PRODUCTS SUPPORTING MORE ENVIRONMENTALLY FRIENDLY AIRCRAFT



Longer, thinner wings making aircraft more aerodynamic and lighter weight

- 66% reduction in carbon emissions*
- 37% reduction in fuel consumption*

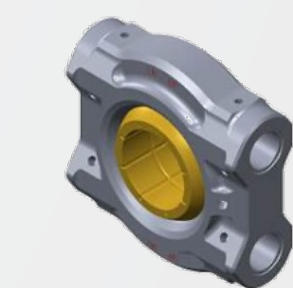


More efficient engines run at higher speeds, pressures, and temperatures and support higher-altitude flying and alternate fuels.

- 15% improvement in fuel consumption
- 50% reduction in NOx emissions
- 25% reduction in weight with parts that are 5x more durable

Regal Rexnord Role

- Regal Rexnord custom-engineered bearings enable thin-wing designs via more compact construction and higher static load capacity.
- A lower need for re-greasing Regal Rexnord's bearings reduces their MRO-related waste products.



PSI Bearings



Shafer Bearings

Regal Rexnord Role

- Regal Rexnord's custom-engineered bearings, seals, and gears perform under higher temperatures, speeds, and pressures without sacrificing performance, reliability, or useful life.



McGill Bearings



PSI Bearings



Cartiseal Bearings



Precision Gear Micro Precision Gears

* Over average useful life

REGAL REXNORD INDUSTRIAL POWERTRAINS ARE SUPPORTING THE ELECTRIFICATION OF MOBILE EQUIPMENT



Product Overview

- Regal Rexnord provides pump drives and related electric motor and gearbox subsystems to power fully electric or hybrid-electric hydraulic systems on a variety of construction and farm equipment.

Differentiated Solution

- Regal Rexnord has a level of product knowledge and domain expertise that few can match to help equipment OEMs transition away from fossil fuels to more sustainable power sources.
- Regal Rexnord's state-of-the-art electric drives establish a direct connection between the electric motor and driven components, which simplifies equipment, reduces maintenance requirements, eliminates the need for alignment, and maximizes overall efficiency.
- Our electric drives feature a compact and lightweight design, replacing bulky diesel engines.

Growth Opportunity

- Hybrid systems, on average, realize a 37% reduction in diesel fuel consumption, or roughly 2,700 gallons per machine.
- Hybrid and fully electric systems have lower emissions, and are quieter.
- Construction and farm equipment OEMs are in the early stages of electrifying their systems, moving away from diesel internal combustion engines (ICEs) to fully electric or hybrid-electric hydraulic systems; Regal Rexnord is uniquely positioned to help these OEMs make this transition.

REGAL REXNORD UNDERSTANDS THE LASTING IMPACT WE HAVE ON ASSOCIATES AND THE COMMUNITIES WHERE WE LIVE AND WORK

We strive to make this impact as positive as possible by engaging associates, personally and professionally, and making contributions to support our communities and the environment.

The Regal Rexnord Values are the foundation of our culture in all we do – a shared understanding of who we are and what we expect of each other. With the Altra Transaction, a significant advantage during integration has been the alignment and similarity of core values, including our commitment to customers, integrity, innovation, and continuous improvement. With Regal Rexnord Values always at the forefront, we're proudly working together to create a better tomorrow around the world for associates, customers, and shareholders.



REGAL REXNORD VALUES

INTEGRITY

RESPONSIBILITY

DIVERSITY, ENGAGEMENT & INCLUSION

CUSTOMER SUCCESS

INNOVATION WITH PURPOSE

CONTINUOUS IMPROVEMENT

PERFORMANCE

PASSION TO WIN

...WITH A SENSE OF URGENCY

ENABLING SUCCESS FOR OUR TEAMS AROUND THE WORLD

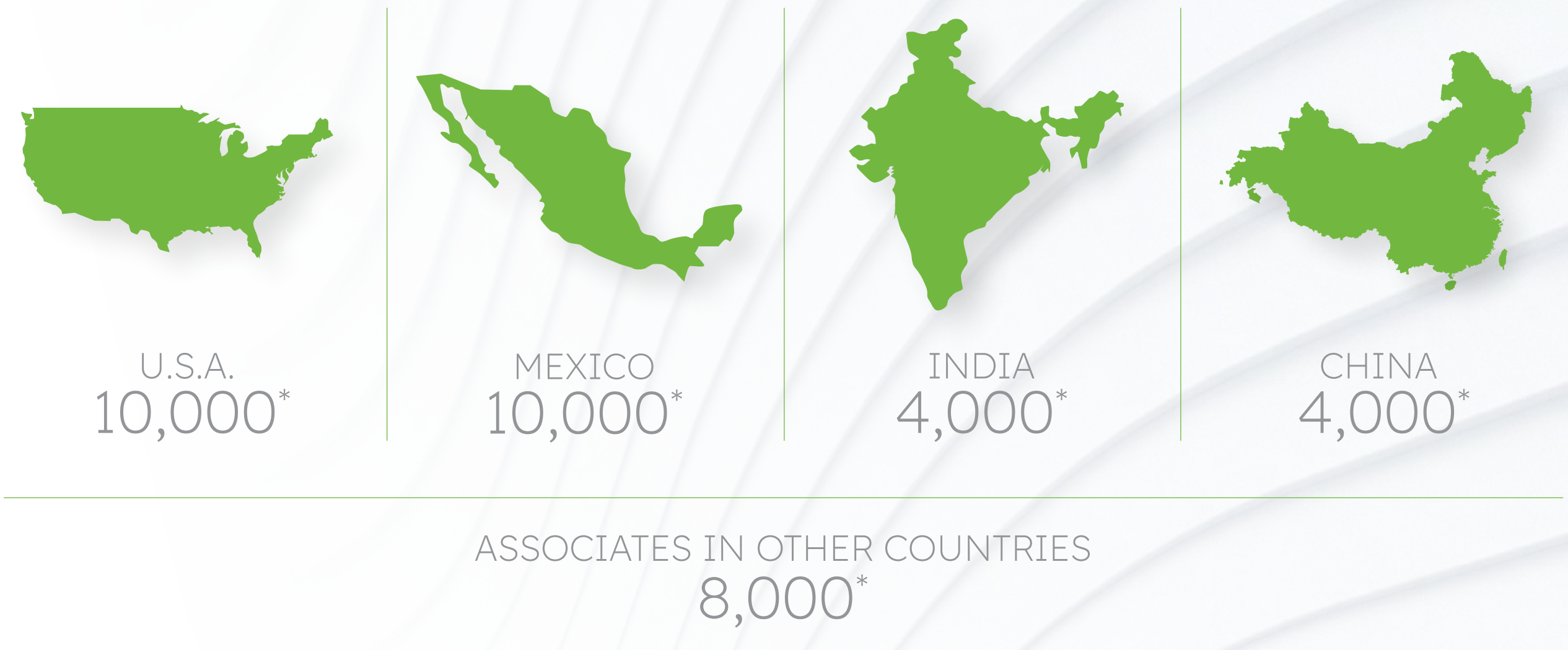
To deliver results and achieve success, we use various tools from our Regal Rexnord Business System, aligning our goals with business strategies. Our performance management process focuses associates on select, important goals they have for each year, alongside development goals, all tied to our Regal Rexnord Values. Lean tools such as continuous improvement road maps and daily management boards are used to focus efforts in our manufacturing facilities and help keep associates informed and aligned. These processes leverage ongoing monitoring, data analysis, and regular feedback to keep plans on track. With continual coaching throughout the year, in addition to a regular performance review cadence, our objective is to support the success of all our associates, and thus drive success for Regal Rexnord.

AT REGAL REXNORD, INTEGRITY MATTERS

Our Code of Conduct emphasizes that integrity matters in all our endeavors. We encourage anyone with a concern about business ethics or a potential code violation to raise it without fear of retaliation. We provide numerous pathways for associates, customers, vendors, and other third parties to voice their concerns – from immediate supervisors to business leaders, to the Board of Directors, to the Audit committee, as well as anonymous reporting via phone, web, or proxy, through our accessible reporting platform. We are committed to thoroughly investigating issues raised and promptly addressing behavior that is not aligned with our ethical standards.

REGAL REXNORD EMPLOYS

approximately 36,000 talented associates as of December 31, 2022¹



¹ Pro Forma for Altra Transaction.

*Associate data is approximate, and is as of December 31, 2022.

CARING FOR OUR ASSOCIATES

As a global employer of approximately 36,000 associates, we are committed to providing market-competitive compensation and benefits, and maintaining and ensuring a work environment that reflects our Regal Rexnord Values and culture everywhere we operate.

While specific compensation and benefits vary worldwide and are based on regional practices, we offer market-competitive compensation and benefits to attract and retain high-quality talent. In the U.S.A., where we employ approximately 10,000 associates, we focus on providing a comprehensive, competitive benefits package that supports our associates’ health, wellness, educational endeavors, and financial stability. In our 401(k) plan offered to associates in the U.S.A., we match up to 4% of associate contributions to provide long-term financial security. In addition, we are enhancing our U.S.A. family-friendly benefits for 2024 with the following:

- Parental Leave – Six weeks of paid leave within 12 months of the event for bonding with a new child as a result of birth, foster, or adoption.
- Family Leave – Two weeks of paid leave per 12 months to care for a family member with a FMLA-defined serious health condition.
- Adoption Assistance – Provides up to \$10,000 in financial assistance for a qualified adoption.
- Expanded Fertility Benefits – Fertility treatment coverage under both the medical and prescription drug plans.

Wherever we operate, employment is never forced or compulsory at Regal Rexnord, and we have the same expectation of our suppliers. In addition, child labor is absolutely not tolerated. Regal Rexnord complies with all applicable laws regarding the hiring of minors. We believe associates have the freedom of choice when it comes to employers for which they work, and we strive to make our facilities among the best places to work in the world.

REGAL REXNORD’S GLOBAL COLLECTIVE BARGAINING AGREEMENTS

Approximately 43% of Regal Rexnord’s global associate population are covered by some form of works council arrangement or union agreement. Regal Rexnord acknowledges our associates’ right to collectively bargain and complies with all laws governing the same. However, regardless of this relationship, Regal Rexnord provides safe working conditions for all our associates and provides local, market-competitive wage and benefit programs to our associates.

MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES

Regal Rexnord will always comply with applicable governmental regulations and notification requirements for notifying our associates of operational changes. Moreover, in living the Regal Rexnord Values, Regal Rexnord strives

to be transparent and exceed those notice periods when there are significant operational changes that will impact our associates. Regal Rexnord provides as much detail as soon as possible depending on the unique circumstances of each operational situation. If a union contract or other form of labor agreement applies, Regal Rexnord provides as much advance notice as the contract or agreement requires.

REGAL REXNORD IS AN EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION EMPLOYER

Qualified applicants receive consideration for employment without regard to race, color, religion, sexual orientation, gender identity, age, ancestry, national origin, marital status, citizenship (unless required by applicable laws or government contract), disability, protected veteran status, or any other status or characteristic protected by law. These commitments apply not only to the application process, but to all aspects of our associates’ employment, including recruitment, hiring, training and development, compensation, transfer, promotion, discipline, or discharge.

Regal Rexnord’s commitment to diversity goes beyond ensuring fair employment practices. The next section of this report details our efforts to create an inclusive work environment for our associates.

REGAL REXNORD VALUES DIVERSITY, ENGAGEMENT, AND INCLUSION

The Regal Rexnord Values serve as the foundation of our culture. Our value of Diversity, Engagement, and Inclusion (DEI) is defined by our strong belief that when we have more diverse minds focused on our purpose, we secure better outcomes. We work to cultivate an environment where all associates can bring their authentic selves to work, develop and grow professionally, and work as one team to drive success for our associates, customers, and shareholders.

Diversity in perspectives and experiences expands the possibilities for problem-solving, strengthens decision-making, and provides the creativity needed to address challenges and foster innovation. Engagement focuses on the connection employees have with their team, work, and the organization. We strive to ensure associates are supported, empowered, and energized around Regal Rexnord's purpose. Inclusion recognizes that our associates deserve and thrive in a work environment that understands, appreciates, and celebrates their uniqueness and provides equitable opportunities for everyone.

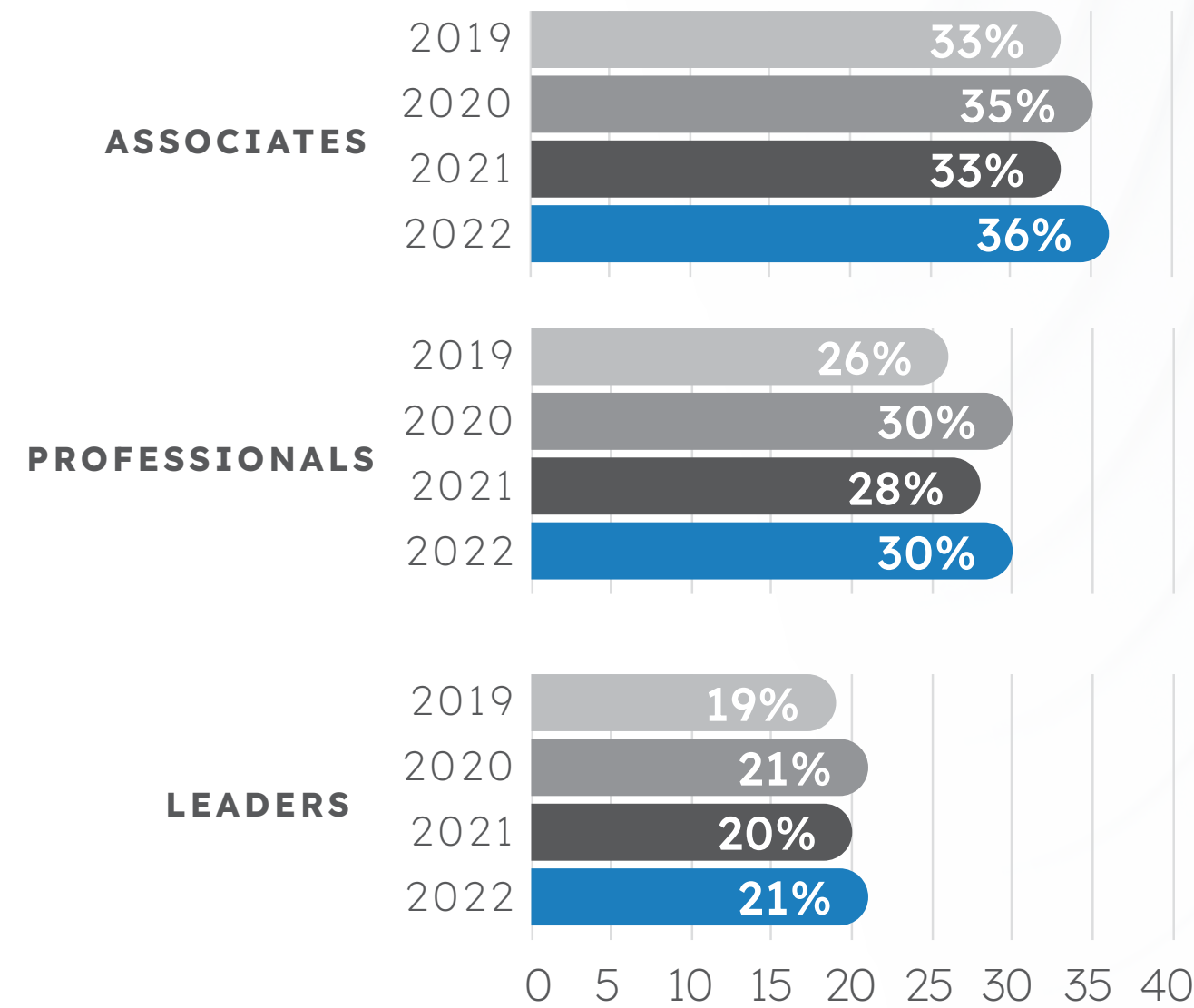
DIVERSITY INCREASING DIVERSITY WITHIN OUR WORKFORCE

We believe that a diverse workforce strengthens our ability to adapt to an evolving industry. Our global workforce includes individuals from varying backgrounds, cultures, and experiences. Through focus and intentional action to diversify our organization further, we continue to make positive progress in the area of gender representation globally, and on race within the United States. By expanding our reach and improving how we source talent, including

