



engineered for life™

PASSION FOR POSSIBILITIES

2024 SUSTAINABILITY PROGRESS REPORT



For nearly 100 years, Rheem has been a leader in heating, cooling and water heating innovation. And we are building on that leadership by improving our products and processes to dramatically reduce our impact on the environment, while empowering both our customers and employees to work and live sustainably. It's all a part of our bold vision for the future and equally bold commitment.



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*By Rheem Family of Brands products sold since January 2019. For calculation methodology, visit [Rheem.com/ProductSustainability](https://www.rheem.com/ProductSustainability)

Letter from our CEO

In 2025, Rheem celebrates its 100th anniversary and as we observe this important milestone, we're mindful that our past and our future are inextricably linked. The spirit of entrepreneurship, hard work and bold thinking that has defined Rheem's century of success absolutely informs the road ahead. And while the road conditions may vary, Rheem over the years has proven its ability to evolve and to adapt to change. Perhaps the biggest evolution to come to our industry—and many others—is the way in which we must innovate for a changing planet. We understand, at Rheem, that we have a tremendous responsibility to minimize the impact our manufacturing and our products have on the environment. That is why, in 2019, we set ambitious – and consequential – sustainability goals to reach by 2025.

I'm proud to say we've reached and/or exceeded some of those goals already, and we're on track to accomplish the rest by the end of this year. Indeed, we have impressive results to report in greenhouse gas (GHG) emissions reduction in our products and manufacturing, Zero Waste to Landfill, sustainability training, and the A2L refrigerant transition in support of decarbonization. But there is something more going on at Rheem that makes all these achievements possible. It's the passion our people bring to the work of sustainability.

The sustainability story at Rheem is the story of people who, for the past 100 years, have never settled for the status quo. They are curious by nature, industrious by default, and driven to innovate for the future with

an intensity that is sparked by a genuine passion for possibilities. Genuine. You can't make it up. When faced with a challenge, our people have always stepped up and created opportunities for leadership. So, it was no surprise that when we announced our sustainability goals for 2025, our people went after them with the passion that defines Rheem.

Our employees, through the GoodWorks Explorers program, spread the message throughout Rheem's global workplace. Our engineers and designers pushed the boundaries of what's possible. Our customers and our partners came to the table to achieve a common good. Together we are bringing game-changing products to the market and empowering each other and our end users to be responsible stewards of the environment. We are not done. We are setting new goals and making bold, new commitments to build sustainability excellence into world-class operations and lead the industry with high-efficiency products. We are forever turning our passion for possibilities into action.

Imagine what is possible in the next 100 years and beyond...



Chris Peel
President and CEO



“The spirit of entrepreneurship, hard work and bold thinking that has defined Rheem's century of success absolutely informs the road ahead.”



About Rheem.

IN THIS
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- 5 Who We Are
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For 100 years, Rheem has stood as a trusted partner for residential and commercial innovations. From its humble beginnings in 1925, Rheem has grown into a global leader in heating, cooling, water heating solutions, and commercial refrigeration committed to sustainability and enriching lives through groundbreaking technology and enduring quality.

[Learn more about our 100 years of expertise](#) ➔



Who We Are

For 100 years, Rheem has been a leader in product innovation. And the best part is we’re just getting started. Now, as we celebrate all that we’ve accomplished together, we look towards the future of air and water. To what’s next. To remaining true to our values, while working with our customers to create a globally connected and forward-looking vision.

Rheem serves customers in more than 80 countries with a comprehensive range of products, including heating, cooling, water heating, pool and spa heating and commercial refrigeration. As the No.1 water heating brand in the U.S.A., Rheem’s growth and success are directly linked to the dynamic partnerships the company develops with its customers.

Committed to both our customers and the planet, Rheem focuses on sustainable solutions and practices. Together, we are making a positive impact on the world, one innovation at a time.

[Learn more about our Family of Brands](#) ➔

[Learn more about Rheem](#) ➔

“

While Rheem’s successful transition to A2L refrigerants in 2024 was a major milestone on our sustainability journey, we know we have an ongoing responsibility to reduce the environmental impacts of our products. Every day is a new day to focus on solutions.”

Mike Branson
President, Global Air



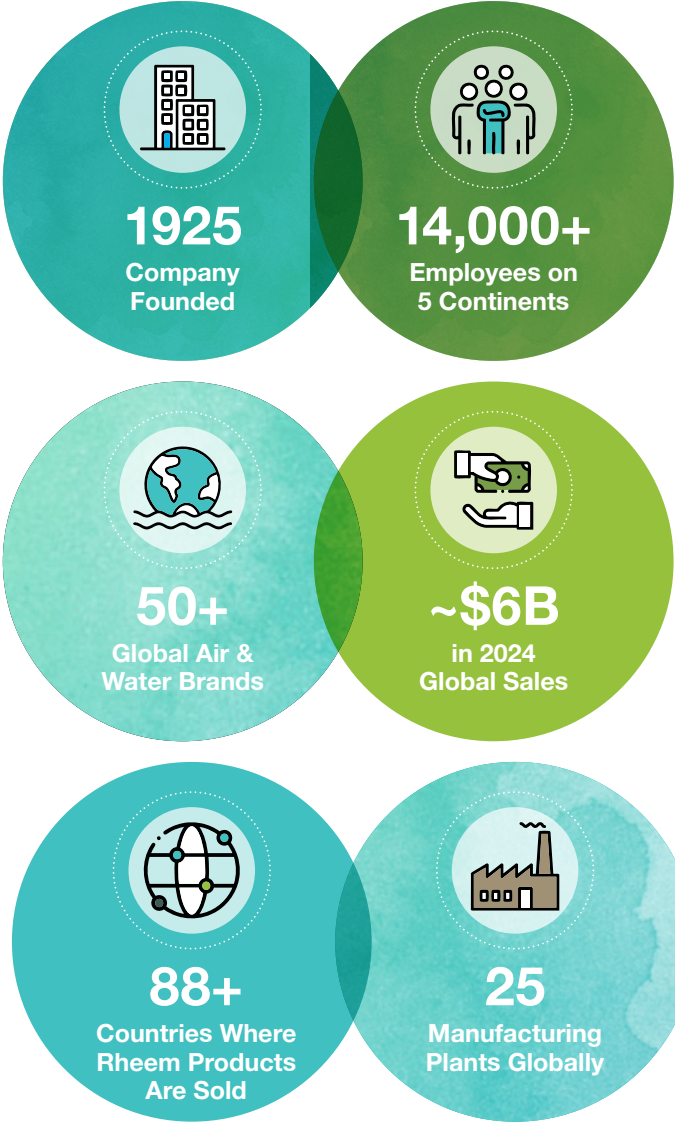
“

Delivering high quality products for our customers is our top priority. When we meet their needs with more sustainable, higher efficiency solutions, we give them an edge in the market. That’s true partnership.”

Rich Bendure
President, Global Water



Our Global Family of Brands



Our Commitment to *A Greater Degree of Good*™

Our Sustainability Program

In 2019, when we launched our environmental sustainability program, **A Greater Degree of Good**™, we announced a set of ambitious goals for 2025. Six years later, we have made significant strides toward our goals and are committed to setting even more aggressive targets.

Our sustainability program is built upon core pillars, each with a specific goal. This framework guides our efforts to maximize our positive impact and contribute to a sustainable future.



Pillars and 2025 Goals

DEGREES OF INNOVATION

Our 2025 Goal: Launch a line of heating, cooling and water heating products that boast a 50% reduction in greenhouse gas footprint.*

Our Progress: Rheem launched a new line of air and water heat pump products across residential and commercial offerings that met our 50% GHG reduction goal, some achieving as much as an 87% reduction.

[Learn more](#)



DEGREES OF EFFICIENCY

Our 2025 Goal: Reduce greenhouse gas emissions by 50% and achieve Zero Waste to Landfill in our global manufacturing operations.**

Our Progress: All of Rheem’s manufacturing facilities achieved Zero Waste to Landfill by diverting at least 90% of waste from landfills, incineration and WTE, and we have strong momentum toward achieving 50% greenhouse gas emissions reduction by the end of 2025.

[Learn more](#)



DEGREES OF LEADERSHIP

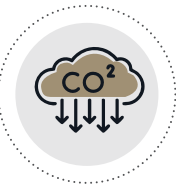
Our 2025 Goal: Train 250,000 plumbers, contractors and key influencers on sustainable products or sustainable installation and recycling best practices.

Our Progress: Rheem more than doubled our goal by training 600,000+ plumbers, contractors and key influencers on sustainable products and practices.

