



# 2024

Sustainability Report



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# A Message From Our Chief Executive Officer

Success of a company over 150 years is ensured through strong financial management, innovation, and a relentless focus on building strong relationships with customers, employees, and partners. Throughout 2024, we celebrated our 150<sup>th</sup> anniversary by reaffirming our commitment for the future: to improve comfort, safety, and quality of life for people around the world, through our expertise in a wide range of water technologies and to be the best in the eyes of our employees, customers, and shareholders.

As we meet the demands of a modern and rapidly evolving landscape, we ground these commitments in three core principles: safety and regulation, water conservation, and energy efficiency. Our “triple play” strategy results in solutions that not only ensure the safe and proper management of water, but also reduce our environmental impact.

In 2024, we introduced Nexa, an intelligent water management solution for commercial buildings, that supports customers in the safe, efficient, and sustainable delivery of water while enabling significant cost savings. It’s the latest example of how our

Smart & Connected portfolio is bringing unprecedented insights and value to our customers, shareholders, and the environment.

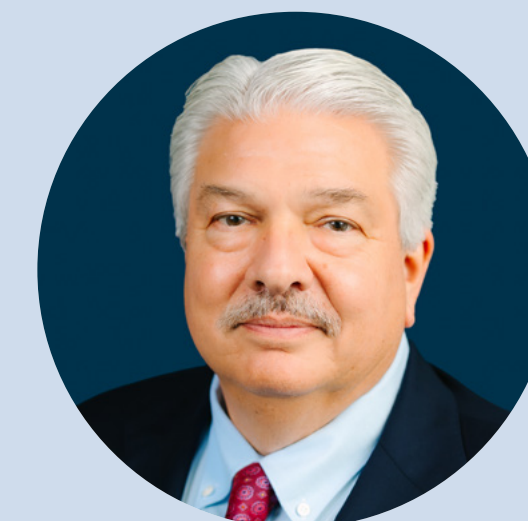
As we’ve grown our portfolio, we’ve also made measurable progress in reducing our environmental footprint. In recent years, we’ve significantly reduced water and emissions intensity across our operations — surpassing our first-generation footprint goals well ahead of schedule. These results are a testament to the dedication of teams across Watts who are embedding sustainability into how we innovate, operate, and serve our customers.

Our legacy is not just one of innovation, sustainability, and reliability, but also of compassion and community. Around the world, we seek to positively impact the people connected to our business, including our employees, customers, supply chain partners, and neighbors. In 2024, we introduced the Watts Cares volunteer program, a resounding success with colleagues from more than 40 sites giving their time, expertise, and passion to more than 50 different organizations within their communities and beyond.

From product innovation to volunteerism, our people are advancing a unified vision for positive impact, and our progress is driven by collaboration across our global teams. We know our success for the next 150 years will depend not only on what we deliver, but how we deliver it — with integrity, innovation, and a commitment to continuous improvement.

To those who have been with us for decades, and those who have recently joined us on our journey — we thank you. Your trust in Watts has been invaluable to our success, as has your shared belief in our vision for a world where water is safeguarded for all. Together, we have achieved so much, and we are confident that the best is yet to come.

Sincerely,



A handwritten signature in blue ink, reading "Robert J. Pagano Jr.".

**Robert J. Pagano Jr.**  
CEO, President, and  
Chairperson of the Board

# A Message From Our Chief Sustainability Officer

Welcome to our ninth annual Sustainability Report. We not only celebrated 150 years as a company in 2024, we also made remarkable progress with respect to our environmental, social, and governance (ESG) strategy, embedding sustainability into strategic initiatives and finding new ways to create shared value for our many stakeholders. We maintain our unwavering commitment to good governance, ensuring that all decision-making is grounded by our mission, vision, and values.

In last year's report, we established our second generation of measurable and time-bound goals across the four pillars of our strategy — Footprint, Handprint, Social Responsibility, and Corporate Governance. Work to achieve our new targets is well underway. I'm proud of how teams from across our business have come together to embrace these challenges.

For more than a decade, we have actively tracked and managed our performance across water, carbon emissions, and waste. Our reporting of footprint data dates back to our first Sustainability Report in 2016, providing transparency for our stakeholders and holding us accountable for our commitments. In 2018, we adopted quantifiable, time-bound performance goals. Our first-generation goals covered a five-year performance period of 2019 – 2023 and aimed to achieve 3% annual reductions in water, greenhouse gas (GHG) emissions, and hazardous waste intensity against a 2018 baseline. By the end of 2023, Watts had achieved a 62% reduction in water intensity, a 60% reduction in market-based emissions intensity, and a 35% reduction in hazardous waste intensity — far surpassing our stated goal of a 15% reduction over five years.

In 2024, we began working toward our second generation of Footprint goals. For GHG emissions, we have begun tracking our performance against an absolute reduction target of 30%, which is equivalent to 10,000 metric tons (MT), by 2034. For water, emissions, and hazardous waste intensities, we will continue to strive for a 3% reduction year over year through 2026, using 2023 as our baseline. After achieving significant intensity reductions from 2018 to 2023, particularly for water intensity, these second-generation goals represent aggressive new targets that will require even more innovation, detailed management, and targeted capital investments.

Our teams are promoting awareness of our priorities and sharing knowledge across sites to apply best practices and key learnings. New investments in renewable energy, operational efficiencies, and improved processes led to a ~950 MT reduction in our absolute GHG emissions. We achieved a 16% reduction in our hazardous waste intensity in 2024 as compared to 2023.

Safeguarding water for future generations is at the core of what we do at Watts. It's for this reason that, after far surpassing water intensity goals by the end of 2023, we challenged ourselves to maintain a 3% annual reduction through 2026. All water used in our operations is critical. We will never compromise on providing access to safe water for our employees and ensuring that the processes we use to safely bring new products to market are less water intensive. In 2024, we enhanced monitoring and continued to improve operational efficiencies, which laid the groundwork for identifying and pursuing long-term water reduction projects.

As we actively managed our footprint and generated savings across operations, we helped our customers do the same. Our continued work to conduct life-cycle assessments (LCAs) for our products and publish environmental product declarations (EPDs) to share the results of those LCAs is driving transparency for our customers and contributing to global sustainable development efforts. Our engineering teams are gaining a deeper understanding of each product's environmental impact and identifying opportunities to enhance manufacturing practices and product design.

This year's report is a reflection of an increasingly rigorous management approach to our ESG priorities. We are on a path of continuous improvement and thank you for taking the time to learn more.

Sincerely,



**Kenneth R. Lepage**  
 General Counsel, Chief Compliance  
 Officer, and Chief Sustainability Officer



# Corporate Profile

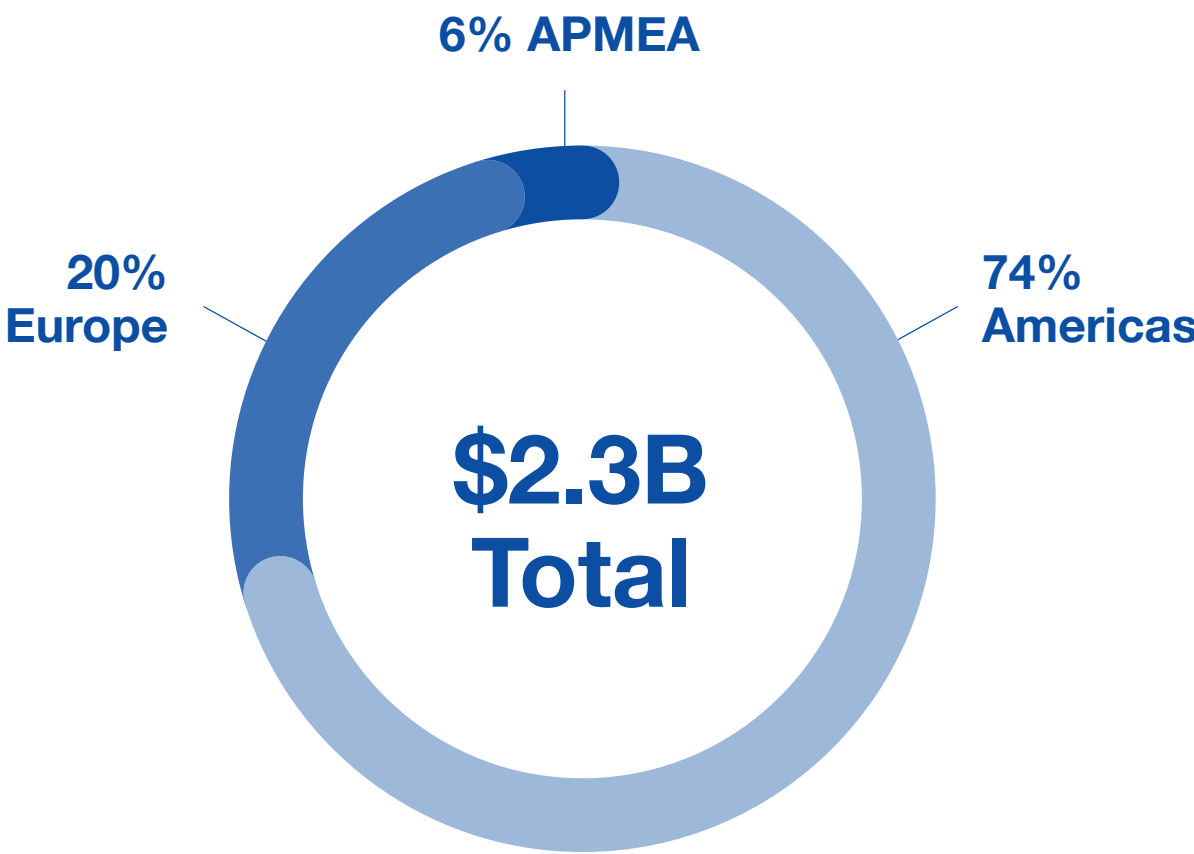
## About Watts Water Technologies, Inc.

Watts Water Technologies, Inc., through its family of companies (“Watts”), is a leading provider of solutions designed to promote safety and regulation, energy efficiency, and water conservation in the commercial, light industrial, and residential markets of the Americas, Europe, and Asia-Pacific, the Middle East, and Africa (APMEA). For 150 years, Watts has designed and produced solutions that safeguard and regulate water systems, energy-efficient heating and hydronic systems, drainage systems, and water filtration technology that helps purify and conserve water.

Headquartered in North Andover, Massachusetts, USA, Watts Water Technologies, Inc. was incorporated in Delaware in 1985 as the parent company of Watts Regulator Co. and trades on the New York Stock Exchange (NYSE) under the stock symbol WTS.

### Revenue

We report on our annual net sales for each of the three geographic segments in which we operate our business globally. The regional net sales percentages and the total are for the year ended December 31, 2024.



### Some of Our Brands



#### Mission

To improve comfort, safety, and quality of life for people around the world through our expertise in a wide range of water technologies

To be the best in the eyes of our employees, customers, and shareholders



#### Purpose

To be the global leader in providing innovative, high-quality products, systems, and solutions for the conveyance, conservation, control, and safe use of water through a focus on customers, innovation, and continuous improvement



#### Values

- Integrity and Respect:** Doing the right thing in the right way, always
- Accountability:** Focusing on results; doing what you say you’re going to do
- Continuous Improvement and Innovation:** Maintaining a customer focus; improving every day
- Transparency:** Demonstrating candor and openly sharing information



# Corporate Profile\*

## 19% Specialty

- Independent representatives, dealers, and direct sales, primarily related to commercial boilers and water heaters, water quality solutions, and food service products

## 66% Wholesalers

- Wholesale distributors for commercial, light industrial, and residential applications

## Channels and Customers

## 11% Original Equipment Manufacturers (OEMs)

- Manufacturers of water heaters, boilers, radiant systems, appliances, and other equipment requiring flow control devices

## 4% Do-It-Yourself (DIY) Chains

- Retail outlets for residential and commercial applications

## 24% HVAC and Gas Products

- Commercial high-efficiency boilers, water heaters, and heating solutions
- Hydronic and electric heating systems for under-floor radiant applications
- Custom heat and hot water solutions, hydronic pump groups for boiler manufacturers, and alternative energy control packages
- Flexible stainless steel connectors for natural and liquid propane gas in commercial food service and residential applications
- Most of our HVAC products and solutions feature advanced controls enabling customers to easily connect to the building management system for better monitoring, control, and operation

## 11% Drainage and Water Reuse

- Drainage products, including trench, cast iron, stainless steel, and connected roof-drain systems
- Engineered rainwater harvesting solutions for commercial, industrial, marine, and residential applications

## Products

## 60% Residential and Commercial Flow

- Backflow preventers, water pressure regulators, temperature and pressure-relief valves, thermostatic mixing valves, leak-detection and protection products, commercial washroom solutions, and emergency safety products and equipment
- Many of our flow-control and protection products, which are now smart and connected enabled products, capable of warning of leaks, floods, and freeze with alerts to building management systems and/or personal devices, giving our customers greater insight into their water management and the ability to shut off the water supply to avoid waste and mitigate damages

## 5% Water Quality

- Point-of-use and point-of-entry water filtration, monitoring, conditioning, and scale prevention systems for commercial, marine, and residential applications

\*The percentages are based on total net sales for the year ended December 31, 2024.





## Footprint to Handprint

**Significantly outperformed our first generation of footprint goals and generated savings in operational expenses, while helping our customers meet their environmental and social goals through our products & services**

- Embarked upon our second generation of goals (2024 – 2026); achieved our first generation of intensity reduction goals in energy, emission, and hazardous waste ahead of plan (2018 – 2023)
- Recommitted to 3% intensity reduction goals for water, emissions, and waste against a 2023 baseline
- Committed to new decarbonization goal: 30% absolute reduction equivalent to 10,000 MT of CO<sub>2</sub> by 2034
- Better quantifying our products' handprint benefits and future design through LCA modeling and pursuing EPDs to drive greater transparency for our customers

## Watts Sites to Communities

**Ensuring our ESG commitments extend to the customers and communities where we operate**

- Increasing accountability of our suppliers and their adherence to ESG principles
- Colleagues from 40 sites volunteered a total of 5,000 hours to more than 50 different organizations within their communities and beyond in the inaugural year of our Watts Cares community giving program
- Performed quality audits of 500 suppliers globally through our Supplier Quality Audit Program

## Business Strategy Influenced by Climate Risks and Opportunities

**Engraining sustainability into our strategic initiatives to drive our ESG principles across the business**

- Increased employee engagement and supported ERGs at our sites
- Analyzed production, logistics, and distribution to maximize our customer reach
- Increased our offering and sales from smart and connected enabled products — enabling our customers to achieve their environmental objectives
- Incorporating sustainability metrics into our new product development process

## Sustainability Integrated at Every Level

**Demonstrating our commitment to sustainability as an integral part of conducting business**

- Making our products and operations more resilient to pollution, extreme climate events, and the increasing scarcity of water
- Reinforcing our mature ethics and compliance program through annual global Code of Conduct training for all employees, consultants, and contractors
- Enhanced transparency, commitments, and reporting requirements, including UNGC, WAVE, CEO Water Mandate, and third-party environmental data validation



# Progress Against Our Goals

In 2024, after significantly overachieving on our footprint goals, we established a series of measurable, time-bound goals to continue to drive our performance across the four pillars of our strategy. Our goal-setting process engaged leaders from across our operations and considered our greatest opportunities for impact.

## Footprint

Watts is taking responsibility for reducing our water, energy, carbon, and waste footprints across our operations. We seek to meaningfully participate in the global effort to combat climate change by reducing our impact on the environment while working to prevent water-related hazards such as water pollution, scarcity, and flooding.

- Reduce 10,000 MT of CO<sub>2</sub> by 2034.
- Reduce our emissions, water, and hazardous waste intensity by 3% annually through 2026.
- Begin reporting on Scope 3 emissions in 2026.

### Our progress in 2024



Reduced ~950 MT of CO<sub>2</sub>, a result of new investments in renewable energy, system upgrades and equipment efficiencies, and broadening awareness of energy reduction targets across Watts sites.



Reduced our hazardous waste intensity by 16%, a result of investments and process innovations at Watts sites that are the highest producers of hazardous waste.



Built on a decade of data collection and water reduction initiatives across sites, we achieved a 62% reduction in water intensity between 2018 and 2023. In 2024, we began tracking our water intensity against our consolidated baseline reducing over 600,000 liters of water. Meeting our aggressive water reduction target will require even more innovation and capital investments.

Learn more about this work in the [Footprint pillar](#).

## Handprint

We are creating innovative products and smart solutions to protect, control, and conserve critical resources and helping to educate our customers to support them in reducing their footprint through use of our products.

- Invest in life cycle assessments (LCAs) to better design and manufacture with environmental impact in mind. This includes completing the following LCAs by 2025:
  - All products in our largest facility and in our BLÜCHER facility
  - Two products in France
  - One product in APMEA
- Drive greater transparency for our customers to the environmental impacts of our products through environmental product declarations (EPDs).
  - Complete 50 EPDs by 2026.

### Our progress in 2024

- We have completed LCAs for:

100%

of products in our largest facility in Franklin, NH, USA

3

products in France and New Zealand

- We initiated LCAs for all products in our BLÜCHER facility and will complete this process in 2025.



Watts products are now covered by LCAs.



Watts products with EPDs, following the completion of LCAs, are available on our website for customers and other interested stakeholders.

Learn more about this work in the [Handprint pillar](#).



## Social Responsibility

We are enhancing social value by contributing to safe, healthy, and strong communities. We enrich, engage, and protect our employees and the communities in which we operate, as well as embrace acceptance as a core business and engagement strategy.

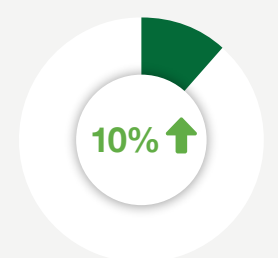
- Expand opportunities for Watts employees to participate in leadership and professional development opportunities.
  - ▶ Offer leadership and inclusivity training to all employees globally by the end of 2025.
- By 2027, exceed a score of 75% across inclusivity, engagement, and training indicators in our annual global employee engagement surveys.
- Increase employee engagement in community projects through Watts Cares by 10% year over year through 2027.
- From 2024 through 2027, donate up to \$1 million to nonprofit organizations dedicated to water stewardship and other causes important to our communities.

### Our progress in 2024

- Following multiple acquisitions over the past three years, our teams completed a full review of training and development offerings to identify opportunities for strategic investment. In 2025, we will focus our efforts on management and leadership development, emphasizing internal advancement and succession planning. As a result, we will introduce a revised goal tailored to professional development.



Launched Watts Cares and began tracking volunteerism hours across global operations, establishing a baseline for future measurement.



Increased donations to nonprofit organizations by 10% in 2024, continuing our long-standing partnership with Planet Water and strengthening our relationship with the Red Cross to support clean water access as part of disaster relief.

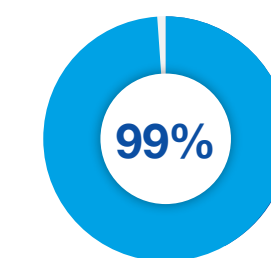
Learn more about this work in the [Social Responsibility pillar](#).

## Corporate Governance

We are earning the trust of our stakeholders by operating responsibly and adhering to high ethical standards. Our corporate governance principles provide an essential framework to ensure we conduct ourselves in accordance with our mission, vision, and values in the work we do every day.

- Ensure that 99% of all employees, including part-time employees, consultants, and contractors, complete our Code of Business Conduct training and acknowledge their adherence to our Code, annually.
- Drive supplier performance on ESG issues through robust engagement, expanded coverage of audits and evaluations, and conformance to our Code of Business Conduct and Supplier ESG Standards.
  - ▶ Expand our review of Dun & Bradstreet (D&B) ESG ratings across as many suppliers as feasible, prioritizing new and high-impact suppliers.
  - ▶ Require all new suppliers to confirm their conformance to Supplier ESG Standards prior to engaging with Watts.

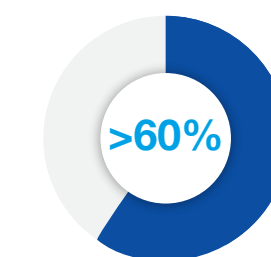
### Our progress in 2024



99% of all employees, consultants, and contractors completed training and acknowledged adherence to our Code. This includes employees of Josam and Bradley, who completed their first annual Code of Conduct training after the two companies joined the Watts family of brands.



100% of all new suppliers confirmed their conformance to our Supplier ESG Standards.



We reviewed the D&B ratings of more than 60% of our suppliers, representing approximately 60% of our global spend. To strengthen the impact of our supplier ESG oversight, we refined our goal to prioritize new and high-impact suppliers, recognizing that 100% coverage is not always feasible due to limitations and challenges outside of our control. This approach allows us to focus on the most meaningful areas while continuing to expand our ESG evaluation efforts.

Learn more about this work in the [Corporate Governance pillar](#).



# Evolving Our Sustainability Strategy

## 2014

- Began reporting on environmental data
- Launched monthly operating reviews

## 2018

- Set and disclosed environmental/eco-efficiency targets
- Began engaging ratings agencies

## 2019

- Engaged Schneider Electric to track resource consumption
- Established dedicated corporate sustainability staff

## 2016

- Published first annual Sustainability Report

## 2020

- Launched global diversity, equity, and inclusion initiatives
- Performed business continuity analysis
- Began third-party verification of footprint and safety data
- Began reporting against GRI and UN SDGs

## 2021

- Appointed first chief sustainability officer
- Developed EHSS policy
- Launched Employee Resource Groups (ERGs)
- Completed first materiality assessment
- Began reporting against SASB
- CEO became a boardmember of The Water Council

## 2022

- Became the first company to be WAVE Verified
- Issued Human Rights Policy
- Joined UN Global Compact
- Established dedicated Handprint staff
- Held internal ESG leadership and brainstorming sessions for all employees globally
- Began reporting against CEO Water Mandate

## 2023

- Gained further insights into our own supply chain's sustainability performance by engaging our top 100 suppliers by spend to join the EcoVadis platform. Of these suppliers, ~70% completed and shared the EcoVadis scorecard.

## 2024

- Launched second-generation Footprint goals
- Continued work to complete product LCAs and publish EPDs
- Kicked off Watts Cares global volunteer program

## Accolades

- Received a AA rating by MSCI since 2021
- Named to ISS Top 15% peer group since 2021; earned Prime Rating since 2024
- Participated in EcoVadis global ESG rating assessment as a global organization since 2023
- Selected as one of America's Climate Leaders by USA Today since 2023
- Attained Sustainalytics "low risk" rating for the second consecutive year
- Recognized by Newsweek as one of America's Greenest Companies and Top 300 U.S. companies for environmental sustainability for the second consecutive year
- Earned Newsweek's designation as one of America's Most Responsible Companies for the sixth consecutive year, ranking among the Top 600 from 2,000 major U.S. firms across 14 industries



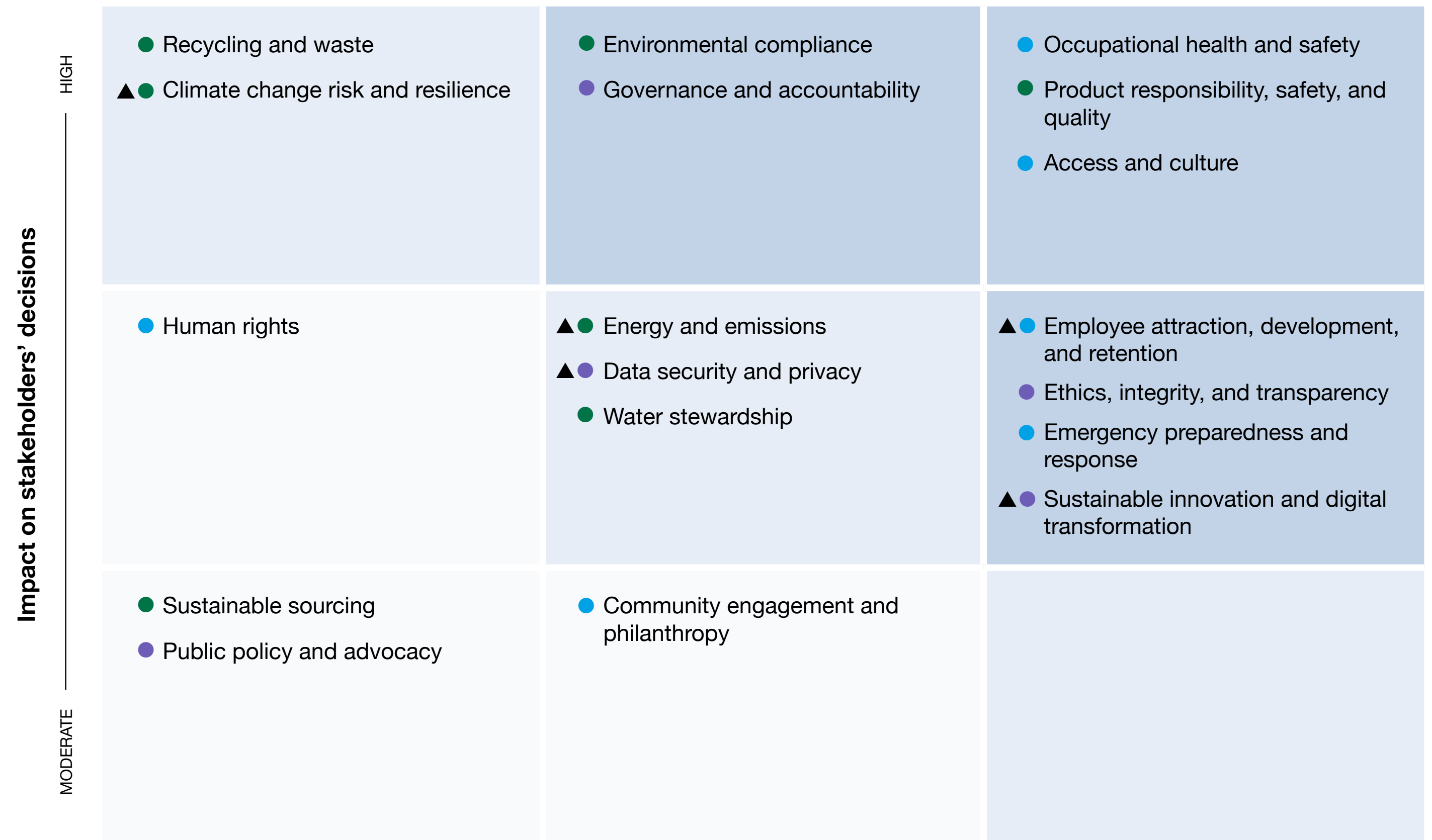


# Materiality Assessment and Topics

In 2021, we completed a materiality assessment in accordance with Global Reporting Initiative (GRI) standards and analyzed data from peer benchmarking, ESG ratings agencies, and industry-specific ESG reporting standards and frameworks to highlight ESG focus areas. We collected insights from key internal and external stakeholders — including management, customers, investors, nongovernmental organizations (NGOs), and employees — to support ESG topic prioritization aligned to business objectives. We finalized the topic prioritization with the Watts Global Leadership Team, resulting in the materiality matrix on the right.

These assessments help identify and report on ESG topics that have the most significant impact on our business and our stakeholders. It also identified ESG-related risks and opportunities for us to evaluate as we execute our growth strategy and societal trends that may impact our ability to meet stakeholder expectations. Following the materiality assessment, we identified several key focus areas for immediate attention and resources. Efforts in these areas are well underway and are detailed throughout this report.

In early 2024, separate from the assessment noted above, we completed our double materiality assessment as required by the European Corporate Sustainability Reporting Directive (CSRD), in preparation for future CSRD reporting. While we have made significant strides, further preparation for the CSRD reporting is required.



MODERATE ————— HIGH

## Importance to achieving Watts business objectives





# Contributing to the UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) provide the best-shared definitions of our global challenges and serve as a framework to determine where we can make the greatest impact. Watts is focused on addressing key impacts and opportunities to minimize the environmental footprint of our global operations while improving the health, wellness, and safety of our employees and customers and protecting the communities where we operate. Our strategy is aligned with the SDGs, and we believe we can most meaningfully contribute to the following seven goals.



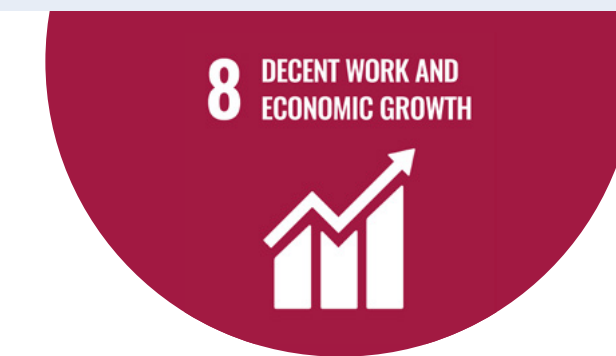
## Gender Equality, SDG 5:

We are committed to finding meaningful ways to be a more accepting business. We seek to break down barriers in the workplace through measures that ensure we attract and retain a wide variety of individuals. To advance this work, our Talent Acquisition Team continues to establish partnerships with institutions, professional networks, and search firms; attend career fairs; and collaborate with our ERGs. Our Women of Watts ERG continued its mentorship program in 2024 to help promote and cultivate a more accepting environment.



## Clean Water and Sanitation, SDG 6:

We believe access to clean water is a fundamental human right, yet billions of people around the world experience water insecurity and water stress daily. Our products play an essential role in protecting and conserving water resources and the people who use and rely on them. We are committed to reducing the amount of water we use and discharge to manufacture our products, ensuring our business practices protect the water quality and supply in the communities where we operate, and developing innovative products and services that solve long-standing water conservation challenges. We are building awareness at the site level on watershed risk and implementing plans to promote water stewardship at our sites.



## Decent Work and Economic Growth, SDG 8:

Promoting inclusive economic growth and development enables us to better serve our customers and communities, and we strive to provide our employees with meaningful career-growth opportunities and a positive and safe work environment. As of December 31, 2024, we employed 4,829 employees across 21 countries.\* Our commitment extends beyond our company walls through educational partnerships and charitable donations. Our [Human Rights Policy](#) outlines our commitment to promoting human rights within our labor force. The policy applies not only to our employees, but also to our supply chain partners.

*\*Aligns with the [2024 Annual Report](#) and includes Bradley and Josam sites.*



9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



### Industry, Innovation, and Infrastructure, SDG 9:

For nearly 50 years, our backflow prevention valves have set the standard for backflow prevention for municipal water infrastructure, homes, and buildings. Backflow, or the reversal of the normal flow of water in a system, poses a threat to municipal water systems, and our backflow prevention valves help ensure that contaminated water does not reenter the potable water supply, saving millions of gallons of potable water from contamination each year. Through connecting our products with smart technology, we are able to alert building management of a leak or flood early on, which allows for early intervention, either manually or remotely. In 2024, approximately 42% of our revenue was generated from clean-tech products.

12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



### Responsible Consumption and Production, SDG 12:

We are committed to minimizing the environmental impacts of our operations by reducing our energy and water consumption, GHG emissions, and hazardous and nonhazardous waste generated at our sites. In 2024, despite including Bradley and Josam sites in our environmental boundary, we reduced ~950 MT of Scopes 1 and 2 location-based carbon emissions, as compared to 2023, on a consolidated basis. We are identifying opportunities and investing in solutions to accelerate our transition to the circular economy and finding ways to appropriately divert waste from landfills. Our approach to waste reduction also includes eliminating single-use plastics and using reusable, recyclable, or compostable content in our packaging.

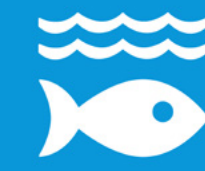
13 CLIMATE  
ACTION



### Climate Action, SDG 13:

We know this decade is critical to mitigating the worst impacts of climate change, and we are committed to doing our part to build a low-carbon economy. Our strategy is rooted in existing UN frameworks and climate science. We aim to reduce not only our energy consumption and carbon emissions by 30% over the next 10 years, but also to help our customers reduce their carbon emissions by developing new technologies in our product portfolio. AERCO boilers helped customers avoid ~93,000 MT of CO<sub>2</sub>, which is nearly three times the Watts Scopes 1 and 2 emissions for 2024. We supported decarbonization by installing solar at four of our manufacturing facilities, generating ~1,600,000 kWh of electricity. We continued adoption of energy efficiency best practices and purchase of Renewable Energy Certificates (RECs) to offset our global emissions.

14 LIFE  
BELOW WATER



### Life Below Water, SDG 14:

Our oceans and seas are precious natural resources that are home to much of the world's biodiversity, as well as a source of livelihood for more than 3 billion people around the world. Our Ballast Water Management Systems provide accurate measurement of the total residual oxidant of ballast water, desalination, or wastewater discharge generated onboard marine shipping vessels. Through the use of our Ballast Water Management Systems, 2 billion gallons of transferred ballast water are analyzed per year. The International Maritime Organization (IMO), a UN Special Agency, saw a need for this technology, as it aids in preserving biodiversity by preventing serious ecological, economic, and health problems from occurring due to invasive marine species being carried in a ship's ballast water from their native environment to a new geographic area.

More information about our contributions to the SDGs can be found in the [Appendix](#).



# ESG Governance

The Governance and Sustainability Committee of our board of directors has primary responsibility for the oversight of our ESG efforts and strategy. The Committee reviews the company's ESG performance and strategic plans at its regularly scheduled quarterly meetings and receives additional updates from our chief sustainability officer, as needed.

At the management level, our general counsel, chief compliance officer (CCO), and chief sustainability officer, who reports directly to our chief executive officer, has general oversight responsibility for all sustainability matters. Our general counsel, CCO, and chief sustainability officer also chairs our global Sustainability Steering Committee, which is made up of senior company leaders and is responsible for formulating our sustainability strategy and overseeing the execution of our ESG initiatives.

During 2024, our chief sustainability officer presented to the Governance and Sustainability Committee on a number of ESG topics, including progress reports on sustainability initiatives, UN CEO Water Mandate participation, updates on sustainability training programs, and new regulatory requirements relating to ESG disclosures. We also continued to review areas of material risk to Watts with our board, including risks related to climate change and actions we are taking to mitigate those risks.

*On May 6, 2024, Watts leadership, members of the board of directors, colleagues, and customers were on hand for the celebration of the company's 150th anniversary at the NYSE Closing Bell ceremony.*

WTS  
LISTED  
NYSE

W WATTS®



NEW YORK STOCK EXCHANGE





# Stakeholder Engagement

For 150 years, our company has built a reputation for protecting and sustaining the world’s water supply through our broad portfolio of water products and solutions. Global stakeholders play an integral role in the growth and success of our business today, as well as our commitment to create sustainable, long-term value in the future. We regularly engage and interact with key stakeholder groups in a variety of ways, as described in the [Stakeholder Engagement](#) section of the Appendix.

## ESG Leadership in 2024:

- Participated in ESG Taskforce working group meetings that were attended by other corporations, organizations, and utilities in the water industry
- Through the Water Council, sponsored events and facilitated discussions on addressing barriers to water stewardship projects within corporations
- Since 2019, received nearly 10,000 sustainability Quick Kaizens submitted by employees to conserve energy, water, and waste, equivalent to 20% of all Quick Kaizens submitted
- Continuously engaged more than 200 employees across all regions from Operations, Environmental Health and Safety (EHS), Facilities, Maintenance, Finance, and Corporate Communications to participate in monthly operating reviews to track site sustainability progress against our global commitments



**Since 2021, our CEO Robert J. Pagano Jr. has been a member of the board of directors of The Water Council, a global hub dedicated to solving critical water challenges by driving innovation in freshwater technology and advancing water stewardship.**



## Focus on 150

- More than 300 current and former Watts employees were joined by company and local civic leaders for an anniversary celebration at our global headquarters in August 2024. Throughout 2024, we sponsored more than 50 celebrations at Watts sites across the globe, engaging all employees in our legacy of safety and innovation.
- In recognition of our valued relationships with Watts agency representatives, we shipped packages containing 150th commemorative items to hundreds of valued customers. We also recorded a series of videos with agency leaders to highlight the shared value created through our work together.
- We formally recognized and thanked our supplier partners for their responsiveness, dependability, and commitment to excellence that has enabled us to meet evolving customer demands across the Watts family of brands. A small token of our appreciation was sent to dozens of supplier partners, many of whom responded with their own stories of shared success and acknowledgment of this milestone.



# Footprint

Environmental Reporting Boundaries  
Environment, Health, and Safety Management  
Water Stewardship  
Energy and Emissions  
Waste Reduction



# Footprint

At Watts, we engage in business practices that reflect our values and advance our efforts to promote an economically, socially, and environmentally sustainable future. We are committed to minimizing the impact of our global operations and supply chain on the environment, protecting the communities where we operate, and delivering innovative products and services that support our customers in doing the same.