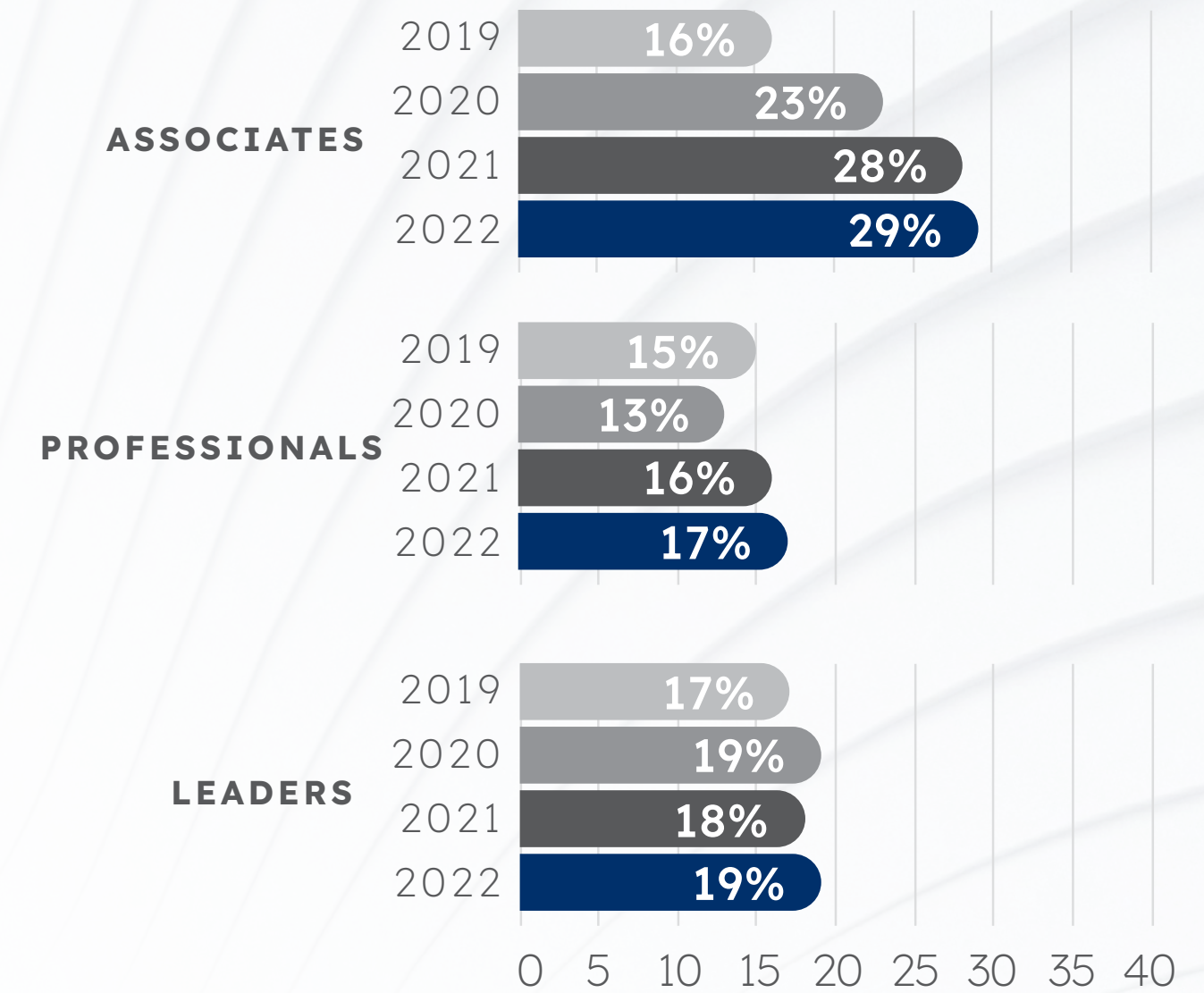
by leveraging strategic partnerships, we are seeing positive results and we continue to build on this momentum. We recognize that we are early in our DEI journey, yet our deliberate actions will continue to build on our established foundation.

In 2022, the organization heightened its efforts by investing in resources to build a robust DEI team. As an organization, we realized that we needed to sharpen our focus in this area to bring meaningful, substantive, and sustainable change across many dimensions. We now have a renewed commitment to approaching DEI holistically. Our efforts begin at a foundational level and incorporate internal and external measures, bridging across key stakeholders – starting with our associates. Some initial areas of focus for the new DEI team include intensifying our action on inclusion and human centricity, furthering progress around talent acquisition and retention, continuing to cultivate our Employee Resource Groups (ERGs), expanding community outreach, and advancing supplier diversity initiatives.

GLOBAL GENDER DIVERSITY*



RACIAL DIVERSITY (UNITED STATES)*



* This data does not include associates who joined Regal Rexnord as a part of the Altra Transaction.

ENGAGEMENT

DIVERSITY AND INCLUSION ARE KEY DRIVERS OF ASSOCIATE ENGAGEMENT IN THE WORKPLACE. ENGAGED ASSOCIATES ENHANCE COMPANY PERFORMANCE BY DELIVERING IMPROVED PRODUCTIVITY, REDUCED TURNOVER AND ABSENTEEISM, AND BETTER CUSTOMER SATISFACTION

One of the key indicators of DEI success is associate engagement. A workplace where employees feel they belong precipitates strong associate engagement. We firmly believe engagement goes beyond job satisfaction and extends to involvement, enthusiasm, and commitment to our mission. We look forward to measuring future tangible outcomes that may result from our reinvigorated commitment to inclusive leadership, policies, benefits, and communication, as well as diverse talent pipelines, continuous education, and feedback mechanisms. Measurable progress is grounded in a nourished culture that fortifies associate engagement through the entire career cycle. Part of our mission is to make Regal Rexnord a compelling choice for current and prospective associates, so we continuously strive to enhance engagement. As we move forward, we remain resolute in our pursuit of a highly engaged workforce. We will track progress through our engagement survey and designated pulse surveys throughout the year.

Regal Rexnord leverages planning tools from our Regal Rexnord Business System (RBS) toolkit to define strategic initiatives for our businesses. These initiatives are cascaded through our performance management processes. Associates know the goals of their business or function and how they contribute to achieving those goals. Through these processes, we establish connections between Regal Rexnord's objectives and our associates' individual performance goals. This goal alignment enables associates to connect directly with the impact of their work on Regal Rexnord's success. In our manufacturing facilities, we provide all associates visibility to key metrics on a daily basis, which provides consistent feedback on performance. Continuous improvement events bring associates together in data-driven, team-oriented, and structured problem-solving sessions to create more efficient processes. Regal Rexnord is on track to complete approximately 11,000 continuous improvement activities in 2023, thereby increasing participation and engagement of our associates in the collective successes.



LEADERSHIP DEVELOPMENT

“Regal Rexnord is committed to our value of continuous improvement, with a responsibility to make tomorrow better than today. A key part of living this value is committing to our own individual learning and development. No matter the type of work we do, all of us can learn, improve, and grow to bring our best selves to work for the benefit of associates, customers, and shareholders.”

– Louis Pinkham, CEO

We recognize the important role that leaders play in the engagement and ongoing development of our associates. To ensure they have the knowledge and skills to lead effectively, we offer a number of functional and leadership-focused development programs. Our early career functional rotation programs provide an opportunity to build a strong pipeline of diverse talent across engineering, supply chain, finance, sales, and IT. In 2023, approximately one quarter of our program participants were women. We continue to embrace DEI to ensure we engage a diverse pool of associates in these development programs. Additionally, foundational planning and recruitment activities executed in 2023 have enabled the organization to launch the General Manager Development Program, which will begin in the summer of 2024. This program will accelerate the experiences and development required to build future executives to lead and grow Regal Rexnord.

We also know that leaders at all levels have the greatest direct impact on the engagement of associates. Development programs focused on building leadership skills and Regal Rexnord Business System capabilities are leveraged to ensure

leaders understand expectations and their role in associate engagement. Investments in people-leaders’ capabilities position them for success and continued career growth. In 2023, we evaluated the role of manufacturing team leader, identifying key skill requirements and developing a curriculum to develop core functional and leadership capabilities. We continue to improve upon existing functional programs by incorporating leadership development capabilities to guide behaviors. Examples in 2023 include the addition of influence skills and self-awareness as a part of Product Management curriculum and building depth in change leadership capability through Plant Manager Bootcamp.



The newly launched associate learning portal, Learning inMotion, connects Regal Rexnord associates to learning and development resources to support their career growth. The tool provides a curated collection of in-person and self-directed learning centered around our culture and values, the Regal Rexnord Business System, and professional and leadership development.

INCLUSION

OUR JOURNEY TOWARD A MORE INCLUSIVE WORKPLACE BEGINS WITH THE UNDERSTANDING THAT CONSCIOUS INCLUSION CAN PRODUCE BEHAVIORS THAT ARE SUPPORTIVE OF OUR GOALS

Conscious inclusion focuses on a proactive and deliberate focus on cultivating inclusion across the organization. We aim to embed conscious inclusion in all that we do by taking intentional focus and action in communication and behaviors that create and sustain value by inviting and leveraging differences. The culture we are creating through this focus requires accountability, and we want every associate to be equipped with the requisite tools to propel us forward. Regal Rexnord continues with a phased approach to experiential conscious inclusion learning opportunities to the organization, reiterating our core values. We have begun a review of our communications, policies, and processes to identify opportunities to enhance and evolve our inclusion efforts. Additionally, we continue to support the launch of associate networks such as environmental and community councils, mentoring programs, and ERGs.

EMPLOYEE RESOURCE GROUPS

At Regal Rexnord, we are committed to creating an inclusive environment that fosters engaged associates and provides many avenues of support. We recognize that ERGs are an effective way to foster and support a sense of belonging, inspire conversations, bring diverse perspectives to problem-solving, and promote innovative thinking.

REGAL REXNORD WOMEN ERG

The Regal Rexnord Women ERG actively focuses on the growth and development of our global female associates. The ERG exists to sponsor and promote actions that enrich their leadership skills, business knowledge and practices, networking, career development, and community impact. This year focused specifically on establishing a mentoring program, along with identifying barriers for women in the workplace.



2023 INTERNATIONAL WOMEN'S DAY

On March 8, the world celebrated International Women's Day and so did Regal Rexnord. On this day, we celebrated the social, economic, cultural, and political achievements and advancements of women. The day continues to remind us of the call to action for accelerating meaningful progress for women.

This year's campaign theme was #EmbraceEquity, focused on amplifying the importance of equity, recognizing each person has different circumstances, and the idea that the allocation of resources should be based on the need to reach an equal outcome.



REGAL REXNORD AFRICAN AMERICAN ERG

Our Regal Rexnord African American Employee Resource Group focuses on the growth and development of our African American associates. The ERG exists to sponsor and promote actions that enrich leadership skills, business knowledge and practices, networking, career development, and community impact. This year focused on building community within the organization and serving the community. A team in Milwaukee filled 250 backpacks with school supplies and provided them to a local elementary school.

REGAL REXNORD CELEBRATES JUNETEENTH

Following a message from our CEO to associates, Regal Rexnord's African American ERG led an engagement event celebrating Juneteenth. In the Milwaukee area, associates convened in community and shared varying perspectives on experiences. Employees of varying dimensions of diversity reported the program was both impactful and insightful. We look forward to expanding these events next year.

SUPPLIER DIVERSITY

As we continue to invest in DEI as an organization, we have increased our focus in several areas including supplier diversity. We are committed to fostering a diverse and inclusive supplier ecosystem. This is an integral part of our broader DEI strategy focused on social responsibility and ethical business practices. We recognize that supplier diversity impacts our associates, customers, and shareholders. Additionally, this focus drives economic growth, enhances innovation, fosters community development, and promotes social equity. As we begin building a robust supplier diversity strategy, we aim to contribute positively to the communities in which we operate.



COMMITTED TO OUR COMMUNITIES

Regal Rexnord associates are passionate, committed people determined to be a powerful force for good in the communities where we live and work. Our shared value of responsibility to our communities drives what we do.

We have made an impact in our communities with associates' use of their company-provided volunteer hours and through contributions from the Regal Rexnord Foundation. Associates use their skills and passions to influence our giving and volunteerism priorities. Some highlights include:

- In 2022, half of our giving was directed toward helping people meet basic needs, including food, shelter, and healthcare. Another 25% of giving focused on education with emphasis on science, technology, engineering, and math (STEM). Regal Rexnord Foundation gave \$1,261,200 to 130 separate charities across the U.S., Mexico, and China. This total does not include local giving at the business unit level.
- Across the U.S., more than a dozen associates lead FIRST® Robotics teams that help high school students build skills in engineering, technology, business, and collaboration. FIRST® teams build industrial-size robots to play a difficult field game in alliance with other teams.
- In our Monterrey, Mexico, locations and at some locations in the U.S., associates built community councils to drive local giving and volunteerism activities. These councils partner closely with local charities to meet community needs through short- and long-term collaborations.

