



ENVIRONMENTAL, SOCIAL AND GOVERNANCE ANNUAL IMPACT REPORT 2021

## Creating a More Comfortable Tomorrow

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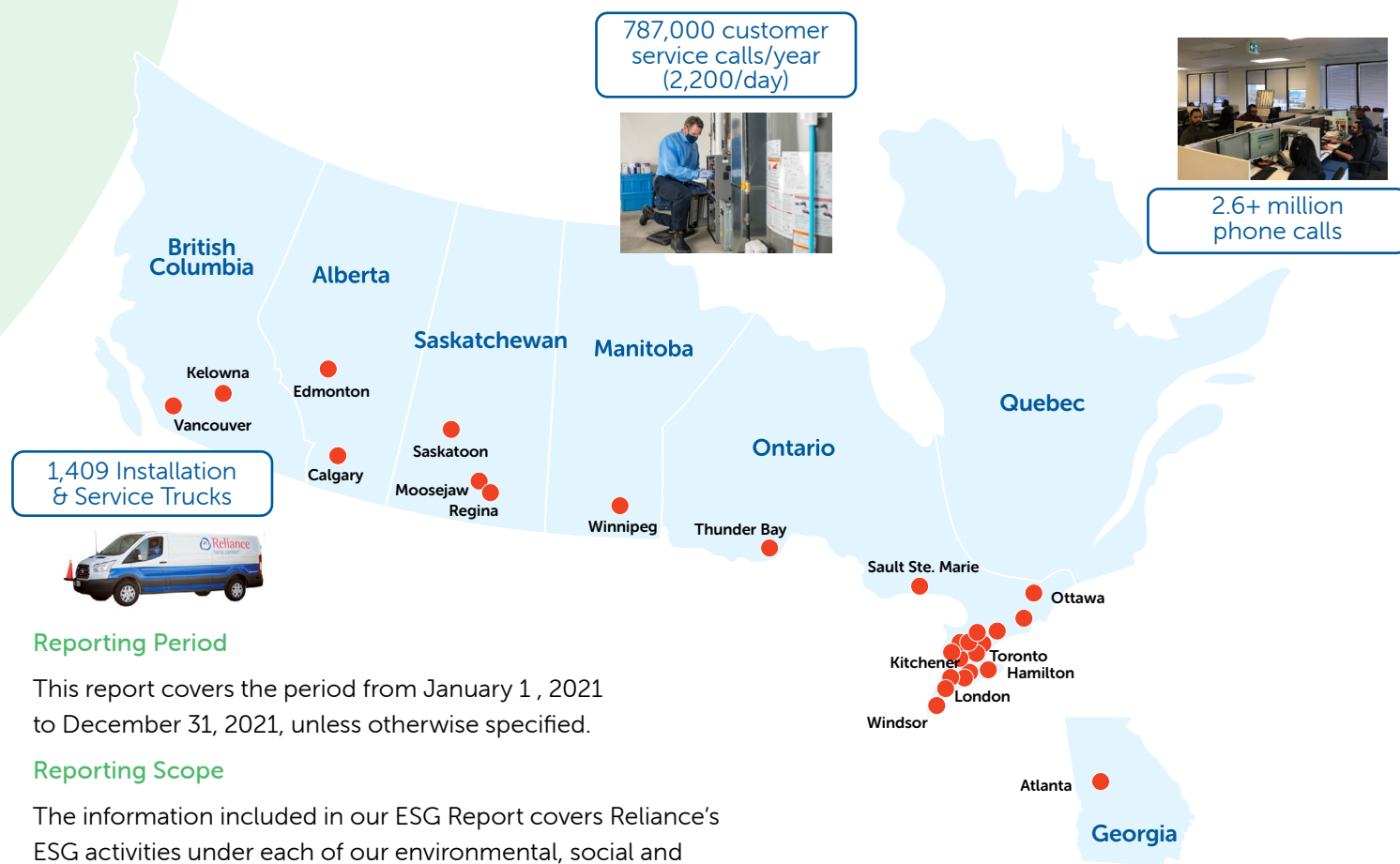
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# Our Report

This is our first official report of our Environmental, Social and Governance (ESG) disclosure journey. We are continuously looking to enhance as well as address the sustainability priorities of our organization and our stakeholders.