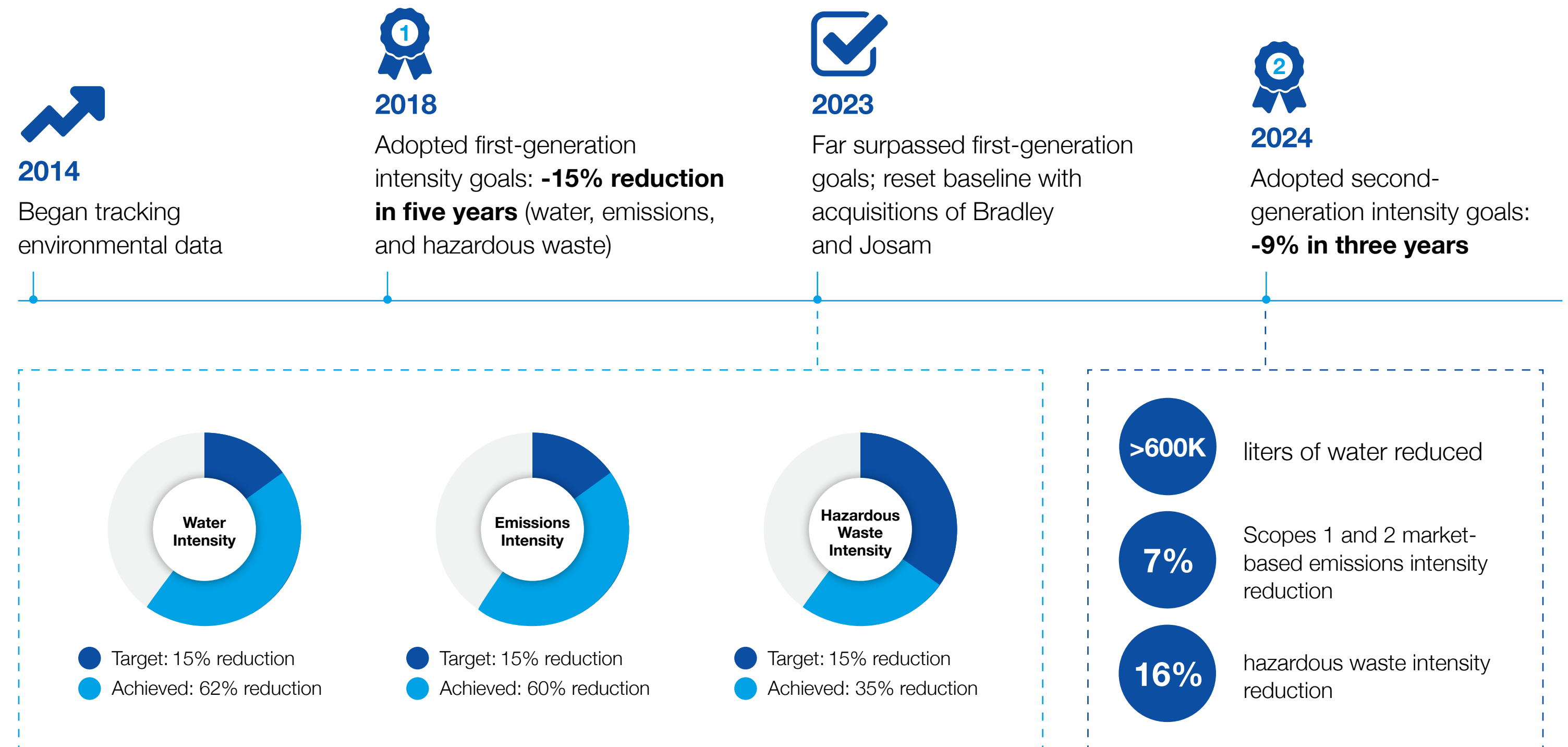
For more than a decade, we have actively tracked and managed our performance across water, carbon emissions, and waste. Our reporting of this data dates to our first Sustainability Report in 2016, providing transparency for our stakeholders and holding us accountable for our commitments. In 2018, we adopted quantifiable, time-bound performance goals. By the end of 2023, Watts had achieved a 62% reduction in water intensity, a 60% reduction in market-based emissions intensity, and a 35% reduction in hazardous waste intensity — far surpassing our stated goal of a 15% reduction over five years.

## 150 Years of Sustainability

Rooted in safety, our approach to managing environmental impacts is interconnected with our business and growth strategy.



## 10 Years of Progress



First company to become WAVE Verified in 2022



First company to be WAVE Reverified in 2024

**>80 million**  
litres of water reduced since 2014

**15,000**  
MTCO<sub>2</sub> reduced since 2014

# Environmental Reporting Boundaries































Since 2014, Watts has centrally collected and managed our energy and water consumption, waste generation, utility costs, and carbon emissions for all major sites. Watts employees across Facilities, Operations, EHS, Finance, Supply Chain, and every other function can have real-time access to site-specific and enterprise-wide data to help monitor our environmental performance.

Our environmental data inventory is consistent with the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development’s (WBCSD’s) Greenhouse Gas Protocol Initiative (GHG Protocol) for corporate GHG accounting and reporting. It is independently verified by a third party. Our boundaries for environmental reporting are global and based on operational control, which includes locations in our ownership or under our control where Watts Water has responsibility of GHG emissions from these locations. The “control approach” is the most appropriate organizational boundary for Watts because it reflects where we can influence decisions that impact GHG emissions. The following source streams are included within the verified scope: Water, Scope 1 fuels, Scope 2 electric power sources, Business Air Travel, Hazardous & Nonhazardous Waste, Total Recordable Incident Rate, and Lost Time Incident Rate. This data is available in the [Appendix](#).

The scope of our environmental reporting covers 40 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed here are within our operational boundaries for environmental performance in 2024 and represent approximately 95% of our global workforce.

Bradley and Josam sites were not part of our 2023 environmental data boundary, but will now be included in our environmental reporting moving forward. 2023 legacy data does not include the acquisitions, while 2023 consolidated data does include them. In 2024, we committed to our first-ever absolute decarbonization goal of 10,000 MT by 2034 — or 30% reduction — against a 2023 legacy baseline. Additionally, we will continue to work toward an annual 3% intensity reduction in water, emissions, and hazardous waste against a 2023 consolidated baseline.

Site

Andover, MA	  
Blauvelt, NY	 
Burlington, ON, Canada	 
Calgary, AB, Canada	
Export, PA	 
Fort Myers, FL	  
Fort Worth, TX	 
Franklin, NH*	   
Germantown, WI	 
Groveport, OH	
Menomonee Falls, WI	 
Michigan City, IN	 
Nogales, Mexico**	   

\*In Franklin, NH, there are two sites — a manufacturing location and a distribution center  
\*\*Contract manufacturing partner

 Office

 Manufacturing

 Distribution Center and/or Warehouse

 Headquarters

 ISO 9001









































 ISO 14001

 ISO 45001

Site

North Andover, MA	    
Reno, NV	
Spindale, NC	
St. Pauls, NC	  
Vernon, BC, Canada	  
Woodland, CA	 
Biassono, Italy	  
Dattenberg, Germany	  
Eerbeek, Netherlands	
Gardolo, Italy	 
Hautvillers, France	 
Laundau, Germany	   
Moirans, France	 

Site

Monastir, Tunisia	 
Plovdiv, Bulgaria	   
Rosieres, France	   
Sorgues, France	   
St Neots, UK	    
Vildbjerg, Denmark	   
Virey-le-Grand, France	    
Wingene, Belgium	 
Auckland, New Zealand	  
Dubai, UAE	
Ningbo, China	    
Shanghai, China	
Sydney, Australia	  







# Environment, Health, and Safety Management

Operating sustainably is good business. Our [Environment, Health, Safety, & Sustainability Policy](#) sets the standard for operational excellence at Watts. Our environmental management system is a key component of this global integration, providing the framework from which we deliver best-in-class performance while ensuring our facilities operate safely, efficiently, and responsibly. We take a strategic, risk-based approach to proactively manage our environmental risk and footprint. We anchor these practices in lean manufacturing principles and methodologies to drive continuous improvement and accountability.

The Environment, Health, Safety, and Sustainability Steering Committee meets annually with the CEO and the Global Leadership Team to review the overall effectiveness of the EHS system. Together, they are charged with spearheading the EHS and ESG programs at Watts, which encompass all geographies, brands, and employees. Led by our CEO and Global Leadership Team, committee members review the company's EHS and sustainability performance and discuss trends and issues, key business drivers, progress on goals and targets, and actions for continued improvement.

In 2024, we completed 53 internal and external audits at 23 of our operating sites, focusing on EHS-related compliance and management system effectiveness, representing an increase of 11%.

These audits are part of our overall EHS Management System. Audit scopes and schedules are updated annually based on multiple criteria, including regulatory obligations, management system (International Organization for Standardization [ISO]) obligations, risk-based assessments, and a representative sampling of the global portfolio. For details of types and frequency of audits across all locations of operations, please refer to the table in the [Appendix](#).



**53 EHS-related audits were completed at 23 operating sites, representing an 11% increase compared to 2023.**

## ISO Certification

Our ISO 14001-certified sites represent 49% of our global legacy population and 45% including Bradley and Josam operations. The pursuit of this certification provides an external framework to measure continuous maturation of our environmental management and is inclusive of our overall global system. You can learn more about the certification of our occupational health and safety (OHS) management system in the [Occupational Health and Safety](#) section of this report.

*CEO Robert J. Pagano Jr. and Julien Noel, managing director & vice president for Europe, tour our BLÜCHER in Vildbjerg, Denmark.*



# Water Stewardship

We believe access to clean, safe, and affordable water is a fundamental human right. Water and climate are intricately linked, and an imminent global water crisis threatens the availability, quality, and quantity of water for basic human needs. We are committed to being part of the solution. Our actions include:

- Reducing the amount of water we use and discharge in our operations
- Ensuring our business practices protect the water quality and supply in the communities where we operate
- Developing effective and innovative products and services that Solve long-standing water challenges in improving water quality and water conservation
- Sharing our expertise and learnings within our industry to drive greater awareness and collective action on water stewardship

This commitment is formalized through our [Environment, Health, Safety, & Sustainability Policy](#). Additionally, we complete annual Communication of Progress (COP) filings with the UNGC and CEO Water Mandate, reaffirming our commitment to water stewardship and alignment with shared global priorities.

In 2024, our water stewardship practices were guided by our commitment to continuous improvement, including by:

- Understanding and analyzing our global water use, impact, and watershed risks using the WRI’s Aquaduct Water Risk Atlas
- Further developing the necessary data and operating systems to form the basis of our global and site-level water stewardship action plan

- Prioritizing sites based on watershed risk and discharges and mitigating them via actions in the value chain
- Increasing engagement across our value chain and implementing our water stewardship action plans at the site level
- Communicating our water stewardship goals, actions, plans, projects and timelines

We are building on more than a decade of water reduction initiatives and data collection across our sites. After achieving a 62% reduction in water intensity between 2018 and 2023, in 2024, we began tracking our water intensity against our 2023 consolidated baseline, setting an aggressive target for water reduction that will require even more innovation, detailed management, and capital investments. Our global water usage in 2024 was driven by production and innovation related activities such as new product development testing.

Our approach to water management to achieve our second-generation of water intensity goals involves real-time monitoring and long-term strategic action. We will focus on deploying tactical, hourly actions. Long-term strategic reduction projects such as test water reuse and closed-loop systems will drive impact in avoiding freshwater consumption.

Our data collection process utilizes a monthly, automatic bill collection system for all utilities across 40 Watts sites. For more information regarding our 2024 water consumption data, please visit the [Appendix](#).

## Water Stewardship: Our Guiding Principles

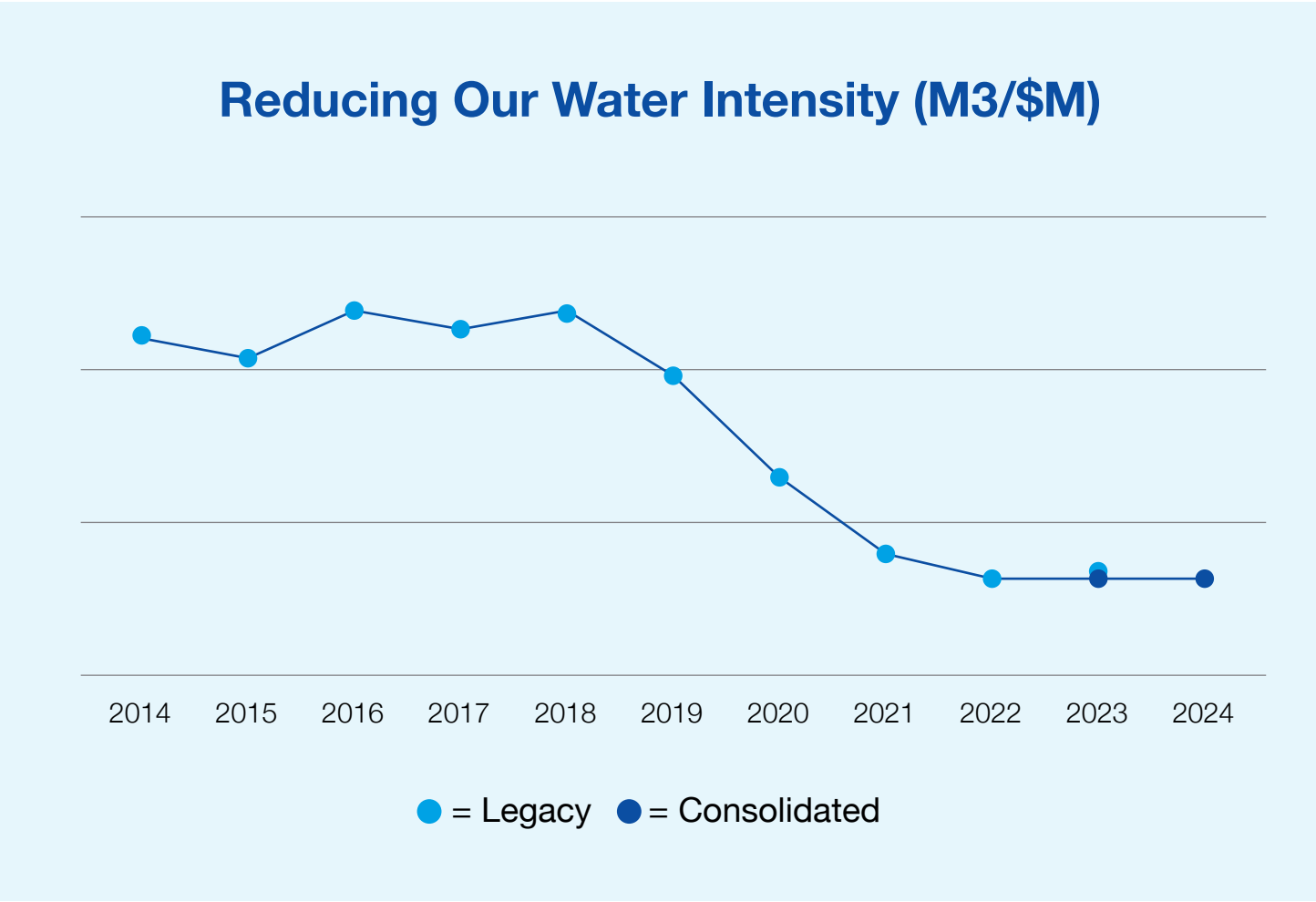
- ◆ Alignment with global water stewardship standards and implementation of best practices, particularly among our high water-use facilities and facilities in water-stressed regions
- ◆ Respect for water-related rights and a guarantee of appropriate access to safe water, as well as sanitation and hygiene throughout our operations
- ◆ Acknowledgment of water as a local and shared resource — acknowledging the numerous impacts of the amount of water withdrawn and consumed and the quality of discharges from our manufacturing operations on the functioning of local ecosystems
- ◆ Striving to ensure that all Watts facilities meet national and local requirements for the return of clean and safe wastewater back into public water sources
- ◆ Open and transparent engagement with stakeholders, including support for and coordination with public sector agencies, in the implementation of water- and sanitation-related plans and policies







## 10 Years of Water Use Reduction Results



## Deploying Intelligent Water Management Solutions

In 2024, we continued to improve the technical capabilities of smart metering already deployed across Watts sites, added sub-meters, and expanded metering to include new sites. We also began deploying Watts’ newest innovation in intelligent water management, Nexa, across several Watts sites. The main goal of Nexa is to continuously improve the operating system around real-time water monitoring to flag alerts, irregular use, and equip facilities and research and development (R&D) teams to strategically identify and deploy long-term projects for reduction and reuse. Learn more about Nexa in our [Handprint pillar](#).

## A Global Leader in Water Stewardship

In 2022, Watts became the first company in the world to successfully complete verification for The Water Council’s WAVE Verified program, indicating we have assessed water-related risk across our enterprise, identified the highest water-related impacts using credible water-related data, and implemented best practices in improving water stewardship performance. Watts is one of just eight companies globally to achieve this distinction.

In 2024, we became the first company to renew our verification. As part of the reverification progress, all 40 Watts sites were assessed on the basis of watershed risk and annual usage. Seven sites, representing 75% of our global water usage and our largest manufacturing plants, were selected for the five-step process. As the first to reverify, we were able to identify and address opportunities as it relates to the five-step process to help assess our water use, set targets and identify projects that mitigate the highest-priority risks, and leverage other strategic opportunities in the nexus of energy, water, and waste.

Results were independently verified by SCS Global Services. The water balance chart tracking the inflows and outflows of water into these facilities revealed our top end-water uses for 2024: people, irrigation, new product development (NPD) testing, and process innovation.

**Since we began tracking water consumption data in 2014, we have reduced more than 80 million liters of water globally over the past decade.**



# Our Commitment in Action

We are taking action locally and globally to reduce water consumption, increase reuse, improve water quality, reduce negative upstream and downstream impacts, and engage our local communities in water stewardship activities.



## Andover and North Andover, MA, USA

In partnership with the Clean River Project, 30 colleagues from **Andover and North Andover, MA, USA**, pulled nearly 2 tons of trash from a local waterway in 2024. The nonprofit organization works to clean and preserve a 45-mile stretch of the Merrimack River, a vast waterway that flows through 15 cities in northeast Massachusetts. The river serves as the water supply for more than 600,000 area residents, is a popular destination for outdoor enthusiasts, and is the main regional outlet of fresh water into the Atlantic Ocean. Watts volunteers used hand grabbers, shovels, and rakes to remove items such as discarded tires, construction debris, and plastic refuse. Larger items like bicycles and suitcases were also retrieved. In 2023, our sponsorship of the organization funded the construction and deployment of a new, upcycled pontoon boat. In 2024, the Watts Water/Clean River Project boat made eight trips recovering approximately 10 MT of trash and debris.

## Franklin, NH, USA

**Franklin, NH, USA**, is home to our largest manufacturing facility worldwide, in both revenue and resource utilization, producing our flagship products such as backflow preventers, T&P valves, and Intellistation. The site reduced ~2.5 million liters of water in 2024 as compared to 2023, equivalent to a 10% reduction, by increasing the frequency of real-time monitoring, enhanced operational efficiencies, and interventions.

## Nogales, Sonora, Mexico

Our **Nogales, Sonora, Mexico**, contract manufacturing location produces shut-off valves and OEM parts, along with injection molding operations. The site reduced more than 600,000 liters of water in 2024 as compared to 2023, equivalent to a 10% reduction, by increasing operational efficiencies and coolant water reuse. Wastewater with coolant is generated by three different manufacturing processes. The team implemented period testing, so when the coolant water is out of specifications, it's recharged with either more coolant or fresh water to meet the specifications and to keep reusing the water instead of discharging it and entirely replacing it with fresh water every time.



Employees at our site in Nogales, Mexico, celebrate National Backflow Prevention Day on August 14, 2024.

## Vernon, BC, Canada

Our **Vernon, BC, Canada**, facility is where our controls for Hydronic and HVAC systems are produced. The site reduced ~2 million liters of water in 2024 compared to 2023, equivalent to a 42% reduction through enhanced real-time monitoring, irrigation controls, and HVAC management. Seventy percent of the site's annual use occurs during a three-month summer peak period when irrigation is needed. Reductions in irrigation use were achieved by working closely with the Groundskeeping Team to adjust watering levels and utilize more features of the irrigation control. Historically, the region experiences wildfires, requiring the facility's roof to be flooded as a protective measure. The site additionally implemented improved HVAC management and reflective window tinting in 2024 to achieve this annual reduction.

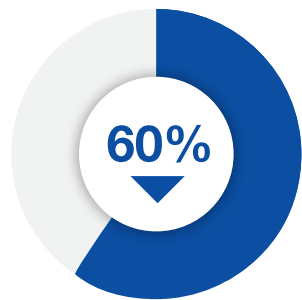




# Energy and Emissions

We recognize the increasing urgency to avert the worst effects of climate change through rapid decarbonization and greater climate resiliency. As a water company, our focus is on delivering safety, conservation, and energy efficiency to our customers through our products and services. At the same time, we strive to demonstrate responsible management of our own consumption and energy emissions. Our energy policy is rooted in existing UN frameworks and climate science as we commit to:

- Reducing our energy consumption and carbon emissions across all facilities
- Offsetting emissions through the purchase of RECs and carbon offsets
- Developing new technologies within our product portfolio to help our customers transition to a lower carbon economy
- Helping our customers advance environmental and societal objectives through our products and services



**Between 2018 and 2023, we achieved a 60% reduction in carbon intensity and an absolute reduction of 54% — far surpassing our goal of 15% intensity reduction.**

In 2024, we committed to our first-ever absolute decarbonization goal of 10,000 MT by 2034 — or a 30% reduction — against a 2023 legacy baseline. Additionally, we will continue to work toward an annual 3% intensity reduction against a 2023 consolidated baseline. Please visit the [Appendix](#) for more information about our carbon emissions and reporting boundaries.

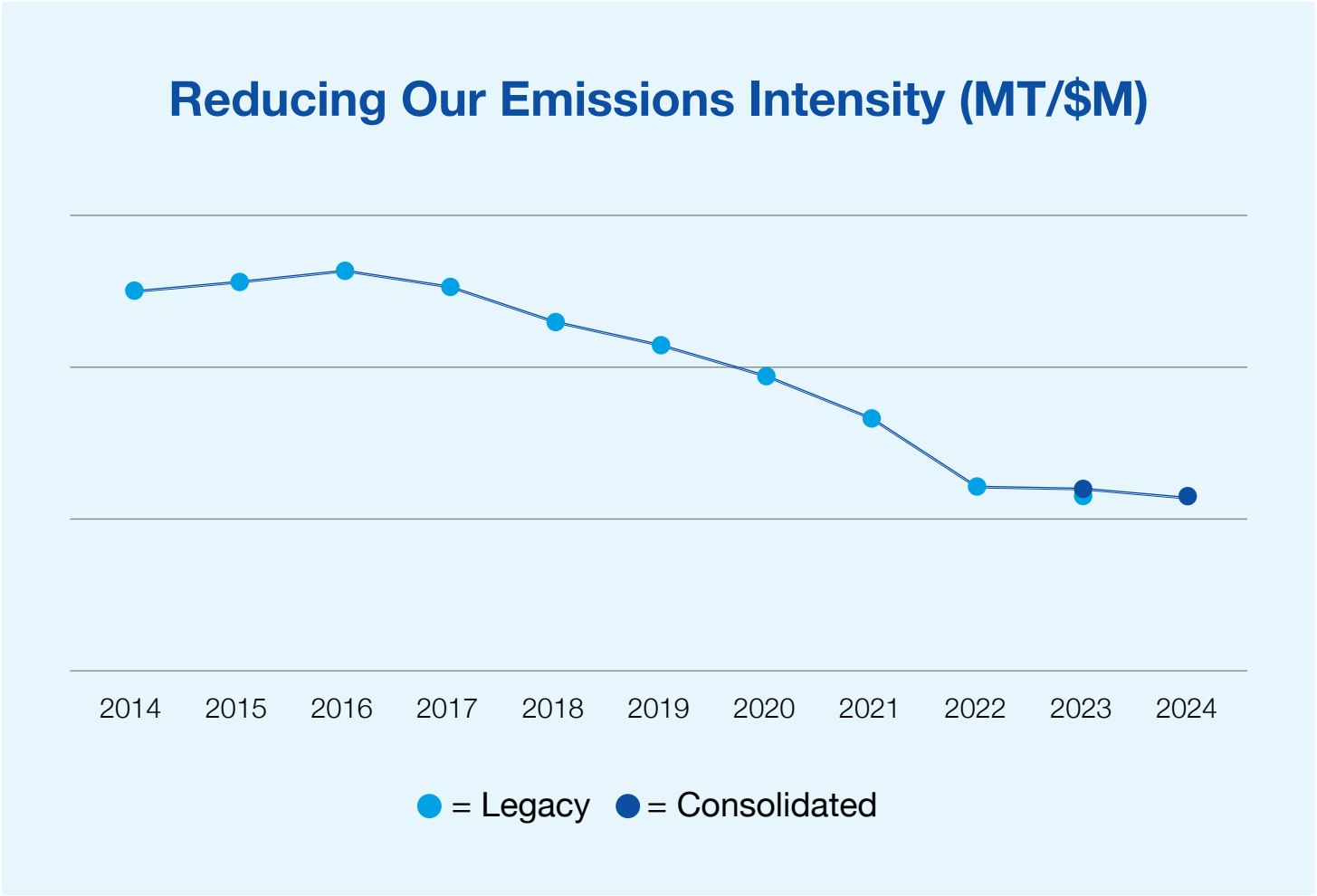
Our next-generation carbon reduction goal represents a significant challenge that our teams have embraced. To build on our substantial progress since 2018, we will continue to take a deliberate approach through increasingly detailed management, intentional daily actions, continuous innovation, and investments in renewable energy and equipment efficiency upgrades.

In 2024, we reduced our location-based emissions by ~950 MT. These reductions were driven by on-site solar generation at five sites, as well as energy efficiency upgrades across the company.

We continue to improve our tracking and carbon-accounting mechanisms. Tracking and reporting both our location-based and market-based carbon emissions allows us to capture the work we are doing in reducing our emissions and our investments in RECs.

In 2024, our energy and emissions data, emissions calculations methodology, corporate inventory management, and GHG reporting procedures relating to energy and utility data collection were reviewed and verified by a third party. Please visit the [Appendix](#) for more information.

## 10 Years of Emissions Reduction Results





**In 2024, we reduced ~950 MT in GHG emissions — 10% of our 10-year goal — keeping us on track to achieve our absolute reduction target of 10,000 metric tons by 2034.**





# Our Commitment in Action

We can't meet our global sustainability goals without collaboration across the Watts sites where we have the biggest opportunity to achieve reductions. We work closely with operations teams at the local level to identify opportunities for investments with strong return. Watts sites around the world contributed to our emissions reductions in 2024.

Decarbonization efforts more than offset increases in Scope 1 and Scope 2 emissions, resulting from head count increases and new product development testing at our Watts Applied Solutions business. Other factors that are equally important in addition to GHG reductions are the ability to protect our businesses from cost increases and improving the reliability of our energy supply — making these investments a triple win for business and sustainability.



## Ningbo, China

On-site PV in **Ningbo, China** offset purchased electricity emissions by 170 MT, generating approximately 577,000 kWh of electricity — equivalent to 22% of total annual electricity consumption.



## Landau, Germany

We offset 25 MT of purchased electricity emissions through on-site PV at our **Landau, Germany** facility. The PV system generated approximately 68,000 kWh of electricity following its installation in August 2024. It is expected to generate approximately 80% of the site's annual electricity needs moving forward.

## Gardolo and Biassono, Italy

Our two Italian sites, **Gardolo and Biassono**, made significant strides toward energy goals in 2024. On-site PV in Gardolo offset grid electricity emissions by 190 MT and generated approximately 580,000 kWh of electricity — equivalent to 33% of the site's total annual electricity consumed. At our largest European manufacturing plant in Biassono, new, energy efficient lighting was installed on the factory floor. In 2025, we plan to further these investments through the installation of PV panels in Biassono and new lighting in Gardolo, achieving significant cost savings in addition to emissions reductions.

## Plovdiv, Bulgaria

On-site PV in **Plovdiv, Bulgaria** offset purchased electricity emissions by 90 MT, generating approximately 237,000 kWh of electricity — equivalent to 33% of the electricity consumed by the site annually.

## Seven Sites in the United States

At **seven sites in the U.S.**, we continued to purchase wind-generated RECs from our supplier to offset 100% of Scope 2 market-based emissions at these sites. Over 8,100 MT worth of RECs were purchased in 2024, offsetting approximately 24% of our global Scope 2 market-based emissions.





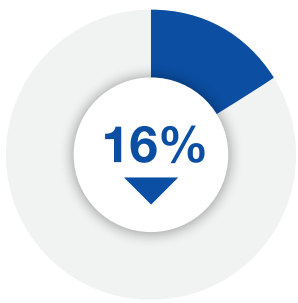
# Waste Reduction

We recognize the need to protect our land, waterways, and communities by reducing the amount of waste generated by our operations. Nineteen of our 40 facilities generate waste classified as hazardous and/or regulated industrial discharge, with the remainder generating municipal solid waste and recyclable waste streams such as paper, wood, cardboard, plastic, electronics recycling, and metal chips. We comply with all local and national regulations and track manifests for hazardous and nonhazardous industrial waste. Since 2023, we have collected and tracked manifest data for municipal solid waste and information on how it’s finally disposed, as well as tracking tonnages for other high-volume recyclables such as cardboard and wood.

In addition to targeted hazardous waste reduction efforts, our approach to waste reduction includes:

- Brainstorming pre-waste or waste elimination ideas such as how to avoid the waste/recyclable stream from being generated in the first place
- Engaging waste stream vendors on alternatives to divert waste from landfills
- Ensuring packaging material consists of reusable, recyclable, or compostable content

Tracking all forms of waste, reducing the overall quantity generated, and diverting from landfills using circular models are complex challenges. After achieving a 35% hazardous waste intensity reduction from 2018 – 2023, in 2024, we recommitted to reducing our hazardous waste intensity by 3% annually against a 2023 baseline, which includes Bradley and Josam sites.



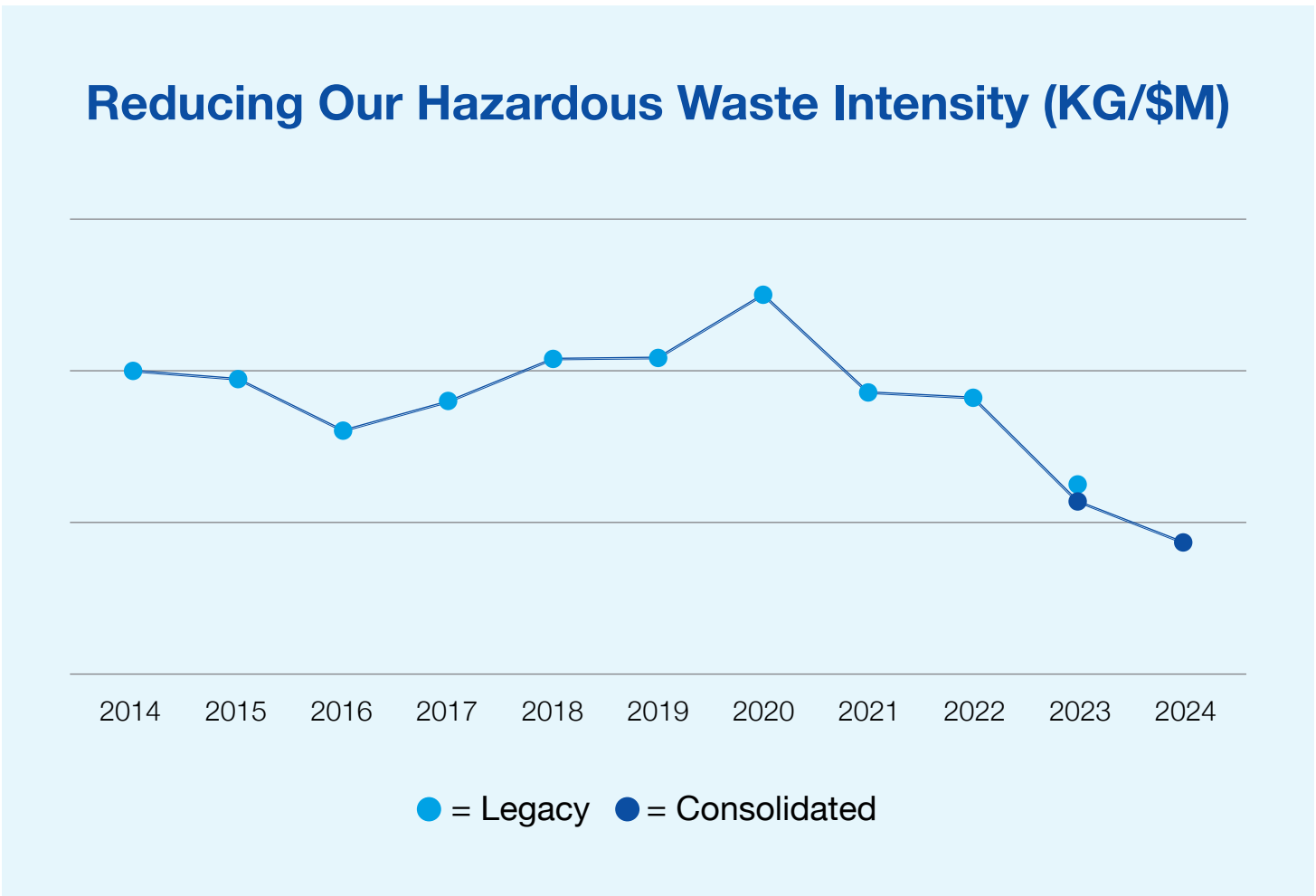
**We reduced our hazardous waste intensity by 16% in 2024, a result of targeted investments and innovative solutions at our highest-emitting sites.**

We also continued to work closely with our facilities, waste vendors, and other subject matter experts to identify opportunities to avoid, reuse, and divert waste away from landfills and to standardize data collection across sites. A deeper understanding of our waste generation and more frequent collaboration at the site level has generated substantial interest and engagement among colleagues throughout our operations. Employee-driven waste reduction initiatives focus on waste delineation, rezoning, and waste stream elimination, thereby reducing our overall waste outputs and increasing recycling and reuse. We continue to replace single-use paper and plastic items with reusable items and install direct-line water refill stations to avoid disposing of plastic water bottles.

For our U.S. operations, the Environmental Protection Agency’s (EPA’s) Toxic Release Inventory (TRI) reporting requires companies to report releases of certain materials if greater than a set threshold. Annually, Watts utilizes a third party to complete an assessment and determine what, if any materials, need to be reported. A large portion of our reported releases comes in the form of our hazardous waste, in addition to wastewater discharges and air emissions. Reporting is typically one year behind the ESG reporting cycle (2023 release data is available in 2025). These reports are available in the [Appendix](#).

In 2024, our hazardous waste data, calculations methodology, corporate inventory management, and hazardous waste reporting procedures were reviewed and verified by a third party. Please see the [Appendix](#) for more information.

## 10 Years of Hazardous Waste Reduction Results





# Our Commitment in Action

## **Biassono, Italy**

**Biassono, Italy**, is our second-largest generator of hazardous waste globally. In 2024, the team was able to improve the emulsion process for machine repair. This change resulted in nearly a 36,000 kg reduction in hazardous waste generated from the emulsion process in 2024, equivalent to a 12% reduction. In 2025, the site plans to implement a new system to evaporate and separate water from hazardous waste, which would recover the vast majority of water used and reduce hazardous waste by up to 85%.

## **Fort Worth, TX, USA**

In 2023, our **Fort Worth, TX, USA**, site — our second-highest emitter of hazardous waste — hauled 38,000 kg of hazardous waste, primarily from the passivation process that is similar to that in Vildbjerg. To address this, the team implemented a new acid filtration system and chemical additive that eliminated the need to decant and rebuild the passivation bath throughout 2024. As a result, hazardous waste generation dropped to ~ 340 kg, representing a 99% reduction. This improvement has led to substantial cost savings in waste disposal and chemical usage while significantly reducing environmental impact by minimizing hazardous material handling and disposal.

## **Franklin, NH, USA**

Throughout 2024, an interdisciplinary team at our **Franklin, NH, USA**, site, including Manufacturing, EHS, and Sustainability, engaged a local university through its business internship program. The first part of this engagement entailed a comprehensive waste study to capture all weights, costs, and manufacturing processes generating waste, as well as engage with all waste vendors associated with the site. The resulting waste proforma identified a road map of several opportunities for waste avoidance, reductions, and diversions, as well as cost reductions and opportunities to increase revenue such as additional degreasing and separation of metal chips to increase scrap revenue and circular models to increase carboard scrap revenue. In 2024, the site reduced hazardous waste generation by almost 5,000 kg compared to 2023, equivalent to a 17% reduction.

In 2025, we continued to collaborate with our local university in **New Hampshire, USA**, by engaging technical and business interns to identify opportunities to reuse and avoid disposals into landfills. The success of this pilot internship program allowed us to replicate the workplan and process where other sites are engaged with local universities. Similar to water but unlike carbon emissions, waste is a local resource as well.

## **Vildbjerg, Denmark**

Our highest emitter of hazardous waste is our **Vildbjerg, Denmark**, site, where the pickling, or passivation, process required to treat stainless steel results in large amounts of hazardous wastewater. The site produces approximately two-thirds of our global hazardous waste generation. In 2024, the team was able to extend the life of the passivation bath, from an average of three to four weeks to an average of five weeks. This change resulted in a 20% reduction in hazardous waste generated compared to 2023, equivalent to ~219,000 kg. In 2025, the team is testing an innovative solution that would further extend the bath life from an average of five weeks to approximately four to six months. If successful, this test would produce tremendous results, including cost savings and substantial reductions in hazardous waste production.







# Quick Kaizens

Quick Kaizens are incremental, continuous improvement efforts that allow all employees at Watts to “fix what bugs them.” You can read more about Quick Kaizens and the One Watts Performance System [here](#).

