



# The Future of Living

**ESG REPORT 2022**







# Sustainable Solutions for the Future of Living

Letter from **Jay Geldmacher**

*President and CEO*

## **As I reflect on Resideo's ESG journey, it is important to consider the long history of expertise and innovation Resideo brings to this work.**

Though we are celebrating five years as a company this October, we have provided solutions to customers around the world for more than 130 years prior to becoming Resideo. At every stage in our development, we have considered what is ahead for people and the planet, and today is no different. As we continue our ESG momentum globally, we bring to those initiatives a unique perspective on the future of living, and the ways in which our solutions can inspire change, impact and action globally.

As President and CEO of Resideo, I have the opportunity to spend time with our Resideo team, our customers and our partners. I see firsthand their efforts to simplify the connected world to bring peace of mind to individuals and families. I also see their commitment to our planet and a genuine commitment to making homes and buildings safer, more secure and more sustainable. This focus helps drive our ESG strategy for innovation and sustainability globally, forming a foundation for trust, building commitment and excellence for today as well as the future.

In our second annual ESG Report, teams across Resideo collaborated to showcase the initiatives at work across the company aligned to our ESG pillars – Innovate, Reduce, Commit, Impact and Trust. As you learn more about our work across these pillars, I'd like to call your attention to a few advancements in ESG at Resideo I am especially proud to highlight:

### **Continued Growth in Product Innovation with Our Green Horizons Framework**

Our Green Horizons framework helps guide the way we design, manufacture, package, use and re-use products to enable choices that contribute to a more sustainable future for the planet. The Innovate section of this report details the key focus areas in our Green Horizons framework and the great work our innovation and product development teams are doing in order to bring to market products that can help save energy or water.

### **Strategic Investment in Diversity, Equity, Inclusion and Belonging (DEIB)**

In 2022, we took important steps to expand our focus on DEI, adding the importance of belonging to our foundational strategy. Driven by our value



to Act As One Team, we cannot succeed unless employees connect to our culture and feel a sense of belonging at work. I am very proud of the work our Human Resources teams and Employee Resource Groups (ERGs) are doing to increase this sense of belonging across Resideo with events and initiatives that bring together groups of employees with shared histories and shared opportunities for growth and success.

### **Our Path to a Low Carbon Future**

We know that with more than 200+ locations globally, we must work to reduce our internal carbon footprint at Resideo. We have invested in processes and systems that help us better understand our footprint and develop plans to decrease it. In this report, we are sharing with our stakeholders our Scope 1 and 2 emissions profile for the first time, holding ourselves accountable to transparency and accountability as we work to decrease our greenhouse gas (GHG) emissions.

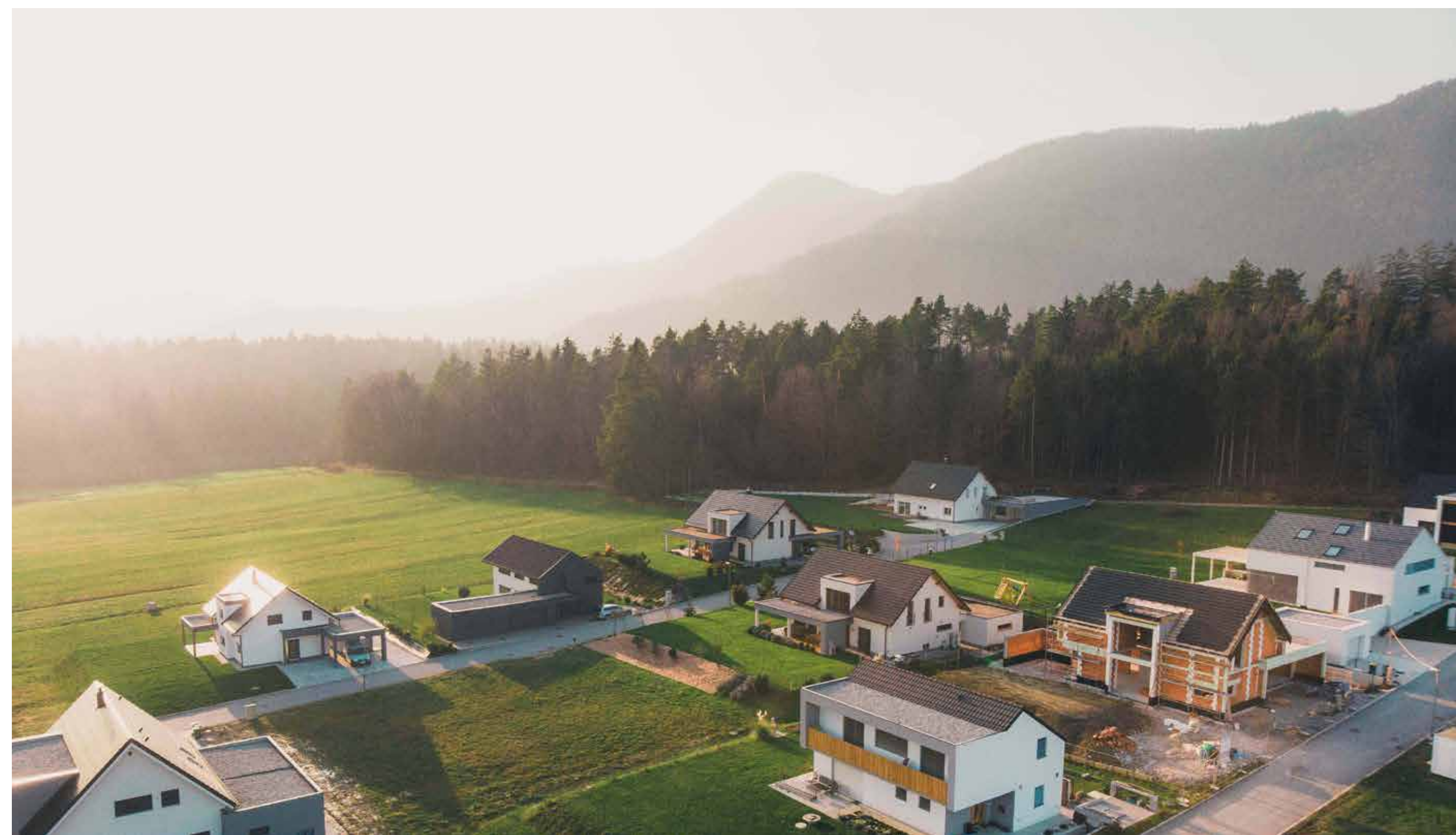
We are continuing to build a culture of sustainability across Resideo, with a foundation of trust at the core. I look forward to hearing feedback and ideas from all our stakeholders to continue to pursue sustainable innovation for the future of living.

Sincerely,



Jay Geldmacher  
President and CEO

“We have provided solutions to customers around the world for more than 130 years. At every stage in our development, we have considered what is ahead for people and the planet, and today is no different.”



AT A GLANCE

resideo



Honeywell Home

A leading global provider of air, water, energy, safety and security solutions for homes and buildings.

150 M  
HOUSEHOLDS

~\$2.8 B  
2022 REVENUE



Leading global wholesale distributor of security, fire and low-voltage products.

#1  
FOR SECURITY AND  
LOW-VOLTAGE PRODUCTS

\$3.6 B  
2022 REVENUE



\$6.37 B  
2022 REVENUE



200+  
DISTRIBUTOR LOCATIONS



11.3 M  
CONNECTED CUSTOMERS



~15,000  
EMPLOYEES GLOBALLY



2,400+  
PATENTS





# ESG at Resideo



# Building a Values and Purpose-Driven Company

Since Resideo became a public company in 2018, we have worked diligently to craft our identity and values, and build an ESG strategy that resonates with our business' core capabilities and inspires our stakeholders globally.

Resideo's vision imagines a world where homes and buildings are good for the planet, and where technology works to simplify life. In that world, people are happy, healthy and secure. To fulfill this vision, our purpose is to work every day to simplify the connected world to help people have peace of mind and focus on what matters most. This work is driven by our global values.

## OUR VALUES



Start with  
the Customer

We understand our **customers' needs** and pride ourselves on delivering exceptional experiences.



Act as  
One Team

We **work together** toward common goals, engaging from a place of humility and respect.



Pioneer  
the Future

We embrace change, boldly step into the unknown, and relentlessly **foster innovation** to fuel our growth.



Make a  
Difference

We care about the long-lasting **positive impact** we make for each other, our customers, our communities and the planet.





## ESG STRATEGY



### Environmental

#### INNOVATE

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Innovating **sustainable offerings** in water, air, energy and security for homes and buildings

#### REDUCE

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Striving to reduce our environmental impact through our own **Resideo footprint**



### Social

#### COMMIT

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Committing to an **equitable, safe and nurturing** work environment

#### IMPACT

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Improving the future of organizations, partners, and individuals through **positive impact in our community**



### Governance

#### TRUST

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Driving a foundation of trust in the market through **fair and ethical governance**



**2022 ESG HIGHLIGHTS: BUILDING A SUSTAINABLE FUTURE**

**Environmental**

INNOVATE AND REDUCE



RESIDEO THERMOSTATS  
OFFSET THE ENERGY USE OF  
**275,000**  
HOMES ANNUALLY<sup>1</sup>

**2.4M**

GALLONS OF  
WATER SAVED<sup>2</sup>

**\$2.7M**

INSURANCE CLAIMS  
SAVED IN 2022<sup>3</sup>

Publishing baseline metrics for Scope 1 and 2 GHG emissions, energy, waste and water

**79.2%**

NON-HAZARDOUS  
WASTE RECYCLED

**41.2%**

HAZARDOUS WASTE  
RECYCLED

**Social**

COMMIT AND IMPACT



**1,300**

EMPLOYEES PARTICIPATING  
IN SIX GLOBAL EMPLOYEE  
RESOURCE GROUPS (ERGS)

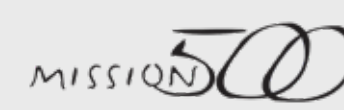
**44.5%**

GLOBAL WORKFORCE  
IS FEMALE

**500**

MENTOR  
SESSIONS

Named **2022 Industry Champion** by Building Talent Foundation



**Habitat for Humanity (P&S) and Mission 500 (ADI)** remain flagship nonprofit partners

**Governance**

TRUST



Awarded **EcoVadis Silver Medal**

Aligned **ESG metrics** to SASB and TCFD frameworks

**90%**

OF OUR BOARD IS  
INDEPENDENT

**40%**

OF OUR BOARD  
IS DIVERSE

1. Saving 2.2 million metric tons of CO<sub>2</sub>. Estimated energy savings from Resideo connected thermostats in 2022 were equated to metric tons of Carbon Dioxide Equivalent and energy required to power the average US home using the EPA's Greenhouse Gas Equivalencies Calculator.  
2. Estimated gallons saved, and insurance claims based on average flow rate, duration of leaks, and the average cost of a water leak claim. Insurance Information Institute reports both the annual frequency of water claims already used in the calculation and the average claim severity in dollars.  
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# Defining Material Topics

In 2021, we assessed our most important ESG-related topics through a formal materiality assessment.

As our ESG initiatives grow in scope, we are working to ensure our resources and energy are allocated to the most important material topics for Resideo's business and stakeholders. In 2022, we revisited our materiality topics to ensure they align to our five ESG pillars and match our current goals internally. These topics have become a guide for our reporting process annually and their activities at Resideo are reflected throughout this report.

We work diligently to ensure we allocate resources, time and energy across each of the material topics identified. These topics also contribute to business decision-making throughout the year. We've organized these topics against our five ESG pillars and organized them in order of importance to both Resideo and our stakeholders.

## MATERIAL TOPICS



### Environmental

#### INNOVATE

Innovation for Sustainability

Product Quality

Product Compliance

End-of-Life Product Management

#### REDUCE

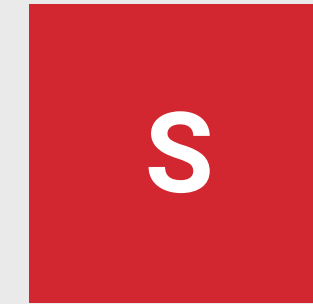
Energy and GHG Management

GHG Emissions in the Supply Chain

Climate Change Risk

Water Management

Waste Management



### Social

#### COMMIT

Employee Experience and Engagement

Employee Well-Being and Benefits

Employee Health and Safety

Diversity, Equity, Inclusion and Belonging

#### IMPACT

Community Involvement and Investment



### Governance

#### TRUST

Integrity and Compliance

Customer Privacy and Data Security

Sustainable Supply Chain

Human Rights

Board and Designated Committee Oversight of ESG Topics





# Innovate

Innovating sustainable offerings in water, air, energy and security for homes and buildings.

## MATERIALITY TOPICS INCLUDED IN PILLAR

Innovation for Sustainability

Product Quality

Product Compliance

End-of-Life Product Management



# Innovative Technology

Resideo brings more than 130 years of product development, data and insights to the market, with unique expertise that will help to develop the next generation of solutions for the future of living.

Every day, our team is combining that expertise with our diverse product range to ensure homeowners understand our products and the effect they might have on their homes and their lives. Our solutions help to simplify life, allowing consumers to take control of what makes them feel more comfortable, safe and secure. We create technology and solutions that integrate with consumers' lives, helping to protect families, homes, businesses, data and the planet.

Our products contribute actively to the future of living, providing home comfort and security solutions in more than 150 million homes in 100 countries around the world. We are proud to hold more than 2,400 patents, bringing a spirit of innovation with us in everything we do. Our Products & Solutions (P&S) business drives the development of whole-home smart solutions in Energy, Air, Water, Security, Safety and Services.



Energy



Water



Air + Comfort



Services



Security + Life Safety



## GREEN HORIZONS

Green Horizons is Resideo’s internal framework for sustainable product development that is intended to serve as the basis for developing and measuring the success of Resideo products today and in the future. The Green Horizons framework is built to identify opportunities to design better products for a better world throughout the product life cycle.