[Learn more](#)



Rheem Sustainability Stats We’re Proud Of



47.29M
million metric tons CO₂e emissions avoided by Rheem® Family of Brands products sold since January 2019



50,000+
metric tons of material diverted from the landfill



350+
of employees active in GoodWorks



59%
of global new hires aware of the sustainability program during the recruitment process say it attracted them to Rheem

**Reduction calculations will be based on the products’ use phase emissions only and utilize average emission factors to account for variability in electricity grids. Reduction calculations will not consider upstream or manufacturing impacts but use phase emissions to account for most of the products’ impact. At this time, these figures have not been independently verified by a third party.*

***Rheem’s goal is to reduce greenhouse gas emissions by 50% by 2025 from a 2018 baseline. This metric will be based on intensity emissions normalized by units produced and includes Scope 1, 2, and elements of Scope 3, as defined by the Greenhouse Gas Protocol. At this time, these figures have not been independently verified by a third party. A Rheem plant is considered to have reached Zero Waste to Landfill when it achieves a rate of at least 90% diversion of nonhazardous solid waste away from landfill, waste-to-energy (WTE) and incineration, in line with the Zero Waste International Alliance standards and TRUE Zero Waste standards. At this time, these figures have not been independently verified by a third party.*

Sustainability Roadmap

Continuously driving a sustainable future, Rheem® is taking bold steps to design innovative products, measure and minimize the environmental footprint of our operations and invest in our people to amplify our positive impact.



2017/2018

- Met with Industry Thought Leaders/ Internal Stakeholders
- Initiated Materiality Research
- Formalized Sustainability Business Strategy



2019

- Launched *A Greater Degree of Good™* and 2025 Commitments
- Captured GHG Baseline in North America
- Completed Waste Audits / Captured North American Diversion Rates
- Began Integrating Sustainability into the Product Development Process
- Launched Sustainability Product Training



2020

- Captured GHG Baseline and Waste Diversion Rates Globally
- Released Rheem's First Sustainability Progress Report
- Launched Decarbonization Initiative



2021

- Launched GoodWorks™ and Sustainability Steering Committee
- Piloted Product Sustainability Elements
- Released Second Sustainability Progress Report
- Kicked Off Life Cycle Assessment Pilot
- Held the Inaugural Global Sustainability Summit



2022

- Continued Extending Product Sustainability Elements to Global Markets
- Finalized Pilot Life Cycle Assessment
- Launched Refrigerant Task Force
- Launched Energy Management Program in North America
- Achieved Sustainability Training Goal



2023

- Conducted Global Materiality Research
- Held Second Global Sustainability Summit
- Expanded Product Life Cycle Assessments
- Launched Sustainable Packaging Task Force
- Completed Six Global Waste Audits



2024

- Curated a heat pump line of products that met or exceeded our GHG emissions reduction goal
- Achieved Zero Waste to Landfill status at all manufacturing sites
- Executed A2L refrigerant transition



2025

[Learn more about our 2025 plans and targets](#)

2024 Sustainability Recognition

Company Honors

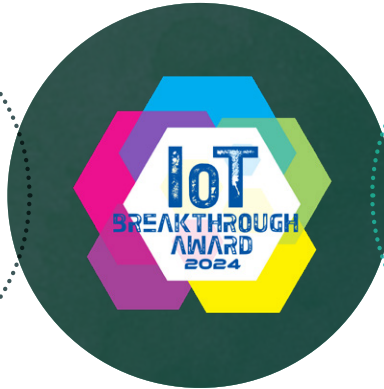
2024 ENERGY STAR® Partner of the Year, Sustained Excellence Award



2024 Manufacturer of the Year, MEP Middle East Awards



IoT Breakthrough Award, Connected Home Innovation of the Year, Rheem Contractor App



2024 MarCom Award, Platinum for 2023 Sustainability Progress Report



DEJONG – Bronze in EcoVadis Sustainability Rating



2024 GCC Region Manufacturer of the Year, UAE Climate Control Awards



Product Honors

2024 AHR Innovation Award for the Triton Light Duty

PM Engineer Magazine's Top 20 Products of 2023 for the Triton® Light and Super Duty Commercial Water Heaters

Shortlisted for Homes & Gardens Future Innovation Awards for the Friedrich Breeze™ Universal Heat Pump

WIRED and Good Housekeeping's "Best for Cooling & Cleaning the Air" window air conditioner of 2024 for Friedrich's Kuhl®

2024 Pool Nation Heater of the Year for the Raypak AVIA® (Also awarded in 2023)

Smart Home & Automation: Climate Control category's Twice VIP Award for the Breeze™ Universal Heat Pump

2024 Dealer Design Award: Silver Category for HTPG's QV-Series Thermobank®

2024 Manufacturer of the Year at KSA Climate Control Awards for Rheem Ducted Inverter Air Conditioning units, AUS Commercial Heat Pump Water Heaters and Dominic De Sousa Award for Innovation for ProTerra® Hybrid Heat Pump Water Heater

2024 Manufacturer of the Year at UAE Climate Control Awards for the Rheem Ducted Inverter Air Conditioning units, SAVR VRF unit and AUS Commercial Heat Pump Water Heater

Intelligent products.

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At Rheem, we are driven by a vision of improving comfort while preserving the planet. With a commitment to sustainability and energy efficiency, Rheem continues to design products that minimize waste, reduce emissions, and create a better future for generations to come.

Designing Sustainable Products

The 2025 Sustainability Goal Heat Pump Collection

Our unwavering mission is to innovate products that drive environmental sustainability. Rheem® established an ambitious target for 2025: introduce a line of heating, cooling and water heating products that reduce

greenhouse gas (GHG) emissions during the use phase by at least 50% compared to Rheem products available in 2019**.

Heat pumps are revolutionizing heating, cooling and water heating by offering smart, sustainable alternatives to gas-fueled appliances. Every product in the collection

meets or exceeds the target to cut emissions in half, representing some of the most efficient and sustainable offerings in Rheem’s portfolio compared to similar offerings in 2019.

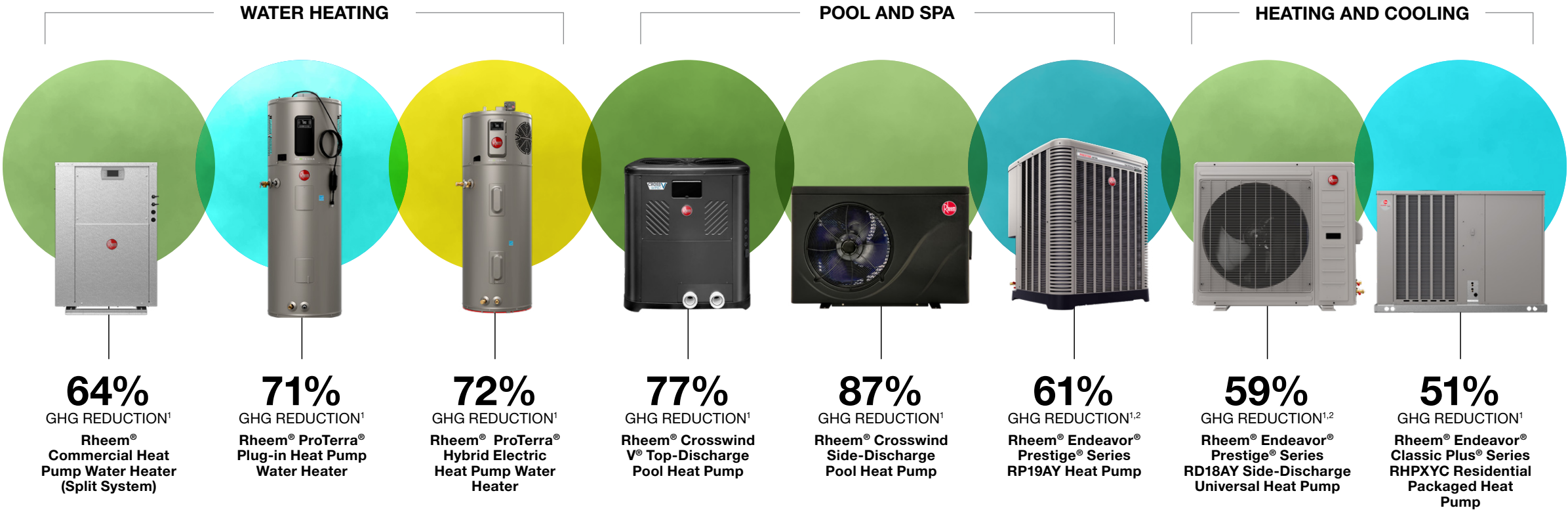
[Learn more about our 2025 Sustainability Goal Heat Pump Collection](#) ➔



At Rheem, we are committed to innovating with intent, engineering solutions that prioritize performance and sustainability. We take pride in achieving our sustainable product goal with this collection of market-leading and high-efficiency products.”



Chee Wee Gan
Senior Vice President Strategy & Sustainability



**Reduction calculations will be based on the products’ use phase emissions only and utilize average emission factors to account for variability in electricity grids. Reduction calculations will not consider upstream or manufacturing impacts but use phase emissions to account for most of the products’ impact. At this time, these figures have not been independently verified by a third party.

Designing Sustainable Products CONTINUED

PRODUCT INNOVATIONS

Collaborating with Research Partners

At Rheem, we believe that strategic partnerships drive meaningful progress. That’s why we proudly collaborate with leading universities and national laboratories, including:

- Center for High Performance Buildings (CHPB) at Purdue University
- Center for Environmental Energy Engineering at the University of Maryland, College Park
- Air Conditioning and Refrigeration Center at the University of Illinois at Urbana-Champaign
- Center for Integrated Building Systems (CIBS) at Oklahoma State University

In addition, in partnership with the University of Maryland and the U.S. Department of Energy, we are advancing the field of thermal energy innovation. Together, we are testing the performance of heat pumps integrated with thermal energy storage tanks. This project has entered its field demonstration phase, with a system being installed in a commercial building in California.