## Water Quick Kaizens

- In Fort Myers, FL, USA, the team participated in coastal cleanups on local beaches.
- At our Vernon, BC, Canada, site, we volunteered to tackle invasive seedlings to protect local park grasslands, as the invasive seedlings use up groundwater and deplete soil moisture levels.
- The team in Auckland, New Zealand repaired wastewater gully traps to prevent wastewater entering drains or overflowing on to footpaths.
- In Virey, France, the team installed meters on the mixing line, where water is mixed in with the lubricant to support the machining processes to investigate overconsumption of lubricant and water.
- The Ningbo, China, site installed covers over sewer drains to prevent pipes from being clogged and unwanted items from contaminating the water.
- Our Biassono, Italy, team posted a declaration of intent site-wide with programs and plans to reduce water consumption in 2025.

## Energy Quick Kaizens

- In Sorgues, France, the team improved air sealing and insulation to reduce heat loss.
- Hautvillers and Sorgues, France, are reducing their carbon footprint by switching from trucking to railway as a method to transport goods between the two sites. It is estimated that the three weekly trips via train will reduce carbon emissions by 175 MT per year and lower the annual shuttle cost by 12%.
- In Nogales, Mexico, the team installed automatic occupancy sensors and controls to further reduce lighting-related electricity consumption.
- In Ningbo, China, the team conducted training on greenhouse effects and carbon emissions. HR organized a walking challenge that saw participation from 31 individuals, who collectively walked for a total of 18,228,686 steps, equivalent to approximately 13,853.8 km, in August, resulting in a reduction of carbon emissions by 554 kg.

## Waste Quick Kaizens

- In Sorgues, the team transformed the packaging material on its gasket range from plastic to cardboard, avoiding the use of 20 tons of plastic materials.
- At our Landau, Germany, site, changing the way tape is adhered to cardboard boxes is cumulatively avoiding the usage of approximately 50 meters of adhesive tape, as compared to the previous method.
- The Dattenberg, Germany, team saves the last stickers on shipping labels that are always discarded and donates them to a local kindergarten for use in arts and crafts.
- At our Rosieres, France, site, they use removable and reusable labels for racks.
- The Moirans, France, site has clear signage for waste delineation in multiple languages.
- Our Gardolo, Italy, team rightsizes packaging to ensure parts will be subjected to less bumping around in the package.



# Handprint

Safety & Regulation

Conserving Water

Improving Energy Efficiency

Nexa: The Future Is Intelligent Water Management

Sustainable Innovation

Best-in-Class Training



# Handprint

Water is a precious and scarce resource that sustains people, communities, and economies throughout the world. While vital to good health and well-being, water can also threaten people’s health and safety when not managed properly. At Watts, we believe our products and solutions have an essential role to play in protecting shared water resources and the people who use and rely on them.

For 150 years, we have developed and designed products, components, and systems that solve the world’s greatest water safety challenges, conserve water, and improve energy efficiency. We design our products to benefit users and help their sustainability efforts based on this “triple play” of sustainability: Safety and Regulation, Water Conservation, and Energy Efficiency.

## 150 Years of Innovation

Since the late 1800s, Watts engineers have brought more than 1,000 patents to market, creating new-to-the-industry products for the safe and sustainable delivery of water.



## Our “triple play” of sustainability: Safety and Regulation, Water Conservation, and Energy Efficiency

### Safety and Regulation

Products that help protect the health and safety of inhabitants of homes and commercial buildings

**75%** of Watts gross product revenue

Product spotlight:

Big Bubba® BB-S101 Whole Home Filtration System filters out certain metal contaminants, perfluorooctanoic acid (PFOA)/perfluorooctanesulfonic acid (PFOS), chlorine, and other contaminants from water at its point of entry into a home.

### Water Conservation

Products that help our customers conserve water, alerting them to leaks and floods and helping prevent contamination and water loss in the municipal water supply

**42%** of Watts gross product revenue

Product spotlight:

Watts Pressure-Reducing Valves sold in 2024 will avoid the use of 21 billion-plus gallons of water globally per year.

### Energy Efficiency

Products that help our customers improve the efficiency and sustainability of their buildings, reducing energy utilization while still maintaining comfort and safety

**22%** of Watts gross product revenue

Product spotlight:

In 2024, AERCO, PVI, and the LYNC brands of boilers, water heaters, and heat pumps helped customers avoid ~93,000 MT of CO<sub>2</sub>, almost three times the Watts Scope 1 and 2 emissions for 2024.

## Product Sustainability



Began implementing product LCAs in 2022



Sold 1 million-plus repair kits to extend the useful life of Watts products



Reduced use of plastics and chemicals for protective packaging by 80% since 2017

*\*Products may fit into multiple categories.*

## Customer Education



**312K** training sessions globally in 2024







# Safety & Regulation

Dating back to the industrial revolution, our products have kept water, water system equipment, and the people operating our water systems safe. Preventing the overpressurization of hot water vessels to prevent explosion was our earliest focus; today, water contamination and scalding are among the greatest risks we aim to address.

Water can become contaminated in the source water, as well as in its distribution system, after water treatment has already occurred. Additionally, the growth of pathogens continues to be a pervasive health threat to drinking water, particularly for populations most vulnerable to illness.

Temperature regulation is equally important to safety, as even small increases in water temperature can lead to scalding at faucets in homes and buildings. Scalding leads to more than 100,000 emergency room visits per year in the United States. One [study](#) published in the Journal of Burn Care Research found that hot water temperatures were unsafe in 41% of inspected urban homes.



## Product Highlights

### Smart Strainers

**Challenge:** Clogged piping systems due to debris buildup causes burst pipes, which can lead to costly property damage, critical down time, and wasted water if not addressed in a timely manner. Strainers, such as duplex or wye strainers, can filter out debris, removing it from the piping system. The issue with nonconnected strainers is that there is no way to know when the strainer is full and the system needs to be flushed. This means more maintenance time is required to regularly check the strainer.



**Solution:** Smart strainers use a Differential Pressure Monitoring system to send real-time alerts when pressure drop exceeds a pre-configured threshold so the strainer can be flushed proactively rather than reactively. With Wye Smart Strainers, you can also add automated blowdown to automatically flush the system, reducing maintenance time.

### 10-in-1 With Thermostatic Mixing Valves (TMVs)

**Challenge:** It can be expensive and time-consuming to install all the valves and fittings required to meet the New Zealand Building Code requirements, especially in commercial applications. Size can also be a challenge in these installations where space is limited.



**Solution:** The 10-in-1 range provides all the valves necessary to meet the New Zealand Building Code requirements, including pressure limiting and temperature protection. The 10-in-1 is compact and comes pre-assembled to make it quick and easy for the plumber to install. The design reduces 15 plumbed joints to four, saving more than 12 minutes of installation time and reducing potential leak points. The addition of the TMV allows the 10-in-1 to be installed in high-risk

applications, which require a lower temperature set point and faster temperature response to protect occupants who are at higher risk of scalding.

### Orion High-Purity Process Piping

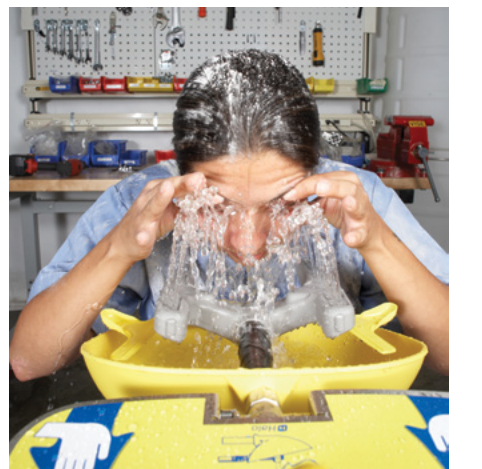
**Challenge:** Maintaining system integrity while minimizing environmental impact in high-purity liquid transportation for industries like pharmaceuticals, health care, and chemical processing is critical. Traditional piping systems may introduce contaminants, require frequent maintenance, or lack durability in extreme conditions.



**Solution:** Orion High Purity Process Piping offers sustainable, high-performance solutions with Polypropylene (PP) and polyvinylidene fluoride (PVDF) options. These systems offer chemical resistance, longevity, and leach-free liquid transport — reducing waste, energy consumption, and the need for replacements. With Orion, engineers and contractors can confidently design systems that meet purity standards while supporting long-term sustainability goals.

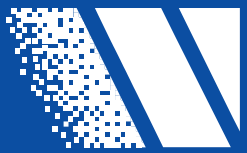
### Bradley Eyewash Station

**Challenge:** In manufacturing environments, workers can face significant risks to their health due to exposure to chemicals, dust, and debris. Ensuring worker safety requires a proactive approach to hazard identification and compliance with regulatory standards.



**Solution:** Bradley's emergency safety plumbing fixtures, such as eyewash and facewash stations, play a crucial role in protecting employees from exposure to harmful chemicals, dust, and debris. These products provide immediate relief to the employees by quickly flushing the eye and face area with tepid water for a minimum of 15 minutes. With proper installation, maintenance, and accessibility of emergency safety plumbing fixtures, facility managers can effectively mitigate health risks, enhance compliance, and foster a safer working environment for employees.





# Josam Solving High-Temperature Drainage Challenges at Venn Brewing

## What the Client Needed

Venn Brewing, a popular taproom and coffee shop in Minneapolis, MN, USA, sought to add a durable trench drain system as part of its new manufacturing facility being built in St. Paul, MN, USA. Given the brewing process's high fluid temperatures, Venn Brewing needed a drainage solution that could withstand these extreme conditions.

## Solution

Josam's PRO-PLUS® trench drain system was chosen to meet Venn Brewing's requirements. This system is manufactured using a high-strength glass-reinforced polyester (GRP) pressed from sheet molding compound (SMC), a durable composite of polyester resin, mineral fillers, and glass fiber mats, offering resilience in high-temperature environments. The selected system included 41 meters of PRO-PLUS® trench drains, high-temperature accessories, and stainless steel slotted PRO-SNAP® grates.

The PRO-PLUS® trench drain system can handle continuous fluid temperatures of up to 212°F and withstand spikes up to 394°F, making it ideal for safe brewing operations. Additionally, the PRO-SNAP® Grate Securing System allows for easy grate removal and securing with a single hand movement, eliminating the need for bolts or special tools while streamlining maintenance.

## Results

A total of 200 feet of trench drains were installed seamlessly throughout the facility. Venn Brewing has been very satisfied with the performance and durability of the trench drain system.







# Conserving Water

Experts project that the world will face a global water deficit by 2030. While water supply is increasingly threatened, freshwater use has increased more than 600% since 1960 and continues to grow (Source: [UN World Water Development Report](#), [World Resources Institute](#)). The world depends on reliable access to clean water, and through our products, we work to conserve this precious resource. Every day, Watts solutions help customers prevent unnecessary water loss in residential, commercial, industrial, and municipal water systems.

## Product Highlights

### Enware Ultra Rise Food Service Range and Pre-Rinse Gun

**Challenge:** Fast pre rinsing of dirty plates, bowls, cups, and cutlery is essential for keeping a food service kitchen running efficiently. The activity of rinsing leftover food debris off used plates, etc., prior to dishwashing is a process that is continually occurring during the course of a service and consumes vast amounts of water and energy due to the high frequency of use. Therefore, to minimize water and energy costs associated with this activity, a new commercial food service pre rinse solution is needed that can rapidly remove food debris from plates while minimizing the amount of water (and time) needed to do so.

**Solution:** Enware Ultra Rise Food Service range and pre rinse gun is designed to optimize the pre rinse activity within commercial kitchens while reducing water and energy use. Designed with a 4l/m ultra-low flow spray jet nozzle that can scrape food waste off plates, bowls, and other kitchen equipment, it now has a new lighter, more flexible hose and spring with swivel ball connection to the gun that ensures greater movement and freedom to clean. These features combine to minimize the time to rinse and, therefore, reduce water and energy use. The range includes many different hob and wall mount models, some with integral high-flow pot fillers to assist with filling sinks fast. Enware new Ultra Rise Food Service range is now also further enhanced by being manufactured from lead-free brass for improved water quality.



### Connected Intelliflow

**Challenge:** Washing machines are typically the second-biggest source of leaks after bathrooms.\* Typical leak detection systems can tell users a leak has happened, but the discharge continues if the user is away from home, causing water damage that is amplified in multifamily homes.

**Solution:** With the smart and connected Watts IntelliFlow, homeowners get a notification from their home Wi-Fi via text and/or email if there is a leak, and the IntelliFlow shuts down the flow immediately. Additionally, the IntelliFlow is normally closed and only opens when there is a demand for water from the washing machine to ensure that if there is a leak, the impact is minimized.



### BLK01 RF Wireless Leak Sensor

**Challenge:** Leaks in a single-family home can pose several challenges. They can damage the structure of the home such as walls, ceilings, and foundations, leading to high repair costs. In addition, moisture can cause mold, affecting air quality and the health of occupants. Undetected leaks can also lead to higher water and energy bills.

**Solution:** The BLK01 RF wireless leak sensor has several important benefits. First, it allows water leaks to be detected early, often before they cause significant damage to the structure of the home. This can significantly reduce repair costs by allowing for early intervention. In addition, it helps prevent water waste, which can translate into savings on water bills. Finally, it provides peace of mind, knowing that the home is protected against leaks by informing at the earliest stage and remotely.



\*Water Leak? Fix It and Forget It. <https://watercalculator.org/news/articles/fix-forget-water-leaks/>.





# Altitude Valve Helps Prevent WWII-Era Water Tower From Flooding Neighborhood

## What the Client Needed

Eastville, VA, USA, a small historic town with 315 residents, is home to a water tower built in the late 1930s, during the World War II era. Serving as one of the last Works Progress Administration (WPA) projects before steel was redirected for the war effort, the water tower faces a modern challenge. Lacking pressure monitoring, the town relied on pre-calibrated pressure switches and estimates to gauge the water level. Unfortunately, this method often led to switches falling out of calibration, causing overflow and flooding neighboring yards. The Eastville town administrator found himself positioned at the center of this issue and in need of a practical solution to help ensure reliable water management for the community.

## Solution

The Watts LFM127 Altitude Valve with ACV Assure™ Monitoring System are designed to seamlessly work together in water distribution systems. The altitude valve regulates water flow into a reservoir or elevated storage tank, opening for tank fill and closing drip-tight at a specified high point. It also allows return flow (tank discharge) when upstream pressure falls below reservoir head pressure, controlling water levels by remotely sensing static tank-head pressure through a field-installed line.

ACV Assure™ is an affordable monitoring solution from Watts for water utilities, enabling real-time monitoring of operations, pressure, flow, and loss. By registering the system, users receive instant text and email alerts for pressure or flow conditions and can set up geo locations for effective system management. ACV Assure™ uses SentryPlus Alert® technology to continuously monitor water pressure and flow, providing insights into mission-critical operating conditions. This integrated approach allows users to make informed decisions, ensuring the efficient and reliable performance of their water distribution system.

## Results

Since ground was broken, Eastville, VA, USA, has experienced a seamless transition. The new system has proven to be highly effective, with no reported issues to date. The Eastville town administrator expressed satisfaction with the reliable and efficient water supply system, emphasizing that the project has been “as promised, as delivered,” contributing to the overall success of the initiative. He continued to say, “Spillage and overfilling the water tower is of grave concern to the Department of Environmental Quality (DEQ). There is no way to calculate the loss from overflows, so that is also why this is such an issue. The new altitude valve gives the town of Eastville the control it needs to assure DEQ and our neighbors that the problem is solved on a long-term basis.”







# Improving Energy Efficiency

Heating and cooling air and water is a major source of GHG emissions. Heating and cooling account for 27% of CO<sub>2</sub> emissions in commercial settings and 38% in residential settings. Water heating alone represents about 15% of CO<sub>2</sub> emissions in the residential sector, according to the International Energy Agency’s Annual Energy Outlook 2018.

Watts products are consciously designed to reduce their environmental impact and deliver cost savings for our customers.



## Product Highlights

### Electronic Flow Control Valves (EFCVs)

**Challenge:** In traditional HVAC water systems, electric ball valves and electric globe valves are commonly utilized for end-coil flow regulation. However, these valves are susceptible to pressure fluctuations, which prevents them from providing a stable flow that meets actual demand. The fluctuation of flow caused by hydraulic imbalance will increase the uncertainty of air-conditioning performance and lead to the waste of energy consumption. Although the pressure independent control valves (PICV) provides balancing functionality, its intricate structure leads to considerable water resistance and increased vulnerability to blockages. More critically, the actual flow within the pipeline cannot be accurately detected, thereby compromising the PICV’s ability to achieve effective balance adjustment.



**Solution:** EFCVs combine electric ball valve components with ultrasonic flow measurement technology, allowing for flow rate precise control and monitoring. The ultrasonic flow detection boasts a flow measuring accuracy of +/- 2%, while the electric actuator is designed for durability with a service life exceeding 100,000 cycles. This robust hardware, integrated with the actuator’s internal control algorithm, can effectively ensure the demand flow per requirement and prevent the energy waste caused by system imbalance.

### Intellistation 2

**Challenge:** Traditional TMVs control temperatures over a ±7°F range, which leads to hot water system controlling over a 14°F range. Additionally, the valves drive the HW system 24 hours a day, 7 days a week, yearlong, irrespective of the building occupancy and needs of the occupants.



**Solution:** The Powers IntelliStation 2 controls temperatures over a ±2°F range, which ensures a tighter temperature control and that the HW system is working less hard. Additionally, users can program a schedule in the IntelliStation 2, where they can set back the HW set point to optimize the energy usage in the building.

### New Residential App «Vision+» Smart Home App

**Challenge:** Traditional nonconnected heating systems can lead to several challenges. It is difficult to optimize energy consumption, which leads to higher energy bills. In addition, the lack of remote control prevents the temperature from being adjusted according to actual needs, increasing the risk of overheating or insufficient heating. It can also affect the comfort of occupants and lead to less-efficient management of the heating system, especially in the event of prolonged absences or unforeseen events.



**Solution:** The new Vision+ app for residential use offers several benefits. It allows you to regulate the temperature of the house remotely, thus offering optimal comfort and more flexible management. You can adjust the heating before arriving home and save energy by avoiding unnecessary heating when you are not at home. This system optimizes energy consumption and reduces bills. In addition, it allows real-time monitoring, which makes it easier to detect any malfunctions. Finally, integration with other smart devices allows for even smoother and more personalized management of home comfort.

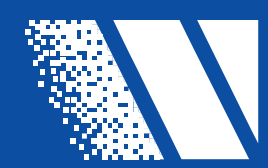
### PR03 RF Smart Plug

**Challenge:** Traditional plugs limit automation and remote control of your devices such as the ability to turn electrical equipment off or on via an app. This can lead to higher energy consumption, as devices sometimes remain on standby or are left on unnecessarily. In addition, the absence of smart plugs limits the possibilities of integration into a broader home automation system, which limits the comfort and energy efficiency of the home.



**Solution:** The new PR03 RF smart plugs dedicated to residential use have several advantages. They allow you to remotely control the power supply of electrical devices via an application, thus offering practical and personalized energy management, contributing to energy savings and reducing bills. Smart plugs facilitate integration into a home automation system, allowing you to automate actions (such as programming the switching on of lights or devices) to improve comfort and security. In addition, they can simulate presence remotely, reinforcing home security in the event of an absence.





# tekmar® Smart Boiler Control 294 Saves Kelson Group Time and Money

## What the Client Needed

Heat and hot water are among a tenant’s most basic needs. Without either, a unit quickly becomes inhospitable, leading to a lot of unhappy renters. The folks who call Pandosy Square home (a 46-unit apartment complex in Kelowna, British Columbia, Canada) rely on the Maintenance Team to keep the building’s two Buderus boilers operating optimally and efficiently.

With 45 buildings just like this one to manage across British Columbia and Alberta, Canada, the Kelson Group needed a boiler control that could provide immediate feedback and limit the number of service calls with the help of remote boiler access.

## Solution

Managing multiple properties is a challenge. Dealing with boiler system issues across 45 buildings is even worse! However, the tekmar® Smart Boiler Control 294, with the ability to provide real-time remote monitoring through the Watts OnSite app, remote settings adjustment, and push notifications, fit the bill!

With a few simple taps of a smartphone screen, the Kelson Group could now monitor real-time boiler operations with mirrored controls through the Watts OnSite web and mobile app and resolve issues with the heating system before tenants were negatively affected.

Plus, the 294 can be retroactively fit to any brand of boiler, old and new. This means that no additional investment was needed to put Pandosy Square’s boiler control in the palm of its hands.

## Results

The tekmar® Smart Boiler Control 294 proved to be the ideal solution for the Kelson Group’s needs. “We’d been looking for a while at different systems that could help manage and monitor the systems so that we can capture issues with the heating systems before the tenants call and complain,” said Keith Newton of the Kelson Group. It’s clear that the 294 has provided the control, insight, and proactivity the Kelson Group was looking for. “I really like the advantage of being able to make adjustments to the boilers on my way to the building and have it adjusted by the time I get there.”

With the ability to control boilers from anywhere; receive instant alerts via phone, text, or email; and make adjustments on the fly with mirrored controls, the Kelson Group now saves time, money, and headaches thanks to the Smart Boiler Control 294.





# Nexa: The Future Is Intelligent Water Management

Our vision for sustainability at Watts includes a robust growth strategy for smart and connected products that are designed to meet our “triple play” of Safety and Regulation, Water Conservation, and Energy Efficiency. Each year, Watts teams are delivering innovative solutions that do just that while supporting customers in better understanding and managing their resource consumption. To date, there has been no better example of how this vision comes to life than Nexa.

Introduced in August 2024, Nexa is a groundbreaking digital platform for commercial water management. Its advanced sensor technology seamlessly integrates with existing plumbing systems — regardless of brand or age — to monitor water usage, temperature, leaks, and more. Nexa’s digital platform begins collecting real-time system data from distributed sensors and Watts equipment such as IntelliStation 2, compiling water insights for building managers and identifying opportunities for safer, more efficient, and cost-effective use of water. Nexa offers the broadest variety of sensor technologies in the market, providing visibility into water data at the utility meter, in-line or clamped onto pipes. Coupled with an intuitive and insightful software platform and a powerful team that provides expert ongoing support, Nexa stands alone in the marketplace.

Our customers are realizing immediate value, and Nexa is helping to solve their unique challenges at a time when water is becoming increasingly scarce, properties are striving to meet significant water savings goals, and local engineering teams are stretched for resources. Whether it’s through leak detection, domestic hot water and hydronic system management, or water usage monitoring, Nexa offers an approachable solution that can be installed easily and deployed quickly at a reasonable cost. Many customers are accessing

real-time water data for the first time, moving beyond estimates based on monthly utility bills. A sustainability dashboard, automated weekly progress reports, and real-time alerts are helping local maintenance and engineering teams do more with fewer resources.



**The ultimate goal in a hotel is to make sure the guest has the perfect experience. A lot goes on behind the scenes to make that happen. The hot water has to be hot, the cold water has to be cold, the rooms have to work. The moment I saw Nexa, I knew it was going to be an invaluable tool. It was a 24/7/365 employee keeping an eye on all of the very important data we need to keep an eye on. Nexa lets us know there’s a problem in the building long before anyone in the building realizes there’s a problem.”**

**– Director of Engineering, Colorado Springs Hotel**

With an initial rollout focused on commercial buildings in North America, Nexa is applicable to all commercial buildings, including those in the hospitality, education, and health care industries, as well as multifamily residential properties. In late 2024, Nexa joined the vendor program of Green Key Global, a certification organization dedicated to promoting sustainable practices within the hospitality industry.

## Sustainability Insights

The Nexa Team continues to evolve its digital platform capabilities, including comprehensive flow management and visualization as well as a sustainability insights hub that provides customers with usage, benchmarking, and cost savings estimates.



*Sustainability officers and engineering teams can monitor water use, traceable to submeters, highlighting potential opportunities in their building’s end-to-end water consumption.*

## Applying Nexa at Watts

With a dual focus on both Handprint and Footprint, Watts has begun deploying Nexa throughout our internal sites — most recently introducing the benefits of intelligent water management to our Blauvelt, NY, USA, location. There, sensors are already providing real-time data to management teams. While each site faces unique challenges, all share the common goal of optimizing water use. Through constant monitoring and analysis, Nexa is helping our teams progress toward achieving that goal.





# Nexa Helps Cut Water Use by Over 80% in a Hotel’s Softening System

A 1,000-plus room, full-service hotel in the heart of New Orleans, LA, USA, aimed to optimize water usage and identify efficiency opportunities within its operations. Compared to similar-sized facilities, the hotel had been consuming >50% more water per occupied room. Nexa sensors were installed to monitor water usage throughout the building, providing real-time water consumption data to the hotel’s maintenance team.

Water consumption from the water softener’s discharge revealed unexpectedly high daily usage patterns. The Nexa expert support team benchmarked softener water consumption against expected usage patterns and observed inconsistencies, highlighting several issues with the hotel’s treatment system that were contributing to inefficiencies and water loss.

Armed with insights from Nexa, the hotel management staff brought in their water treatment provider to inspect and repair broken components in the backwash valves. The maintenance team identified and repaired a broken gear in the water softener system and reprogrammed the controller. As a result, softener water consumption at the hotel shifted back to expected levels.

Nexa insights and resulting recommendations led to an impressive 81% (524K gallons/year) reduction in water consumption within the hotel’s water treatment system. When combined with other projects initiated because of Nexa, the hotel’s water use is reduced by 21% across the property, totaling \$22,000 and almost 3.5 million gallons of water every year. By monitoring real-time data, sharing insights, and working closely with the hotel team to take prompt action, Nexa helped contribute to the hotel’s sustainability, operational, and financial goals.



Figure 1 – Nexa Customer Success Team member partnering with the director of engineering to identify issue.

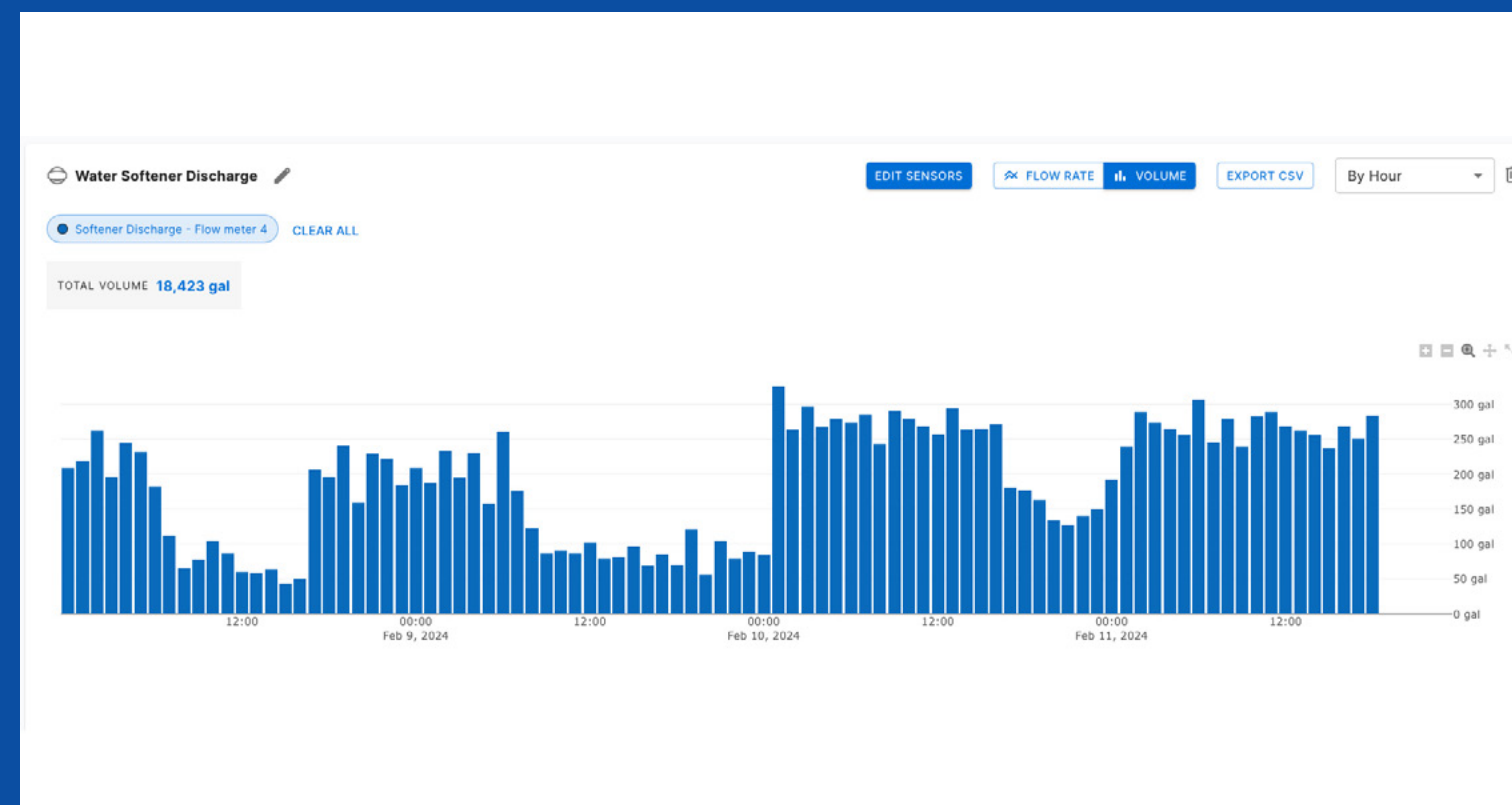


Figure 2 – Irregular water consumption patterns included constant flow and intermittent spikes throughout day. These patterns were inconsistent with standard softener backwash cycles and suggest potential leak. Discharge volume prior to fixes.

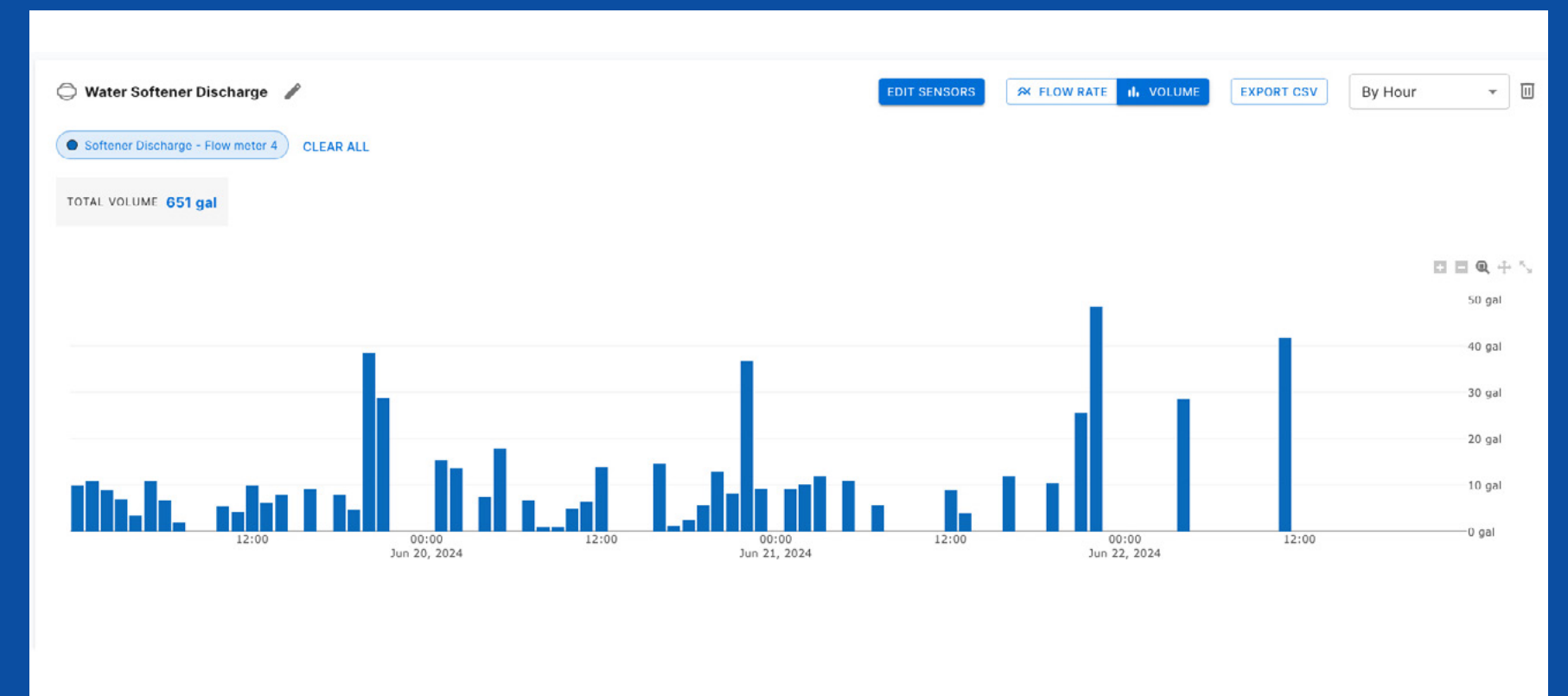


Figure 3 – Water softener discharge volume after repairs.

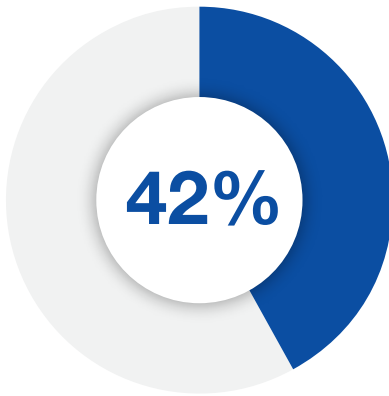




# Sustainable Innovation

Watts is committed to efforts to embed sustainability into all our products — both in their function and in the way we manufacture and package them. In 2024, we continued to invest in our capacity to incorporate sustainability at the development stage of all new products by incorporating a sustainability assessment into our “stage-gate” process, used for all new product development. This creates new opportunities for our customers to increase their own sustainability through our products.

Exiting 2024, 25% of our revenue was from smart and connected enabled products, which connect our customers with smart control systems for optimal performance and conserve critical resources by increasing operability, efficiency, and safety. This percentage includes the new acquisitions of Bradley and Josam.



**We also generate 42% of our revenue from clean-tech products that support water infrastructure and distribution, water resource management and efficiency, and green-certified engineering and construction.**

## Transition to QR Code Instructions

At Watts, we value our natural resources and are always looking to reduce our resource usage. Over the course of 2024, we worked to transition from paper instruction booklets to half-page insert cards with QR codes. These QR codes will open online instructions for the user for applicable products.

With the transition to QR code instructions, we avoided the use of more than 9 million pieces of paper over 2024.

- A total of 1,130 trees
- More than 849,000 pounds of CO<sub>2</sub>, the equivalent to keeping 77 cars off the road each year
- A total of 1,010,000 million gallons of water, the equivalent to saving the water used by 729 clothes washers over the course of a year

## Sustainable Packaging

Since 2017, our Global Sourcing Team has conducted comprehensive reviews of our packaging practices at Watts, which has helped reduce our use of plastics and chemicals for protective packaging by more than 80%. In 2024, more than 90% of all packaging boxes shipped to customers in the Americas were made with a high percentage of post-consumer recycled (PCR) content and crates from low-grade, nonconsumer wood.



Formerly paper instruction booklets, these half-page insert cards contain QR codes that will open online instructions for the applicable product.

### Our Approach to Sustainable Packaging:



- Promote sustainable packaging material content.
- Minimize total material content and reduce the final weight of packaged products.
- Design for transportation efficiency.
- Design for accessibility (assembly and life-cycle service access).
- Provide consumer information on environmental sustainability.





## The Business Case for Product Transparency

- Differentiates Watts products in the marketplace
- Fulfills customer requests and requirements, particularly in Europe, where product environmental data has become “table stakes”
- Increases the likelihood of Watts products being included in building projects pursuing environmental certifications (e.g., U.S. Green Building Council LEED certification)
- Provides opportunities to compare alternative designs and understand trade-offs throughout the entire life cycle
- Substantiates marketing claims related to product sustainability and avoids greenwashing

**LCA:** A scientific method to quantify the environmental impacts throughout a product’s life cycle

**EPD:** A third-party verified report that details the results of an LCA in a clear and concise format

## Driving Product Sustainability and Transparency

As part of global efforts to limit the effects of climate change and pursue sustainable development, interest in the environmental impact of Watts products continues to grow. Our teams are responding to rapidly increasing requests for product-level environmental impact data, particularly in Europe, as our customers ensure compliance with regulations and meet broad demands for sustainability.