BASIC NEEDS

Associates from our Monterrey, Mexico, locations have a long history of supporting healthcare, food, clothing, and other basic needs within the community. The community committee partners with local organizations to strategize and plan support for the people of Monterrey.

In early 2022, the surrounding communities suffered from a sudden fire that left many people unhoused. Comedor Extiende tu Mano A.C is a nonprofit organization that was offering aid to underserved and marginalized communities by providing food, medical assistance, and education. Regal Rexnord associates contributed to the efforts of this organization by donating food, personal care items, clothing, and blankets that helped the community get through those difficult times. In addition, the Regal Rexnord Foundation donated funds to support community aid.

Associates in Monterrey also participated in an auction to help the AMOR, LUZ Y LIBERTAD A.C foundation. The A.LY.L.AC. helps people in their pursuit of an addiction-free life. Associates donated funds to support the optimal equipment for a new care center located in Apodaca, and Regal Rexnord matched the funds raised. The community committee was happy to celebrate International Women's Day by helping and showing empathy for female community members who fight every day with conviction and strength to start a new chapter in their lives.



(Left) Five Monterrey, Mexico, female associates stand behind a check made to a women's shelter. (Right): Ten Monterrey, Mexico, associates pose in front of the food, personal care, and clothing donations they collected.

EDUCATION

Regal Rexnord associates donate and volunteer inside and outside of schools. The Regal Rexnord Foundation donates funds to support education initiatives. For example:

- Associates in Pune, India, come together every quarter to give back to their communities through a variety of activities and donations. For many years, they have partnered with various associations and nongovernmental organizations (NGOs), donating food, stationery, computers, and other items to support education. When associates donate to a cause, their contributions are often matched by Regal Rexnord.
- In mid-2022, associates partnered with the NGO Seva Sahayog on its School Kit initiative. The School Kit initiative began in 2008 and provides educational aid to children from economically disadvantaged communities and to regions across India suffering from natural disasters. Each kit includes an assortment of materials such as school bags, notebooks, pens, pencils, drawing books, and compass boxes.
- School supplies from Regal Rexnord donated to a school in Shivaji Chowk, Hinjawadi, benefitted more than 1,900 students, across both primary and middle school with such kits. Each donation of 100 rupees provides school supplies for one student and empowers every child with educational opportunity.
- Volunteers from Regal Rexnord’s Fort Wayne, Indiana, campus participated in a two-day Junior Achievement JobSpark (JA JobSpark) Career Expo in November 2022. The JA JobSpark Career Expo connects thousands of local 8th grade students to businesses and organizations in northern Indiana to “spark” their interest in careers and get them excited for their future. JA JobSpark provided the opportunity for students to learn about the skills needed for careers as well as the education or training necessary to achieve their career goals. During this two-day event, the Fort Wayne team offered an experiential and interactive exhibit of Regal Rexnord products to over 5,000 8th grade students to help spark their interest in the field of engineering.
- Students from Precision Tools and Basic Machining classes at South Texas College visit the Regal Rexnord facility in McAllen, Texas, for insights into the process of metal stamping and diecasting.



(Top left) Students from South Texas College visit the Diecast Department at the McAllen Texas Regal Rexnord location. (Top right) Eight associates from the Pune India center stand on stage to celebrate the success of a school supply drive. (Bottom): South Texas College receives a check from McAllen, Texas, Regal Rexnord associates.

OUR PLANET

REGAL REXNORD ASSOCIATES PARTICIPATED IN VARIOUS EVENTS SPECIFICALLY AIMED AT HELPING THE ENVIRONMENT



WORLD ENVIRONMENT DAY

World Environment Day is celebrated annually on June 5 and encourages awareness and action for the protection of the environment. This year's theme was "Beat Plastic Pollution" and it served as a reminder that individual actions impact plastic pollution. Many of our facilities celebrated this day by distributing reusable water bottles and communicating ways to reduce waste and use of plastics. Notably, businesses within the Company's Automation & Motion Control segment offer subsystems that directly support a secular shift away from single-use plastics for beverages and toward aluminum cans.

EARTH DAY CELEBRATIONS

Earth Day was founded in 1970 and in 2022, Regal Rexnord associates from several locations took time to celebrate. Earth Day has been observed through a wide range of events to demonstrate support for environmental protection.

Our facilities commemorated the day by promoting awareness of environmental issues. Regal Rexnord team members placed bird feeders in office gardens, participated in community cleanups, and planted trees and flowers.





THE REGAL REXNORD COMPLIANCE CITIZENSHIP REVIEW

The Compliance Citizenship Review (CCR) is our annual evaluation of each Regal Rexnord manufacturing facility’s environmental, health, safety, and sustainability performance. The CCR is led by facility management, demonstrating that accountability for environmental, health, and safety initiatives begins with local management teams. The review process evaluates each facility on performance and predictive indicators in areas such as regulatory compliance, safety, environmental impact, associate training, sustainability, and community service. Performance metrics are compared against the prior year, which helps drive continuous improvement. Best practices from the highest-performing sites are shared across the business.

As responsible citizens, we are committed to being environmental protection leaders. Through our stewardship, we create value for all stakeholders and preserve opportunities for generations to follow. Within our CCR process, we continually monitor environmental regulatory compliance, progress in reducing energy consumption, greenhouse gas (GHG) emissions, water consumption, and waste generation. The CCR process allows us to track performance and determine if our targets are being achieved. Our newly launched Sustainability Champion program ensures even stronger local ownership over plant-based environmental efficiency efforts. Each of our major sites will have a Sustainability Champion who will leverage Regal Rexnord Business System tools to reduce the environmental impact of operations.

The CCR incorporates elements of Regal Rexnord’s Health and Safety Management System and its Environmental Management System, which are modeled on accepted industry standards such as the International Organization for Standardization. Thirty-two of our sites are ISO 14001 certified, 13 sites are ISO 45001 certified, and six sites are ISO 50001 certified by an independent, certifying body.

SAFETY

OUR ENVIRONMENTAL HEALTH, SAFETY, AND SUSTAINABILITY POLICY APPLIES TO ALL ASSOCIATES. A KEY TENET OF THE POLICY IS TO EMPOWER ASSOCIATES TO PERFORM SAFETY OBSERVATIONS AND TAKE ACTION TO CORRECT UNSAFE CONDITIONS AND BEHAVIORS

In November 2022, we implemented a behavior-based safety observation program. Associates were trained to recognize unsafe behaviors and conditions, and record their observations on a safety observation card. Associates then discuss their observations with their supervisor and work together to make improvements. Aligned to our Zero Harm vision, all associates are instructed to stop work if they believe it is unsafe to perform their tasks. As the program implementation ramped up through the first half of 2023, 94,000 safety observations were completed.

SAFETY OBSERVATION CARD

PERSONAL PROTECTIVE EQUIPMENT

Right for the job & worn properly
 Safe UnSafe NA

WALKING WORKING SURFACES

Floor free from slip, trip and fall hazards
 Safe UnSafe NA

MACHINE SAFETY

Machine guards in place
 Safe UnSafe NA

.....

Safety controls working properly (light curtains, eStops, interlocks, etc.)
 Safe UnSafe NA

BODY MECHANICS

Lifting, bending, twisting
 Safe UnSafe NA

.....

Reaching, pulling, pushing
 Safe UnSafe NA

SAFETY PROCEDURES

Understood and followed
 Safe UnSafe NA

HAND TOOLS AND EQUIPMENT

Safe condition, right for the task, safe use
 Safe UnSafe NA

LINE OF FIRE

Hand pinch points and struck by objects
 Safe UnSafe NA

RegalRexnord™

HEALTH & SAFETY: ZERO ACCIDENTS

OUR GOAL IS ZERO ACCIDENTS

The welfare of our associates and their families is paramount. This starts with our commitment to personal safety and is critical to our success. We are committed to our Zero Harm vision. Our expectation is that everyone at our sites – associates, visitors, customers, and contractors – demonstrates a commitment to safety. Our success is attributable to our highly engaged associates who help identify and reduce safety risks. We expect all associates to actively participate in our safety program.

REGAL REXNORD’S HEALTH & SAFETY MANAGEMENT SYSTEM (HSMS)

is based on a Plan, Do, Check, Act model to drive continuous improvement and compliance, and leverages various recognized standards including ISO 45001.

Our safety programs extend beyond regulatory compliance; they are woven into our culture through associate engagement and leadership behavior.

The Corporate Environmental Health & Safety (EHS) team drives strategy and continuous improvement in collaboration with regional and site EHS leaders who are further supported by other functional leads. A series of monthly meetings are held with executive and senior business leaders, operations leaders, plant managers, and site EHS leaders covering a range of topics, including best practices, safety performance, and continuous improvement initiatives.

Dedicated EHS professionals are employed around the world to support site operations in their environmental, health, and safety efforts. Our sites are responsible for implementing the programs and other requirements outlined in the Regal Rexnord HSMS. In addition, sites conduct HSMS self-assessments using an audit tool to measure (score) compliance and identify opportunities for improvement. Management drives improvement initiatives through action plans and monthly site operations reviews. The corporate and regional EHS teams conduct second-party audits to calibrate scores, ensure alignment, coach, and drive improvements.

	2021 ¹	2022 ²	Motor and Generator Manufacturers ³	Mechanical Power Transmission Equipment Manufacturers ³
TRIR	0.64	0.51	1.70	3.80
DART	0.34	0.33	1.00	2.50

DART – Days Away Restricted or Transferred Rate
 TRIR – Total Recordable Incident Rate

¹ 2021 data includes the Rexnord PMC and Arrowhead businesses acquired in 2021.

² Data includes Regal Rexnord locations during 2022 and excludes locations gained by the Altra Transaction.

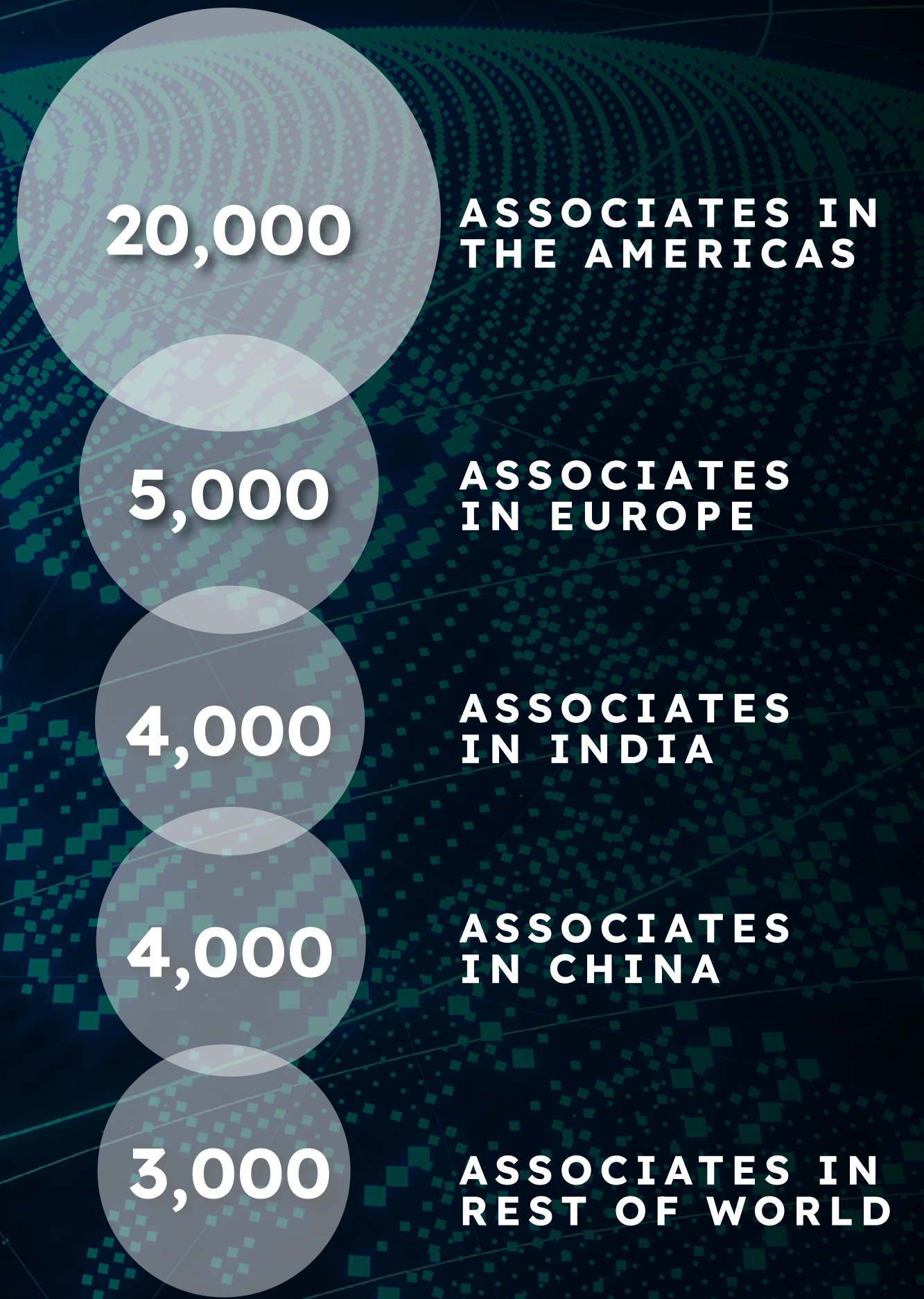
³ U.S. Bureau of Labor Statistics average incidence rates for companies operating in the Motor and Generator Manufacturing (NAICS code 335312) and Mechanical Power Transmission Equipment Manufacturing (NAICS code 333613) industries.

OUR PRODUCTS ARE SOLD ACROSS SIX CONTINENTS

Regal Rexnord has manufacturing facilities around the globe that are well positioned to serve customers worldwide. Countries in which we have significant operations include the U.S.A., China, Mexico, India, and various other countries in Europe and Southeast Asia.

220
GLOBAL
SITES

GLOBAL PRESENCE



Site count as of March 27, 2023. Site and associate counts are both pro forma for the Altra Transaction.



