

2020 SUSTAINABLE ACCOUNTING STANDARDS BOARD (SASB) INDEX REPORT



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ADT Inc. (the “Company”) places a strong focus on our environmental impact, social responsibility, and corporate governance. In furtherance of our ESG goals, ADT is aligning its reporting to the Sustainable Accounting Standards Board (“SASB”) voluntary framework. The tables below reflect ADT’s first year reporting metrics in accordance with the SASB “Professional & Commercial Services” and “Software & IT Services” standards. Unless otherwise specified, the data provided represents the metrics for the 2020 year.

This report has not been externally assured. We have internal control processes in place to manage the collection, verification and reporting of information and we worked with an outside advisor in the process for defining the report content, including engaging stakeholders to review the reasonableness and materiality of all metrics reported. We are considering implementing an external assurance process in the future.

The data included in these tables may differ from other disclosures in order to conform to the SASB reporting requirements.

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PROFESSIONAL & COMMERCIAL SERVICES STANDARD

Topic	Accounting Metric	Category	Unit of Measure	Code
Data Security	Description of approach to identifying and addressing data security risks	Qualitative	N/A	SV-PS-230a.1
	<p>ADT's Response: Our Chief Information Security Officer, who reports to our CIO & EVP Field Operations, is responsible for maintaining and supervising our data security programs. ADT is committed to protecting the data we collect and maintain on behalf of our customers. Our data security program is based on: centralized coordination; administrative, technical, and procedural safeguards; risk assessment and management; monitoring, testing and reporting; and clear training and awareness. The Board receives enterprise risk management reports at their regularly scheduled meetings. ADT tracks all of our risk assessments and reporting activities.</p>			
	Description of policies and practices relating to collection, usage, and retention of customer information	Qualitative	N/A	SV-PS-230a.2
	<p>ADT's Response: ADT's information security policies include: Risk Management Policy; IT Security Acceptable Use Policy; ADT Code of Conduct; Protecting Personal Identifiable Information (PII) Policy; Personal Data Protection and Privacy Policy; Addendum A to ADT Interim Remote Work Policy; ADT Asset Protection Policy; ADT IT Security Standards; ADT Records Management Policy; ADT Contact Center Remote Work Policy; and ADT Social Media Policy.</p>			

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>We reinforce these polices through regular trainings for the relevant employees, as well as annual security awareness training for all ADT team members. ADT maintains automated cybersecurity monitors in addition to a round-the-clock team of certified security operations professionals to detect potential malicious activity.</p>			
	<p>(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected</p>	<p>Quantitative</p>	<p>Number, Percentage (%)</p>	<p>SV-PS-230a.3</p>
	<p>ADT's Response: ADT strives to maintain and continually improve its data security programs. In accordance with ADT's data security and privacy policies, ADT investigates any suspected unauthorized access to personal data and other protected information, and takes appropriate action to remediate any issues, notify impacted parties, or otherwise as deemed necessary, particularly where such circumstances would be considered a data breach.</p> <p>Data breaches that may result in a material adverse effect on ADT's financial position or the business would be disclosed in our public filings with the Securities and Exchange Commission.</p>			
<p>Workforce Diversity & Engagement</p>	<p>Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees</p>	<p>Quantitative</p>	<p>Percentage (%)</p>	<p>SV-PS-330a.1</p>

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response: ADT is committed to diversity and inclusion and strives to create a workplace that provides opportunities for professional development for all of our team members.</p> <p>In 2020, we took a meaningful step towards our commitment by establishing our Inclusive Diversity and Belonging Council, educational and learning opportunities, and Business Employee Resource Groups. Members of the Inclusive Diversity and Belonging Council represent a broad cross section of our organization and are expected to help build enterprise initiatives, by elevating inclusion and diversity as a business priority across the organization, that include measurable goals and accountability.</p> <p>While ADT is proud of its diversity and inclusion efforts, we aim to have greater gender, racial and ethnic representation throughout the Company, including at the senior leadership levels.</p> <p>Overall Population Female: 31.3% Racial/Ethnic Representation: 41.4%</p>			
	Employee engagement as a percentage	Quantitative	Percentage (%)	SV-PS-330a.3
	<p>ADT's Response: ADT plans to conduct an employee engagement survey in 2021.</p>			
Professional Integrity	Description of approach to ensuring professional integrity	Qualitative	N/A	SV-PS-510a.1