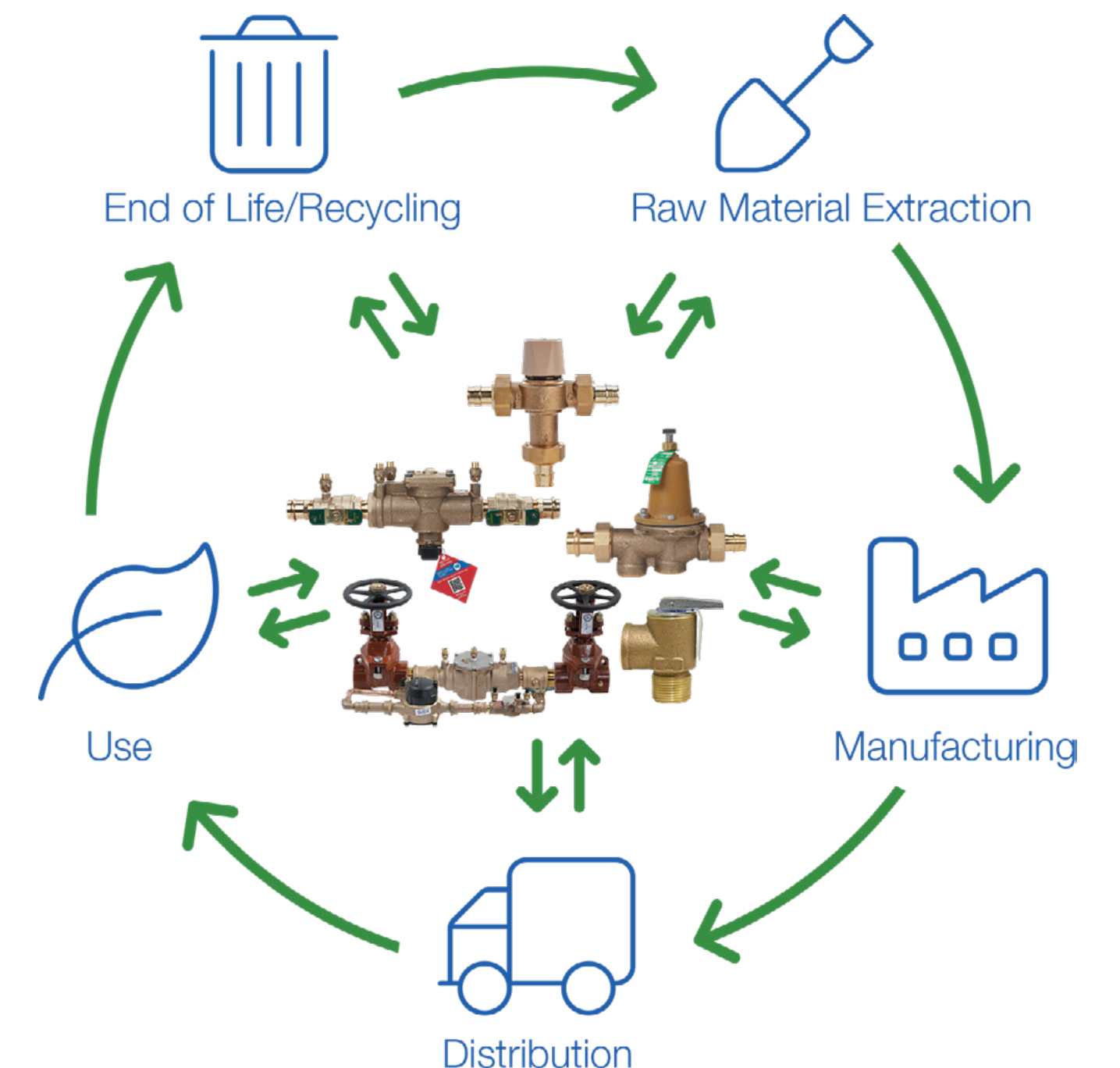
Beyond meeting customer expectations and compliance requirements, gaining a deeper understanding of our products’ environmental impact will enable us to enhance manufacturing practices and product design. In 2024, we continued to build on several years of work to better understand the environmental impacts of our products and share this information with our customers.

We are achieving these aims through the completion of LCAs and development of EPDs. Governed by the ISO and European (EN) standards, EPDs are an internationally recognized tool for the disclosure of product environmental impacts and reporting the life-cycle impacts of a product in a single, comprehensive report. Common elements of an EPD include embodied carbon, product composition and materials, manufacturing process flow, and LCA results such as associated GHG emissions, water usage, and more. At Watts, we obtain third-party verification upon completion of an LCA and then again prior to the publication of an EPD.

We continue to prioritize our LCA and EPD work to meet customer needs and focus on opportunities for greatest impact. In 2023, we completed an LCA for all products manufactured in our largest plant in Franklin, NH, USA. The LCA covered some of our flagship products, including backflow preventers, regulators, mixing valves, relief valves, hydronics, shut-off valves, strainers, and other plumbing specialties. This work provided a solid foundation for expansion, and in 2025, we

will complete an LCA for all products manufactured in our BLÜCHER facility in Vildbjerg, Denmark. In 2025, we will expand LCAs to our four largest facilities in Europe. At completion, this work will result in more than 50% of our European production covered by LCAs.

**By the end of 2024, we had published EPDs for 30 products and are on track to exceed our goal of publishing 50 EPDs by 2026.**





# Best-in-Class Training

Our strong belief in providing training and education to contractors, plumbers, distributors, engineers, employees, and building owners dates back to the early 20th century, when our water safety educational campaign informed plumbing inspectors about the critical roles both temperature and pressure regulation play in preventing water heater explosions.

Today, our global **Watts Works Learning Program** is focused on customer support and protection and reflects customized investments intended to promote safe product use, extend product longevity, and instill confidence in our customers. We believe educating our customers about our products, as well as water safety, conservation, and efficiency, is foundational to minimizing any negative impacts our customers, consumers, and employees make on our water supply.

Our training strategy hinges on a blended learning model, creatively designed to adapt to our customers' diverse preferences and schedules. Whether in person or virtual, each session is interactive and engaging, yet succinct and focused. In 2024, more than 246,000 Watts Works eLearning sessions were provided to customers worldwide, in addition to in-person trainings at our Learning Centers.

Throughout 2024, we held a customer sweepstakes program in celebration of our 150th anniversary. Customers were incentivized to engage in Watts Works eLearning sessions, visit one of our learning centers, or participate in a Lunch & Learn session while earning tokens for branded merchandise and tickets for quarterly and grand prizes. More than 6,000 global participants engaged in eLearning sessions through the sweepstakes. The grand-prize winner received an all-expenses paid trip to Boston, MA, USA.

## Online Learning

- eLearning courses, available now in 24 countries and 12 languages, feature concise, three- to seven-minute modules and assessments to confirm knowledge retention.
- Our Watts Works online training program allows Watts to deliver on-demand product and applications-based training to customers while reducing gasoline and paper consumption associated with traditional in-person training.
- **2024 highlight:** Online customer engagement reached a record high of more than 246,000 course completions, an increase of 69% over the previous year's activities. Our global course portfolio comprises more than 1,300 eLearning modules, providing highly relevant, regionalized content.

## Lunch & Learn

- Small-group, one-hour trainings are conducted either on-site with customers or virtually by sales team members at Watts.
- **2024 highlight:** We launched a Lunch & Learn program for our Bradley business, which contributed to our overall 62,000 training sessions to customers, a 42% increase versus the prior year.
- We have more than 30 Continuing Education (CEU) courses available through both the American Society of Plumbing Engineers (ASPE) and American Institute of Architects (AIA).

## Instructor-Led Training

- In-person training is held in a Watts Works Learning Center, focused on hands-on learning and product demonstration in our live wet lab.
- **2024 highlight:** Our Learning Centers reached another milestone in 2024, training a record 2,953 customers, an increase of +36% over the prior year.

### Focus on 150

Founded in April 2016, the Watts Works Learning Center is a hub for industry-wide professional development. Delivering impactful, expert-led product- and applications-based training, the center promotes an industry-wide culture of continuous professional development rooted in innovation and safety. As part of our 150th anniversary celebration in August 2024, Watts CEO Robert J. Pagano Jr. was joined by members of the Horne family for the dedication of the newly named Horne Learning Center — an acknowledgment of the tremendous role former CEO and Director Emeritus Tim Horne and the Horne family, who oversaw Watts for three generations, have played in the company's success.







# Social Responsibility

Occupational Health and Safety  
Talent Retention and Development  
Employee Development and Support Programs  
Driving Engagement Through Our Employee Resource Groups  
One Watts Performance System  
Watts Cares — Our Community Impact  
Global Engagements



# Social Responsibility

We are proud to be an agent for making people and communities safer, healthier, and stronger. At Watts, enriching and protecting our people and finding meaningful ways to be more accessible and inclusive are core to our business strategy. Our people-first approach extends globally through our corporate giving and community engagement initiatives.

Our company thrives because of employees who bring a variety of backgrounds, talents, and ideas to Watts. In an intensely competitive talent landscape, we continued to set ourselves apart in 2024 by providing our employees with meaningful career growth opportunities, a positive and safe work environment, and affirmation that they are heard, valued, and respected.

## 150 Years of Supporting People and Communities

Since our founding in 1874, we’ve grown our operations to 40 sites across the globe. In every community where we operate, we seek to enrich, engage, and protect our employees and neighbors.



## Enriching, Engaging, and Protecting Our Employees and the Communities Where We Operate

- Employees volunteered more than 5,000 hours as part of the Watts Cares community giving program launched in 2024.
- We continued to develop our benefits communications throughout 2024, with a focus on mental health, physical health, and financial health, including presentation and communication pieces geared toward our targeted populations.
- We launched our company parental leave policy in 2024.

### Engaging and Investing in Employees

**7,667**

hours of employee training

**3,629**

employees trained on Quick Kaizens to “fix what bugs them”

**8,628**

Quick Kaizen submissions, 20% of which directly pertained to sustainability efforts

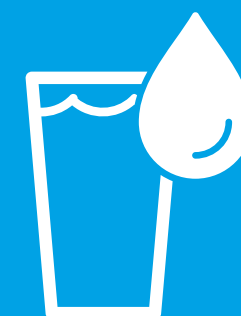
**67**

employees awarded \$131,625 through the Inventor Recognition program

### Enriching Communities

Provided clean, safe drinking water for

**21,600**  
people



### Health & Safety



Zero recordable injuries achieved at 18 operating and distribution sites



>10,000 units of safety training delivered

### ISO 45001 Certification

achieved for our global OHS program.

Certified sites represented 27% of our global population.





# Occupational Health and Safety

At Watts, we believe that occupational injuries and illnesses are preventable. We recognize healthy and safe working conditions as a human right and commit to protecting the health and safety of all employees working at our facilities around the world. This commitment extends to contractors, visitors, customers, suppliers, and all other business partners.

Our enterprise-wide OHS management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. Its key elements include worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement. In December 2024, NSF, our certifying body for ISO 45001, completed a surveillance audit of our global OHS system, noting no nonconformances with the standard. All Watts ISO 45001-certified sites also achieved success in their surveillance audits. With the addition of the Bradley and Josam businesses, our ISO 45001-certified sites represent 27% of our global population, a slight increase year over year.

## A Culture of Safety

We aspire to be a zero-incident workplace, and in 2024, 18 of our operating and distribution sites maintained zero recordable injuries. Our Zero Incidents, Employee Engagement, Risk Reduction, and Operational Excellence (Z.E.R.O.) approach to drive a culture of safety at Watts empowers our people with the knowledge, tools, and resources they need to effectively identify hazards, mitigate risks, and explore improvements. This approach includes:

- **Safety Committees:** These committees generate opportunities to reduce risk and support the mitigation of those risks.
- **Job Hazard Analyses:** These analyses identify job-related hazards through a systematic risk assessment process.
- **Safety Stand-Downs:** These stand-downs bring employees and site leaders together to discuss safety performance and related issues, and identify opportunities for improvement.
- **Early Reporting:** Reporting early empowers employees at all levels to provide input into Safety Observations (“I think this is unsafe”) and Near-Misses (“An event occurred, but nobody was hurt”). In 2024, employees submitted more than 6,000 near-miss reports and 16,800 safety observations, exceeding our annual goals by 13% and 20%, respectively.
- **Safety Training:** This training promotes a safe and healthy workplace. In 2024, we delivered more than 10,000 units of safety training to our employees on a variety of topics, including emergency preparedness, accident prevention, electrical safety, and tool and equipment safety.
- In 2024, the organization implemented an artificial intelligence (AI) ergonomics application across our Americas operations to identify hazard reduction opportunities and make meaningful and measurable change.

Injury reductions in 2024 were driven by multiple factors, including workstation optimization, increased investment in automation, cross-functional engagement, employee rotation programs, and professional development, select staffing adds, and increased best-practice sharing across the globe. Emphasis was placed on material handling and other ergonomic-related risk factors, which drove the majority of our injuries.

## Safety Performance

	Total Recordable Incident Rate (TRIR) Recordable Incidents per 200,000 Hours Worked	Lost Time Incident Rate (LTIR) Lost Time Incident per 200,000 Hours Worked
2020	1.51	0.68
2021	1.28	0.58
2022	1.20	0.52
2023	0.92	0.49
2024	0.78	0.34

Each site presents its EHS performance as part of our monthly operating reviews. Our standard metrics for safety include seven key performance indicators (KPIs): TRIR, LTIR, near-miss reporting, safety observations reporting, risk-reduction scores, EHS framework score, and finding-closure rate. Twenty-nine operating and distribution sites reduced their year-over-year LTIRs or had zero incidents, including 10 sites with reductions greater than 25%.

## Vaccination Clinics

We sponsored clinics and partnerships with local pharmacies and occupational doctors to encourage those at our sites, and their families, to get immunized against influenza, COVID, shingles, and more.





# Talent Retention and Development

We implemented a number of measures to further distinguish Watts as an employer of choice and took several actions in 2024.

## 2024 Highlights



**Compensation and Incentives:** We regularly analyze wages to retain employees and stay competitive in the labor market. An internal pay equity review is embedded into our hiring and promotion processes. Where needed, we provided market adjustments to stay competitive and retain key talent. In 2024, we continued our project to revitalize our job architecture that will better align with our roles and provide our employees with a more comprehensive career path structure.



**Work/Life Balance:** In a continued effort to reduce employee overtime at production facilities, we continue to explore diversified recruiting efforts, including focusing on our U.S. internship program and expanding our partnerships with tech schools, recruitment agencies, and a number of professional networks. We have also begun to evaluate the possibility of certain roles being fully remote and continue to hire for hybrid or remote positions.



**Employee Development:** To facilitate learning opportunities for our connected employees, we launched a quarterly training and development calendar featuring virtual instructor-led training sessions offered through internal facilitators, as well as partnerships with best-in-class vendors.



**Engagement:** Employee pulse surveys conducted in 2024 helped us gain insights on progress on the topics of highest importance to our colleagues — in relation to key drivers of engagement such as work/life balance, career growth, and happiness at work. We also invested in social programming for employees, including celebrations for holidays and company-related milestones, volunteer events, and fitness competitions.



**Employee Engagement/Recognition:** We continue to strive for success in being an employer of choice, which is a testament to our commitment to fostering a positive and inclusive workplace culture. In 2024, Watts was recognized by our employees as a best-in-class place for employment in two regions. Eighty percent of our employees in our North Andover, MA, US, Headquarters participated in the Massachusetts Top Places to Work survey, resulting in being named by The Boston Globe as one of the Top Places to Work in Massachusetts. Top Places to Work measures employee opinions about their company's direction, execution, connection, work, pay, benefits, and engagement. Our Watts China location was certified as a Great Place to Work, with 88% of employees participating in the Great Place to Work Trust Index survey, which gathers insight on workplace environment factors and various management behaviors related to trust from the employees' perspective.





## Focus on 150

We recognized two of our most tenured employees at our 150th anniversary celebration. In 2024, our R&D test lab supervisor Bob Greenwood celebrated 42 years with Watts. Jim “JJ” Jalbert, an engineering manager at our Franklin, NH, USA, site, celebrated 59 years with Watts. More than 40% of Watts employees have been with the company for 10 years or more.



## Employee Recognition

We believe in recognizing teams and individual employees for their contributions — especially those who go above and beyond their assigned duties. Our “Way to Go” Program recognizes exceptional team efforts that help to advance the Watts mission and embody our values, and our inventor recognition program recognizes an “invention,” patented or not, that advances the business and/or R&D efforts at Watts. Any employee can participate and receive a monetary award for invention disclosures, patent applications, and issued patents. We also provide recognition and awards for trade secrets and prolific inventors.

## Training and Development

We invest in our employees by providing opportunities that support them in enhancing their skills, competencies, and overall professional development. We offer a variety of in-person and virtual learning and development programs that are designed to build and retain a strong global workforce. In 2024, we continued the rollout of our global leadership and inclusivity training to include workshop sessions offered on-site for our production workforce. We also increased our partnerships with external vendors to expand the offerings

for individual development needs, publishing a “Watts Training & Development Offerings” catalog that is available to all employees. We encourage all managers and employees to include training and development goals as part of our annual performance management process.

## Internship Program

Our student internship program aims to recruit, develop, and retain the next generation of top talent and future leaders at Watts. In 2024, 39 interns from across the United States participated in a variety of training and development activities as part of a 12-week summer program. At the end of their internship, participants presented their learnings and experiences to the leadership teams. Co-op students participate in key projects over a period of six months to gain real-world experience and are paired with a mentor for guidance and support.

## Strategic Talent Review

Our approach to workforce planning provides a systematic framework that enables us to understand the current state of our global talent pool matched against current and future business needs, and how we can solve for any gaps that may exist. Our Strategic Talent Review (STR) process assesses employee performance/potential, retention risk and impact, succession planning for key positions, and actions to facilitate employee development. This approach to talent and succession allows us to have a deep understanding of our talent pool and their development needs, consider the company’s future growth, and identify new positions that need to be filled to advance future business improvement and retain our current and future leaders. Our board of directors discusses succession planning at the executive level annually and periodically receives updates on significant developments.

## Talent Scorecard

Talent scorecards are produced monthly and presented to the Global Leadership Team for review. The scorecards highlight progress made on goals and HR program initiatives across the function globally. They also provide an at-a-glance view of key metrics that are essential to attracting, retaining, and developing a diverse global workforce, including head count, turnover, open positions by location globally, and time-to-fill metrics, in addition to the performance of our compensation and benefits programs.



## Performance Management

In support of our efforts to sustain an engaged workforce and high-performance culture, we are committed to empowering teams to realize their true potential. The Watts Performance Management Process helps us to build that culture by encouraging teams to have ongoing performance conversations throughout the year. During annual performance review conversations, managers and employees are encouraged to discuss business goals and achievements, as well as career aspirations. These activities also allow our teams to cascade organizational goals to individual employees for better alignment with business priorities. The Watts Performance Management Process supports the following key activities:

- Aligning individual goals with the goals of the organization
- Facilitating ongoing feedback and coaching
- Celebrating employee accomplishments
- Acknowledging effective behaviors, tied to the Watts Cultural Behavior Framework

In 2024, 100% of eligible employees received a performance review.





# Employee Development and Support Programs

At Watts, we embrace and celebrate the unique identities of all our employees. We work to ensure that every individual receives fair treatment and equal access and feels valued and supported by our culture and workplace environment. This commitment touches every aspect of our business and is embedded in our talent processes, from recruitment and onboarding to development and retention.

In 2024, we continued to cultivate our partnerships with and conducted recruitment activities at universities to drive outreach in the sectors that support our business. We also continued to deliver leadership and skills development training throughout the global organization.

Additionally, our Employee Resource Groups (ERGs), which are voluntary, employee-led groups open to all, continue to be a platform for employees to share common interests and experiences, gain professional development support, engage with our leadership teams, and drive initiatives to improve employee development and support at Watts.



Women colleagues at our Fort Worth, TX, USA, facility gather to celebrate Women's History Month.

## Expanding Our Reach to Attract Top Talent

We are committed to building a workforce that reflects a wide range of backgrounds and experiences. To broaden candidate outreach across all levels of our organization, our Talent Acquisition Team deepened relationships with educational institutions, professional networks, and search firms. Team members also participated in career fairs and collaborated with ERGs to promote opportunities and reach a more diverse pool of talent.

## Investing in Future Leaders

We recognize that development doesn't stop at hiring. Once individuals join Watts, we're dedicated to supporting their long-term success. In 2024, we continued expanding our strategic talent review process, first launched in 2022, to identify emerging talent and provide growth opportunities for high-potential team members. This process plays a critical role in shaping our leadership pipeline and supporting career progression.

## Empowering Growth Through Learning

We provide employees with opportunities to enhance their skills and leadership capabilities. In 2024, we continued rolling out training on leadership behaviors and skill development. Programs originally introduced in 2022 for senior leaders in the Americas expanded globally, with online training for U.S.-based employees and in-person workshops for production teams. By the end of 2023, our senior leaders in APMEA and Europe also had access to this program, strengthening our leadership culture across all regions.

## Enhancing Our Benefits to Support Well-Being

In early 2023, we partnered with Mercer, a global consulting firm, to review and strengthen our U.S. benefit offerings for 2024. Our goal was to ensure our programs meet the diverse and evolving needs of our workforce. The review covered medical, pharmacy, dental, and vision benefits, along with ancillary services such as family planning and parental leave.



**Based on employee feedback, we introduced paid parental leave and added hearing coverage — two meaningful enhancements aligned with the needs and preferences of our workforce.**

We also strengthened our benefits communication strategy, placing a greater emphasis on mental, physical, and financial wellness. In 2024, we rolled out targeted communications and presentations designed to resonate with our varied employee populations and ensure everyone understands the resources available to them.



# Driving Engagement Through Our Employee Resource Groups

In 2024, we continued our support to each of our ERGs in establishing their mission, vision, purpose, and objectives. These ERGs led impactful discussions, organized educational events, and raised awareness of how Watts can foster a welcoming environment for every employee. At Watts, we recognize that our employee development and support programs are cornerstones for a thriving and successful workplace. We are proud to have such dedicated employees who are committed to fostering a sense of belonging for everyone.

## Celebrating Cultural Milestones

Our ERGs sponsored an array of educational events throughout 2024.

- Our Black Matters at Watts ERG hosted a virtual presentation “Understanding Juneteenth,” educating attendees on the history of the U.S. holiday and Black culture.
- Honoring Women’s History Month and supporting the mission of advancing women to build empowering internal networks, leadership skills, and allyship, our Women of Watts ERG managed a mentoring program.
- Our PRIDE ERG led the creation of an allyship video, bringing colleagues together to share experiences and learn about ways to foster safe spaces.
- Our Organization of Latin Americans (OLAS) ERG held a webinar to delve into the richness of Latin American culture, exploring its language, food, music, dance, and business norms.
- Our Veteran Network (VetNet) ERG marked Veterans Day with the “Honoring Our Veterans” Spotlight Series on the Watts LinkedIn page. The series highlighted the unique experiences and perspectives of veteran team members, honoring their service and contributions. The spotlights showcased personal insights from Watts veterans, illustrating the impact of their military service on their lives and careers, and reflecting on the significance of Veterans Day. This initiative underscored our commitment to recognizing and memorializing the varied experiences that enrich our Watts community.

*Employees take flags and other items during a site celebration, sponsored by our PRIDE ERG.*



# One Watts Performance System

We believe in a culture of continuous improvement and reaching higher levels of performance in everything that we do. Our Business Performance System is a key differentiator separating good companies from the truly great ones. We power our One Watts Performance System (OWPS) through a collection of tools, processes, and behaviors that feed our continuous growth and potential, as well as fuel our future performance and success. Designed with our customer as the focal point, the OWPS serves as the foundation for all our operations.

Our onboarding process includes training on the basics of OWPS to simplify, standardize, and improve our work every day.

## Kaizen Events and Global Report-Outs

We design Kaizen Events to drive meaningful improvements in critical areas that impact our customers and the efficiency of our operations. Driven by various Lean methodologies, these cross-functional, multiday improvement sessions enable a structured approach to problem-solving. Six months following the conclusion of a Kaizen Event, we conduct a Global Kaizen Report-Out, where Kaizen teams share the results and lessons learned to inspire other sites to drive continuous improvement within their facilities and operations. Leaders across the organization, including the Global Leadership Team, join report-outs and leverage learnings globally.

In 2024, our Continuous Improvement Teams successfully completed 94 Kaizen Events linked to KPI needs in the areas of safety, quality, delivery, cost, and growth.

## Quick Kaizens

Quick Kaizens are smaller-scale, incremental continuous improvement efforts that allow all employees at Watts to “fix what bugs them.” The Quick Kaizen Hub is a mobile-friendly, fully automated online portal that centralizes the company’s improvement activities. Multiple filtering capabilities allow for submissions to be tracked, searched, and benchmarked with ease. Each month, our Continuous Improvement Team announces the best submissions received and the site that submitted the most improvements. Winners receive a branded “wasteologist” shirt and global recognition through various internal communication channels.

In 2024, Watts employees submitted 8,235 Quick Kaizens to correct business problems at the right level. The Quick Kaizen application has demonstrated high engagement of our employees in improving their environment and workplace. To see examples of our Quick Kaizens in action, [see page 27](#).

## Blue Belt and Green Belt

Blue Belt is a special designation for our employees who have mastered the art of the Quick Kaizens. After training to learn how to detect and eliminate waste, an employee who logs three Quick Kaizens receives a Blue Belt certificate.

In 2024, we successfully trained more than 50% of all employees with Watts as waste identifiers through our Blue Belt training program focusing on the eight wastes of manufacturing: DOWNTIME.

In 2025, we will continue our focus on education and employee engagement for a stretch goal of 85%.



## Productivity Projects Pipeline

Throughout the year, we identify projects to drive productivity at Watts. These large-scale continuous improvement initiatives focus on identifying and generating cost savings in plant productivity, working capital, operational excellence, and organic growth. We use a cloud-based project management system to capture, track, and monitor the progress of all activities. To drive accountability, we review annual productivity targets monthly at the site level; across divisions, functions, and platforms; and, ultimately, with our Global Leadership Team.

In addition to our Kaizen activities, 2024 also resulted in 414 projects worldwide focusing on lean improvements, carbon reduction, process engineering, value-added value engineering, improved sourcing, and continued growth.



*More than a dozen employees from our Nogales, Mexico, site received Blue Belts in 2024.*



# Watts Cares – Our Community Impact

In 2024, we kicked off the inaugural year of the Watts Cares volunteer program, which was a resounding success with colleagues from more than 40 sites giving back a total of 5,000 hours to more than 50 different organizations within their communities and beyond.

From food and clothing drives to environmental cleanups and community partnerships, employees gave generously to a variety of different projects, some of which are highlighted below.

## Community Involvement

### Cleaning Waterways

In partnership with the Clean River Project, Watts colleagues joined together in **Lawrence, MA, USA**, to pull nearly 2 tons of trash from the Merrimack River, including tires, plastic, construction debris, and even a bicycle. The river flows through 15 cities of northeast Massachusetts and serves as the water supply for more than 600,000 area residents, as well as being a freshwater destination for outdoor enthusiasts.



CEO Robert J. Pagano Jr. joined colleagues in clearing trash and debris from the wooded areas surrounding our global headquarters in North Andover, MA, USA, as part of the Watts Cares program.

### Preserving Ecosystems

Colleagues from **Vernon, BC, Canada**, volunteered with the Friends of Kalamalka Lake Provincial Park (KLPP) to protect and restore the local ecosystem. Together, the team culled seasonal pine seedlings, removing approximately 1,500 young pines that have encroached upon the park’s delicate grassland habitats.

## Educational Partnerships

### Creating Solutions With Award-Winning Robotics

A group of students from a local technical high school visited the Watts Works Learning Center in **North Andover, MA, USA**, to showcase their award-winning underwater robot sponsored by Watts. Watts has sponsored robotics teams for several years, during which time teams have developed multiple underwater engineering solutions.

### Supporting Sustainability Leaders of the Future

Watts shared educational expertise with MBA students at the American University in Bulgaria (AUBG). **Milen Naydenov**, plant manager from **Plovdiv, Bulgaria**, shared his expertise on one of the world’s most pressing challenges — water scarcity. Milen explained how water scarcity is not just an environmental issue, but also an economic and social challenge, affecting industries, agriculture, and communities globally. The talk was part of a series of guest lectures for the university’s MBA program, aimed at exposing students to real-world challenges and innovative solutions from industry leaders.

## Fundraising, Sponsorships, and Donations

### Enhancing Water Filtration for Seniors

Earth Day was commemorated by our **Shanghai, China**, team with a donation of 16 sets of water filtration systems to Dachun Village in Chongming, Shanghai. This village, with a population of more than 2,200, is considered to be the most economically challenged suburban village in the city. It faces numerous challenges, including a highly aged population and weak infrastructure.

### Giving Back for Multiple Sclerosis

Colleagues in **Export, PA, USA**, raised more than \$10,000 for multiple sclerosis (MS) research during their eighth annual “TEE Off On MS” golf outing held in June. This annual event raises money for the local Keystone Chapter of the National MS Society, serving Central and Western Pennsylvania. Its mission is focused on funding critical MS research and improving the quality of life of those affected by MS.

## Focus on 150

Sending School Supplies to Local Children — Colleagues from **North Andover, MA, USA**, volunteered to fill 150 backpacks with desperately needed school supplies that were donated to vulnerable students at the Boys and Girls Club of Lawrence. The backpacks and supplies were purchased to give back to the community in connection with the Watts 150th Anniversary celebration.





# Global Engagements

Our ongoing partnership with the Planet Water Foundation supports the organization’s work to bring clean water to the world’s most impoverished communities through the installation of community-based water filtration systems, as well as implementation of water health and hygiene education programs. Throughout 2024, Watts continued its partnership with Planet Water Foundation, which positively impacted 21,600 children and community members through the following projects:

- During World Water Day in March, Watts sponsored the installation of four integrated water systems for residents in the Philippines and Vietnam.
- As part of Planet Water Foundation’s Global Handwashing Day initiatives in October, Watts sponsored four additional AquaTowers, bringing clean drinking water to four vulnerable communities in Cambodia and Mexico.
- Each project provided schools with AquaSan mobile surface disinfection systems to promote good water hygiene practices in the schools’ latrines, as well as a water health and hygiene education program for community members.
- We also sponsored one disaster response initiative that included the deployment of four safe drinking water systems to people impacted by Typhoon Yagi in Vietnam.
- This was the first year Watts sponsored the “Germ Chasers” education program — online hygiene education and interactive teaching materials to three schools in Mexico, the Philippines, and Thailand.



*Students from Central Elementary School in Quezon, Philippines, enjoy clean, safe water from their newly installed AquaTower sponsored by Watts.*





# Corporate Governance

Ethics, Integrity, and Transparency  
Privacy and Cybersecurity  
Responsible Supply Chain



# Corporate Governance

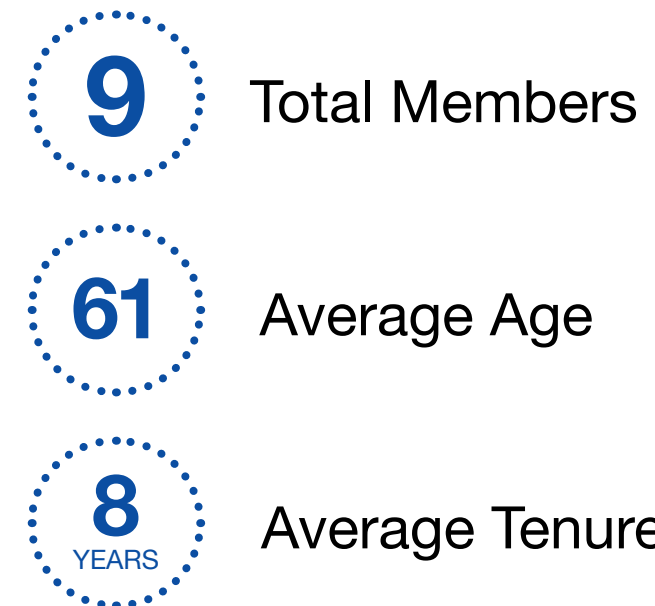
At Watts, we earn the trust of our stakeholders through strong corporate governance and adherence to high ethical standards. We are committed to operating our business ethically, responsibly, and sustainably in order to create long-term value and opportunities for future growth. Our corporate governance principles provide an essential framework to ensure we conduct ourselves in accordance with our mission, vision, and values in the work we do every day.

## 150 Years of Stability

Our stakeholders have come to rely on Watts for fiscal responsibility, sturdy leadership, ethical operations, and strong governance practices.



### Watts Board of Directors



7/9 Independent Directors



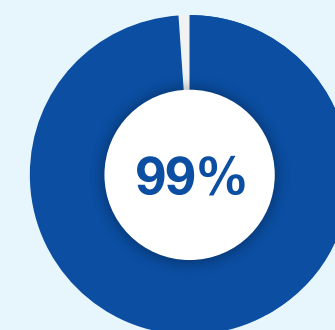
7/9 Directors With Experience in ESG Matters

### Committee Meeting Participation:

- Audit: 5
- Governance and Sustainability: 4
- Compensation: 5

### Ethics and Compliance

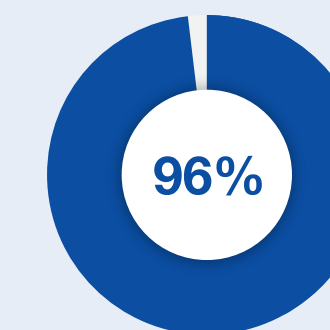
- The Code of Conduct training for all global employees included an anti-bribery and corruption module.
- Biannual, global, third-party due diligence audit confirmed adherence to anti-corruption processes.
- Annual Conflict of Interest Certification, by management and key functions, confirmed global compliance.



of global employees were provided updated Code of Conduct training and acknowledged adherence to the Code

### Responsible Supply Chain

- Supplier participation more than tripled in the EcoVadis global ESG rating assessment to include more than 300 suppliers, representing more than 24% of our global spend.
- 500 suppliers were audited and 735 follow-up audits and corrective actions were conducted globally.



of our global suppliers, by spend, have confirmed conformance to our Supplier ESG Standards





## GOVERNANCE AND ACCOUNTABILITY

Our board of directors continually works to improve the high ethical standards we promote and practice at Watts. The board has adopted our [Corporate Governance Guidelines](#) to assist and guide each of its nine members in serving in their director roles and carrying out the responsibilities within their charge.

In 2024, our board met seven times, and each committee of the board met at least four times, with certain additional meetings as needed throughout the year. Each director attended at least 75% of the meetings of the board and all committees of the board on which the director served. In addition, all of our board members attended the 2024 Annual Meeting of Stockholders, in person or by telephone conference call.

We believe our board should be composed of directors who have the collective experience, qualifications, attributes, and skills required to make informed decisions, provide effective oversight, assess management’s performance, and evaluate our strategic direction. Our board understands the important role that a wide range of individual characteristics and experiences among its members, including background, professional experience, age, religion, political affiliation, marital status, disability, and geographic background, has on our long-term success. In recognition of this, all board member search processes include a requirement to identify and present a varied selection of candidates for the board’s consideration.



To learn more about our board composition, responsibilities, and performance, see our [2025 Proxy Statement](#).

Massachusetts Sen. Bruce Tarr presents CEO Robert J. Pagano Jr. with a state proclamation during our 150th Anniversary celebration at our North Andover, MA, USA, global headquarters.





# Ethics, Integrity, and Transparency

We are committed to acting with integrity in every facet of our operations and strive to meet and exceed applicable laws, regulations, and standards. We require all Watts directors, officers, and employees (including part-time employees and contractors) throughout all regions, which includes all subsidiaries globally, to adhere to our [Code of Business Conduct](#), a guide for applying our values to everyday actions and all business dealings, including with employees, suppliers, and other partners. When we follow our Code in our decisions and interactions, it allows us to “Do the Right Thing, Always.”

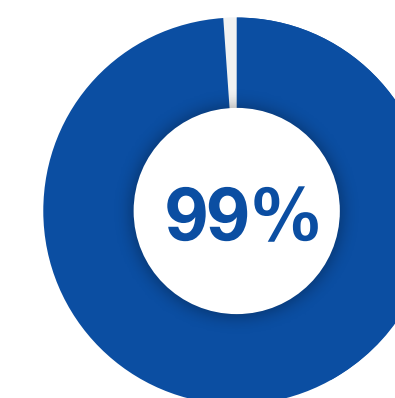
As part of the company’s continuing efforts to distinguish itself as a responsible corporate citizen, we implemented a formal [Human Rights Policy](#) in 2022 outlining our commitment to promoting human rights within our labor force, including through support of and adherence to the UN Global Compact and the Universal Declaration of Human Rights, and in 2025, we adopted an [Anti-Money Laundering Policy](#) to reinforce our commitment to ethical business practices.

Published in 15 different languages to reflect our global footprint, the Code is accessible via the company’s intranet and public website. Our Global Compliance Team regularly authors and distributes information through internal communications channels to promote awareness of the Code and timely related topics.

In addition to annual training, we require all employees to acknowledge the Code and its requirements and encourage them to raise questions and speak up if they observe conduct that violates it. Each year, we refresh our training by selecting different areas of focus, which in 2024 included anti-bribery and corruption, reporting

concerns/whistleblowing, protecting company assets, ESG principles, EHS, and ethical decision-making. In 2025, training will focus on similar and additional Code topics, including abusive workplace conduct and bullying, safety training, and ethical decision-making.

We also provide additional ethics and compliance training, both online and in person throughout the year, using a targeted approach that identifies positions, functions, and regions with a higher risk of potential incidents, as well as in response to global trends and developments, and our own hotline data. In 2024, we conducted targeted training to finance, sales, sourcing, operations, and select third parties on anti-corruption policies, business courtesies, third-party due diligence, and import/export. We also require select management and functional areas, including all global employees at the director level and above, to complete an annual Conflict of Interest Certification and Disclosure, stating they have read, understand, and will comply with our [Conflict of Interest Policy](#).



