LENNOX

2025 Sustainability Report

[1] Updated October 2026 to include supplemental FY2025 Scope 1 and Scope 2 GHG emissions data.

ABOUT LENNOX

Lennox (NYSE: LII) is a leader in energy-efficient building solutions, focused on creating healthier and more comfortable environments for residential and commercial customers in North America.

For more than 130 years, the Company has designed and manufactured innovative heating, cooling, indoor air quality, and refrigeration solutions that deliver reliable performance while supporting energy efficiency and electrification. Through trusted products, parts, and services, supported by advanced technology, Lennox delivers connected solutions that address customer needs across the full system life cycle.

Sustainability is a guiding behavior at Lennox, influencing how the Company operates and brings solutions to market. This approach reflects a commitment to responsible growth, supporting the communities where Lennox employees live and work, and delivering long-term value for customers and shareholders.

12,900
Employees

Richardson, TX
Headquarters

$5.2 Billion
Revenue





Our Core Values and Guiding Behaviors

Accountability
We deliver on our commitments.

INTEGRITY

Trust
We are honest, ethical, and safe.

Positive Engagement
We energize and motivate others.

Customer Experience
We earn the loyalty of our customers.

Sustainability
We care for our community and planet.

RESPECT

Talent
We foster belonging and create opportunities to grow.

Innovation
We embrace original ideas and creative solutions.

EXCELLENCE

Quality
We strive for continuous improvements.

Results
We prioritize superior outcomes for our stakeholders.

Product Stewardship and Innovation

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RESEARCH AND DEVELOPMENT

For over a century, Lennox has been at the forefront of technological innovation, delivering advanced heating, cooling, indoor air quality, and refrigeration solutions that enhance our customers' quality of life.

Our research and development efforts focus on developing cost-effective, energy-efficient technologies that maximize comfort while supporting customers' electrification and decarbonization goals. We conduct annual strategic assessments to evaluate market trends and identify energy efficiency priorities to guide our innovation strategy. Over the past decade, an estimated 30% of our patent applications have been tied to energy efficiency improvements, demonstrating our commitment to sustainable, market-leading solutions.

$100 Million+

2025 R&D Expenditure



Product Efficiency

We are helping customers reduce energy use and emissions through improved product efficiency, integrated smart controls, and low global warming potential (GWP) refrigerants. Many of our next-generation products and control systems lead the industry in energy efficiency in their respective categories and are designed to minimize energy consumption.

55%

of revenue[1] in 2025 was from products that exceed the minimum energy efficiency standards for their respective product types in the U.S.



50%

Home Comfort Solutions

Revenue[1] from Highly-Efficient Products[2]



67%

Building Climate Solutions

Revenue[1] from Highly-Efficient Products[2]

[1]Excludes revenue from supplies, parts, and services, as well as commercial refrigeration products.
[2]Core products that exceed the minimum energy efficiency standards for their respective product types in the U.S.

Product Vitality Index

Our Product Vitality Index (PVI) is a key metric by which we measure the results of product innovation. The PVI represents the percentage of total sales generated by products introduced within the last three years. Because our newest products are also our most efficient, a higher PVI reflects our ability to bring lower-carbon solutions to market. Our PVI of 70% in 2025 demonstrates that our latest high-efficiency products continue to drive business performance and support the adoption of more sustainable climate control technologies.



EXAMPLES OF OUR HIGHLY-EFFICIENT PRODUCTS



Read More

DAVE LENNOX SIGNATURE COLLECTION SL22KLV HEAT PUMP

The SL22KLV Heat Pump is our most efficient heat pump[1], delivering warm comfort in temperatures as low as -20°F. Built with Lennox's cold-climate heat pump technology, it uses a variable-speed compressor with Electronic Refrigerant Injection (ERI) to adjust energy use based on outdoor conditions. Its durable cabinet design and digital communication features support precise control, helping homeowners in a range of climates save on annual heating and cooling costs.



Read More

LENNOX L40 SMART THERMOSTAT

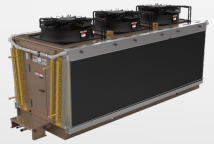
The Lennox L40 Smart Thermostat is a universally-compatible smart thermostat for single-stage non-communicating equipment. It allows homeowners to remotely control their home environment using the Lennox Home app. The L40 includes Smart Away® geo-fencing capabilities to detect when the homeowner is leaving and automatically adjusts the temperature to a more energy-efficient setting, re-establishing a normal schedule upon return or when the home is occupied. It's an advanced solution that brings together comfort, control, and efficiency in one seamless experience.



Read More

ENLIGHT HEAT PUMP

The Enlight Heat Pumps deliver efficient electrification with the flexibility to meet a wide range of commercial applications. Powered by the Lennox® CORE Control System, it provides connected service, open integration, and optimized performance. With efficiency ratings up to 16 SEER2, 12.7 EER2, and 17 IEER, Enlight Heat Pumps help reduce energy consumption and support sustainability goals. Innovative features such as the Environ™ Coil System and standard MSAV® fan technology further improve efficiency, comfort, and long-term operating costs.



Read More

ADIABATIC CO_2 V-STYLE GAS COOLER

The Heatcraft Adiabatic Gas Cooler (AGC) allows users of transcritical CO_2 rack systems—systems that operate above CO_2's critical temperature and pressure—to maximize energy efficiency while minimizing water usage. The AGC utilizes a recirculating water pump system with adiabatic pads to effectively cool the temperature of the air that passes through the gas cooler's coils by up to approximately 10°F. This lower air temperature allows the system to operate in the efficient subcritical mode even when ambient temperatures exceed 88°F (the point at which CO_2 becomes supercritical). The recirculating water pump system recycles and reuses water that is not evaporated, reducing overall water consumption compared to systems that discharge non-evaporated water after a single use.

[1]Efficiency claim based on comparison of the combined heating and cooling efficiency within a single product family (HSPF2, EER2, and SEER2 of the SL22KLV) as compared to the HSPF2, EER2, and SEER2 of competitive R-454B and R-32 ducted heat pump as published in AHRI (January 2025). Actual system efficiency may vary based on the system match and other factors; consult AHRI Directory for exact system efficiency. Precision claim based on the average cooling capacity range of the SL22KLV as compared to the average cooling capacity range of the competitive variable capacity compressor units based on published competitive data (January 2025). Cooling capacity ranges calculated across 2, 3, 4 and 5 tonnage at maximum and minimum speed at ARI standard rating conditions: 95°F outdoor and 80°/67° indoor (80°F dry bulb and 67°F wet bulb).

PRODUCT QUALITY AND SECURITY

Lennox applies layered quality and security controls across the product life cycle to deliver safe, secure, and reliable products to our customers.

Quality Management System and Governance

Quality is critical to Lennox and is one of the Guiding Behaviors that supports our Core Value of Excellence. We are committed to continuously improving the quality of our products, services, and processes. Our Quality Management System is structured through a Center of Excellence that leverages the Lennox Unified Management System to standardize quality practices across the organization. This system ensures consistent design, execution, and continuous improvement of products and processes, while supporting compliance with specifications, regulations, and customer requirements. All Lennox manufacturing facilities operate under quality management systems aligned with the intent and principles of ISO 9001. Approximately 38% of our manufacturing facilities are ISO 9001 certified, reflecting our commitment to maintaining globally recognized quality standards across our operations.

Product Design and Development

At Lennox, we prioritize data security throughout our product design and development process. We follow industry-recognized best practices to build security into our hardware, software, and connected products from the start, with continuous reviews from initial design to final testing. Insights from prior testing cycles are incorporated to ensure comprehensive security development. Throughout product and software development, we use specialized, industry-standard tools to analyze source code and software dependencies for potential security risks. We also conduct validation, security reviews, and post-production testing to identify and address remaining vulnerabilities.

To protect sensitive data and prevent unauthorized access, we integrate advanced security features such as device authentication and encryption. For IoT devices, unique certificates are used during manufacturing to ensure device integrity and enable secure connections. Our approach follows a Zero Trust security model, meaning every user and device must be verified before accessing our systems, regardless of their location. We also follow a Zero Trust Manufacturing model, where we secure production processes to prevent unauthorized code from being added to devices, ensuring product integrity from production to delivery. In addition, we perform regular security audits and penetration testing and collaborate with internal and external cybersecurity experts to simulate potential attacks. These proactive measures help strengthen our defenses and ensure our products remain secure against evolving threats.

Elements of Our Product and Service Safety Program

- A gated, multi-stage development process that spans market concept, specification development, proof-of-design, manufacturing readiness, and supply chain process verification. Post-production checkpoints ensure products meet defined expectations for performance, reliability, serviceability, safety, and environmental objectives.
- Internal product and process audits, including assessments of product-specific Critical-to-Quality features.
- Monthly Quick Market Intelligence (QMI) processes that connect engineering teams with Field Technical Consultants to identify issues. When an issue is reported or trending in the field, we receive real-time notifications that enable a cross-functional team to quickly investigate, identify root causes, and implement corrective actions.
- Monthly analysis of warranty data to identify and correct emerging product quality issues not captured through the QMI process.
- Early launch containment monitoring for newly released products and associated warranty claims.
- Technical support contact center that monitors products broadly for any safety-related information.
- Regular training for Field Technical Consultants and technical support contact center personnel, including two in-person sessions annually.

Product Use Phase

Once products are in use, we regularly monitor for security threats and system weaknesses. Real-time threat detection, regular audits, and penetration testing help us quickly identify and address vulnerabilities. Our robust patch management process keeps software and systems up to date with the latest security protections, including over-the-air (OTA) updates for connected products, so customers always have the most current security features without needing to take action. If a security issue is detected, we promptly inform customers and provide guidance or automatic updates to resolve the issue, minimizing potential risk.

In 2025, the Company reported no product recalls and incurred no monetary losses related to legal proceedings associated with product safety. This reflects the effectiveness of our product quality systems, design controls, and ongoing commitment to safety across the product lifecycle.

Responsible Marketing

We are committed to truthful, balanced, accurate marketing that is not misleading. Our goal is to provide easily accessible information for all our customers while safeguarding their data and privacy. We are committed to ensuring clarity in all marketing communications including avoiding product placement, disguising advertisements as market research, or using user-generated content inappropriately. We do not produce potentially offensive marketing materials for sensitive product groups. Our commitment extends to only making product claims that can be substantiated and maintaining transparency regarding potential product risks. We do not promote products prior to approval of certifications or ratings and uphold marketing standards for all third parties, expecting full compliance.



PRODUCT LIFE CYCLE MANAGEMENT



Approach

As part of our commitment to reduce environmental impacts and build a circular economy, we strive to design, manufacture, monitor, and manage our products sustainably throughout their life cycle. Sustainability is integrated into our New Product Introduction Process, which includes a formal requirement to identify environmental impacts for all new products launched, assessing factors such as landfill reduction and greenhouse gas impact.



Design and Development

We design our products for high efficiency, easy transport, maintenance, and adaptability to different operating environments. The quality and efficiency of our core products contributes to their long operating lifespans of more than a decade, which minimizes the need for replacements and reduces environmental impact. We also design our products with ease of service and repair in mind. Thoughtful design includes features like front-facing screws for ease of access and component replacement. Diagnostics and smart features help technicians quickly identify the failure mode and type of repair needed. Repair parts are backwards compatible when feasible to extend effective lifetimes and simplify stocking for our customers. Standardized components reduce the variety of materials and increase efficiency of the production process. We routinely review products for opportunities to reduce material and save on weight and scrap, without sacrificing performance or durability.



Manufacturing

Sustainability begins with our material choices. Where possible, our sourcing team procures materials with recycled content, such as steel, aluminum, and copper. To further reduce waste, we work with suppliers to use reusable shipping containers with metal or hard plastic dividers, replacing traditional single-use packaging materials such as cardboard and foam.



Transportation

We aim to be as efficient as possible when transporting our products to customers. We have optimized shipments to reduce emissions and minimized shipping materials to enhance efficiency. Our patented shorter-profile furnace design maximizes truckload capacity, reducing transportation emissions and costs. Additionally, we have replaced heavy wooden crates with employee-designed stacking brackets, eliminating excess materials while improving space utilization. Our direct-to-customer shipping model reduces transportation distances, further lowering our carbon footprint.