A GLOBAL SUPPLY CHAIN BUILT WITH PARTNERS COMMITTED TO SUSTAINABILITY

Regal Rexnord's promise to provide high-quality, energy-efficient products increases our environmental handprint – what we give back. We're also stepping lightly to minimize our footprint; making operations more productive so we can reduce the impact of our facilities, lower emissions, decrease energy and water consumption, and minimize waste through standardization and digitization. In sum, we're striving to consume less and leave less behind. This is central to how we operate our facilities, and we expect the same from our suppliers.

A RESPONSIBLE SUPPLY BASE

Building and maintaining a robust, responsible supply base is critical to our overall sustainability efforts. Regal Rexnord evaluates our global suppliers to verify compliance with REACH, RoHS, the EU Waste Directive and other applicable state and national regulations, and with conflict minerals reporting requirements. Our objective is to ensure that our global suppliers are employing adequate compliance measures and health and safety practices. We engage a third-party vendor to support the extensive supplier due diligence under the direction of our internal materials compliance team. Assessments are completed for all new direct materials suppliers to ensure that they meet our technical requirements.

Suppliers must meet or exceed the expectations detailed in our Supplier Code of Conduct & Global Supplier Requirements and Expectations Manual (SREM), and suppliers are required to participate in our Supplier Compliance Communication Campaign (SCCC Survey). The SCCC Survey is executed on a periodic basis, every two years and the results are audited by internal and external auditors. In addition, our Global Human Rights Policy, which prohibits, among other things, the use of forced and child labor, applies to our suppliers and is incorporated by reference in our Supplier Code of Conduct. Our supply chain team delivers scorecards to suppliers on a quarterly cadence (more frequently in some instances), and performs supplier reassessments and on-site assessments periodically using a risk-based approach. For suppliers that interface with our CTPAT (Custom Trade Partnership Against Terrorism) certified businesses, we perform risk assessments consistent with U.S. Customs and Border Protection recommendations.

For optimal strategy and planning, our supply chain team engages in monthly operating reviews with the leaders of our operating segments, and in monthly business unit review meetings, and undergoes an annual strategy planning process.

RECYCLED AND RECLAIMED MATERIALS MAKE GOOD ENVIRONMENTAL AND BUSINESS SENSE

We are putting increased focus on our suppliers of resource-consuming commodities such as castings. Foundries supplying to Regal Rexnord, as an example, are investing in new manufacturing technologies and automation, further improving productivity, lowering costs, and employing environmentally friendly practices such as 100% sand reclamation. Many of these foundries use renewable energy and moved from coke-based cupola melting to induction melting. Partnering with these suppliers has enabled Regal Rexnord to further its resolve to source material that has less impact on the environment.

Internally, we also prioritize these efforts as a significant portion of our facilities participate in scrap metal and cardboard recycling programs.

OUR 80/20 FOCUS DRIVES VENDOR SIMPLIFICATION

Organization-wide, Regal Rexnord is on an 80/20 journey to simplify its product lines and reduce SKUs. For the supply chain function, these organization-wide efforts have resulted in vendor simplification. Outside of product line simplification, the supply chain team engages in an ongoing process of supplier rationalization, and ESG factors inform which vendor relationships to prioritize.

RESPONSE TO SUPPLY CHAIN CHALLENGES LEADS TO INCREASED SUPPLIER LOCALIZATION

Similar to other companies, Regal Rexnord faced numerous supply chain challenges during 2022 due to tariffs, geopolitical disruptions, supplier capacity constraints, and other factors.

To help manage the impact of these factors, we developed new, dual-sourced supplier relationships with a focus on localization. Where we were able to establish more localized supplier relationships, we expect to reduce delays, supplier risk, and environmental impact due to decreased transportation needs.

ENHANCED SUPPLY CHAIN INFORMATION SYSTEMS ARE IMPROVING FREIGHT PERFORMANCE AND LOWERING ENVIRONMENTAL IMPACTS

Regal Rexnord has deployed several information systems, policies, and processes with the express purpose of increasing logistics agility, visibility, and utilization. The interests of our customers, shareholders, and stakeholders are aligned by driving efficiency through our entire value chain - an accomplishment underpinned by access to relevant, accurate, real-time information.

Most of Regal Rexnord's containers shipped from Asia, which average approximately 260 a month, are scheduled, tendered, and tracked through a cutting-edge industrial commerce platform that provides on-demand logistics capabilities. This cloud-based application has unilaterally improved global collaboration, precision of planning, and execution accuracy. The average time on water for our entire targeted container population has reduced from 55 to 43 days as a result of this platform. This efficiency improvement has continued to reduce Regal Rexnord's relative contribution to nautical fuel consumption.

Historically, Regal Rexnord has used multiple transportation management systems to execute millions of our North American freight transactions across all modes. In 2022, Regal Rexnord achieved its target of consolidating greater than 90% of North America in-bound, intra-company, and outbound freight transactions onto a single, best-in-class transportation management system. With the Altra Transaction in 2023, we expect to find new opportunities for freight consolidation. Regal Rexnord intends to identify additional efficiencies as businesses acquired during the Altra Transaction are transitioned to Regal Rexnord's primary transportation management system. Our expectation is that this centralization will enable us to reduce our total loads by increasing consolidations via milk run routes, higher shipment densities, and mode shifts. Improved freight utilization along our value chain is not only improving service levels for customers but dramatically lowering fuel consumption and related emissions.



WE HAVE A RESPONSIBILITY TO SAFETY, SUSTAINABILITY, AND OUR COMMUNITY

After achieving our 2025 climate impact reduction targets ahead of schedule, in 2021, we set out to define a more aggressive target. As a result, and in line with our values and with key United Nations Sustainable Development Goals, we announced at our September 13, 2022, Investor Day our goal of achieving Scope 1 and Scope 2 carbon neutral by 2032. We will use 2022 as our baseline year because it is the first full year as a combined Company after our merger with the Rexnord PMC business.

In addition, we announced our intent to be net zero across Scopes 1, 2, and 3 by 2050, in line with the U.N. Sustainable Development Goals for Climate Action. In pursuit of this goal, we began the process of developing science-based targets that are aligned with the Science Based Targets Initiative (SBTi). We are on track to develop and submit science-based targets to SBTi by August 2024.

In October 2022, we announced the acquisition of Altra, which closed at the end of first quarter 2023. We are keeping our Scope 1 and 2 carbon neutral goals unchanged, despite now including Altra's operations.

We believe our Company's products, strategy and mission align with a number of the United Nations Sustainable Development Goals, including: 3) Good Health & Well Being; 7) Affordable and Clean Energy; 9) Industry, Innovation and Infrastructure; 11) Sustainable Cities and Communities; 12) Responsible Consumption and Production; 13) Climate Action; and 15) Life on Land.



GOALS, EXECUTION, & OVERSIGHT

Incremental, annual GHG emission reduction goals were established and cascaded across the business segments.

Manufacturing sites record monthly energy consumption in data management applications. In addition, the sites report energy consumption against goals and the status of energy reduction initiatives in monthly operations reviews.

The Carbon Disclosure Project (CDP) Climate Change Questionnaire is submitted annually. We leverage the Task Force on Climate-Related Financial Disclosures (TCFD) as a framework to assess and manage climate risks and opportunities based on recommendations that we report in this submission.



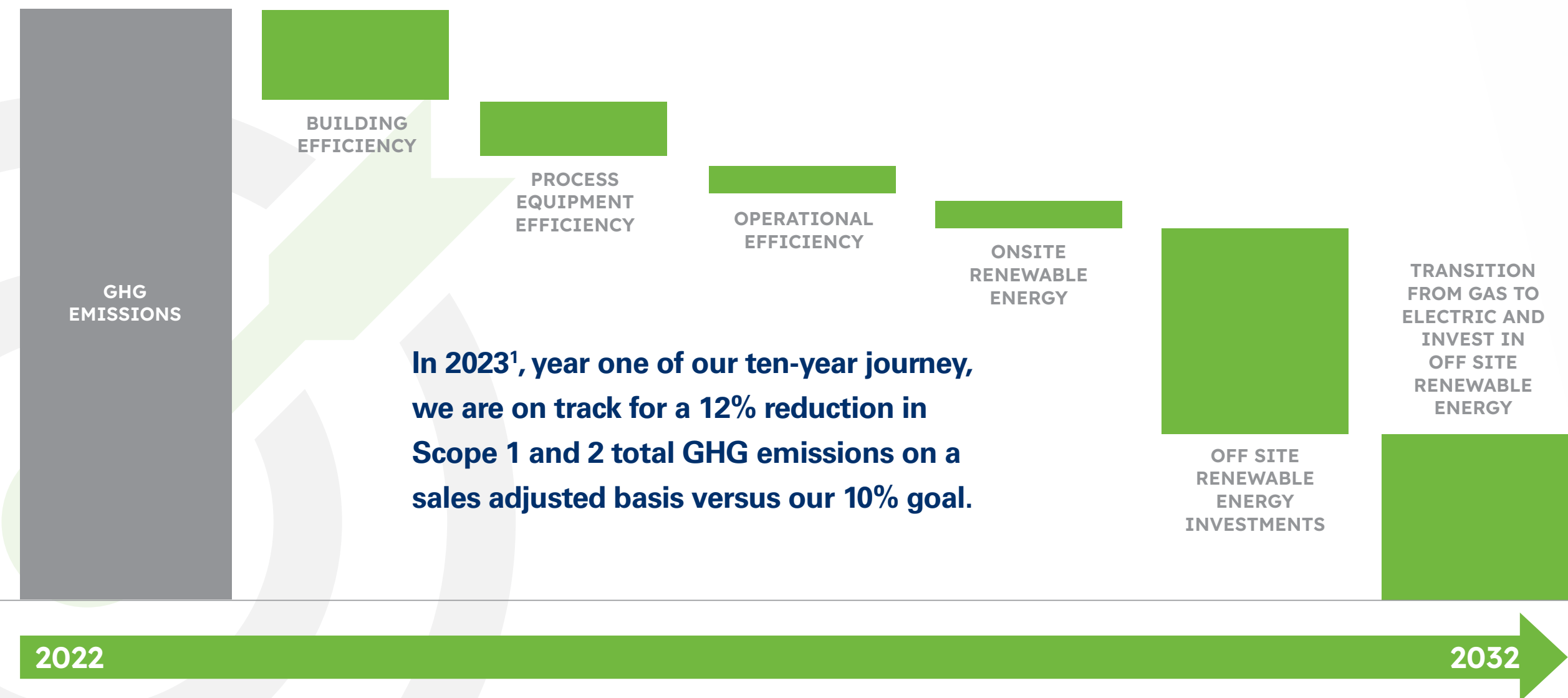
Quarterly Environmental Sustainability Governance Meetings, which include the CEO and Executive Leaders, are held to review strategy, performance, and continuous improvement plans.

Oversight and review of sustainability metrics, performance, and improvement strategies are provided by our Board of Directors via regular engagement with its Corporate Governance, Sustainability, and Director Affairs Committee.

OUR PLAN TO REACH NET ZERO BY 2032

STEPS TO REACH SCOPE 1 AND SCOPE 2 CARBON NEUTRALITY BY 2032

Per TCFD recommendations, we disclose Scope 1 and Scope 2 GHG emissions and targets that help to assess and manage climate-related risks. Please refer to the TCFD Index in this report.



(1) Data does not include GHG emissions from operations acquired in the Altra Transaction.

BUILDING EFFICIENCY – Reduce building footprint and improve lighting, HVAC, compressed air, and building envelope efficiency

PROCESS EQUIPMENT – Naturally replace machinery at end of life with more energy-efficient technologies and improve preventive maintenance and monitoring

OPERATIONAL EFFICIENCY – Leverage Regal Rexnord’s Business System lean manufacturing practices that will directly reduce energy consumption by reducing scrap, rework, cycle time, and total run time

ON-SITE RENEWABLE ENERGY – Continue to invest in on-site solar power systems in areas with the most efficient and economical advantages

OFF-SITE RENEWABLE ENERGY – Secure power purchase agreements, virtual power purchase agreements, renewable energy certificates, and/or other market-based instruments

TRANSITION FROM GAS TO ELECTRIC – Transition from gas-powered systems to electric

Regal Rexnord is recognized as a leader among companies that are committed to being good stewards of the environment.



SUSTAINABILITY CHAMPION PROGRAM

At Regal Rexnord, we firmly believe that sustainability is an opportunity to drive positive change. To ensure that sustainability remains at the core of our operations and to empower our associates, we have established the Sustainability Champion Program. This program serves as a catalyst for knowledge, awareness, and action, fostering a culture of sustainability throughout our organization.

As part of our Sustainability Champion program, associates attend a two-day workshop designed to amplify their knowledge of energy-efficiency practices and build capabilities for conducting energy assessments. Guided by four pivotal standards – Compressed Air Management, Energy Efficient Lighting, HVAC Efficiency, and Associate Engagement – participants delve into the intricate components of sustainable practices through both classroom training and hands-on practice. Upon completion of the workshop, associates are empowered to return to their respective facilities and integrate the objectives of the Sustainability Champion Program into their operations.

The program has already yielded positive results. With 132 attendees representing 76 facilities, the program was launched and continues to gain momentum. We are on track to have sustainability champions in place at sites that account for greater than 90% of Scope 1 and 2 total GHG emissions. Since the first workshop, 165 energy savings projects have been entered into our tracking database, translating into 25,500 megawatt hours of energy savings.

As we forge ahead on our sustainability journey, our Sustainability Champion Program remains a testament to our dedication to achieving the sustainability goals we set. By continually improving our energy management practices, engaging our associates, embracing innovation and fostering collaboration, we are shaping a future to create a positive and lasting impact on energy use and contribute to an environmentally responsible workplace.



SMART BUILDING DESIGN



In July 2023, our Automation and Motion Control Aerospace division took occupancy of a state-of-the-art, 125,000-square-foot facility in Chihuahua, Mexico, with sustainability top of mind. The new facility incorporates a wide range of energy and water efficiency features into its design, including an investment in solar energy to support the facility's production needs.