We actively support our partners’ research through guidance, equipment donations, and collaboration. In return, Rheem benefits from groundbreaking insights into system efficiency and emissions reduction—key steps toward creating even more sustainable solutions for our customers.



Sustainability Standout Seal

In 2024, we focused on the next phase of the Sustainability Standout Seal, a marker that identifies our top-performing products for sustainability based on a proprietary scoring system. Our efforts included studying alignment with third parties and collaborating with customers.



Sustainability Strategy Sessions

Over the past year, Rheem has made significant progress toward our sustainability goals, advancing comprehensive product sustainability efforts through various new and expanded initiatives. One such initiative is our Sustainability Strategy Sessions. This year, we hosted seven of these workshops, focused on pinpointing and implementing strategies to minimize the environmental impact of products throughout their lifecycle. These sessions brought together diverse teams across Rheem, who used insights from life cycle assessments to brainstorm and design sustainable features for new products in development.

“The ongoing Sustainability Strategy Sessions help us keep our focus on important activities,” said Lionel Lopez, director of engineering and product development at Friedrich. “We develop innovative solutions by prioritizing sustainability from the start and leveraging advanced simulations to minimize waste and maximize efficiency.”

A notable session in Montgomery, Alabama, evaluated three commercial water heating products at different design stages. By the end of the ideation sprint, 175 innovative ideas had been generated, ranging from optimizing manufacturing layouts and enhancing product efficiency to improving packaging. The best of these ideas are being incorporated into the product development process to ensure our final products meet the highest sustainability standards.

Designing Sustainable Products CONTINUED

We also expanded the EcoMeter, a tool that tracks the environmental impact during the use phase of our sustainable products, to include Friedrich and Latin America this year. The EcoMeter's calculations are based on the methodology outlined in the Greenhouse Gas Protocol and industry standards. Since January 2019, we have avoided 47.29 million metric tons of CO₂e emissions through the sale of our Sustainability Standouts and other high-efficiency products.

TEMP Challenge

In the second quarter of 2024, Rheem launched its sixth Technology Management Pitch (TEMP) Challenge, a program designed to unite engineers and innovators across the Rheem enterprise to address pressing technical challenges. Established in 2022, the TEMP Challenge fosters collaboration and innovation to solve the organization's most critical technical problems.

This year, the Enterprise Sustainability team partnered with Rheem's U.S. Water Division to focus on developing

sustainable water heating packaging solutions. The response was impressive, with 37 idea submissions from nine of Rheem's global business units spanning three continents.

The winning idea came from Aaron Bennett, design and compliance engineer at Rheem New Zealand. His solution has the potential to eliminate the need for foam inserts, a change that could impact millions of units produced annually. "I was inspired by the challenge to create packaging that protects the product and environment for future generations," Bennett said.

Rheem® EcoNet®

In addition to giving customers control over Rheem smart heating, cooling and water heating equipment from home or away, the EcoNet® app now allows product owners to easily identify and sign up for energy-saving programs available in their ZIP code. By expanding geographic regions and building partnerships, we have helped more customers reduce energy usage and save money.



Rodrigo Cedeno, Global Sustainability Director



A2L Refrigerant Transition

Preparations for long-expected legislation from the Environmental Protection Agency, limiting global warming potential (GWP) for refrigerants in air conditioning products and prohibiting those with a GWP of 750 or higher, dominated 2024. The new rules mark a shift away from commonly used refrigerants like R-410A in new equipment. The industry-changing regulation has spurred the adoption of alternatives, with A2L refrigerants emerging as the leading solution. Classified as mildly flammable by ASHRAE, A2L refrigerants balance safety and low environmental impact.

Rheem has embraced this regulatory shift as an opportunity to exceed compliance requirements. By adopting the A2L refrigerant R-454B for most systems and R-32 for specific applications such as mini-splits, the company has positioned itself as a leader in sustainable cooling technology.

"Our team understood this transition went beyond compliance and could make us stronger," said Rodrigo Cedeno, global sustainability director. "It takes creativity to do things differently, and this evolution will help with all sides of our business."

Cedeno, a longtime Rheem team member, brings extensive cross-functional experience to his leadership role. Under his guidance, the company's sustainability initiatives will focus on aligning to corporate values with measurable business outcomes, celebrating the accomplishments and completion of the 2025 goals and preparing for the next generation of sustainability targets at Rheem.

"Sustainability is about both values and value," Cedeno said. "It means reflecting Rheem's values in our products, operations and communities while driving innovative solutions for increased value to our business and partners."

Designing Sustainable Products CONTINUED

Sustainability Progress in Europe

In October, DEJONG began construction on a new manufacturing facility in Prešov, located in eastern Slovakia. This state-of-the-art site will have the capacity to produce up to 1 million tanks annually, serving as a strategically positioned hub to meet the increasing demand for hot water tanks across Europe. Designed with sustainability in mind, the facility will incorporate environmentally friendly features and achieve certification under the Building Research Establishment Environmental Assessment Method (BREEAM) green building standards.

“We are building the largest stainless steel water tank facility in the world,” said Arno La Haye, Managing Director of Rheem Europe. “This investment is a cornerstone of Rheem’s growth strategy in Europe. Together, we will continue delivering innovative and sustainable heating solutions to our customers.”

Beyond infrastructure development, Rheem Europe is proactively preparing for upcoming EU reporting regulations. The company has conducted a double materiality assessment and completed its comprehensive carbon footprint analysis, encompassing Scope 1, Scope 2, and Scope 3 emissions across all European entities.

This year, Rheem Europe launched 31 new products, 23 of which are designed to support decarbonization and the energy transition. These include advanced heat pumps and heat pump-compatible storage tanks.



Additionally, two cutting-edge Technology Centers were officially inaugurated at Intergas and DEJONG. These investments in research and development aim to facilitate a transition to sustainable, affordable heating solutions for building owners and residents across Europe.



Rheem at the Greenbuild International Conference

In November, Rheem partnered with The Home Depot to educate attendees at the Greenbuild International Conference about its line of efficient heat pump water heaters. The conference attracted professionals from the commercial and residential building sectors, offering an opportunity to learn about trends and advancements in highly efficient heat pump water heating products.

“Displaying our latest heat pump water heating technology at The Home Depot booth is just one way we are amplifying our impact. It allowed us to share product details with many Greenbuild Conference attendees,” said Lacy Estes-Hill, senior manager and category lead for heat pumps.



Designing Sustainable Products CONTINUED

Cultivating Our Partnerships

Partnerships and collaboration are critical to creating a more sustainable future. Clayton®, a national, single-family home builder, has committed to constructing all new residential manufactured homes to meet the Department of Energy's (DOE) Zero Energy Ready Home™ specifications. These homes optimize sustainability and can help homeowners save up to 50% on annual energy bills. By partnering with Clayton to implement ProTerra® hybrid heat pump water heaters as a standard solution in their eBuilt® homes, Rheem helped Clayton unlock the energy savings needed to meet the DOE specifications as ProTerra is four times more efficient than a traditional electric tank water heater and reduces energy use by 75 percent.



Packaging and End-of-Life Recycling in Europe: Project Boomerang

In Europe, a pilot recycling program called Project Boomerang is transforming the end-of-life disposal of boilers while strengthening customer relationships. When a customer purchases a new boiler for installation, Intergas collects old boilers from installers and provides them with compensation. At Intergas, the old boilers are disassembled, and components are separated



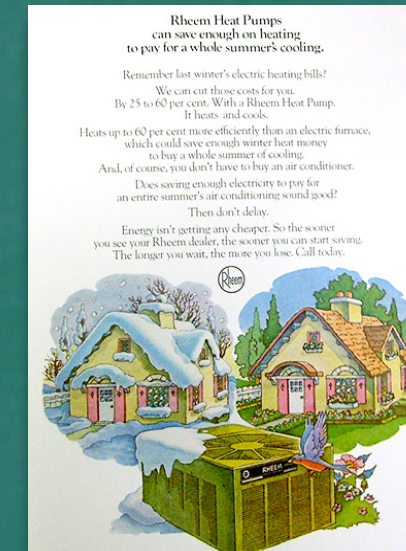
and sold to local recyclers. This initiative has not only improved Net Promoter Scores (NPS) but also expanded relationships beyond the traditional scope of manufacturing and sales.

“We are working to improve circularity and reduce our carbon footprint,” said Jessica Steinhoff, sustainability manager, Rheem Europe.

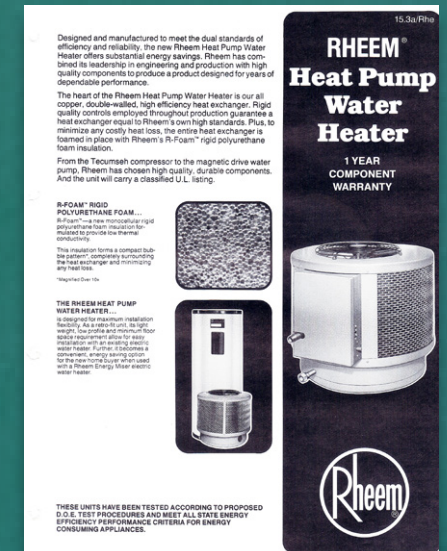


Highlighting A Century of Innovation

Innovation is in our DNA. Rheem has been building high-efficiency products for decades. During our special 100-year anniversary we take a step back to honor the innovations and product developments throughout our 100-year history.