Recyclability

We strive to maximize the recyclability of our products to reduce cost and waste. Our AES Reclaim business enhances our capability to recycle HVAC equipment at end-of-life from our customers, providing a full life cycle solution. Additionally, Lennox has partnered with the Thermostat Recycling Corporation (TRC) to facilitate the proper disposal of mercury-containing thermostats. Drop-off sites are available at participating Lennox store locations. For refrigerant end-of-life management, refer to our **Refrigerant Management** section.

REFRIGERANT MANAGEMENT

A core element of our product design strategy is the adoption of alternative, low-carbon refrigerant technologies.

We recognize that refrigerant emissions are a meaningful contributor to our overall greenhouse gas (GHG) footprint. To address this, we implement controls to track, reclaim, and optimize refrigerant use across the product life cycle, leveraging innovative technologies and strategic partnerships to support end-of-life management.

Product Design and Technology Innovations

In 2025, we transitioned most of our residential and commercial product lines to lower-GWP refrigerants to meet evolving regulatory requirements and reduce climate impact. Many of our commercial products also feature microchannel coil technology, which reduces refrigerant charge by up to 65%, minimizing both leak-related emissions and end-of-life recovery needs. These coils are made from recyclable aluminum alloy and are lighter than traditional tube-and-fin designs, improving system efficiency and supporting material circularity.

Operational Controls and Data Management

We have strengthened our refrigerant management through enhanced data automation and monitoring capabilities. A formal review process was introduced to investigate refrigerant loss variances exceeding established thresholds, supported by weekly reporting to improve oversight, transparency, and data integrity.

To further enhance data accuracy and quality, the Home Comfort Solutions team engaged external technical experts to review refrigerant loss data and associated processes. The assessment identified opportunities to improve charging-station calibration and refine reclaim-data timing logic. Based on these findings, similar validation studies have begun at Building Climate Solutions sites to support consistent, accurate refrigerant tracking across our operations.

Partner Engagement

As the industry phases out high-GWP refrigerants, reclaimed refrigerants play an increasingly vital role in reducing environmental impact. Reclaiming refrigerants decreases the demand for new production, helping to lower associated emissions and offset the environmental and financial costs of manufacturing. To support this transition, Lennox has strengthened its end-of-life refrigerant management through strategic partnerships that expand recovery, reclamation, and responsible reuse across our value chain.

We strengthened our commitment to responsible end-of-life refrigerant management with the 2023 acquisition of AES, a company recognized for its service and sustainability focus in the light commercial HVAC market. Across North America, AES provides installation services, adapter curbs, and reclaim services, enabling “front-to-back” HVAC life cycle solutions within the Building Climate Solutions business segment. AES also offers HVAC and refrigeration recycling programs that recover refrigerants and recycle end-of-life equipment through a documented cradle-to-grave process, helping customers avoid landfill waste.

We continue to advance responsible refrigerant recovery through our long-standing relationship with Hudson Technologies, one of the largest EPA-certified refrigerant reclaimers in the United States. Hudson provides nationwide refrigerant collection, reclamation, and cylinder management services. Through this partnership, we offer contractors and distributors access to established recovery programs, including on-site collection and cylinder exchange, which help increase the volume of refrigerant returned for reclamation.

This program reduces the emissions impact of refrigerant disposal while offering financial incentives to our participating dealers. Dealers benefit from no-cost refrigerant pickup and can earn up to $12 per pound of reclaimed refrigerant. In 2025, approximately 336 dealer locations participated, reclaiming nearly 187,000 pounds of refrigerant. Participating dealers earned an estimated $600,000 through the program.

Environmental

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ENVIRONMENTAL MANAGEMENT

We prioritize sound environmental practices across all levels of our business.

Lennox's Environmental Management System (EMS) guides our processes for managing our environmental performance and operational impacts. The EMS is integrated within our broader Environmental, Health and Safety (EHS) Policy and aligns with the principles of the ISO 14001 standard. Our largest factory holds both ISO 14001 and ISO 50001 certifications, reflecting our dedication to environmental and energy management best practices. We continuously improve our processes by identifying and mitigating environmental risks through risk assessments, observations, audits, and inspections. Notably, Lennox has incurred no significant fines or penalties related to environmental or ecological issues for over a decade.



For further details, please see our full EHS Policy, which outlines our commitment and approach to maintaining sustainable operations.

EHS Policy

Performance Monitoring and Data Assurance

We monitor environmental performance across our operations, including greenhouse gas (GHG) emissions, water, waste, and recycling. Data is collected and reviewed by dedicated site-level and business-level teams to support internal management and external reporting. In 2025, we enhanced our environmental data management processes and controls by formalizing this data validation process. We also engaged with an independent third-party to perform a limited level of assurance over our GHG emissions, water, and waste data inventories.

Elements of Our Environmental Management System

- Monitoring and measuring EHS performance and actions to prevent or correct non-conformance, while maintaining thorough records.
- Promoting compliance with all applicable local and federal laws and regulations governing employee safety and environmental protection.
- Maintaining an EHS compliance program, including standards, procedures, and audits.
- Encouraging the use of non-polluting technologies and waste minimization in the design of products and processes.
- Encouraging the conservation of resources and protection of the environment through recycling, reuse, and proper disposal of materials.
- Providing job-specific training and education on EHS processes and procedures to promote awareness and address inherent risks present at each facility.
- Identifying potential hazards and environmental impacts associated with our operations, products, wastes, or services, and proactively addressing public concerns.
- Continuing to improve EHS performance, considering technical developments, scientific understanding, consumer needs and community expectations.
- Promoting consultation and participation of employees in the development of the EMS.
- Maintaining clear procedures for internal and external communication of EHS information and incidents.

ENERGY MANAGEMENT

Reducing energy consumption is a key priority at Lennox, supporting both environmental sustainability and operational efficiency.

We actively monitor energy usage across our facilities to identify improvement opportunities and implement site-specific projects that align with operational needs and consumption patterns. All facilities are required to validate energy usage monthly, ensuring consistent visibility and accountability across the organization. Efficiency opportunities are identified through energy audits, employee-led "treasure hunts," and ongoing performance reviews, with a focus on the most energy-intensive processes. Proposed projects are assessed for technical and economic feasibility, with investments prioritized based on cost-effectiveness and environmental impact.

Beginning in 2025, each manufacturing and R&D facility is required to complete an energy assessment every three years, covering lighting, HVAC, compressed air, or other reduction areas. These assessments, conducted either internally or by a third-party vendor, will provide a structured foundation for tracking project progress and uncovering new reduction and efficiency opportunities.

Energy initiatives implemented at select sites in recent years include:

- Installation of high-efficiency LED lighting, motion sensors, and skylights across select stores, offices, manufacturing facilities, and distribution centers.
- Identification and repair of compressed air leaks and installation of variable frequency drives (VFDs) at select locations.
- Employee training to equip facility teams with the tools and knowledge to identify and implement energy-saving opportunities.
- Procurement of renewable energy through an eight-year contract with our Texas electric provider to source 100% renewable electricity via wind renewable energy credits (RECs), representing approximately 5% of total electricity consumption in 2025.

2025 Energy Consumption

Total consumption
333,925
MWh

Energy Intensity
64.8
MWh / $M USD

Renewable Energy Credits
5%
16,660 MWh

Non-renewable
95%
317,265 MWh



Our reported energy data does not include our Duro Dyne and SUPCO businesses, which were acquired at the end of 2025 and will be incorporated into future reporting.



Transportation

To enhance fleet sustainability, we retire older vehicles that are less efficient. Currently, our fleet includes some hybrid vehicles, and in 2025 we advanced plans for an electric vehicle (EV) pilot program expected to launch in 2026.

We will assess performance, cost-effectiveness, and opportunities to reduce transportation-related emissions across select regions over a 6-month and 12-month period.

WASTE MANAGEMENT

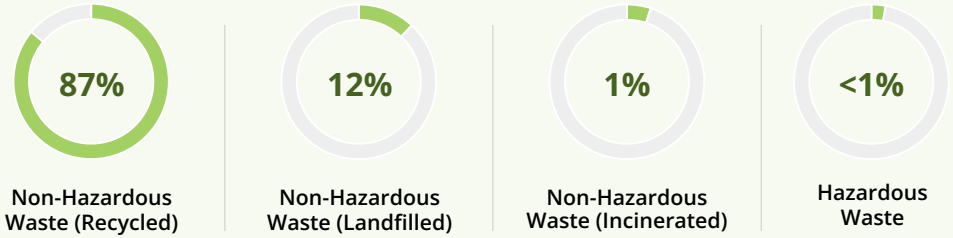
Responsible waste management is central to how we reduce environmental impacts and use resources more efficiently.

We are committed to reducing both hazardous and non-hazardous waste, diverting waste from landfills, and maximizing material reuse, with a long-term goal of achieving zero waste to landfill. Our facilities systematically track and analyze waste by type, volume, and source to identify trends and improvement opportunities. Waste is classified as hazardous or non-hazardous in accordance with local regulatory requirements. Our strategy prioritizes waste minimization at the source through operational improvements, expanding reuse and recycling programs, and developing partnerships that support waste-to-energy and material recovery solutions.

In 2025, we conducted waste composition assessments, expanded employee training on waste reduction and proper handling, and strengthened our reporting processes to capture previously untracked streams such as Universal Waste and used oil. We continue to review additional streams to further improve data accuracy.

Breakdown of Absolute Solid Waste Generated in 2025

(Metric Tons)



Our reported waste date does not include our Duro Dyne and SUPCO businesses, which were acquired at the end of 2025 and will be incorporated into future reporting.

Regulated Waste

Hazardous waste generation is minimal across our facilities. All hazardous waste is identified, profiled, and tracked via manifests to ensure proper disposal by certified vendors. To strengthen compliance, we are improving storage practices through enhanced employee training on proper organization, labeling, and segregation in central accumulation areas. Used refrigerants are reclaimed for on-site reuse or processed by certified vendors (see our Refrigerant Management section). Other materials, including used oil, paint, and batteries, are recycled or disposed of in compliance with regulatory requirements.

Production Waste

Our facilities partner with vendors to recycle and responsibly dispose of materials such as cardboard, e-waste, metals, and used oil. Corrugated cardboard is compressed and recycled, while metal scraps—including copper, aluminum, and steel—are reused or recycled. Many sites have also adopted reusable absorbent materials for oil containment, reducing single-use waste. Ongoing efforts focus on optimizing metal scrap recycling and further reducing plastic and cardboard waste

Select sites leverage waste-to-energy solutions, including incineration and fuel recovery. For example, our Orangeburg facility partners with VLS Environmental Solutions to convert non-hazardous waste into energy, while our Tifton facility converts pallets into woodchips used as biofuel.

Business Waste

Office locations provide designated collection areas for waste sorting, including paper shredding, recycling, and general disposal. Certified vendors manage collection and ensure handling of materials such as e-waste.

WATER MANAGEMENT

Water is an essential resource, and we recognize the importance of conservation and responsible management.

Although our operations do not use or consume significant amounts of water—most usage is limited to irrigation and sanitary services—we are committed to reducing operational water usage and safely managing wastewater, especially in water-stressed areas. We track water usage through our sustainability platform and encourage employees to report visible leaks, with any unusual usage promptly investigated by facility personnel. All facilities are required to validate water usage monthly. Facilities leverage water usage data to identify improvement opportunities and guide appropriate actions, which are integrated into annual business plans.

Water initiatives implemented at select sites in recent years include:

- Installation of touchless and low-flow faucets, flush valves, and waterless urinals.
- Implementation of drought-tolerant landscaping and irrigation management.
- Employee training and communication to promote a culture of water conservation.

2025 Water Withdrawal

WATER WITHDRAWAL (m^3)	2025
Total Water Withdrawal	238,194
Water Withdrawal Intensity (m^3 / Million USD)	46.2

Water withdrawal data reflects water supplied by third-party sources. Our water data does not include our Duro Dyne and SUPCO businesses, which were acquired at the end of 2025 and will be incorporated into future reporting.