Sustainability features include:

- 1,100 solar panels creating ~83,000 kWh of electricity per month
 - » Solar arrays in the parking lot serve a dual purpose by providing shade for associate cars and shade for the patio outside the lunch/break room
- LED lighting throughout the facility including intelligent lighting systems
- 3% of the factory roof is skylight
- Exterior window shades
- High-efficiency windows
- Lowered ceiling heights in the factory
- High-efficiency air compressors
- Low water consumption landscaping
- Efficient flow water fixtures

REGAL REXNORD CONTINUES TO INVEST IN ON- SITE RENEWABLE ENERGY AND OTHER ENERGY REDUCTION PROJECTS

REDUCING GHG EMISSIONS AT OUR CISERANO ITALY FACTORY

In our pursuit of sustainability and energy efficiency, our facility in Ciserano, Italy, is making impressive gains. Several impactful projects have been implemented, driving a substantial 227 metric tons of carbon dioxide equivalent (MTCO₂e) reduction in GHG emissions. Transformative initiatives include:

- **BUILDING WALL INSULATION UPGRADE:** We have taken a proactive approach by upgrading the insulation of our building walls. This simple, effective measure has significantly reduced the need for excessive heating or cooling, thereby minimizing the demand for heating fuels or electricity. The result is a more stable and comfortable indoor environment, with fewer drafts and temperature fluctuations.
- **SOLAR POWER SYSTEM INSTALLATION:** We installed a robust 465-kW solar power system in 2022. The solar panels now contribute nearly half of the facility's total energy needs, playing a pivotal role in reducing GHG emissions and advancing our sustainability goals.
- **INTEGRATION OF ELECTRIC VEHICLE CHARGERS:** Embracing the future of transportation, we have installed four electric vehicle chargers. By promoting electric and plug-in hybrid vehicles, we not only enhance energy efficiency but also lower air pollution and encourage renewable energy integration.

The benefits of these projects include:

- A reduction of 25,000 liters of fuel oil annually.
- The annual generation of 586 mega-watt hours of clean energy from a newly installed solar power system.
- The annual reduction of Scope 1 emissions by 70 MTCO₂e and Scope 2 emissions by 125 MTCO₂e.
- The integration of electric vehicle charging stations has resulted in annual fuel and energy savings while also preventing 32 MTCO₂e of pollution.



ROWVILLE, AUSTRALIA, SITE ACHIEVES CARBON EMISSION NEUTRALITY FOR SCOPES 1 AND 2

In June 2022, Regal Rexnord's Rowville, Australia, on-site solar power system became operational. The system has a peak power rating of 230 kW. In addition, the site signed a renewable energy agreement with a local energy provider to source 100% renewable energy. As a result, the site achieved Scope 2 zero emissions.

To offset the remaining Scope 1 emissions, the site partnered with Greenfleet. Greenfleet is a leading not-for-profit organization, authorized climate active member, and Australia's first carbon offset provider, committed to protecting our climate by restoring forests. Greenfleet plants native, biodiverse forests in Australia and New Zealand to restore critical ecosystems and capture carbon emissions.

As a result of this partnership and the energy generated by its 2022 solar power system installation, the Rowville site was carbon neutral (both Scopes 1 and 2) in 2022, achieving the following improvements:

- Reduction of 684 MTCO₂e of Scope 2 emissions
- Purchase of carbon offsets accounting for 87 MTCO₂e of Scope 1 emissions

REGAL REXNORD WUXI, CHINA, CONSTRUCTS POWER SYSTEM

In April 2023, Regal Rexnord Wuxi, China, successfully completed the construction of a 2.18 MW solar power system. The system is operated in the model of self-use, and surplus electricity is connected to the local energy grid. The system is expected to generate 2.1 million kWh of electricity annually and reduce GHG emissions by 1,655 tons per year.



PIEDRAS NEGRAS MEXICO FACTORIES REDUCE ENERGY CONSUMPTION

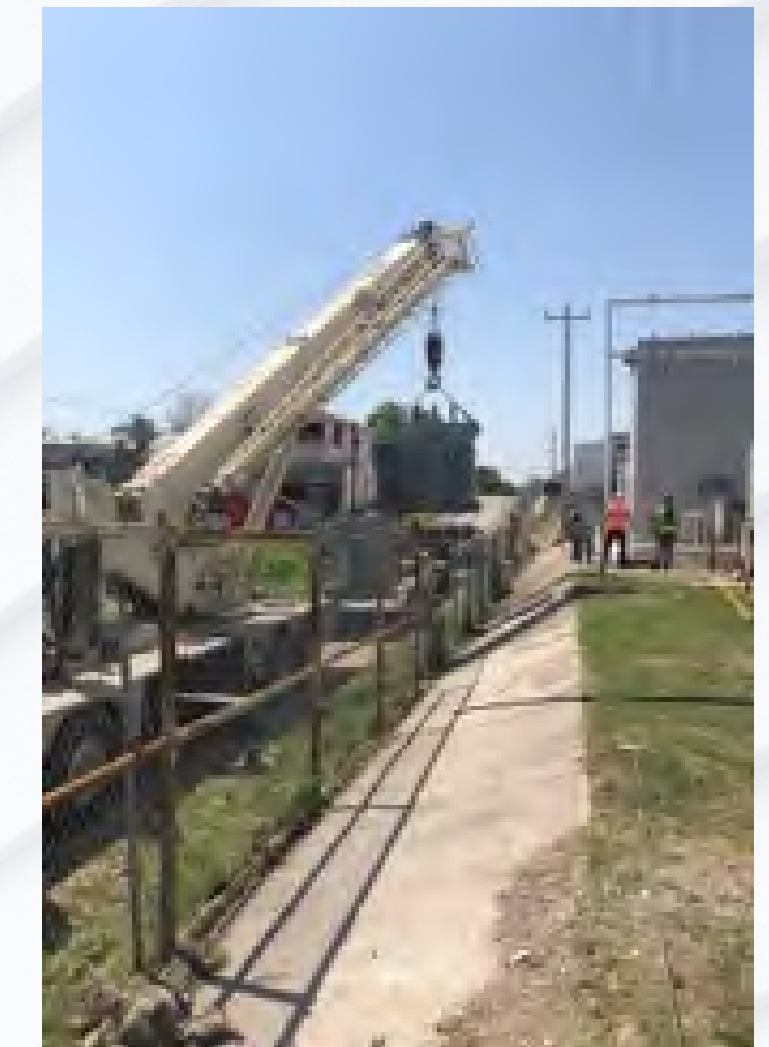
In 2022, Regal Rexnord facilities in Piedras Negras, Mexico, took meaningful steps to enhance their energy efficiency.

The sites implemented a Building Energy Management System (BEMS) to optimize the heating, cooling, and ventilation systems. This intelligent system adjusts HVAC operations based on factors such as occupancy, outdoor weather conditions, and other settings, ensuring the buildings are adequately conditioned while minimizing energy waste.

Additionally, replacing the transformer and capacitor banks led to increased power factor and reduced loss reduction through energy dissipation as heat, boosting system efficiency and generating energy savings.

A complete transition to LED lighting not only resulted in higher efficiency and lower power consumption, but also contributed to minimizing the environmental impact as LEDs do not contain hazardous materials and are safer to handle and dispose.

These and other projects resulted in 1,000 megawatt-hours in annual electricity savings and an annual reduction of 440 MTCO₂e.



ENVIRONMENTAL IMPACT

In 2022, we made progress in reducing our energy consumption and GHG emissions on our journey to Net Zero. Total energy consumed decreased by 3.6% with a corresponding 11.8% decrease in energy intensity year over year. Total GHG emissions decreased by 6.0% with a corresponding 14% decrease in GHG intensity year over year. Refer to the following energy and GHG emissions tables for 2021 and 2022 data.

ENERGY CONSUMED (GIGAJOULES)

	2022, Regal Rexnord ¹	2021, Regal Rexnord ²
TOTAL ENERGY CONSUMED	2,833,665	2,938,048
PERCENTAGE OF GRID ELECTRICITY	44%	45%
PERCENTAGE OF RENEWABLE ENERGY	0.69%	0.07%
TOTAL ENERGY CONSUMPTION (SCOPE 1)	1,573,516	1,594,491
NATURAL GAS	1,491,164	1,505,007
GASOLINE	28,332	30,246
DIESEL FUEL	18,297	23,943
PROPANE	17,094	19,020
JET FUEL	12,669	14,129
FUEL OIL	56	0
RENEWABLE ENERGY (ON-SITE)	5,904	2,146
TOTAL ENERGY CONSUMPTION (SCOPE 2)	1,260,149	1,343,557
GRID ELECTRICITY	1,238,986	1,333,827
PURCHASED HEAT	7,488	9,730
RENEWABLE ENERGY (OFF-SITE)	13,675	0

ENERGY INTENSITY (GIGAJOULES PER \$M SALES)

	2022, Regal Rexnord ¹	2021, Regal Rexnord ²
TOTAL ENERGY CONSUMED	543	616
GRID ELECTRICITY	237	279

¹ Data includes Regal Rexnord locations during 2022 and excludes locations gained in the Altra Transaction.

² 2021 data restated due to Rexnord PMC merger and Arrowhead acquisition.

GHG EMISSIONS BREAKDOWN (METRIC TONS CO₂-EQUIVALENTS)

	2022, Regal Rexnord ¹	2021, Regal Rexnord ²
DIRECT (SCOPE 1)	80,499	81,819
CO ₂	80,056	81,389
CH ₄	45	46
N ₂ O	50	51
HFC	348	333
INDIRECT (SCOPE 2)	163,547	177,834
CO ₂	163,163	177,417
CH ₄	164	178
N ₂ O	220	239

¹ Data includes Regal Rexnord locations during 2022 and excludes locations gained in the Altra Transaction.

² 2021 data restated due to Rexnord PMC merger and Arrowhead acquisition.

GHG EMISSIONS (METRIC TONS CO₂-EQUIVALENTS)

	2022, Regal Rexnord ¹	2021, Regal Rexnord ²
DIRECT (SCOPE 1)	80,499	81,819
INDIRECT (SCOPE 2)	163,547	177,834
GHG EMISSIONS SCOPE 1 + 2	244,046	259,653

GHG INTENSITY (METRIC TONS CO₂-EQUIVALENTS PER \$M SALES)

	2022, Regal Rexnord ¹	2021, Regal Rexnord ²
EMISSIONS INTENSITY (SCOPE 1)	15.4	17.1
EMISSIONS INTENSITY (SCOPE 2)	31.3	37.3
TOTAL EMISSIONS INTENSITY (SCOPE 1 + 2)	46.7	54.4

¹ Data includes Regal Rexnord locations during 2022 and excludes locations gained in the Altra Transaction.

² 2021 data restated due to Rexnord PMC merger and Arrowhead acquisition.

WATER WITHDRAWAL (MEGALITERS)

	2022, Regal Rexnord¹	2021, Regal Rexnord²
WATER WITHDRAWAL	974	1,026

WATER WITHDRAWAL INTENSITY (MEGALITERS PER \$M SALES)

	2022, Regal Rexnord¹	2021, Regal Rexnord²
WATER WITHDRAWAL INTENSITY	0.19	0.21

¹ Data includes Regal Rexnord locations during 2022 and excludes locations gained in the Altra Transaction.

² 2021 data restated due to Rexnord PMC merger and Arrowhead acquisition.

WATER CONSERVATION

REGAL REXNORD'S FARIDABAD TEAM'S RAINWATER HARVESTING PROJECT

Rainwater harvesting is a simple process/technology used to conserve rainwater by collecting, filtering, storing, and conveying rainwater that runs off from rooftops, parks, and roads for later use. It is a sustainable process that helps prevent runoff from the property to capture it for future use.

The water capture and conveyance system consists of gutter pits and drain pipes that deliver rainwater from the catchment area into storage tanks.

The project took three months to install. The water storage tanks are capable of storing up to 540 thousand liters.

NON-HAZARDOUS / HAZARDOUS WASTE (METRIC TONS)

	2022, Regal Rexnord ¹
TOTAL (NON-HAZARDOUS & HAZARDOUS WASTE)	127,817
HAZARDOUS WASTE	5,231
REUSE	46
RECYCLING	718
INCINERATION (WITH ENERGY RECOVERY)	746
INCINERATION (WITHOUT ENERGY RECOVERY)	242
LANDFILL	830
OFFSITE PROCESS WATER TREATMENT	2,649
NON-HAZARDOUS WASTE	122,586
REUSE	2,325
RECYCLING	106,670
INCINERATION (WITH ENERGY RECOVERY)	610
INCINERATION (WITHOUT ENERGY RECOVERY)	469
LANDFILL	6,896
OFFSITE PROCESS WATER TREATMENT	5,616

NON-HAZARDOUS / HAZARDOUS WASTE INTENSITY (METRIC TONS PER \$M SALES)

	2022, Regal Rexnord ¹
TOTAL (NON-HAZARDOUS & HAZARDOUS WASTE)	18.4
HAZARDOUS WASTE	0.75
REUSE	0.01
RECYCLING	0.10
INCINERATION (WITH ENERGY RECOVERY)	0.11
INCINERATION (WITHOUT ENERGY RECOVERY)	0.03
LANDFILL	0.12
OFFSITE PROCESS WATER TREATMENT	0.38
NON-HAZARDOUS WASTE	17.39
REUSE	0.33
RECYCLING	15.12
INCINERATION (WITH ENERGY RECOVERY)	0.09
INCINERATION (WITHOUT ENERGY RECOVERY)	0.07
LANDFILL	0.98
OFFSITE PROCESS WATER TREATMENT	0.80

1) Data includes Regal Rexnord locations during 2022 and excludes locations gained in the Altra Transaction.

Waste data reflects a new 2022 baseline due to differences in waste definitions and data collection processes between legacy Regal and Rexnord PMC.

REGAL REXNORD HAS DEVELOPED A CYBERSECURITY PROGRAM FOUNDED ON A STRONG MANAGEMENT APPROACH, GOVERNANCE THROUGH EFFECTIVE POLICY, STANDARDS AND PROCEDURES, AND EXECUTION OF A COMPREHENSIVE STRATEGY THAT ADAPTS TO CHANGING RISKS. THE CYBERSECURITY POLICIES AND STANDARDS WERE CREATED FOLLOWING THE NIST CYBERSECURITY FRAMEWORK

A comprehensive strategy against a cyberattack includes the education and training of our associates. Regal Rexnord delivers monthly targeted training and phishing simulation for our associates and conducts an annual mandatory global information security training campaign and certification, which is translated into 20 languages. The security policies and training are designed to develop a mature, risk-aware culture.

Regal Rexnord utilizes the latest security tools, techniques, and system monitoring to ensure the protection and confidentiality of our systems and data. Maintaining the privacy of our associate, customer, and supplier data is of utmost importance to Regal Rexnord.

Our Board is responsible for overseeing Regal Rexnord’s cybersecurity strategy. Our Chief Information Officer oversees cybersecurity for the Company and provides updates on cybersecurity projects and risks to the board of directors on a quarterly basis.