1979 Rheem Air Division adds heat pump product line



1982 Rheem's first heat pump water heater

Designing Sustainable Products CONTINUED

Innovating Around the World

Commercial Water Products Meet New Energy Conservation Standards Ahead of Deadline

In October 2026, the U.S. Department of Energy will require all new commercial gas water heaters to meet a new minimum energy conservation standard. Rheem Triton® and Raypak XFIIRE™ and XTherm® models met the standards two years ahead of the deadline, delivering lower emissions and reduced utility bills for users. “We are committed to our customers, whether they need peace of mind for compliance on a project or simply want to realize energy cost savings today. We provide the best solutions for them and the planet, not just because we have to, but because it’s part of who we are,” said Madison Phillips, director, product and customer strategy.



Developing CO₂ as a Refrigerant at HTPG

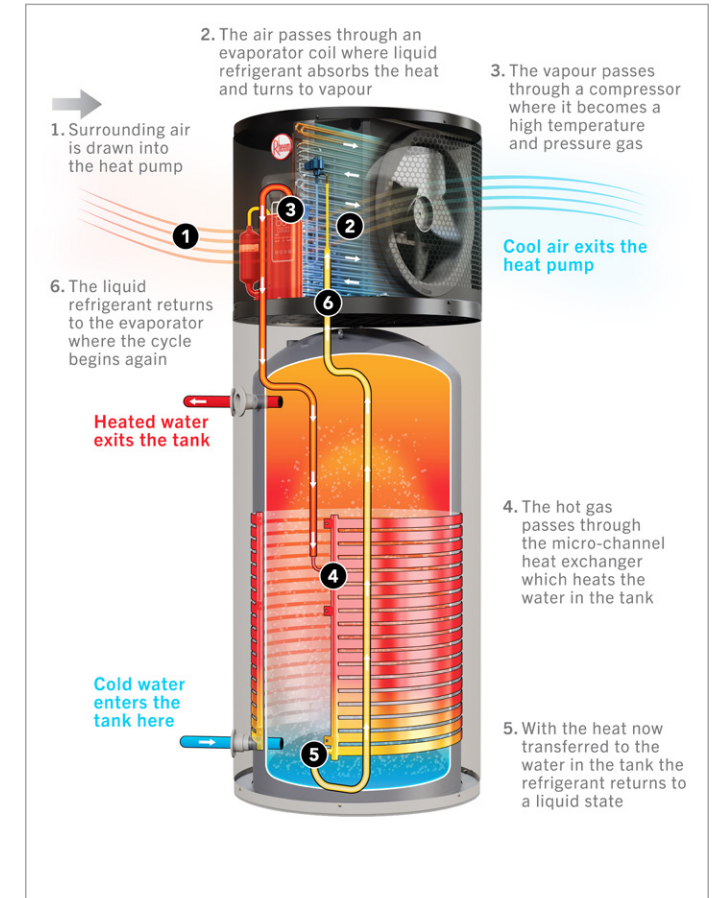
HTPG introduced a new lineup of evaporators compatible with CO₂, also known as refrigerant R744, which has an ultra-low global warming potential (GWP) of 1. Derived from natural sources, CO₂ is non-toxic and non-flammable, making it easy to repurpose as a refrigerant and versatile for applications such as commercial and industrial refrigeration, HVAC and transportation.



HTPG’s CO₂ evaporators are available in multiple sizes and capacities and have been qualified for applications up to 45 BAR (655 PSI). This makes them an excellent choice for food service and other commercial refrigeration needs.

Rheem Australia Develops Low-GWP Heat Pump Water Heater

The Rheem AmbiPower® 280e heat pump is one of the most advanced heat pumps developed in Australia for local conditions, designed for use in 250- to 300-liter heat pump water heaters. This product boasts a coefficient of performance (COP) of 5.2, among the highest in integrated heat pump systems. Additionally, the system uses ultra-low global warming potential (GWP) R290 refrigerant, with a GWP of less than 3, and includes a 2.4kW backup element to ensure hot water availability during cold, wintry days.



2025 PRIORITIES

- Equip Sustainability Strategy Sessions with enhanced data and tools
- Further our Lifecycle Assessment work with system-ready comparison tools on the impact of product components
- Continue work on EPR readiness and packaging improvements
- Capture updated greenhouse gas emissions baselines to inform next generation goals

Product Sustainability Showcase

Rheem continues to make remarkable strides across our global businesses with new and innovative sustainable solutions in HVAC and water heating.



Rheem® Performance® Platinum™ ProTerra® Hybrid Electric Heat Pump Water Heater (US)

- Lower decibel, top, and side connects, duct-ready



Rheem Endeavor® Line Classic® Series RP14AY Heat Pump (US)

- 7mm condenser coil reduces refrigerant requirements up to 15%



Rheem Classic Plus® Series RP15AY Heat Pump (US)

- Sound-dampening features such as refrigerant tubing design, fan blade approach, composite base pan and innovative compressor and drive technologies



Rheem Prestige® Series RP19AY Heat Pump (US)

- Features variable speed operation from 40 to 100% capacity with the EcoNet® Smart Thermostat



Rheem Commercial Split Classic® Series Heat Pump (US)

- Up to 11.2 EER/12.2 IEER



Raypak HO₂T O₂™ Trim System for XVers® KOR® (US)

- Maintains optimal combustion



IBC SKY-35 Controller (US and Canada)

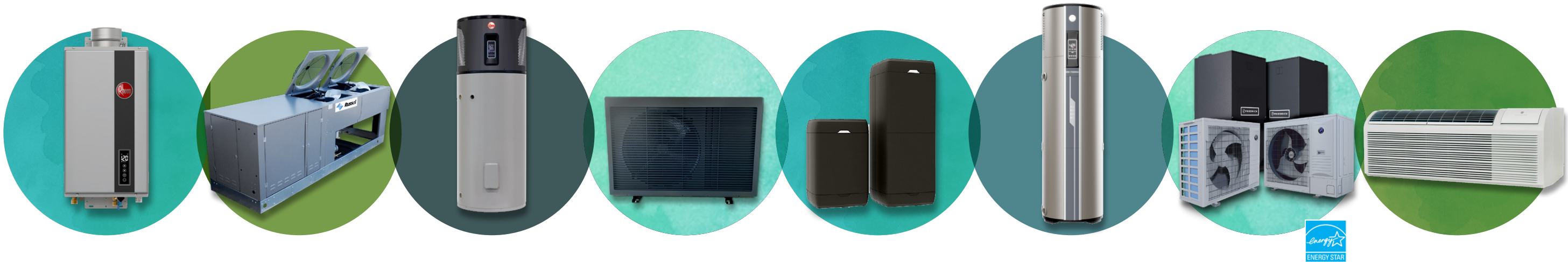
- Hydronic heating or the most efficient use of the heat pump



Rheem Ecosystem™ Recirculation Pump (LATAM)

- Saves up to 25,000 liters of water per year

Product Sustainability Showcase CONTINUED



Rheem® RTG Series High-Efficiency Non-Condensing Tankless Gas Water Heater (US)

- Built-in recirculation pump to save water
- Uses up to 25% less energy and improves air quality by reducing greenhouse gas NOx emissions by up to 65% for a cleaner environment

HTPG QV-Series Thermobank® (US)

- Quantum Air™ condensers, which include a floating coil design for energy efficiency

Rheem AMBIPower® 280e Ultra Low GWP HEAT PUMP (Australia)

- An energy-efficient alternative for areas where a traditional solar water heater may not be suitable

MHG Xceed™ all-electric heat pump (Europe)

- Ultra-efficient monobloc air source heat pump that helps cut carbon emissions
- Climate-friendly refrigerant R290

Intergas & DEJONG Xtore™ hybrid hot water tank (Europe)

- Hot water tank in combination with an Xtend hybrid that allows you to heat and store tap water sustainably

Rheem Odin 400 L International hybrid heat pump (MEA)

- Integrated heat pumps that can deliver up to 5.25 KW of thermal energy

Friedrich Breeze™ Universal Heat Pump (US)

- Precision Inverter® technology delivers efficiencies of up to 18.0 SEER2 and 9.5 HSPF2



Friedrich FreshAir® Package Terminal Air Conditioner (US)

- Precision Inverter® variable speed compressors deliver efficiencies up to 13 EER and a 15 SEER equivalent

Government Affairs and Advocacy

Government Affairs Leadership for Product Sustainability

Accelerating regulatory trends in energy efficiency, sustainability and product lifecycle management are shaping industries such as water heating and HVAC. Rheem is at the forefront of advocating for more robust standards, particularly focusing on improving the energy efficiency of consumer water heaters. Collaborating with a broad range of stakeholders, Rheem has helped inform the U.S. Department of Energy’s efficiency standards program, which is set to avoid 332 million metric tons of CO₂ emissions in the U.S. over the next three decades.

