

LII SUPPLIER SUSTAINABILITY EXPECTATIONS

Introduction to Sustainability and Environmental, Social & Governance at Lennox International

At Lennox International, we believe in doing our part to build a better and more sustainable world. We strive to align our business operations with our social and sustainability goals. Because our suppliers play an important role in this process, we expect them to adhere to these standards as well.

These Supplier Sustainability Expectations align with our Environmental, Social and Governance (ESG) efforts. These Expectations go beyond our Business Partner Code of Conduct, allowing us to partner with like-minded suppliers who support our values and ESG goals.

These Expectations serve as a guide to help identify and develop partnerships with suppliers. We know that sustainability is an ongoing journey that will continue to evolve as we work together. We are grateful to our suppliers for taking steps to align with these Expectations and operate a socially and environmentally responsible enterprise. We will offer support and resources for enterprises that want to increase their diversity efforts and partner with us in creating a more sustainable future. If you're curious about our sustainability efforts, [check out our annual ESG report](#).

Current initiatives include:

Diversity

We welcome partnerships with diverse suppliers! All suppliers should strive for equity and diversity within their enterprise. This includes hiring diverse talent and leaders and ensuring they are given opportunities to share their knowledge and skills. Diverse enterprises include minority-owned, women-owned, LGBTQ-owned, and veteran-owned businesses. Diverse suppliers should have an official certification.

For U.S. suppliers, diverse certifications include the following: Small Disadvantaged Business (SDB), HUBZone small business (as defined by U.S. Small Business Association), Minority Business Enterprise (MBE), Woman-Owned Business Enterprise (WBE), Women Owned Small Business (WOSB), LGBT Business Enterprise (LGBTBE), Veteran Business Enterprise (VBE), Disabled Veteran Business Enterprise (DVBE), Service-Disabled Veteran-Owned Small Business (SDVOB) and Small Business Enterprise (SBE).

Environment

Suppliers should prioritize sustainability and be transparent about their emissions and environmental impact. They should make significant efforts to reduce these impacts and mitigate actions that propagate climate change and harm the planet. A plan to reduce environmental impacts should be available upon request with sustainability risks, goals and opportunities disclosed.

Resource Conservation

Suppliers should practice resource conservation throughout their business operations. At a minimum, this should include the following natural resources:

- **Water:** Reduce usage as much as possible and employ methods to recycle when possible.
- **Waste:** Reduce waste production and recycle materials appropriately. When necessary, waste should be disposed of properly, minimizing waste to landfill. Hazardous waste and waste that produces significant harmful emissions should always be disposed of safely and sustainably.
- **Energy:** Reduce usage and utilize green alternatives as much as possible. Suppliers should set goals around energy intensity and ensure they are conserving and protecting energy usage as much as possible.

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Regulated Substances

Suppliers should track their usage of regulated substances and reduce usage as much as possible. Upon request, suppliers should be able to disclose where and how they use regulated substances in their product(s) as well as the quantity of regulated substances in their products.