



2025 ADT

California SB 261 Climate-Related Financial Risk Report

Introduction

The Task Force on Climate-related Financial Disclosures (the “TCFD”) has developed a voluntary climate-related financial risk disclosure framework for companies to provide information to investors, lenders, insurers, and other stakeholders.

ADT Inc. (the “Company”, “ADT” or we) prepared this report to satisfy the requirements of California Senate Bill (SB) 261 (codified in California Health and Safety Code § 38533). In developing this report, we applied the Final Report of Recommendations of the TCFD (June 2017) (“TCFD Recommendations”) and the California Air Resources Board’s Climate Related Financial Risk Disclosures: Checklist (last updated November 17, 2025).

Disclosure with respect to each of the “core recommendations” of the TCFD Recommendations is included in this report. ADT intends to continue to evaluate its approach to managing climate-related risks and opportunities on an ongoing basis, including whether to initiate any new disclosures or practices.

Management is responsible for the completeness, accuracy, and validity of the responses and metrics included in this report. Our Sustainability Compliance & Controls team has developed processes over the collection, verification, and reporting of climate-related information.

Additionally, we engaged SGS United Kingdom Ltd. (“SGS”) to conduct an independent assurance review that provides limited assurance on certain metrics included in this report. The SGS Assurance Statement is included in the 2024 ADT Corporate Impact Report (2024 Impact Report), which can be found at [ADT Investor Relations - Sustainability](#).

For more information please contact:

Investor Relations

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Important Information about this Report

ADT has made statements in this report that may constitute “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and are made in reliance on the safe harbor protections provided thereunder. We caution you that all statements contained in this report that are not clearly historical in nature, including, among other things, statements regarding ADT’s climate-related risks and opportunities, are forward-looking statements. Because forward-looking statements relate to the future, they are subject to inherent risks, uncertainties, assumptions, and changes in circumstances that are difficult to predict and many of which are outside of our control. If the risks materialize, assumptions prove incorrect, or we experience unexpected changes in circumstances, actual results could differ materially from the results implied by these forward-looking statements, and therefore you should not rely on any forward-looking statements. Risks include, but are not limited to, the risks described in ADT’s Annual Report on Form 10-K for the year ended December 31, 2024 and other filings with the Securities and Exchange Commission (the “SEC”), including the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained therein. Any forward-looking statement represents our estimates and assumptions only as of the date of this report and, except as required by law, ADT undertakes no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events, or otherwise after the date of this report.

This report contains references to documents we have filed with the SEC. Such references are for informational purposes only. The content of this report is not a part of, and is not incorporated by reference into, any document that we have filed, or may file, with the SEC.

The standards of measurement and performance contained in this report are developing and may be based on assumptions, estimates or information collected on a delayed or incomplete basis.

The term “material” as used in this report is intended only to reflect the content of the TCFD Recommendations. The use of such term, and inclusion of information, in this report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities or for any other purpose under U.S. federal securities law.

GOVERNANCE

Disclose the organization's governance around climate-related risks and opportunities.

DISCLOSURE	RESPONSES AND REFERENCES
<p>Board Oversight</p> <p>Describe the board's oversight of climate-related risks and opportunities.</p>	<p>Our Board of Directors (the “Board”) has delegated oversight of sustainability (including climate-related) matters to its Audit Committee, a committee that comprises only independent directors. The Audit Committee is responsible for oversight of the Company’s sustainability strategy, policies, and public disclosures. Additionally, the Board, through the Audit Committee, takes an active role in oversight of ADT’s Enterprise Risk Management (“ERM”) program, which incorporates climate-related risks. The Board’s evaluation of the ERM program is an ongoing process, with a comprehensive review conducted on an annual basis followed by quarterly updates as necessary or appropriate.</p> <p>For more information visit:</p> <ul style="list-style-type: none"> • 2024 Impact Report, Demonstrating Responsible Governance p. 10 • 2025 Proxy Statement, Corporate Governance – Board of Directors Leadership Structure and Board’s Role in Risk Oversight and Audit Committee pp. 11-14
<p>Management’s Role</p> <p>Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<p>The ERM Council, which comprises senior leaders from across the Company, oversees our risk management process. It evaluates risks, monitors the progress of mitigation plans, and provides guidance and recommendations to assist the Executive Leadership Team. Management has developed a comprehensive ERM program based on the 2017 COSO ERM Framework. As part of this framework, management solicits the views and expertise of senior executives from across the Company, conducts external research on industry and general trends, and utilizes third-party risk consulting services. We incorporate climate-related risks into our broader ERM framework in order for them to be considered alongside other strategic and operational risks. The Company’s Vice President of Risk, Governance, and Internal Audit provides a comprehensive review of ADT’s ERM program, including a review of the Company’s Risk Register, Risk Appetite Statement, and the Company’s plans to mitigate its top priority risks, to the Audit Committee on an annual basis.</p> <p>For more information visit:</p> <ul style="list-style-type: none"> • 2024 Impact Report, Risk Management p. 15 • 2025 Proxy Statement, Corporate Governance – Board of Directors Leadership Structure and Board’s Role in Risk Oversight and Audit Committee pp. 11-14

STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material.

DISCLOSURE

RESPONSES AND REFERENCES

Risks and Opportunities

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

As part of our ERM program, we consider climate-related risks over the short and medium term. This includes physical risks, related to the physical impacts of climate change, and transition risks, related to the transition to a lower-carbon economy. The actual impacts of climate-related risks on ADT have been minimal, but potential exists for material impacts. As used in this report, “short-term” refers to 1-2 years and “medium-term” refers to 3-5 years. Long term climate-related risks are under consideration for evaluation, as we continue to establish our sustainability related initiatives and reporting.

Physical risks, including extreme weather events (such as hurricanes, floods, or wildfires) and longer-term climate shifts (such as higher temperatures, sea level rise, or drought), could directly or indirectly adversely affect ADT's business operations, our customers, or key third party manufacturers and suppliers. ADT has identified the following physical risks.

Risk	Description	Time horizon
Extreme Weather Events - Business Disruption	Risk of a disruption in our ability to provide security monitoring services or otherwise provide ongoing services to our customers as a result of physical impacts from extreme weather events.	Short-term Medium-term
Extreme Weather Events - Customer Attrition	Risk of a loss of customers due to damage to infrastructure or financial hardships as a result of physical impacts from extreme weather events.	Short-term Medium-term

Transition risks, including reputation impacts (such as shifts in customer preferences and increased stakeholder concern) and enhanced climate-related reporting obligations, could also have a negative effect on the Company. ADT has identified the following transition risk.

Risk	Description	Time horizon
Sustainability Adoption & Reporting	Risk of failing to maintain our sustainability program and report on sustainability matters in a manner consistent with stakeholder expectations and in compliance with evolving legal and regulatory requirements.	Short-term Medium-term

We strive to identify climate-related opportunities and invest in programs that benefit both ADT's sustainability profile and its financial position. This includes programs that align with improving our carbon footprint, such as the Remote Assistance Program, transition to E-commerce, fleet vehicle modernization, real estate rationalization, and facilities efficiencies including renewable energy. We also focus on product innovation opportunities to capitalize on increased customer demand for energy efficient smart home technology and monitoring.

For more information visit:

- [2024 Impact Report](#), Our Focus on Innovation p. 6, Risk Management p. 15, Advancing Environmental Stewardship pp. 35-41
- [2024 Form 10-K](#), Item 1A. Risk Factors pp. 26-27, 35-36, 44

Impact on Organization

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

ADT has identified the following potential impacts of its climate-related risks. During 2024, and the nine months ended September 30, 2025, we did not experience any material losses related to climate-related risks, including as a result of extreme weather events.

Risk	Impacts
Extreme Weather Events - Business Disruption	If we experience disruptions as a result of physical impacts from extreme weather events, we may experience customer dissatisfaction and loss of confidence, and liabilities to customers or other third parties, each of which could harm our reputation and impact future revenues and costs. We could also be subject to claims or litigation with respect to losses caused by such disruptions. Our insurance may not be sufficient to fully cover our losses or may not cover a particular event at all. Such events may also contribute to higher insurance costs and/or reduced coverage.
Extreme Weather Events - Customer Attrition	If customers experience physical impacts or financial hardships from extreme weather events, we may experience customer attrition, which could impact future revenues.
Sustainability Adoption & Reporting	As we continue to establish our sustainability related initiatives and reporting, we could incur increased compliance costs, and if we fail to meet stakeholder expectations and regulatory compliance requirements, we may not be viewed as an attractive investment, service provider, workplace, or business and we may be exposed to potential liability or litigation, which could impact shareholder value.