Another critical regulatory trend is the transition to low-global warming potential (GWP) refrigerants. By supporting the shift to low-GWP alternatives, Rheem is contributing to global efforts to prevent a half-degree Celsius rise in temperatures by 2100. The company is also prioritizing end-of-life management for refrigerants, ensuring they are reclaimed and responsibly disposed of, further promoting sustainability.

Rheem is also preparing for upcoming Extended Producer Responsibility (EPR) regulations in the U.S., which will require businesses to report on the amount of product packaging and plastic materials used in shipments. Rheem is proactively working to not only meet these disclosure requirements, but aims to use this as an opportunity to further reduce waste and enhance circularity in product design and packaging.

In addition, Rheem is taking a leadership role in the adoption of heat pump water heaters, aligning with global trends toward high-efficiency solutions. Through innovation and partnerships, Rheem is driving the transition to electric heat pump water heaters and supporting training programs for plumbers and contractors to ensure regulatory compliance while accelerating sustainability initiatives across the HVAC and water heating sectors.

North America Leadership 2024

Throughout 2024, Rheem’s North American leadership prioritized environmental stewardship by driving legislation and shaping advocacy efforts, recognizing that actions in this region can influence global sustainability trends. Rheem played a pivotal role in influencing emissions policies and setting industry standards, including direct engagement with the White House and the executive branch on critical sustainability initiatives. As well as, the DOE’s programs to improve energy efficiency and performance in residential and commercial heat pumps in cold climates.

Strategic public-private alliances bolstered efforts to enhance energy efficiency and decarbonization. In May, the California Heat Pump Partnership officially launched, uniting state agencies, manufacturers and other stakeholders to accelerate heat pump adoption in California with a goal of installing 6 million electric heat pumps statewide by 2030. As a leading heat pump manufacturer, Rheem is uniquely positioned to help scale the program, boost adoption rates and contribute to a more sustainable, decarbonized future in California and beyond.



“The objective of the partnership and Market Advisory Board is to scale heat pump installations through collaboration with the entire supply chain and channel partners. I am excited about the partnership’s ability to focus the state on the most important policy and market levers to drive heat pump adoption and Rheem’s role in enabling wide-scale building decarbonization,” said Chris Day, vice president of global product strategy, marketing and training.



Rheem also played a leadership role in other events, notably the AHR Decarbonization Demonstration at the Department of Energy Building Technologies Office and the Hot Air and Hot Water Forum in Atlanta. Rheem even provided guidance at the 46th Open-Ended Working Group Meeting of the Montreal Protocol.

Educational outreach remained a cornerstone, with well-attended A2L refrigerant webinars providing fire and government authorities with vital knowledge. Adding to the momentum, the South Coast Air Quality Management District approved a zero-NOx emissions standard for natural gas-fired large water heaters, small boilers and pool heaters—an important step toward cleaner air.

Together, these efforts reinforced a steadfast commitment to advancing energy efficiency, sustainability and environmental innovation.

Government Affairs and Advocacy CONTINUED

Global Leadership in 2024

Over the past year, Rheem’s global leadership made significant strides in championing sustainability and shaping critical policy advancements worldwide. Key milestones included a standout presentation during Climate Week in New York City, which emphasized the role of refrigerant reclamation programs and management in reducing greenhouse gas emissions.

“There are large opportunities to scale refrigerant reclamation, and Rheem can play its part by encouraging alignment between federal, state and local policies,” said Karen Meyers, vice president of government affairs.

In Europe, Rheem made an impact at the European Building Renovation Conference, where Rheem Europe representatives led discussions on decarbonizing the built environment. Leaders from Intergas visited the European Commission’s Joint Research Center to discuss a Dutch hybrid heat pump pilot initiative and upcoming policy plans for the new European Commission. In the United Kingdom, Intergas engaged with politicians in Westminster to highlight the benefits of hybrid heat pumps and hydrogen technology.



The European elections of June 2024 endorsed the European legislators’ commitment to continue decarbonizing heating and cooling. The efforts of our various business units toward decarbonization strengthen the trustworthy relationship between Rheem and European institutions.”



Josja Roest,
Manager of Public Affairs at Rheem Europe

In April, Intergas supported hydrogen technology as its hydrogen hybrid heat pumps were celebrated during the connection of the final house in a 33-home hydrogen pilot neighborhood to the hydrogen grid.

In September, Intergas participated in the National Open Energy Day, an annual event focused on sustainable energy solutions. The public had the opportunity to visit more than 70 projects and facilities, including those related to hydrogen, wind turbines, and solar fields. Intergas opened its factory to showcase innovative products such as hybrid heat pumps, all-electric heat pumps, and hydrogen boilers.

Rheem also contributed to the EUROVENT Middle East HVACR Industry Day in May. Imran Master, senior manager of product management at Rheem Middle East & Africa (MEA), highlighted the company’s progress in sustainability and compliance.

“Eurovent’s HVACR Industry Day event was a good collaborative session between industry experts to further discuss the importance of current trending topics in the HVACR industry such as refrigerant transition, indoor air quality and artificial intelligence,” Master said. The event featured panel discussions by industry leaders and presentations on evolving regulations.

Furthermore, Rheem MEA participated in the Joint Thematic Meeting for High Ambient Temperature (HAT) / Group 2 Countries in West and South Asia Region, organized by the UN Environment Program and Eurovent Middle East. In the event, Rheem MEA presented a case study which showed the benefits of MCHX coils and their reduction of refrigerant usage. Additionally, the group discussed the impact of heat pump water heaters on Kigali Amendment baseline considerations in a second presentation.

Rheem MEA also presented at the ISHRAE Equinox Event at Manipal University in UAE where Rheem’s global and regional sustainable practices and products were presented to the attendees.

Across regions, Rheem has adeptly navigated complex regulatory frameworks, addressing initiatives such as CSRD, CSDDD and EPD to sustain its global leadership in sustainable innovation.



Responsible processes.

IN THIS SECTION

- 21 Reducing Greenhouse Gas Emissions
- 23 Achieving Zero Waste to Landfill

Our people are driven by our mission to lower greenhouse gas emissions and minimize waste, pioneering solutions that protect the planet. Through collaborative, cutting-edge innovations and environmental initiatives, Rheem is working hard to create a more sustainable future by empowering consumers to make more sustainable choices.



Reducing Greenhouse Gas Emissions

As a leading global manufacturer, Rheem embraces its responsibility to drive environmental change as an opportunity to make a meaningful difference. We are committed to assessing and reducing greenhouse gas emissions from our production processes while working to minimize the carbon footprint of Rheem’s innovative product portfolio.

Rheem’s 2025 goal is to reduce greenhouse gas emissions by 50% in its global manufacturing operations, based on a 2018 baseline.* This metric, normalized by units produced, includes Scope 1, Scope 2 and elements of Scope 3 emissions, as defined by the Greenhouse Gas Protocol. Rheem is making significant progress and is on track to achieve this goal by the end of 2025.

Onboarding of Watershed Platform

In 2024, Rheem onboarded a new greenhouse gas accounting software. Through our partnership with Watershed, a market leader in enterprise-level impact accounting, Rheem is working to be compliance-ready and complete a global greenhouse gas inventory.

Energy Management Program

Rheem’s Energy Management Program is a driving force behind smarter operations, merging environmental stewardship with cost-saving innovations across its North American manufacturing facilities. Through upgraded equipment and efficiency improvements, the

**At this time, these figures have not been independently verified by a third party.*

program highlights Rheem’s commitment to sustainability leadership. Continued tracking and additional data validation of these projects has resulted in avoiding 4,500+ metric tons of CO₂ since the program started in 2019.

At the Raypak facility, water used to test boilers for functionality was previously sent to the sewer. Now, it is repurposed in the cooling tower, reducing overall water consumption. Additionally, the previous piping arrangement required more pump energy to overcome system static pressure. The updated piping system reduces static pressure, saving energy from pumping.

Efficiency efforts extend across multiple plants. Night and weekend audits have identified energy inefficiencies, such as equipment not being turned off or set back during off-hours. At the Montgomery and HTPG plants, transitioning from propane to electric forklifts has reduced fuel consumption and maintenance costs. Similarly, the Monterey, Mexico, facility replaced its rooftop units with more efficient equipment.

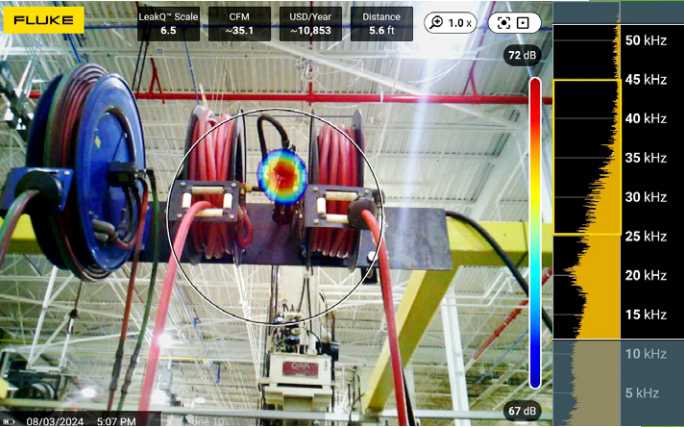
The Fort Smith facility has also made significant strides, including the installation of thermostats to reduce natural gas consumption, replacing outdated floor furnaces that lacked temperature controls. New variable-speed drive air compressors have been deployed to respond more efficiently to plant demand, saving energy and improving operational efficiency. Additionally, the team in Fort Smith collaborated with Oklahoma Gas & Electric’s Large Commercial & Industrial Efficiency Program, which

assists participants in reducing energy operating costs. The facility received a final incentive of \$9,774.90 resulting in an annual savings of 488,755 kWh.