**In 2024, we met our goal to have 99% of employees (including part-time employees, consultants, and contractors), both direct and indirect, complete our Code of Business Conduct training and acknowledge their adherence to the Code. Our 99% goal remains for 2025.**





## Due Diligence Reviews

Before entering into new business relationships with third parties acting on our behalf, we conduct risk-based due diligence utilizing a multifactor questionnaire, anti-corruption law notification, certification of compliance with such laws, and a continuous international-denied-parties search review. Based on questionnaire responses — in addition to automated risk ranking through our third-party due diligence tool (utilizing, among other factors, the Transparency International Corruption Perception Index) — we determine whether to further supplement the review with risk-based open-source investigations. Open-source investigations identify and explore red flags, including business expertise; time in business; name variations; ownership; sanctions; embargoes; politically exposed persons, entities, and persons on government watchlists; and any related events bearing on integrity.

The Compliance Team in each region then determines whether to approve going forward with the relationship or recommend further review and approval. Using our centralized third-party due diligence tool, we maintain relevant documentation and records in a global database of due diligence status, results, and approvals to facilitate ongoing monitoring and auditing of these third-party relationships. Approved parties must enter into contracts that include, among other terms, provisions governing payment and compliance with anti-corruption and import and export laws. We require all third parties to complete a certification agreeing to comply with all applicable anti-corruption/anti-bribery laws.

We renew due diligence reviews for third parties every two years, but we conduct ongoing denied-party list searches for all parties throughout the year, including using multiple denied-party list tools and tools that reach ownership interests. Due diligence policies and procedures are documented and are part of regular training and

review for select new hires and positions at Watts. This process permits us to identify and address higher-risk third parties.

## Risk Assessments

Management, including the compliance function and our Internal Audit Team, conducts annual risk assessments to evaluate corruption and bribery-related risk as part of the enterprise risk management process. Utilizing multiple factors, risks, and business developments, these assessments determine areas of focus and priorities for audits and site visits, during which we review select compliance processes for evidence of fraud, corruption, or deficiencies such as compliance with the U.S. Foreign Corrupt Practices Act. The internal audit function will then incorporate this into its site visits for select site audits within its audit plan focusing on internal controls and compliance with policies. We also conduct routine audits of various policies and programs that compose our global compliance program, including biannual review of our third-party due diligence program and select risk-based quarterly business courtesies reviews to ensure compliance with our policies.

## Management Oversight

The Ethics and Compliance Steering Committee is a cross-functional team made up of business leaders in executive management and internal audit, including the CEO, chief financial officer, general counsel, CCO, and chief sustainability officer, chief human resources officer, chief accounting officer, and director of internal audit. This group conducts regular meetings to monitor compliance matters, business ethics, and corruption issues, as well as ethics hotline reporting and other compliance and business ethics developments for review and action.

The CCO, who reports to the CEO, is responsible for management and oversight of the ethics and compliance program. The CCO and Compliance Team regularly monitor trends from reported hotline matters and legal, regulatory, and industry developments to update any necessary program and policy enhancements. Each quarter, the CCO or another member of the Global Compliance Team reports to the board of directors and the Audit Committee, which share oversight for the ethics and compliance program, regarding additional compliance and business ethics developments, investigations, ethics hotline reports, and review status.

## Anti-Corruption Policies

Our [Anti-Corruption Policy](#) is available in 14 languages and sets forth our zero-tolerance approach to bribery and corruption. Applicable to all Watts employees (including part-time employees, contractors, and consultants) and subsidiaries globally, suppliers, and any third parties acting on our behalf, it prohibits the use of bribes, kickbacks, and other corrupt payments, including facilitation or “grease” payments. Our Global Business Courtesy Guidelines, which are available in nine languages and detail the threshold levels at which employees must obtain approval for the receipt or gift of a business courtesy and the process for doing so, support our Anti-Corruption Policy. We apply various maximum thresholds based on the corruption risk profile of the country in which the business courtesy is being given or received to reflect different norms across our global footprint. All business courtesies involving any government officials anywhere must be submitted for pre-approval.

No incidents of corruption were confirmed at Watts in 2024, nor were any legal actions regarding corruption brought against the company.





## Government Contracting

We are committed to conducting business with federal, state, and local governments in accordance with the letter and spirit of the law, high standards of ethical business conduct, and in accordance with our values.

The [Government Contracts Supplement](#) — an extension of our Code of Business Conduct — serves as a resource for all employees who perform work under government contracts and subcontracts or communicate with government entities in the United States. Employees involved in this type of work are expected to understand and comply with the requirements and policies in this supplement, as well as the requirements of the contracts on which they work, and according to the following core principles: We are honest, fair, and open in our communications and dealings with the government and its agencies; we comply fully with the requirements of our government contracts; we ensure that our employees understand the requirements of the contracts on which they are working; we make certain that all statements, disclosures, invoices, certifications, and other representations made to the government are accurate, current, and complete; and we take appropriate action and report suspicions of fraud or deception.

## Reporting Concerns

We regularly inform employees of the multiple avenues available to them to report ethics-related concerns, including to their manager/supervisor, HR, Internal Audit, Legal, Compliance, and our [ethics hotline](#), which is an independent, third-party, multilingual resource available 24 hours a day, seven days a week, and allows employees to report anonymously and confidentially. Each country has its own

dedicated in-country telephone number, which provides multilingual support, including initial receipt of the report in the native language from which the reporter is calling. Each of the numbers is listed on the [Watts website](#), and contact and access information is also provided in postings at each facility.

The CCO reviews all ethics hotline matters and assigns them to an investigator. Primarily conducted by HR and the Legal Department, investigations of reported matters take place by conducting interviews and collecting documentation in order to assess the validity of the report, with a goal of completing all investigations within 45 days of receipt. After the investigation is completed, the investigator reviews and documents the results and proposed actions, which in the case of a substantiated matter, could include verbal and written coaching, verbal and written warnings, suspensions, or termination that the Legal Department reviews before closing the matter. We report all matters on a quarterly basis to the Ethics and Compliance Steering Committee and the Audit Committee of the board of directors. In addition, the chair of the Audit Committee has full access to the ethics hotline. All allegations of retaliation and whistleblower protection for reporting matters or participating in an investigation are directed to, and addressed independently by, the Legal Department.

Each year, we review the number of ethics hotline reports against an annual benchmarking report produced by Navex Global, a recognized leader in risk and compliance management software and the independent operator of our ethics hotline.

In 2024, the number of reports received by our ethics hotline was demonstrative of a healthy and effective hotline according to the Navex Global benchmark.

## No Retaliation — Whistleblower Protection Policy

We encourage our employees to raise concerns about compliance, ethics, or business conduct without fear of negative consequences. Our Code of Conduct specifically prohibits retaliation against anyone who reports a concern or participates in an investigation in good faith, even if the allegation ultimately is not substantiated. As stated in our Code, such behavior violates company policy and is not tolerated at Watts. Anyone, regardless of position or tenure, found to have engaged in retaliatory conduct against someone who has raised a business or ethical conduct matter or participated in an investigation, in good faith, will be subject to disciplinary action, up to and including termination. The Legal Department receives and independently addresses all allegations of retaliation and whistleblower protection for reporting matters or participating in an investigation.





# Privacy and Cybersecurity

At Watts, we believe that protecting the security, integrity, and confidentiality of our stakeholders’ data and privacy is critical to building and maintaining their trust. In addition to protecting the confidentiality and integrity of information, maintaining a robust cybersecurity risk management program is also a foundational component of our business continuity strategy.

Our [Privacy Policy](#) informs users — of our website, mobile, and desktop applications and connected devices and services — about the data we collect from them and how we use it. We strive to give users choices that allow them to control the information they provide to us such as opting out of promotional emails, disabling cookies in their internet browser settings, and optional product registration. We also take measures to protect consumer privacy by aggregating data and anonymizing personal information.

We designed our global cybersecurity risk management program in an effort to effectively prevent, detect, and respond to cybersecurity threats and preserve the security and integrity of our information technology systems. Overseen by our information security officer, who reports to our chief information officer, our cybersecurity program aligns with the National Institute of Standards and Technology (NIST) Cybersecurity Framework, a voluntary framework of guidance and best practices used widely across industries. We also partner with leading cybersecurity companies to assess and regularly test our security controls, incorporating feedback into our strategy, policies, and practices. We provide mandatory quarterly security training to all employees to further protect Watts and its employees against evolving cybersecurity risks.

## Oversight and Accountability

The board of directors and Audit Committee receive regular updates from management on its approach to cybersecurity, as well as reports from the chief information officer and information security officer on our business and product security programs, risk management and risk profile, and the status of programs to strengthen the company’s cybersecurity posture. As per its charter, the Audit Committee is responsible for reviewing and overseeing information security issues. It receives updates from the chief information officer at least twice per year. In addition, management updates the Audit Committee regarding any material or significant cybersecurity incidents, as well as incidents with lesser impact potential as necessary. Our Cybersecurity Council, comprised of cross-functional senior leaders, reviews and assesses security risks and issues from a business and technology perspective across all organizations within Watts.





# Responsible Supply Chain

## 2024 Performance at a Glance:

- 67% of suppliers have confirmed conformance to our Code of Business Conduct and Supplier ESG Standards, representing 96% of our global direct spend
- Audited 500 suppliers and conducted 735 follow-up audits and corrective actions globally
- More than tripled the number of top suppliers engaged in robust ESG performance surveys through EcoVadis, from 100 to more than 300, representing more than 24% of our global spend



Our supply chain partners play an integral role in helping us deliver value to our customers, providing critical materials and services that support the production of finished goods throughout our global operations. We are committed to a forward-looking approach in working to prevent and mitigate social and environmental impacts in our supply chain. We seek to partner with suppliers that share our values and high standards for ethical business conduct, and we incorporate supplier ESG performance as a factor in our purchasing decisions. We have continued to lessen our dependence on sole sources and prioritize sourcing locally while maintaining our commitment to having one of the most reliable and sustainable supply chains in the industry. As a supplier ourselves, we continue to work to increase transparency into our own ESG performance and provide the information increasingly being sought by our customers around the world.

With our standard procurement terms and conditions, we require Watts suppliers to comply with our standards for business conduct, product quality, and sustainability, as outlined in our [Supplier Quality](#)

[Manual](#) (available in six languages), our Code of Business Conduct, and our [Supplier ESG Standards](#). These requirements also include compliance with all applicable international human rights standards, as specified by local laws and regulations, and are integrated into our standard procurement terms and conditions. Our suppliers are also required under our standard procurement terms and conditions to comply with our Anti-Corruption Policy, our Global Anti-Human Trafficking Policy, and our Conflict Minerals Policy, as well as expected to require these same standards of their own suppliers.

In 2022, we began requiring our suppliers to acknowledge and certify their conformance with our Code of Business Conduct and Supplier ESG Standards. The standards align with the 10 principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization’s (ILO’s) 1998 Declaration on Fundamental Principles and Rights at Work.

**At the end of 2024, 67% of our suppliers representing 96% of our 2024 global spend had confirmed their conformance, including 100% of new suppliers.**

Our global sourcing leader, together with our Sourcing and Procurement Teams, is responsible for oversight of our responsible supply chain program and the selection of reputable and qualified sources. Whenever possible, we work with local suppliers, meaning that the buying entity and the supplier are located in the same country.

We strive to ensure that the business practices of our suppliers and subcontractors:

- Safeguard human life by providing safe working conditions for all employees, customers, and contractors.
- Respect the protection of international human rights, as specified by local laws, including laws prohibiting discrimination, child labor, forced labor, and human trafficking. This includes laws such as the UK Modern Slavery Act, the California Transparency

in Supply Chains Act of 2010, and Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act, as well as alignment with our Supplier ESG Standards and the international frameworks embodied in those standards such as the ILO’s 1998 Declaration on Fundamental Principles and Rights at Work.

- Promote ethical standards through compliance with anti-corruption laws and by identifying and addressing potential conflicts of interest with customers and suppliers.
- Protect the environment by limiting the use of natural resources and engaging in sustainable business practices that minimize the environmental impact of their operations.
- Keep the supply chain intact by complying with all applicable national, regional, state, and local laws and regulations governing the environment, as well as health and safety, in the countries in which they operate.

## Ensuring Quality Throughout Our Supply Chain

In 2024, professionally trained and certified members of our Audit Team performed quality audits at 500 suppliers globally through our Supplier Quality Audit Program. We work with our suppliers on quality corrective action plans to remediate issues of noncompliance via a structured approach and re-audits to check on improvements. This includes training on current requirements, self-assessment programs, noncompliance reporting, corrective action plans, and all available supplier resources on our website. We track nonconformances through the corrective action process in our quality management system. We also measure suppliers for performance via monthly scorecards issued by Watts and compared to similar operations within the same manufacturing methods to align with best practices. We performed 735 follow-up audits and corrective actions globally in 2024.



*\*2024 metrics in the Responsible Supply Chain section do not include Bradley, Enware, or Josam data.*



## Monitoring and Improving Sustainability Performance

We are committed to driving greater transparency on ESG performance throughout our supply chain. This includes helping our suppliers track, report, and improve their ESG performance and giving Watts customers the information they seek on our performance as a supplier. We leverage several third-party tools in this work and are continuously evaluating opportunities for further improvement.

In 2024, we continued our participation as a global supplier on the EcoVadis platform, allowing our customers to better assess our sustainability performance. EcoVadis reviewed our global policy and performance in several areas, including environment, labor, human rights, ethics, and sustainable procurement. The review resulted in the identification of areas where Watts exceeds standards, as well as opportunities for improvement. We will work to implement EcoVadis recommendations for improvement in 2025.

We also expanded the use of EcoVadis scorecards to evaluate the ESG performance of our suppliers. In 2024, we targeted a group of more than 550 key suppliers to provide information on their ESG policies and performance through the EcoVadis platform. More than 300 of these suppliers completed performance surveys, representing more than triple the number of the initial 100 participating suppliers and exceeding our goal of 250 suppliers. We also continue to include new suppliers in the EcoVadis assessment as part of their onboarding with Watts. In 2024, the average overall score of our participating suppliers exceeded both the global EcoVadis benchmark and the EcoVadis Manufacturing industry benchmark.

As we continue to learn about and evaluate the EcoVadis platform, we will also continue to evaluate software partners and solutions that will assist us in our journey to track Scope 3 carbon emissions for our suppliers.

We also continue to leverage the D&B ESG Rating Service in annual reviews of supplier ESG performance and in our scoring evaluations for new business awards. The service is a web-based ratings platform that assesses the ESG operations of suppliers across 31 key topics and 13 ESG themes, including through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), Sustainability Accounting Standards Board (SASB), GRI, UN SDGs, Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). In 2024, we reviewed the D&B ratings records of more than 60% of our suppliers, representing approximately 60% of our global direct spend, a decrease over previous years as fewer of our suppliers participated in the service due to cost and other considerations outside of our control.

## Enhancing Our Approach on Conflict Minerals

The most common raw materials found in our products are bronze, brass, cast iron, stainless steel, steel, and plastic. Many of our products also contain tin, tantalum, tungsten, and gold (3TG), which are sometimes referred to as “conflict minerals.” At Watts, we are committed to ensuring compliance with our reporting and disclosure obligations regarding conflict minerals in our products to the U.S. Securities and Exchange Commission (SEC), as required under the Dodd-Frank Act. We also comply with all applicable trade laws and regulations and expect the same from our suppliers. We require our suppliers to comply with our Conflict Minerals Policy, which includes disclosing the use of conflict minerals, exercising due diligence on the source and chain of custody of these metals, and implementing corrective action if we identify a reasonable risk of violation. We partner with Assent Compliance, Inc., a leading global supply chain compliance partner, to enhance our analysis of the scope of our 3TG supply base and to deploy our 3TG supplier surveys. These survey results are issued yearly in our Conflict Minerals Report, available on the Supplier page of our [website](#).

In 2024, we continued to enhance our conflict minerals reporting process by working with Assent to continually reassess our survey base among our supply partners, along with ensuring that suppliers of our recent acquisitions are included in future report scoping in accordance with SEC rules.

## Public Policy & Advocacy

We are committed to engaging with policymakers and sharing industry knowledge to advance our mission of improving the comfort, safety, and quality of life for people around the world through our expertise in water technologies. This includes partnering with a variety of industry organizations globally. For more details, please refer to our [Membership of Organizations list](#).

Our advocacy on water safety dates back to the 1930s when Watts was recognized as the national leader in industry education. This advocacy has continued throughout our company’s history. For more details, please refer to [Keeping Generations of People and Water Safe](#).

## Political Contributions

Watts does not make contributions to political organizations, causes, candidates, or campaigns. As such, the company made no political contributions in 2024. However, we encourage our employees to become involved in civic affairs and to participate in political activities, provided they:

- Do so on an individual basis, on their own time, and at their own expense.
- Make clear that when speaking on public issues, any comments or statements made are their own and not those of Watts.
- Never make a political contribution with the intent to influence the award or retention of any Watts business or contract.





# About This Report

This Sustainability Report is the eighth annual publication of its kind for Watts Water Technologies, Inc. It highlights our commitment to sustainability and provides information about the progress we are making to promote a sustainable and prosperous future through responsible business practices across ESG dimensions. The disclosures we provide in each section of this report underwent extensive internal quality checks and are factual to the best of our knowledge at the time of reporting. As is standard practice at Watts, our 2024 Sustainability Report was formally reviewed by our:

- Global Leadership Team
- Sustainability Steering Committee
- Internal Audit Team
- General counsel, CCO, and chief sustainability officer

The scope of our environmental reporting covers 40 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed [here](#) are within our operational boundaries for environmental performance in 2024 and represent 95% of our global workforce.

Additionally, we are proud to include a set of general disclosures with key data points and information in accordance with the 2021 GRI Standards, as well as the SASB. In many cases, we have enhanced existing disclosures and have also disclosed new information in this year's report and Appendix.

Additional information about our ESG performance is available in our [2024 Annual Report](#), [Form 10-K](#), [2025 Proxy Statement](#), and on our company website. We welcome your feedback so we can continue to improve our ESG reporting and provide the most relevant information to our stakeholders. Please direct any questions or comments to [sustainability@wattswater.com](mailto:sustainability@wattswater.com).



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*CEO Robert J. Pagano Jr. and Director Emeritus and former CEO Tim Horne cut the cake at our 150th Anniversary celebration in North Andover, MA, USA.*



# Global Reporting Initiative (GRI) Index

Statement of use	Watts Water Technologies, Inc. has reported in accordance with the GRI Standards for the period January 1, 2024, to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standards

Disclosure Title

2024 Response

GRI 2: General Disclosures 2021		
2-1	Organizational details	Watts Water Technologies, Inc. was incorporated in Delaware in 1985 and trades on the New York Stock Exchange (NYSE) under the stock symbol WTS. Watts is headquartered at 815 Chestnut Street, North Andover, MA 01845, USA. Watts operates in the Americas, Europe, and Asia-Pacific, the Middle East, and Africa (APMEA).
2-2	Entities included in the organization's sustainability reporting	The 2024 Sustainability Report covers Watts Water Technologies, Inc. and its consolidated subsidiaries. The scope of our environmental reporting covers 40 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed here are within our operational boundaries for environmental performance in 2024 and represent 95% of our global workforce. Please see a full list of the sites included in the Footprint section.
2-3	Reporting period, frequency, and contact point	01/01/2024 – 12/31/2024 Annual  Published: June 2025  Questions or comments should be directed to: <a href="mailto:sustainability@wattswater.com">sustainability@wattswater.com</a>
2-4	Restatements of information	There are no restatements of information within the 2024 Sustainability Report with respect to our previous report.
2-5	External assurance	Third-party external assurance is used to validate our environmental data beginning with 2020 data. Our Sustainability and Environmental Health and Safety (EHS) Teams are involved in approving scope of verification.  Our external 2024 <a href="#">Verification Statements</a> regarding environmental and safety data can be found in the Appendix.
2-6	Activities, value chain, and other business relationships	Watts Water Technologies, Inc., through its family of companies, is a leading provider of solutions designed to promote safety, energy efficiency, and water conservation in the commercial, industrial, and residential markets of the Americas, Europe, and APMEA.  For 150 years, Watts has designed and produced valve systems that safeguard and regulate water systems, energy-efficient heating and hydronic systems, drainage systems, and water filtration technology that helps purify and conserve water.  Markets: Americas, Europe, and APMEA  Customers: Wholesalers, Specialty, Original Equipment Manufacturers (OEMs), and Do-It-Yourself (DIY) Chains  We report on our annual net sales for each of the three geographic segments in which we operate our business globally, as well as by product line, customers, and markets: Total Net Sales: \$2.25 billion USD Americas: 74% Europe: 20%



GRI Standards

Disclosure Title

2024 Response

GRI 2: General Disclosures 2021		
		<p>APMEA: 6%</p> <p>Our supply partners play an integral role in helping us deliver value to our customers, providing critical materials and services that support the production of finished goods throughout our global operations. We commit to preventing and mitigating social and environmental impacts in our supply chain, as well as partnering with suppliers that share our values and high standards of ethical business conduct.</p> <p>In 2024, we continued to lessen our dependence on sole sources and prioritize sourcing locally while maintaining our commitment to having one of the most reliable and sustainable supply chains in the industry.</p> <p>For more information, see the <a href="#">Corporate Profile</a> and <a href="#">Responsible Supply Chain</a> sections of the 2024 Sustainability Report, as well as Item 1 of our <a href="#">2024 Form 10-K</a>.</p>
2-7	Employees	<p>For information on employees, please see the <a href="#">Employee Profile</a> in the Appendix.</p> <p>Methodologies and assumptions:</p> <ul style="list-style-type: none"><li>• Head count was used and then separated out by part-time or full-time.</li><li>• The data was compiled at the end of the reporting period, effective 12/31/2024. Starting with the 2023 data, we added another element to freeze the data and have a “data entry date” added so the data doesn’t change (personal information data can be updated or retro transactions entered) if the reports are needed to be pulled again.</li></ul> <p>There is no significant fluctuation in the number of employees during the reporting period and between reporting periods.</p>
2-8	Workers who are not employees	<p><b>Information Unavailable/Incomplete:</b> Certain information and data was unavailable or incomplete for inclusion in this report. We are continuously striving to enhance our data collection processes and improve the availability and accuracy of information for future reporting cycles.</p>
2-9	Governance structure and composition	<p><b>Board of Directors:</b> Rebecca J. Boll Michael J. Dubose David A. Dunbar Louise K. Goeser Kenneth Napolitano Joseph T. Noonan Robert J. Pagano Jr. Merilee Raines Joseph W. Reitmeier</p> <p><b>Board of Directors Composition:</b> Total Members: 9 Average Age: 61 Average Tenure: 8 years Independent Directors: 7/9 Directors With Experience in Environmental, Social, and Governance (ESG) Matters: 7/9</p> <p>Committee Meeting Participation: Audit (5), Governance and Sustainability (4), Compensation (5)</p> <p>The Governance and Sustainability Committee has primary responsibility for the oversight of our ESG efforts and strategy. The Governance and Sustainability Committee reviews the company's ESG performance and strategic plans at its regularly scheduled quarterly meetings and receives additional updates from our chief sustainability officer, as needed.</p>



GRI Standards

Disclosure Title

2024 Response

GRI 2: General Disclosures 2021		
		For more information regarding governance structure, roles, and composition of the board, see the <a href="#">Corporate Governance</a> and <a href="#">ESG Governance</a> sections of the 2024 Sustainability Report. Also see pp. 13 – 16 of the 2024 Form 10-K, our <a href="#">2025 Proxy Statement</a> , and our Board of Directors <a href="#">page</a> .
2-10	Nomination and selection of highest body	<p>We believe that our board should be composed of directors who, as a group, have the experience, qualifications, attributes, and skills that are collectively required to make informed board decisions and provide effective board oversight. The composite skills of the board members and the ability and willingness of individual board members to complement each other and to rely on each other’s knowledge and expertise should produce informed board members who are not afraid to disagree, can intelligently assess management’s performance, and can evaluate our strategic direction.</p> <p>In considering whether to recommend any candidate for nomination to the board, including candidates recommended by stockholders, the Governance and Sustainability Committee must be satisfied that the recommended nominee has, at a minimum:</p> <ul style="list-style-type: none"><li>• The highest personal and professional integrity</li><li>• Sound business and strategic judgment</li><li>• The ability to devote sufficient time and energy to the board</li><li>• The ability and willingness to challenge management while refraining from assuming management’s role</li></ul> <p>In addition, the nominee must not serve on more than two public company boards in addition to our board. The Governance and Sustainability Committee will consider for nomination to the board candidates recommended by stockholders and may consider potential candidates suggested by current directors, company officers, employees, third-party search firms, and others.</p> <p>We include more information on our processes and skills considered for board members in the Director Independence, Director Candidates, and Selection Criteria sections on p. 16 and pp. 21 – 23 of the <a href="#">2025 Proxy Statement</a>.</p>
2-11	Chair of the highest governance body	<p>In February 2022, our board determined that combining roles of the CEO and chairperson of the board is the most effective leadership structure for the board at this time and unanimously elected Robert J. Pagano Jr. as chairperson. Robert J. Pagano Jr. has been the CEO of the company since May 2014.</p> <p>In conjunction with electing Mr. Pagano as chairperson of the board, the board established the role of lead independent director. The lead independent director’s responsibilities include acting as a liaison between the independent directors and the chairperson and CEO, providing advice and guidance to the CEO, advising the CEO of the board’s information needs, and helping to set the agenda items for board meetings.</p> <p>For more information, please see p. 13 of the <a href="#">2024 Form 10-K</a>, our Board of Directors page, and the Board Leadership Structure section on p. 15 of our <a href="#">2025 Proxy Statement</a>.</p>
2-12	Role of the highest governance body in overseeing the management of impacts	<p>Our board of directors continually works to improve the high ethical standards we promote and practice every day at Watts. Such approaches include periodic reviews of our corporate policies and practices and leveraging guidance provided by the U.S. Securities and Exchange Commission (SEC) and NYSE. The board has adopted our <a href="#">Corporate Governance Guidelines</a> to assist and guide each of its members in serving in their director roles and carrying out the many responsibilities within their charge, including, but not limited to:</p> <ul style="list-style-type: none"><li>• Monitoring overall company performance, as well as the integrity of our financial controls and legal compliance procedures</li><li>• Appointing executive officers, as well as overseeing succession planning and our executive officers’ performance and compensation</li><li>• Supervising the development of operating; financial; and other corporate plans, strategies, and objectives</li><li>• Overseeing our approach to sustainability and corporate social responsibility</li><li>• Reviewing and approving the company’s annual business plan, capital expenditures budget, and other key financial and business objectives</li><li>• Overseeing processes and strategies for identifying; assessing; managing; and mitigating operational, financial, legal, regulatory, strategic, and reputational risk</li><li>• Evaluating the board’s own performance, as well as the effectiveness of its three standing governance committees, annually</li></ul>



GRI Standards	Disclosure Title	2024 Response
		<p>Sustainable business practices and products are essential to creating financial and nonfinancial value for our stakeholders. We believe that embedding sustainability into our products, operations, and governance benefits our company and its external stakeholders, including customers, investors, and nongovernmental organizations (NGOs). We completed a materiality assessment in September 2021 to inform our future strategy and action. This assessment helped us identify, evaluate, and stratify numerous ESG topics that impact our business and its stakeholders, including ESG-related risks and opportunities, as we execute on our growth strategy, as well as societal trends that may impact our ability to create long-term value and respond to external stakeholder demands and expectations.</p> <p>Management and our Internal Audit Team conduct annual risk assessments to evaluate risks at all Watts locations and operations globally. Our teams use the Enterprise Risk Management (ERM) process and annual risk assessments to assess and enhance the program and identify areas of focus for audits and site visits.</p> <p>The Audit Committee, chaired by Director Merilee Raines, holds one regularly scheduled meeting each quarter and schedules additional meetings as often as necessary to perform its duties and responsibilities, which include, but are not limited to:</p> <ul style="list-style-type: none"><li>• Overseeing the integrity of financial statements</li><li>• Evaluating compliance with legal and regulatory requirements</li><li>• Managing systems of internal control over financial reporting</li><li>• Overseeing the internal audit function</li><li>• Evaluating and/or reviewing the performance of the internal audit function</li><li>• Overseeing the effectiveness of the internal control structure</li><li>• Reviewing management’s assessment and management of risk</li><li>• Managing the qualification, independence, and performance of the independent auditor</li><li>• Evaluating management’s approach to cybersecurity assessment and risk mitigation</li><li>• Forming “whistle-blowing” procedures</li></ul> <p>For more information, see the <a href="#">Governance and Accountability</a>, <a href="#">Stakeholder Engagement</a>, and <a href="#">Materiality Assessment and Topics</a> sections of the 2024 Sustainability Report, as well as the Corporate Governance section on pp. 11 – 25 of the <a href="#">2025 Proxy Statement</a>.</p>
2-13	Delegation of responsibility for managing impacts	<p>Our board, primarily through its Governance and Sustainability Committee, provides oversight of the company’s approach to sustainability and corporate social responsibility. In addition, our Compensation Committee oversees the company’s approach to workplace environment and culture, as well as talent development. The board and its committees regularly discuss with management our approach to sustainability, including risks and opportunities and implications for the company’s strategy.</p> <p>Our board of directors has overall authority and responsibility for our sustainability efforts. In addition to general board oversight, our Governance and Sustainability Committee is primarily responsible for oversight of governance matters; the Compensation Committee is responsible for oversight of human capital issues; and the Audit Committee is responsible for oversight of our corporate ethics and compliance program.</p> <p>The Governance and Sustainability Committee has primary responsibility for the oversight of our ESG efforts and strategy.</p> <p>The Governance and Sustainability Committee reviews the company’s ESG performance and strategic plans four times a year at its regularly scheduled quarterly meetings and receives additional updates from the company’s chief sustainability officer, as needed. At the management level, our general counsel, chief compliance officer, and chief sustainability officer, who reports directly to our CEO, has general oversight responsibility for all sustainability matters. Our general counsel, chief compliance officer, and chief sustainability officer also chairs our global Sustainability Steering Committee, which is made up of senior company leaders and is responsible for formulating our sustainability strategy and overseeing the execution of our ESG initiatives.</p> <p>For more information, see the <a href="#">ESG Governance</a> section of the 2024 Sustainability Report and the Corporate Governance section on pp. 11 – 25 of our <a href="#">2025 Proxy Statement</a>.</p>
2-14	Role of the highest governance body in sustainability reporting	<p>The board is not responsible for reviewing and approving our annual Sustainability Reports. The Global Leadership Team, including the CEO and the CEO’s direct reports, is the highest governance body that reviews and approves the report prior to publication. The board is provided with a copy of the report once it is published.</p>



GRI Standards	Disclosure Title	2024 Response
2-15	Conflicts of interest	<p>Our <a href="#">Conflict of Interest Policy</a> is publicly available on our website. We also require select management and functional areas, including all employees at the director level and above, to complete an annual Conflict of Interest certification and disclosure, stating they have read, understand, and will comply with our Conflict of Interest Policy. Our board has also adopted a written Related Persons Transaction Policy, which requires a review of transactions with related persons. This policy covers, but is not limited to, the related party transactions and relationships required to be disclosed under SEC rules.</p> <p>Watts employees and business partners should avoid any situation that may involve or be perceived as a conflict between personal, social, financial, or political interests and the interests of the company.</p> <p>For more information, see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report and pp. 24 – 25 of the <a href="#">2025 Proxy Statement</a>.</p>
2-16	Communication of critical concerns	<p>Our board welcomes the submission of any comments or concerns from stockholders and any interested parties. Communications should be in writing and addressed to our corporate secretary at our principal executive offices and marked to the attention of the board or any of its committees, the lead independent director, individual directors, or nonmanagement or independent directors as a group. All relevant and appropriate correspondence will be forwarded to the intended recipient(s).</p> <p>Please see the Communications With the Board section on p. 18 of the <a href="#">2025 Proxy Statement</a>.</p>
2-17	Collective knowledge of the highest governance body	<p>For information on the expertise present in our board of directors, please see p. 23 of the <a href="#">2025 Proxy Statement</a>.</p>
2-18	Evaluation of the performance of the highest governance body	<p>Our board of directors evaluates the board's own performance, as well as the effectiveness of its three standing governance committees, annually. For more information, see p. 15 of the <a href="#">2025 Proxy Statement</a> and our <a href="#">Corporate Governance Guidelines</a>.</p>
2-19	Remuneration policies	<p>Executive officer compensation information is available in the Compensation Discussion and Analysis section on pp. 30 – 43, and board compensation information is available in the Director Compensation section on pp. 8 – 10 of the <a href="#">2025 Proxy Statement</a>.</p>
2-20	Process to determine remuneration	<p>Executive officer compensation information is available in the Compensation Discussion and Analysis section on pp. 30 – 43, and board compensation information is available in the Director Compensation section on pp. 8 – 10 of the <a href="#">2025 Proxy Statement</a>. The company conducts annual shareholder advisory votes on named executive officer compensation, as described in Proposal 2, pp. 59 – 60, of the <a href="#">2025 Proxy Statement</a>.</p> <p>At our 2024 annual meeting, the annual advisory vote on named executive officer compensation was approved by more than 98% of shareholder votes. See results of the voting on the proposals considered at the 2024 annual meeting reported on Current Report on <a href="#">Form 8-K</a> filed May 23, 2024.</p>
2-21	Annual total compensation ratio	<p>The median of the annual total compensation of all employees of the company (other than our CEO) was \$51,654, and the annual total compensation of our CEO was \$9,053,207.</p> <p>Based on this information, for 2024, the ratio of the annual total compensation of our CEO to the median of the annual total compensation of all employees was approximately 175 to 1.</p> <p>CEO pay increased 20% from 2023 to 2024, while the median employee compensation increased by 6% in the same period. This reflects a ratio of 3 to 1 in yearly increase in compensation for the CEO versus the median employee.</p> <p>For more information, please see the Pay Ratio Disclosure section on p. 58 of the <a href="#">2025 Proxy Statement</a>.</p>
2-22	Statement on sustainable development strategy	<p>See <a href="#">A Message From Our Chief Executive Officer</a> in the 2024 Sustainability Report.</p>
2-23	Policy commitments	<p>We believe that good corporate governance and an environment of high ethical standards are important for us to achieve business success and to create value for our stockholders. Our board is committed to high governance standards and continually works to improve them. We periodically review our corporate governance policies and practices and compare them to those suggested by various authorities on corporate governance and employed by other public companies and consider changes to our corporate governance policies and practices in light of such guidance and interpretations. We have adopted a <a href="#">Code of Business Conduct</a> applicable to all officers, employees, and board members worldwide that serves as the foundation for our ethics and compliance program and drives policy development, training initiatives, and reinforcement of our values throughout the global organization.</p>



GRI Standards	Disclosure Title	2024 Response
		<p>In 2022, we implemented a formal <a href="#">Human Rights Policy</a> stating our commitment to identifying, preventing, and addressing actual or potential human rights issues within our scope of control and influence, including through its support of and adherence to the UN Global Compact and the Universal Declaration of Human Rights. Our Human Rights Policy applies to all its subsidiaries and supply chain partners. In 2025, we adopted an <a href="#">Anti-Money Laundering Policy</a> to reinforce our commitment to ethical business practices.</p> <p>The Code of Conduct is approved by our board, while other policies buttressing our Code, including the Human Rights Policy, are approved by executive and senior management. We provide annual training on the Code of Conduct and provide additional ethics and compliance training, both online and in person, throughout the year using a targeted approach that identifies positions, functions, and regions with a higher risk of potential incidents and in response to global trends and developments and our own hotline data.</p> <p>Our policies include our California Transparency in Supply Chains Act and UK Modern Slavery Disclosure; Human Rights Policy; Conflict Minerals Policy; Environment, Health, Safety, &amp; Sustainability Policy Statement; Conflict of Interest Policy; Anti-Corruption Policy; Anti-Money Laundering Policy; Anti-Human Trafficking Policy; Embargoed and Denied Parties; Supplier Quality Manual; and Due Diligence.</p> <p>Please see more information on how these policies are communicated to employees, business, and other parties in the <a href="#">Ethics, Integrity, and Transparency</a> and <a href="#">Responsible Supply Chain</a> sections of the 2024 Sustainability Report.</p>
2-24	Embedding policy commitments	<p>Our board of director’s Governance and Sustainability Committee provides oversight of the company’s approach to sustainability. The integration of specific ESG policy commitments into our strategies and operational procedures is overseen by various cross-functional teams.</p> <p>For more on our specific policies, please see our policies disclosure on GRI 2-23 and the GRI 3-3 management approaches of the GRI Topic Standards in the <a href="#">Appendix</a> and the <a href="#">Environmental, Health, and Safety Management</a>; <a href="#">Water Stewardship</a>; <a href="#">Ethics, Integrity, and Transparency</a>; and <a href="#">Responsible Supply Chain</a> sections of the 2024 Sustainability Report. More information can be found on p. 11 of the <a href="#">2024 Form 10-K</a>.</p>
2-25	Processes to remediate negative impacts	<p>Please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report.</p>
2-26	Mechanisms for seeking advice and raising concerns	<p>Please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report.</p>
2-27	Compliance with laws and regulations	<p>In 2024, Watts had no significant noncompliance with laws and regulations. Please see Item 1 “Product Liability, Environmental and Other Litigation Matters” and note 16 of the consolidated financial statements in our <a href="#">2024 Form 10-K</a> for information regarding certain legal and regulatory proceedings in which we are involved.</p>
2-28	Membership associations	<p>To advance its mission, Watts partners with a variety of industry organizations and associations around the world, participating in several as a member, on committees, and/or providing additional funding beyond traditional membership dues.</p> <p>Since 2021, our CEO Robert J. Pagano Jr. has been a member of the board of directors of The Water Council, a global hub dedicated to solving critical water challenges by driving innovation in freshwater technology and advancing water stewardship.</p> <p>See our full list of <a href="#">Membership of Organizations</a> in the Appendix.</p>
2-29	Approach to stakeholder engagement	<p>A variety of global stakeholders play an integral role in the growth and success of our business today, as well as our commitment to create sustainable, long-term value in the future. To that end, we regularly engage and interact with key stakeholder groups, which align with our sustainability effort, in a variety of ways.</p> <p>For more information on our stakeholder engagement approach and activities, please see the <a href="#">Stakeholder Engagement</a> section of the Appendix.</p>
2-30	Collective bargaining agreements	<p><b>Collective Bargaining</b></p> <p>Our commitment to protecting human rights also applies to freedom of association and collective bargaining. We believe such activities facilitate dialogue and play an invaluable role in building trust, inclusivity, and transparency in the workplace. In compliance with International Labour Organization (ILO) standards, it is our policy to ensure our employees have the right to form or join associations of their own choice concerning the relationship between the employer and the employees and to bargain collectively. We do not issue disciplinary or discriminatory actions against employees who choose to peacefully and lawfully organize or join an association. Employees are prohibited from using intimidation tactics of any kind to obstruct other employees’ right to freely associate and/or right to organize or not.</p>