Water Risk

All Manufacturing and R&D facilities are required to complete an annual Water Assessment. In addition, each location is required to conduct either a water audit, water source vulnerability analysis, or water footprint analysis every 3 to 5 years if located in an extremely high stressed area or every 10 years if located within any other water risk category. We use the World Resources Institute Aqueduct tool to assess water scarcity exposure across our locations. The number of sites in water-stressed areas continues to grow as water scarcity increases.

> **In 2025, 42% of our facilities (156 sites) were located in high or extremely high water-stressed regions, compared to 39% (149 sites) in 2024.**

Effluent Management

Facilities with effluent treatment requirements maintain specialized wastewater treatment systems to manage pollutants and comply with local regulations. Permitted facilities monitor and periodically sample effluents to identify potential pollutants. In the event of an exceedance, investigations and corrective actions are implemented. For facilities with minimal effluents, options include storing effluent in totes and disposing of it via third-party vendors.

Measures implemented at our Saltillo, Mexico plant to reduce Biological Oxygen Demand (BOD) levels in effluent include:

- Installation of a septic sludge collection pit to improve solids separation and reduce organic load.
- Introduction of a monthly maintenance and cleaning program to sustain system efficiency and prevent buildup.
- Maintenance of sanitary lines to ensure consistent flow and minimize potential contamination.

Social

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Community Impact 24

Supply Chain 25

GLOBAL WORKFORCE METRICS

Global Workforce Structure

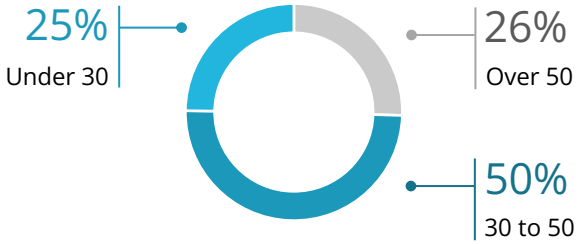


66% U.S. Based

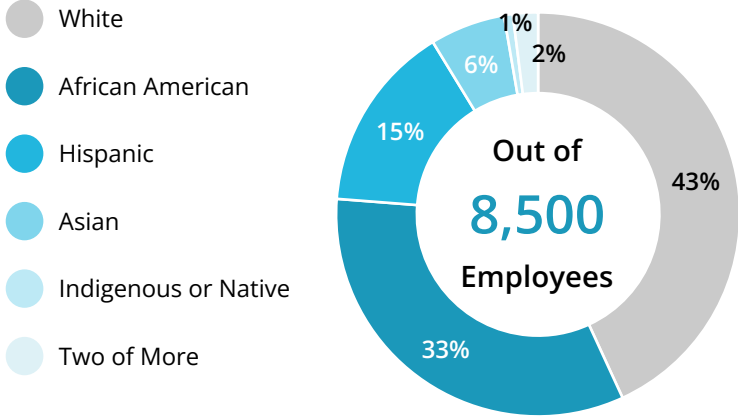
42% Salaried

26% Covered by Union Contracts

Age Composition of Global Workforce



Ethnic/Racial Composition of U.S. Workforce

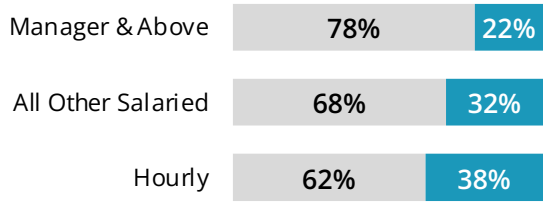


Gender Composition of Global Workforce

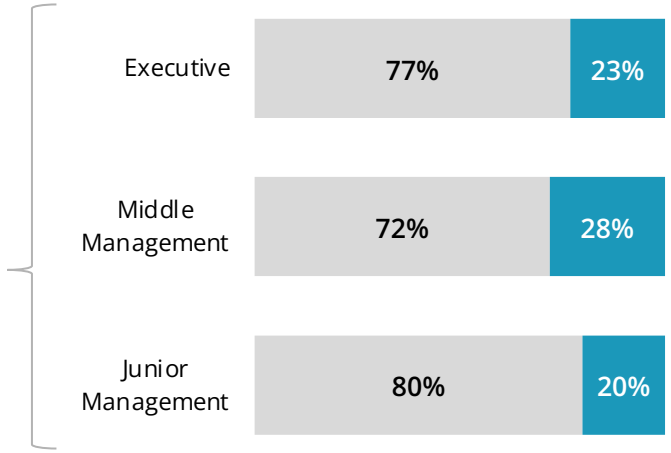


34% Female

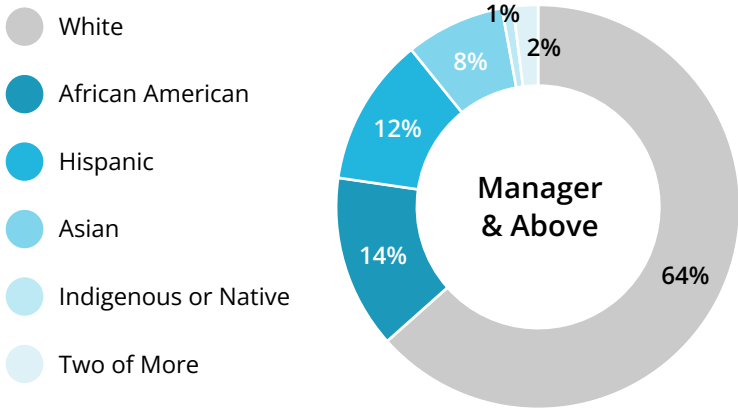
66% Male



Female Representation in Global Leadership



Ethnic/Racial Composition of U.S. Leadership



Employee data may differ between various reports due to differences in timing and method. All data is as of December 31, 2025. Note that figures have been rounded, which may result in minor discrepancies in subtotals and percentages. Gender composition percentages exclude employees who did not disclose gender.

BELONGING

Our employees are at the heart of everything we do. We recognize that when people feel valued, empowered, and supported, they do their best work.

To support our high-performance culture, we focus on attracting and retaining top talent, offering continuous learning opportunities, maintaining a highly engaged workforce, and cultivating community through our LII Lennox Foundation and employee resource groups (ERGs). By cultivating an environment where unique skills and perspectives are valued, we create opportunities for meaningful contributions and career growth.

We are guided by

our culture

The Guiding Behaviors that define our Core Values of Integrity, Respect, and Excellence influence our daily decisions and interactions. We strive for all employees to have a voice and feel welcome. At Lennox, our employees take pride in our brands, knowing that they are part of something special.



Employee Resource Groups

One of the many ways we show our commitment to belonging is through our employee-led ERGs. Our ERGs are open to all employees through voluntary participation and contribute to our inclusive culture through professional and personal development, mentorship, networking, and community engagement. Each ERG is guided by an Executive Sponsor to ensure alignment with our broader business objectives and organizational strategy. This accountability model strengthens the impact of our ERGs by connecting employee-led initiatives with leadership support, driving greater employee engagement, and innovation.

LWBC
Lennox Women Building Community

LYPA
Lennox Young Professionals Association

LAPEX
Lennox Asian Professionals for Excellence

SERVE
Supporting Emergency Responders and Veterans Engagement

LEAD
Lennox Employees of African Descent

HOLA
Hispanic Organization for Leadership & Achievement

PRIDE
Programs Representing Individual Diversity Equality

In 2025, we proudly launched SERVE (Supporting Emergency Responders and Veterans Engagement), a new ERG that brings together veterans, first responders, and their friends and families to recognize their service, build connection, and support personal and professional growth.

Employee Engagement

We value employee feedback and gather input through global engagement surveys, pulse surveys, and life cycle surveys. Our global engagement survey is conducted every 18 to 24 months to help us measure employee sentiment over time and overwhelmingly identify opportunities for improvement. Through the survey, most employees indicated that they are happy working at Lennox and would recommend Lennox as a great place to work. In 2024, we conducted a global engagement survey with an 86% response rate and an engagement score of 73. Insights from employee feedback shape our ongoing communication, career development, and coaching efforts.

RECRUITMENT

We are always looking for people who bring fresh thinking, deep expertise, and a genuine passion for innovation.

Our approach to recruitment is intentional and inclusive, focused on attracting talent from a wide range of backgrounds, experiences, and perspectives to build stronger, more innovative teams. We're problem-solvers at heart and driven to make a meaningful impact for our customers, our teams, and the communities we serve.

Our Talent Acquisition team provides regular training sessions for hiring managers focused on inclusive and effective recruitment strategies. These sessions reinforce our commitment to mitigating bias in the hiring process and equipping leaders with the tools to make merit-based decisions. Additionally, we believe fair and equitable compensation is fundamental to helping us attract and retain top talent. To support this, we conduct annual compensation reviews to ensure equitable pay across the organization.



Come, stay and

grow with us

Lennox is not just a workplace; we are a global community that values each team member's contributions. We are proud of the many employees who have built their careers at Lennox. Our employees can realize their potential by taking ownership of their career journey with support and commitment from our leaders.

Building Talent

To build a well-rounded workforce, we actively recruit from a wide range of colleges and universities and offer robust internship programs that provide meaningful, hands-on experience in a range of roles. Our Summer Internship Program provides approximately 75 college interns with the opportunity to gain hands-on experience through meaningful project work over a 12-week period. Interns are placed across our various business locations and recruited from colleges central to these areas. We offer positions in a wide range of fields, including finance, marketing, engineering, sales, supply chain, and operations, giving students valuable exposure to real-world business challenges while contributing to our company's success.





Partnerships

We are also committed to supporting and advancing women in the industry through strategic partnerships with the Society of Women Engineers (SWE) and Women in HVAC. These partnerships provide networking, mentorship, and professional development opportunities for women in engineering and technical roles, helping us to reach a broad range of talent.

WOMEN IN HVACR
Networking. Education. Mentoring.

swe
Society of Women Engineers
Aspire / Advance / Achieve

EMPLOYEE DEVELOPMENT

We are deeply committed to the professional growth of our employees.

We offer continuous learning opportunities and foster a culture that supports development at every career stage. We believe in empowering our employees to own their careers and provide them with a variety of tools to grow in their current roles and to prepare for their future aspirations. Our employees have access to a range of career development resources, including self-directed mentorship programs, leadership development tracks, and advanced training courses.

For employees in technical roles, we conduct skills assessments to identify competency gaps and offer targeted training and reskilling opportunities to help employees adapt to evolving technologies, automation, and changing business needs. We also measure the effectiveness of our learning programs through employee feedback. Course evaluation surveys are provided upon completion of facilitated training, while courses accessed through our Learning Management System (LMS) are rated on a five-point scale.

LEADING The Lennox Way

Leading the Lennox Way is a framework that defines what we expect of people leaders at all levels of the organization. As part of our commitment to continuously developing our people leaders, we host quarterly training sessions. In 2025, topics included, leaders supporting mental health, cultural intelligence, and recognition.

LEADERSHIP DEVELOPMENT PROGRAM

Lennox Inclusive Talent

The Leadership Development Program and Lennox Inclusive Talent are cohort-based programs designed to accelerate continuous growth and development. These programs focus on enhancing key leadership skills such as strategic thinking, business acumen, presentation skills, and emotional intelligence. They provide structured mentorship, targeted development opportunities, and cross-functional networking experiences. By investing in these programs, we not only ensure a strong leadership pipeline that reflects a broad range of skills, experiences, and backgrounds, but also foster innovation, operational efficiencies, and more informed decision-making.

Succession Planning

To improve organizational performance and drive our long-term success, Lennox conducts regular Talent Development Reviews focused on identifying and developing employees to fill future critical roles within the company. These reviews also identify talent gaps and retention risks, along with corresponding risk mitigation plans. Our CEO is actively involved in this process for all executives and high-potential managers. Investing in leadership development is a critical component of our people strategy. We believe that empowering leaders at all levels fosters a high-performance culture, drives innovation, and strengthens our ability to serve our customers. Through structured development programs, targeted training, and ongoing learning opportunities, we equip our leaders with the skills and tools needed to lead with integrity, respect, and excellence.