These Energy Management Program initiatives reflect Rheem’s proactive approach to reducing its environmental footprint while fostering meaningful change.

Global Site Improvements

Rheem’s global commitment shines through innovative projects like Rheem Australia’s initiative at the Rydalmere plant. Inspired by a GoodWorks idea, the team there installed timers on all fans in the Cylinder building, saving approximately 26,000 kWh of electricity annually.



Success Story: Global Air and Water Sustainability Steering Committees

As part of our sustainability governance, we hold quarterly steering committee meetings to bring together our business units to ensure progress and share best practices. The Global Air Sustainability Steering Committee has accelerated progress on sustainability projects related to products, manufacturing energy efficiency and waste management. These efforts are supported by regular meetings, project tracking and increased visibility throughout all levels of our organization.

To enhance our sustainability governance structure, we also streamlined our North American water business units into one Water Steering Committee in 2024. This new committee consolidates smaller groups focused on improving the sustainability performance at our water heater manufacturing facilities, ensuring a more streamlined and effective approach to share best practices and involve our leadership teams.

Reducing Greenhouse Gas Emissions CONTINUED

Leak detection remains a priority in Rheem’s global operational improvements. Operators are deploying technology to detect, locate, and report leaks within our facilities both for compressed air and refrigerants. Rheem acknowledges the environmental impact of refrigerants.

The A2L transition prompted many site upgrades, incorporating advanced technology into refrigerant charge lines, vent systems, and supply valves to enhance monitoring capabilities. On-site teams also schedule regular inspections using infrared cameras to assess the energy impact of leaks and implement solutions more effectively.



Rheem Air Distribution Refrigerant Reclamation

Expanding refrigerant recycling access is an important sustainability initiative for Rheem. Two of our Rheem Air Distribution brands, Century A/C Supply and 2J Supply, collect recovered refrigerants from the trade to support recycling and ensure the proper disposal of these potent greenhouse gases.

Rheem Air Distribution and Century A/C Supply hosted a reclaim event for World Refrigeration Day, successfully collecting 1,197 pounds of reclaimed refrigerant. Throughout 2024, the program collected and reclaimed more than 62,000 pounds of refrigerants.

“To further our impact, we are working to establish a standardized network procedure for all Rheem Air Distribution businesses to enhance the refrigerant reclamation program through our distribution network, boost reclamation adoption among our contractors and introduce various recovery incentive programs to benefit our contractors across the network,” explained Ken Schrieber, vice president and general manager of Rheem Air Distribution.

LATAM GM Signs Sustainability Policy

In support of Rheem’s global sustainability program, the company’s Latin American (LATAM) business units established a local sustainability policy signed by their vice president. The policy formalizes their commitment to the environment and reinforces Rheem’s global collaboration to integrate sustainability into operations worldwide.



“Our commitment to environmental responsibility is an integral part of our corporate identity and mission, and we will continue to care for our planet and promote sustainability in everything we do,” said José Manuel Barroso, vice president and general manager of Rheem LATAM.

HTPG: Converting Observations into Action

Engaging with team members during HTPG site visits allowed their leadership team to observe and document real-time insights on the production line and identify opportunities for continuous improvement. Leaders also crowdsourced ideas for sustainable solutions across all functions.

For example, HTPG’s shipping team noted drafts coming from dock doors in the factory, prompting the company to invest in high-speed insulated dock doors to prevent drafts and reduce loss of conditioned air. Additional factory upgrades that delivered energy and cost savings included the installation of more efficient HVAC units, air flow balancing and an albedo roof coating. These measures not only conserve energy but also enhance the workplace environment by improving airflow, air quality and overall temperature control. In addition, the HTPG team implemented a new refrigerant reclaim system for the Packaged Refrigeration Line, reducing fugitive emissions for the site.

“

It is exciting to see ideas come from all areas of our business and from across all teams to reduce our carbon footprint. I am proud to work for a company that supports its customers, employees and the environment,”

Hershel Fee

Director of Operations, HTPG



2025 PRIORITIES

- Validate Rheem data for public disclosure
- Build out Scope 3 inventory

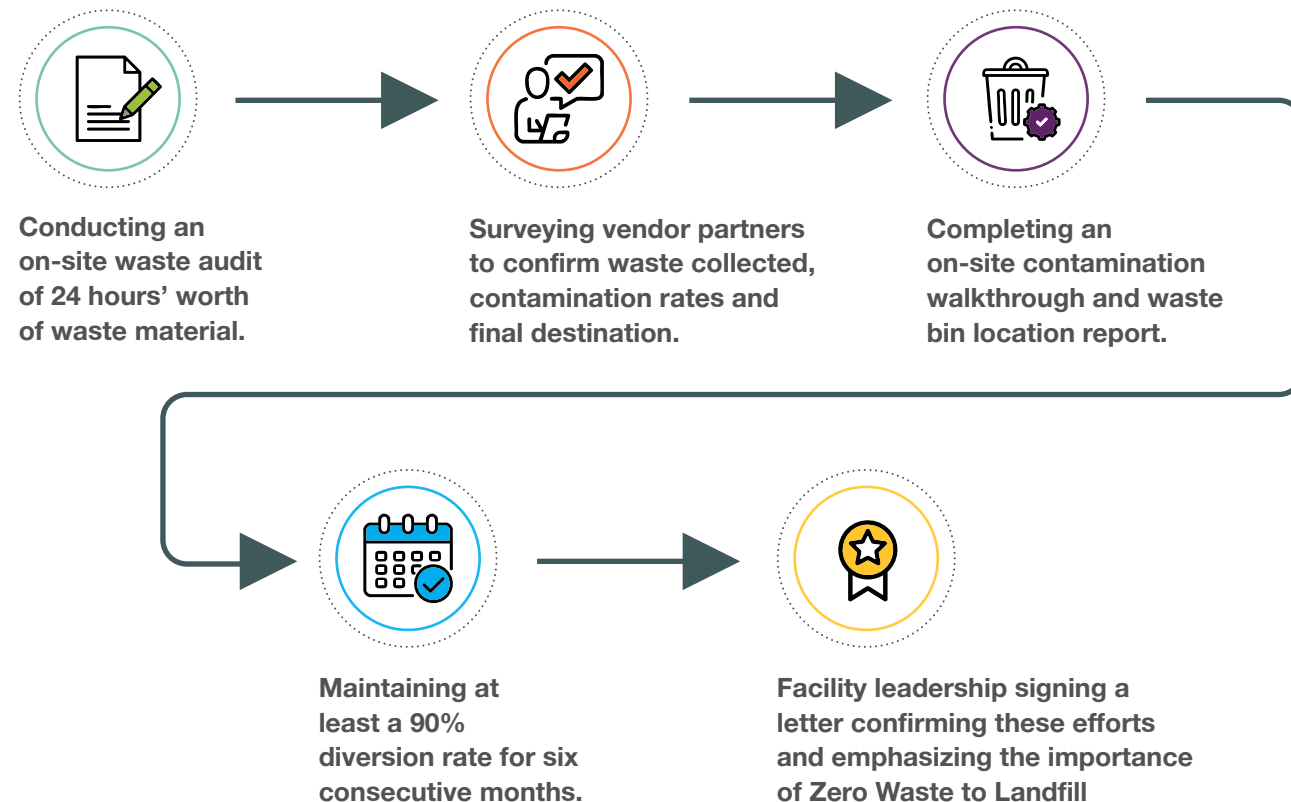
Achieving Zero Waste to Landfill

We are proud to announce that all manufacturing sites included in our initial program launch in 2019 have achieved Zero Waste to Landfill (ZWTL) status. A Rheem plant achieves ZWTL status by diverting at least 90% of nonhazardous solid waste from landfills, waste-to-energy (WTE) facilities, and incineration. Sites acquired after 2019 have been integrated into Rheem's ZWTL program and are working toward completing our validation process.

Our approach goes beyond traditional recycling efforts. By embracing innovation and systems redesign, Rheem is addressing waste at its source, ensuring a more sustainable future while redefining industry standards.

This year was pivotal for minimizing waste, as Rheem continued to innovate and establish the infrastructure and culture needed to meet and maintain ambitious diversion rates.