PROTECTING OUR IT INFRASTRUCTURE AND DATA IS A TOP PRIORITY

REPRESENTATIVE INFORMATION TECHNOLOGIES DEPLOYED:

IDENTITY AND ACCESS MANAGEMENT	ENCRYPTION	MULTI-FACTOR AUTHENTICATION
NETWORK SEGMENTATION	DATA IDENTIFICATION AND CLASSIFICATION	PRIVILEGE ACCESS MANAGEMENT
24/7 SOC (SECURITY OPERATIONS CENTER) MONITORING	END POINT DETECTION AND RESPONSE (EDR)	CONTINUOUS AUDIT
DATA PRIVACY COMMITMENT	EDUCATION AND AWARENESS	INFORMATION PROTECTION

ETHICS & INTEGRITY IN EVERYTHING WE DO

Regal Rexnord associates strive to conduct business ethically, honestly, and in full compliance with all laws and regulations. Regal Rexnord's Code of Business Conduct and Ethics (our "Code") makes clear our core operating principles, sets standards and behaviors, and explains how our values should guide our decisions. Our Code is distributed online in multiple languages to ensure that it is easily accessible to all of our global associates and business partners.

Each new associate receives Code of Conduct training during the onboarding process. Annually, all associates are required to certify that they comply with our Code and its related policies including Conflicts of Interest and Respect and Dignity. To enhance their understanding of our Code, all associates participate in mandatory training each year on a rotating set of the key ethics and compliance subjects encompassed by our Code. In 2022, this comprehensive training included specific modules on a harassment-free workplace, confidential and proprietary information, doing business globally, politics and government affairs, and the importance of speaking up and reporting concerns. Depending on job title, responsibilities and geographic location, certain associates also participated in more in-depth training regarding anti-corruption, sexual harassment, trade sanctions, and our global authorities policy.

In addition, all associates who use Regal Rexnord's information technology systems were required to complete cybersecurity training. This formal training content was (and continues to be) supplemented by our CEO and business leaders through consistent emphasis and communication about the expectation of each associate to live by our Regal Rexnord Values every day.

During 2022, Regal Rexnord's internal auditors performed numerous and varied risk assessment activities including management inquiries, detailed testing, and risk control walkthroughs, among others. We reviewed 59 Company locations' accounting, which represents approximately 75% of Regal Rexnord's 2022 revenue. These reviews included testing of key processes and controls that could be considered significant risks related to corruption. Our assessments did not uncover any material instances of corruption.

In addition, in 2022, there were no legal actions commenced nor pending against Regal Rexnord related to anti-competitive behavior or anti-trust.





REGAL REXNORD FOSTERS RESPONSIBLE GROWTH THROUGH TRANSPARENCY, HONESTY, AND INTEGRITY

AT REGAL REXNORD, we rely on our Values to develop a comprehensive approach to all aspects of business operations and guide us to build a fiscally responsible, ethical, and transparent organization. Our daily actions and assertions are founded on the culture created by these values and foster responsible growth by maintaining transparency, honesty, and integrity.

Regal Rexnord's approach to global taxation is founded on these same values and we strive to make our economic contribution fairly, accurately, and efficiently. We are committed to complying with all applicable laws, regulations, and disclosure requirements.

REGAL REXNORD'S TAX PLANNING IS DRIVEN BY BUSINESS STRATEGY AND ACTIVITY

Regal Rexnord is an international company serving customers in markets throughout the world. Our global footprint is driven by market demand and opportunity for profitable growth. Taxes are paid consistently based on activities of the business.

Intercompany transactions are conducted based on guidance and legal requirements of the countries in which we transact business. Transactions between different business units are structured to reflect the terms and pricing that would be acceptable if the transaction were occurring between independent parties. This includes setting prices at an "arm's length"

amount, establishing appropriate license fees for use of intellectual property, charging management fees for services rendered, and fairly compensating associates for services performed across legal entities. All intercompany transactions are formed on the premise of the functions, assets, and risks of the parties involved, and documented according to regulations.

Where there are any areas of uncertainty, Regal Rexnord engages relevant, external experts for advice. Regal Rexnord's growth and development strategy demands a returns-based approach for maximizing shareholder value. Capital investment, product development, new market penetration, and M&A activity are determined based on this strategy. Tax incentive offerings and

opportunities are utilized when available and in line with the Company's strategy but are not primary investment drivers. Statutory, regulatory, and administrative requirements are adhered to when employing tax incentive benefits.

To support Regal Rexnord's efforts to pursue successful strategic business activities, the Company has decentralized many of its business activities to be performed in business segment headquarter locations that align with more efficient management of marketing, branding, investing, and production planning. The proximity of these functions drives visibility and accountability throughout the business units and encourages profitable business management.

REGAL REXNORD'S TAX COMPLIANCE IS FOCUSED ON TRANSPARENT REPORTING

Regal Rexnord is dedicated to maintaining a superior level of tax reporting compliance in all areas of business operations. We observe and adhere to tax law, underlying tax policy intent, and disclosure reporting requirements in each jurisdiction in line with the spirit of the applicable tax legislation.

REGAL REXNORD'S APPROACH TO RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS IN RELATION TO TAXATION

Regal Rexnord manages its tax function by engaging finance professionals across the organization to understand and implement local tax laws and ensure adherence to the regulations in place in each country that business is conducted. Local country finance leaders also engage with professional services firms worldwide to ensure accurate interpretations of tax laws are made and experts are utilized to assist in areas of high complexity and risk.

A dedicated team of corporate tax specialists oversee global compliance of income, VAT, withholding, and U.S. sales, use, franchise, property tax laws, and regulations. These professionals engage in external continuous

education to stay current on legislative developments and consult with highly trained professional services firms to ensure accuracy in tax compliance. Teams engage regularly with finance associates around the world to understand accounting principles and review procedures for appropriate control implementation. Oversight from the tax team is focused on transparent, accurate reporting and implementation of policies to reduce tax disputes and limit risk exposure to the Company.

REGAL REXNORD'S APPROACH TOWARD ENGAGEMENT WITH TAX AUTHORITIES

Our approach is to have an open, honest, and collaborative working relationship with tax authorities. We strive to respond in a timely manner to tax audit requests and engage with tax authorities in a professional and constructive manner with full transparency of the facts of our business operations. Where there could be areas of differing legal opinions between Regal Rexnord and the tax authorities, we engage in appropriate discussions to bring matters to a resolution as quickly and equitably possible.

At Regal Rexnord, we rely on our Values to develop a comprehensive approach to all aspects of business operations and to guide us toward building a fiscally responsible, ethical, and transparent organization. Our daily actions and

assertions are founded on the culture created by these values and foster responsible growth by maintaining transparency, honesty, and integrity.

Regal Rexnord's approach to global taxation is founded on these same values and we strive to make our economic contribution fairly, accurately, and efficiently. We are committed to complying with all applicable laws, regulations, and disclosure requirements.





GLOBAL ANTI-CORRUPTION AND THIRD-PARTY ENGAGEMENT POLICIES

Our commitment to integrity means we avoid corruption in any form. As detailed in our Global Anti-Corruption and Third-Party Engagement Policies (distributed online in multiple languages), we prohibit all forms of bribery and expect the same of our business partners. The policy describes the actions taken by Regal Rexnord in our effort to prevent all forms of bribery and emphasizes the need to maintain accurate books and records. Specifically, it identifies the steps for conducting due diligence on business partners, including customers, suppliers, contractors, subcontractors, and joint venture partners. Periodic audits and assessments are conducted based on management priorities, relying upon a variety of sources including associate engagement survey responses, conflict of interest certifications, related party reporting, and our Integrity Line.

THE REGAL REXNORD BOARD IS COMPRISED OF TEN DIRECTORS,

each of whose terms expire annually. There are nine independent directors including three women and six men. Collectively, they possess an impressive blend of personal and professional attributes.

Our Board decides whether to vest the responsibilities of the CEO and Chairman of the Board in different individuals or in the same individual based on the Board’s judgment of what is in the best interests of Regal Rexnord and all our stakeholders. The Board initially vested the responsibilities of the CEO and Chairman of the Board in different individuals in 2019. Specifically, upon the conclusion of the 2019 annual meeting of shareholders, Rakesh Sachdev, an independent director, became the Chairman of the Board and Mr. Sachdev continues to serve in that role today.

Our Corporate Governance Guidelines and annual Proxy Statement further outline the Board leadership structure and the duties of the Chairman.



WE SEEK PERSONAL AND PROFESSIONAL DIVERSITY IN OUR BOARD

Diversity of Gender, Race, Nationality, Cultural, and/or Professional Experience	Significant International Experience	Experience as a Current or Former CEO or COO, or Significant Operations Experience	
Business Development/M&A Experience	Knowledge of Investment Banking and/or Capital Markets		
Experience as a Current or Former Chief Financial Officer	Expertise in Matters of Public Accounting		
Public Company Board Experience	Knowledgeable in Corporate Governance		
Knowledge and Experience in Our Industry	Current or Past Experience with Manufacturing, Including Supply Chain Management and Lean Principles	Experience with having Responsibility for the Profit and Loss of a Business/ Operation	
Experience in Driving Growth with Innovative Products, Systems or Services	Entrepreneurial Experience	Expertise in Technology, Engineering and Information Technology	Commercial Expertise, Including in Sales and Marketing and 80/20

Regal Rexnord’s Corporate Governance, Sustainability, and Director Affairs Committee recommends the qualities, skills, and attributes desired in our directors to reflect the unique challenges facing our Company. Our annual Proxy Statement provides a detailed look at each director candidate’s qualities, skills, and attributes.

BOARD COMMITTEES

The Board has three standing committees, which are Audit, Compensation & Human Resources, and Corporate Governance, Sustainability & Director Affairs. These committees are appointed by and report to the Board. The charter for each committee is available on our investor website: investors.regalrexnord.com. On occasion, ad hoc committees are formed for specific Board purposes. Regular reviews of the performance of the Board, committees, and individual directors are administered by the Corporate Governance, Sustainability & Director Affairs Committee.

IN JANUARY 2021, OUR CORPORATE GOVERNANCE & DIRECTOR AFFAIRS COMMITTEE WAS RENAMED AS OUR CORPORATE GOVERNANCE, SUSTAINABILITY & DIRECTOR AFFAIRS COMMITTEE, and assumed responsibility for overseeing environmental, social, and governance (ESG) matters that are applicable to Regal Rexnord. We feel that this change provides more focused ESG oversight and alignment with our business purpose – to create a better tomorrow by energy-efficiently converting power into motion. To help advise the Corporate Governance, Sustainability & Director Affairs Committee in this new role, our management team provides the committee with a quarterly update on key ESG topics and developments. In addition to these regular updates, the chairman of our Corporate Governance, Sustainability & Director Affairs Committee hosted a ESG working session in July 2022 to allow our directors and management team to take a more in-depth look at the most important ESG matters for our Company. Due to the growing importance of environmental stewardship to our

organization, we established a Climate Steering Committee in July 2022. This committee consists of our CEO, VP-Regal Rexnord Business System, General Counsel, Segment Presidents and VP-EHS, and will meet quarterly to establish Regal Rexnord’s climate goals and strategy, and ensure that we are staying on track to achieve those goals. With our bold, new goal to achieve carbon neutrality by 2032, we felt that additional oversight in this area was critical. The Corporate Governance, Sustainability & Director Affairs Committee has taken an active interest in understanding and supporting our progress toward achievement of our carbon neutrality goal and other sustainability initiatives

CORPORATE GOVERNANCE GUIDELINES

In conjunction with the Board committee charters, our Corporate Governance Guidelines establish processes and procedures to help ensure effective and responsive governance by the Board. Our Corporate Governance Guidelines and other governance materials are available on our investor website: investors.regalrexnord.com

MANAGING RISK

Regal Rexnord’s Annual Report provides extensive information on risks and opportunities in our businesses. The Regal Rexnord Board and management are responsible for operational and strategic risk management oversight. Our annual Proxy Statement describes how the Board fulfills its oversight responsibilities and outlines the approach taken by our Risk Committee, which is convened in furtherance of the Board’s expectations. In 2022, the Risk Committee surveyed and solicited input from the businesses and support functions, requiring consideration of economic, environmental, operational, and social topics, among others. This process led to the development of mitigation strategies for significant risks that could impact

Regal Rexnord’s ability to meet objectives and execute strategies. Work was performed and appropriate actions were taken by key leaders and team members in 2022-2023 in furtherance of the mitigation strategies. We also maintain and update, on a periodic basis, our crisis communications policy, and as needed, we conduct tabletop exercises to further assess and refine our ability to adequately respond to significant risks that could impact enterprise and business continuity. Our efforts ensure that we address risk comprehensively. The Board regularly reviews our risk management processes and progress. In addition, Regal Rexnord has a global authorities policy that sets forth its process for delegating authority for key decision points within the organization (including, but not limited to economic, environmental, and social topics). The policy includes a detailed authorities matrix that indicates which approvers are required for a comprehensive list of key decisions. Items that require approval by the board of directors and executive leadership are clearly denoted. Regal Rexnord has an authorities policy review committee, which meets quarterly to administer the policy and address any exception requests that are received from the business and support functions. For certain, high-volume commercial items, our business segments maintain separate authorities policies that are complimentary to the global authorities policy, but are tailored to meet our segments’ unique business needs. Regal Rexnord provides periodic training on the authorities policy to associates who are likely to encounter the types of decisions and issues addressed by the policy in their day-to-day work for the Company.

KEY GOVERNANCE HIGHLIGHTS

Proxy advisors have consistently acknowledged that Regal Rexnord has established a governance structure that enables solid risk management and performance-based focus. Current highlights of Regal Rexnord’s corporate governance structure, are noted below.