GRI Standards	Disclosure Title	2024 Response
		<p><b>Communication of Rights</b></p> <p>At the local level and where applicable, we work to ensure our employees are aware of and understand their collective bargaining rights. These rights may be communicated to employees in different ways based on local labor laws, regulations, and/or practices. Employees at Watts may receive information about their collective bargaining rights:</p> <ul style="list-style-type: none"><li>• During the onboarding process</li><li>• Via internal company channels (e.g., company policies, rules and regulations, information boards, etc.)</li><li>• Directly from their trade union or works council representative</li></ul> <p><b>Grievance Procedures</b></p> <p>Where applicable, grievance procedures for collective bargaining rights may be provided to employees via any of the methods stated above. While individual grievance cases may be handled differently based on local labor laws, regulations, and/or practices, they are usually resolved within a few days. Employees receive updates on their individual grievance cases from the trade union or works council representing them. Resolved cases are routed to the appropriate management team at Watts. Cases requiring further escalation are reported to our Global Leadership Team.</p> <p>In 2024, Watts had approximately 1,492 employees worldwide who were represented by unions, collective bargaining agreements, or works councils. That is approximately 31% of our total workforce. Working conditions and terms of employment for those not covered by collective bargaining agreements are directed by local laws.</p>
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	<p>To address the principle of materiality, Watts undertook a process of identifying its key material topics that have the greatest financial, environmental, and social impact on its business, as well as those topics regarded as highly important by its key internal and external stakeholder groups. To identify our key focus areas, Watts has selected and prioritized material topics using a materiality matrix. Through communication and engagement with all our key stakeholder groups, we have identified the material topics that are of highest relevance to them. In parallel, the material topics identified by other organizations have been taken into account through a benchmarking study focusing on sustainability reporting of peer companies in the Industrial and Building Water Product Manufacturing sector that use the principle of materiality to identify their priority topics. Upon completion of the above exercise, topics considered as material for Watts were included in our annual Sustainability Report.</p> <p>See more information in the <a href="#">Material Assessment and Topics</a> section of the 2024 Sustainability Report.</p>
3-2	List of material topics	<p>See the <a href="#">Material Topic Definitions</a> section of the Appendix.</p> <p>There were no changes in our list of material topics compared to the previous reporting period.</p>



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GRI 205: Anti-Corruption 2016		
3-3	Management of the material topic	<p>Our global compliance program is managed and administered by the Global Compliance Team at Watts and supported by our board of directors and Global Leadership Team. Led by our chief compliance officer with support from designated compliance professionals from around the world, the program promotes ethical practices and compliance. To mitigate international and any industry-specific risks, we employ multiple tools to drive ethics and compliance through our global compliance organization, including our Code of Business Conduct and the following compliance procedures: compliance training on the Code of Business Conduct and anti-corruption; third-party due diligence reviews and denied-party monitoring; risk assessments; gifts and entertainment, business courtesy, and anti-corruption policies, specifically prohibiting facilitation payments; and hotline and issue escalation.</p> <p>We also conduct routine audits of various policies and programs that compose our global compliance program, including:</p> <ul style="list-style-type: none"><li>• A biannual due diligence review</li><li>• A quarterly business courtesies review</li><li>• Ethics hotline viability and availability</li><li>• Compliance-focused site visits utilizing detailed checklists designated specifically for a compliance policy and process review, sampling, and training</li></ul> <p>Employees are encouraged to report any violations to the Legal Department or through our hotline so that they can be investigated and properly resolved. Management, including the compliance function and our Internal Audit Team, conduct annual risk assessments to evaluate corruption and bribery-related risks.</p> <p>Before entering into new business relationships with third parties acting on our behalf, we conduct risk-based due diligence utilizing a multifactor questionnaire, anti-corruption law notification, and certification of compliance with such laws, as well as a continuous international-denied-parties search review. Based on questionnaire responses — in addition to automated risk ranking through our third-party due diligence tool (utilizing, among other factors, the Transparency International Corruption Perception Index) — we determine whether to further supplement the review with risk-based, open-source investigations. The Compliance Team in each region then determines whether to approve going forward with the relationship or recommend further review and approval.</p> <p>Management, including the compliance function and our Internal Audit Team, conduct annual risk assessments to evaluate corruption and bribery-related risks. Utilizing multiple factors, risks, and business developments, these assessments determine areas of focus for audits and site visits, during which select compliance processes are reviewed for evidence of fraud, corruption, or deficiencies such as compliance with the U.S. Foreign Corrupt Practices Act; UK Bribery Act; and other anti-bribery laws, rules, and regulations — even if it is contrary to local customs and practices.</p> <p>For more information, see the <a href="#">Anti-Corruption Policies</a> and the <a href="#">Ethics, Integrity, and Transparency</a> sections of the 2024 Sustainability Report. Please also see the <a href="#">Stakeholder Engagement</a> section of the Appendix.</p>
205-1	Operations assessed for risks related to corruption	<p>Audits of all entities are performed related to third-party intermediaries and due diligence. No significant risks related to corruption were identified through the audits.</p> <p>For more information, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report.</p>
205-2	Communication and training about anti-corruption policies and procedures	<p>To promote awareness and understanding of our Code — published in 15 languages — and the importance of operating ethically, we provide annual Code training, and our Global Compliance Team regularly authors informative articles and distributes information through internal communications channels to promote awareness of the Code and timely related topics.</p> <p>For more information, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report and the <a href="#">Training on Anti-Corruption Chart</a> in the Appendix.</p>
205-3	Confirmed incidents of corruption and actions taken	<p>No incidents of corruption were confirmed at Watts in 2024, nor were any legal actions regarding corruption brought against the company.</p> <p>For more information, please see the <a href="#">Anti-Corruption Policies</a> section of the 2024 Sustainability Report.</p>



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GRI 206: Anti-Competitive Behavior 2016		
3-3	Management of the material topic	<p>We are committed to acting with integrity in every facet of our operations and strive to meet — and often exceed — applicable laws, regulations, and standards. We require all Watts directors, officers, and employees (including part-time employees and contractors) throughout all regions, which includes all subsidiaries globally, to adhere to our <a href="#">Code of Business Conduct</a>.</p> <p>For more information on our global compliance program, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report.</p>
206-1	Legal actions for anti-competitive behavior	<p>No legal actions regarding anti-competitive behavior or corruption were brought against the company in 2024.</p>
GRI 301: Materials 2016		
3-3	Management of the material topic	<p>The most common raw materials found in our products are bronze, brass, cast iron, stainless steel, steel, and plastic. Many of our products also contain tin, tantalum, tungsten, and gold (3TG), which are sometimes referred to as “conflict minerals.” At Watts, we are committed to ensuring compliance with our reporting and disclosure obligations regarding conflict minerals in our products to the SEC, as required under the Dodd-Frank Act. We also comply with all applicable trade laws and regulations and expect the same from our suppliers.</p> <p>We require our suppliers to comply with our Conflict Minerals Policy, which includes disclosing the use of conflict minerals, exercising due diligence on the source and chain of custody of these metals, and implementing corrective action if we identify a reasonable risk of violation. Since 2021, we have partnered with Assent Compliance, Inc., a global leading supply chain compliance partner, to enhance our analysis of the scope of our 3TG supply base and to deploy our 3TG supplier surveys. For more information on our management of this topic, please see the <a href="#">Conflict Minerals</a> section of the 2024 Sustainability Report.</p> <p>We also know that adopting circular approaches to materials management in our production processes is critical, so we are identifying opportunities and investing in solutions to accelerate our transition to the circular economy and finding ways to divert waste from landfills. Senior management oversees the sourcing of materials and their impacts on the environment. We have a history of designing our products for long life to ensure we are getting the most out of the raw materials that we are using and so our customers do not have to replace or dispose of products before necessary. For more information on our efforts to quantify and extend product life, please see the <a href="#">Sustainable Innovation</a> and <a href="#">Sustainable Packaging</a> sections of the 2024 Sustainability Report.</p>
301-1	Materials used by weight or volume	<p><b>Information Unavailable/Incomplete:</b> Some sustainability data is currently unavailable or incomplete for inclusion in this report.</p>
301-2	Recycled input materials used	<p>We work to make our products out of recyclable materials to ensure that when they do reach their end of life, the materials get a useful second life. We also try to incorporate recycled content into our products to help drive demand for recycled materials, which boosts the recycling infrastructure. Our BLÜCHER products, manufactured in Denmark, contain steel that consists of 65% – 85% recycled steel.</p> <p>For more information, see the <a href="#">Sustainable Innovation</a> section of the 2024 Sustainability Report.</p>
301-3	Reclaimed products and their packaging materials	<p>In 2024, more than 90% of all packaging boxes shipped to customers in the Americas were made with a high percentage of post-consumer recycled (PCR) content and crates from low-grade nonconsumer wood.</p> <p>For more information, please see the <a href="#">Sustainable Packaging</a> section of the 2024 Sustainability Report.</p>
GRI 302: Energy 2016		
3-3	Management of the material topic	<p>We are dedicated to minimizing our environmental impact by continually improving our manufacturing and business operations. This commitment is demonstrated through our adherence to all relevant laws, regulations, and standards concerning energy efficiency, emissions, and energy usage. We regularly collaborate with our facilities and personnel to enhance data collection, monitor key performance metrics, and implement projects aimed at achieving our eco-efficiency reduction objectives.</p> <p>Energy and emissions reduction targets are adopted by the sites annually and their actual performance against adopted targets are consistently monitored through our environmental management system, monthly internal reports, and other avenues. Environmental indicators such as absolute consumption and emissions play a crucial role in tracking our progress. To effectively work toward our goals, we undertake initiatives such as solar photovoltaic (PV) deployment, LED replacement, equipment and facility upgrades, energy audits, smart metering, programmed automated controls, behavioral best practices, and more.</p>



GRI Standards	Disclosure Title	2024 Response
		<p>Lessons learned are prominently featured in our best practice sharing across sites, including key areas to focus on during “energy hunts,” insights gained from submetering to better understand usage and trends, and more. These best practices are shared during monthly reports, through internal articles, and through monthly site meetings.</p> <p>For further details, please refer to the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and our <a href="#">Environment, Health, Safety, &amp; Sustainability Policy</a>.</p>
302-1	Energy consumption within the organization	<p><b>Total Energy Consumption (MWh)*:</b> 122,555</p> <p>Our overall strategy and reccuring operating systems includes a systematic invoice collection and processing system within our environmental management framework, adhering to the Greenhouse Gas (GHG) Protocol for consistency and comparability. We utilize specific emission factors as reported by the Environmental Management Authorities (EMA) and utilities across Watts sites reported in our environmental boundary for each energy source to ensure accuracy in our calculations. Subsequent analysis of the data is then completed to identify trends, areas of inefficiency, and opportunities for improvement, enabling informed decision-making to optimize energy use and reduce emissions effectively. Please note that cooling and steam are not purchased.</p> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix for more detailed data and historical environmental data, including our <a href="#">2024 Verification Statements</a>.</p> <p>*Bradley and Josam sites were not part of the 2023 environmental boundary, and energy consumption at those sites were not included in the 2023 response. Bradley and Josam environmental data are included in the 2024 environmental boundary and reponses. (On a conslidated basis, the 2023 total MWh, including Bradley and Josam sites = 126,729 MWh).</p>
302-2	Energy consumption outside of the organization	<p><b>Information Unavailable/Incomplete:</b> Some sustainability data is currently unavailable, incomplete, or out of scope for inclusion in this report.</p>
302-3	Energy intensity	<p><b>Energy Intensity Ratio*:</b> 54.42 MWh/\$1M <b>Ratio Denominator:</b> \$2,252.2 billion <b>Energy Types Included:</b></p> <ul style="list-style-type: none"><li>• Electricity (kWh)</li><li>• Renewable Energy Credits aka RECs (kWh)</li><li>• Natural Gas (m3)</li><li>• Propane (Liter)</li><li>• Diesel (Liter)</li><li>• Gasoline – Fleet (Liter)</li><li>• Acetylene (M3)</li><li>• Propylene (Liter)</li></ul> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and the 2024 Annual Report. Please see the <a href="#">Environmental Data</a> section of the Appendix for historical environmental data.</p> <p>*Bradley and Josam sites were not part of the 2023 environmental boundary, and energy consumption at those sites were not included in the 2023 response. Bradley and Josam environmental data is included in the 2024 environmental boundary and reponses.</p>
302-4	Reduction of energy consumption	<p>In 2024, our net energy consumption decreased by 4,174 MWh on a consolidated basis as compared to 2023 despite the addition of three new sites in the environmental boundary (Bradley and Josam). This is due to reduced consumption across all fossil fuel categories through the deployment of renewables, regular monitoring, and implementation of energy best practices across sites globally.</p> <p>Our strategy includes a systematic invoice collection and processing system within our environmental management framework, adhering to the GHG Protocol for consistency and comparability. We utilize specific emission factors from the EMA for each energy source to ensure accuracy in our calculations. Subsequent analysis of the data is then completed to identify trends, areas of inefficiency, and opportunities for improvement, enabling informed decision-making to optimize energy use and reduce emissions effectively. Our sites have implemented various measures to reduce energy consumption and emissions. Initiatives to reduce energy include purchasing carbon offsets, improving processes to reduce natural gas usage, conducting energy hunts,</p>



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		<p>participating in our air leak reduction program, and engaging in external activities such as joining the Green Power Association and undergoing external audits. Our basis for calculating reductions in energy consumption started by establishing a baseline in 2018. Subsequently, we compare energy consumption levels using data from our environmental management system that allows us to analyze our increase or decrease in overall energy.</p> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and <a href="#">Environment Data Tables</a> in the Appendix.</p>
302-5	Reductions in energy requirements of products and services	<p>Several of our products are designed to reduce energy utilization such as our commercial boilers and water heaters, as well as our thermostats. One good example is our Thermostatic Mixing Valves (TMVs), which help reduce energy utilization by holding heat between 2 degrees of variance.</p> <p>Customers can calculate their anticipated energy savings when using our products by using the calculator on our website. The calculator is based on the heat source, temperature settings, TMV system, and setback settings.</p>
GRI 303: Water & Effluents 2018		
3-3	Management of the material topic	<p>We believe access to clean, safe, and affordable water is a fundamental human right. Water and climate are intricately linked, and an imminent global water crisis threatens the availability, quality, and quantity of water for basic human needs. We are committed to being part of the solution — by reducing the amount of water we use and discharge to manufacture our products, ensuring our business practices protect the water quality and supply in the communities where we operate, and developing effective and innovative products and services that solve long-standing water conservation challenges.</p> <p>Watts selected 2018 as the baseline year for the first goal period (2018 – 2023) for water intensity reduction targets. By the end of 2023, Watts achieved a 62% reduction against a goal of 15%. Watts selected 2023 as the baseline year for the second goal period (2024 – 2026). In preparation for the second goal period, Watts rebaselined 2023 data to align with its new environmental data boundary, which includes Bradley and Josam.</p> <p>For more information on our strategy, water stewardship guiding principles, goals, initiatives, and progress, see the <a href="#">Water Stewardship</a> section of the 2024 Sustainability Report.</p>
303-1	Interactions with water as a shared resource	<p>Water-related impacts are identified through our ongoing monitoring of water usage across all our sites. We utilize leak detection devices, utility water monitoring programs, and our internal environmental management system to measure our water consumption and impact. Any identified issues such as leaks or poor water quality are addressed before they escalate, thereby conserving this vital resource. Additionally, our organization takes proactive measures to ensure that all water discharge meets the standards set for our sewer system, thus mitigating any adverse effects associated with water discharge. Our water reduction goals are established by our Governance and Sustainability Committee, in collaboration with our manufacturing sites. These goals are determined by analyzing the water consumption achievements and setting targets for a 3% year-over-year reduction. Additionally, our water quality goals are aligned with guidelines provided by the U.S. Environmental Protection Agency (EPA) to ensure compliance with industry standards and best practices.</p> <p>Watts is the first company to be Water Stewardship Verified program (WAVE) Reverified in 2024. For more information on WAVE Reverification and our water stewardship guiding principles, goals, and yearly progress, see the <a href="#">Water Stewardship</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix for historical environmental data.</p>
303-2	Management of water discharge-related impacts	<p>Our water stewardship guiding principles include the acknowledgment of water as a local and shared resource, as well as the numerous impacts of the amount of water withdrawn and consumed and the quality of discharges from our manufacturing operations on the functioning of local ecosystems. We’re ensuring that all Watts facilities meet national and local requirements for the return of clean and safe wastewater back into public water sources. We also understand that we have a role to play as stewards by reducing the amount of water we use and discharge to manufacture our products, ensuring our business practices protect the water quality and supply in the communities where we operate, and developing effective and innovative products and services that solve long-standing water conservation challenges.</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2024 Sustainability Report.</p>
303-3	Water withdrawal	<p><b>Total Water Withdrawal (All Areas):</b> 119.14 ML</p> <p><b>Total Water Withdrawal (Water-Stressed Areas*):</b> 47.1 ML (Burlington, Dubai, Eerbeek, Fort Worth, Germantown, Menomonee Falls, Monastir, Ningbo, Nogales, Plovdiv, Sparks, Shanghai, Wingene, Woodland)</p> <p>Our 2024 environmental data boundary consists of 40 sites (three acquisitions, two consolidations).</p> <p>Our 2023 environmental data boundary consists of 39 sites, excluding Bradley and Josam.</p>



GRI Standards	Disclosure Title	2024 Response
		<p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p> <p>*Based on the World Resources Institute (WRI) Aqueduct Risk Atlas Map</p>
303-4	Water discharge	<p><b>Water Discharge:</b> 119.14 ML</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
303-5	Water consumption	<p><b>Total Water Withdrawal (All Areas):</b> 119.14 ML <b>Total Water Withdrawal (Water-Stressed Areas*):</b> 47.1 ML (Burlington, Dubai, Eerbeek, Fort Worth, Germantown, Menomonee Falls, Monastir, Ningbo, Nogales, Plovdiv, Sparks, Shanghai, Wingene, Woodland)</p> <p>Our 2024 environmental data boundary consists of 40 sites (three acquisitions, two consolidations). Our 2023 environmental data boundary consists of 39 sites, excluding Bradley and Josam.</p> <p>Our strategy for managing water consumption revolves around a systematic invoice collection and processing system integrated within our environmental management framework. This system serves as our primary source of water consumption data. Additionally, we utilize water meters to gather real-time data on our water usage. We then conduct a thorough analysis of this data to identify trends, pinpoint areas of inefficiency, and uncover opportunities for improvement.</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p> <p>*Based on the WRI Aqueduct Risk Atlas Map</p>
GRI 305: Emissions 2016		
3-3	Management of the material topic	<p>In 2024, we committed to our first ever absolute decarbonization goal of 10,000 metric tons (MT) by 2034 against a 2023 baseline. This amount represents a 30% reduction in GHG emissions against a 2023 baseline, which does not include Bradley or Josam.</p> <p>As we enter our second goal period (2024 – 2026), we continue to commit to reducing our GHG emissions intensity by 3% annually against a 2023 baseline through 2026. We recalculated our 2023 baseline to include Bradley and Josam. By the end of our first goal period (2018 – 2023), Watts achieved a 60% reduction against a goal of 15%.</p> <p>We routinely engage with facilities and other personnel to enhance data collection, track key performance metrics, and identify and implement projects to meet our reduction goals. Our energy policy is rooted in UN frameworks and climate science. Lessons learned are prominently featured in our best-practice sharing across sites, including key areas to focus on during energy hunts, insights gained from submetering to better understand usage and trends, and more. These best practices are shared during monthly reports, through internal articles, and through monthly site meetings. Through ongoing dialogue and collaboration with stakeholders, we have gained valuable insights into their concerns, priorities, and expectations. This engagement has helped us identify specific areas where action was needed, allowing us to tailor our strategies and initiatives to address these concerns effectively. By actively listening to stakeholder feedback, we have been able to prioritize actions that align with their needs and aspirations, ensuring that our efforts are both relevant and impactful.</p> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report.</p>
305-1	Direct (Scope 1) GHG emissions	<p><b>Total Scope 1:</b> 10,712 MTCO<sub>2</sub>e North America: 7,546 MTCO<sub>2</sub>e Europe: 3,161 MTCO<sub>2</sub>e APMEA: 5 MTCO<sub>2</sub>e</p> <p><b>Gases included in the calculation:</b> Natural gas, diesel, propane, acetylene, and propylene. Gasoline, forklift propane, and fleet diesel were also included for mobile Scope 1 emissions.</p> <p>Watts uses an operational control approach. Our 2024 environmental boundary consists of 40 sites, including Bradley and Josam, an increase from our 2023 environmental data boundary, which consisted of 39 sites and excluded Bradley and Josam.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>



GRI Standards	Disclosure Title	2024 Response
305-2	Energy indirect (Scope 2) GHG emissions	<p><b>Scope 2 (Location-Based):</b> 18,331 MTCO<sub>2</sub>e North America: 12,607 MTCO<sub>2</sub>e Europe: 3,957 MTCO<sub>2</sub>e APMEA: 1,767 MTCO<sub>2</sub>e</p> <p><b>Scope 2 (Market-Based):</b> 10,435 MTCO<sub>2</sub>e North America: 13,685 MTCO<sub>2</sub>e Europe: 3,534 MTCO<sub>2</sub>e APMEA: 1,341 MTCO<sub>2</sub>e RECs: -8,125 MTCO<sub>2</sub>e</p> <p><b>Gases Included in the Calculation:</b> CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub></p> <p>Watts uses an operational control approach. Our 2024 environmental boundary consists of 40 sites, including Bradley and Josam, an increase from our 2023 environmental data boundary, which consisted of 39 sites and excluded Bradley and Josam.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section and <a href="#">Verification Statements</a> in the Appendix.</p>
305-3	Other indirect (Scope 3) GHG emissions	<p>Scope 3 business travel emissions (air and rail for the European Union [EU] and Americas): 5,138 MTCO<sub>2</sub>e.</p> <p>Complete Scope 3 data is currently unavailable or incomplete for inclusion in this report. Currently, we only disclose business travel-related emissions for the Americas and Europe regions under Scope 3. For available Scope 3 data, see the <a href="#">Environmental Data</a> section of the Appendix. For more information, please see the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report.</p>
305-4	GHG emissions intensity	<p><b>GHG Emissions Intensity Ratio:</b> 9.39 MTCO<sub>2</sub>e/\$M <b>Ratio Denominator:</b> 2,252.2 billion <b>GHG Emissions Included in Ratio:</b> Scope 1 and Scope 2 market-based <b>Gases Included:</b> CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub></p> <p>Due to the inclusion of Bradley and Josam sites, we updated our 2023 GHG intensity ratio to account for the new sites. The recalculated 2023 baseline was 10.29 MT/\$M. Therefore, 9.39 MT/\$M represents an 9% reduction in GHG market-based intensity reduction in 2024 as compared to 2023.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
305-5	Reduction of GHG emissions	<p>In 2024, we saw a decrease of ~2,000 MTCO<sub>2</sub>e in market-based and ~950 MTCO<sub>2</sub>e in location-based total GHG emissions compared to 2023 (on a consolidated basis) because of deploying on-site PV, air leak detection, continued monitoring, controls, and implementation of energy reduction best practices, as well as the continued purchase of RECs to offset market-based emissions at seven U.S. sites.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
305-6	Emissions of ozone-depleting substances (ODS)	<p><b>Not Applicable:</b> Watts does not generate ODS.</p>
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<p>Please review our U.S. EPA Toxic Release Inventory (TRI) Reporting Volatile Organic Compounds (VOC) disclosure for metrics on significant air emissions in the <a href="#">Environmental Data</a> section of the Appendix.</p>



GRI Standards

Disclosure Title

2024 Response

GRI 306: Waste 2020		
3-3	Management of the material topic	<p>At Watts, we recognize the need to protect our land, waterways, and the community by reducing the amount of waste generated by our manufacturing and business operations. We recognize the environmental and economic benefits of a circular approach to materials management in our production processes and identifying opportunities to delineate, recycle, and reduce our waste footprint. Since 2014, Watts sites have been tracking their waste streams on an annual basis.</p> <p>As we enter our second goal period (2024 – 2026), we continue to commit to reducing our hazardous waste. We recalculated our 2023 baseline to include Bradley and Josam. By the end of our first goal period (2018 – 2023), Watts achieved a 35% reduction against a goal of 15%. In 2024, we achieved a 15% reduction in hazardous waste intensity as compared to the rebaselined 2023 intensity.</p> <p>We significantly advanced our data collection process by implementing automatic bill collection. A deeper understanding of our waste generation and more frequent collaboration at the site level has generated substantial interest and engagement among colleagues throughout our operations. Employee-driven waste initiatives focus on waste delineation, rezoning, and waste stream elimination, thereby reducing our overall waste outputs and increasing recycling and reuse.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2024 Sustainability Report.</p>
306-1	Waste generation and significant waste-related impacts	<p>In 2024, we started tracking foundry sand waste, and continued to track solid waste, scrap metal, and other recycling streams, working closely with our facilities and waste contractors to understand the source and management of our waste and to standardize data collection across sites. This work required significant collaboration across our global operations; our Corporate Sustainability Team partnered with site teams to identify opportunities for improvement through process changes.</p> <p>A deeper understanding of our waste generation and more frequent collaboration at the site level has generated substantial interest and engagement among colleagues throughout our operations. In 2024, we engaged a local university via targeted internships to better understand opportunities to avoid and divert waste. Employee-driven waste reduction initiatives focus on waste delineation, rezoning, and waste stream elimination, thereby reducing our overall waste outputs and increasing recycling and reuse. We continue to replace single-use paper and plastic items with reusable items and install direct-line water refill stations to avoid disposing of plastic water bottles.</p> <p>Tracking all forms of waste, reducing the overall quantity generated, and diverting from landfills using circular models is a complex challenge. To accelerate our efforts, we previously committed to reducing our hazardous waste intensity by 3% annually against a 2018 baseline. By the end of 2023, we had reduced our hazardous waste intensity by 35%. We have recommitted to reducing hazardous waste intensity by 3% annually against a 2023 baseline through the end of 2026. Our annual intensity reduction in 2024 compared to 2023 was 15%. This reduction is despite the inclusion of three new sites in our 2024 environmental boundary as compared to 2023.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2024 Sustainability Report.</p>
306-2	Management of significant waste-related impacts	<p>Our organization is committed to minimizing waste generation and mitigating significant waste-related impacts by optimizing our production processes, extending the life cycle of our equipment, employing commonly used additives like coolants, reusing regularly utilized items such as oily rags and uniforms, and effectively managing and evaluating waste invoices from third-party haulers. Hazardous and nonhazardous industrial waste are tracked through invoices, site records, and vendor manifests that are compiled and validated annually.</p> <p>Watts contracts with properly licensed waste vendors and transporters for management of waste.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2024 Sustainability Report.</p>
306-3	Waste generated	<p>Watts discloses and has data verified for its yearly total waste generated and other environmental data via invoices, site records, vendor manifests, and compliance reporting. In 2024, the amount of hazardous waste generated was 1,466 MT, and 3,002 MT of nonhazardous waste generation was reported across Watts globally.</p> <p>Watts uses an operational control approach. Our 2024 environmental boundary consists of 40 sites, including Bradley and Josam, an increase from our 2023 environmental data boundary, which consisted of 39 sites and excluded Bradley and Josam.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> and <a href="#">Verification Statements</a> sections of the Appendix.</p>



GRI Standards	Disclosure Title	2024 Response
306-4	Waste diverted from disposal	<p>Watts has a growing recycling program at our manufacturing facilities. Our diverted waste stream includes metal recycling, plastic regrind, and global electronics waste. See below for our total recycling and reuse in 2024:</p> <p><b>Metal Scrap:</b> 5,000 MT <b>Plastic Regrind:</b> 27 MT <b>Electronic Waste:</b> 11 MT <b>Plastic Waste Recycling:</b> 139 MT <b>Foundry Sand Beneficial Reuse:</b> 600 MT</p> <p>*We began tracking foundry sand data in 2024, which is only generated at our largest manufacturing plant in the USA. **We began tracking electronic waste data in 2020, and our first full-year baseline data developed is for the year 2021.</p> <p>Watts uses an operational control approach. Our 2024 environmental boundary consists of 40 sites, including Bradley and Josam, an increase from our 2023 environmental data boundary, which consisted of 39 sites and excluded Bradley and Josam.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2024 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
306-5	Waste directed to disposal	<p><b>Total Weight of Waste Directed to Disposal:</b> 4,448 MT <b>Total Weight of Waste Diverted From Disposal:</b> 5,695 MT (does not include recycling, metals, and hazardous and nonhazardous waste streams) <b>Total Weight of Hazardous Waste Directed to Disposal:</b> 1,466 MT <b>Total Weight of Nonhazardous Waste Directed to Disposal:</b> 3,002 MT</p> <p>Watts uses an operational control approach. Our 2024 environmental boundary consists of 40 sites, including Bradley and Josam, an increase from our 2023 environmental data boundary, which consisted of 39 sites and excluded Bradley and Josam.</p> <p>For more informaton on how hazardous and nonhazardous wastes are further treated, please see the <a href="#">Environmental Data</a> section of the Appendix. Additionally, please see the <a href="#">Waste Reduction</a> section of the 2024 Sustainability Report.</p>
GRI 308: Supplier Environmental Assessment 2016		
3-3	Management of the material topic	<p>Our supply partners play an integral role in helping us deliver value to our customers, providing critical materials and services that support the production of finished goods throughout our global operations. We commit to preventing and mitigating social and environmental impacts in our supply chain, as well as partnering with suppliers that share our values and high standards of ethical business conduct.</p> <p>In 2022, we published our Supplier ESG Standards and began requiring our suppliers to acknowledge and certify their conformance with our Code of Business Conduct and with these Supplier ESG Standards. We aligned the standards with the 10 principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO's 1998 Declaration on Fundamental Principles and Rights at Work. 67% of our suppliers — representing 96% of our global annual spend — have confirmed their conformance to these Supplier ESG Standards. We also require new suppliers to certify conformance with our Code of Business Conduct and with these Supplier ESG Standards.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
308-1	New suppliers that were screened using environmental criteria	<p>We require all new suppliers to complete an onboarding ESG self-assessment, which allows us to continually update and enhance our insight into ESG practices in our supply chain.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
308-2	Negative environmental impacts in the supply chain and actions taken	<p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain's sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard. In 2024, the average overall score of our participating suppliers exceeded both the global EcoVadis benchmark and the EcoVadis Manufacturing industry benchmark.</p> <p>In 2024, we reviewed more than 60% of our suppliers, representing approximately 60% of our global annual spend, using the Dun &amp; Bradstreet (D&amp;B) ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes, through peer benchmarking and leading sustainability frameworks such as CDP</p>



GRI Standards	Disclosure Title	2024 Response
		<p>(formerly the Carbon Disclosure Project), Sustainability Accounting Standards Board (SASB), GRI, UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). Through our use of this tool, we gained increased insight into our suppliers’ sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place. Fewer of our suppliers participated in the service compared to previous years due to cost and other considerations outside of our control.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
GRI 401: Employment 2016		
3-3	Management of the material topic	<p>We believe that our employees are our greatest asset, and we aim to provide a safe, accepting, and high-performance culture where our employees can thrive. At Watts, we strive to attract, develop, retain, and engage high-performing talent, and we reward employee performance. By developing and promoting our talented people, we are creating value for our customers and shareholders. To that end, we have developed, and continue to enhance and refine, a robust and comprehensive talent management strategy that spans from talent attraction to performance management, career development, and retention of our top talent to succession planning across our organization. We continually strive to cultivate and support a highly engaged and productive workforce with employees from all backgrounds.</p> <p>For more information, please see the <a href="#">Talent Retention and Development</a> section of the 2024 Sustainability Report.</p>
401-1	New employee hires and employee turnover	<p>Please see the <a href="#">Social Data</a> section in the Appendix.</p>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>We provide our full-time employees, remote or on-site, with a comprehensive benefits package through a mix of plans designed to support their individual and/or family’s health and wellness needs. We offer a standard benefits package in the U.S. to our eligible employees. In other countries where we operate, government-sponsored programs provide for the health, disability, retirement, parental leave, and unemployment benefits for our employees as a matter of legislative or national practice in support of their social system. In addition to these government-sponsored programs, we provide supplemental coverage or benefits in certain countries where we have large employee populations, which may include:</p> <ul style="list-style-type: none"><li>• Medical care</li><li>• Pharmacy program</li><li>• Dental care</li><li>• Vision care</li><li>• Life insurance</li><li>• Supplemental life insurance</li><li>• Short-term and long-term disability coverage</li><li>• Dependent-care spending accounts</li><li>• Pre-tax health care spending and savings accounts</li><li>• Voluntary accident and critical illness coverage</li><li>• Employee wellness program</li><li>• Business travel and accident insurance</li><li>• Relocation programs</li><li>• Employee discounts</li><li>• Fitness and tuition reimbursement</li><li>• Performance bonus</li></ul> <p>We comply with applicable local laws regarding benefits and pay for part-time, temporary, and full-time employees.</p>
401-3	Parental leave	<p>Watts officially launched a company-paid parental leave program in 2024. This is in addition to any state-mandated leaves. For more information, please see the <a href="#">Social Data</a> section in the Appendix.</p>



GRI Standards

Disclosure Title

2024 Response

GRI 403: Occupational Health & Safety 2018		
3-3	Management of the material topic	<p>At Watts, we believe that occupational injuries and illnesses are preventable. We recognize healthy and safe working conditions as a human right and commit to protecting the health and safety of all employees working at our facilities around the world. This commitment extends to contractors, visitors, customers, suppliers, and all other business partners. Our enterprise-wide Occupational Health and Safety (OHS) management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. Its key elements include worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement.</p> <p>Our safety rules apply to all third parties performing activities at our locations, including suppliers, contingent workers, contractors, vendors, visitors, and all other non-Watts employees. For example, contractors are required to follow our safety practices when working on our sites if they do not have equivalent or more stringent practices.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
403-1	<p>Occupational health and safety management system</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Our enterprise-wide OHS management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. Its key elements include worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement.</p> <p>Individual operating sites prioritize risk assessments and provide a monthly update of progress toward top risks during the monthly operating review. Operating sites also have a target risk-reduction goal established annually to continue to reduce overall workplace hazards and mitigate risks. Watts has multiple opportunities for workers to report workplace hazards, including meeting with their supervisors, safety committees, near-miss and safety observation programs, and through our ethics hotline. Our near-miss and safety observation programs include tracking open items to closure through our EHS software, Gensuite.</p> <p>Our system applies to all employees, contractors, and visitors across all Watts sites. Our system emphasizes worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement. For example, all employees, contractors, and visitors are encouraged to report unsafe conditions as part of our near-miss and safety observation programs. Concerns identified are tracked to closure, with closure rates reported by each operating site during our monthly operating reviews. Workers also participate in other elements of our program, including safety committees, conducting risk assessments, identifying and scoping continuous improvement ideas, training, and inspections.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
403-2	<p>Hazard identification, risk assessment, and incident investigation</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>We aspire to be a zero-incident workplace, and in 2024, 18 of our operating and distribution sites continued to report zero recordable injuries. Our Zero incidents, Employee engagement, Risk reduction, and Operational excellence (Z.E.R.O.) approach to drive a culture of safety at Watts empowers employees with the knowledge, tools, and resources they need to effectively identify hazards, mitigate risks, and explore improvements. Watts sets an expectation that all employees report workplace hazards proactively to reduce the opportunity for future injuries. “STOP WORK” is included in our OHS training for new-employee orientation, as well as annual refresher training. Included in the OHS system is our incident investigation standard, which assigns responsibility for investigating injuries and determining root cause and corrective and preventive actions. Workers, supervisors, and EHS professionals are involved in these investigations.</p> <p>Workers, including non-Watts employees, are expected to report hazards in the workplace through our near-miss and safety observation program. This includes notifying their supervisor or EHS representative, completing a near-miss/safety observation card, informing another member of leadership, or raising a concern through our ethics program. Worker disciplinary actions are focused on intentional behaviors that violate specific safety rules (e.g., intentional bypass of a machine guard or operating a fork truck without proper training). Watts has a safety-critical policy that employees are trained on at new-hire orientation and annually to emphasize the importance of following company safety rules.</p> <p>Our OHS system includes a written incident investigation program that requires the involvement of supervisors, workers, EHS, and others, as necessary. The program includes taking into account the hierarchy of controls and corrective and preventive actions. Workplace injuries are presented to top management monthly, and learnings that have multisite impact are communicated through best-practice sharing calls. In addition, the Senior Leadership Steering Committee reviews the effectiveness of the OHS system annually, including recommendations for continuous improvement.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>