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT’s Response: ADT maintains a robust and comprehensive Ethics & Compliance Program (the “Program”) that includes the ADT Code of Conduct (the “Code of Conduct”) that sets forth, among other things, ADT’s commitment to full compliance with all relevant laws. The Program includes monitoring compliance with the Code of Conduct and periodic evaluations of the effectiveness of the Program and our policies. The Program also provides an ethics reporting system whereby ADT’s employees and agents can report or seek guidance regarding potential or actual criminal or unethical conduct anonymously and without fear of retaliation.</p> <p>ADT has established policies and procedures that incorporate a culture of compliance into our day-to-day operations including policies and procedures that directly address bribery, corruption, gifts and entertainment and conflicts of interest, among others. All employees are regularly trained on ADT policies and the Code of Conduct, and are required to affirmatively review and re-commit to abiding by the Code of Conduct on an annual basis. Adherence to the Code of Conduct is a condition of employment.</p> <p>ADT has also established the ADT Ethics Line for anonymous reporting of any suspected violations of the Code of Conduct and has a strict zero tolerance policy against retaliation for making good faith reports of concerns. ADT’s Code of Ethics is accessible through the Company’s website.</p>			
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Quantitative	Reporting currency	SV-PS-510a.2
	<p>ADT’s Response: Legal proceedings associated with professional integrity that may have a material adverse effect on ADT’s financial position or the business would be disclosed in our public filings with the Securities and Exchange Commission.</p>			

Topic	Accounting Metric	Category	Unit of Measure	Code
Activity	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Quantitative	Number	SV-PS-000.A
	<p>ADT's Response:</p> <p>Full time: 20,404 Part time: 130 Temporary (generally interns): 10</p> <p>ADT also works with a number of companies to fulfill contractual employment needs that arise. ADT does not currently track its contracted employees.</p>			

SOFTWARE & IT SERVICES STANDARD

Topic	Accounting Metric	Category	Unit of Measure	Code
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ) Percentage (%)	TC-SI-130a.1
	<p>ADT's Response: Total energy used 44,192,657 kWh* (or approximately 159,093.57 GJ)</p> <p>*ADT is unable to track specific usage for all of its locations, where, for example, electricity is included in lease charges. ADT will seek to determine this information on an ongoing basis. This number also excludes recently-acquired operations that are being transitioned for closure.</p> <p>In order to continue to protect our employees and serve our customers during the COVID-19 pandemic, ADT made certain adjustments that may have had an effect on our energy consumption. As ADT's operations evolve post pandemic, we remain focused on our commitment to reducing our environmental footprint.</p>			
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³), Percentage (%)	TC-SI-130a.2

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response:</p> <p>(1) Total water withdrawn 23,951 kgal* (or approximately 90,664.4 m³)</p> <p>*ADT does not utilize water in its core operations and therefore does not track specific usage for all of its locations where, for example, water is included in lease charges. ADT will seek to determine this information on an ongoing basis. This number also excludes recently-acquired operations that are being transitioned for closure.</p> <p>(2) ADT does not store water so our consumption and withdrawal statistics are the same.</p>			
	Discussion of the integration of environmental considerations into strategic planning for data center needs	Qualitative	N/A	TC-SI-130a.3
	<p>ADT's Response: ADT is committed to ensuring environmental sustainability and efficiency at its data centers. We have significantly invested time and resources focusing on efficiency improvements in data operations, air handling, and lighting. For example, at our larger centers, we strive to employ and improve upon best practices including by replacing older hardware with energy efficient alternatives, employing dynamic operations methods to improve the efficiency of our network, and updating cooling and lighting systems where more environmentally friendly alternatives are available.</p>			
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	Qualitative	N/A	TC-SI-220a.1

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response: ADT is committed to protecting the data we maintain on behalf of our customers. Our data security program is based on: centralized coordination; administrative, technical, and procedural safeguards; risk assessment and management; monitoring, testing and reporting; and clear training and awareness. ADT's information security policies include our: Computer Security Incident Response Policy, Acceptable Use Policy, Risk Management Policy, Privacy Policy, and Code of Conduct, as well as, internal data privacy and retention policies.</p>			
	Number of users whose information is used for secondary purposes	Quantitative	Number	TC-SI-220a.2
	<p>ADT's Response: Per our Privacy Policy, ADT does not sell customer PII to third parties for their own marketing purposes. ADT shares PII with partners for our specified business purposes and thus, these partners may use such PII as necessary to provide services to ADT. To the extent that a partner intends to use PII information for other purposes, customers must provide authorization and have the option to revoke or modify such authorization.</p>			
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Quantitative	Reporting currency	TC-SI-220a.3
	<p>ADT's Response: Legal proceedings associated with user privacy that may have a material adverse effect on ADT's financial position or the business would be disclosed in our public filings with the Securities and Exchange Commission.</p>			

Topic	Accounting Metric	Category	Unit of Measure	Code
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	Quantitative	Number, Percentage (%)	TC-SI-220a.4
	ADT's Response: ADT receives requests from state and federal law enforcement agencies. Any requests by law enforcement that may result in a material adverse effect on ADT's financial position or the business would be disclosed in our public filings with the Securities and Exchange Commission.			
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Qualitative	N/A	TC-SI-220a.5
	ADT's Response: ADT's core products and services are offered only in the United States. ADT is also occasionally required to provide services in other jurisdictions outside of the U.S. for our U.S.-based customers.			