### GREEN HORIZONS CATEGORY

### FUTURE AREAS OF FOCUS



#### DESIGN

We aspire to design products for longevity, performance and recyclability, making them with the fewest materials possible. Ensuring our products require less technological support, helping to save time, fuel and carbon emissions in our services.

Sustainable procurement and supplier due diligence

Eco-designed solutions



#### MANUFACTURING

Our goal is to measurably reduce our direct GHG emissions, energy usage, waste and water consumption at our manufacturing sites as we manufacture our products.

Reduced Scope 1 and 2 emissions

Plant ISO 14001 and 50001 certifications



#### PACKAGING

We are committing to using sustainable packaging, selecting materials based on their suitability, practicality and end-of-life solutions. We plan to remove polyvinyl chloride (PVC) and expanded polystyrene (EPS) from all packaging.

Sustainable packaging and design materials

Product-related literature reduction



#### IN-USE PERFORMANCE

By reducing the energy our heating and cooling products use – while improving overall performance – we strive to create and offer innovative solutions that have a positive impact on global emissions.

Reduction in Scope 3 GHG emissions from product use

Energy and water savings



#### RE-USE

We aspire to divert more of our products and materials from landfills by developing long-lasting products that can be reused or easily recycled and made using recycled or bio-based materials.

Recycled, repaired and/or reused products

Recycled content in products

## DESIGN

Our innovation team knows that to design sustainable products, we need to start with the end in mind, understanding how our products will be used and understanding their full life cycle impact. Resideo's New Product Innovation process (NPI) considers the future needs of our products including helping our customers adapt to the long-term impact of climate change. The NPI process helps to inform us of the future trends affecting product innovation, including climate change, cybersecurity and population migration. We use scientific criteria, including reports from the Intergovernmental Panel on Climate Change (IPCC) to help inform this work.

As a part of NPI, our innovation team has launched what we call "The New Normal," helping our product innovation team to integrate new inputs into our process. The New Normal is looking beyond the immediate next iterations of our products, focusing on the years ahead. Resideo is uniquely positioned to help our customers adapt to certain effects of climate change through our products and keep the following criteria for our customers' home in mind: comfort, security, safety, health, energy management, expenses, predictive

preventative maintenance and operations, all while providing a common platform, reducing cost and enabling faster development times for new offerings.

In 2022, to help bring to life our Company Value of "Pioneering the Future" and to foster a culture of innovation across Resideo, we launched The Workshop, an online ideation community that conducts three campaigns each quarter. Campaigns are presented as an open-ended question to address a company-specific issue, Resideo employees then crowdsource ideas and solution which enables peers to brainstorm online and generate solutions to the challenges we seek to address as a company. Each campaign has an executive sponsor, and the innovation team monitors responses to move quality ideas forward. A number of these campaigns have been sustainability focused. For example, one campaign posed the question "How might we eliminate all virgin plastic in our products by 2030?" This campaign generated 43 ideas, 92 comments, and 380 votes from team members across Resideo. Globally, more than 500 ideas were generated by The Workshop's campaigns in 2022.







## **MANUFACTURING**

We are working to significantly reduce our environmental impact through direct GHG emissions, energy use, waste and water consumption across our facilities and with our supply chain partners. Details about those efforts in reduction and data collection can be found in the Reduce section of this report. As a part of our Green Horizons framework, manufacturing processes are a major building block to the success of our sustainable products.

## **PACKAGING**

Resideo is working to use sustainable packaging materials and working to update our current materials to become more sustainable. We are on a journey to integrate sustainable packaging as part of our product development process, both as we innovate new products and have opportunities to improve existing packaging to reduce waste and improve customer experience. We are actively working on improvements including the elimination of single-use plastic packaging materials, reduction in printed paper installation manuals and optimization of products per pallet cube.



## CASE STUDY

## Customer Inspires Packaging Redesign

**Marvin Smith is President of Orlando Emergency Signal, a Resideo Premiere Security Dealer. In 2022, Marvin reached out to his Resideo team with a challenge.**

He says, “We love Resideo and the ProSeries product line, but we quickly realized its packaging was consuming a lot of space in our stockroom and trucks. We have a rule to never leave packaging or waste with our clients and found ourselves filling multiple trash and recycle bags throughout a normal install day.” Marvin told Resideo that while the packaging kept the product free from damage during shipping, it was larger than required. Resideo shares Orlando Emergency Signal’s commitment to remove waste from homeowners’ homes and limit paperwork left during service and installation.

Our team jumped into action with a complete re-engineering of packaging for our ProSeries 7-inch All-in-One Panel. We redesigned the product’s molded pulp insert, corrugated box and printed sleeve to reduce box size, improve transportation and warehouse efficiency and recyclability. The project met our goal of pallet cube efficiency of 80% or better and uses eco-friendly materials with clear recycling symbols. We increased the number of units per pallet from 99 to 224 and the number of units per truck from 5,940 to 13,440. The packaging reduction also saves \$0.37 per unit.

Marvin and his team were excited to see the changes implemented. Marvin says, “As a business owner, the benefit of this change has been huge. Our warehouse and trucks have a finite amount of available space. This packaging reduction reduces wasted space and increases productivity

for my team. It also allows our trucks to stock more ancillary items necessary for installation and service calls.”

Partnering with customers like Marvin and his team and listening to the needs of the marketplace is a cornerstone in our environmental efforts across Resideo. The design of this product’s packaging will be used on other Stock Keeping Units (SKUs) in the future and will serve as a blueprint for additional packaging re-engineering processes. Most importantly, our customers are happy and they see we share their values. Marvin said, “We have an amazing support system at Resideo. I consider them my Resideo family. When I saw the packaging changes, I couldn’t stop smiling. I knew Resideo was serious about improvement, but at that moment I knew we had made a positive change for our team and for the environment.”





## IN-USE PERFORMANCE

### AIR AND ENERGY

**Our global teams are working hard to reshape key parts of the energy journey with innovative hardware and services.**

We know the way companies and consumers use energy needs to transition to a less carbonized world for the future. We have a vision where, together with our partners, we are empowering homeowners, businesses and organizations to better manage and conserve our shared energy supply.

We are proud to have 16 ENERGY STAR® certified thermostats in our product portfolio, more than any other company in the market today. In 2022, these efficient thermostats helped consumers save 2.2 million metric tons of CO<sub>2</sub>e, the energy equivalent of 275,000 homes in one year.<sup>4</sup> Homeowners with Resideo's Honeywell Home T5 and T6 Pro saved between \$83-\$154 in one year on heating and cooling bills (between 8-16%) through high use of the devices' scheduling features.<sup>5</sup>

### WATER

**In the U.S. alone, more than six billion gallons of water are lost each day from aging infrastructure and household leaks, according to the American Society of Civil Engineers.**

We see these challenges as opportunities to make water consumption smarter and more sustainable, helping to control water use without sacrificing safety and comfort. Our solutions are designed to detect and prevent leaks and decrease the cost of a water claim leak with flow rate detection. Resideo estimates that our products in leak detection saved consumers 2.4 million gallons of water in 2022, and helped avoid what would have been more than \$2.7 million in insurance claims.<sup>6</sup>

At our premier customer conference, CONNECT 22, Resideo launched the L5 WiFi Water Leak Shutoff Valve and the Resideo L1 WiFi Water Leak and Freeze Detector. Together, the products make a complete water leak damage defense system – connected via the Resideo Smart Home app – that raises awareness of leaks and helps safeguard belongings and the home's structure from potential costly repair. The L1 alerts homeowners to leaks or frozen pipes with smartphone notifications, on-site alerts and an alarm. The L5 can then automatically turn off the water supply to the home when that leak is detected.

## RE-USE

Globally, we are developing processes to ensure fewer Resideo products and materials end up in landfills at end-of-life. As a part of our NPI process, we work toward using Eco-Design principles to focus on eliminating unnecessary pollution and waste, designing products that can be reused, recycled and made using recycled or bio-based materials. We are proud to be a founding member of the Thermostat Recycling Corporation (TRC), supporting the mission of safely recycling mercury-containing thermostats. To date, through TRC in the United States and Thermostat Recovery Program (TRP) in Canada, 2.4 million Resideo thermostats have been recycled, and approximately 8.8 tons of mercury have been diverted from landfill.<sup>7</sup>

4. Estimated energy savings from Resideo connected thermostats in 2022 was equated to metric tons of Carbon Dioxide Equivalent and energy required to power the average US home using the EPA's Greenhouse Gas Equivalencies Calculator.

5. In a 2019 Ohio study of 5,000 homes, T5 and T6 customers saved \$83-\$154 in one year on heating and cooling bills. The study showed T5 and T6 thermostats with a high use of schedule features ran central heat pumps 8-14% less, gas furnaces 13-16% less, and air conditioners 10-13% less. Dollar savings range based on nationwide average annual single-family detached home's heating and cooling bills. The Honeywell Home T5 and T6 Pro thermostats cost \$119 and \$149 respectively, and the payback calculation depends on price and actual savings.

6. Estimated gallons saved, and insurance claims based on average flow rate, duration of leaks, and the average cost of a water leak claim. Insurance Information Institute reports both the annual frequency of water claims already used in the calculation and the average claim severity in dollars.

7. Since 1997 and in collaboration with Thermostat Recycling Corporation and Recovery Program.



## The Future of Living in Future Home

Bellway's 'The Future Home' is a part of a low carbon heating system in Energy House 2.0 – a lab-controlled research project testing various energy scenarios in new home builds. Resideo donated the Honeywell Home evohome smart thermostat system to the project and supported the project by training installers on-site. The Honeywell Home evohome smart system will help Energy House 2.0 divide its zones, implement a smart weather feature and maximize energy efficiency to reduce carbon emissions.



## National Energy Efficiency Awards 2022 Names Evohome Energy Efficiency Product of the Year



Resideo's Distributed Energy Resource Management System (DERMS) is leveraged in 28 utility and energy market load management programs to help communities protect the electrical grid, reduce the need for blackouts and consume energy more efficiently. Many utilities establish Demand Response (DR) programs by offering consumer rebates and incentives to have their electrical loads automatically deferred or "shifted" during times of peak demand. Resideo works with utility providers to run DR events throughout the year, by offering a DERMS to manage many aspects of the program including enrollment, customer support, dispatch and reporting. In 2022, we managed more than 200 individual DR events, shifting 7.4 GWh of energy to help keep power in communities. That shift in energy is the equivalent to what 24.8 million solar panels produce in one hour. Resideo and its customers also played a significant role during two of the Country's major grid emergencies by shifting 491 MWh of

peak energy in California across five days of events during the heatwave in September 2022 and 22 MWh of energy in Oregon and Pennsylvania across eight events during Winter Storm Elliot in December 2022.<sup>8</sup>

Resideo's products actively work to assist with decarbonization for our customers worldwide. Our controls can help heat pump Original Equipment Manufacturers (OEMs) bring their appliances to the next level of efficiency and reduce energy consumption without compromising performance. We have developed universal systems and solutions that support the use of hydrogen and simplify installation and manufacturing to help customers, installers and homeowners move from natural gas to hydrogen. Resideo is manufacturing products approved for 100% hydrogen to assist with the green fuel revolution.

<sup>8</sup>. Aggregated DERMS results considered estimated performance from 28 utility and energy market load management programs during 2022 and average solar panel production of 300 watts of electrical power when pointed at a sunny sky.



## SHOWCASING OUR INNOVATIONS

We are proud to be at the forefront of technological advancements in our industry, and each year we join professionals around the world at key events to showcase our work and learn together about what's next in our field.

### Home Connectivity Alliance

Joined Home Connectivity Alliance (HCA) at **CES 2023** to announce Interface Specification 1.0, establishing an industry standard for Cloud-to-Cloud (C2C) interoperability across long-life appliances, HVAC systems and TVs within the connected home ecosystem.



Participated in **Pacific Coast Builders Conference (PCBC)** to showcase our sustainable products and interact with industry professionals who share our values and goals of making homes comfortable, safe and sustainable.

### TechHome Builder SUMMIT

At the **TechHome Builder Summit**, Resideo was proud to receive the Arc of Achievement Award, recognizing individuals and companies that have driven extraordinary progress in the application of technology in new homes and homebuilder businesses.



Participated in **Expo Seguridad** in Mexico, joining our community of professionals across Latin America in showcasing our new sustainable product offerings.

### ISH

Showcased our Honeywell Home and Braukmann product portfolio at **ISH 2023** in Frankfurt, Germany. ISH is the world's leading trade fair focused on responsible management of energy and water, bringing Resideo directly to customers focused on having an impact on the planet. Resideo offset the carbon emissions from its tradeshow booth presence and repurposed booth items including banners into reusable drawstring bags.

### integrated systems europe

Showcased our sustainable solutions at **Integrated Systems Europe (ISE)** in Barcelona focused on smart systems integration in homes.



At the **International Builders Show**, we showcased our products to home builders from around the world. There, we were proud to receive Building Talent Foundation's Industry Champion award for our support of their mission to fill the trades talent pipeline.





## Showcasing Sustainability at HARDI

Resideo Director of Sustainability, Erin Woodward, moderated a conversation with industry partners Meritage Homes, Green Builder Media and Ferguson Enterprises at the HARDI (Heating, Air-Conditioning Refrigeration Distributors International) Annual Conference in Houston, Texas. The panel discussion centered on sustainable building trends at play in today's marketplace and ways HVACR industry leaders can "go green" in their work.



## Poli.design and Resideo Present Smart Water, 2<sup>nd</sup> Edition

Moderated by journalist and writer Fabio Deotto, Resideo hosted Sustainable Water Visions in March 2022 in partnership with Poli.design. This free digital event focused on the theme of sustainability in water management and featured presentations on climate resilience, water cycle management and digital transformation in water management.





# Reduce

Striving to reduce our environmental impact through our own Resideo footprint.