Our Internal Validation Process



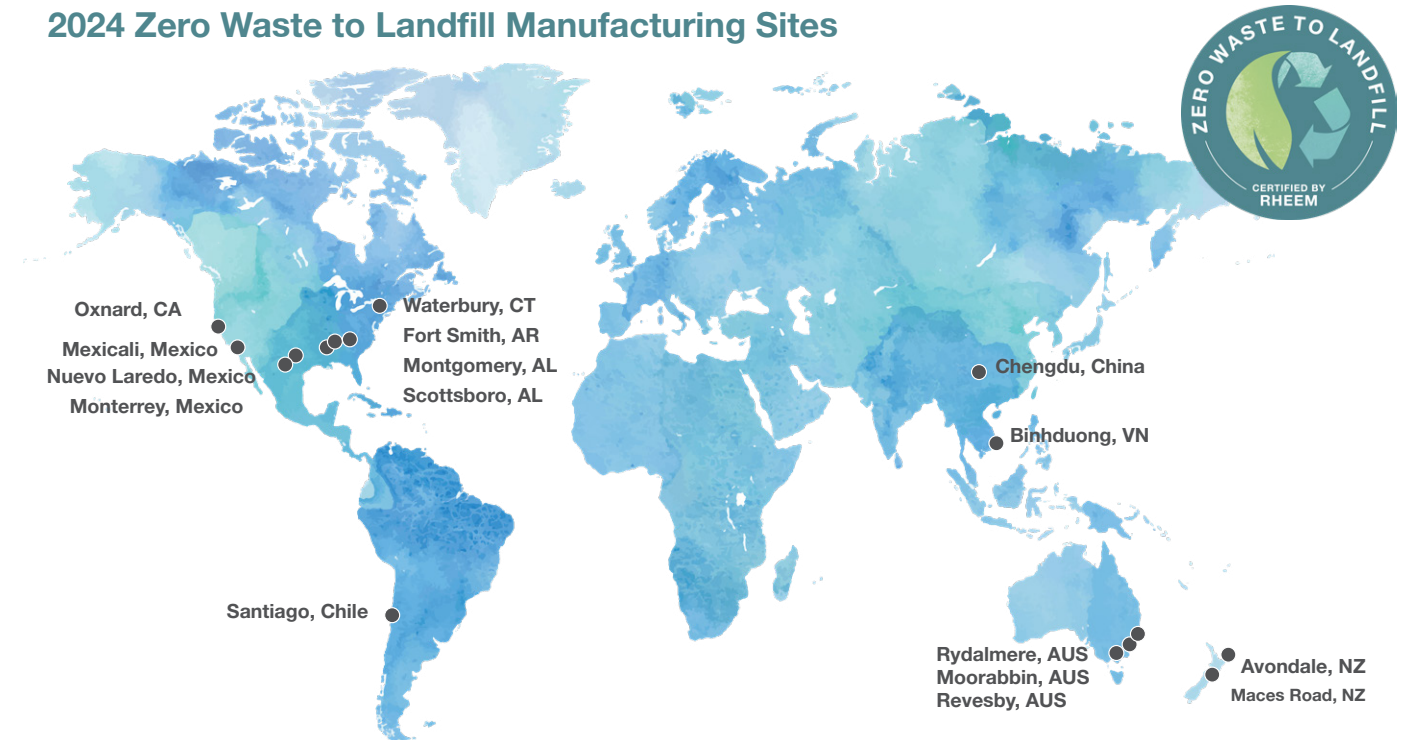
“

Congratulations to our global teams on the accomplishment of Zero Waste to Landfill! Sustainability is an ongoing commitment to conserve our resources and minimize our impact on the planet. Designing out waste through innovation is not just the responsible thing to do; it's good for business.”

Alex Houston
Chief Operations Officer



2024 Zero Waste to Landfill Manufacturing Sites



Achieving Zero Waste to Landfill CONTINUED

Facility Highlights

In early 2024, the **Raypak facility** conducted a comprehensive waste audit, installed new waste bins with improved signage, and conducted extensive employee training to improve material segregation. Rheem Australia’s Revesby plant conducted quarterly waste audits to identify and implement ongoing upgrades and at the Rydalmere facility, the transition to 100% reclaimed enamel marked a significant achievement. Meanwhile, Rheem New Zealand’s Avondale facility made strides toward zero waste to landfill by optimizing process flows to design out scrap waste, reducing the burden on local, island-based resources.

In Alabama and Arkansas, the HTPG and **Fort Smith facilities** focused on reducing wood and pallet waste. New vendor partnerships were formed to

turn scrap wood into mulch and to repair and reuse damaged pallets.

Rheem Chile took proactive steps to improve waste management at both the manufacturing level and beyond. A group of employees attended five Extended Producer Responsibility (EPR) training sessions with ReSimple, the organization leading the EPR data collection and education in Chile, to ensure compliance with packaging regulations and improve materials distributed with Rheem products. Additionally, Rheem Chile onboarded a new vendor, Armony Sustentable, for wood and landscape waste removal, resulting in a 10% increase in the facility’s landfill diversion rate.

Rheem’s Enterprise Office is now partnering with Compost Now, a Certified B Corporation, to collect food waste. The composted waste is transformed into nutrient-rich soil amendments, which are delivered to local gardens and farms.



“Waste diversion from our Avondale site in particular has been a big focus — We had the second lowest diversion rate across Rheem’s global site baselines. This achievement to meet and maintain the 90% diversion rate happened not only through improvements like reusing waste enamel, recycling timber and developing online training for the sorting of recycling, but the dedication of all our people.”



Mark McCutcheon
General Manager, Rheem New Zealand

2025 PRIORITIES

- Maintain ZWTL diversion rates
- Reduce waste generated per product
- Onboard any newly acquired businesses to our Zero Waste to Landfill program

Highlighting a Century of Conservation

For Rheem, Zero Waste is not a new concept. A 1942 edition of an internal newsletter, the *Rheeminder*, featured a story about the importance of reuse. The article describes the discovery of a pound of nails discarded on the factory floor and urged workers to be more mindful of waste and resource conservation. The writer posed a thought-provoking question: What if 100,000 factories disposed of the same amount of nails? What would the impact be?

While the story dates back to 1942, it illustrates that Zero Waste and reuse have been integral to Rheem’s values long before the company’s formal sustainability goals were established in 2019.

Another discovery from the Rheem archives was a 1970s comic book titled *The Case of the Wasted Water*, a colorful cartoon for children about water pollution and conservation.

As we celebrate our 100-year anniversary, we look eagerly toward the future while honoring the culture of sustainability that has been a part of our company since the beginning.



Inspired people.

IN THIS SECTION

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- 28 GoodWorks™ Around the Globe
- 29 Our Culture of Sustainability

Rheem is committed to amplifying our impact both with employees and the trade. Whether it's tapping the talents of our internal teams or listening to the voice of our customers and partners, we create mutual success and advance the industry by moving forward together.



Training the Trade

Rheem set a goal to train 250,000 plumbers, contractors and key influencers on sustainable products, installations and best practices by 2025. In 2022, we met our initial target, this year we are proud to announce we have trained over 600,000 individuals—more than doubling our goal.

We continue to prioritize training and education to prepare the industry’s workforce to address today’s challenges and anticipate future needs. Integrating sustainability into traditional training programs has become standard practice at Rheem. With each person trained, we strengthen our collective ability to innovate, adapt and accelerate progress in our sustainability journey.

Partnerships, scholarships and innovative training programs are central to Rheem’s efforts to support workforce development and encourage careers in the HVACR industry.

To inspire the next generation, Friedrich donated AC units as teaching aids to the Austin Career Institute, a nationally accredited vocational trade school in Texas. Additionally, Rheem, in partnership with the Northwest Arkansas chapter of the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), funded a \$10,000 scholarship for students attending the University of Arkansas or Arkansas Tech University, aiming to encourage those with an interest in HVAC to pursue this field.

Saudi Arabia Innovation Learning Center

In 2024 Rheem opened a state-of-the-art Innovation Learning Center (ILC) training facility in Saudi Arabia with an emphasis on training the region on sustainable products as the demand for cooling technology grows in the region. The ILC in Saudi Arabia features digital displays showcasing sustainability focused videos, as well as a display of employees’ fingerprints to show the commitment of the Rheem MEA team towards sustainability.



Training the Trade by the Numbers

Exceeded Goal of 250,000 Trainees



Training the Trade CONTINUED

Other activities include: HTPG partnering with Kevin Duke’s Innovation Learning Center’s EPCOT Technical School in Jackson County, Alabama, to further educational opportunities; and Rheem’s U.S Air Conditioning Division providing annual support to SkillsUSA, an organization dedicated to fostering technical education and empowering students to explore careers in the sector. Support includes financial contributions, in-kind resources and volunteer efforts from Rheem team members, who provide training and assist with national competitions. “Volunteering with Skills USA allows Rheem to be at the forefront of helping the industry sustain a highly skilled workforce by empowering students to become career ready professionals in the HVACR Industry,” said Chase Blanton, manager, sales support.

Our Nuevo Laredo facility in Mexico partnered with the Technological Institute of Nuevo Laredo on several occasions to donate products, computers, and a 3D printer. These contributions aim to enhance the school’s resources and support the education of the next generation workforce.

In Australia, Rheem has hosted Heat Pump Journey Training Events across the region and presented at Master Plumbers Skill sessions on electrification. To assist plumbers and installers of domestic hot water systems, Rheem developed the Rheem Rapid app, which automates and streamlines renewable rebate claim processes.