Reliance Comfort Limited Partnership ("Reliance") is Canada's leader in residential home services and energy-saving solutions serving over 2 million customers, across Canada and the United States. Reliance employs approximately 2,500 team members all focused on **Creating a more Comfortable Tomorrow.**



## Reporting Period

This report covers the period from January 1, 2021 to December 31, 2021, unless otherwise specified.

## Reporting Scope

The information included in our ESG Report covers Reliance's ESG activities under each of our environmental, social and governance pillars.

## Reporting on What Matters

Understanding our stakeholder views is crucial to defining a strategy that has the interests of society and the environment at heart. Our broad range of stakeholders are engaged on an ongoing basis through a variety of channels, such as social media, meetings, liaison groups, committees, roadshows, and workshops, to understand their views and to better meet their expectations. The outcomes of our ongoing stakeholder engagement have been instrumental in setting Reliance's priorities and ongoing ESG strategy development.

### Our Key Stakeholders:

- Team members and shareholders
- Customers and local communities
- Suppliers and business partners
- Investors, banks and rating agencies
- Governments and regulators
- Local communities

# President & CEO Message

I am excited and proud to share with you Reliance's first ESG report. As one of the first home services companies in Canada and the US to have an ESG program, this report is proof positive of the many steps we are taking to embed ESG and sustainability into our business.



We recognize that we have a responsibility as an industry leading home services company to continue moving the needle on sustainability, workplace safety, diversity, inclusivity and prudent governance. From day one of our 60 year history, we have felt a deep responsibility to look after the communities we serve and call home. Our shared success depends on our ability to build trust and find new ways to cast a wide social net for people in need.

Beyond operational and financial performance, we also understand that how we run our business, and that the investment decisions we make, can have either positive or negative social and environmental impacts. Looking at ourselves through a sustainability lens sharpens our ability to better serve society which in turn acts as a force that strengthens our business.

We continue to take our responsibilities seriously and we are committed to evolving and strengthening our impact for future generations. Documenting our progress through this ESG Report creates a channel to share our perspectives and a way that we can measure our progress as we help **Create a More Comfortable Tomorrow**.

Sean O'Brien  
President & CEO

## CFO Message

Our strong and vibrant culture is what sets Reliance apart from other organizations. At the heart of our culture are our 2,500 team members – it is their passion and commitment to live our values and principles each and every day that truly defines Reliance. It is this passion and commitment that will drive the success of our ESG priorities. And nowhere is this more clearly evident than when we rally around initiatives that make a difference. This includes not only looking after our customers' home and comfort needs, but also taking care of each other, our communities and our environment.

In addition to continuing our current focus on workplace health, safety and wellness, now, more than ever, we are prioritizing a culture of diversity, equality and inclusivity where our team members can be their true selves, so they can feel empowered to make a difference both within and outside our organization.

I am incredibly proud of what we have achieved since our ESG Team and ESG Blueprint were established in 2021, especially considering that a large portion of this work was done during the pandemic. This report and our new [ESG website](#) are key communication vehicles to assist us in telling our ESG story. They are designed to hold us accountable to our priorities, celebrate our progress to-date, and serve as a guide for how we can continuously embed ESG into our activities moving forward.

While Reliance has always been sustainability-minded, our formal ESG journey to **Create a More Comfortable Tomorrow** is just beginning. Welcome aboard as we work to instill and support an ESG mindset as a cornerstone of our culture.