## MATERIALITY TOPICS INCLUDED IN PILLAR

Energy and GHG management

GHG Emissions in the Supply Chain

Climate Change Risk

Water Management

Waste Management





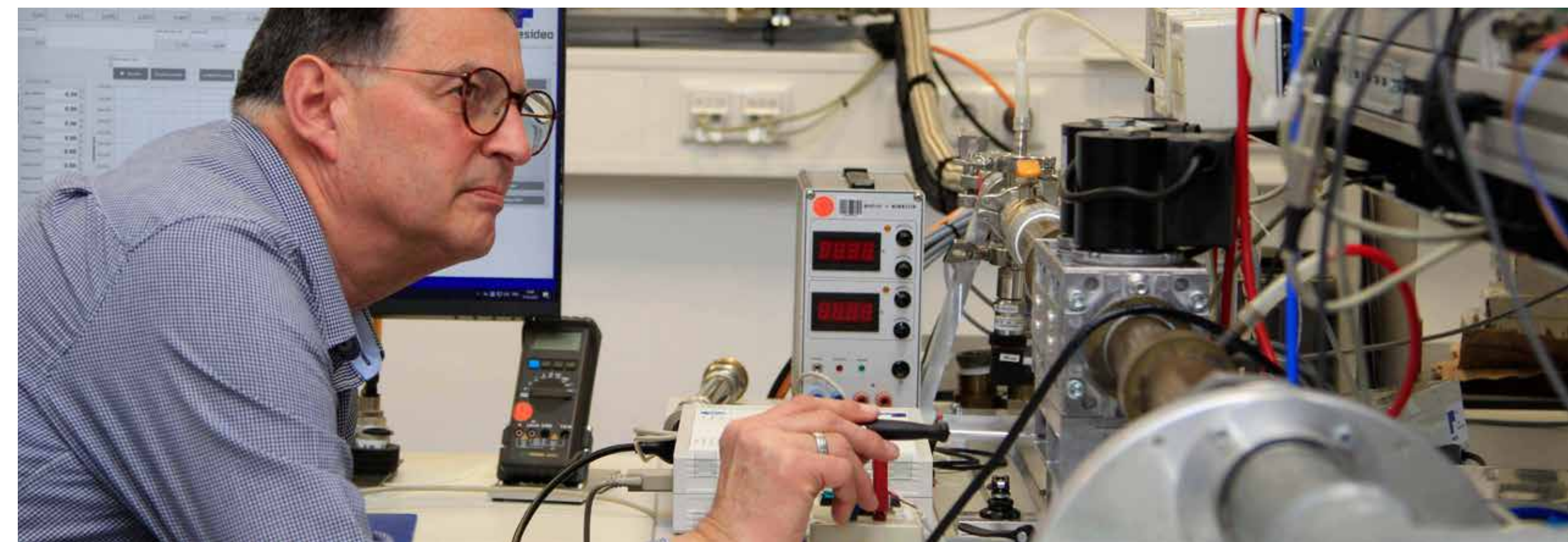
We are proud of the positive impact our products have on water, air and energy for homeowners around the world.

**Individuals and families can reduce their environmental impact with Resideo products, but that impact is not enough. We must also work to reduce our environmental impact across our business lines and operations internally. As we build a best-in-class cross-functional ESG team for Resideo, we acknowledge the responsibility we have to protect our planet – in our actions and with our products.**

## Hydrogen Brings New Energy Source to Lotte, Germany

Resideo is taking action to invest in Hydrogen (H<sub>2</sub>) technologies to power boilers in our manufacturing processes. Using H<sub>2</sub> in the combustion process avoids fossil fuels and ensures only water vapor is produced rather than CO<sub>2e</sub>. Resideo has been involved in industry discussions about H<sub>2</sub> from an early stage and took action several years ago to assess the H<sub>2</sub> impact on our business and products. For example, as there were no standards

available for H<sub>2</sub> use in gas valves yet, we developed a test plan in collaboration with the Dutch testing, inspection and certification consultancy organization, Kiwa. By taking this action we now have several certifications from Kiwa confirming our valves are H<sub>2</sub> ready. In our new technical center in Lotte, we are actively implementing H<sub>2</sub> in our boilers and using the site as a test case for additional H<sub>2</sub> integration across Resideo.





## Health Safety and Environment Sustainability (HSES) Management

**Resideo's Health Safety and Environment Sustainability Policy guides our work and clarifies our commitment to ensuring compliance with regulatory requirements globally while delivering continuous improvement across our HSES initiatives.**

We are continuing our journey towards certification to the ISO 14001 (Environmental Management System) and ISO 45001 (Healthy & Safe Workplaces) standards across our facilities. In 2022, our facility in Chihuahua, Mexico, received ISO 14001 certification, an important step toward our goal of full ISO 14001 certification across all sites by the end of 2023.

Following our launch as a public company in 2018, we have worked hard to understand and measure our footprint and to plan goals around mitigating our environmental impact. We have undergone company-wide efforts to analyze our environmental data, ensure that data is consistently and accurately tracked worldwide and establish new baseline data that will improve our target-setting for environmental

excellence today and in the future. In our inaugural 2021 ESG Report, we noted that we were evaluating our reduction goals set early in our life as a public company and working to establish measurement capabilities that set new baselines and ensure we can align our targets to globally respected frameworks. We are also pleased to align our reporting with the Task Force on Climate-Related Financial Disclosures (TCFD) for the first time. View our TCFD index in the appendix of this report.

Our HSES processes also support the creation of preventative safety measures across all levels of the organization and implement location-specific and role-specific HSES training, risk assessments and control measures to mitigate risks. We ensure our policies are aligned with current guidance from the U.S. Occupational Safety and Health Administration (OSHA) and other globally recognized standards including ISO. With these measures in place, we are proud to have had zero reportable spills since we became a public company.





## Environmental Excellence in Nagykanizsa, Hungary

Our Nagykanizsa site in Hungary is certified to four key ISO frameworks – ISO 50001, 14001, 9001, and 45001. The site’s achievements in efficiency and environmental excellence have been recognized by the Hungarian Power and Innovation Program, the Virtual Power Program, identifying businesses achieving strong energy efficiency. The site installed its first solar panel systems in 2017 and has continued to upgrade atmospheric boilers, water system elements, LED lighting, compressor systems and additional solar panels since then. In 2022, the site’s improvements achieved an annual emissions reduction of 442 metric tons over its 2017 baseline.

In this report, we are proud to share comprehensive consumption data for GHG emissions, waste and water, as a major first step toward setting science-based reduction targets for environmental excellence at Resideo. We are committed to sharing our processes and this data transparently in this report annually.

## Sedex Assessment

Resideo has engaged with Sedex to assess our facilities’ compliance to labor, health and safety, environment and business ethics criteria. Through our work with Sedex, our sites can work towards certification through SMETA (Sedex Members Ethical Trade Audit). We are currently using Sedex for four European sites and look forward to continuing to grow our tracking to other facilities in the future.

## ISO Certification

All our manufacturing locations are compliant with ISO 9001:2015, nine out of 16 manufacturing sites are now ISO 14001 certified, and eight sites are certified to ISO 45001 with remaining sites targeting certification by the end of 2023.



## Climate Resilience

**Resideo recognizes that the effects of climate change are impacting every geography, individual and business around the globe both economically and environmentally.**

As a global company, we have a responsibility to understand the risks to our business and communities related to climate change, and to identify ways to make our organization more resilient in its operations to plan for adverse climate-related events. We also have a responsibility to reduce our environmental impact, combatting the effects of climate change for all our communities today and in the future.

Resideo's climate risk management processes are managed as a part of our overall Enterprise Risk Management (ERM) process. In this process, risks are identified and assessed through an Enterprise and Fraud Risk Assessment (EFRA) regularly. Each risk is assigned ownership across Resideo and a set of key risk indicators (KRIs) are identified alongside mitigation and response strategies. Once a risk

has been categorized in this process, ongoing risk monitoring is informed by metrics and KRIs as well as risk escalation protocols globally. Quarterly, we report on these risks to our executive leadership team and Board of Directors, with targeted views of risk management supporting decision-making in their key areas of focus.

In 2023, we outlined key climate-related risks in our 2022 Annual Report and 2023 Proxy including our risks related to adverse weather events and natural disasters as well as continuing regulations and societal actions in response to climate change. In 2023, we will report to CDP for the first time, providing information on the risks and opportunities Resideo sees for our company related to climate change. This report also includes our first annual index based on the Task Force for Climate-Related Financial Disclosures describing our strategic process for climate-related risk management and our commitment to reporting transparently on GHG emissions at Resideo.





# Energy Use and Carbon Emissions

Throughout 2022, we worked to continue our expansion of our data collection processes and transition to a new environmental management software globally that will expand the ease, consistency and accuracy of our environmental reporting.

We are publishing for the first time in this report our total Scope 1 and 2 (market-based and location-based) emissions. In 2023, we have launched a process to calculate certain key categories of Scope 3 emissions, aligned with GHG Protocol.

Resideo’s emissions calculation process and publication is led by a team representing our facilities globally. Our current Scope 1 and 2 emissions represent approximately 90% of Resideo’s complete facility footprint. Not included in this initial disclosure are the emissions attributed specifically to ADI retail locations globally, office locations globally, emissions from fleet vehicles and fugitive emissions from refrigerants. We estimate these omissions represent approximately 10% of our emissions footprint. In 2023, we intend to implement a process to quantify these emissions, with a goal of publishing the same in our 2023 ESG Report.

## RESIDEO’S ENERGY AND EMISSIONS FOOTPRINT<sup>9</sup>

METRIC	UNIT	2022 DATA
Total Energy Consumption	GJ	696,503.4
Percentage Grid Electricity	%	54.09%
Scope 1 Emissions	Metric tons CO <sub>2e</sub>	16,175.5
Scope 2 Emissions (Market Based)	Metric tons CO <sub>2e</sub>	42,202.2
Scope 2 Emissions (Location Based)	Metric tons CO <sub>2e</sub>	37,974.3
Total Scope 1 And 2 (Location Based) Emissions	Metric tons CO <sub>2e</sub>	54,149.8

9. Our 2022 emissions calculations include global manufacturing facilities and distribution centers. Not included in these calculations are the emissions related to ADI retail locations globally, office locations globally, emissions from fleet vehicles and fugitive emissions from refrigerants. We estimate these emissions represent not more than 10% of our total GHG emissions footprint. We intend to report on these figures in our 2023 emissions and continue to report on our full footprint in the future.

## Solar Panels Improve Energy Efficiency Across EMEA

Resideo is working to implement a capital project to install solar panels across four sites – Lotte, Germany (456 panels), Nagykanizsa, Hungary (1,091 panels), Emmen, Netherlands (6,200 panels) and Mosbach, Germany (5,000 panels). Collectively, these panels will reduce 7,101 MWh of energy each year, saving 2,469.5 metric tons of CO<sub>2e</sub> annually. The total project will be completed by 2024.



# Waste

**As we have refined our environmental tracking systems globally, waste tracking and specifically the understanding of our footprint related to hazardous waste and recycling have been paramount in that process.**

We track waste at all of our manufacturing and distribution sites, including landfill use and waste diversion rates. Currently, we are not tracking waste at our ADI retail locations and offices globally, a process we look forward to including in the future. Globally, we have identified key waste streams for reduction including cardboard, wood pallets, electrical and plastic.

We are reporting for the first time our total hazardous and non-hazardous waste. We consider hazardous waste generated across our sites and the percentage of that waste recycled as a major key performance indicator (KPI) at Resideo. As we grow our data processes, we will continue to identify areas for improvement across our waste streams. Our diversion rate

continues to rise year-over-year, and we currently divert nearly 80% of our non-hazardous waste and 41% of our hazardous waste from landfill with various recycling and waste reduction processes globally. Some of our 2022 waste reduction projects include:

- Our site in Juarez, Mexico, began automation of the operation of a product case stamping process that was formerly a 100% manual operation. Equipment improvements here mean the operator’s dependency on model changes is anticipated to decrease, and hazardous waste generated from the chemicals used in case stamping will also decrease by 500 kilograms annually.
- At our site in Tijuana, Mexico, cafeteria waste was identified as a major part of the non-hazardous waste generated by the site. In 2022, we began separating organic waste and sending it to a waste treatment facility to treat and recycle as compost. More than 20,000 kilograms of waste will be diverted from landfill annually with this process.

## RESIDEO’S WASTE FOOTPRINT<sup>10</sup>

METRIC	UNIT	2022 DATA
Non-hazardous Waste Generated	Metric Tons	12,213.89
Percentage of Non-hazardous Waste Recycled	Percentage	79.2%
Hazardous Waste Generated	Metric Tons	1,225.02
Percentage of Hazardous Waste Recycled	Percentage	41.2%

10. Our 2022 waste calculations include global manufacturing facilities and distribution centers. Not included in these calculations are the emissions related to ADI retail locations globally and offices globally. We estimate these metrics represent more than 95% of Resideo’s total waste generation globally. Calculations completed for hazardous waste align with SASB’s standards for Electrical & Electronic Equipment. Calculations completed for non-hazardous waste are standardized across sites and consider waste incinerated, sent to landfill and recycled or reused.

## Mosbach Copper Recycling Project

After brass parts are cast, they are shot-blasted and particles from shotblasting are disposed. In Mosbach, Germany, we are working to recycle and receive reimbursement for the copper found in shotblasting dust. Annually, Mosbach’s 15 metric tons of dust contain approximately 2.7 tons of copper. By separating copper dust, we also ensure the remaining dust particles are normal and not hazardous waste.



# Water

**We are committed to continuous improvement in water efficiency across our operations, recognizing several of our facilities are located in areas the World Resources Institute (WRI) identifies as high or extremely high-water stress areas.**

As a part of our 2022 comprehensive data integration process, we are now able to measure water withdrawal and consumption across our currently measured footprint including manufacturing and distribution, but not currently including retail and office locations.