18 Hours

2025 average online learning per salaried employee

Tuition Assistance Program

Lennox supports employees who seek to further their education outside of work. Our Tuition Assistance Program provides employees with the opportunity to expand their knowledge, enhance their skill sets and achieve their professional goals. Eligible employees have access to fully funded (100% tuition-paid) programs, as well as partially funded tuition options. For partially funded programs, the Company provides up to $5,250 per year for undergraduate degrees and certificate programs, and up to $10,000 per year for graduate degrees.

EMPLOYEE WELL-BEING



Health and Wellness

At Lennox, we promote employee well-being through the LIIveWell Wellness Program. This free program is available to all covered employees and their families, offering annual health screenings, personalized health coaching, and resources for fitness, nutrition, sleep, and mental health. Lennox provides free telemedicine options with Doctor on Demand, which treats 90% of common conditions. Doctor on Demand also includes mental health counseling and assists in providing our employees with convenient health care alternatives. Our commitment extends to practical workplace support like dedicated lactation facilities for nursing employees and on-site health care clinics at certain locations. Lennox also provides employees with subsidized gym membership options. These amenities are available to ensure all employees have access to essential health and support services.

LIIveWell Wellness Program



Leave and Dependent Care

Lennox is committed to supporting our employees through comprehensive leave and dependent care policies. These initiatives reflect our dedication to fostering a supportive and inclusive workplace, enabling employees to effectively balance their professional and personal responsibilities. Leave options include Family and Medical Leave Act (FMLA), maternity & birthing leave, bonding leave, and short-term and long-term disability. We also provide employees with the support they need for childcare responsibilities. We offer an Adoption Reimbursement Program, providing direct financial assistance for adoption-related expenses, helping employees offset the costs of expanding their families. Employees can also find referrals for childcare through our Employee Assistance Program.

Employee Leave Policies

Adoption Reimbursement Program



Mental Health Support

We recognize that mental health is as important as physical health. Through open discussion and various resources, we are working to break the stigma surrounding mental well-being. We empower employees to seek the resources they need without hesitation. Through comprehensive wellness initiatives such as Well-Being Time Off, our Employee Assistance Program, and ongoing awareness efforts, we create an environment where everyone can thrive—personally and professionally.

Employee Assistance Program



Financial Wellness

At Lennox, we recognize that financial health is a critical component of overall well-being. We offer a variety of resources to help employees manage their finances, regardless of their financial status or stage of life. Our programs include the Lennox 401(k) plan with company matching, tools for tracking financial milestones, and access to personalized financial advice. Employees can also utilize Fidelity's Financial Wellness Check-Up and explore educational content in the Financial Wellness Learning Center.

Lennox Financial Resources

EMPLOYEE HEALTH AND SAFETY

At Lennox, the health and safety of our employees is our utmost priority.

We are committed to maintaining a safe work environment through comprehensive safety planning, employee training, and performance management. We promote a zero-harm philosophy and encourage all employees to work together to identify, report, and address safety and ergonomic risks.

Our Occupational Health and Safety (OHS) Management System is integrated within our broader Environmental, Health and Safety (EHS) Policy and aligns with the principles of the ISO 45001 standard. We continue to improve our processes by focusing on risk identification and reduction using information and data from risk assessments, observations, audits, inspections, and incidents. Our largest factory is certified to the ISO 45001 standard, reflecting commitment to prioritizing safety and well-being in our workplace.



For further details, please see our full EHS Policy, which outlines our commitment and approach to maintaining the highest standards of health and safety across our operations.

EHS Policy

Emergency Response

Lennox's Emergency Preparedness Policy requires all sites and businesses to evaluate site-specific risks and develop and maintain a written emergency response plan that addresses building evacuations and shelter procedures. Each facility conducts annual evacuation drills and reviews its emergency response plan every 6 months. Emergency responders receive annual training to ensure continued readiness.

Safety Performance

Every year, we set company-wide safety targets both at the business unit and site level depending on their performance in the prior year. These site-level targets are embedded into management's performance appraisals and remuneration to reflect our focus on safety. Supervisory operational roles have activity-based and/or safety-related performance goals included in their annual evaluations.

Our design and sourcing engineers focus on reducing safety and ergonomics risks introduced into our operations from new components, machinery, and process or product changes. We are proud of our record of zero workplace fatalities since 2011 for both contractors and employees. Year over year, we continue to achieve strong absolute performance.



Number of Fatalities

0.51

Recordable Frequency Rate[1]

0.16

Lost-time Frequency Rate[1]

[1]Frequency rate is per 200,000 hours worked during 2025 and includes both employees and contractors. Data does not include our Duro Dyne and SUPCO businesses, which were acquired at the end of 2025 and will be incorporated into future reporting.

Safety 24/7

Our Safety 24/7 initiative integrates proactive programs and best practices to prevent accidents and injuries across our operations. As part of our broader strategy to reduce injury risks, we have implemented targeted actions in our factories, distribution centers, and business units, focusing on the following key areas of safety and engagement.

Leader and Employee Engagement

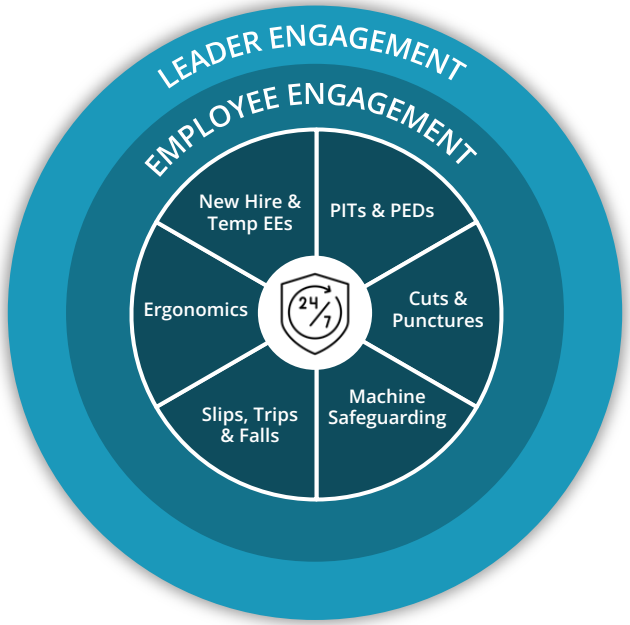
Engaging leaders and employees in conducting safety assessments, upholding operational discipline, recognizing safety achievements, and coaching employees for continuous improvement. Encouraging employees to participate in "Stop & Think" activities, near-miss reporting, safety observations, and Safety Champion initiatives.

New Hire and Temporary Employees

Providing high-visibility clothing, structured onboarding, frequent touch points, and coaching sessions to reinforce safety procedures from day one.

Ergonomics

Reducing strain-related injuries through ergonomic assessments, role-specific training, and material handling optimization such as force-measured carts and control measures.



Slips, Trips and Falls

Reducing slips, trips, and falls through cross-functional collaboration between operations and maintenance teams. Risk identification and mitigation efforts include Find It Fix It initiatives, safety observations and inspections, Kaizen events, and Gemba Walks.

PITs and PEDs

Conducting risk assessments for powered industrial trucks (PITs) and pedestrians (PEDs) at all factories and distribution centers, safety specifications for new PITs, ensuring regular PIT safety system checks, operator training, and annual PED training on PIT-related risks to reduce workplace hazards.

Cuts and Punctures

Equipping employees with cut- and puncture-resistant gloves and sleeves, along with safer tools such as auto-retracting knives and concealed blade cutters.

Machine Safeguarding

Enhancing machine safety through rigorous procedures, training, ongoing assessments, and risk mitigation, including a dedicated Press Brake Initiative.

Incident Management and Investigations

1

Incident Notification

Employees are required to report incidents immediately upon occurrence, and each site must notify Corporate EHS within 24 hours to ensure timely response and accurate tracking. All incidents are reviewed and classified by type, including Near Miss, First Aid, Recordable, or Environmental events, to support consistent reporting and drive appropriate corrective and preventive actions.

2

Investigation

Investigations are completed by site Operations and EHS leadership to ensure appropriate oversight and accountability. Causes are identified using structured methodologies such as Root Cause analysis, Cause and Effect analysis, and the Multiple Path 5 Whys approach to determine underlying factors and prevent recurrence.

3

CEO Review

Corporate EHS coordinates the review of all recordable incidents, with site Operations and EHS leadership submitting findings in advance of each review. The process evaluates each incident in detail, including multiple contributing causes and the corresponding corrective actions to prevent recurrence and strengthen overall safety performance.

4

Sharing: Findings and Corrective Actions

Corporate EHS facilitates best practice sharing across the organization. Safety Alerts developed by site leadership and Corporate EHS are distributed across all businesses to promote awareness and proactive risk management. Corrective actions are implemented across sites to address identified issues and support continuous improvement.

Protection of Workers Exposed to Hazardous Substances

We take comprehensive measures to safeguard our employees by implementing programs that minimize exposure to hazardous substances. Each facility, division, or business segment develops and maintains an Industrial Hygiene Program and a written Hazardous Chemicals and Materials / Hazardous Communication Program, both of which are accessible to employees upon request. These programs include, but are not limited to, the following components:



Assessment and Monitoring

Conducting air monitoring and other assessments to evaluate and manage respiratory and chemical exposure risks. Results are shared with employees within 15 working days.



Engineering Controls

Reducing exposure through hazard isolation, ventilation systems, and the substitution of hazardous chemicals with safer alternatives whenever feasible.



Administrative Controls

Implementing safe work practices, limiting time in high-risk tasks, and rotating job assignments to reduce exposure.



Information Access

Ensuring Safety Data Sheets (SDS) are available for all hazardous chemicals, detailing hazardous ingredients, health effects, safe handling, and emergency protocols.



Personal Protective Equipment

Providing appropriate PPE (i.e., gloves, sleeves, safety glasses), and other protective gear as supplementary protection when necessary.



Training and Education

Providing initial and annual refresher training on chemical hazards, safe handling and storage, PPE use, and emergency response procedures.

COMMUNITY IMPACT

Lennox positively impacts the communities where employees live, learn, and work.

The LII Lennox Foundation supports 501(c)(3) public charities through employee matching, community grants, and volunteer hour grants. Lennox also offers US and CAN full-time salaried employees Volunteer Time Off (VTO) to encourage volunteering for causes they care about. The Foundation Board of Directors oversees the activities and operations of the Foundation and meets quarterly with the Foundation's officers.

Lennox Days of Good

To encourage employee volunteerism, the Foundation hosts an annual company-wide volunteer week, Lennox Days of Good, where teams come together to support their communities. Through these global efforts, employees across international locations united to create meaningful impact. Teams advanced health and food security through partnerships with organizations such as The Pack Shack, supported educational opportunities alongside Teach for America, and contributed to environmental stewardship in collaboration with the Texas Trees Foundation. Employees also partnered with Operation Warm to donate and distribute more than 4,100 coats and 360 pairs of shoes to elementary school students, demonstrating the powerful impact of hands-on community engagement.

Lennox Feel The Love™

Sponsored by the Foundation, Feel The Love™ is a Lennox community program that provides free heating and cooling systems to homeowners who need a helping hand. Every year since 2009, deserving individuals such as educators, first responders, healthcare workers, and families facing financial hardship, are nominated by their communities for their selfless contributions. Nominations from the community help determine each year's recipients. Recipients are selected based on a variety of criteria, including persevering despite a disability, experiencing financial challenges or job loss, and having performed military or community service. In October of every year, Lennox works with our partner dealers and installers across the U.S. and Canada to deliver our high-quality products to these selected heroes at no cost. In 2025, we proudly supported 392 equipment installations and worked with 263 Lennox dealers.

2025 TOTAL COMMUNITY INVESTMENT[1] **$1.9 Million+**

Community Grants

$973,209 in 2025

Employee-requested grants awarded to qualified charities focused on Health, Education, or the Environment. These grants are intended to complement employee volunteer efforts and require participation from at least 10 employee volunteers, with a minimum grant award of $5,000.