Demi Tsioros  
Chief Financial Officer





# ESG at Reliance

Reliance has a long history of operating sustainably, acting in ways that support the needs of both our organization, team members, our customers and the communities where we live and do business. As we face an increasing range of challenges – from climate change to poverty and hunger, and calls for greater equity – we know we have an obligation to increase our focus and commitment to making a positive difference.

In 2021, we formalized our commitment to our Environmental, Social and Corporate Governance efforts by establishing a dedicated team and creating our blueprint that clearly outlines our priorities and goals.

This, our inaugural ESG report, is designed to begin telling our story – publicly stating our priorities and targets, celebrating our accomplishments to date and laying out the work ahead of us.

## Our ESG Team

Led by our Chief Financial Officer, our ESG Team is a multi-disciplinary group responsible for all of Reliance's environmental sustainability, stakeholder engagement and regulatory compliance activities. They:

- Propose objectives and targets in relation to sustainability and climate change issues
- Develop, drive and monitor the progress of all our ESG activities, targets and metrics
- Manage and address our key risks and opportunities in terms of sustainability and climate change
- Own the analysis and metrics across our business to measure and report on our ESG actions
- Lead the stakeholder engagement process
- Transparently communicate Reliance's ESG performance and progress to our Executive, Operating, Commercial and Sustainability Committee, Board, team members and stakeholders

**Demi Tsioros**  
CFO &  
ESG Executive Sponsor



**Andrey Shevel**  
Director of Health & Safety,  
Internal Audit & ESG



**Deandra Gonsalves**  
ESG Analyst



**Brayden Laurin**  
ESG Manager



**Julia Pellarin**  
ESG Analyst



# Our ESG Blueprint

At Reliance, we are committed to remaining an industry leader, *“Creating A More Comfortable Tomorrow”* for our team members, our customers and the communities where we live and work.

Our ESG Blueprint is centered around the three pillars of Environmental, Social and Governance and has been designed to guide our decisions and actions with our ESG commitments.

It reminds us of how our business activities affect environmental sustainability today AND how they impact society and the world around us. It is our framework that ensures we remain faithful to our guiding principles and corporate values.

**Proud to be Reliance • Work Safe, Be Healthy**  
**Outstanding Customer Experience • Drive to Win • Better is Better**













# SUSTAINABLE DEVELOPMENT GOALS

Reliance is committed to making a positive impact on people and our planet. In formalizing our ESG priorities, we recognized the importance of aligning our efforts with the rest of the world. Hence, our ESG priorities are aligned with the United Nations Sustainability Development Goals (SDGs). We chose the six SDGs that most closely align with our own ESG targets and where we believe we can make the most meaningful impact.

Visit [The United Nations](https://www.un.org/sustainabledevelopment/) for more information on their Sustainable Development Goals

United Nations SDG	Reliance Priorities	How Reliance Contributes
	Social: Community	Reliance contributes to better lives for people and communities through our support of the United Way and its 5,000 agency partners, Habitat for Humanity and several other organizations that address social inequality.
	Governance: Health, Safety and Wellness	Reliance reviews health and safety policies and mental health and wellness practices annually and provides mandatory safety training for team members throughout the year to ensure they Work Safe, Be Healthy.
	Social: Diversity, Equity & Inclusivity (DE&I)	Reliance has established targets and programs to increase female representation and success across the organization, including the launch of Lean In For Tomorrow (LIFT), an internal women led group that supports, inspires and empowers our female team members to achieve their full potential.
	Environment: Green Products	As part of Reliance's Green Products suite and solutions portfolio, our water purification, water filtration and treatment solutions provide affordable access to cleaner water for homeowners and businesses, reducing the need for single-use plastic water bottles.
	Social: Diversity, Equity & Inclusivity	Reliance is taking steps to ensure our workplace reflects the communities where we operate through partnerships with community organizations, establishing gender and ethnicity diversity targets, implementing DE&I training and inclusive hiring practices.
	Environment: GHG Emissions	Reliance continues to monitor our vehicle activity/fuel consumption, idling, and to retrofit our service vehicles with hybrid-electric technology to reduce emissions. Our recycling, parts harvesting, as well as carbon offsets, help our customers play an active role in reducing their carbon footprint.