In our Golden Valley, Minnesota facility, we recognized the demand for chilled water fluctuates and requires manual adjustment to pumps and chillers that include significant labor and energy costs. In 2022, we implemented automated chilled water operations to save energy and costs. With variable frequency drives (VFDs) on chiller and water supply pumps, demand for chilled water decreases as pumps and chillers automatically reduce operation, saving more than 20 metric tons of CO<sub>2</sub>e annually and 2,000 m<sup>3</sup> of water annually.

## RESIDEO'S WATER FOOTPRINT<sup>11</sup>

METRIC	UNIT	2022 DATA
Water Withdrawn	1,000 m <sup>3</sup>	494.54
Percentage Water Withdrawn in Water Stressed Areas	Percentage	33.9%
Water Consumption	1,000 m <sup>3</sup>	81.67
Percentage Water Consumption in Water Stressed Areas	Percentage	75.5%

11. Our 2022 water calculations include global manufacturing facilities and distribution centers across EMEA. Not included in these calculations are the emissions related to ADI retail locations globally, office locations globally and North American distribution centers. We estimate these metrics represent more than 95% of Resideo's total water use globally.



## CALL2RECYCLE LEADER IN SUSTAINABILITY AWARD

*Resideo was awarded the 2022 Leader in Sustainability Award from Call2Recycle for diverting more than 69,723 pounds of batteries in 2022 through battery collection and recycling.*



## CASE STUDY

# Wide Range of Sustainability Improvements at Mougins, France Site

**In Mougins, France, our local HSES team has embarked on a multi-year process to build sustainable strategies in their facility.**

Their leadership team has adopted a differentiated management approach that emphasizes the importance of biodiversity, a decrease in consumption of key natural resources, processes to respect biodiversity, and the development of cultural adoption of sustainability strategies for their team. Their projects include:

- Wide-ranging HVAC system improvements that improve energy efficiency by 355% or better and save more than 500 kilowatts annually.

- Partnership with Floraconcept to create new garden and green spaces that will promote pollination and decrease mowing to allow nesting for birds on site.
- A roof refurbishment in 2022 that improves thermal resistance, increasing energy efficiency.
- Replacement of conventional lights with LEDs and automatic sensors to turn off lights when not in use.
- Secure bicycle parking for employees who bike to work.
- A sustainability initiative survey that ensures all team members can share ideas and establish plans to help make Mougins more sustainable.







# Commit

Committing to an equitable, safe, and nurturing work environment.

## MATERIALITY TOPICS INCLUDED IN PILLAR

Employee Experience and Engagement

Employee Well-Being and Benefits

Employee Health and Safety

Diversity, Equity, Inclusion and Belonging (DEIB)





Resideo's team members are the dedicated and passionate force that drives Resideo's strategy and innovation globally.

Every day, their ideas and perspectives help us to pioneer solutions for a better world. Ensuring they are healthy, safe and able to be themselves at work is one of our most important responsibilities as a company. We are committed to building a culture of innovation and continuous learning that allows our team to grow with Resideo.

## THE RESIDEO TEAM: BY THE NUMBERS

15,160  
EMPLOYEES GLOBALLY

44.5%  
OF GLOBAL WORKFORCE  
IS FEMALE

52.6%  
OF OPERATIONS AND  
SUPPORT TEAM MEMBERS  
ARE FEMALE

52.1%  
OF OPERATIONS AND  
SUPPORT TEAM MEMBERS  
IN THE U.S. ARE RACIALLY/  
ETHNICALLY DIVERSE

500  
MENTOR  
SESSIONS



# Employee Experience and Engagement

**Across Resideo, in every business unit, our employees' experience at work is a cornerstone of our success.**

We work to create an environment where employees feel good about their work, can be creative and continue learning and growing in their roles at Resideo. Our core values are deeply connected to our employee experience, encouraging our team to *Start with the Customer, Act as One Team, Pioneer the Future and Make a Difference.*

For the past four years we have launched an annual Employee Voice Survey to help us identify ways we can better support our employees. We use a proprietary process to canvas employees in professional-level roles or with access to a corporate computer across three key areas: Motivation, Ability and Knowledge of Expectations. Our score for the 2022 cycle was a 7.9, a slight increase from 2021, with a target of 8+ on a 10-point scale. We also use a more traditional engagement survey with the same scale and goal for our skilled labor employees.

Our 2022 score of 7.4 was a slight decrease from our 2021 score. Both groups were asked how likely they would be to recommend Resideo as a place of employment. From this feedback, we were able to determine a combined employee Net Promoter Score (eNPS) of 33, an increase of 7 points over 2021. This score can fall between -100 and 100 and Resideo's goal is to exceed 50.

Our 2022 scores resulted in over 300 actions, including how to continue to improve communications across the company, training and development tools to increase skills capabilities, and additional awareness around DEI&B to support the growth and desired culture across teams.

## Expanding Adoption and Fertility Programming

In 2022, Resideo significantly expanded our benefits in the U.S. for family-building including enhanced fertility benefits and updated our adoption policies to include surrogacy in all existing programs. Resideo partnered with Kindbody to offer enhanced fertility and family-building services including end-to-end fertility support with a dedicated team. Employees and their spouses/partners have access to six KindCycles for fertility services including egg freezing, IUI and IVF, and a network of Kindbody clinics and patient care teams.





## Employee Well-Being and Benefits

**For our employees to remain successful in the workplace, we know they need to stay balanced and healthy, and feel supported at work and in their personal lives.**

Resideo offers a wide variety of health, wellness and financial benefit options where employees can meet their needs and the needs of their families. In addition, we offer wellness initiatives to support and protect our team's health. In 2022, we continued to offer hybrid work environments around the world, coupled with comprehensive leave programs including vacation, holiday, parental leave and paid sick time – ensuring employees can adequately rest and recharge throughout the year. Compensation is evaluated on a global scale with regular reviews and paired with savings and retirement programs globally. In the U.S. and the U.K., we also offer employee stock purchase opportunities.

We are especially proud of our Employee Assistance Program (EAP) globally providing all employees and their dependents access to short-term confidential counseling and webinars that cover a wide range of topics. In 2022, our EAP along with benefits partners provided more than 100 webinar options for employees. Just a few of the options in our webinar offerings include Understanding Depression, Communications Skills for Families, Personal and Professional Boundaries, Suicide Awareness, Managing Holiday Stress, Breathing Techniques to Relieve Stress, Immunization Awareness, Breast Cancer Awareness and UV Safety.



## Employee Health and Safety

### The safety of our employees while they are at work is a key priority across Resideo.

We track recordable incidents and lost time days across Resideo facilities. Our Health, Safety, Environment and Sustainability (HSES) team works directly with on-site leadership at each facility to ensure employees are receiving the training necessary to prevent injury and accidents. We demonstrate our commitment to providing a healthy and safe workplace for all employees by making continued progress towards full ISO 14001 and ISO 45001 certification, with a total of nine locations now certified to ISO 14001 and eight locations certified to ISO 45001. At the end of 2022, our Total Case Incident Rate or "TCIR" (the number of occupational injuries and illnesses per 100 employees) was 0.72 for our ADI Distribution business, which was significantly lower than the North American Industry Classification

System injury rate for Household appliances and electrical and electronic goods merchant wholesalers of 1.3 (as reported by the U.S. Bureau of Labor Statistics), and a Total Case Incident Rate of 0.28 for our Products and Solutions business, which was significantly lower than the North American Industry Classification System injury rate for All Other Miscellaneous Electrical Equipment and Component Manufacturing of 1.7 (as reported by the U.S. Bureau of Labor Statistics).

We monitor our safety progress through a balanced scorecard of key performance indicators, reactive incident management investigation and root cause analysis indicators. We work with data generated from hazard observation to conduct health and safety inspections by line managers and internal audit programs by accredited health and safety lead auditors to help us mitigate issues before they result in incidents.

## Lotte Facility Receives BG ETEM Award

During the COVID-19 pandemic, many employees were forced to relocate to working from home in a short period of time. For colleagues in Lotte, Germany, the move to home work environments raised questions about the ergonomic needs of workers at home. The team adapted Resideo's Display Screen Equipment & Workstation Self-Assessment Checklist to employees working from home, offering consultations on ergonomics for anyone interested. Lotte submitted the program to a competition organized by the German employers' liability insurance association (BG ETEM) aimed at finding good measures for workplace accident prevention. The Lotte team, along with 10 other companies, was recognized with a certificate and a cash prize of 2,000 EUR.

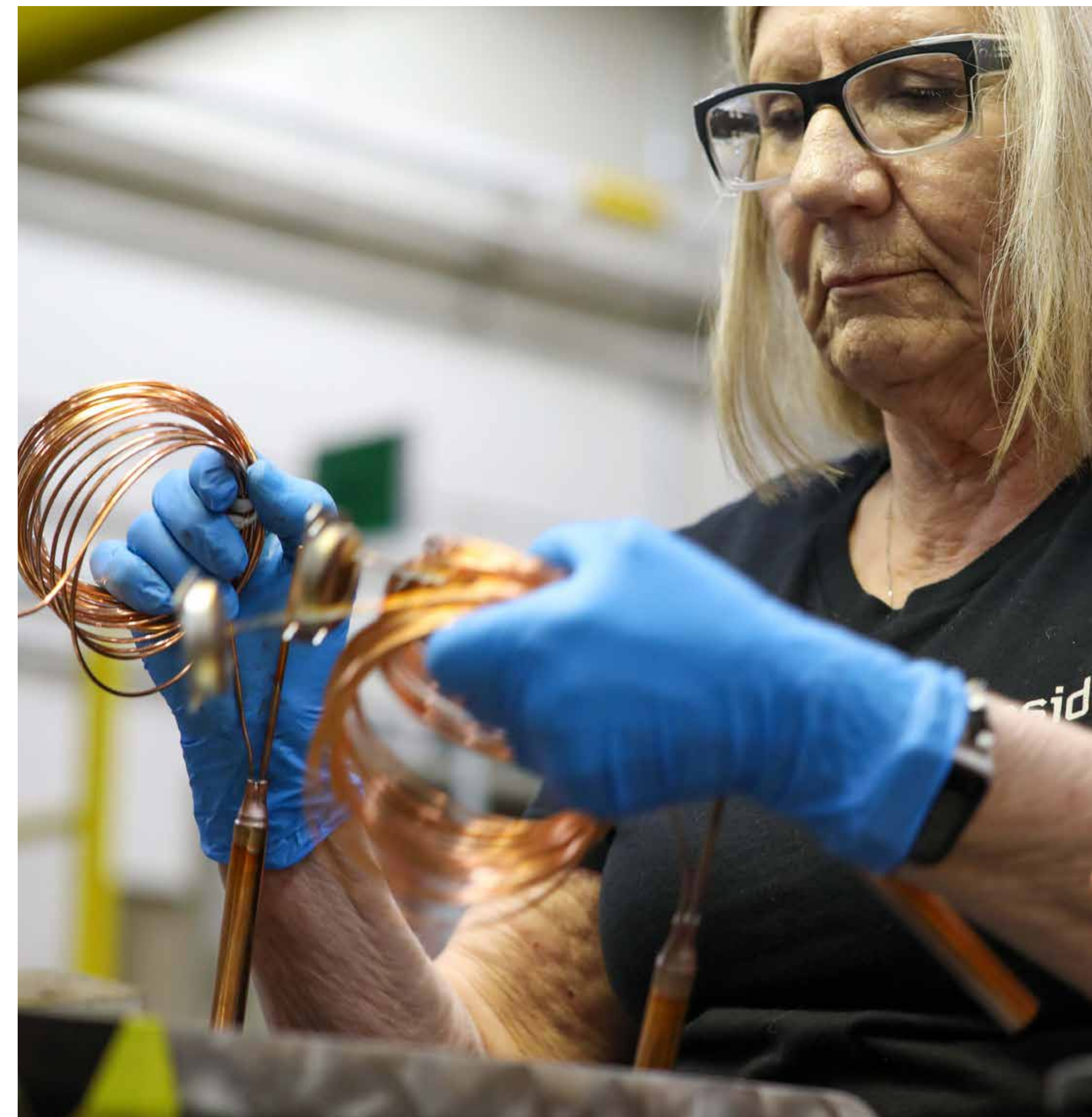


## Employee Learning and Development

**Resideo is proud to offer a wide variety of opportunities for our employees to develop their skillset continuously.**

All Resideo employees have access to Career Navigator, a self-service tool that helps them review career paths, develop plans for advancement and access resources to reach their goals. We also host a formal mentorship platform where employees can learn from top professionals, expand their networks, gain exposure to extensive resources for career development and improve essential workplace skills. In 2022, more than 600 users completed more than 500 sessions with mentors. In addition to these one-on-one mentoring sessions, we piloted six mentoring circles to better understand how peer mentors can help each other build the common soft skills expected from leaders.

In 2022, we launched Resideo's Leadership Program (RLP), designed for high potential leaders across the enterprise as well as a "Leader of Teams" course for all managers at Resideo. Both offerings were built with Resideo's leadership competencies and the concepts from Team of Teams by Stanley McChrystal in mind, with the goal of developing high-performing teams across the company. Throughout 2022, people managers were invited to quarterly calls to focus on their strategic development in topics including building skills in managing our global workforce, driving an innovative culture, psychological safety and embracing transformative leadership.







## Investing in Resideo Leaders

In 2022, Resideo implemented a new leadership program designed to build leadership capacity, the Resideo Leadership Program (RLP). Our first cohort of RLP leaders brought together 40 diverse, high-potential leaders for an immersive experience program including two face-to-face events, competency development and a multi-month commitment to work on one of Resideo's strategic initiatives. This strategic investment in our people helps to deepen the alignment to our Company's values, while cementing Resideo to Act as One Team.



960+

LEADERS COMPLETED  
"LEADER OF TEAMS"  
TRAINING IN 2022



## Future Workforce Recruiting

Resideo's Human Resources team is in the process of reimagining our focus on early career development programs in 2023. In 2022, we continued to offer our summer internship program, enabling 43 intern participants to gain skills on the job, participate in training and gain exposure to senior leadership.



