# Environmental, Social and Governance (ESG)

Our eight values are at the very heart of Allegion and the way we run our business. These values are an important guide for our ESG efforts and approach.



Allegion has mobilized a cross-functional ESG Council to support our ongoing commitment to environmental, social and corporate governance matters



## What is ESG?

**Environmental** How Allegion performs as a steward of nature



Climate change Energy efficiency Waste & hazardous materials Sourcing Water management



Health & safety

Human capital Equity, inclusion & diversity

Community engagement

Supply chain management

#### Social

How Allegion manages relationships with employees, suppliers, customers and the communities where we operate

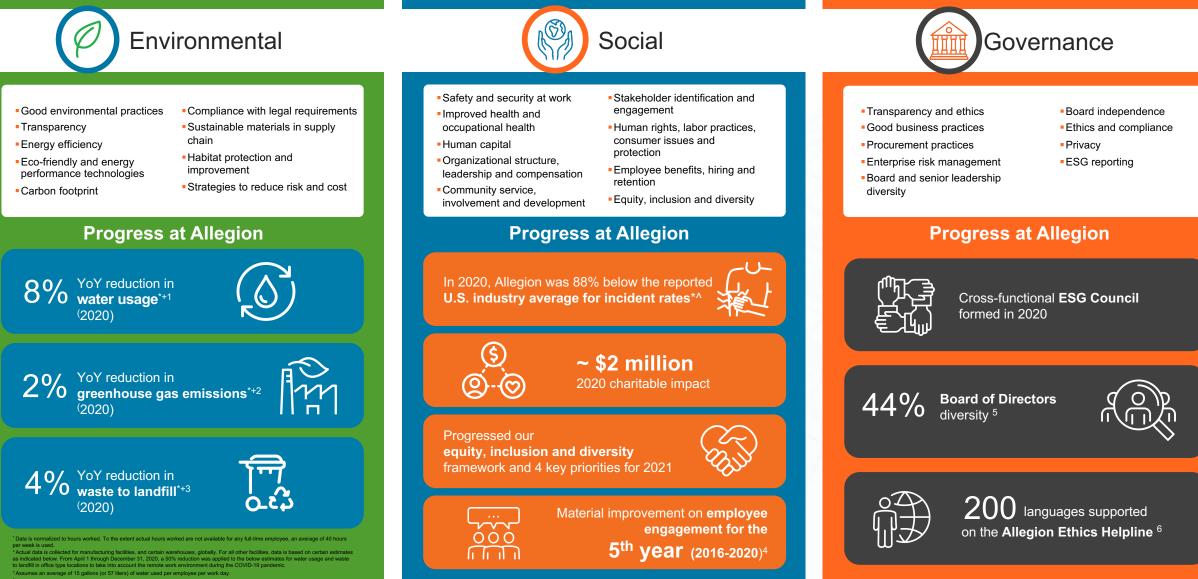
Corporate governance Ethics & compliance Enterprise risk management Anti-corruption

#### Governance

How Allegion is governed, our policies and processes



### **Examples of ESG factors**



<sup>2</sup>Assumes an average of 2000 BTU of gas usage and 0.6 KwH of electricity usage per square footage per month for warehouse locations and 2700 BTU of gas usage and 1.5 KwH of electricity usage per square footage per month for office type locations. <sup>3</sup>Assumes an average of 40 lise (18 kloprams) of non-hozardous waste per employee per month.

\*Based on the latest available (2019) U.S. average for our general industry (NAICS 332), as reported by the U.S. Bureau of Labor Statistics compared to Allegion's 2020 results.

<sup>5</sup> Across gender, racial and ethnic diversity; current as of October 2021.
<sup>6</sup> Accessible to all employees and any external party, including shareholders, suppliers, customers and the general public