GRI Standards	Disclosure Title	2024 Response
403-3	<p>Occupational health services</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Watts provides occupational health services in various methods. We have an occupational health professional on staff at our largest site who provides direct occupational health services to on-site employees, as well as supports the balance of the sites globally regarding ergonomics, injury evaluations, and triage. The occupational health professional also interfaces with our outside occupational health clinics in assessing care and transitional return to work. In the cases of Mexico, Tunisia, and our largest site in France, we also have occupational medical professionals on-site, as required by country regulations. Other locations also have medical services provided, where required by country regulation. All employees have access to outside medical services, and where we have influence over the clinics, we seek occupation-specific clinics.</p> <p>Work-related medical records are either maintained by HR or the EHS organization. These organizations follow country-specific requirements for the confidentiality of medical records and worker access to these records. In cases of non-work-related medical records, these records are maintained solely by the HR organization.</p> <p>The occupational health services are focused on quality of care for work-related matters and also administer transitional return-to-work programs, where allowed by country-specific requirements (e.g., Canada, U.S., and Germany). In addition, proactive stretching programs are in place across many U.S. sites to encourage prevention of injury. Wellness programs include vaccination clinics, wellness clinics including screening, and stretching programs.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report</p>
403-4	<p>Worker participation, consultation, and communication on occupational health and safety</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Worker participation and consultation is incorporated into our OHS system. Workers participate in developing risk assessments (job hazard analysis), training programs, safety committees, and lean/continuous improvement programs. Workers are also expected to participate in our early reporting programs, including near-miss and safety observations reporting and, where allowed, offered token recognitions for both reporting and providing solutions. These recognitions vary around the world and often include awarding points to workers so that they may order company logo gifts such as T-shirts, hats, and electronic items (e.g., headphones).</p> <p>Worker participation and consultation is specifically stated in our standard procedure for incident investigation and risk assessment, encouraging direct input into solutions such as the redesign of workstations, alternative tools, improved personal protective equipment (PPE), and additional training. The modifications emphasize the hierarchy of control to drive corrective and preventive actions that provide long-term benefits in OHS. Worker disciplinary actions are focused on intentional behaviors that violate specific safety rules (e.g., intentional bypass of a machine guard or operating a fork truck without proper training). Watts has a safety-critical policy that employees are trained on at new-hire orientation and annually to emphasize the importance of following company safety rules.</p> <p>Workers are expected to STOP WORK when they feel they are in an unsafe situation or are asked to conduct a task that they are not trained to do. Workers are not disciplined for proactively reporting unsafe conditions or acts. Watts has historically held employee safety stand-downs annually to encourage employee participation and awareness around trending injury concerns. The safety stand-down approach varies by site but generally includes training, outside guests, and discussion of injury trends.</p> <p>Joint management worker health and safety committees exist throughout the organization. These committees are responsible for raising concerns from other workers, analyzing data (e.g., safety concerns, injuries, near-misses), establishing priorities for the local site to focus on, and raising these priorities to the local senior leadership. Committee members may also be engaged in defining and executing continuous improvement projects.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
403-5	<p>Worker training on occupational health &amp; safety</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Our OHS system requires training for all employees in accordance with country-specific regulations, as well as specific job duties. Each site assesses compliance obligations, as well as other specific training topics that are applicable to workers' job duties. Each site prepares a training plan and executes the plan over the year. Training is delivered in the local language and, where additional language assistance is needed, training is delivered to accommodate. Training plans include the frequency of training and vary by site. For example, more complex training may be broken down into shorter segments to enhance its effectiveness.</p> <p>Select trainings require testing (e.g., forklift), while others are validated by demonstration (e.g., lockout/tagout) or exercises (e.g., emergency response drill). Training is delivered through competent trainers who may require specialized training (e.g., forklift) or competency through education or experience (e.g., internal safety professional or third party).</p> <p>Training is delivered during company working hours. If workers need to be sent off-site for specialized training, the workers are compensated.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>



GRI Standards	Disclosure Title	2024 Response
403-6	<p>Promotion of worker health</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Watts provides our employees with a comprehensive benefits package through a mix of plans designed to support their individual and/or family’s health and wellness needs. We offer a standard package in the United States to our eligible employees. In other countries where we operate, government-sponsored programs provide for the health, disability, retirement, parental leave, and unemployment benefits for our employees as a matter of legislation or national practices in support of their social system. In addition to these government-sponsored programs, we provide supplementation coverage of benefits in certain countries where we have large employee populations, which may include:</p> <ul style="list-style-type: none"><li>• Medical care</li><li>• Pharmacy program</li><li>• Dental care</li><li>• Vision care</li><li>• Life insurance</li><li>• Supplemental life insurance</li><li>• Short-term and long-term disability coverage</li><li>• Dependent-care spending accounts</li><li>• Pre-tax health care spending and savings accounts</li><li>• Voluntary accident and critical illness coverage</li><li>• Retirement savings (401[k]) plans with generous employer-matching funds</li><li>• Employee wellness programs</li><li>• Paid time off</li><li>• Business travel and accident insurance</li><li>• Relocation programs</li><li>• Employee discounts</li><li>• Fitness and tuition reimbursement</li><li>• Performance bonus</li></ul> <p>For temporary workers, benefits are covered by their respective employer. However, for on-site wellness activities, temporary workers are welcome to participate (e.g., wellness fairs, vaccination clinics).</p>
403-7	<p>Prevention and mitigation of occupational health &amp; safety impacts directly linked by business relationships</p>	<p>Our enterprise-wide OHS management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. We aspire to be a zero-incident workplace, and worker participation and consultation is incorporated into our OHS system.</p> <p>The majority of our sales comes from products that have been approved under regulatory standards incorporated into national; state; and municipal plumbing, heating, building, and fire prevention codes around the world. We manufacture quality products that are safe, reliable, and code compliant. We maintain stringent quality control and testing procedures at our manufacturing facilities in accordance with superior quality standards and strict performance criteria outlined in local, national, and international codes and standards. Our manufacturing facilities undergo routine audits for process and quality control procedures, ensuring that both our processes and products have consistent quality control throughout the product life cycle. We conduct product testing — and periodic retesting and recertification — in accordance with standard compliance methodologies.</p> <p>The full list of independent testing and certification organizations can be found in the Appendix. For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
403-8	<p>Workers covered by an occupational health &amp; safety management system</p>	<p>All workers across the organization, including temporary workers, contractors, and visitors, are subject to the OHS system. For example, temporary workers participate in the new-hire orientation, along with new Watts employees. Watts doesn’t distinguish between workers when implementing the OHS system, and if temporary workers become employees, they become integrated into the annual training obligations. Globally, Watts applies the U.S. Occupational Safety and Health Administration (OSHA) criteria for reporting injuries.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>



GRI Standards	Disclosure Title	2024 Response
403-9	Work-related injuries	<p>Please see OHS data tables in the <a href="#">Social Data</a> section of the Appendix. Reported rates are based on 200,000 hours worked and include both employees and temporary workers combined (no distinction) for the global organization. Injuries associated with temporary workers, who work under the direction of Watts, are included in the reported injuries for the organization. For 2024, strains were the most common injury type, representing 32% of all recordable injuries. This represents an 8% decrease compared to 2023.</p> <p>Hazards are identified through multiple means, including conducting workstation risk assessments, employee near-miss and safety observations reporting, workplace first aids, and injuries.</p> <p>Efforts to mitigate injuries consider the hierarchy of controls and include:</p> <ul style="list-style-type: none"><li>• Increasing automation or new tooling</li><li>• Existing workstation redesign</li><li>• New workstation design</li><li>• Job rotations</li><li>• Routine stretching programs</li><li>• Physical assessments (e.g., worker practices, positioning, PPE)</li><li>• Workstation assessments (e.g., making minor modifications to operating practices, positioning workers closer to workstations to reduce reach, modifying tools, modifying PPE)</li></ul> <p>Watts applies OSHA criteria for reporting injuries globally.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
403-10	Work-related ill health	<p>Please see OHS data tables in the <a href="#">Social Data</a> section of the Appendix. Reported rates are based on 200,000 hours worked and include both employees and temporary workers combined (no distinction) for the global organization. There were no ill health recordable incidents. No lost time cases were driven by illness.</p> <p>Hazards are identified through multiple means, including occupational noise exposure assessments, workstation risk assessments, employee near-miss and safety observation reporting, and workplace first aids.</p> <ul style="list-style-type: none"><li>• Efforts to mitigate work-related ill health consider the hierarchy of controls and include:</li><li>• Increasing automation or introducing new tooling (e.g., removing workers from noise exposure)</li><li>• Existing workstation redesign</li><li>• New workstation design</li><li>• Job rotations</li><li>• Physical assessments (e.g., worker practices, positioning, PPE)</li><li>• Workstation assessments (e.g., making minor modifications to operating practices, positioning workers closer to workstations to reduce reach, modifying tools, modifying PPE)</li></ul> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
GRI 404: Training & Education 2016		
3-3	Management of the material topic	<p>We invest in our employees by providing opportunities that support them in enhancing their skills, competencies, and overall professional development. We offer a variety of in-person and virtual learning and development programs that are designed to build and retain a strong global workforce. In 2024, we continued our global rollout of a leadership training program that is designed to build leadership capability, thus encouraging our employees to practice new habits and build leadership behaviors. This training includes three modules focused on identifying bias to make better decision making, creating teams where all people feel valued, and empowering people to use their voice and contribute ideas. We partner with external vendors to offer a variety of leadership and professional development opportunities such as coaching for improved performance and time management. We provide global, broad-based coaching opportunities through external partnerships that are targeted to the individual's coaching and development needs.</p> <p>For more information, please see the <a href="#">Talent Retention and Development</a> section of the 2024 Sustainability Report.</p>
404-1	Average hours of training per year per employee	<p>For data related to training and development, see the <a href="#">Social Data</a> charts in the Appendix. Reported 2024 training hours only reflect logged hours from learning programs tracked in our Learning Management System (LMS) and do not include hours tracked in manual reports. Prior to 2024, training hours were tracked both in our LMS and through manual reports, including (1) local</p>



GRI Standards	Disclosure Title	2024 Response
		learning initiatives managed by individual sites, teams, or managers; (2) trainings conducted by Manufacturing, Sales, or Engineering Enablement Teams; and (3) regional programs in our APMEA and EU regions. Moving forward, we will continue to work on consolidating tracking and training within our LMS.
404-2	Programs for upgrading employee skills and transition assistance programs	<p><b>Employment Security</b></p> <p>We strive for our employees to feel secure in their jobs at Watts, and are committed to responsible workforce restructuring practices. We recognize the impact these actions can have on our colleagues and will only take such steps when deemed necessary to enhance the value and performance of our company. As part of its oversight responsibilities, our board of directors approves all major restructuring programs. When conducting restructuring activities, Watts adheres to local employment laws and statutes and ensures our employees are treated fairly. We take measures to assist affected employees in their transition, which may include:</p> <ul style="list-style-type: none"><li>• Severance pay, which considers employees’ years of service</li><li>• Job placement service</li><li>• Other forms of transition assistance (e.g., training, retraining, counseling, etc.)</li></ul> <p>For career endings resulting from retirement, employees are offered various forms of transistion assistance, including financial, estate, and long-term care planning.</p> <p>For information on programs upgrading employee skills, please see the <a href="#">Talent Retention and Development</a> section of the 2024 Sustainability Report.</p>
404-3	Percentage of employees receiving regular performance and career development reviews	<p>In 2024, 100% of our eligible employees received a performance review.</p> <p>For more information, see the <a href="#">Performance Management</a> section of the 2024 Sustainability Report and the <a href="#">Social Data</a> section of the Appendix.</p>
GRI 405: Diversity & Equal Opportunity 2016		
3-3	Management of the material topic	<p>Our mission is to cultivate and sustain a workplace that prioritizes and integrates an inclusive culture in everything we do to fuel innovation, empower our people to reach their full potential, and foster stronger connections with our partners. To support this mission, we have incorporated inclusion into the Watts strategic pillars and cultural behaviors, as well as the Global Leadership Team’s goals. We have established partnerships with and conducted recruitment activities at universities to drive outreach and rolled out leadership training throughout the global organization as our comprehensive approach. We monitor employee perception through employee feedback, and we create awareness with our employees through the company intranet, in employee meetings, and through a calendar of events designed to increase solidarity, engagement, and support.</p> <p>For more information, please see the <a href="#">Employee Development and Support Programs</a> section of the 2024 Sustainability Report.</p>
405-1	Diversity of governance bodies and employees	<p><a href="#">Corporate Governance</a>, 2024 Sustainability Report</p> <p><a href="#">Employee Profile</a>, Appendix</p>
405-2	Ratio of basic salary remuneration of women to men	<p>We regularly analyze wages to retain employees and stay competitive in the labor market. An internal pay equity review is embedded into our hiring and promotion processes. Where needed, we provided market adjustments to stay competitive and retain key talent. In 2024, we continued our project to revitalize our job architecture that will better align with our roles and provide our employees with a more comprehensive career path structure.</p> <p>For more information, please see the <a href="#">Talent Retention and Development</a> section of the 2024 Sustainability Report.</p>
GRI 413: Local Communities 2016		
3-3	Management of the material topic	<p>Giving back to the community is important to all of us at Watts. As a responsible corporate citizen, we aim to bring positive change to the communities where we live and work, as well as the industry in which we do business. We believe in building strong, resilient communities and are committed to promoting social good at the corporate level, as well as regionally and locally through our strategic partnerships, charitable giving, fundraising, and volunteer activities.</p> <p>We introduced Watts Cares in 2024, a volunteer program that is available to all Watts employees. We are pleased with the resounding success and level of engagement we saw in its inagural year.</p> <p>For more information, please see the <a href="#">Watts Cares — Our Community Impact</a> and <a href="#">Global Engagements</a> sections of the 2024 Sustainability Report.</p>



GRI Standards	Disclosure Title	2024 Response
413-1	Operations with local community engagement, impact assessments, and development programs	<a href="#">Watts Cares — Our Community Impact</a> , 2024 Sustainability Report <a href="#">Global Engagements</a> , 2024 Sustainability Report
GRI 414: Supplier Social Assessment 2016		
3-3	Management of the material topic	<p>Expectations of suppliers across various areas of ethics and integrity, as well as social and environmental responsibility, are covered in our Human Rights Policy, our Supplier Quality Manual, and the Watts Code of Business Conduct. Our standard terms and conditions require supplier compliance with the Supplier Quality Manual and the Watts Code of Business Conduct, including agreement to our Anti-Corruption Policy. In addition, in 2022, we published our Supplier ESG Standards, which are informed by the 10 principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO’s 1998 Declaration on Fundamental Principles and Rights at Work. 67% of our suppliers, representing 96% of our annual spend, have confirmed their conformance to these ESG standards.</p> <p>Concerns or violations of our standards regarding our supply chain or supplier quality may be reported at any time through our ethics hotline. Together with the Legal Department, the team regularly monitors key social and environmental performance indicators in our supply chain to ensure compliance with our standards, including in areas of health and safety, human and labor rights, social responsibility, and conflict minerals.</p> <p>For more information, please see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
414-1	New suppliers that were screened using social criteria	<p>We require all new suppliers to complete an onboarding ESG self-assessment, which allows us to continually update and enhance our insight into ESG practices in our supply chain.</p> <p>For more information, please see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
414-2	Negative social impacts in the supply chain and actions taken	<p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain’s sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2024, we reviewed more than 60% of our suppliers, representing approximately 60% of our global annual spend, using the D&amp;B ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, GRI, UN SDGs, TCFD, and UN PRI. Through our use of this tool, we gained increased insight into our suppliers’ sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place. Fewer of our suppliers participated in the service compared to previous years due to cost and other considerations outside of our control.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
GRI 416: Customer Health & Safety 2016		
3-3	Management of the material topic	<p>For 150 years, Watts has developed products, components, and systems that have improved comfort, safety, and quality of life around the world. Our equitable, efficient, and environmentally sustainable product designs, acquisition strategy, and widespread advocacy for the safe and efficient conveyance of water center upon keeping people, equipment, and water safe while protecting the planet. We have complete life-cycle assessments (LCAs) of all our products produced in our largest facility in Franklin, NH, USA. The LCAs provided us insights into all materials used, and we are publishing the information to provide further transparency. We have published environmental product declarations (EPDs) for 30 products.</p> <p>We are committed to manufacturing products, systems, and solutions in safe workplaces that are environmentally responsible. We participate in and contribute to local and government initiatives around the world that improve the quality of life in communities where we live and work. We also invest heavily in training our customers on the safe use and installation of products.</p> <p>For more information, please see the <a href="#">Safety &amp; Regulation</a> and <a href="#">Best-in-Class Training</a> sections of the 2024 Sustainability Report.</p>
416-1	Assessment of the health and safety impacts of product and service categories	<p>The majority of health and safety impacts of our products is set during the design phase. As a result, 100% of our new products are assessed for health and safety during our standard new product introduction process. This assessment includes product performance, which targets our customers and other stakeholders, as well as manufacturing and supply chain health and safety. During the life cycle of our products, our standard quality process and operating system assess all instances of noncompliance for definitive root cause and corrective/improvement actions. The results of our standard quality process and operating system are discussed monthly in our standard business operating reviews. The majority of our sales comes from products that have been</p>



GRI Standards	Disclosure Title	2024 Response
		<p>approved under regulatory standards incorporated into national; state; and municipal plumbing, heating, building, and fire prevention codes around the world. More than 70% of Watts revenue comes from products that are designed specifically for the safety and regulation of water. We develop our products and enhance our existing products under a supervised stage-gate process that includes design for safety, testing at multiple stages before launch, and steering committee oversight to ensure we have safe, reliable products that go to market. We manufacture quality products that are safe, reliable, and code compliant. We maintain stringent quality assurance and testing procedures at our manufacturing facilities in accordance with superior quality standards and strict performance criteria outlined in local, national, and international codes and standards. We have a global quality framework to identify and address product safety incidents promptly. Our manufacturing facilities undergo routine audits for process and quality-control procedures, ensuring that both our processes and products have consistent quality throughout the product life cycle. We conduct product testing and periodic retesting for recertification — in accordance with standard compliance methodologies.</p> <p>For more information, please see the <a href="#">Safety &amp; Regulation</a> and <a href="#">Best-in-Class Training</a> sections of the 2024 Sustainability Report.</p>
GRI 417: Marketing & Labeling 2017		
3-3	Management of the material topic	<p>We strive to create transparency and a superior buying experience for our customers. We believe in providing information about our products and services that is accessible and helps our customers make informed purchasing decisions. Watts only uses substantiated claims in its advertising, marketing, and sales materials. We take care to include product use instructions and warnings that are clear and easy for the end user to understand. Our packaging includes clear information about the product, including size, description, model number, and if it is “lead-free.” Many product labels also include QR codes, which allow customers to quickly access information and resources from their mobile devices. Labels for products traditionally sold in the retail market in North America include translations in both Spanish and French, providing greater access access for our diverse audience of customers.</p> <p>We engage in responsible sales and marketing practices that are fair and transparent and help to promote economic efficiency and sustainable growth. At Watts, we believe in promoting our services honestly and educating our customers about the appropriate use of our products. We expect our employees to be clear, accurate, and truthful when representing the quality, features, and/or potential hazards of our products.</p> <p>All our marketing materials go through a standard review process with our Legal Department prior to the release of facts or comparisons of our products alongside our competitors. Also, we compete on the merits of our products and services and make no attempts to restrain or limit competition. We strictly adhere to “antitrust” laws in the United States and “competition” laws in countries in which we operate our business. At Watts, we operate within the boundaries of fair competition and antitrust laws, and we are committed to delivering value to our customers and suppliers by rejecting conduct that undermines fair, stable, and open markets.</p>
417-1	Requirements for product and service information labeling	<p>The country of origin is defined by where products are assembled or produced. We adhere to all prop 65 labeling requirements, as well as lead labeling requirements. We also provide documentation on safe use and installation in product packaging, as well as on our website. 100% of our products are assessed for proper labeling and compliance. The majority of this activity happens prior to product launch and is performed to the requirements of our new product introduction process.</p> <p>This assessment includes, but is not limited to:</p> <ul style="list-style-type: none"><li>• The sourcing of components of the product or service</li><li>• Content, particularly with regard to substances that might produce an environmental or social impact</li><li>• Safe use of the product or service</li><li>• Disposal of the product and environmental or social impacts</li><li>• Any other relevant information</li></ul>
Other		
<b>Emergency Preparedness and Response</b> was identified as a material topic for Watts but is not covered by the GRI Topic Standards. Reporting against this topic is included in the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.		



# Sustainable Accounting Standards Board (SASB) Index

SASB Topic	Disclosure Code	SASB Metric	2024 Response
Energy Management	RT-EE-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	<b>Total energy consumed:</b> 122,555 MWh <b>Percentage grid electricity:</b> 53% (65,771 MWh) <b>Percentage renewable:</b> 24% (29,317 MWh)
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated, percentage recycled	<b>Amount of hazardous waste generated:</b> 1,465,828 kg <b>Percentage recycled:</b> Data, as requested, is not available at this time. Watts has a strong metal-recycling program at our manufacturing facilities. In 2024, we recycled 5,000 t of metal scraps and chips and 11 t of electronic waste and reused 27 t of plastic regrinds.
Hazardous Waste Management	RT-EE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	We did not have reportable spills in 2024.
Product Safety	RT-EE-250a.1	Number of recalls issued, total units recalled	Watts issued no product recalls in 2024.
Product Safety	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	Watts had no monetary losses as a result of legal proceedings associated with product safety in 2024.
Product Lifecycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Data is not available.
Product Lifecycle Management	RT-EE-410a.2	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Data is not available.
Product Lifecycle Management	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	A total of 22% of Watts revenue in 2024 was from energy efficiency-related products.
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	<p>Expectations of suppliers across various areas of ethics and integrity, as well as social and environmental responsibility, are covered in our Human Rights Policy, our Supplier Quality Manual, and the Watts Code of Business Conduct. Our standard terms and conditions require supplier compliance with the Supplier Quality Manual and the Watts Code of Business Conduct, including agreement to our Anti-Corruption Policy. In addition, in 2022, we published our Supplier Environmental, Social, and Governance (ESG) Standards, which are informed by the 10 principles of the United Nations (UN) Global Compact initiative, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization’s (ILO’s) 1998 Declaration on Fundamental Principles and Rights at Work. 67% of our suppliers, representing 96% of our annual spend, have confirmed their conformance to these ESG standards.</p> <p>Concerns or violations of our standards regarding our supply chain or supplier quality may be reported at any time through our ethics hotline. Together with the Legal Department, the team regularly monitors key social and environmental performance indicators in our supply chain to ensure compliance with our standards, including in areas of health and safety, human and labor rights, social responsibility, and conflict minerals.</p> <p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own</p>



SASB Topic	Disclosure Code	SASB Metric	2024 Response
			<p>supply chain’s sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2024, we reviewed more than 60% of our suppliers, representing approximately 60% of our global annual spend, using the Dun &amp; Bradstreet (D&amp;B) ESG Rating Service. The service is a web-based ratings platform that assesses the ESG operations of suppliers across 31 key topics and 13 ESG themes, including through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, Global Reporting Initiative (GRI), UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). Through our use of this tool, we gained increased insight into our suppliers’ sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2024 Sustainability Report.</p>
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	<p>Watts is committed to acting with integrity and has detailed compliance procedures and policies. We confirm that both anti-corruption and anti-competitive behavior policies are covered in the Code of Conduct.</p> <p>For more information, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2024 Sustainability Report.</p>
Business Ethics	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	No incidents of corruption or associated legal actions occurred in 2024.
Business Ethics	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	No incidents of anti-competitive behavior or associated legal actions occurred in 2024.
Activity Metric	RT-EE-000.A	Number of units produced by product category	Information on revenue, products, customers, and markets is available in the <a href="#">Corporate Profile</a> section of the 2024 Sustainability Report.
Activity Metric	RT-EE-000.B	Number of employees	Watts employed a total of 4,829 people in 2024.



# Sustainable Development Goals (SDG) Index

Beyond the examples provided in the section on how Watts is contributing to the United Nations (UN) SDGs, you can find more information on how our work contributes to the SDGs in the following of our report:

Aligned SDG Goal	Targets	Our Impact: How We are Contributing		
SDG 5: Gender Equality – Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"><li>Target 5.5</li><li>Target 5.c</li></ul>	<ul style="list-style-type: none"><li><a href="#">Employee Profile</a></li><li><a href="#">Employee Development and Support Programs</a></li></ul>		
SDG 6: Clean Water and Sanitation – Ensure availability and sustainable management of water and sanitation for all	<ul style="list-style-type: none"><li>Target 6.1</li><li>Target 6.3</li><li>Target 6.4</li><li>Target 6.b</li></ul>	<ul style="list-style-type: none"><li><a href="#">Footprint</a></li><li><a href="#">Environment, Health, and Safety Management</a></li><li><a href="#">Water Stewardship</a></li><li><a href="#">Waste Reduction</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Handprint</a></li><li><a href="#">Safety &amp; Regulation</a></li><li><a href="#">Conserving Water</a></li><li><a href="#">Global Engagements</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Responsible Supply Chain</a></li><li><a href="#">Keeping Generations of People and Water Safe</a></li><li><a href="#">Sustainable Innovation</a></li><li><a href="#">Nexa</a></li></ul>
SDG 8: Decent Work and Economic Growth – Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	<ul style="list-style-type: none"><li>Target 8.2</li><li>Target 8.8</li></ul>	<ul style="list-style-type: none"><li><a href="#">Occupational Health and Safety</a></li><li><a href="#">Talent Retention and Development</a></li><li><a href="#">Ethics, Integrity, and Transparency</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Responsible Supply Chain</a></li></ul>	
SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	<ul style="list-style-type: none"><li>Target 9.1</li><li>Target 9.4</li></ul>	<ul style="list-style-type: none"><li><a href="#">Energy and Emissions</a></li><li><a href="#">Handprint</a></li><li><a href="#">Safety &amp; Regulation</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Conserving Water</a></li><li><a href="#">Improving Energy Efficiency</a></li><li><a href="#">Sustainable Innovation</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Privacy and Cybersecurity</a></li><li><a href="#">Keeping Generations of People and Water Safe</a></li><li><a href="#">Nexa</a></li></ul>
SDG 12: Sustainable Consumption and Production – Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"><li>Target 12.2</li><li>Target 12.5</li><li>Target 12.6</li></ul>	<ul style="list-style-type: none"><li><a href="#">Our ESG Strategy</a></li><li><a href="#">Footprint</a></li><li><a href="#">Environment, Health, and Safety Management</a></li><li><a href="#">Water Stewardship</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Energy and Emissions</a></li><li><a href="#">Waste Reduction</a></li><li><a href="#">Sustainable Innovation</a></li><li><a href="#">Nexa</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">About This Report</a></li><li><a href="#">Environmental Data</a></li></ul>
SDG 13: Climate Action – Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"><li>Target 13.1</li><li>Target 13.2</li></ul>	<ul style="list-style-type: none"><li><a href="#">Footprint</a></li><li><a href="#">Water Stewardship</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Energy and Emissions</a></li><li><a href="#">Conserving Water</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Improving Energy Efficiency</a></li><li><a href="#">Sustainable Innovation</a></li></ul>
SDG 14: Life Below Water – Conserve and sustainably use the oceans, seas, and marine resources for sustainable development	<ul style="list-style-type: none"><li>Target 14.1</li><li>Target 14.2</li></ul>	<ul style="list-style-type: none"><li><a href="#">Water Stewardship</a></li><li><a href="#">Waste Reduction</a></li><li><a href="#">Keeping Generations of People and Water Safe</a></li></ul>		



# CEO Water Mandate

As a signatory to the mandate, Watts has committed to continuous improvement in the following six core areas of water stewardship practices:

Principles	Our Impact: How We Are Contributing		GRI
1. Direct Operations	<ul style="list-style-type: none"><li><a href="#">Our ESG Strategy</a></li><li><a href="#">ESG Governance</a></li><li><a href="#">Footprint</a></li><li><a href="#">Environmental, Health, and Safety Management</a></li><li><a href="#">Water Stewardship</a></li><li><a href="#">Energy and Emissions</a></li><li><a href="#">Waste Reduction</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Keeping Generations of People and Water Safe</a></li><li><a href="#">Sustainable Innovation</a></li><li><a href="#">Nexa</a></li><li><a href="#">Environmental Data</a></li><li><a href="#">Environmental, Health, Safety, &amp; Sustainability Policy</a></li><li><a href="#">2024 Form 10-K</a></li><li><a href="#">2025 Proxy Statement</a></li></ul>	<ul style="list-style-type: none"><li>GRI 2-12</li><li>GRI 2-23</li><li>GRI 2-24</li><li>GRI 303: Water and Effluents</li></ul>
2. Supply Chain and Watershed Management	<ul style="list-style-type: none"><li><a href="#">Contributing to the United Nations Sustainable Development Goals</a></li><li><a href="#">Stakeholder Engagement</a></li><li><a href="#">Footprint</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Water Stewardship</a></li><li><a href="#">Responsible Supply Chain</a></li><li><a href="#">Membership of Organizations</a></li></ul>	<ul style="list-style-type: none"><li>GRI 308: Supplier Environmental Assessment</li></ul>
3. Collective Action	<ul style="list-style-type: none"><li><a href="#">Footprint</a></li><li><a href="#">Stakeholder Engagement</a></li><li><a href="#">Membership of Organizations</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Global Engagements</a></li><li><a href="#">Keeping Generations of People and Water Safe</a></li></ul>	<ul style="list-style-type: none"><li>GRI 2-28</li><li>GRI 2-29</li><li>GRI 3-1</li></ul>
4. Public Policy	<ul style="list-style-type: none"><li><a href="#">Public Policy &amp; Advocacy</a></li><li><a href="#">Membership of Organizations</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Keeping Generations of People and Water Safe</a></li><li><a href="#">Stakeholder Engagement</a></li></ul>	<ul style="list-style-type: none"><li>GRI 2-28</li><li>GRI 2-29</li></ul>
5. Community Engagement	<ul style="list-style-type: none"><li><a href="#">Footprint</a></li><li><a href="#">Handprint</a></li><li><a href="#">Stakeholder Engagement</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Watts Cares — Our Community Impact</a></li><li><a href="#">Keeping Generations of People and Water Safe</a></li></ul>	<ul style="list-style-type: none"><li>GRI 413: Local Communities</li></ul>
6. Transparency	<ul style="list-style-type: none"><li><a href="#">Footprint</a></li><li><a href="#">Ethics, Integrity, and Transparency</a></li><li><a href="#">Stakeholder Engagement</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">About This Report</a></li><li><a href="#">Environmental Data</a></li><li><a href="#">Environment, Health, Safety, &amp; Sustainability Policy</a></li></ul>	<ul style="list-style-type: none"><li>GRI 303: Water and Effluents</li></ul>



# EcoVadis Action Proxies

Topic	Metric	2024 Response: Metric	2024 Response: Decription
Environment	% of the total workforce across all locations who received training (internally or externally) on environmental issues	42%	Environmental awareness training is provided upon employee onboarding and periodically thereafter. It is measured in the Americas and other sites, as available, for 2024.
	% of renewable energy out of total energy mix	24%	A total of 24% of our total energy mix comes from renewable energy. This includes the purchasing of Renewable Energy Certificates (RECs) and on-site photovoltaic (PV) generation. In 2024, we doubled the percentage of generated on-site PV compared to 2023. The number of sites purchasing RECs remained the same in 2024 compared to 2023. However, in 2024 our environmental boundary expanded to include three new sites.
	% of total waste diverted from landfills, e.g. through recycling, reusing or WTE	47%	<p>Our organization is committed to minimizing waste generation and mitigating significant waste-related impacts by optimizing our production processes, extending the life cycle of our equipment, employing commonly used additives like coolants, reusing regularly utilized items such as oily rags and uniforms, and effectively managing and evaluating waste invoices from third-party haulers.</p> <p>Watts contracts with properly licensed waste vendors and transporters for management of waste.</p> <p>Watts discloses and has data verified for its yearly total waste generated and other environmental data via invoices, site records, vendor manifests, and compliance reporting. In 2024, the amount of hazardous waste generated was 1,466 MT. For the facilities where data is available, 3,002 MT of nonhazardous waste generation was reported.</p> <p>For more information, please see the <a href="#">Environmental Data</a> and <a href="#">Verification Statements</a> sections of the Appendix.</p>
	% of all operational sites certified to ISO 14001, EMAS or other environmental management standard	45%	<p>Our International Organization for Standardization (ISO) 14001-certified sites represent 49% of our global legacy population and 45% including Bradley and Josam operations.</p> <p>Our 2023 disclosure did not include Bradley and Josam operations.</p>
Labor & Human Rights	% of all operational sites covered by an employee health & safety risk assessment	100%	<p>Workers, including non-Watts employees, are expected to report hazards in the workplace through our Near-Miss and Safety Observations (NM/SO) program. This includes notifying their supervisor or environmental health and safety (EHS) representative, completing an NM/SO card, informing another member of leadership, or raising a concern through our Ethics program. Worker disciplinary actions are focused on intentional behaviors that violate specific safety rules (e.g., intentional bypass of a machine guard or operating a fork truck without proper training). Watts has a safety-critical policy that employees are trained on at new-hire orientation and annually to emphasize the importance of following company safety rules.</p> <p>Our occupational health and safety (OHS) system includes a written incident investigation program that requires the involvement of supervisors, workers, EHS, and others, as necessary. The program includes taking into account the hierarchy of controls, corrective, and preventive actions. Workplace injuries are presented to top management monthly, and learnings that have multisite impact are communicated through best-practice sharing calls. In addition, the Senior Leadership Steering Committee reviews the effectiveness of the OHS system annually, including recommendations for continuous improvement.</p> <p>Injury reductions in 2024 were driven by multiple factors, including workstation optimization, increased investment in automation, cross-functional engagement, professional development, and increased best-practice sharing across the globe. Twelve of our operating and distribution sites achieved injury reductions of 25% or greater, with 14 sites having zero recordable injuries.</p> <p>Each site presents its EHS performance as part of our Monthly Operating Reviews. Our standard metrics for safety include seven key performance indicators (KPIs): Total Recordable Injury Rate (TRIR), Lost Time Incident Rate (LTIR), near-miss reporting, safety observations reporting, risk-reduction</p>



Topic	Metric	2024 Response: Metric	2024 Response: Decription
Labor & Human Rights			<p>scores, EHS framework score, training completion, and finding-closure rate. Twenty-one operating and distribution sites reduced their year-over-year LTIR or had zero incidents, including 10 sites with reductions greater than 25%.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2024 Sustainability Report.</p>
	% of total workforce across all locations represented in formal joint management-worker health & safety committees	100%	All sites have safety committees. For Europe, these are required by regulation; for the United States, it is state dependent.
	% of workforce who are covered by formal collective agreements concerning working conditions	31%	<p><b>Collective Bargaining</b></p> <p>Our commitment to protecting human rights also applies to freedom of association and collective bargaining. We believe such activities facilitate dialogue and play an invaluable role in building trust, inclusivity, and transparency in the workplace. In compliance with International Labor Organization (ILO) standards, it is our policy to ensure our employees have the right to form or join associations of their own choice concerning the relationship between the employer and the employees and to bargain collectively. We do not issue disciplinary or discriminatory actions against employees who choose to peacefully and lawfully organize or join an association. As well, employees are prohibited from using intimidation tactics of any kind to obstruct other employees' right to freely associate and/or right to organize or not.</p> <p><b>Communication of Rights</b></p> <p>At the local level and where applicable, we work to ensure our employees are aware of and understand their collective bargaining rights. These rights may be communicated to employees in different ways based on local labor laws, regulations, and/or practices. Employees at Watts may receive information about their collective bargaining rights:</p> <ul style="list-style-type: none"><li>• During the onboarding process</li><li>• Via internal company channels (e.g., company policies, rules and regulations, information boards, etc.)</li><li>• Directly from their trade union or works council representative</li></ul> <p><b>Grievance Procedures</b></p> <p>Where applicable, grievance procedures for collective bargaining rights may be provided to employees via any of the methods stated above. While individual grievance cases may be handled differently based on local labor laws, regulations, and/or practices, they are usually resolved within a few days. Employees receive updates on their individual grievance cases from the trade union or works council representing them. Resolved cases are routed to the appropriate management team at Watts. Cases requiring further escalation are reported to our Global Leadership Team.</p> <p>In 2024, Watts had approximately 1,492 employees worldwide who were represented by unions, collective bargaining agreements, or works councils. That is approximately 31% of our total workforce. Working conditions and terms of employment for those not covered by collective bargaining agreements are directed by local laws.</p>
	% of workforce who are covered by formally elected employee representatives		<b>Information Unavailable/Incomplete:</b> Despite our best efforts, certain information was unavailable or incomplete at the time of reporting. We are continuously striving to enhance our data collection processes and improve the availability and accuracy of information for future reporting cycles.
	% of workforce who received regular performance and career development reviews	100%	<p><b>Employment Security</b></p> <p>We strive for our employees to feel secure in their jobs at Watts and are committed to responsible workforce restructuring practices. We recognize the impact these actions can have on our colleagues and will only take such steps when deemed necessary to enhance the value and performance of our company. As part of its oversight responsibilities, our board of directors approves all major restructuring programs. When conducting restructuring activities, Watts adheres to local employment laws and statutes and ensures our employees are treated fairly. We take measures to assist affected employees in their transition, which may include:</p>



Topic	Metric	2024 Response: Metric	2024 Response: Decription
Labor & Human Rights			<ul style="list-style-type: none"><li>Severance pay, which considers employee years of service</li><li>Job placement service</li><li>Other forms of transition assistance (e.g., training, retraining, counseling, etc.)</li></ul> <p>For information on programs upgrading employee skills, see the <a href="#">Talent Retention and Development</a> section of the 2024 Sustainability Report.</p>
	% of workforce who received career-related or skills training	100%	See above.
	% of workforce who received training on preventing discrimination & human rights violations	99%	Our Code of Conduct prohibits discrimination or human rights violations, and Code of Conduct training is provided to employees annually. In 2024, 99% of global employees were provided updated Code of Conduct training and acknowledged adherence to the Code.
	% of all operational sites that have been subject to human rights reviews or human rights impact assessments		<p>Our Code of Conduct prohibits discrimination or human rights violations, and Code of Conduct training is provided to employees annually. In 2024, 99% of global employees, across all of our operational sites, were provided updated Code of Conduct training and acknowledged adherence to the Code.</p> <p>In 2024, we reviewed more than 60% of our suppliers, representing approximately 60% of our global annual spend, using the Dun &amp; Bradstreet (D&amp;B) ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). Through our use of this tool, we gained increased insight into our suppliers’ sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place. Fewer of our suppliers participated in the service compared to previous years due to cost and other considerations outside of our control.</p>
	% of all operational sites certified to ISO 45001, SA 8000 or other similar management standard	27%	This is calculated based on head count and sites that are certified.
Ethics	% of the total workforce who received training on business ethics issues	99%	<p><b>Code of Conduct Training Proxies</b></p> <p>1. Computer Users: Our Human Resources Information System automatically feeds the names of the employees with access to a computer to the Learning Management System (LMS), and the LMS tracks the completion and acknowledgment of the Code, as stated above.</p> <p>2. Factory Floor: For the employees who do not have a computer, they are trained in person, and each person must acknowledge attending the training and the Code of Conduct.</p> <p>3. Entity-Level Controls: As part of our entity-level controls, the Internal Audit Team reviews and validates the tracking and completion of the training by both online and in-person training.</p> <p><b>KPIs – Whistleblowing</b></p> <p>Watts Water manages a global hotline and reports on a quarterly basis the number and nature of the incidents.</p> <p>No incidents of corruption were confirmed at Watts in 2024, nor were any legal actions regarding corruption brought against the company.</p> <p>For more information, please see the <a href="#">Anti-Corruption Policies</a> section of the 2024 Sustainability Report.</p>
	% of all operational sites covered by an internal audit/risk assessment of business ethics issues	100%	<p><b>Due Diligence Audits – Global</b></p> <p>Watts performs a biannual due diligence verification audit of all third-party intermediaries for all sites globally. This audit conducted by the Compliance Teams verifies that all third-party intermediaries have been identified and the due diligence is completed.</p>



Topic	Metric	2024 Response: Metric	2024 Response: Decription
Ethics	% of all operational sites certified to ISO 27000 or other information security management system standard		<p><b>Cybersecurity Risk Management and Strategy</b></p> <p>We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information.</p> <p>We design and assess our program based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). This does not imply that we meet any particular technical standards, specifications, or requirements. We use the NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business. Our cybersecurity risk management program is integrated into our overall enterprise risk management program and shares common methodologies, reporting channels, and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas.</p> <p>Our cybersecurity risk management program includes the following:</p> <ul style="list-style-type: none"><li>• Risk assessments designed to help identify material cybersecurity risks to our critical systems, information,products, services, and our broader enterprise IT environment</li><li>• A security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents</li><li>• The use of external service providers, where appropriate, to assess, test, or otherwise assist with aspects of our security controls</li><li>• A risk review of certain third-party service providers, including software vendors, third-party cloud services, and third-party hosting services, with ongoing risk monitoring for critical vendors through an external cybersecurity intelligence service</li><li>• Cybersecurity awareness training of our employees, incident response personnel, and senior management</li><li>• A cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents</li></ul> <p><b>Information Security Measures</b></p> <p>1. Outside Risk Assessment: Watts utilizes third-party companies to perform annual enterprise assessment, and then we supplement with other targeted assessments based on potential risk factors or specific events such as an acquisition.</p> <p>2. Training: Watts has an Information Security Training program that includes quarterly mandatory security awareness training for all computer users. We maintain the records of all users that complete the training.</p> <p>3. Phishing Simulation: We perform monthly phishing simulations globally.</p>
	% of all operational sites certified to ISO 37001 or other anti-corruption management system standard		In 2024, no incidents of corruption were confirmed at Watts, nor were any legal actions regarding corruption brought against the company.
Sustainable Procurement	% of targeted suppliers who have signed the supplier code of conduct	67%	67% of our suppliers have confirmed conformance to our Code of Business Conduct and Supplier ESG Standards, representing 96% of our global direct spend.
	% of targeted contracts that include clauses on environmental, labor, human rights requirements	100%	Our standard terms and conditions of purchase require supplier compliance with the Supplier Quality Manual and the Watts Code of Business Conduct, including agreement to our Anti-Corruption Policy, which includes our expectations and requirements on environmental, labor, and human rights.