## Resideo Supports Society of Women Engineers

Resideo joined the Society of Women Engineers (SWE) at their annual conference as a booth sponsor in 2022. SWE's annual conference is the world's largest gathering for women in engineering. The event featured sessions from leading experts and innovators who shared emerging trends, data and best practices. The event is also widely attended by college students and recent graduates. Eleven Resideo team members attended the conference, expanding their own professional development and networking with potential candidates and industry professionals.



# Diversity, Equity, Inclusion and Belonging (DEIB)

**Resideo’s aspiration is to be a company where employees are empowered to be their authentic selves at work every day.**

We know bringing diverse backgrounds and experiences to our teams is a cornerstone of nurturing an inclusive culture. In 2022, we expanded our focus on diversity, equity and inclusion to include belonging as a foundational element of our strategy (DEIB), recognizing the important tenets of representation across Resideo cannot succeed unless employees feel a sense of belonging and a strong commitment to our culture.

We have invested in building a DEIB team whose experience and understanding of this evolving area of business will push us forward. Our Vice President of DEIB is joined by a dedicated talent acquisition leader focused on building a diverse talent pipeline across Resideo. In 2022, we established a governance model for DEIB and our Employee Resource Groups (ERGs) that outlines a leadership structure, roles and responsibilities, and key pillars of focus for DEIB at Resideo and our ERG executive sponsors and leaders.

## GENDER REPRESENTATION AT RESIDEO

	<b>MEN</b>	<b>WOMEN</b>
<b>GLOBAL WORKFORCE</b>	55.5%	44.5%
Management	74.3 %	25.7 %
Professional	69.6%	30.4%
Ops/Support	47.3%	52.6%
<b>U.S. WORKFORCE</b>	72.0%	27.9%
Management	74.3%	25.7%
Professional	68.7%	31.3%
Ops/Support	72.9%	26.0%

## RACIAL/ETHNIC REPRESENTATION AT RESIDEO

	<b>CAUCASIAN</b>	<b>OTHER RACIAL/ETHNIC BACKGROUNDS</b>
<b>U.S. WORKFORCE</b>	75.4%	25.6%
Management	75.4%	24.6 %
Professional	70.2%	29.8%
Ops/Support	47.9%	52.1%



## PAY EQUITY

Resideo is committed to pay equity and is on a journey to evaluate and remediate pay equity concerns, led by our Board of Directors' Compensation and Human Capital Management Committee. To assist in the process of pay equity globally, we prohibit our team from requesting salary history for prospective employees, and we are working to implement posted pay ranges for all U.S. jobs in the future.

## RESIDEO ERGS

Employees interested in DEIB are activated through our ERGs – six passionate groups of individuals from across the enterprise who meet regularly to discuss key topics of DEIB together and with our executive leadership team. Our ERGs host monthly meetings and special events throughout the year to drive engagement, spark conversation and build a sense of community with their members. They are also responsible for leading efforts to recruit more diverse talent through partnerships with diverse organizations.

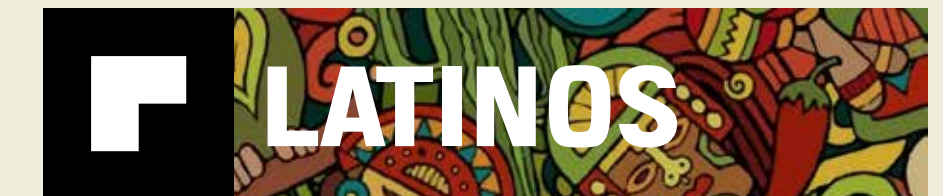
In 2022, our ERGs accomplished incredible things. A snapshot of those activities includes:



**Black@Resideo** promotes systematic equality and diversity providing a space where Black employees can support one another and feel included on their teams. In 2022, they hosted a panel discussion on recognizing, honoring and celebrating Juneteenth across all Resideo business units. They also included Resideo Board Member Kareem Yusuf in their global speaker series.



**disAbilities@Resideo** focuses on ABILITY and learning, accepting, growing and embracing who we are for those with visible and non-visible disabilities. In 2022, they launched a mental health meditation challenge and partnered with Pride group for a Mental Health Awareness event with guest speaker Dr. Keaton Fletcher.



**Latinos@Resideo** encourages members to learn about Latin culture and share information about the Latin community in fun and dynamic ways. In 2022, the group hosted a LATINspire Talks with a U.K. Latin Employee: "United Kingdom with Latin Flavor." They also executed a kitchen session on Mexican Summer Desserts and hosted a guest speaker on "Building a Scientific Career as a Latin American Women."



**Pride@Resideo** champions networking, community involvement and professional development for the LGBTQ+ community at Resideo. In 2022, Pride@Resideo hosted multiple coffee talk conversations including "Cultivating a Human-Centric Work Culture" with guest speaker Nancy Lyons and "The Stonewall Riots" with guest speaker Dr. Martha Robinson Rhodes.



**Veterans@Resideo** fosters a military-veteran-friendly environment for Resideo. In 2022, they hosted a guest speaker who spoke on "Relentless Spirit, Resilient Mind" and continued their focus on supporting veteran transition into Resideo.



**Women@Resideo** represents women in our industry and is committed to promoting company-wide gender parity by providing its members a professional support network. In 2022, they hosted the book club finale for Team of Teams, facilitating a conversation with Resideo's CEO Jay Geldmacher and author David Silverman. They also launched International Women's Day with a speaker on Confidence and Agency.





# Impact

Improving the future of organizations, partners and individuals through positive impact in our community.

## MATERIALITY TOPICS INCLUDED IN PILLAR

Community Involvement and Investment





## Make a Difference is one of Resideo's core values.

**It serves as a guiding principle for the impact we have globally. Resideo is dedicated to making a positive impact for our teams, our customers and our communities. That impact is supported by our philanthropic community investments and employee volunteerism activities around the world. We center our approach to impact around three key areas of focus – training, safety and security, and housing – and activate them with financial investment as well as investment of time and talent.**

## Resideo Named 2022 Industry Champion by BTF (Building Talent Foundation)

In 2022, Resideo was honored to be named BTF's 2022 Industry Champion, recognizing Resideo's commitment, contribution and collaboration to build a sustainable workforce in residential construction.

## 2022 ADI Community Impact Award

Each year, ADI team members nominate a colleague who has made a positive impact on their community for the ADI Community Impact Award. Ed O'Hearn, Branch Manager at ADI Scarborough, was nominated by 12 colleagues after inspiring his teammates by organizing donation drives throughout the year with team members and customers to benefit organizations and individuals in his community in Ontario.



# Training and Workforce Development

**Investing in training and developing the future leaders in our industry ensures Resideo, our customers and our partners will have the talent necessary to continue to grow our businesses globally.**

## ACADEMIES AT WORK

The education, training and investment in future workforce development centers on our ADI Academy and Resideo Academy training platforms around the world. ADI Academy allows dealers to learn about the latest technologies in their field, enhance their business skills and earn Continuing Education Units (CEUs). Resideo Academy supports training for existing and future HVAC, plumbing and security professionals as well as our distributors, dealers and OEMs. Through Resideo Academy, we provide quality online and hands-on training designed to upskill tradespeople and build excitement for the role they play in creating healthy, safe and comfortable homes for the future of living. In 2022, we launched the Resideo Academy

online learning platform, supporting content in 14 languages and expanding our ability to provide role-based training to empower our professionals, dealers, distributors and partners globally. More than 92,000 hours of in-person and virtual training were delivered in 2022.

Our ADI and Resideo Academy programs are built on valued partnerships with academic and training institutions in the communities where we operate. In 2022, we donated \$25,000 to Minneapolis Community and Technical College (MCTC)'s Workforce Development Fund. Matched by the State of Minnesota, these funds help HVAC students to increase access to and affordability for their program. In 2022, we celebrated with three Resideo scholar graduates at MCTC including Matthew Stiles, a student in the HVAC program who said, "As a parent of two who decided to return to school, this scholarship made a substantial difference for me and my family. The financial burden that was lifted allowed me to focus more on my education." We are continuing to build our partnerships with schools and in 2022 signed agreements

with Tulsa Welding School in Houston, Texas, and Florida Technical College in Deland, Florida, to work together to train students working towards a career in HVAC.

In 2022, we also continued our partnership with Building Talent Foundation (BTF) through a multi-year commitment to building opportunities for students pursuing careers in the HVAC, security and smart home industries, while also addressing the talent shortage in residential construction. BTF and its partners are engaging more than one million youth and career changers to explore careers in construction by 2030 and have set a goal to bring 100,000 new skilled workers into the sector with a strong focus on women and people of color. In 2022, toward that goal, more than 23,200 individuals discovered new career paths or connected with potential employers through BTF. Resideo's investment with BTF supports its Jobs to Build career exploration and job placement tool, helping more than 500 students find good paying trades jobs annually. By the end of 2023, Resideo will have programs running in 12 schools with BTF.





## Safety and Security

**Every family and child deserves to feel safe and protected in their own home.**

Resideo believes in helping our customers protect what matters most, and as an extension of that promise, we actively invest in nonprofit and community initiatives that promote safety for families, children and our communities. Below are some of our flagship safety and security partnerships in 2022:

- Though Resideo does not have any employees in Ukraine, we do have a significant number of employees in countries that border Ukraine and that were expected to experience an influx of refugees due to the war. In response, we asked team members to share with us how we could support local initiatives impacting efforts in Ukraine and team members around the world responded. Through donations and volunteer activities globally, in 2022, Resideo funded

language training skills for refugees in the Czech Republic, provided language skills training, school supplies and support for medical expenses in Poland and worked with employees to identify rebuild projects in Ukraine.

- ADI and its team members continue their work with Mission 500, a nonprofit organization that acts as a catalyst for corporate social responsibility in the security industry. Mission 500 mobilizes volunteers to make a difference for children and families living in poverty across the United States. In 2022, ADI and its employees raised more than \$97,000, bringing our global fundraising for Mission 500 to nearly \$300,000 since the partnership's inception four years ago. Jason Lutz, Distribution Sales Leader and Industry Relations for Products & Solutions, has served on the Board of Mission 500 for three years and currently serves as Treasurer.





## CASE STUDY

## National Fire Prevention Month Emphasizes Security and Safety for All

**A cornerstone of our safety programming happens throughout the month of October as we engage with National Fire Prevention Month across Resideo and with our First Alert products.**

This year marked the 100th anniversary of Fire Prevention Week and Fire Prevention Month.

This October, in Canada and the U.S., we:

- Joined forces with actress and advocate Eva Longoria to share effective and simple home safety tips to educate people of all ages about safe and reliable precautions against the threat of smoke, fire and carbon monoxide (CO).

- Collaborated with our friends at Lowe's to bring Family Fire Safety Events to local Lowe's stores across the U.S. At these events, families learned about the importance of fire prevention, how to install smoke and CO alarms in their homes and how to plan and practice escape from a fire and fire extinguisher operations.
- Partnered with the Take Charge of Safety event with the Chicago Bulls and Chicago Fire Department for in-person and virtual events giving families and children the opportunity to learn more about how to stay safe in their homes. Participating students received an alarm and educational materials to take home. [First Alert's Take Charge of Safety](#) web portal also includes fire safety activity sheets for kids and families free to download throughout the year.





# Housing

**Every day, Resideo's products and professionals are at work in homes around the world.**

We believe every person and family has the right to housing, and we work diligently to ensure our products provide families with the opportunity to make their homes safer and smarter.

Our ongoing partnership with Habitat for Humanity International aligns with Resideo's core values and our commitment to making homes safer and more comfortable for people across the world. Through financial support, volunteerism and product donations, we continued our support for Habitat in 2022. The COVID-19 pandemic made volunteerism difficult, but in September 2022, we hosted our first Habitat for Humanity service day in North Minneapolis. Volunteers joined Habitat's "A Brush with Kindness" program that works to keep families in their homes by revitalizing the home's appearance through painting, landscaping and minor repair services. A refreshed exterior for homeowners means avoiding costly fines that could force individuals out of their homes. In 2023, our volunteer activities will continue with Habitat in Detroit, and we look forward to a continued partnership with Habitat to make homes safer for families.





## Employee Volunteerism Engagement

### Resideo's community involvement is supported by our employees globally.

They are our greatest assets, actively working to make a difference in their communities. Every year, we invest in their ability to give back and encourage our team members to participate in grassroots efforts and initiatives to drive change locally and globally. Just a few of our volunteer engagement events in 2022 included:

- Our premier customer event, CONNECT 2022, was held in Marco Island, Florida. As Resideo team members and customers came into the community, we knew it was important to recognize this area was impacted profoundly by Hurricane Ian in 2022. CONNECT 2022 participants created disaster relief kits, including First Alert life safety solutions, and raised funds for the American Red Cross of Central Florida at the event.
- ADI Dallas and Melville worked with local Boys & Girls Clubs to welcome high school students to our offices to learn more about career

opportunities in security and discuss workforce readiness. ADI members were also encouraged to bring in their children and young adult relatives to learn alongside the Boys & Girls Clubs students.

- Resideo Tijuana, Mexico team members engaged throughout the year, raising money for the Castro-Limón Foundation for childhood cancer. Team members participated in the 5K "Run with Foam" race and volunteered at hydration stations along the route to support runners.
- ADI team members in Johannesburg, South Africa offered their help in the water shortage crisis facing South Africa by repurposing unused water containers from their warehouse with clean, drinkable water that could be sent to Port Elizabeth where shortages were most dire. In addition, they raised funds for Uviwe Child and Youth Services in Port Elizabeth, assisting children and youth in areas where clean, drinkable water is scarce.