ADT also considers the interconnected benefits of climate-related opportunities in our business, strategy, and financial planning. We continue to invest in programs that provide environmental and financial benefits and position ADT as a more attractive employer and investment. Examples of such climate-related opportunities include:

Opportunity	Impacts
Operations – Sales, Service & Fleet	<p>Sales and service programs are reducing vehicle trips and enabling fleet reductions, while vehicle modernization is improving fuel efficiency, decreasing costs and greenhouse gas (“GHG”) emissions.</p> <ul style="list-style-type: none"> Remote Assistance Program – a scalable, cost-effective solution that generates high customer satisfaction through faster, more flexible support, while eliminating the need to physically send a technician to a customer’s residence for a service call, thereby reducing the fleet size and GHG emissions Sales – transition to Self-Setup DIY, telephone sales, and E-Commerce, which avoids vehicle trips and related fuel consumption Fleet – reduce and modernize with hybrid and newer vehicle models having greater fuel efficiency
Real Estate & Facilities	We have continued to rationalize our real estate portfolio, improved operational efficiency in our facilities, including through smart upgrades in lighting systems, air handling and data center operations, and expanded our utilization of renewable energy, with reduced costs and GHG emissions.
Product Innovation – Energy Efficient Smart Home Technology and Monitoring	Product innovation opportunities may increase revenues. ADT expects to leverage our ADT+ smart home platform to offer bundled services that provide greater customer choice and flexibility, bringing together smart home security and energy management. As smart home and smart energy adoption increase, people will be more aware of their carbon footprint and more focused on energy efficiency.

For more information visit:

- [2024 Impact Report](#), Our Focus on Innovation p. 6, Risk Management p. 15, Advancing Environmental Stewardship pp. 35-41
- [2024 Form 10-K](#), Item 1A. Risk Factors pp. 26-27, 35-36, 44

Resilience of Strategy

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

ADT's go-to-market strategies are resilient to a transition to a low-carbon economy. ADT is dedicated to minimizing our environmental impact by promoting environmental stewardship across our operations. We continue to implement strategies that reduce our carbon footprint, which have been positively received by investors and employees. Different climate-related scenarios, including a 2°C or lower scenario, are under consideration for evaluation, as we continue to establish our sustainability-related initiatives and reporting.

ADT has developed the following adaption and mitigation strategies for its climate-related risks:

Risk	Strategies
Extreme Weather Events - Business Disruption	<p>ADT has business continuity and disaster recovery plans designed to ensure operational contingency of business operations, employee safety, customer services, product availability, and brand protection.</p> <ul style="list-style-type: none">▪ Business Continuity – We maintain a Business Continuity Management Office (BCMO) that collaborates with key functional partners to develop Business Interruption Plans for our business-critical functions and considers key loss scenarios for loss of facilities, personnel, vendor services, and technology. Also, bespoke physical climate scenario analysis is performed to prepare leaders and employees for extreme weather events, with a focus on hurricane preparedness.▪ Disaster Recovery – We perform disaster recovery exercises and testing annually to allow us to maintain and quickly resume mission-critical functions following a disaster. <p>Key aspects include critical event management, maintaining fully redundant security monitoring centers, cloud-based systems, and backup data centers for critical systems.</p>
Extreme Weather Events - Customer Attrition	<p>Response plans include sending technicians to restore service where possible. Additionally, we consider monitoring service fee credits for customers who lost service because of extreme weather events.</p>
Sustainability Adoption & Reporting	<p>Since 2021, we have published an annual corporate Impact Report, including a Sustainable Accounting Standards Board ("SASB") Index, to our website to provide an annual update to our stakeholders on our sustainability progress. We have also completed the annual CDP Corporate Questionnaire since 2022. We continue to monitor developments regarding environmental protection laws to minimize risk and ensure compliance with current and emerging sustainability disclosure requirements.</p>

ADT has developed the following strategies for its climate-related opportunities:

Opportunity	Strategies
Operations – Sales, Service & Fleet	<p>Our Remote Assistance Program brings faster, more flexible support straight to customers, enabling them to get the help they need, when they need it. It continues to significantly reduce our environmental impact, through reduced fleet vehicle fuel consumption and related Scope 1 emissions.</p>
Real Estate & Facilities	<p>We are continuing to rationalize our real estate portfolio, focus on efficiency improvements across all our facilities, and assess the utilization of renewable energy.</p>
Product Innovation – Energy Efficient Smart Home Technology and Monitoring	<p>With the rollout of our ADT+ service nationwide and the launch of new innovations like Trusted Neighbor™, we truly ensure our customers know that when every second counts, they can count on ADT. We continue to enhance our smart security and home access offerings through pilot programs that explore new ways to detect and prevent security issues.</p>

For more information visit:

- [2024 Impact Report](#), Our Focus on Innovation p. 6, Sustainability Reporting & Compliance p. 16, Advancing Environmental Stewardship pp. 35-41

RISK MANAGEMENT

Disclose how the organization identifies, assesses, and manages climate-related risks.

DISCLOSURE	RESPONSES AND REFERENCES
<p>Risk ID and Assessment Processes</p> <p>Describe the organization's processes for identifying and assessing climate-related risks.</p>	<p>Our risk management process is designed to identify, evaluate, and address potential risk exposures across the organization, enabling us to effectively pursue our business objectives. We incorporate climate-related risks into our broader ERM framework in order for them to be considered alongside other strategic and operational risks.</p> <p>Our process for uncovering risks and opportunities (including climate-related) is broad and includes:</p> <ul style="list-style-type: none"> ▪ Interviews with executive leadership and senior management. ▪ Ongoing monitoring of macroeconomic, political, and market trends. ▪ Analysis of regulatory developments. ▪ External research and consultation with subject matter experts. <p>Using the 2017 COSO ERM Framework, we assess risks based on their potential financial and reputational impact, likelihood of occurrence, and speed of onset. This approach is applied across all stages of our value chain, including evaluating climate-related dependencies and impacts that could significantly affect our strategy or financial performance. Prioritized risks and corresponding mitigation plans are reviewed by the ERM Council, shared with the Audit Committee, and reported to the Board.</p> <p>For more information visit:</p> <ul style="list-style-type: none"> • 2024 Impact Report, Risk Management p. 15
<p>Risk Management Processes</p> <p>Describe the organization's processes for managing climate-related risks.</p>	<p>The ERM Council, which comprises senior leaders from across the Company, oversees our risk management process. It evaluates risks, monitors the progress of mitigation plans, and provides guidance and recommendations to assist the Executive Leadership Team. The Company's Vice President of Risk, Governance, and Internal Audit leads the corporate Risk and Sustainability Reporting Compliance teams to assess and manage climate-related risks, opportunities, and reporting processes. A comprehensive review of ADT's ERM program, including a review of the Company's Risk Register, Risk Appetite Statement, and the Company's plans to mitigate its top priority risks, is prepared by the Vice President of Risk, Governance, and Internal Audit and provided to the Audit Committee on an annual basis.</p> <p>Additionally, operations teams, including sales, service fleet, real estate, facilities, and Environmental Health & Safety, manage the implementation and operation of programs that address climate-related risk and opportunities.</p> <p>For more information visit:</p> <ul style="list-style-type: none"> • 2024 Impact Report, Risk Management p. 15 • 2025 Proxy Statement, Corporate Governance – Board of Directors Leadership Structure and Board's Role in Risk Oversight and Audit Committee pp. 11-14

**Integration into
Overall Risk
Management**

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

We incorporate climate-related risks into our broader ERM framework in order for them to be considered alongside other strategic and operational risks. See response to Risk ID and Assessment Processes above.