BOARD ITEMS:

*TOTAL DIRECTORS: 10 (including CEO) 70% of directors are male and 30% of directors are female

*INDEPENDENT DIRECTORS: 3 women and 6 men

*AVERAGE AGE: 63; all directors are over 50 years old

*AVERAGE TENURE: 7.4 years

MANDATORY RETIREMENT AGE: 72

INDEPENDENT CHAIR

ALL DIRECTORS STAND FOR ANNUAL ELECTION

ANNUAL EVALUATION OF BOARD AND COMMITTEES

CYCLICAL INDIVIDUAL DIRECTOR EVALUATIONS

SHAREHOLDER INTEREST: Majority Voting Standard | Proxy Access | Right to call special meetings | No ‘poison pill’

COMPENSATION COMMITTEE OVERSIGHT:

Pay-for-Performance Culture

No Future Excise Tax Gross-Up

Stock Ownership Requirements

Anti-Hedging and Anti-Pledging Policies

Recovery ‘Clawback’ Policy

Annual and Long-Term Incentive Metrics

Double Trigger Change-In-Control

REGAL REXNORD VALUES TRANSPARENCY AND MAINTAINING TWO-WAY COMMUNICATION WITH ITS KEY STAKEHOLDERS – ASSOCIATES, CUSTOMERS, AND SHAREHOLDERS

REGAL REXNORD AIMS TO ACHIEVE THESE COMMUNICATION OBJECTIVES THROUGH VARIOUS METHODS OF OUTREACH INCLUDING:



PRODUCTS & INDUSTRIES

- AAAE (American Association of Airport Executives)
- ABMA (American Bearing Manufacturers Association)
- AEM (Association of Equipment Manufacturers)
- AGMA (American Gear Manufacturing Association)
- AHAM (Association of Home Appliance Manufacturers)
- AHRI (Air Conditioning, Heating, and Refrigeration Institute)
- AIGroup (Australian Industry Group)
- AIST (Association for Iron and Steel Technology)
- AMCA (Air Movement and Control Association International, Inc.)
- American Beverage Association
- ANIE Federazione
- ANIMA (Associazione Nazionale Italiana Meccanica Varia)
- API (American Petroleum Institute)
- ASGE (American Society of Gas Engineers)
- ASHRAE (American Society of Heating, Refrigerating and Air Conditioning Engineers)
- Assoclina (Association of Manufacturers of Air Conditioning Systems)
- Assolombarda
- Brewers Association
- BSA (Bearing Specialist Association)
- CBA (Craft Brewers Association)
- CEMA (Conveyor Equipment Manufacturers Association)
- China Electrical Industry Association (small to medium motor branch)
- China Electrical Industry Association (explosive motor branch)
- China Rotary Motors Standard Committee
- CII (Confederation of Indian Industry)
- Contract Packaging Association
- EASA (Electrical Apparatus Service Association)
- EMA (Employers & Manufacturers Association)
- EPTDA (Europe Power Transmission Distributor Association)
- Eurovent (Association for Indoor Climate, Process Cooling, & Food Cold-Chain Technologies)
- European Heat Pump Association (EHPA)
- EVIA (European Ventilation Industry Association)
- FGK (Association for Fan & Air Conditioning Manufacturers)
- FLT (Research Association of Fan Manufacturers)
- FMA (Fabricators/Fan Manufactory Association)
- FMAANZ (Fan Manufacturers Association of Australia and New Zealand)
- GEAPS (Grain Elevator and Processing Society)
- HARDI (Heating Air Conditioning Refrigeration Distributors International)
- IEEE (Institute of Electrical and Electronics Engineers)
- IEEMA (Indian Electrical and Electronics Manufacturers Association)
- Intertek Agency

- MHI (Material Handling Industry)
- MPTA (Mechanical Power Transmission Association)
- Midwest Food Products Association
- NEMA (National Electrical Manufacturers Association)
- Netherlands Maritime Technology
- NSSGA (National Sand Stone & Gravel Association)
- PIA (Pump Industry Association)
- PMI (Project Management Institute)
- PMMI
- Port Equipment Manufacturers Association
- PTDA (Power Transmission Distributor Association)
- PTRA (Power-Motion Technology Representatives Association)
- SMRP (Society for Maintenance & Reliability Professionals)
- United State of America-China Chamber of Commerce
- WBA (World Bearing Manufacturers Association)
- WIOA (Water Industry Operators Association of Australia)
- Victorian Chamber of Commerce and Industry

STANDARDS

- ANSI (National Standards and Technology)
- ASME (American Society of Mechanical Engineers)
- CSA (Canadian Standards Association)
- DIN (Deutsches Institut für Normung e. V.)
- DOE (U.S. Government, Department of Energy)
- IEC (International Electrotechnical Standards)
- ISO (International Organization for Standardization)
- UL (Underwriters Laboratory)

COUNCILS

- GBDEC (Great Beloit Economic Development)
- KAM (Kentucky Association of Manufacturers)
- MAPI (Manufacturers Alliance for Productivity and Innovation)
- NAM (National Association of Manufacturers)
- NIST (National Institute of Standards and Technology)
- STLE (The Society of Tribologists and Lubrication Engineers)
- Vibration Institute

AMERIDRIVES

BAUER GEAR MOTOR

BERG®

BIBBY TURBOFLEX

BOSTON GEAR

BROWNING®

CAMBRIDGE

CEMP®

CENTA®

CENTURY®

DELROYD WORM GEAR

DURALON®

DURST®

ELCO®

FALK™

FASCO®

FOOTE-JONES®

FORMSPRAG CLUTCH

GENTEQ®

GROVE GEAR®

GUARDIAN COUPLINGS

HIGHFIELD®

HUB CITY®

HUCO

INDUSTRIAL CLUTCH

JAURE®

KILIAN

KOLLMORGEN

KOP-FLEX®

LAMIFLEX COUPLINGS

LEESON®

LINK-BELT™

MARATHON SPECIAL PRODUCTS®

MARATHON® GENERATORS

MARATHON® MOTORS

MARLAND CLUTCH

MCGILL®

MILWAUKEE GEAR™

MODSORT

MORRILL®

MORSE®*

NICOTRA GEBHARDT®

NUTTALL GEAR

PERCEPTIV™

PORTESCAP

PT SELECT

REMCO®**

REX™

REXNORD®

REXNORD AEROSPACE

ROLLWAY®

ROTOR n|®

SEALMASTER®

STEARNS®

STEIBER

STROMAG

SVENDBORG BRAKES

SYSTEM PLAST®

TB WOOD'S

THOMAS

THOMSON LINEAR

THOMSON POWER SYSTEMS™

TOLLOK™

TWIFLEX

WARNER ELECTRIC

WICHITA CLUTCH

* Morse is a registered trademark of Borg-Warner Corporation, used herein under exclusive license.
 ** The Remco trademark is registered only in the United Kingdom.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, which reflect Regal Rexnord's current estimates, expectations and projections about Regal Rexnord's future results, performance, prospects and opportunities. Forward-looking statements include statements that are not historical facts and can be identified by forward-looking words such as "anticipate," "believe," "confident," "estimate," "expect," "intend," "plan," "may," "will," "project," "forecast," "would," "could," "should," and similar expressions. Forward-looking statements in this report may include, among other things: statements regarding Regal Rexnord's emissions, energy consumption, water consumption, and other environmental targets, external ESG commitments, transportation management system improvements, and operational strategies in addition to statements regarding the benefits and synergies of the acquisition of Altrá Industrial Motor Corp. (the "Altra Transaction"), future opportunities for the Company and any other statements regarding the combined Company's future operations, planned activities, anticipated growth, market opportunities, strategies, competition and other expectations for future periods.

These forward-looking statements are based upon information currently available to Regal Rexnord and are subject to a number of risks, uncertainties, and other factors that could cause actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Nothing in this report should be interpreted as material to the financial condition of Regal Rexnord, unless stated otherwise.

Important factors that could cause actual results to differ materially from the results referred to in the forward-looking statements Regal Rexnord makes in this release include: the Company's substantial indebtedness as a result of the Altra Transaction and the effects of such indebtedness on the Company's financial flexibility after the Altra Transaction; the Company's ability to achieve its objectives on reducing its indebtedness on the desired timeline; dependence on key suppliers and the potential effects of supply disruptions; fluctuations in commodity prices and raw material costs; any unforeseen changes to or the effects on liabilities, future capital expenditures, revenue, expenses, synergies, indebtedness, financial condition, losses and future prospects;; the possibility that Regal Rexnord may be unable to achieve expected benefits, synergies and operating efficiencies in connection with the Altra Transaction and the merger with the Rexnord Process & Motion Control business (the "Rexnord PMC business") within the expected time-frames or at all and to successfully integrate Altra and the Rexnord PMC business; expected or targeted future financial and operating performance and results; operating costs, customer loss

and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) being greater than expected following the Altra Transaction or the Company's merger with Rexnord PMC business; Regal Rexnord's ability to retain key executives and employees; the continued financial and operational impacts of and uncertainties relating to the COVID-19 pandemic on customers and suppliers and the geographies in which they operate; uncertainties regarding the ability to execute restructuring plans within expected costs and timing; challenges to the tax treatment that was elected with respect to the merger with Rexnord PMC business and related transactions; requirements to abide by potentially significant restrictions with respect to the tax treatment of the merger with the Rexnord PMC business which could limit Regal Rexnord's ability to undertake certain corporate actions that otherwise could be advantageous; actions taken by competitors and their ability to effectively compete in the increasingly competitive global electric motor, drives and controls, power generation and power transmission industries; the ability to develop new products based on technological innovation, such as the Internet of Things, and marketplace acceptance of new and existing products, including products related to technology not yet adopted or utilized in geographic locations in which Regal Rexnord does business; dependence on significant customers; seasonal impact on sales of products into HVAC systems and other residential applications; risks associated with climate change and uncertainty regarding our ability to deliver on our climate commitments and/or to meet related investor, customer and other third party expectations relating to our sustainability efforts; risks associated with global manufacturing, including those associated with public health crises and political, societal or economic instability, including instability caused by the conflict between Russia and Ukraine; issues and costs arising from the integration of acquired companies and businesses and the timing and impact of purchase accounting adjustments; prolonged declines in one or more markets, such as heating, ventilation, air conditioning, refrigeration, power generation, oil and gas, unit material handling, water heating and aerospace; economic changes in global markets, such as reduced demand for products, currency exchange rates, inflation rates, interest rates, banking crises recession, government policies, including policy changes affecting taxation, trade, tariffs, immigration, customs, border actions and the like, and other external factors that Regal Rexnord cannot control; product liability, asbestos and other litigation, or claims by end users, government agencies or others that products or customers' applications failed to perform as anticipated, particularly in high volume applications or where such failures are alleged to be the cause of property or casualty claims; unanticipated liabilities of acquired businesses;

unanticipated adverse effects or liabilities from business exits or divestitures including in connection with the proposed sale of the global motors and generators portion of our Industrial Systems operating segment; the Company's ability to identify and execute on future M&A opportunities, including significant M&A transactions; the impact of any such M&A transactions on the Company's results, operations and financial condition, including the impact from costs to execute and finance any such transactions; unanticipated costs or expenses that may be incurred related to product warranty issues; infringement of intellectual property by third parties, challenges to intellectual property, and claims of infringement on third party technologies; effects on earnings of any significant impairment of goodwill; losses from failures, breaches, attacks or disclosures involving information technology infrastructure and data; costs and unanticipated liabilities arising from rapidly evolving data privacy laws and regulations; cyclical downturns affecting the global market for capital goods; and other risks and uncertainties including, but not limited, to those described in the section entitled "Risk Factors" in Regal Rexnord's Annual Report on Form 10-K on file with the SEC and from time to time in other filed reports including Regal Rexnord's Quarterly Reports on Form 10-Q.

For a more detailed description of the risk factors associated with Regal Rexnord, please refer to Part I, Item 1A in Regal Rexnord's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 on file with the SEC and subsequent SEC filings, including Regal Rexnord's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2023. Shareholders, potential investors, and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included in this report are made only as of the date of this report, and Regal Rexnord undertakes no obligation to update any forward-looking information contained in this report to reflect subsequent events or circumstances.

REGAL REXNORD CORPORATION IS A PUBLICLY TRADED COMPANY LISTED ON THE NEW YORK STOCK EXCHANGE (NYSE: RRX)

and is incorporated in the state of Wisconsin, U.S.A. Regal Rexnord's financial reporting follows U.S.A. Securities and Exchange Commission (SEC) regulations, and our Annual Reports on Form 10-K are available on our corporate website. All entities included in our consolidated SEC financial statements are covered in that report.

CONTACT

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WE PREPARE FINANCIAL STATEMENTS IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (“GAAP”).

We also periodically disclose certain financial measures in our quarterly earnings releases, on investor conference calls, and in investor presentations and similar events that may be considered “non-GAAP” financial measures. This additional information is not meant to be considered in isolation or as a substitute for our results of operations prepared and presented in accordance with GAAP.

In this report, we disclose the following non-GAAP financial measures, and we reconcile those measures in an appendix to this report to the most directly comparable GAAP financial measures: adjusted EBITDA, net debt and net sales. We believe that these non-GAAP financial measures are useful for providing investors with additional information regarding our results of operations and for helping investors understand and compare our operating results across accounting periods and compared to our peers. Our management primarily uses these measures to help us evaluate our business and forecast our future results. Accordingly, we believe disclosing and reconciling each of these measures help investors evaluate our business in the same manner as management.

SCOPE: this report was completed in October 2023 and relies on Regal Rexnord's fiscal year 2022 results with some references to actions and developments during 2023. Regal Rexnord did not obtain external assurance for this report.

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

Regal Rexnord has reported the information cited in this GRI content index for fiscal year 2022 (January 1, 2022 - December 31, 2022) with reference to the GRI Standards.