Matching Grants

$296,264 in 2025

Grants awarded to match qualified charitable donations made by Lennox employees. The Foundation matches up to $10,000 annually per employee in the U.S., with equivalent matching amounts available at global locations.

Volunteer Rewards

$154,611 in 2025

Rewards awarded to Lennox employees for volunteering in their communities, which employees can donate to eligible charities of their choice. The Foundation awards $50 per volunteer hour, up to $5,000 annually per employee, with equivalent amounts available at global locations.

In-Kind Giving

$539,040 in 2025

Total monetary value of heating and cooling equipment donated through the Feel The Love™ program, supporting homeowners and families in need across the U.S. and Canada.

Charities Supported

1,150 in 2025

Volunteer Hours

11,520 in 2025

[1]Figures reflect community grants, matching grants, and volunteer rewards for which payments were issued during fiscal year 2025, along with the total number of unique charitable organizations supported through those payments.

SUPPLY CHAIN

Responsible supply chains are vital to the longevity and sustainability of our business.

We are committed to increasing transparency in our sourcing practices while developing a resilient supplier base for the future. To protect against supply chain risks, we work closely with suppliers to ensure materials meet quality, security, and authenticity standards. All suppliers are required to uphold our Business Partner Code of Conduct, which outlines the standards we require and encourage suppliers to exceed.

In addition to product quality expectations, the Code of Conduct outlines our commitment to the ethical treatment of workers throughout our value chain. Our supply chain team undergoes training to recognize behaviors that conflict with our standards, as well as the appropriate remediation and follow-up measures. This training specifically provides resources and guidance to identify and address indicators of forced labor and human trafficking.

Lennox Supplier Documents and Policies

Supplier Certifications

Our suppliers are encouraged to obtain and maintain certifications that are widely recognized for their sustainability impact, ranging from FSC Chain of Custody certifications to B Corp certification. We collaborate closely with suppliers to identify where certifications are required and support alignment with our sustainability expectations.

Supplier Screening

Our supplier base is screened annually to identify suppliers that may require additional due diligence. Key factors that may flag a supplier for further review include country of origin, manufacturing location, business volume, and commodity criticality. Suppliers identified through this process are subject to follow-up requests for information not publicly available, as well as action or improvement plans where appropriate.

Supplier Audits and Assessments

We conduct on-site audits of all new suppliers and perform additional audits as business needs arise. Our initial supplier business audit includes a dedicated section focused on environmental, social, and governance (ESG) topics. Our supplier evaluations incorporate metrics related to greenhouse gas emissions, water and waste management, and labor rights. Our most trusted suppliers demonstrate clear goals and a strong commitment in these areas.

Following an audit, we identify areas for improvement and require suppliers to develop corrective action plans. We work collaboratively with suppliers to address identified issues and implement appropriate actions. Depending on the nature and severity of the findings, we may conduct follow-up or surveillance audits to assess the effectiveness of corrective actions, monitor progress in strengthening quality systems, evaluate improvements to process control planning, and verify overall performance capability.

Existing suppliers are expected to complete periodic desk assessments and audits that evaluate their environmental and social goals, performance, and impacts. These assessments are supported by an internal team and third-party resources that help monitor environmental performance, identify emerging trends, and assess ongoing compliance and improvement opportunities.

Examples of Sustainability Topics Assessed as Part of Our Audit



Workforce readiness, such as skills and access to training.



Evidence that a functioning governance mechanism is made available & communicated to workers in their native language.



Presence of an environmental management system registered with a third party.

Governance

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Public Policy 31

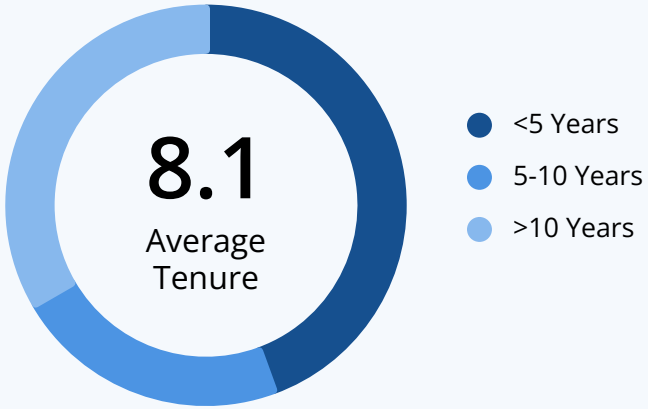
BOARD COMPOSITION

We maintain a well-rounded Board that is best positioned to guide and provide robust oversight of Lennox's business direction and integration of sustainability activities. Our Lennox Corporate Governance Guidelines stipulate that the Board will seek the best qualified candidates with a diverse range of experience and skills.

Additional information regarding our Board and our corporate governance practices can be found in our Annual Report on Form 10-K and Proxy Statement, while our Board Governance Guidelines and committee charters are available on our website.

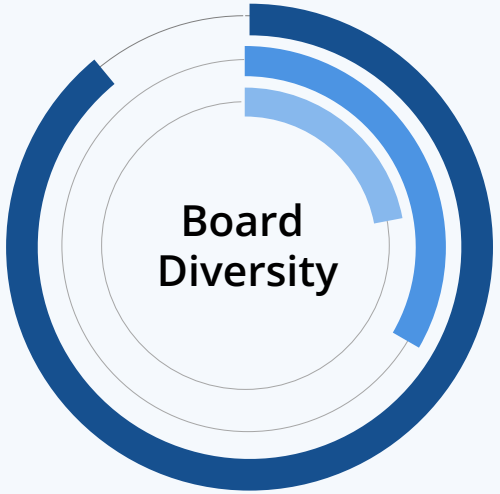
- 2026 Proxy Statement
- 2025 Form 10-K
- Board Of Directors
- Corporate Governance Guidelines
- Committee Charters
- Board Skills and Expertise

Board Tenure



Average Director Age

59 Years



89% Independent

33% Female

22% Racially Diverse

Board composition data is based on information disclosed in the Company's 2026 Proxy Statement and is current as of the filing date of April 8, 2026.

RISK MANAGEMENT

Board-Level Risk Oversight

The Lennox Board of Directors and its committees play a key role in driving risk management excellence.

The Board reviews the company's overall risk profile to ensure risks are adequately managed and incorporated into our strategy and outlook where appropriate. The Audit Committee is responsible for overseeing Enterprise Risk Management (ERM) processes and policies. Our CEO, Executive Leadership, and members of senior management assist the Board and each of its committees with risk oversight through routine discussions of risks relevant to their respective areas of responsibility.

At periodic intervals throughout the year, our senior leaders report to the Board on the company's strategic planning activities, risks relevant to the execution of the company's strategy, measures in place to address these risks, and the effectiveness of these measures. Key areas of strategy and risk for the company include cybersecurity, innovation, talent, human capital management, and climate change.



Operational Risk Oversight

Front-line employees are responsible for executing our ERM program, which assesses a broad spectrum of risks that can have a material impact on the businesses. The ERM is designed to identify, assess, and monitor risks that can have a material impact on the business, as well as facilitate the communication of key strategic business risks across various categories such as strategic, operational, compliance, financial, information technology, cybersecurity, and related action plans. The ERM process also includes sustainability and climate-related risks.

Independent Audit Unit

The Vice President of Corporate Audit, who reports administratively to the CFO and functionally to the Audit Committee of the Board, facilitates the ERM process and annual risk assessment, as well as the ongoing monitoring and updates throughout the year. The Lennox corporate audit team also conducts independent assurance on the effectiveness of the ERM and compliance processes at least annually.

Risk Management and Compliance Oversight

Our CFO and Executive Leadership set control standards for risk management through the ERM process and oversee compliance.

BUSINESS ETHICS AND COMPLIANCE

Our Board of Directors and Chief Executive Officer provide active oversight of the company's ethics and compliance efforts. Our Chief Ethics & Compliance Officer ("CECO") and their team (collectively, the "E&C team") have operational responsibility for the program. The CECO reports directly to the Chief Legal Officer and has direct access to the Board's Audit Committee. To ensure visibility and accountability, the CECO presents a comprehensive annual review of the E&C team's activities to the Board's Audit Committee and leads a Compliance Committee comprised of compliance risk-owners from various functions including Internal Audit, Finance, Global Trade Compliance, Safety, Risk, Legal, Human Resources, and Environmental.

The E&C team promotes an organizational culture that encourages ethical conduct and a commitment to compliance with the law by:

- Establishing and maintaining our Code of Business Conduct and related policies.
- Providing awareness and training built on our core values and guiding behaviors.
- Delivering Anti-Bribery/Corruption (ABC) training both in-person and online based on employee job responsibilities and location.
- Conducting due diligence on select business partners as part of our risk-based ABC program.
- Collaborating with Internal Audit to enhance internal controls with respect to ABC, gifts, expense reports, facilitation payments, accurate books and records, and other related topics.
- Fostering a speak-up culture to encourage ethical decision-making and accountability.
- Responding to, investigating, and resolving issues raised in a timely and thorough manner.
- Continuously monitoring and improving the program to adapt to emerging risks.

Lennox offers several avenues for our employees and others to report concerns confidentially and without fear of retaliation. Please refer to our Speak Up FAQs.

Lennox Speak Up FAQs

Ethics Training and Education Topics

- Anti-Bribery and Corruption
- Antitrust and Fair Competition
- Insider Trading
- Anti-Retaliation
- Conflicts of Interest
- Anti-Harassment and Discrimination
- Bystander Intervention
- Use of our reporting channel
- Lessons learned from real situations at Lennox

Lennox Code of Business Conduct

All employees and our Board are required to complete annual Code training—either in person or online—and must review and acknowledge their understanding of the Code.

Lennox Business Partner Code of Conduct

Expectations for our business partners are outlined in our Business Partner Code of Conduct. We also provide ABC training to select business partners.

CYBERSECURITY AND DATA PRIVACY

In our increasingly digital world, we recognize cybersecurity and data privacy as key aspects of our business.

We maintain formal information technology policies and procedures that outline our commitment to protecting the confidentiality, integrity, and availability of information across our global operations. Employees are responsible for adhering to information security requirements and reporting suspicious activities. We have invested appropriately in our cybersecurity operations and infrastructure and conduct robust risk mitigation, assessments, and planning for our global operations. Our IT security controls are designed to align with the NIST standard and are periodically assessed by a third-party auditor and continuously improved to address evolving cybersecurity risks. For applicable business segments, we are certified for Payment Card Industry Data Security Standards (PCI) compliance. We test all our infrastructure on an ongoing basis.

Operationally, we employ three core teams: cybersecurity engineering, data privacy, and a security operation center (SOC). These teams are responsible for overseeing data safety during new system and infrastructure deployments, maintaining appropriate cybersecurity controls, and monitoring, documenting, and investigating any anomalies affecting employees, suppliers, and customers. Our Chief Technology Officer, part of the executive management team, is responsible for overseeing cybersecurity at Lennox and reports to the Board twice a year on Lennox's cybersecurity tactical responses and strategic roadmap. The entire Board reviews significant cybersecurity risks and works with the Audit Committee to address these issues. Several members of the Board have specific expertise in managing cybersecurity risk. We also have an internal, cross-functional cybersecurity team, our Privacy, Cybersecurity, and AI Governance Steering Committee (PCAISC), that meets on a quarterly basis. The committee oversees Lennox data protection and cybersecurity policies & procedures.

For information on how we collect, use, and protect personal data, please see our Privacy Notice which is available on our website.

Lennox Privacy Notice

Cybersecurity and Data Privacy Management Initiatives

- Mandatory cybersecurity training for all employees, ongoing awareness campaigns, and simulated phishing exercises conducted multiple times each year to reinforce key learnings. Instances of poor performance in cybersecurity training are escalated within the organization as appropriate.
- Engagement of external security specialists to support ongoing monitoring for emerging threats.
- A dedicated 24/7 team that monitors activities across Lennox infrastructure and systems, supported by a documented escalation plan that includes executive notification in the event of an incident.
- Expansion of advanced analytics, artificial intelligence, and machine learning capabilities to detect anomalies that may indicate potential security threats and to automate incident response activities.
- Rigorous breach simulations conducted twice annually at select sites and our corporate location.
- Executive leadership training on responding to ransomware events.
- Vulnerability scanning and analysis, including third-party simulated hacker attacks conducted at least annually and ongoing internal assessments of the environment and applications deployed to the public domain.