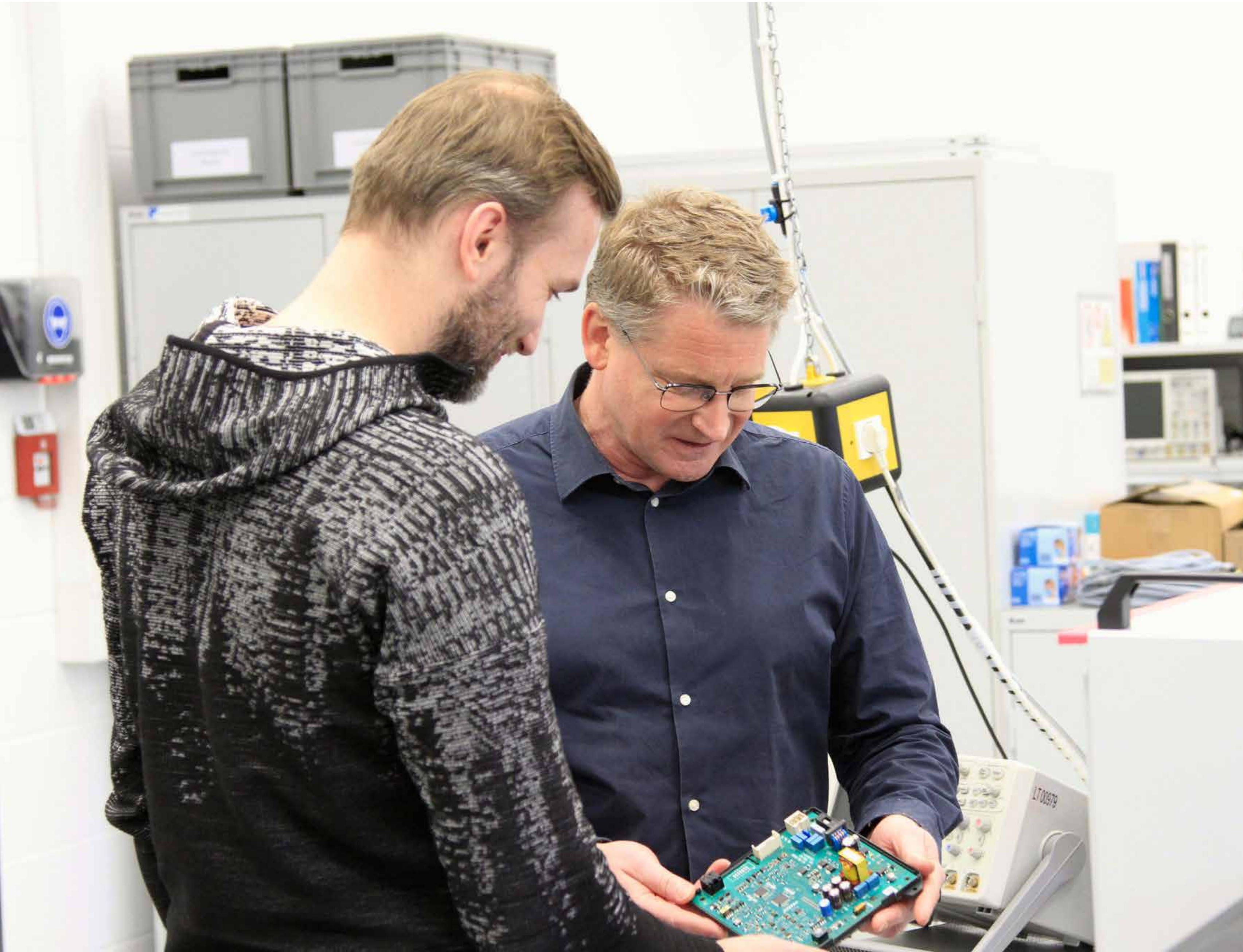
## Inaugural "Making a Difference Award" Presented to Team Gleason

Each year, Resideo presents an award to a deserving, heroic organization. At CONNECT 2022, the award was re-named the Making a Difference Award and presented virtually by Mike Rowe, host of Dirty Jobs, to Team Gleason. Since 2011, Team Gleason has provided more than \$20 million in services to 30,000 people living with ALS through support and advocacy.

## ADI Earth Day Contest

Each year, ADI hosts a contest sourcing ideas from team members on how to improve our environmental footprint – at home and in ADI locations. The contest occurs in April to align with Earth Day and in 2022 adopted the Earth Day theme of Invest in Our Planet. More than 60 ideas were submitted, and the winning idea was to add recycling bins to office kitchens, an initiative now being implemented across ADI.





# Trust

Driving a foundation of trust in the market through fair and ethical governance.

## MATERIALITY TOPICS INCLUDED IN THIS SECTION

[Board Oversight of ESG Topics](#)

[Integrity and Compliance](#)

[Sustainable Supply Chain](#)

[Customer Privacy and Data Security](#)





At Resideo, building trust means considering the expectations set by all our stakeholders, from our employees to our investors, members of our communities, our customers, suppliers and all those who trust Resideo's products in their homes.

**Trust in us as a company begins with a commitment to good governance, ethics and responsibility that reflects our regulatory requirements, NYSE listing standards and the high standard for ethics set by our Board and senior management team.**

## Board Oversight

**Our Board of Directors is made up of 10 talented and dedicated individuals who bring to the boardroom diverse qualifications, skills and viewpoints.**

Together they set the highest standards for Resideo's strategy, governance and growth. Each independent Board member serves on one or more of our Board committees for Audit, Compensation and Human Capital Management, Finance, Innovation and Technology and Nominating and Governance. Each independent Board member evaluates Board candidates and actively considers diversity when evaluating new candidates. The Board is briefed regularly about Resideo's ESG initiatives, with ESG activities overseen more comprehensively by our Nominating and Governance Committee. The Compensation and Human Capital Management Committee provides oversight for Resideo's Diversity, Equity, Inclusion and Belonging initiatives. More information about our Board and their processes can be found in our [2022 Annual Report and 2023 Proxy](#).

### DIRECTOR DASHBOARD

90%

INDEPENDENT

30%

GENDER DIVERSE

10%

RACIALLY /  
ETHNICALLY DIVERSE

4.2

YEARS  
AVERAGE TENURE

62

AVERAGE AGE



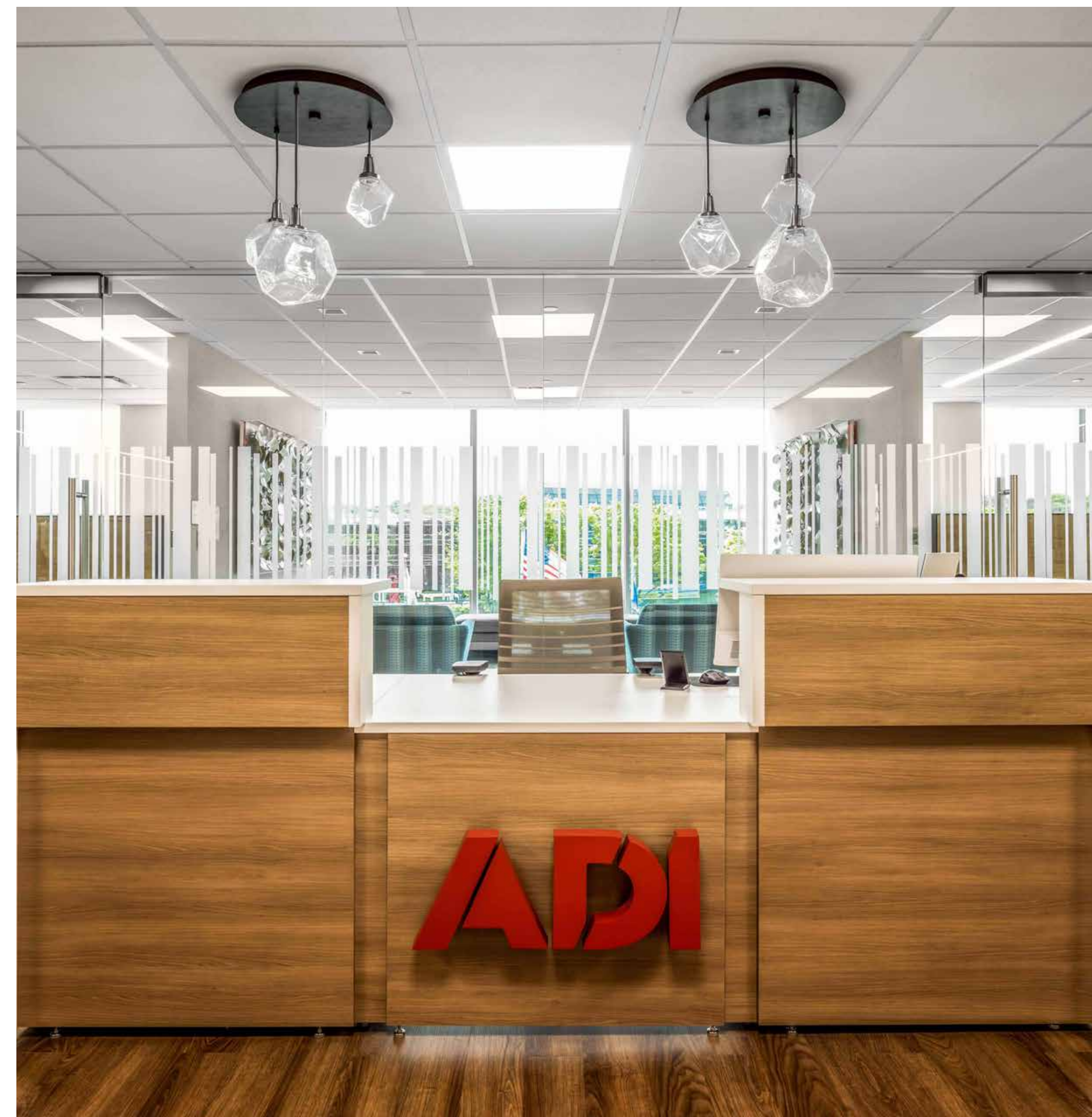
## ESG Governance and Risk Management

**Resideo's ESG and risk management functions are managed by a cross-functional team led by members of our executive leadership with oversight from our Board of Directors, including certain oversight delegated to the Board's Nominating and Governance, Compensation and Human Capital Management and Audit Committees.**

In addition, Resideo maintains an ESG Council and Steering Committee to oversee the day-to-day activities of our ESG initiatives. The ESG Steering Committee meets regularly and is comprised of leaders from key functions and teams including sustainability, operations and product management, supply chain, marketing, legal, health, safety and environment, integrity and compliance, human resources, data privacy and cyber-security.

The larger ESG Council brings together additional subject matter experts and regional leaders who review work completed by the Steering Committee and provide feedback and guidance on ESG initiatives across Resideo.

Together with leaders from our executive management team and the offices of the general counsel and chief financial officer, this team is also responsible for identifying the key ESG-related risks that might affect Resideo today and in the future. In 2022, we conducted a comprehensive risk assessment across Resideo business units and identified ESG-related risks factors including energy dependency, climate adaptation and cybersecurity threats. Our ESG team is actively working to identify key risks and pain points both internally and for our customers and to create innovative solutions through research, development and partnerships that provide long-term value for Resideo and its entire value chain.



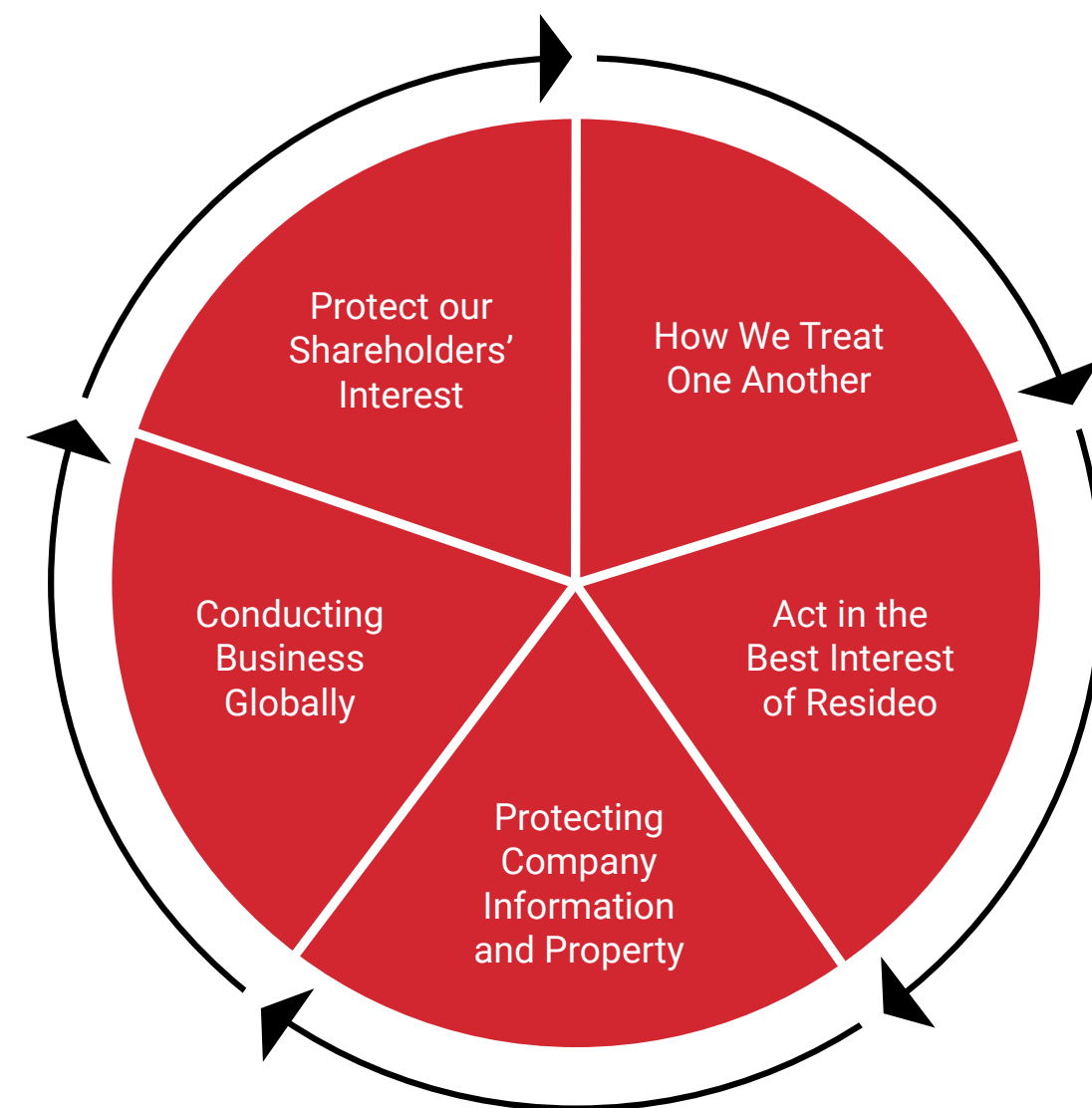


# Integrity and Compliance

**Resideo recognizes we have a responsibility to uphold the highest levels of integrity in our business decision-making and conduct at every level.**

This sets the tone for the credibility of our brand and reputation with all stakeholders, building trust in us as we grow. From the factory floor to the boardroom, all Resideo team members are held to high standards and expectations, which often exceed the regulatory requirements where we do business. We are committed to a culture of integrity and compliance globally.