Indicator	Brief Description	Location of Information (pages of this report; other documents)
GENERAL DISCLOSURES		
THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1	Organizational details	Page 62; 2022 Annual Report
2-2	Entities included in the organization's sustainability reporting	2022 Annual Report (Exhibit 21.1)
2-3	Reporting period, frequency and contact point	Page 62; Annual reporting frequency
2-4	Restatements of information	Page 3, 20, 34, 45-49, 66-67
ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	Page 3-5, 35-37, 54; 2022 Annual Report
2-7	Employees	Page 20-25
GOVERNANCE		
2-9	Governance structure and composition	Page 54-57; 2023 Proxy Statement
2-10	Nomination and selection of the highest governance body	Page 54-58; 2023 Proxy Statement
2-11	Chair of the highest governance body	2023 Proxy Statement
2-12	Role of the highest governance body in overseeing the management of impacts	2023 Proxy Statement
2-13	Delegation of responsibility for managing impacts	Page 31, 33, 50-51, 53, 56; 2023 Proxy Statement
2-14	Role of the highest governance body in sustainability reporting	Page 56; 2023 Proxy Statement
2-15	Conflicts of interest	Page 51, 54; 2023 Proxy Statement; Regal Rexnord Code of Conduct and Ethics
2-16	Communication of critical concerns	Page 54-56; 2023 Proxy Statement
2-17	Collective knowledge of the highest governance body	Page 55-56; 2023 Proxy Statement
2-18	Evaluation of the performance of the highest governing body	Page 57; 2023 Proxy Statement
2-19	Remuneration policies	Page 57; 2023 Proxy Statement
2-20	Process to determine remuneration	Page 57; 2023 Proxy Statement
2-21	Annual total compensation ratio	2023 Proxy Statement

Indicator	Brief Description	Location of Information (pages of this report; other documents)
STRATEGY, POLICIES AND PRACTICES		
2-22	Statement of sustainable development strategy	Page 5
2-23	Policy commitments	Page 32, 35, 51, 54; Regal Rexnord Code of Conduct and Ethics; Global Human Rights Policy
2-24	Embedding policy commitments	Page 32, 35, 51, 54; Regal Rexnord Code of Conduct and Ethics; Global Human Rights Policy
2-25	Processes to remediate negative impacts	Page 5, 7, 10, 20, 25, 33, 35, 50-51, 56, 58; Regal Rexnord Code of Conduct and Ethics
2-26	Mechanisms for seeking advise and raising concerns	Page 51, 54; Regal Rexnord Code of Conduct and Ethics
2-27	Compliance with laws and regulations	Page 31, 33, 35, 51, 53; Regal Rexnord Code of Conduct and Ethics; Global Human Rights Policy
2-28	Membership associations	Page 59
STAKEHOLDER ENGAGEMENT		
2-29	Approach to stakeholder engagement	Page 5, 58; 2023 Proxy Statement
2-30	Collective bargain agreements	Page 21

Indicator	Brief Description	Location of Information (pages of this report; other documents)
ECONOMIC DISCLOSURES		
ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	Page 3; 2022 Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	2022 Annual Report
201-3	Defined benefit plan obligations and other retirement plans	2023 Proxy Statement; 2022 Annual Report
PROCUREMENT PRACTICES		
204-1	Procurement practices	Page 35-37, 54; Global Supplier Requirements and Expectation Manual
ANTI-CORRUPTION		
205-1	Operations assessed for risks related to corruption	Page 51, 54
205-2	Communications & training about anti-corruption policies & procedures	Page 51, 54; Regal Rexnord Code of Conduct and Ethics
ANTI-COMPETITIVE BEHAVIOR		
206-1	Legal actions for anti-competitive behavior, anti-trust	Page 51
TAX		
207-1	Approach to tax	Page 52-53; UK Tax Strategy
207-2	Tax governance, control, and risk management	Page 52-53; UK Tax Strategy
207-3	Stakeholder engagement and management of concerns related to tax	Page 52-53; UK Tax Strategy
ENVIRONMENTAL DISCLOSURES		
ENERGY		
3-3	Management of material topics—energy	Page 5-12, 31, 38-45
302-1	Energy consumption within the organization	Page 45
302-3	Energy intensity	Page 45
302-4	Reduction of energy consumption	Page 40-45
302-5	Reductions in energy requirements of products and services	Page 13-18
WATER AND EFFLUENTS		
3-3	Management of material topics—water and effluents	Page 31, 38, 48
303-1	Water withdrawal by source	Page 48

Indicator	Brief Description	Location of Information (pages of this report; other documents)
EMISSIONS		
3-3	Management of material topics—emissions	Page 5-12, 31, 38-47
305-1	Direct (scope 1) GHG emissions	Page 46, 47
305-2	Energy indirect (scope 2) GHG emissions	Page 46, 47
305-4	GHG emission intensity	Page 47
305-5	Reduction of GHG emissions	Page 40-47
WASTE		
3-3	Management of material topics—waste	Page 31, 36, 38, 49
306-2	Management of significant waste- related impacts	Page 31, 36, 38, 49
306-3	Waste generated	Page 49
306-4	Waste diverted from disposal	Page 49
306-5	Waste directed to disposal	Page 49
SUPPLIER ENVIRONMENTAL ASSESSMENT		
3-3	Management of material topics—supplier environmental assessment	Page 35-37
308-1	New suppliers that were screened using environmental criteria	Page 35-37
ENVIRONMENTAL COMPLIANCE		
103	Management approach - environmental compliance	Page 37, 45-47
307	Environmental compliance	The company has not identified any material non-compliance with environmental laws and/or regulations
SOCIAL DISCLOSURES		
EMPLOYMENT		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 5, 21

Indicator	Brief Description	Location of Information (pages of this report; other documents)
LABOR/MANAGEMENT RELATIONS		
401-1	Minimum notice periods regarding operational changes	Page 21
OCCUPATIONAL HEALTH AND SAFETY		
3-3	Management of material topics—occupational health and safety	Page 31, 33
403-1	Occupational health and safety management system	Page 31, 33
403-2	Hazard identification, risk assessment, and incident investigation	Page 32
403-4	Worker participation, consultation, and communication on occupational health and safety	Page 32
403-5	Worker training on occupational health and safety	Page 32
403-6	Promotion of worker health	Page 21
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 33
403-8	Workers covered by an occupational health and safety management system	Page 12, 33
403-9	Work related injuries	Page 33
TRAINING AND EDUCATION		
404-2	Programs for upgrading associate skills and transition assistance programs	Page 21-24
DIVERSITY AND EQUAL OPPORTUNITY		
405-1	Diversity of governance bodies and employees	Page 22, 24, 57
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 21; Global Human Rights Policy
CHILD LABOR		
408-1	Operations and suppliers at significant risk for incidents of child labor	Page 21; Global Human Rights Policy; Global Supplier Requirements and Expectations Manual; Regal Rexnord Code of Conduct and Ethics
FORCED OR COMPULSORY LABOR		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 21, 35; Global Human Rights Policy; Global Supplier Requirements and Expectations Manual

Indicator	Brief Description	Location of Information (pages of this report; other documents)
LOCAL COMMUNITIES		
413-1	Operations with local community engagement, impact assessments, and development programs	Page 19-30
SUPPLIER SOCIAL ASSESSMENT		
414	New suppliers screened using social criteria	Page 35; Global Human Rights Policy; Global Supplier Requirements and Expectations Manual
CUSTOMER PRIVACY		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 50; No such complaints have been received – no such breach or loss.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE FOR ELECTRICAL & ELECTRONIC EQUIPMENT

This table provides fiscal 2022 (January 1, 2022 - December 31, 2022) data with reference to SASB's Electrical & Electronic Equipment Sustainability Accounting Standard.

Code	Accounting Measure	Category	Unit of Measure	2022 Disclosure
ENERGY MANAGEMENT				
RT-EE-130a.1	Total Energy Consumed	Quantitative	Gigajoules (GJ)	2,833,665
RT-EE-130a.1	Percentage Grid Electricity	Quantitative	Percentage (%)	44%
RT-EE-130a.1	Percentage Renewable	Quantitative	Percentage (%)	0.69%
HAZARDOUS WASTE MANAGEMENT				
RT-EE-150a.1	Amount of hazardous waste generated	Quantitative	Metric tons	5,231
RT-EE-150a.1	Percentage of hazardous waste recycled	Quantitative	Percentage (%)	14.6%
RT-EE-150a.2	Number of reportable spills	Quantitative	Number	2*
RT-EE-150a.2	Aggregate quantity of reportable spills	Quantitative	Kilograms	152**

*Upon the occurrence of a reportable spill, Regal Rexnord is committed to complying with all relevant local regulations and authorities. We prioritize the prompt and safe cleanup of spills to mitigate any potential environmental impacts and protect the health and safety of our employees and the community. Our spill response plan is designed to ensure that all appropriate measures are taken, in accordance with local guidelines, to contain, manage, and remediate the spill. We are dedicated to transparency and communication with local authorities, and we work diligently to minimize the environmental footprint and adhere to all legal obligations throughout the cleanup process.

**Estimations of spill weights have been derived from reported spill volumes and are intended for reference purposes. These estimates are calculated with diligence, utilizing industry-standard conversion factors and the reported spill volume. While these estimates provide a valuable insight into the scale of the incident, they should be used as approximations, and we continue to prioritize rigorous onsite assessments to determine the precise weight and characteristics of the spill, ensuring a comprehensive and accurate response.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) DISCLOSURE

This index cross-references the Task Force on Climate Related Financial Disclosures (TCFD) Framework, with applicable Regal Rexnord Disclosures made in this report, Regal Rexnord’s responses to the 2023 CDP Climate Change Questionnaire, filings with the Securities Exchange Commission and other public disclosures.

Topic and Recommended Disclosure	Response
GOVERNANCE¹	
a) Describe the board’s oversight of climate-related risks and opportunities	In January 2021, our Corporate Governance & Director Affairs Committee was renamed the Corporate Governance, Sustainability & Director Affairs Committee, and assumed responsibility for overseeing environmental, social, and governance (ESG) matters that are applicable to Regal Rexnord. We feel that this change provides more focused ESG oversight and alignment with our business purpose – to create a better tomorrow by energy-efficiently converting power into motion. To help advise the Corporate Governance, Sustainability & Director Affairs Committee in this new role, our management team provides the committee with a quarterly update on key ESG topics and developments. In addition to these regular updates, the chairman of our Corporate Governance, Sustainability & Director Affairs Committee hosted a ESG working session in July 2022 to allow our directors and management team to take a more in-depth look at the most important ESG matters for our Company. Page 38, 56
b) Describe management’s role in assessing and managing climate-related risks and opportunities	Due to the growing importance of environmental stewardship to our organization, we established a Climate Steering Committee in July 2022. This committee consists of our CEO, VP-Regal Rexnord Business System, General Counsel, Segment Presidents and VP-EHS, and will meet quarterly to establish Regal Rexnord’s climate goals and strategy and ensure that we are staying on track to achieve those goals. With our bold new goal to achieve carbon neutrality by 2032, we felt that additional oversight in this area was critical. The Corporate Governance, Sustainability & Director Affairs Committee has taken an active interest in understanding and supporting our progress toward achievement of our carbon neutrality goal and other sustainability initiatives. Page 38, 56
STRATEGY	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Regal Rexnord defines short, medium, and long term risks as those that may impact the company in a time period between 1-10 years. The company recognizes the effects of climate change and the financial risks that may be associated with climate change. Regal Rexnord has identified a variety up both upstream and downstream risks. These include but are not limited to risks to the market, increased cost of raw materials, emerging regulation, mandates with respect to existing company products or services, reputational risks and increased stakeholder concern. (2023 CDP Report)
b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	The potential impact of climate-related risks include but are not limited to increased indirect (operating) costs and decreased revenues due to reduced demand for products and services. These risks and their potential impacts are more fully described in Regal Rexnord’s most recent Annual Report on Form 10-K, filed with the Securities Exchange Commission. (2023 CDP Report)
c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	In the future, Regal Rexnord management may consider the applicability of various climate-related scenario analyses to its business resilience under such circumstances.

Topic and Recommended Disclosure	Response
RISK MANAGEMENT	
a) Describe the organization’s processes for identifying and assessing climate-related risks	Regal Rexnord employs an integrated, multidisciplinary approach to proactively identify and address risks across our value chain. Within Regal Rexnord, dedicated individuals are assigned to continuously monitor both current and emerging regulations, ensuring our operations remain in alignment with evolving compliance standards. Through this process, Regal Rexnord identifies risks for prioritization. (2023 CDP Report)
b) Describe the organization’s processes for managing climate-related risks	The Environmental Sustainability Governance Committee supports Regal Rexnord’s on-going commitment to environmental protection, sustainability, and public environmental policy matters relevant to Regal Rexnord. The Committee is a cross-functional management committee of the company, composed of Executive Leadership Team members and other representatives of the business. It will establish an environmental sustainability strategy, set goals, monitor performance against goals, and assess initiatives and policies based on that strategy. (Environmental Sustainability and Governance Committee Charter) Further, climate related risks are evaluated by senior management, including in connection with the enterprise risk management process. Strategy to manage these risks is deployed accordingly and may be further supported by the Climate-Steering Committee
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	Regal Rexnord employs lean tools through the Regal Rexnord Business System to identify opportunities for improvement and to find efficiencies that minimize or eliminate waste. The Regal Rexnord Business System, together with our management cadence, drives the achievement of our company-wide goals through facilitated and effective goal alignment, collaborative problem-solving, and sharing of best practices, tools, skills, and expertise.
METRICS AND TARGETS	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Regal Rexnord utilizes recognized metrics to assess and track the progress of our climate-related objectives: <ul style="list-style-type: none"> • Direct (Scope 1) Emissions and Indirect (Scope 2) Emissions • GHG Emission Intensity • Reduction of GHG Emissions • Total Energy Consumption Waste Generated and Waste Diverted from/to Disposal Page 45-49
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Regal Rexnord has disclosed Scope 1, Scope 2 and greenhouse gas emissions in this report. Page 46-47
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	The company has established climate-impact reduction targets related to decreased consumption of energy, carbon footprint and waste as indicated in this report. Page 38-39

PRO FORMA ADJUSTED EBITDA

(Dollars in Millions)	Total Regal Rexnord Year Ended Dec 31, 2022*	
PRO FORMA NET INCOME	\$	277.3
PLUS: INCOME TAXES		88.0
PLUS: INTEREST EXPENSE		428.0
LESS: INTEREST INCOME		(5.2)
PLUS: DEPRECIATION		189.8
PLUS: AMORTIZATION		348.7
PRO FORMA EBITDA	\$	1,326.6
PLUS: TRANSACTION AND RELATED COSTS		39.1
PLUS: INVENTORY STEP UP		15.3
PLUS: SHARE-BASED COMPENSATION EXPENSE		37.8
PLUS: RESTRUCTURING AND RELATED COSTS		65.5
PLUS: IMPAIRMENTS AND EXIT RELATED COSTS		14.1
LESS: GAIN ON SALE OF ASSETS		(3.3)
LESS: JACOBS VEHICLE SYSTEMS ADJUSTED EBITDA		(9.3)
PRO FORMA ADJUSTED EBITDA	\$	1,485.8

* Reflects estimated pro-forma adjustments for the Altra Transaction.

PRO FORMA ADJUSTED NET SALES

(Dollars in Millions)	Total Regal Rexnord Year Ended Dec 31, 2022*	
PRO FORMA NET SALES	\$	7,162.1
NETS SALES FROM BUSINESSES DIVESTED/TO BE EXITED ^(a)		(40.1)
PRO FORMA ADJUSTED NET SALES	\$	7,122.0

* Reflects estimated pro-forma adjustments for the Altra Transaction.

^(a) This represents Altra’s Jacobs Vehicle Systems net sales, which was divested in April 2022.

NET DEBT

(Dollars in Millions)	Total Regal Rexnord Jun 30, 2023*	
CURRENT MATURITIES OF LONG-TERM DEBT	\$	72.6
LONG-TERM DEBT		6,609.7
TOTAL GROSS DEBT	\$	6,682.3
CASH		(659.6)
NET DEBT	\$	6,022.7

* Reflects estimated pro-forma adjustments for the Altra Industrial Motion Corp acquisition.



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SUSTAINABILITY REPORT
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