# 2021 Highlights

## ENVIRONMENTAL



**10,000**

trees planted to offset internal and customer paper consumption



**10%**

reduction in fleet idling and converted 10 hybrid vehicles



**6,951 MT**

of materials recycled across our branches



**5,470**

parts harvested and diverted from landfill



**52%**

of our product adds were from green and energy efficient products

## SOCIAL



**\$865,000**

donated to United Way and its supported agencies



**\$209,000**

in equipment and services donated to Habitat for Humanity

Launched

**LIFT**

LEAN IN FOR TOMORROW

a team member-led group to support, inspire, and empower our female team members

Partnered with

PRIDE AT WORK CANADA



FIERTÉ AU TRAVAIL CANADA

**CNIB**

FOUNDATION

Black Business and Professional Association  
Entreprise noire et Association Professionnelle



**\$785,000**

spent on Personal Protective Equipment (PPE)

## GOVERNANCE



**Health & Safety Recognized**

by the Workplace Safety and Insurance Board (WSIB) for our commitment to workplace health and safety

Waterstone  
CANADA'S  
**MOST  
ADMIRE  
CORPORATE  
CULTURES**

2019 - 2021

**Acknowledged**

by Waterstone Canada as one of Canada's Most Admired Corporate Cultures



**ESG Policy**

implemented and shared with team members, new and existing suppliers



**4 of 9**

Executive Leaders are women or visible minorities



**30%**

of our workforce is comprised of ethnic representation



# Our Response to COVID 19

**COVID-19 changed the world around us over the past two years. Our response to the pandemic was critical for our 2,500 team members, our 2 million customers and all the communities we serve.**

As the scale of the pandemic became apparent, we remained steadfast to our principles, core values, and commitments as we stayed open for business. That meant rallying our organization and maintaining our team members' safety and employment, providing safe in-home experiences for our customers and team members and supporting our communities.

## Team Members, Customers and Communities

Our Executive quickly enacted our Business Continuity Plan and met daily on developing or re-working our policies and procedures to protect our team members and customers, monitoring, understanding and implementing Government (Federal/ Provincial/State), Health Canada, World Health Organization, Centers for Disease Control and Prevention guidelines, to identify and implement best practices.

During this time, our focus was on our customers feeling at ease during appointments in their homes and our team members to feel healthy and safe as they performed their work. We:

- Updated our "Right Call" customer service protocols to include customer "Call Ahead" COVID-19 pre-screening and social distancing measures
- Acquired significant Personal Protective Equipment for team members
- Worked with customers undergoing financial hardship, to make payment deferral arrangements
- Proactively maintained consistency within our supply chain through advance inventory purchases for a 2-3 month supply
- Implemented flexible work arrangements and travel restrictions
- Instituted electronic screening at all locations prior to entry
- Provided to all active front-line team members a minimum 60% of their regular hourly wages and commissioned sales representatives were guaranteed a minimum commission draw during the initial lock down (March-May 2020)
- Performed two COVID-19 team member surveys to ensure we were managing effectively and meeting expectations
- Provided frequent communications and webinars targeted to concerns such as mental health, wellness and isolation
- Implemented our Health & Safety policy regarding mandatory vaccination for all team members and contractors

## Donations During COVID-19

Reliance's commitment to supporting our communities grew even stronger during the pandemic. Since the start of COVID:

- We raised over \$1.5 million in support of United Way
- Donated 5,000 N95 Masks to hospitals that had little or no remaining supply
- Every month we donated a heating & cooling system and water heater to a first responder as nominated by their community in the United States





# ENVIRONMENTAL





# Environmental

We are committed to reducing our impact on the environment and promoting sustainable practices that are mindful of climate change, including carbon emissions and waste reductions, as well as the procurement and sale of energy-efficient products and services.