Topic	Accounting Metric	Category	Unit of Measure	Code
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Quantitative	Number, Percentage (%)	TC-SI-230a.1
	<p>ADT's Response: ADT strives to maintain and continually improve its data security programs. In accordance with ADT's data security and privacy policies, ADT investigates any suspected unauthorized access to personal data and other protected information, and takes appropriate action to remediate any issues, notify impacted parties, or otherwise as deemed necessary, particularly where such circumstances would be considered a data breach.</p> <p>Data breaches that may result in a material adverse effect on ADT's financial position or the business would be disclosed in our public filings with the Securities and Exchange Commission.</p>			
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Qualitative	N/A	TC-SI-230a.2

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response: ADT is committed to protecting the data we collect and maintain on behalf of our customers. Our data security program is based on: centralized coordination; administrative, technical, and procedural safeguards; risk assessment and management; monitoring, testing and reporting; and clear training and awareness. The Board receives enterprise risk management reports at their regularly scheduled meetings. ADT tracks all of our risk assessments and reporting activities.</p>			
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	Percentage (%)	TC-SI-330a.1
	<p>ADT's Response:</p> <p>(1) Foreign Nationals: <5%</p> <p>(2) All ADT employees are located in the U.S. and Puerto Rico.</p>			
	Employee engagement as a percentage	Quantitative	Percentage (%)	TC-SI-330a.2
	<p>ADT's Response: ADT plans to conduct an employee engagement survey in 2021.</p>			
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Quantitative	Percentage (%)	TC-SI-330a.3

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response: ADT is committed to diversity and inclusion and strives to create a workplace that provides opportunities for professional development for all of our team members.</p> <p>In 2020, we took a meaningful step towards our commitment by establishing our Inclusive Diversity and Belonging Council, educational and learning opportunities, and Business Employee Resource Groups. Members of the Inclusive Diversity and Belonging Council represent a broad cross section of our organization and are expected to help build enterprise initiatives, by elevating inclusion and diversity as a business priority across the organization, that include measurable goals and accountability.</p> <p>While ADT is proud of its diversity and inclusion efforts, we aim to have greater gender, racial and ethnic representation throughout the Company, including at the senior leadership levels.</p> <p>Overall Population Female: 31.3% Racial/Ethnic Representation: 41.4%</p>			
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	TC-SI-520a.1

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response: We have no material litigation or legal proceedings associated with anti-competitive behavior regulations that could have a material adverse effect on our financial position or the business. Legal proceedings associated with anti-competitive behavior regulations that could have a material adverse effect on our financial position or the business would be disclosed in our public filings with the Securities and Exchange Commission.</p>			
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Quantitative	Number, Days	TC-SI-550a.1
	<p>ADT's Response:</p> <p>(1) performance issues = 3</p> <p>(2) service disruptions = 0</p> <p>(3) total customer downtime = 0</p>			
	Description of business continuity risks related to disruptions of operations	Qualitative	N/A	TC-SI-550a.2

Topic	Accounting Metric	Category	Unit of Measure	Code
	<p>ADT's Response: To minimize business interruption, ADT maintains a Business Continuity Management Office ("BCMO") with the purpose of ensuring operational contingency of business operations, employee safety, customer services, product availability and brand protection. The BCMO collaborates with key functional partners to develop Business Interruption Plans for our business-critical functions. ADT performs annual disaster recovery exercises for mission and critical applications based on guidelines put in place by the BCMO.</p>			
Activity	(1) Number of licenses or subscriptions, (2) percentage cloud-based	Quantitative	Number, Percentage (%)	TC-SI-000.A
	<p>ADT's Response:</p> <p>(1) 6.5 million customers</p> <p>(2) 0% in public cloud</p>			
	(1) Data processing capacity, (2) percentage outsourced	Quantitative		TC-SI-000.B
	<p>ADT's Response:</p> <p>(1) 7,500 sq. ft. of data center space</p> <p>(2) <5% in public cloud</p>			

Topic	Accounting Metric	Category	Unit of Measure	Code
	(1) Amount of data storage, (2) percentage outsourced	Quantitative	Petabytes, Percentage (%)	TC-SI-000.C
	ADT's Response: (1) 5.5 petabytes (2) <5% in public cloud			