These initiatives reflect Rheem’s commitment to equipping current and future industry professionals with the tools and knowledge needed to build a more sustainable future.

Continuing Education Opportunities

In most U.S. states, engineers must earn a certain number of continuing education credits annually to renew their licenses. Rheem Commercial HVAC, in partnership with the American Institute of Architects (AIA), Green Business Certification Inc. (GBCI) and the Registered Continuing Education Program (RCEP), offers commercial HVAC professionals and specifying engineers opportunities to earn these credits free of charge through virtual and in-person courses.

Course topics include utilizing HVAC systems to improve indoor air quality, implementing HVAC solutions that reduce environmental impacts and more.



2025 PRIORITIES

- Identify an impactful next gen training goal with Rheem GoodWorks™ Ambassadors and trainers worldwide
- Equip partners with tools to win market share with sustainability
- Educate on the refrigerant transition and the impact this has on the atmosphere

Rheem’s first ILC is Rydalmere, Australia

Highlighting a Century of Partnership

Much of the success of our sustainability training goal can be attributed to Rheem’s global network of Innovation Learning Centers (ILCs). These facilities have been an integral part of Rheem’s DNA for decades.

Rheem opened its first ILC in Rydalmere, Australia, in the 1950s. Inspired by the success of Rheem Australia, other facilities followed suit, launching their own ILCs. Today, Rheem operates 27 ILCs around the world.



GoodWorks™ Around the Globe

At Rheem, making a meaningful difference for people and the planet is at the heart of our GoodWorks program. Building on the contributions of our team members, we invite all 14,000 employees worldwide to become GoodWorks Explorers, actively enhancing sustainability in our global workplaces and leading community outreach initiatives.

By championing environmental stewardship across offices, manufacturing facilities and communities, our GoodWorks Explorers and Ambassadors are driving impactful change.



Committed to GoodWorks



Singapore (Rheem SEA): Planted trees in partnership with the One Million Tree Movement



Gorredijk, Netherlands: DEJONG proudly leads as the first of Rheem's European entities to roll out the Global GoodWorks Program.



San Antonio, TX (Friedrich): Conducted a highway litter cleanup, collecting 120 pounds (54.5 kilograms) of discarded waste from the roadside.



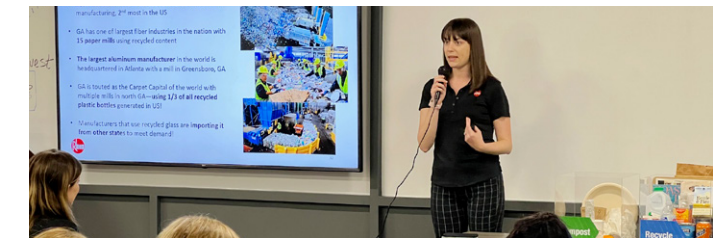
Randleman, NC (RPD): Hosted a week's worth of activities, including litter cleanup, terrarium planting, and hazardous materials training.



Dubai, UAE (Rheem MEA): Created an environmental scavenger hunt and puzzle activity for Earth Day



Fort Smith, AR (US ACD): Hosted a litter cleanup, collected electronic waste for recycling, and planted a tree onsite.



Atlanta, GA (Enterprise): Hosted a zero-waste lunch & learn about a new compost program and alternative commute options.



Nuevo Laredo, MX (Rheem Mexico): Planted trees around the facility and created a Name Your Tree campaign among staff

Our Culture of Sustainability

Mission

Heat. Cold. Water. Air. These are the essential elements of life, vital to keeping us alive and making sure we stay comfortable and productive. These are the elements that we transform into meaning every day through innovative design, creation, and delivery. And they are what we aspire to take to every corner of the planet as we grow with purpose.

Vision

We are connected by the elements of life at Rheem. Every day at Rheem is made up of many different elements. How we focus on our customers, how we treat each other, how we innovate and collaborate, how we manufacture, and how we impact our environment. When our elements come together, we are connected on a global scale. It is through this connection that our mission is fully realized.

Values



LISTENING
TO UNDERSTAND



CONTRIBUTING
RESPECTFULLY



THINKING
CREATIVELY



ACTING WITH
RESPONSIBILITY

“

Our teams around the globe have made environmental stewardship a critical part of our mission, vision and values. The sustainability goals they’ve accomplished are yet one more reason I’m proud to celebrate the 100th anniversary of Rheem.”

Dipa Homer
Executive Vice President, Human Resources and Communications



Hear from Our New Hires

At Rheem, sustainability is more than a priority—it is woven into the fabric of our company culture. From the initial recruitment process to onboarding and throughout the training journey, sustainability is embedded into every step.

More than half of newly hired global employees who were aware of our sustainability program said it positively influenced their decision to join Rheem during their hiring process. This strong alignment between our values and our workforce underscores our deep commitment to building a sustainable future together.

“

I’m very proud to be working in the RPD area, that allows customers the ability to DIY, saving them money and sustaining their equipment.”

Glenda Parks
E-Commerce Project Specialist II, RPD



“

It is important to be fully committed with sustainable initiatives to fulfill our customers’ requirements and our environmental vision as a company.”

Jose Luis Lozano, Sr.
Manager Regional EHS, Rheem Mexico



“

Rheem’s ambitious sustainability goals have fostered a sense of pride, purpose and responsibility for a healthier planet.”

Brenda Martinez
Retail Sales Analyst II



“

Working for a sustainable company means contributing to a business that prioritizes the long-term well-being of the environment, society, and the economy.”

Fadi Shammass
Project Engineer R&D



Our Culture of Sustainability

CONTINUED



Sustainability Communications and the Rheem Air Blog

The HVAC industry is undergoing rapid change, making communication with our customers more important than ever. The Rheem Air Blog is one way we keep homeowners and trade professionals informed about our products and industry trends, often featuring sustainability-focused content. The blog reaches thousands of people annually, and three specific sustainability articles were published in 2024, covering topics such as A2L refrigerants, decarbonization and tips for reducing energy consumption at home.

“Sustainability is at the core of everything we do at Rheem, and it’s vital that our online content reflects that commitment. By integrating educational sustainability messaging into our Rheem Air Blog, we not only showcase our leadership in the industry but also provide valuable insights to our external stakeholders who share our vision for a greener future,” said Makenzi Roberts, content and communications manager.

[Visit the Rheem Air Blog Online](#) ➔

Community Impacts

Creating comfort is central to our business, and helping our greater community is part of our mission. Each year, two businesses from both Rheem and Ruud Pro Partners are recognized as our Difference Makers.

Difference Makers go above and beyond to support the causes that they care about, and winners are awarded with a \$10,000 donation to the charity of their choice.

One of our 2024 Difference Makers was Sparrow Heating & Air Conditioning of Eastern Long Island, New York. They led a multi-contractor effort to support the Warrior Ranch Foundation, an organization that uses equine therapy to help veterans and first responders experiencing post-traumatic stress disorder (PTSD). Rolls Mechanical was also recognized as a Difference Maker for their support of the Food Bank of Eastern Michigan.



Our products also have the power to make a difference for those in need. In 2024, our Nuevo Laredo facility donated mini-split air conditioning units to an elementary school and nursery to create safe, comfortable environments for young students. In Atlanta, the Water Heating Division donated HotWave® handheld hose sprayers, which heat water on demand, to the Atlanta Humane Society to support animal care. In Sarasota, Florida, the Rheem Water Heating Division partnered with Plumbing Express, a locally owned plumbing business, to donate water heaters to families recovering from recent hurricanes.

“Our goal is to provide comfort for homeowners and make a positive impact on the communities where we live and work,” said Scott Cohen, Rheem’s director of marketing for residential water heating. “We are proud to donate Rheem water heaters and support the team at Plumbing Express as they bring hot water and hope to families recovering from Hurricane Helene’s impact.”



Additionally, our U.S. Air Conditioning Division partnered with the Gary Sinise Foundation to donate products for eight homes to provide housing for veterans.

We also recognize that our time is a valuable resource. This year, our Enterprise office in Atlanta organized several activities to benefit community organizations. Through our Charity Miles program, employees raised donations for Habitat for Humanity by logging their steps. In September, Enterprise partnered with the Water Heating Division, HTPG, and other Atlanta-based businesses to pack meals for those in need during an event hosted by 9/11 Day, an organization that transforms September 11 into a day of service. Employees also supported youth in Atlanta by packing snack bags during an in-office event with the United Way to round out the year.

Looking ahead.



NEXT STARTS
NOW

The year 2025 will mark a pivotal moment in Rheem’s history—our 100th anniversary as a business and a significant milestone in our sustainability journey. This milestone is not only a time for celebration but also an opportunity for reflection and recalibration as we set new sustainability goals for the future.

As we honor the progress we’ve made, we look ahead to establishing ambitious new goals and benchmarks for the next generation of sustainability initiatives. From the beginning, our mission has been to do the right thing, and we will continue to build on our proven framework of products, processes and people to elevate our sustainability efforts to new heights.

Our ongoing commitment to embedding sustainability into everything we do propels us forward. By harnessing the collective passion within our organization, we will explore new possibilities and chart a brighter, more sustainable future.

[Watch Rheem’s 100-Years Strong video](#) 



engineered for life™

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