## Tree Planting

We partnered with One Tree Planted and planted 10,000 trees to offset 100% of our internal paper consumption and paper usage for customer billing.



## Recycling

We recycled 6,951 metric tonnes of materials across all our branches in 2021 and harvested 5,470 working parts off obsolete equipment prior to their disposal.



## Hybrid Electric Vehicles

In 2021 we committed to adding 10 service vehicles with XL Hybrid Systems, making our vehicles greener and more sustainable.



## Vehicle Idling

In 2021, we began tracking vehicle idling across our branches and developed idling reduction targets to help limit tailpipe emissions.



## Hazardous Waste Management

We ensure that our hazardous waste, freon and other refrigerant cylinders are properly disposed of and safely recycled by third party disposal businesses.



Moving forward, we are increasing our investment in areas that directly impact climate change, including revisiting our electric vehicle strategy to align with automotive industry availability, setting recycling and hazardous waste management objectives and working with One Tree Planted to annually plant 20,000 trees across Canada.

# Green and Energy Efficient Products

Reliance offers our customers sustainable solutions to help improve their comfort and environmental impact.

**A Tankless Water Heater** only heats water as it flows through the unit when you have a need for hot water thus can be up to 96% efficient.



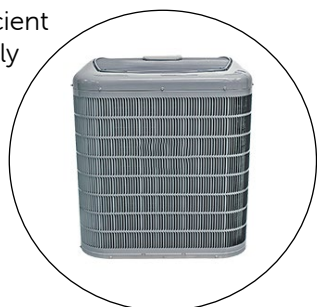
**High Efficiency Furnaces** are systems that use less gas to heat homes.



**16 SEER Air Conditioners** deliver a higher amount of cooling per watt of electricity compared to a standard unit, reducing overall energy consumption.



**Heat Pumps** are efficient because they simply transfer heat, rather than burn fuel to create it.



**Envirosense Water Heaters** provide greater heat transfer surface than a standard straight flue tube, resulting in 96% thermal efficiency and high hot water output.



**Water Purification** products create clean, fresh-tasting water right from taps, eliminating the need for plastic single-use water bottles.



Reliance has teamed up with Carbonzero to fund carbon reduction initiatives so that we can offer **Carbon Offset Credits** to our customers.





# Supplier Corner

**Barbara O'Reilly,**

Vice-President & General Manager Air & Water,  
Rheem Canada Ltd



"By improving the environmental impact and lifecycle of our products, we're meeting customer demand and supporting a brighter future for all."

**Mike Gonsalves,**

President, Carrier Enterprise Canada



"Carrier Enterprise Canada is thrilled to be working collaboratively with the Reliance team to share and develop new ways to reduce our supply chain's impact on the environment and build a greener tomorrow for our team members, our customers and our communities."

**Ron Evinou,**

Director of Sales and Operations,  
Pro Pak Environmental Inc



"Diverting waste from landfill is a top priority at Reliance. Regularly reevaluating waste and recycling practices with them is a step in the right direction to reducing their carbon footprint."

**Dale Lewgood,**

E.V.P. Sales & Business Development Canada  
Canature WaterGroup



"More than 50 billion disposable water bottles are purchased every year in North America. By offering customers high-quality, in-home drinking water systems, Reliance is helping reduce that significant plastic waste and having a positive impact on our planet's well-being."



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PARTNERS IN MISSION  
**Foodbank**



Please leave  
food donations  
in the bin.



Bring cash



# Social

We are committed to putting our people first through focus on diversity, equality and inclusivity, as well as volunteer support of charities and organizations in our communities.

## Community Involvement in Action

Reliance firmly believes in the power of relationships, teams and communities. That is why, across the country, our team members stay active in the communities where they live and work to make a difference in people's lives.



In communities across Canada and the United States, United Way and its over 5,000 supported agency partners address social issues like poverty, hunger, lack of affordable housing and domestic violence. Through Reliance's annual United Way fundraising campaign, Denim Days program, other community activities between our team members and Reliance's company matching program, we donated **\$865,000 to United Way in 2021**.