PUBLIC POLICY

Lennox supports a wide array of sustainability related policies, which are aligned with decarbonization and the goals of the Paris Agreement. We advocated for an accelerated transition to lower GWP refrigerants and continue to support the broad use of reclaimed refrigerants.

Political Activity

In compliance with federal regulations, Lennox does not contribute to political parties or candidates, including corporate funds or in-kind contributions, to national party committees, campaigns, or candidates for federal office. Lennox does not contribute to Section 527 organizations or independent expenditure political action committees, also known as "Super PACS". We strictly prohibit political and charitable contributions that act as a means of bribery and corruption. Except for the Lennox Government Affairs function, our employees are prohibited from engaging in political activity on behalf of the company or as a company employee, and our Code of Business Conduct states our respect for the political process. Lennox belongs to trade associations that take part in activities to shape future legislation, regulations, building codes, and safety standards in the policy areas that affect our business. Expenses related to lobbying and trade associations are provided as we believe it is important to be transparent on our advocacy and political involvement.

$320,000
CY 2025

Lennox Expenses Related to Lobbying Activities

Lennox Advocacy Partners and Formal Positions

We actively participate in and work with various industry associations, sustainability-focused coalitions, environmental advocates, and other stakeholders to influence and promote:

- Energy conservation standards for HVACR products
- Certification, verification, and testing for product efficiency ratings
- Phasedown of high global warming potential refrigerants
- Air quality and emissions standards
- Tax policy or other government incentives that encourage the purchase and installation of energy-efficient and lower carbon footprint products

Founding member of the Global Food Cold Chain Council

Member of the Air Conditioning, Heating & Refrigeration Institute (AHRI)

Supporter of the United Nations Kigali Amendment to the Montreal Protocol

Member of the Alliance for Responsible Atmospheric Policy

Transition to Low-GWP Refrigerants

Lennox transitioned most of our products to lower GWP refrigerants on January 1, 2025, in line with federal regulations. We supported the passage of the U.S. AIM Act, which facilitated an accelerated transition to lower GWP refrigerants nationally and strongly supported the adoption of corresponding safety codes and standards at the state level. Aligned with the Kigali Amendment, the AIM Act directs the EPA to phase down HFCs by 85% over the next 15 years. We continue to work with the EPA and other stakeholders to shape the phasedown process and the types of refrigerants and equipment that will be impacted. We opposed the October 2025 EPA Reconsideration of the Technology Transitions Rule, which proposed pushing back the transition to Low GWP refrigerants in the Refrigeration Sector from 2026 and 2027 back five to six years, to 2032.

Data and Frameworks

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[1] Updated October 2026 to include supplemental FY2025 Scope 1 and Scope 2 GHG emissions disclosures.



Sustainability Accounting Standards Board (SASB)

SASB standards enable businesses around the world to identify, manage and communicate financially material sustainability information to their investors. SASB provides a complete set of 77 globally applicable industry-specific standards that identify the minimal set of financially material sustainability topics and their associated metrics for the typical company in an industry. The following table references topics from the “Electrical & Electronic Equipment” and “Industrial Machinery & Goods” industry standards. Upon reviewing both industry standards, we included relevant topics to our strategy and operations.

TOPIC	SASB CODE	DESCRIPTION	RESPONSE
Employee Health & Safety (Industrial Machinery & Goods)	RT-IG-320a.1	(1) Total Recordable Incident Rate (TRIR)	(1) 0.51 total recordable frequency rate for employees and contractors
		(2) Fatality rate	(2) 0 fatality rate
		(3) Near Miss Frequency Rate (NMFR)	(3) Not disclosed
Energy Management	RT-EE-130a.1	(1) Total energy consumed	(1) 333,925 MWh
		(2) Percentage grid electricity	(2) 44.6%
		(3) Percentage renewable	(3) 5%
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated, percentage recycled	In 2025, our operations generated 192 metric tons of hazardous waste, as defined by the authorities that regulate each of our facilities. 38.3% of hazardous waste is recycled, while the remaining is properly disposed.
	RT-EE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	We had no reportable spills in 2025.
Product Safety	RT-EE-250a.1	Number of recalls issued, total units recalled	0
	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	$0
Materials Sourcing	RT-EE-440a.1	Description of the management risks associated with the use of critical materials	Our top three component purchases are compressors, motors, and controls, while steel, copper, and aluminum account for the bulk of our raw material purchases. We continuously evaluate critical suppliers by component and region to better identify ways to manage associated risks. Communication, both internal and external, and continued planning around critical materials are key tools we use to reduce our materials-related risk. We recognize that with a global supply chain, climate-related risks may be present. As such, we mitigate our risk and build supply chain resiliency by dual sourcing and near-shoring when possible. In addition, our top material suppliers are risk-assessed and monitored through third-party ESG software, with results incorporated into internal performance metrics such as supplier scorecards.

TOPIC	SASB CODE	DESCRIPTION	RESPONSE
Product Life Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Data not available
	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	In 2025, 55% of revenue from core products (which excludes revenue from supplies, parts, and services) was generated from products that are more energy efficient than minimum standards for their respective product types in the U.S. The number excludes commercial refrigeration products.
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	The Lennox Code of Business Conduct and related policies, including those on conflicts of interest, insider trading, and preventing corruption, bribery, and anti-competitive behavior, among others, are shaped by our core values. The Code guides us on how to apply our core values in daily decision-making, in alignment with our expectations and legal requirements. The Code applies to our Board and all employees, regardless of role or location. We have a separate Business Partner Code of Conduct that includes standards for our partners to operate in a manner consistent with our core values and the Lennox Code of Business Conduct. We conduct due diligence requisite with the risk before engaging third parties to provide products and perform services on behalf of the company. We are continuing to develop processes to evaluate and assess the performance of our partners against our ethical standards. The Lennox Code of Business Conduct and Business Partner Code of Conduct can be found on our website and include how to report violations or suspected violations, with an option to remain anonymous through an ethics hotline or online form operated by a third party. To educate employees on our Code and supporting policies, we regularly communicate and train employees on a variety of topics, including anti-bribery/corruption, antitrust, insider training, anti-retaliation, anti-harassment/discrimination, conflicts of interest, bystander intervention, and lessons learned from real situations at Lennox. We consistently achieve more than 95% completion on required training. Also, on an annual basis, executives, members of the Board of Directors, and other selected employees are required to complete an Ethics & Compliance Questionnaire where they are asked to: » Report conduct inconsistent with our Code » Disclose potential conflicts of interest and » Confirm compliance with the Insider Trader Policy Any issues raised in the questionnaire are addressed.

TOPIC	SASB CODE	DESCRIPTION	RESPONSE
Business Ethics	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	$0
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	$0
Activity Metrics	RT-EE-000.A	Number of units produced by product category (indoor climate control electronics)	Proprietary data
	RT-EE-000.B	Number of employees	As of December 31, 2025, we employed approximately 12,900 people. Of these employees, approximately 5,400 were salaried and 7,500 were hourly. The number of hourly workers varies in order to match our labor needs during periods of fluctuating demand.



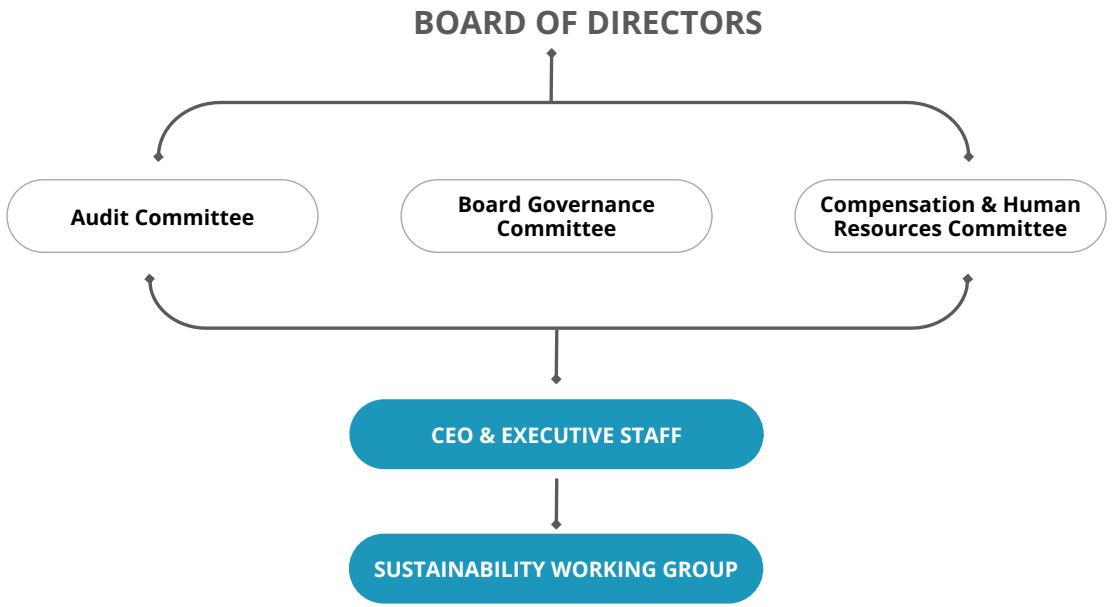
TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Task Force on Climate-related Financial Disclosures (TCFD)

TCFD is a market-driven initiative, set up to develop a set of recommendations for voluntary and consistent climate-related financial risk disclosures in mainstream filings. The work and recommendations of the Task Force help firms understand what financial markets want from disclosure in order to measure and respond to climate change risks and encourage firms to align their disclosures with investors' needs.

TOPIC	RESPONSE
GOVERNANCE	
Board oversight of climate-related risks and opportunities	The Board is responsible for oversight of our strategy, including our strategy around climate-related issues. Our Enterprise Risk Management (ERM) program identifies and addresses climate-related risks that were presented to and discussed with the Board in 2025, and specific risks are reviewed by the Board more frequently as needed.
Management's role in assessing and managing climate-related risks and opportunities	The full Board has oversight over climate topics. Our CEO sets our objectives, including those related to climate, and is actively engaged in managing the company's approach to climate change. Our CEO is the ultimate decision-maker regarding reporting of sustainability metrics and objectives, as well as annual funding of capital expenditures to address sustainability related opportunities. The responsibility to set and execute on goals that support these objectives is delegated to our Executive Staff, which is comprised of senior executives responsible for all our major business segments and corporate functions. Our CEO and Executive Staff have sustainability embedded into their performance goals. To deliver on our strategy, we established the Sustainability Working Group to provide structure for enterprise-wide sustainability management and to streamline engagement across diverse business segments and corporate functions. The Sustainability Working Group is comprised of senior leaders across our businesses including our Head of Government Affairs and Sustainability. Members of the Sustainability Working Group brief the CEO and Executive Staff on a regular basis. The Board is briefed annually on sustainability progress.