For more information visit:

- [2024 Impact Report](#), Risk Management p. 15

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

DISCLOSURE	RESPONSES AND REFERENCES																																																												
<p>Climate-Related Metrics</p> <p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>ADT publishes annual climate-related metrics regarding GHG emissions, energy, waste, and water. Although included below, hazardous waste and water consumption are not material.</p> <table><tr><th>Metrics</th><th>Unit</th><th>2022 ^(a)</th><th>2023 ^(b)</th><th>2024 ^(b)</th></tr><tr><td colspan="5">Energy Consumption</td></tr><tr><td>Total energy consumed</td><td>MWh</td><td>381,946</td><td>260,716</td><td>207,655</td></tr><tr><td>Total energy - grid electricity</td><td>%</td><td>10</td><td>14</td><td>15</td></tr><tr><td>Total energy - renewable</td><td>%</td><td>0</td><td>0.1</td><td>4</td></tr><tr><td colspan="5">Waste Generation</td></tr><tr><td>Non-hazardous waste to landfill</td><td>MT</td><td>3,621</td><td>6,937</td><td>4,167</td></tr><tr><td>Non-hazardous waste recycled/reused</td><td>MT</td><td>3,435</td><td>2,695</td><td>2,994</td></tr><tr><td>Hazardous waste</td><td>MT</td><td>0</td><td>1</td><td>1</td></tr><tr><td colspan="5">Water Consumption</td></tr><tr><td>Total water consumption</td><td>m³</td><td>192,616</td><td>262,687</td><td>322,299</td></tr><tr><td>Total water consumption in regions with high or extremely high baseline water stress</td><td>%</td><td>7.8</td><td>8.4</td><td>9.0</td></tr></table> <p>(a) Base year 2022 recalculated due to divestiture of Commercial segment on October 2, 2023.</p> <p>(b) Limited assurance obtained. SGS Assurance Statement is included in the 2024 Impact Report and the 2023 ESG Report, respectively.</p> <p>For more information visit:</p> <ul style="list-style-type: none">• 2024 Impact Report, Environmental Management Overview p. 38 and 2024 SASB Index pp. 49-50• 2023 ESG Report, Environmental Management Overview p. 37 and 2023 SASB Index pp. 51-52	Metrics	Unit	2022 ^(a)	2023 ^(b)	2024 ^(b)	Energy Consumption					Total energy consumed	MWh	381,946	260,716	207,655	Total energy - grid electricity	%	10	14	15	Total energy - renewable	%	0	0.1	4	Waste Generation					Non-hazardous waste to landfill	MT	3,621	6,937	4,167	Non-hazardous waste recycled/reused	MT	3,435	2,695	2,994	Hazardous waste	MT	0	1	1	Water Consumption					Total water consumption	m ³	192,616	262,687	322,299	Total water consumption in regions with high or extremely high baseline water stress	%	7.8	8.4	9.0
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Scope 1, 2 and 3 GHG Emissions

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

ADT publishes annual Scope 1 and Scope 2 GHG emissions in alignment with the GHG Protocol. Our primary GHG emissions sources are fuel consumption by our fleet vehicles (Scope 1) and purchased electricity (Scope 2). GHG emissions are calculated using consumption, U.S. Environmental Protection Agency GHG emission factors, and global warming potential values per the IPCC Fifth Assessment Report, 2014 (“AR5”).

ADT does not presently calculate or publish Scope 3 GHG emissions because such emissions result from the activities of third parties in ADT’s value chain that are outside of ADT’s control and cannot be reliably measured or calculated in light of the significant costs and burdens of gathering, validating, and reporting such emissions.

GHG Emissions (MT CO ₂ e)	2022 ^(a)	2023 ^(b)	2024 ^(b)
Scope 1 ^(c)	84,717	54,129	42,764
Scope 2 Location-based ^(d)	13,852	13,437	10,939
Scope 2 Market-based ^(d)	13,735	13,085	8,450

(a) Base year 2022 recalculated due to divestiture of Commercial segment on October 2, 2023.

(b) Limited assurance obtained. SGS Assurance Statement is included in the 2024 Impact Report and the 2023 ESG Report, respectively.

(c) Scope 1 direct GHG emissions source is primarily mobile combustion from vehicle fuel consumption.

(d) Scope 2 indirect GHG emissions is from purchased electricity.

For more information visit:

- [2024 Impact Report](#), Environmental Management Overview p. 38
- [2023 ESG Report](#), Environmental Management Overview p. 37

Climate-Related Targets

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

ADT is dedicated to minimizing our environmental impact and promoting environmental stewardship across our operations. We strive to improve our carbon footprint and are assessing climate-related risk to our operations on an ongoing basis as one aspect of our ERM review process as described above. While achieving these objectives is important for ADT, we do not believe that setting climate-related targets is necessary or important to achieving these objectives at this time.