Our Integrity and Compliance function is overseen by Resideo’s Chief Compliance Officer and supported by a variety of talented professionals who provide guidance on Integrity and Compliance, including legal and regulatory requirements, across the enterprise. Their work is informed strongly by our Code of Business Conduct which includes the Resideo behaviors and basic rules of conduct we expect from our team, organized in five key areas of focus:



## Compliance Week

Each year, employees across Resideo participate in Compliance Week. In 2022, 9,500 Integrity and Compliance key chain gifts were distributed to manufacturing and warehouse employees and more than 3,000 Code of Business Conduct table toppers were delivered to all locations with QR codes to access Compliance Week content. Integrity and Compliance pop-ups displayed on employee computers and kiosks, linking to articles, video vignettes and training content that reminded employees of the important topics at work every day in compliance from cyberattacks to antitrust, record keeping to regional I&C Councils.





### Our extended Integrity and Compliance program also includes the following:

- Vocal commitment from senior leadership that we must always “do the right thing.”
- Thorough policies and procedures that supplement the Code of Business Conduct.
- Regional Integrity and Compliance Councils that promote communication between local business and functional leaders and the I&C function and whose members serve as I&C ambassadors in their regions.
- Global training for employees related to Code of Business Conduct expectations, anti-harassment and non-discrimination, conflicts of interest, anti-corruption, competition law and the highest standards of integrity in all our business interactions.
- Periodic assessment of ethics and compliance risk throughout the organization and continuous improvement thereafter.
- Robust confidential reporting and investigation procedures, as well as zero tolerance for retaliation against those who raise concerns in good faith.
- Thorough reviews of transactions to ensure we meet legal standards.
- Resources to ensure we comply with every law – at every level of our business.
- Tools to help ensure that orders only are accepted from, and shipments made to, countries or persons not under sanctions.
- Significant focus to ensure compliance with anti-corruption laws and on potential risks of non-compliance.
- Robust integration processes to ensure that newly acquired companies understand and comply with Resideo policies and procedures.
- Annual attestation by professional level employees and all members of the Board that they understand and will abide by our Code of Business Conduct.

Any employee, partner or other stakeholder with questions or concerns about our Code of Conduct or activities should always feel free to raise concerns directly with our Integrity Helpline. We take seriously the reports that come through this channel, which is a 7 day/24-hour service operated by an independent third-party provider that accommodates all the languages spoken. We never tolerate retaliation against anyone raising concerns through this helpline and take seriously our role in investigating all concerns. The helpline’s information is included in our publicly available Code of Business Conduct and can be accessed by phone at 1-855-372-5695 (U.S.) or via web intake at [resideo.ethicspoint.com](https://resideo.ethicspoint.com). The Integrity and Compliance function can also be reached via email at [integrity@resideo.com](mailto:integrity@resideo.com).



## Trade Compliance

**Resideo monitors our compliance with all international trade regulations related to imports and exports across our business.**

The Resideo Trade Compliance Team is globally diversified to maintain strong relationships in countries where Resideo has active entities and operations. The team supports daily customs clearances and interacts with authorized customs agents and authorities in support of Import and Export Declarations. Additionally, the Trade Compliance Team addresses inquiries from internal customers such as sales, logistics, sourcing, etc. and external parties such as customs authorities, freight forwarders, customs agents, customers and suppliers. With the support of our Information Technology (IT) group, the Trade Compliance Team has implemented tools to support our international shipments in the creation of documentation and the monitoring of our third parties in compliance with the regulatory requirements pertaining to sanctions, embargoes and export licensing requirements.

## Political Action

**Resideo does not contribute to or directly support political candidates or operate a Political Action Committee (PAC).**

While we participate in various trade associations, we do not fully adopt any single organization's regulatory or legislative agendas or platforms.





## Sustainable Supply Chain

**Resideo actively chooses suppliers whose commitment to ethics and responsibility matches our own.**

Our [Supplier Code of Conduct](#) details our expectations of supply chain partners to act with integrity as required by all applicable laws and regulations. Suppliers acknowledge our Code of Conduct during their contract process with Resideo and may be subject to quality audits that review our Code of Conduct and Health Safety and Environmental Sustainability Policy periodically. Suppliers also acknowledge the Code of Conduct when signing onto our vendor portal, which is used by more than 500 Resideo suppliers globally.

### SUPPLIER SUSTAINABILITY TRACKING

In 2022, we began implementation of the EcoVadis platform to effectively manage and understand the ESG initiatives at work across our supply chain. We began EcoVadis implementation with our top 100 vendors in each business unit, which encompasses approximately 80% of our total supply chain spending annually. To date, 96 vendors from Resideo and 68 vendors from ADI have responded to our EcoVadis request. This represents an 82% response rate for Resideo suppliers and a 53% response rate for ADI suppliers. We are working directly with suppliers to shepherd them through the EcoVadis process and train Resideo's team on the importance of supply chain sustainability and data. EcoVadis will enhance our ability to accurately understand and report on our supply chain expectations with respect to laws surrounding conflict minerals, human rights, supplier diversity and other key areas of focus.

## Managing Our Sustainable Supply Chain

Resideo has partnered with Assent Compliance to perform supply chain due diligence activities related to ROHS, REACH, PRO65, POP, Conflict Minerals, and SCIP-WFP obligations. Assent's online portal tracks regulations in all of Resideo and its suppliers' geographic locations and ensures suppliers receive regular requests to affirm their compliance with key pieces of regulation. Resideo representatives from procurement and environmental compliance meet with the Assent team regularly to evaluate supplier responsiveness and corrective actions where necessary.



### ECOVADIS SILVER

*Resideo achieved silver medal status by EcoVadis, placing us in the top 25% of our peer category. We are proud to set this rigorous standard as we roll out the EcoVadis platform to our supply chain partners.*



# Human Rights

**Resideo is dedicated to ensuring human rights are valued at every level of our supply chain.**

In Resideo’s Code of Business Conduct, we outline key policies that protect the dignity and respect of our teams globally. We expressly prohibit discrimination and harassment, and comply with all applicable laws regarding freedom of association. We have a policy to specifically address human trafficking and monitor and comply with all laws related to minimum wages across the company.

We are also dedicated to protecting human rights and treating all individuals with dignity and respect across our supply chain partnerships. Our Supplier Code of Conduct specifically outlines the following human rights expectations:

- Fair treatment and commitment to a workplace free of harassment and unlawful discrimination.

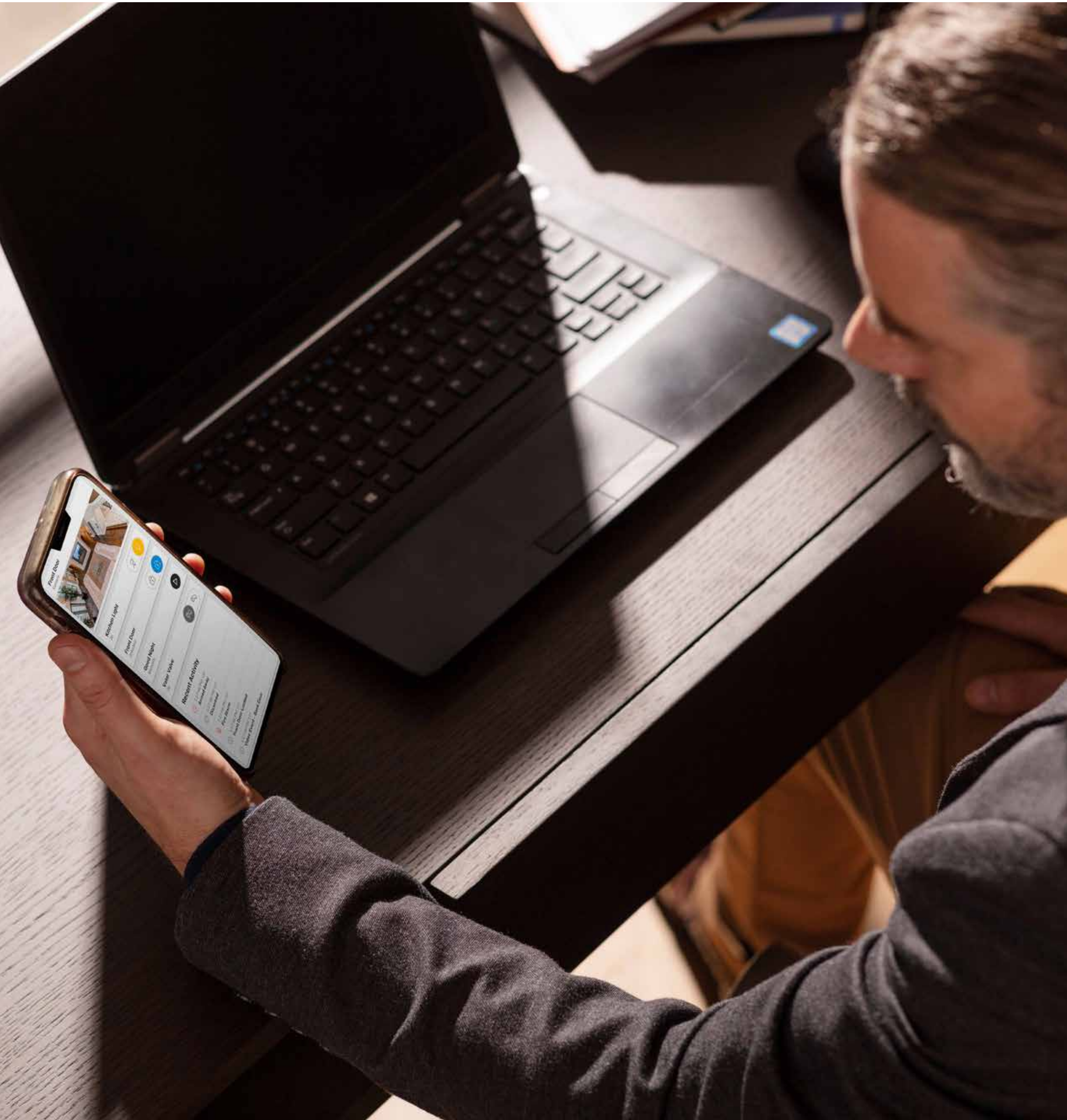
- No involuntary labor or human trafficking. As a part of this commitment, we also prohibit destroying, concealing or confiscating identity or immigration documents, use of fraudulent recruiting tactics or charging employees unreasonable recruiting fees or providing inadequate housing based on local standards, laws and directives.
- No child labor. The minimum age for employment or work is 16 years of age, the minimum age for employment in that country or the age for completing compulsory education in that country, whichever is higher.
- All workers must earn at least the minimum wage required by law and provide all legally mandated benefits. Workers must be compensated for overtime hours at the rate required by laws and regulations locally.
- All subcontractor work is covered by the Supplier Code of Conduct.

## Kaizen Process Optimizes Supply Chain for ADI Suppliers and Customers

Each year, ADI partners with key vendor and supplier partners to conduct kaizens, a continuous improvement process that works to identify collaborative efforts across partner businesses. At the kaizen events, ADI spends 1-3 days with the partner working through value stream mapping exercises and identifying opportunities to reduce waste or bottlenecks across the value chain.







## Privacy and Data Security

### **Resideo takes seriously the privacy of our end users and the security of their personal data.**

We ensure our global business units follow local laws and regulations regarding personal data, when we can share it and what is necessary to protect it.

Resideo's Data Governance Council together with our Chief Data Officer and Group Data Protection Officer help ensure that Resideo follows good practice when it comes to collecting, using and managing personal data throughout its lifecycle. As part of embedding privacy into our daily operations, compliance and review processes are triggered before Resideo launches a new product or when major changes are made to products' functions and features. These processes enable us to identify privacy risks and impacts at the right time and to implement appropriate measures to manage them.

Given the rapidly changing regulatory landscape, we focus on making relevant privacy and cybersecurity training available to all employees handling personal data. In 2022, we continued training all employees annually on security awareness and with role-based security training for the engineering community. New hires also complete key security training. Throughout the year, Resideo team members receive regular training on phishing campaigns and "just-in-time" training on cyber security. We also continued our weekly Security Awareness Publications within internal security awareness channels. In October, we also launched a Privacy Champions network, a group of individuals across business units who work with local teams to bring visibility to privacy topics and work together to demystify private requirements globally. Privacy Champions will liaise with the Data Governance Council and Data Protection Officer, sharing knowledge and best practices from around Resideo.