TOPIC	RESPONSE
STRATEGY	
Short-, medium-, and long-term climate-related risks	Our business and financial planning horizons are based on quarterly, annual, and three-year increments, and consider climate-related risks. Our Enterprise Risk Management process, which incorporates these risks, is described below under "Risk Management." **SHORT-TERM (<1 YEAR)** **Physical Risks (Acute):** As climate change advances, severe weather events may increase. The ability to plan for and mitigate the effects of severe weather events is important for our operations and the operations of our key suppliers. We have robust business continuity planning processes and dual sourcing projects to improve supply chain resiliency in the face of severe weather events. To identify potential exposures, we digitally map (geographic information system) our key suppliers to pinpoint their locations relative to weather and other natural catastrophe hazard zones. We do this to improve our awareness of assets subject to acute hazards, including flooding, earthquakes, windstorms, extratropical storms, volcanos, tsunamis, tropical cyclones, hail, tornados, lightning, storm surges and coastal flooding. In addition to identifying assets exposed to risks, we also conduct live tracking of significant weather events and distribute event notices to key stakeholders. By identifying potential issues early, we are able to take action to reduce risks to employees and better protect our assets. **MEDIUM-TERM (1-5 YEARS)** **Transition Risks (Regulatory and Market-Related):** We are subject to extensive and changing federal, state, and local laws and regulations designed to protect the environment. These laws and regulations could impose liability for remediation costs and civil or criminal penalties in cases of non-compliance. Compliance with environmental laws increases our costs of doing business. As part of the climate scenario analysis conducted, we evaluated the potential risks and opportunities a range of possible climate futures may have on our business. We identified potential risks of aggressive policies that could force faster transitions away from HFC refrigerant, higher product efficiency standards, and a transition away from gas-consuming heating equipment. Although these laws are subject to frequent changes, we have calculated estimates of the financial impact noncompliance with these regulations would have on our business. Changes in environmental and energy efficiency standards and regulations, such as the UN Montreal Protocol's Kigali Amendment to phase down the use of HFCs, may have a significant impact on the types of products that we develop and sell, and the types of products that are developed and sold by our competitors. Our inability or delay in developing or marketing products that match customer demand and that meet applicable efficiency, and environmental standards may negatively impact our results. The demand for our products and services could also be affected by the size and availability of tax incentives for purchasers of our products and services. Our future success depends on our continued investment in research and new product development as well as our ability to commercialize new HVACR products. If we are unable to successfully develop and market new products and achieve technological advances in response to climate change, our business and results of operations could be adversely impacted. **LONG-TERM (5-15 YEARS)** **Physical Risks (Chronic):** Longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea levels to rise or chronic heat waves are understood to be a great challenge for the world but are not considered relevant in our current Enterprise Risk Management processes since the nature of our manufacturing and distribution processes can adapt to changing chronic conditions. Should we identify risks associated with chronic physical changes in the future, we will integrate them into our Enterprise Risk Management system. **Transition Risks (Reputation):** Stakeholder perceptions of our response to climate change could adversely affect our reputation. Energy efficiency and refrigerants are critical components of products across our business units. Failure to timely and successfully develop, market, and commercialize new products, achieve technological advancements, or expand our business model and technologies into international markets in response to evolving factors, including climate change, could adversely impact our reputation and results of operations.

TOPIC	RESPONSE
Impact of climate-related risks on business, strategy, and financial planning	We recognize that the identified climate-related risks may have a significant impact on our business. Therefore, we are focused on addressing these risks by integrating climate considerations into our R&D, product development, facility operations and public policy strategies. **R&D:** In 2025, we invested $103.4 million in research and development to develop new products and services that are more efficient and sustainable, align with customer needs, and comply with new regulatory requirements. Over the past decade, an estimated 30% of our patent applications have been tied to energy efficiency improvements. We leverage improvements in product development cycle time and product data management systems to commercialize new products to market more rapidly. Lennox transitioned most residential and commercial products to low global warming potential (GWP) refrigerants on January 1, 2025, in line with regulatory requirements. **Product Development:** Our product development efforts aim to enhance comfort, reduce energy use, and support customers in achieving their electrification and decarbonization goals. In accordance with the Kigali Amendment to the Montreal Protocol and the AIM Act, we have transitioned to alternative refrigerant compounds that have low global warming potentials and do not deplete the ozone. We continue to launch the most energy-efficient heat pumps, air conditioners, and furnaces available on the market. Our cold climate heat pumps in particular are designed to perform better in colder climates than standard heat pumps and have variable speed settings that provide enhanced comfort and more efficient operation. Additionally, the communication controls built into our products, as well as our smart thermostats, enable more precise operational control to meet heating and cooling loads and ventilation requirements, allowing customers to use less energy than other non-communicating HVAC systems. Continuing to develop efficient products both drives our strategy and enables us to reduce energy usage and corresponding emissions across our products' life cycle. **Facility Operations:** Over the past few decades, we replaced CFC and HCFC refrigerants with HFC refrigerants. HFCs do not deplete the ozone layer and have a lower GWP than CFCs. In 2025, we began transitioning most of our products to lower-GWP refrigerants that have significantly lower GWP than HFC refrigerants. However, refrigerants remain a significant source of greenhouse gas emissions. For this reason, we have implemented additional controls to track our operational refrigerant losses. **Regulations and Public Policy:** We design, produce and distribute some of the most energy-efficient products in the industry. We continue to lead the global HVACR industry's transition to more environmentally friendly refrigerants by advocating for faster adoption of low-GWP refrigerants and supporting the broad use of reclaimed and recycled refrigerants. We actively participate in and work with various industry associations, sustainability focused coalitions and other stakeholders to promote, among others: » Energy conservation standards for HVACR products » Product certification, verification, and testing for product efficiency ratings » Phaseout of high global warming potential refrigerants » Air quality and emissions standards » Tax policy or other government incentives that encourage the purchase and installation of energy-efficient products Our businesses also monitor and conduct stress testing for regulatory risks, particularly as it relates to potential future regulations around increasing energy efficiency, lower GWP refrigerant regulatory requirements, and extended producer responsibility. During our annual strategic assessment, we evaluate likely transition timelines and adjust our product plans to adapt to anticipated changes.

TOPIC	RESPONSE
Resilience of strategy using 2°C or lower scenarios	The Lennox Sustainability Working Group evaluates the potential risks and opportunities across a range of possible future scenarios. In addition, each business segment (Building Climate Solutions and Home Comfort Solutions) conducts an annual strategic assessment to evaluate product planning in response to customer needs, future markets, environmental trends, and regulatory compliance. The impact and scope of various transitions (refrigerant, efficiency, emissions, regulatory) are evaluated quarterly at Quarterly Product Planning meetings. Lennox has considerable opportunities to support future transitions aimed at reducing emissions and moving toward the electrification and decarbonization of our products. Lennox anticipates and will meet the demand for more energy-efficient and lower-emission products as consumer demand and the regulatory landscape evolves. Lennox has a rich history of innovation and continues to produce some of the most energy efficient and environmentally friendly HVACR products on the planet. Lennox was also the first HVACR manufacturer to meet the Department of Energy's Cold Climate Heat Pump challenge, which is a large step in transitioning heating products for cold climates from fossil fuels to electricity. We understand and evaluate the risks associated with accelerated policies resulting in quicker transitions to higher energy conservation standards, to products with lower operational emissions and away from higher global warming potential refrigerants. Our annual strategic assessment facilitates product strategy discussions and business priorities to support investment decisions and marketing priorities. These decisions prepare us for the expected shifts in the market that impact product selection and demand.
RISK MANAGEMENT	
Process to identify and assess climate-related risks	We view climate change as a driver that indirectly influences varying components of our top risks. For example, climate-driven risks to the regulatory landscape are assessed as part of our overall assessment of regulatory risk in our ERM process. The ERM process consists of a comprehensive bottom-up approach: from risk identification and response planning by operating management to risk assessments and monitoring by our executive team, and finally, reviews of top prioritized risks and corresponding risk response plans by the Board. All risks are addressed with a plan to accept, mitigate/reduce, share/ transfer, or avoid risks, and all Risk Response Plans are encouraged to follow SMART guidelines—be Specific, Measurable, Achievable, Relevant, and Time bound. Top risks are identified, ranked, and risk-response plans are developed with business unit leadership teams monitoring progress and reporting to our CEO and Executive Staff. Our Board reviews and monitors our top risks and corresponding mitigation plans. In this process, risks are placed in "impact/likelihood" and "impact/significant" quadrants. Likelihood is scored on a 1-5 scale, from "least likely" to "almost certain," considering frequency, probability, and time horizon. Significance is also scored on a 1-5 impact scale, with the following dollar amounts considered: 1. Insignificant: profit/cash flow impact less than $1 million 2. Minor: profit/cash flow impact $1-$5 million 3. Moderate: profit/cash flow impact $5-$25 million 4. Major: profit/cash flow impact $25-$100 million 5. Catastrophic: profit/cash flow impact more than $100 million

TOPIC	RESPONSE
Process to identify and assess climate-related risks *(contd.)*	Factors for scoring potential impacts of the risk include, but are not limited to, financial, operational, brand, and health and safety impact. Climate-related risks and considerations may also influence a risk's level of impact. Combined, the highest quadrant of concern (i.e., substantive financial or strategic impact) is any issue with impact and likelihood ratings of 3 or higher and a likelihood rating of 3 or higher. Separate from the ERM, we have developed comprehensive Lennox facility risk profiles for our major locations to determine the probability and potential severity of climate-related physical risks– including coastal erosion, extreme heat, floods, hailstorms, tornadoes, hurricanes, severe winters and thunderstorms. For each facility, we quantified the potential severity and occurrence of each climate-related risk and identified possible risk mitigation strategies for the most impactful risks across our facilities.
Process to manage climate-related risks	We manage and reduce our operational and reputational risks related to climate change through sound environmental and business management. Our facilities vary in function, geography, size, and surrounding natural environments, which gives rise to varying exposure levels to severe weather events, different regulatory requirements, and different levels of environmental quality. Although our facilities have their own operating plans depending on their location, all function under a standard ERM process which provides an effective foundation for environmental stewardship. We have specific processes that help us manage our short-, medium-, and long-term climate-related risks: **SHORT-TERM (<1 YEAR)** We have a robust business continuity planning (BCP) process, with oversight from our Risk Management team, to manage acute, physical climate risks. The process includes educating stakeholders and facilitating BCP scenario testing. Two operational business segment champions and site-specific BCP team leaders train team members and update and house BCP documents within the BCP SharePoint system. Each manufacturing facility has five to 15 employees at manufacturing sites (based on size and complexity) who participate in training, documentation, and testing. We believe this process builds site specific resiliency in the face of potential climate-related impacts. We also transfer some of these physical climate risks to insurers. We purchase property insurance covering replacement costs for damage to our facilities, business interruption loss resulting from physical damage, and more limited contingent business interruption loss from suppliers disrupted by a physical damage loss. **MEDIUM-TERM (1-5 YEARS)** To mitigate our medium-term climate-related transition risks related to regulations, Lennox leverages our leadership position in the HVACR industry to actively participate in the development and implementation of climate-related policies that increase energy efficiency and reduce emissions. We work through various industry associations and coalitions to shape future climate-related legislation, regulations, building codes and safety standards in the policy areas that affect our business.

TOPIC	RESPONSE
Process to manage climate-related risks *(contd.)*	**LONG-TERM (5-15 YEARS)** A vital way we are addressing long-term climate-related transition risks to our reputation is by increasing the quality and quantity of our disclosure around our sustainability commitments and approach to managing material issues. Our Enterprise Risk Management system is regularly reviewed and adapted to meet the needs of our changing risk landscape, in which climate change is expected to assume a larger part. We believe we are well positioned to manage climate change issues both in our operations and in product development with the ultimate result being that our reputation for innovative and responsible HVAC solutions remains intact. Further actions we take to manage climate-related risks include: » Setting environmental performance objectives and monitoring our progress » Complying with applicable environmental laws and regulatory requirements globally » Providing strategic training and guidance to our environmental and compliance professionals to help them stay informed on environmental issues and best practices that could impact our business » Publicly disclosing environmental performance through reporting frameworks such as the Sustainability Accounting Standards Board (SASB) and the TCFD. The reporting process helps us manage and measure our progress as well as engage with our internal and external stakeholders on climate-related issues.
Integration of risk processes into overall risk management	Although climate-related risks are already indirectly incorporated into our ERM, described under "Process to identify and assess climate-related risks," we are working on formally incorporating climate-related risks. This year, we are providing education on climate and human capital risks as they relate to our business. Our ERM results and progress are presented to the full Board every year, and specific risks may be reviewed by the Board more frequently.
METRICS AND TARGETS	
Metrics used to assess climate-related risks	We track and monitor several environmental performance metrics to assess climate-related risks. These metrics include but are not limited to: » Scope 1 emissions – direct emissions from sources owned or controlled by a company including energy use related to our direct operations, and refrigerant loss from our manufacturing facilities. » Scope 2 emissions – indirect emissions from purchased electricity, steam, heat, and cooling. » Scope 3 emissions – all other emissions associated with a company's activities. » Energy efficiency ratings of our products, such as SEER (Seasonal Energy Efficiency Ratio), AFUE (Annual Fuel Utilization Efficiency, and HSPF (Heating Seasonal Performance Factor). » Percentage of our product portfolio, by revenue, that is above the federal minimum energy conservation standard. » Water usage related to our direct operations.