We have long been a proud partner with Habitat for Humanity. Reliance is in the business of helping customers make their home comfortable all year round, so we understand first-hand how important Habitat for Humanity's work is. In 2021, with the help of our manufacturer partners, we donated **\$209,000** worth of equipment and installation hours to local Habitat for Humanity builds.



## Other Community Support





# Strength in Diversity, Equity & Inclusion

**Reliance is committed to fostering a diverse, equitable and inclusive (DE&I) organization that mirrors the communities in which we operate. Through dialogue, education and thoughtful leadership, we are building a safer, more inclusive workspace for all.**

At the end of 2021 we achieved the following DE&I team member measures:

- 20% identify as an under-represented group
- 20% female representation
- 30% ethnically diverse representation

## Lean In For Tomorrow (LIFT)

A major initiative in our journey to build an even more diverse and inclusive workforce, was the launch of Lean In For Tomorrow (LIFT), an internal group to **support, empower and inspire women** to achieve their full potential.

Activities have included mentorship sessions, establishing an HVAC Scholarship Program for a female student in Atlanta, creating a dedicated LinkedIn group to increase awareness through social media and partnering with Build A Dream and Dress for Success.



## Embracing an Inclusive Culture

As we work to pave the way to diverse cross-level representation, we recognize key observance dates throughout the year, such as **National Day of Truth and Reconciliation** and Pride Month.

We also partnered with and invested in a number of organizations including:



- **Pride at Work Canada** to recognize the skills of the LGBTQ2+ workforce
- **Black Business and Professional Association** to explore opportunities to work with young professionals from communities that face systemic disadvantages



We continue to support the **Canadian National Institute for the Blind's (CNIB) Phone It Forward** initiative. This program helps CNIB participants experience the independence and accessibility that a modern, refurbished smartphone has to offer, including reading prescription labels, recognizing the faces of loved ones and helping with travel. Reliance proudly donated 83 used mobile devices to people with sight impairment.

## Inclusive Hiring Practices

Key to our DE&I efforts is ensuring we are using an inclusive lens in all our recruitment efforts. We are in the process of evaluating all steps of this process, from job postings, to interviews, to marketing our team member experience. In addition, our extended leadership team have all taken our new **Unconscious Bias Awareness course**. This training will be rolled out organization-wide in 2022.





# GOVERNANCE





# Governance

We are committed to conducting our business in an open, equitable, ethical, accountable and transparent manner, protecting our data privacy and security and working with partners who are also guided by this commitment, along with instilling Health & Safety into everything we do.

## Workplace Health and Safety

Workplace health and safety is an issue Reliance takes extremely seriously — for our team members and contractors as well as for our customers. Our guiding principle of Work Safe, Be Healthy, affirms our ongoing commitment and we continue to evaluate, invest in and improve our safety protocols through a variety of new tools, training and initiatives that touch on every Reliance activity, product and service. Our commitment to workplace health and safety continued to pay dividends in 2021:

- **Preventable motor vehicle accidents** involving Reliance team members **declined by 59%**
- Our hazard assessment tool contributed to a **73% decrease in injuries** related to lack of hazard awareness
- Over **5,200 manager field audits** were completed to ensure safe workspaces across all our branches
- We saw a **72% reduction** in strain and sprain-related incidents — in part, thanks to introducing in-person and virtual training sessions for team members
- Our Health and Safety Team **trained more than 60 team members** in **emergency first aid**

Health and Safety  
Excellence program  
**Member**  
**2021**  
wsib  
ONTARIO

## Annual Health & Safety Days

We are proud to be **recognized by the Workplace Safety and Insurance Board (WSIB)** for our dedication to workplace health and safety — and we are particularly focused on reducing our team members' injury frequency and motor vehicle accidents.