# APPENDICES

## MATERIALITY TOPICS INCLUDED IN THIS SECTION

SASB Index

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TCFD Index

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## About This Report

**Resideo is proud to publish our second annual Environmental, Social and Governance (ESG) report, demonstrating our commitment to accountability and transparency across our operations.**

The data represented in this report, unless otherwise stated, reflects calendar year 2022. Select highlights from 2023 initiatives have been included for context and support.

This report aligns to the Sustainability Accounting Standards Board (SASB) standards for resource transformation: electrical and electronic equipment sector and multiline and specialty retailers and distributors. We are also sharing a disclosure aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) for the first time.

## Forward Looking Statements

This report contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than those of historical fact, that address activities, events, or developments that we or our management intends, expects, projects, believes, or anticipates will or may occur in the future are forward-looking statements. We use words such as “aim,” “anticipate,” “believe,” “commit,” “drive,” “estimate,” “ensure,” “expect,” “aspire,” “goal,” “intend,” “may,” “mission,” “plan,” “project,” “seek,” “strategy,” “strive,” “target,” “will,” and “would” or similar expressions to identify forward-looking statements. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Our actual future results, including the achievement of our targets, goals, or commitments, could differ materially from our projected results due to changes in circumstances, assumptions not being realized, or other risks, uncertainties, and factors. Such risks, uncertainties, and factors include those discussed in Item 1A of our most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q filed with the SEC. The information and opinions

contained in this report are provided as of the date of this report and are subject to change without notice. We undertake no obligation to update any forward-looking statements contained in this report as a result of new information or future events or developments. This report represents our current policy and intent and is not designed to create legal rights or obligations. The standards of measurement and performance contained within are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this report can or will be achieved. We urge you to consider all the risks, uncertainties, and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements made here. In addition, the inclusion of information in this report, or the manner in which it is described herein, should not be construed as a characterization regarding the materiality or financial impact of that information. No part of this report or our website constitutes, or shall be taken to constitute, an invitation or inducement to invest in us or any other entity and shall not be relied upon in any way in connection with any investment decisions.



# Resideo SASB Disclosures - Electrical & Electronic Equipment and Multiline and Specialty Retailers & Distributors

Resideo is proud to report based on recommended metrics for Sustainability Accounting Standards Board (SASB) framework for both Electrical & Electronic Equipment and Multiline and Specialty Retailers & Distributors. We have reported here all metrics in this standard which are material to the Resideo business. We will continue to evaluate additional metrics in the future. All data presented here is for the year ended December 31, 2022 unless otherwise noted. Throughout this report and in appendices, the scope of key data points is detailed in footnotes.

SASB Standard	SASB Topic/Code	Accounting Metric	Category	Unit of Measure	Disclosure
<b>Energy Management</b>					
Electrical & Electronic Equipment	RT-EE-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	(1) 696,503.4 (2) 54.09% (3) 0.1%
Multiline and Specialty Retailers & Distributors	CG-MR-130a.1				
<b>Hazardous Waste Management</b>					
Electrical & Electronic Equipment	RT-EE-150a.1	Amount of hazardous waste generated, percentage recycled	Quantitative	Metric tons (t) Percentage (%)	1,225.02 metric tons, 41.2% recycled
Electrical & Electronic Equipment	RT-EE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	Quantitative	Number, Kilograms (kg)	Zero reportable spills in 2022
<b>Data Security</b>					
Multiline and Specialty Retailers & Distributors	CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	Resideo ESG Report: Trust Section: p. 46.
Multiline and Specialty Retailers & Distributors	CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Quantitative	Number, Percentage (%)	SEC Filings: Information on material data breaches is disclosed in our 2022 Annual Report on Form 10-K and in our 2022 Quarterly Reports on Form 10-Q.



SASB Standard	SASB Topic/Code	Accounting Metric	Category	Unit of Measure	Disclosure
<b>Product Safety</b>					
Electrical & Electronic Equipment	RT-EE-250a.1	Number of recalls issued, total units recalled	Quantitative	Number	Zero recalls in 2022.
Electrical & Electronic Equipment	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our 2022 Annual Report on Form 10-K and in our 2022 Quarterly Reports on Form 10-Q.
<b>Labor Practices</b>					
Multiline and Specialty Retailers & Distributors	CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	Quantitative	Reporting currency, Percentage (%)	Resideo does not disclose our average hourly wage, but our Code of Conduct and Supplier Code of Conduct outline that all workers must earn at least the minimum wage required by law and provide all legally mandated benefits. Workers must be compensated for overtime hours at the rate required by laws and regulations locally. More information on our commitment to Human Rights can be found in our Resideo ESG Report: Trust Section: p. 46.
Multiline and Specialty Retailers & Distributors	CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Quantitative	Rate	Resideo does not disclose this information. Information about employee engagement and satisfaction can be found in our Resideo ESG Report: Commit Section: p. 29.
Multiline and Specialty Retailers & Distributors	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our 2022 Annual Report on Form 10-K and in our 2022 Quarterly Reports on Form 10-Q.
<b>Workforce Diversity &amp; Inclusion</b>					
Multiline and Specialty Retailers & Distributors	CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Quantitative	Percentage (%)	Resideo ESG Report: Commit Section: p. 29.
Multiline and Specialty Retailers & Distributors	CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our 2022 Annual Report on Form 10-K and in our 2022 Quarterly Reports on Form 10-Q.



SASB Standard	SASB Topic/Code	Accounting Metric	Category	Unit of Measure	Disclosure
<b>Product Lifecycle Management</b>					
Electrical & Electronic Equipment	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%) by revenue	Resideo does not currently align chemical substance reporting with IEC 62474. We actively implment Restriction of Hazardous Substances (RoHS) compliance testing and comply with regulations including REACH Resitricted Chemical List and Proposition 65, the Safe Drinking Water and Toxic Enforcement Act of 1986.
Electrical & Electronic Equipment	RT-EE-410a.2	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Quantitative	Percentage (%) by revenue	10% of thermostat 2022 net revenue is from Energy Star certified thermostats
Electrical & Electronic Equipment	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	Quantitative	Reporting currency	Resideo does not disclose this information.
<b>Product Sourcing, Packaging &amp; Marketing</b>					
Multiline and Specialty Retailers & Distributors	CG-MR-410a.1	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	Reporting currency	10% of thermostat 2022 net revenue is from Energy Star certified thermostats
Multiline and Specialty Retailers & Distributors	CG-MR-410a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	n/a	Resideo maintains a subscription with Assent, a third-party leader in sustainable supply chain and product compliance solutions. Assent actively monitors our requirements across product compliance areas globally and we work together with them to identify risks related to chemical use and other key areas of focus.
Multiline and Specialty Retailers & Distributors	CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	n/a	Resideo ESG Report: Innovate Section: p. 10.
<b>Materials Sourcing</b>					
Electrical & Electronic Equipment	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	Resideo ESG Report: Trust Section: p. 46.



SASB Standard	SASB Topic/Code	Accounting Metric	Category	Unit of Measure	Disclosure
<b>Business Ethics</b>					
Electrical & Electronic Equipment	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Discussion and Analysis	n/a	Resideo ESG Report: Trust Section: p. 46.
Electrical & Electronic Equipment	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our 2022 Annual Report on Form 10-K and in our 2022 Quarterly Reports on Form 10-Q.
Electrical & Electronic Equipment	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	SEC Filings: Information on legal proceedings is disclosed in our 2022 Annual Report on Form 10-K and in our 2022 Quarterly Reports on Form 10-Q.
<b>Activity Metrics</b>					
Electrical & Electronic Equipment	RT-EE-000.A	Number of units produced by product category	Quantitative	Number	Resideo does not disclose this information.
Electrical & Electronic Equipment	RT-EE-000.B	Number of employees	Quantitative	Number	15,160 Employees Globally
Multiline and Specialty Retailers & Distributor	CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	Quantitative	Number	Resideo does not disclose this information.
Multiline and Specialty Retailers & Distributors	CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	Quantitative	Square meters (m2)	Resideo does not disclose this information.



# Task Force On Climate-Related Financial Disclosures (TCFD) Index

Resideo is proud to report based on Task Force on Climate-Related Financial Disclosures' (TCFD) framework for the first time. We will continue to build our climate-related risk and strategy reporting in the future, expanding our reporting process to include key categories of Scope 3 emissions in our 2023 report. All data presented here is for the year ended December 31, 2022 unless otherwise noted.

Topic	Recommended Disclosure	Response
Governance	A) Describe the board's oversight of climate-related risks and opportunities	Resideo's Board of Directors is briefed regularly about Resideo's ESG initiatives, with sustainability and certain key ESG activities overseen more comprehensively by our Nominating and Governance Committee. In addition, the Compensation and Human Capital Management Committee provides oversight for Resideo's Diversity, Equity, Inclusion and Belonging initiatives. More information about our Board and their processes can be found in the Trust section of this report and in our 2022 Annual Report and 2023 Proxy.
Governance	B) Describe the management's role in assessing and management risks and opportunities.	<p>Resideo maintains an ESG Council and Steering Committee to oversee the day-to-day activities of our ESG initiatives. The ESG Steering Committee meets regularly and is comprised of leaders from key functions and teams including sustainability, operations and product management, supply chain, marketing, legal, health, safety and environment, integrity and compliance, human resources, data privacy and cyber-security. The larger ESG Council brings together additional subject matter experts and regional leaders who review work completed by the Steering Committee and provide feedback and guidance on ESG initiatives across Resideo.</p> <p>Resideo recognizes that the effects of climate change are impacting every geography, individual, and business around the globe both economically and environmentally. Our climate risk management processes are managed as a part of our overall Enterprise Risk Management (ERM) process. In 2023, we outlined key climate-related risks in our 2022 Annual Report and 2023 Proxy including our risks related to adverse weather events and natural disasters as well as continuing regulations and societal actions in response to climate change.</p>
Strategy	A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	In 2021, we assessed our most important ESG-related topics through a formal materiality assessment. As our ESG initiatives grow in scope, we are working to ensure our resources and energy are allocated to the most important material topics for Resideo's business and stakeholders. In 2022, we revisited our materiality topics to ensure they align to our five ESG pillars and match our current goals internally. This materiality assessment details the environmental and climate-related topics that are most material to Resideo's global business. In addition to these topics, our innovation team is actively considering climate-related risks in the execution of our New Normal program, the details of which are included in the Innovation section of this report.



Topic	Recommended Disclosure	Response
Strategy	B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Resideo is working to integrate processes across key functions in the organization to enhance our risk management and reporting of climate risk across the company's footprint. This includes climate and weather risk for Resideo's facilities, logistics operations, and storage locations globally. Our ERM process oversees business continuity planning for Resideo's full footprint. In addition, climate-related risks and opportunities are actively integrated into the way we design and innovate our products and solutions globally. Our Products & Solutions business unit recently added a Senior Vice President of Business Development and Services role to the team, which includes Energy Management as a key service area of prioritization for Resideo globally. Recognizing a clear energy economy is an major opportunity for Resideo, our business is integrating climate-related goals into our product innovation for the future.
Strategy	C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Following our launch as a public company in 2018, we have worked hard to understand and measure our footprint and to plan goals around mitigating our environmental impact. We have undergone company-wide efforts to analyze our environmental data, ensure that data is consistently and accurate tracked worldwide, and establish new baseline data that will improve our target-setting for environmental excellence today and in the future. In our inaugural 2021 ESG Report, we noted that we were evaluating our reduction goals set early in our life as a public company and working to establish measurement capabilities that set new baselines and ensure we can align our targets to globally respected frameworks. Our 2022 ESG Report details baseline climate data and builds a strong foundation for setting targets for our future environmental progress.
Risk Management	A) Describe the organization's processes for identifying and assessing climate-related risks.	<p>All risks at Resideo are identified and assessed through an Enterprise and Fraud Risk Assessment (EFRA) regularly. In 2023, we outlined key climate-related risks in our 2022 Annual Report and 2023 Proxy including our risks related to adverse weather events and natural disasters as well as continuing regulations and societal actions in response to climate change. Specifically, these risks included:</p> <ul style="list-style-type: none"> <li>• The risk of earthquakes, hurricanes, fires, power outages, floods, pandemics, epidemics, natural disasters and other catastrophic events or other public health emergencies, such as the coronavirus (COVID-19) outbreak.</li> <li>• Regulations and societal actions to respond to global climate change including the shift away from fossil fuels to alternative power sources that could affect both Resideo and our OEM customers' businesses.</li> </ul>
Risk Management	B) Describe the organization's processes for managing climate-related risks.	Resideo will continue to update our materiality matrix regularly and work with our ERM process to identify climate-related risks and report them in both our annual ESG Report and our Annual Report and Proxy Statement.
Risk Management	C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	All risks at Resideo are identified and assessed through an Enterprise and Fraud Risk Assessment (EFRA) regularly. Each risk is assigned ownership across Resideo and a set of key risk indicators (KRIs) are identified alongside mitigation and response strategies. Once a risk has been categorized in this process, ongoing risk monitoring is informed by metrics and KRIs as well as risk escalation protocols globally. Quarterly, we report on these risks to our executive leadership team and Board of Directors, with targeted views of risk management supporting decision-making in their key areas of focus.



Topic	Recommended Disclosure	Response
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.	In this report, we are disclosing for the first time metrics related to energy, emissions, water, and waste. All details regarding this metrics can be found in the Reduce section of this report.
Metrics and Targets	B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Scope 1 emissions: Metric tons CO2e, 16,175.5 Scope 2 emissions (market based): Metric tons CO2e, 42,202.2 Scope 2 emissions (location based): Metric tons CO2e, 37,974.3 Total Scope 1 and 2 (location based) emissions: Metric tons CO2e, 54,149.8
Metrics and Targets	C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	In our inaugural 2021 ESG Report, we noted that we were evaluating our reduction goals set early in our life as a public company and working to establish measurement capabilities that set new baselines and ensure we can align our targets to globally respected frameworks. Our 2022 ESG Report details baseline climate data and builds a strong foundation for setting targets for our future environmental progress.





 **resideo**