LENNOX 2025 DATA TEAR SHEET

Unless otherwise indicated, data and activities in these tables reflect Lennox's fiscal year 2025 (January 1 – December 31, 2025) and does not include our Duro Dyne and SUPCO businesses, which were acquired at the end of 2025 and will be incorporated into future reporting. Data may differ between various reports due to differences in timing and method. Also note that figures have been rounded, which may result in minor discrepancies in subtotals and percentages.

Product Stewardship and Innovation

Business Overview	2025
Revenue	$5,195,300,000
R&D Expenditure	$103,400,000

Energy-Efficient Solutions	2025
Product Vitality Index	70%
Percentage of patent applications tied to energy efficiency improvements	30%
Core products, by revenue, that are highly-efficient	55%
Home Comfort Solutions products, by revenue, that are highly-efficient	50%
Building Climate Solutions products, by revenue, that are highly-efficient	67%

Product Safety	2025
Monetary losses related to legal proceedings associated with product safety	$0
Recalls Issued	0
Total Units Recalled	0

Hudson Reclaim	2025
Dealer Location Participants	336
Pounds of Refrigerant Reclaimed	186,796
Amount Dealers Earned	$600,000

Certifications

ISO Certified Manufacturing Facilities	2025
ISO 14001 Environmental Management System	8%
ISO 50001 Energy Management System	8%
ISO 45001 Occupational Health and Safety Management System	8%
ISO 9001 Quality Management System	38%

Environmental

Energy	2025	
Total Non-Renewable Energy Consumption (MWh)	**317,265**	**95%**
Purchased Electricity	148,925	47%
Natural Gas	79,035	23%
Diesel	3,087	1%
Flex Fuel E20	249	0.1%
Gasoline	75,737	24%
Propane	10,021	3%
Propylene	211	0.1%
Total Renewable Energy Consumption (MWh)	**16,660**	**5%**
Renewable Energy Certificates (RECs)	16,660	100%
Total Energy Consumption (MWh)	**333,925**	**—**
Purchased Electricity	148,925	45%
Direct Fuel Use	168,340	50%
Renewable Energy Certificates (RECs)	16,660	5%
Energy Intensity (MWh / Million USD)	**64.8**	**—**

Waste	2025	
Total Hazardous Waste (metric tons)	**192**	**0.4%**
Recycled	73	38.3%
Incinerated without energy recovery	0.8	0.4%
Other disposal method[1]	118	61.3%
Total Non-Hazardous Waste (metric tons)	**45,104**	**99.6%**
Recycled	39,170	86.8%
Landfilled	5,414	12.0%
Incinerated	521	1.2%
• With energy recovery	211	0.5%
• Without energy recovery[2]	310	0.7%
Total Waste Generated (metric tons)	**45,296**	**—**
Recycled	39,243	86.6%
Landfilled	5,414	12.0%
Incinerated	521	1.2%
• With energy recovery	211	0.5%
• Without energy recovery	310	0.7%
Other disposal method[2]	118	0.3%
Landfill Intensity (metric tons / Million USD)	**1.1**	**—**
Reportable Spills	**0**	**—**

[1]Other disposal methods represent hazardous waste managed by licensed treatment facilities not reported by vendors as recycling, landfill, or incineration. This may include other regulated hazardous waste treatment processes.

[2]Universal waste totaling 9.5 metric tons is included within reported non-hazardous waste figures and is categorized under incineration without energy recovery as its disposal method.

Water	2025
Operations in Water-Stressed Areas	
Number of facilities in areas of high to extremely high water-stress	156
Percentage of operations in areas of high to extremely high water-stress	42%
Total Water Withdrawal (m^3)	**238,194**
United States	197,921
Canada	1,956
Mexico	33,534
India	4,405
Puerto Rico	79
China	297
Total Water Discharge (m^3)	**181,787**
United States	141,514
Canada	1,956
Mexico	33,535
India	4,405
Puerto Rico	79
China	297
Total Water Consumption (m^3)	**56,407**
Water Withdrawal Intensity (m^3 / Million USD)	**46.2**

Social

Workforce Structure	2025	
Total Global Employees	**12,860**	
Union Representation of Total Global Employees	3,376	26%
Global Employees by Region		
U.S.	8,462	66%
International	4,398	34%
Global Employees by Employment Type		
Full-Time	12,838	99.8%
Part-Time	22	0.2%
Global Employees by Compensation Type		
Salaried	5,372	42%
Hourly	7,488	58%

Gender Composition of Global Workforce[1]	2025	
	Female	**Male**
Overall	34%	66%
Gender Distribution by Employment Level		
All Management Positions	22%	78%
• Executive	23%	77%
• Middle Management	28%	72%
• Junior Management	20%	80%
All Other Salaried	32%	68%
Hourly	38%	62%
Gender Distribution in Specific Functions		
Revenue Generating Management Positions	14%	86%
STEM-Related Positions	18%	82%

[1]Gender composition percentages exclude employees who did not disclose gender.

Racial and Ethnic Composition of U.S. Workforce	2025
Racial and Ethnic Composition of Total U.S. Employees	
White	43%
African American	33%
Hispanic	15%
Asian	6%
Indigenous or Native	1%
Other	2%
Racial and Ethnic Composition of U.S. Management (Manager & Above)	
White	64%
African American	14%
Hispanic	12%
Asian	8%
Indigenous or Native	1%
Other	2%

Age Composition of Global Workforce	2025	
Under 30 years old	3,183	24.7%
30 to 50 years old	6,396	49.7%
50+ years old	3,281	25.5%

Employee Engagement Survey Results[2]	2024
Participation Rate	86%
Average Employee Engagement Survey Score	73

[2]Reported employee engagement survey results are based on the most recent survey conducted in 2024. Employee engagement surveys are conducted on an approximately 18 to 24-month cycle.

Salaried Training	2025
Average Hours of Online Training per Employee	18
Average Hours of Training by Employment Level	
All Management Positions	20
• Executive	3.4
• Middle Management	13
• Junior Management	23
All Other Salaried	16
Average Hours of Training by Gender	
Male	18
Female	15

Occupational Health & Safety	2025		
	Employees	**Contractors**	**Total**
Work-Related Fatalities	0	0	0
Recordable Injuries	73	3	76
Recordable Frequency Rate (per 200,000 hours worked)[1]	0.50	0.82	0.51
Lost Time Frequency Rate (per 200,000 hours worked)[1]	0.16	0.00	0.16

[1]Calculation methodology for company employee and contractor frequency rates was revised in 2025 to use hours worked specific to each worker population. Prior-year company employee and contractor rates were calculated using combined employee and contractor hours worked.

Community Impact	2025
Number of Organizations Supported	1,150
Total Volunteer Hours	11,520
Feel The Love™ Recipients	392
Feel The Love™ Dealer Participants	263
Total Community Investment[2]	**$1,963,123**
Community Grants	$973,209
Matching Grants	$296,264
Volunteer Rewards	$154,611
In-Kind Giving	$539,040

[2]Community grants, matching grants, and volunteer rewards represent those in which payments were issued during fiscal year 2025, along with the total number of unique charitable organizations supported through those payments.

Governance

Board Composition[1]	2025
Total Board Members	**9**
Female	33%
People of Color	22%
Independent	89%
Average Director Age (years)	59
Board Tenure	
<5 Years	44%
5 to 10 Years	22%
10+ Years	33%
Average Board Tenure	8.1

[1]Board composition data is based on information disclosed in the Company's 2026 Proxy Statement and is current as of the filing date of April 8, 2026.

Business Ethics	2025
Monetary losses related to legal proceedings associated with bribery or corruption	$0
Monetary losses related to legal proceedings associated with anti-competitive behavior regulations	$0

Lobbying Expenditure	2025
Expenses Related to Lobbying Activities	$320,000



EMISSIONS

2025 Emissions by Scope (metric tons CO2e)

Scope	Market-based[2]	Location-based
Scope 1[1]	124,017	124,017
Scope 2	49,511	52,439
Total (Scope 1 and 2)	**173,528**	**176,456**

[1] Scope 1 emissions include stationary and mobile combustion and fugitive refrigerant emissions.

[2] Market-based Scope 2 emissions reflect the application of renewable energy certificates (RECs) covering 16,660 MWh of electricity purchased under our Texas renewable electricity contract.

Reporting Boundary

This disclosure covers Lennox International Inc. and its consolidated subsidiaries for fiscal year 2025 (January 1–December 31, 2025). Data does not include our Duro Dyne and SUPCO businesses, which were acquired at the end of 2025 and will be incorporated into future reporting.

Assurance

Scope 1 and Scope 2 emissions were subject to limited assurance by Stantec Consulting Ltd. in accordance with ISO 14064-3:2019.

Methodology

Lennox's GHG inventory is prepared in accordance with the principles and guidance of the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol).

Lennox establishes its organizational boundary using the **operational control approach** outlined in the GHG Protocol. Under this approach, Scope 1 and Scope 2 emissions are reported from operations over which Lennox has the authority to introduce and implement operating policies, regardless of ownership. This approach reflects Lennox's ability to manage operational activities and influence decisions affecting GHG emissions.

Emission Factors & Global Warming Potential

Emission factors are sourced from the U.S. Environmental Protection Agency (EPA), including its Greenhouse Gas Reporting Program (GHGRP), the International Energy Agency (IEA), the UK Department for Environment, Food & Rural Affairs (DEFRA), and Environment and Climate Change Canada (ECCC). Where available, utility-specific emission factors are used to support market-based Scope 2 calculations. Global warming potentials (GWPs) are sourced from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

ABOUT THIS REPORT

This report references the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD) reporting frameworks. For any questions related to this report please contact: investor@lennox.com
The reporting boundary for the quantitative metrics and qualitative information was drawn from available data covering the 2025 calendar year and partial year data from the 2024 calendar year.

This report contains forward-looking statements within the meaning of the federal securities laws. You can identify these statements by our use of the words “assumes,” “believes,” “estimates,” “expects,” “guidance,” “intends,” “plans,” “projects” and similar expressions that do not relate to historical matters. You should exercise caution in interpreting and relying on forward-looking statements because they involve known and unknown risks, uncertainties, and other factors that are, in some cases, beyond our control and could materially affect actual results, performance, or achievements. We do not undertake a duty to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. The data and information herein are as of December 31, 2025, unless otherwise indicated. Stakeholders are urged to closely consider the disclosures and risk factors in our most recent Annual Report on Form 10-K and other reports on file with the Securities and Exchange Commission, available at www.lennox.com

As used in this report, the terms “material”, “materiality”, “immaterial”, “substantive”, “significant”, and other similar terminology are not used, or intended to be construed, as they have been defined by or construed in accordance with the securities laws or any other laws of the United States or any other jurisdiction or are they are used in the context of financial statements and financial reporting.

The data presented in this report is collected using accepted and relevant scientific and industry accepted methodologies, which in some instances, are based on assumptions and estimates. Although our data has been internally vetted, there are inherent uncertainties and limitations in the collection and presentation of our data. For example, certain information in this report regarding our progress against our sustainability goals is estimated and comes from third-party sources and operations outside of our control. While we believe such information is reasonably accurate and is based on generally accepted principles and methodology, the collection of this data is beyond our direct influence. In addition, the achievement of certain of our sustainability goals and targets that are discussed in this report are dependent on the actions of our partners, suppliers and other third parties, all of which are outside of our control.

Historical performance data may be revised due to reasons such as new data availability; industry-driven changes to methodologies; improvement in data collection and measuring systems; or activities such as joint ventures, mergers and acquisitions or divestitures. In cases where historical information is revised, we will footnote the change with a clear explanation. Statements about future developments and past occurrences are based on information and assumptions available as of the date of publication. While we are committed to providing timely updates, Lennox holds no obligation to update information or statements.