Reliance had **three** company-wide **Health & Safety days** in 2021. These engaging days ignite meaningful conversation around work safety, wellness and health, safe driving practices, and seasonal hazards.



## Workplace Culture and Awards

Reliance's culture journey has been a top priority for over a decade, and we continue to invest in creating a diverse, inclusive environment that motivates commitment. We are proud of the external recognition that our exceptional workplace culture has received.



Specifically, **Reliance has been recognized** by Waterstone Human Capital as one of **Canada's Most Admired Corporate Cultures** in the Enterprise category. This national program annually recognizes best-in-class organizations for having cultures that support team members, help them enhance business performance and sustain a competitive advantage.

In addition, in 2021, **Reliance's Customer Contact Team** was presented with the **"Rising Above" Team Award** by the Greater Toronto Contact Centre Association, recognizing the priority we place on customer care, including during the pandemic, as well as the **Giving Back Award** for meaningful contribution to the communities where we work and live.



The Peterborough and the Kawarthas Home Builders' Association Housing Design Awards recognized **Reliance's Builder Team** with the **2020 Supplier of the Year Award** for excellence in design and quality of construction in the new home and renovation industry. The award shines a bright light on the team's commitment to supporting channel partners and delivering product quality, reliability, and top-tier customer relations.

## Prioritizing Team Member Well-Being

Supporting our team members mental health is a priority in our organization. To this end, we have branded our support within our organization as **"Comfort in Wellness"** and we have partnered with LifeWorks to simplify the complexity in supporting the mental, financial, physical, and social well-being of our people. We offer modern and mobile programs to team members for personalized support, inside and outside the office, along with weekly wellness tips from our **Wellness Team**.





## Metrics, Audits & Reporting

A significant portion of our ESG Team's efforts are dedicated to ensuring Reliance operates within our principles and ethics. This ongoing work includes setting targets, tracking, measuring progress and communicating progress to a wide range of stakeholders. Evidence of these efforts include:

- Policy development and risk mitigation
- Creating, aligning and measuring ESG metrics with Global Reporting Initiative (GRI) standards
- Developing and monitoring Reliance's waste management program
- Completing 12-15 independent audits/year through our internal audit infrastructure
- Regularly updating the Executive Team and Board
- Creating Reliance's first-ever ESG Report and dedicated ESG website
- Setting and tracking DE&I workforce measures for women, minorities and under-represented communities

## Governance

### Reliance Day-to-Day:



Joint Health & Safety



Corporate Culture



Internal Audit



Cyber Security



Enterprise Risk Management

### Reliance Policies:



ESG



Health & Safety



Whistleblower



Right to Disconnect



IT Policy



Social Media Policy



Accessibility (AODA)

Code of Ethics & Business Conduct

Workplace Violence & Harassment

DE&I Policy

Information Security

# Moving Boldly Forward

Our overarching ambition is to do everything we can in the areas where we are best equipped to truly effect positive change – in the short term, as well as for generations to come. We are committed to taking bold actions to reduce our impact on the environment, to support strong communities and to create a world that embraces and celebrates diversity, equity and inclusivity.

Our ESG efforts will always be a work-in-progress as we evolve to meet the ever-changing needs of our organization and the world we live in. As a first step, we have established a number of ambitious but important targets that will guide our ESG efforts over the next 2-3 years.



30%



Increase our revenue from green and energy-efficient products to 30%

70%



Increase our recycling ratio to 70%



35%



Increase our ethnic representation in our workplace to 35%

10%



Increase our community involvement and social giving donations by 10% annually



10%



Reduce our injuries and preventable motor vehicle accidents by 10% annually





### Connect with Us

Your feedback is a key element of our reporting process. It helps us to address the issues that matter most to our stakeholders.

Ongoing updates on our ESG efforts can be found on our dedicated [website](#) or contact

**Brayden Laurin**

**ESG Manager,**

**[blaurin@reliancecomfort.com](mailto:blaurin@reliancecomfort.com)**