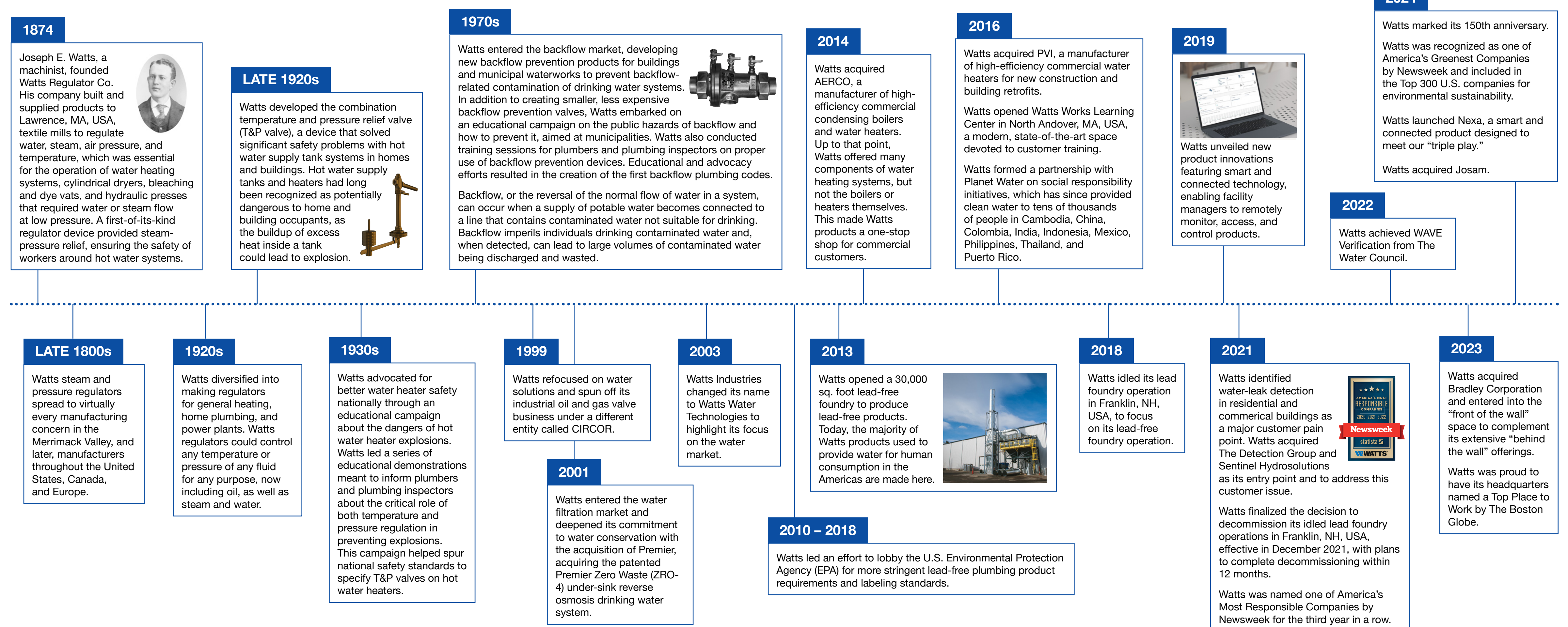
Topic	Metric	2024 Response: Metric	2024 Response: Decription
Sustainable Procurement	% of targeted suppliers covered by a sustainability assessment	60% of suppliers	<p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain’s sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2024, we reviewed D&amp;B 60% of our suppliers, representing approximately 60% of our global annual spend, using the D&amp;B ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, GRI, TCFD, and UN PRI. Through our expanded use of this tool, we gained increased insight into our suppliers’ sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place. Fewer of our suppliers participated in the service compared to previous years due to cost and other considerations outside of our control.</p>
	% of all buyers who received training on sustainable procurement		<p>In 2024, 100% of newly hired buyers and planners in the Americas and Europe received training on sustainable procurement.</p> <p>In addition, we engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain’s sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2024, we reviewed more than 60% of our suppliers, representing approximately 60% of our global annual spend, using the D&amp;B ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, GRI, UN SDGs, TCFD, and UN PRI. Through our expanded use of this tool, we gained increased insight into our suppliers’ sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place. Fewer of our suppliers participated in the service compared to previous years due to cost and other considerations outside of our control.</p>
	% of targeted suppliers covered by a sustainability on-site audit		Watts performed 500 supplier quality audits (which include sustainability elements) and 735 follow-up audits and corrective actions globally in 2024.



# Keeping Generations of People and Water Safe

For 150 years, Watts has developed products, components, and systems that have improved the comfort, safety, and quality of life around the world. Our equitable, efficient, and environmentally sustainable product designs, acquisition strategy, and widespread advocacy for the safe and efficient conveyance of water center upon keeping people, equipment, and water safe while protecting the planet.

## A Rich History of Sustainability





# Stakeholder Engagement

KEY TOPICS			METHODS OF ENGAGEMENT		
EMPLOYEES	<ul style="list-style-type: none"><li>Employee attraction, development, and retention</li><li>Ethics, integrity, and transparency</li><li>Occupational health and safety</li><li>Product responsibility, safety, and quality</li><li>Human rights</li><li>Data security and privacy</li><li>Access and culture</li><li>Governance and accountability</li></ul>		<ul style="list-style-type: none"><li>Annual performance management process</li><li>Branded social media channels</li><li>Career development programs</li><li>Code of Business Conduct</li><li>Collective bargaining agreements</li><li>Company policies and procedures</li><li>Connect intranet</li><li>Connect weekly email newsletter</li><li>Employee engagement committees</li><li>Employee handbooks</li><li>Employee recognition programs</li><li>Employee Resource Groups</li><li>Engagement surveys/pulse checks/focus groups</li><li>Ethics hotline and posters</li><li>Executive site visits</li><li>Learning Management System/LinkedIn Learning</li><li>Monthly operating reviews</li><li>Onboarding (for new hires)</li><li>Other local/regional town halls</li><li>Quarterly CEO video</li><li>Quarterly connect meetings</li><li>Strategic talent review</li><li>Training</li><li>Total rewards programs</li><li>Unions/works councils</li><li>Volunteer opportunities</li><li>Work/life balance initiatives</li></ul>		
CUSTOMERS	<ul style="list-style-type: none"><li>Product responsibility, safety, and quality</li><li>Ethics, integrity, and transparency</li><li>Occupational health and safety</li><li>Environmental compliance</li><li>Human rights</li></ul>	<ul style="list-style-type: none"><li>Sustainable innovation and digital transformation</li><li>Sustainable sourcing</li><li>Governance and accountability</li><li>Recycling and waste</li></ul>	<ul style="list-style-type: none"><li>Branded social media channels</li><li>Continuous Education Unit (CEU) courses</li><li>Direct engagement via sales teams</li><li>Direct marketing, live events, webinars</li><li>External website for Watts and its family of brands</li><li>In-person training at Watts Works Learning Centers</li><li>Trade shows and other live events</li><li>Voice-of-customer surveys/focus groups</li><li>Watts Works online learning</li></ul>		
STAKEHOLDERS AND DEER HOLDERS	<ul style="list-style-type: none"><li>Access and culture</li><li>Employee attraction, development, and retention</li><li>Governance and accountability</li></ul>	<ul style="list-style-type: none"><li>Occupational health and safety</li><li>Climate change risk and resilience</li><li>Product responsibility, safety, and quality</li><li>Environmental compliance</li></ul>	<ul style="list-style-type: none"><li>Annual Report/10-K</li><li>Annual shareholders meeting</li><li>Annual Sustainability Report</li><li>Company filings with the U.S. Securities and Exchange Commission (SEC)</li><li>Investor meetings and conferences</li><li>Investor relations website</li><li>Quarterly earnings conference calls</li><li>Quarterly earnings release</li><li>Other press releases</li></ul>		
SUPPLIERS	<ul style="list-style-type: none"><li>Governance and accountability</li><li>Ethics, integrity, and transparency</li><li>Sustainable sourcing</li><li>Human rights</li><li>Occupational health and safety</li></ul>	<ul style="list-style-type: none"><li>Employee attraction, development, and retention</li><li>Access and culture</li><li>Energy and emissions</li><li>Water stewardship</li><li>Recycling and waste</li></ul>	<ul style="list-style-type: none"><li>Code of Business Conduct</li><li>Direct engagement with sourcing, global commodity leaders, buyers, and supplier quality engineering teams</li><li>Harrington quality management system</li><li>Site visits</li><li>Supplier Code of Conduct</li><li>Supplier quality manual</li><li>Terms and conditions on purchase orders</li><li>Environmental, social, and governance (ESG) standards certification</li><li>Dun and Bradstreet (D&amp;B) and National Sanitary Foundation (NSF), ESG assessment</li></ul>		
COMMUNITY	<ul style="list-style-type: none"><li>Community engagement and giving back</li><li>Data security and privacy</li><li>Ethics, integrity, and transparency</li><li>Recycling and waste</li></ul>	<ul style="list-style-type: none"><li>Human rights and occupational health and safety</li><li>Access and culture</li><li>Climate change risk and resilience</li><li>Talent pipelines</li></ul>	<ul style="list-style-type: none"><li>Company website</li><li>Educational partnerships</li><li>Local outreach via donations and volunteerism</li><li>Planet Water partnership</li><li>Scholarships</li><li>Social media</li><li>Early in Career programs</li><li>Student internships</li></ul>		
REGULATORY AUTHORITIES	<ul style="list-style-type: none"><li>Governance and accountability</li><li>Ethics, integrity, and transparency</li><li>Occupational health and safety</li><li>Water stewardship</li></ul>	<ul style="list-style-type: none"><li>Energy and emissions</li><li>Recycling and waste</li><li>Product responsibility, safety, and quality</li><li>Human rights</li></ul>	<ul style="list-style-type: none"><li>Direct engagement</li><li>International Organization for Standardization (ISO) audits and permit application</li><li>Codes and standards body membership and participation</li></ul>		
BOARD OF DIRECTORS	<ul style="list-style-type: none"><li>Occupational health and safety</li><li>Product responsibility, safety, and quality</li><li>Access and culture</li><li>Employee attraction, development, and retention</li><li>Ethics, integrity, and transparency</li><li>Emergency preparedness and response</li><li>Sustainable innovation and digital transformation</li><li>Environmental compliance</li><li>Governance and accountability</li></ul>	<ul style="list-style-type: none"><li>Energy and emissions</li><li>Data security and privacy</li><li>Water stewardship</li><li>Community engagement and giving back</li><li>Recycling and waste</li><li>Climate change risk and resilience</li><li>Human rights</li><li>Sustainable sourcing</li><li>Public policy and advocacy</li></ul>	<ul style="list-style-type: none"><li>Quarterly board meetings</li><li>Quarterly and ad hoc committee meetings</li><li>Annual meeting</li><li>Mid-quarter CEO board letter</li></ul>		



# Material Topic Definitions

Environmental topic definitions	
<b>Climate change risk and resilience</b>	Forecasting and adapting to the risks posed by climate change, including severe weather events and increased scarcity of natural resources. Evaluating potential opportunities to mitigate climate impacts and increase resilience against risks.
<b>Energy and emissions</b>	Managing the energy consumption and greenhouse gas (GHG) emissions of our operations and value chain by increasing energy efficiency and adopting more renewable energy sources.
<b>Environmental compliance</b>	Complying with all relevant environmental legislation while managing operations that generate water, waste, air pollutants, or hazardous waste and any environmental liabilities associated with pollution, contamination, and the emission of toxic or carcinogenic substances.
<b>Product responsibility, safety, and quality</b>	Supporting the safe use of products and minimizing negative environmental impacts through all life-cycle stages. Minimizing risks to employees and customers by assessing health and safety impacts of products through auditing, marketing, labeling, and compliance checks.
<b>Recycling and waste</b>	Limiting the waste generated as a result of our operations, including employing appropriate programs to reduce waste and maximize recycling and reuse of materials.
<b>Sustainable sourcing</b>	Facilitating supply chain resiliency by tracking and evaluating supplier performance in local operating communities across social, environmental, ethics, and risk dimensions.
<b>Water stewardship</b>	Managing water as a shared community resource by monitoring our water use and wastewater discharge-related impacts. Implementing efforts to reduce consumption, especially in water-stressed areas.

Social topic definitions	
<b>Community engagement and philanthropy</b>	Fostering relationships with our communities through employee volunteering, corporate giving, and strategic relationships with nonprofit organizations.
<b>Access and culture</b>	Maintaining a high performance, value-driven culture that welcomes employees of all identities, backgrounds, and cultures. Fostering this culture through our strategic pillars, cultural behaviors, global performance management, and talent review frameworks. Aligning our policies and training to support this culture.
<b>Emergency preparedness and response</b>	Developing a plan of action to minimize the risk of potential emergencies in the workplace and having processes in place to minimize impacts of emergencies.
<b>Employee attraction, development, and retention</b>	Committing to and investing in employees by attracting, developing, and retaining a skilled workforce, including providing opportunities that enable skill development and professional growth.
<b>Human rights</b>	Identifying and managing the social risks (e.g., human rights violations) present in our supply chain. Affirming our commitment to the basic rights and freedoms of all peoples.
<b>Occupational health and safety</b>	Protecting the health and safety of employees and contractors while at work. Fostering a positive safety culture that places a high level of importance on shared safety beliefs, values, and attitudes.

Governance topic definitions	
<b>Data security and privacy</b>	Safeguarding data to protect the security, integrity, and confidentiality of our customer, supplier, and employee data, as well as using collected data responsibly and securely.
<b>Ethics, integrity, and transparency</b>	Operating with integrity and complying with relevant regulations and the highest standards of ethical and lawful conduct, including anti-bribery and corruption practices and whistleblower protections.
<b>Governance and accountability</b>	Adhering to established governance principles by providing risk management activities, ethical and environmental compliance, freedom of association and collective bargaining, and a management structure that allows for appropriate oversight, transparency, and fair executive compensation. Providing adequate governance and accountability for managing environmental, social, and governance (ESG) strategy and performance.
<b>Public policy and advocacy</b>	Engaging with policymakers and providing industry knowledge and experience that informs the development of relevant environmental and social policies and regulations.
<b>Sustainable innovation and digital transformation</b>	Investing in the development of technologies that enable process optimization and digitization and create competitive advantage.



# Membership of Organizations

Organization Name	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
24x7 Exchange	Americas	No	No	No	N/A
AFCOM	Americas	Yes	No	No	N/A
AIG ( Australian Industry Group )	Americas	Yes	No	No	N/A
Air-Conditioning, Heating & Refrigeration Institute	Americas	Yes	Yes	No	N/A
American Backflow Prevention Association	Americas	Yes	Yes, Aaron Insel	No	N/A
American Centers for Life Cycle Assessment	Americas	Yes	Yes	No	N/A
American Fire Sprinkler Association	Americas	Yes	No	No	N/A
American Rainwater Catchment Systems Association	Americas	No	Yes	No	N/A
American Society for Testing and Materials	Americas	Yes	Yes	No	N/A
American Society of Heating, Refrigerating and Air-Conditioning Engineers	Americas	Yes	Yes	No	N/A
American Society of Mechanical Engineers	Americas	Yes	Yes	No	N/A
American Society of Plumbing Engineers	Americas	Yes	Yes	Yes	~\$48,000
American Society of Sanitary Engineering	Americas	Yes	Yes	No	N/A
American Supply Association	Americas	Yes	Yes	Yes	~ \$15,000
American Water Works Association	Americas	Yes	Yes	No	N/A
Association for Smarter Homes & Buildings	Americas	Yes	No	No	N/A
Association of Home Appliance Manufacturers	Americas	Yes	No	No	N/A
Australian Backflow Association	Americas	Yes	No	No	N/A
Blue Flame Alliance	Americas	Yes	No	No	N/A
Building Industry Consulting Service International	Americas	Yes	Yes	No	N/A



Organization Name	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
Canadian Institute of Plumbing & Heating	Americas	Yes	Yes	No	N/A
Canadian Standards Association	Americas	No	Yes	No	N/A
Commercial Food Equipment Service Association	Americas	Yes	No	No	N/A
Council of Industry	Americas	Yes	No	No	N/A
Foodservice Consultants Society International	Americas	Yes	No	No	N/A
Foodservice Equipment Distributors Association	Americas	Yes	No	No	N/A
International Association of Plumbing and Mechanical Officials	Americas	Yes	Yes	Yes	~\$2,500
International Code Council	Americas	Yes	Yes	No	N/A
Irrigation Association	Americas	Yes	Yes	No	N/A
Manufacturers' Agents Association for the Foodservice Industry	Americas	Yes	Yes	No	N/A
Manufacturers Alliance for Productivity and Innovation	Americas	Yes	No	No	N/A
Manufacturers Standardization Society	Americas	Yes	Yes	No	N/A
Mechanical Contractors Association of America	Americas	Yes	No	No	N/A
National Fire Protection Association	Americas	Yes	No	No	N/A
National Fire Sprinkler Association	Americas	Yes	Yes	No	N/A
National Rural Water Association	Americas	Yes	No	No	N/A
North American Association of Food Equipment Manufacturers	Americas	Yes	No	No	N/A
NSF International (National Sanitary Foundation)	Americas	No	Yes	No	N/A
Plastic Pipe Institute	Americas	Yes	Yes	No	N/A
Plumbing and Drainage Institute	Americas	Yes	Yes	No	N/A
Plumbing-Heating-Cooling Contractors Association	Americas	Yes	No	No	N/A
Plumbing Manufacturers International	Americas	Yes	Yes	No	N/A
Product Stewardship Institute	Americas	Yes	No	No	N/A



Organization Name	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
SEMI	Americas	Yes	No	No	N/A
Thermal Environmental Comfort Association	Americas	Yes	No	No	N/A
U.S. Green Building Council	Americas	Yes	Yes	No	N/A
Underwriters Laboratories	Americas	No	Yes	No	N/A
United States Green Building Council	Americas	Yes	No	No	N/A
USC Foundation for Cross-Connection Control and Hydraulic Research	Americas	No	Yes	No	N/A
Water & Sewer Distributors of America	Americas	No	Yes	No	N/A
Water Quality Association	Americas	Yes	No	No	N/A
Western Regional Backflow Conference	Americas	No	Yes	No	N/A
3-A Sanitary Standards, Inc. <b>Dropped Membership</b>	Americas and Europe	No	Yes	No	N/A
ASHRAE Falcon Chapter, U.A.E (MEA)	Asia-Pacific, the Middle East, and Africa (APMEA)	Yes	No	Yes	United Arab Emirates Dirham (AED) 15,750 (Platinum Partner)
Association of Hydraulic Services Consultants Australia (AU)	APMEA	Yes	No	No	N/A
Australian Health Design Council (AU)	APMEA	Yes	No	No	N/A
Australian Industry Group (AIG)	APMEA	Yes	Yes	No	No
The Australian Industry Group (Legal)	APMEA	Yes	No	No	N/A
Australian Packaging Covenant Organisation (AU)	APMEA	Yes	No	No	N/A
Australian Water Association (AU)	APMEA	Yes	No	No	N/A
Backflow Prevention Group, Water System Branch, China Engineering and Consulting Association (CEDA)	APMEA	Yes	No	No	Chinese Yuan (CNY) 2,000
China Data Center Committee	APMEA	Yes	No	No	CNY 0
China Valve Industry Association	APMEA	Yes	No	No	CNY 3,000
Chongqing HVAC & Piping Installation Industry Association	APMEA	Yes	No	No	CNY 10,000



Organization Name	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
EL 20 Standards Committee	APMEA	No	Yes	No	N/A
Green Data Center Technology Committee	APMEA	Yes	No	No	CNY 10,000
Hydraulic Consultants Association (Australasia)	APMEA	Yes	No	No	N/A
ICPA Design and Planning Committee	APMEA	Yes	Yes	No	No
The Institute of Healthcare Engineering (AU)	APMEA	Yes	No	No	N/A
Legionella Management Advisory Group (LMAG)	APMEA	Yes	Yes	Yes	Australian Dollars (AUS) 5,000 (Strategic Partner)
Master Plumbers Association (AU)	APMEA	Yes	No	No	N/A
Master Plumbers (MP) Association (NZ)	APMEA	Yes	No	Yes	New Zealand Dollars (NZD) 12,000 (aznnual dues 10K; MP recommends 2K)
Ningbo Beilun Green Power Association (BLGPA)	APMEA	Yes	No	No	N/A
PPIG ( Plumbing Products Industry Group )	APMEA	Yes	No	No	N/A
Refrigerant Reclaim Australia	APMEA	Yes	No	No	N/A
Rosebank Business Association (NZ)	APMEA	Yes	No	No	N/A
SF-048 Australian Standards Committee	APMEA	Yes	Yes	No	No
Water New Zealand	APMEA	Yes	No	No	NZD 1,300
WS-001 Australian Standards Committee	APMEA	Yes	Yes	No	No
WS026 Australian Standards Committee	APMEA	No	Yes	No	N/A
Aicarr (Italian Association for HVAC, Heating)	Europe	Yes	Yes, Dario Ghisleni	No	N/A
Angaisa (Italian National Association for Plumbing)	Europe	Yes	No	No	N/A
Anima (Italian Mechanical Association for Industry)	Europe	Yes	No	No	N/A



Organization Name	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
Aqua Italia (Fluid Solutions Association)	Europe	Yes	No	No	N/A
Assotermica (Italian Thermotecnic Association)	Europe	Yes	No	No	N/A
ATTB (Associate Thermische Technieken België)	Europe	Yes	No	No	N/A
AVR (Italian Association of Valves and Taps Manufacturers)	Europe	Yes	No	No	N/A
BDH (Federation of German Heating Industry)	Europe	Yes	No	No	N/A
BFV (Bundesverband Flächenheizungen und Flächenkühlungen e.V.)	Europe	Yes	No	No	N/A
Confindustria Monza e Brianza (Italian Association of Industry)	Europe	Yes	No	No	N/A
Confindustria Trento (Industry for Trento region)	Europe	Yes	No	No	N/A
CTI (Italian ThermoTechnical Association)	Europe	Yes	No	No	N/A
DDA (Dutch Data Center Association)	Europe	Yes	No	No	N/A
Distretto Trentino Tecnologico (Area Trento District for Technology)	Europe	Yes	No	No	N/A
EVOLIS	Europe	Yes	No	No	N/A
GCCP (Genie Climatique Couverture-Plomberie)	Europe	Yes	No	No	N/A
ODE (Heating Networks Flanders)	Europe	Yes	No	No	N/A
Opentherm Association	Europe	Yes	No	No	N/A
Syndicat ACR (ancien MTA concept)	Europe	Yes	No	No	N/A
TMP (Technical Association for Plastic Material)	Europe	Yes	No	No	N/A
UNCP-FFB (Federation Francaise du Batiment)	Europe	Yes	No	No	N/A
UNI (Italian Standard Unification)	Europe	Yes	No	No	N/A
Uniclima	Europe	Yes	No	No	N/A
VIZ - Verband der Installations-Zulieferbetriebe	Europe	Yes	No	No	N/A
WBT (Werkgroep Beveiligingstoestellen) — consultative institution for KIWA	Europe	Yes	No	No	N/A
The Water Council (TWC) (Global)		Yes	No	No	N/A



# Environmental Data

## Carbon Footprint

2024 Consumption		2024 Emissions (MTCO <sub>2</sub> e)	2023 Consolidated Emissions (MTCO <sub>2</sub> e)	2023 Legacy Emissions (MTCO <sub>2</sub> e)
Scope 1				
Generation of Electricity, Heat, or Steam (kWh)	55,022,698	10,293	11,091	9,760
Transportation (Liters)	143,160	419	365	365
	Total Scope 1:	10,712	11,456	10,125
Scope 2: Location-Based				
Electricity (kWh)	65,771,162	18,331	19,577	15,836
	Total Scope 2 Location-Based:	18,331	19,577	15,836
Scope 2: Market-Based				
Electricity (kWh)	65,771,162	18,560	19,037	15,354
Renewable Energy Credits (RECs) (kWh)	27,997,664	-8,125	-7,230	-7,230
	Total Scope 2 Market-Based:	10,435	11,807	8,124
Scope 3				
Business Travel (Air Miles)	15,108,094	5,138	5,640	5,640
	Total Scope 3:	5,138	5,640	5,640
Total Scope 1, 2 (Location-Based), & 3		34,181	36,673	31,601
Scope 1 + 2 (Location-Based) Total		29,043	29,952	25,961
Scope 1 + 2 (Location-Based) Intensity (MTCO <sub>2</sub> e/\$M)		12.90	13.25	12.83
Total Scope 1, 2 (Market-Based), & 3		27,147	31,321	23,889
Scope 1 + 2 (Market-Based) Total		21,147	23,263	18,249
Scope 1 + 2 (Market-Based) Year-Over-Year (YOY) Reduction (%)		-9%*****	--	-7.3
Scope 1 + 2 (Market-Based) Intensity (MTCO <sub>2</sub> e/\$M)		9.39	10.29	9.02
YOY Scope 1+ 2 (Market-Based) Intensity Reduction		-9%*****	--	--

\*Includes natural gas, diesel, fuel oil, propane, acetylene, and propylene.

\*\*Includes fleet gasoline, fleet diesel, and propane mobile.

\*\*\*For the second goal period (2024 – 2026), the environmental data for baseline year 2023 was rebaselined to include Bradley and Josam for a total of 40 sites to track goal progress.

\*\*\*\*In 2023, we did not track business travel data for Bradley and Josam.

\*\*\*\*\*YOY reduction is compared to the 2023 consolidated data.



Historical Greenhouse Gas (GHG) Emissions

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Scope 1: Natural Gas, Diesel, Propane, Acetylene, Propylene (MTCO <sub>2</sub> e)									
North America	8,168	9,598	10,092	9,241	8,045	7,629	7,855	7,667	7,917
Europe	3,134	3,203	3,191	3,369	3,208	3,262	3,465	3,965	3,102
Asia-Pacific, the Middle East, and Africa (APMEA)	3	3	3	3	3.14	1.27	26.31	31	6
Scope 1: Company Cars (MTCO <sub>2</sub> e)									
Europe <i>*Sites: Biassono, Dattenberg, Hautvillers, Landau, Moirans, Sorgues, St. Neots, Vildbjerg, Virey</i>								182	305
Total Scope 1 Emissions								11,845	11,330
Scope 2: Electricity Location-Based (MTCO <sub>2</sub> e)									
North America	20,040	18,477	16,419	16,719	15,353	13,589	10,488	10,993	11,158
Europe	6,529	6,323	6,604	6,686	6,461	6,680	4,628	4,495	3,950
APMEA	1,884	1,890	2,147	2,280	2,416	2,307	1,768	1,995	1,175
Total Scope 2 Location-Based GHG Emissions (MTCO <sub>2</sub> e)								17,483	16,282
Scope 1 + 2 (Location-Based) Total								29,328	27,613
Scope 1 + 2 (Location-Based) Intensity (MTCO <sub>2</sub> e/\$M)								16.21	13.95
Scope 2: GHG Emissions (Market-Based; MTCO <sub>2</sub> e)									
North America								14,184	10,665
Europe								4,223	3,761
APMEA								1,995	1,175
RECs								-6,174	-7,374
Total Scope 2 Market-Based GHG Emissions (MTCO <sub>2</sub> e)								14,228	8,227
Scope 1 + 2 (Market-Based) Total*								26,073	19,251
Scope 1 + 2 (Market-Based) YOY Reduction (%)									-26
Scope 1 + 2 (Market-Based) Intensity (MTCO <sub>2</sub> e/\$M)								14.41	9.73
Scope 1 + 2 (Market-Based) Intensity YOY Reduction (%)									-32
Scope 3: Business Air Travel Emissions (MTCO <sub>2</sub> e)									
North America	2,241	3,056	4,263	4,417	5,397	5,065	1,049	1,044	3,053
Europe						185	21	5	100
Total Business Air Travel Emissions								1,049	3,153
Watts Global Total Emissions (MTCO <sub>2</sub> e) – Using Scope 2 Market-Based								27,122	22,710



2024 GHG Emissions Intensity Ratio

Scopes Included in Numerator:	Scope 1 & 2 (Market-Based)	Scope 1 & 2 (Location-Based)
Numerator:	21,147 MTCO <sub>2</sub> e	29,043 MTCO <sub>2</sub> e
Denominator:	2,252.2 USD per million	2,252.2 USD per million
Ratio:	9.39 MT/\$M	12.9 MT/\$M

Change in 2024 Total GHG Emissions vs. Baseline

	Baseline Emissions Metric Tons CO <sub>2</sub> e (Consolidated 2023)	2024 Emissions Metric Tons CO <sub>2</sub> e	% Change of Total Emissions
Total Scope 1, 2 (Location-Based), & 3	36,673	34,181	-7%
Total Scope 1, 2 (Market-Based), & 3	31,321	26,285	-16%

Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions\* (MT)

	2023	2024
SOx	0.00705646	0.00416
Volatile Organic Compounds (VOCs)	6.63924	6.43
Hazardous Air Pollutants (HAPs)	3.95452	3.16
Particulate Matter (PM)	0.0479803	0.0450
Regulated Toxic Air Pollutants (RTAPs)	5.33	4.15

\*Data included is for the largest factory in the Americas, Franklin, NH, USA, that reports a portion of these parameters annually due to the Foundry operations.



Energy Consumption

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (Legacy)	2023 (Consolidated)	2024
Total Fuel Consumption (Nonrenewable Sources)												
Electricity (kWh)	78,888,704	75,679,370	71,583,480	72,681,696	67,933,680	62,568,448	61,309,093	65,085,079	61,486,848	58,322,231	66,528,522	65,771,162
From RECs								14,959,799	26,562,408	25,991,453	25,991,454	27,997,664
Natural Gas (M3)	5,729,747	6,454,121	6,716,075	6,368,092	5,697,142	5,546,331	5,753,167	5,839,721	5,511,643	4,862,298	5,493,365	5,097,050
Propane (Liter) Includes forklift usage	132,452	204,171	203,614	196,826	160,095	123,110	133,562	169,793	198,464	169,000	249,648	268,176
Diesel (Liter) Includes fuel oil	81,745	74,710	50,281	63,548	52,160	30,303	18,554	32,408	19,733	28,579	44,022	22,075
Diesel & Gasoline – Fleet (Liter)									126,609	117,689	146,000	156,207
Acetylene (M3)	2,946	4,300	2,889	402	311	113	13	36	15	30	98	3.17
Propylene (Liter)	89	0	7,735	10,847	9,780	15,357	11,844	23,619	17,783	4,723	4,723	6,407
Total Fuel Consumption (Renewable Sources):												
On-site solar at Ningbo, Plovdiv										676,910	676,910	1,462,000
Total Energy (MWh)	141,600	146,600	145,000	142,500	130,200	127,647	123,593	129,856	121,873	111,714	126,729	122,555
YOY Energy Reduction									-7,983	-10,159	--	-4,174
Energy Eco-Efficiency (MWh/\$1M)	93.55	99.88	103.69	97.82	83.20	79.75	81.93	71.78	61.55	55.22	--	54.42



Water Usage (ML)

	2023 (Legacy)	2023 (Consolidated)	2024*
Total Withdrawal (All Areas)	108.28	119.78	119.14
Surface Water	105.94	117.44	119.14
Freshwater (≤1,000 mg/L Total Dissolved Solids)	105.94	117.44	119.14
Groundwater	2.34	2.34	N/A
Freshwater (≤1,000 mg/L Total Dissolved Solids)	2.34	2.34	N/A
Total Withdrawal (Water-Stressed Areas)	43.83	43.83	47.1
Surface Water	41.49	41.49	47.1
Groundwater	2.34	2.34	N/A
Freshwater (≤1,000 mg/L Total Dissolved Solids)	2.34	2.34	N/A
Total Water Discharge (All Areas)	108.28	119.78	119.14
Surface Water	105.94	117.44	119.14
Groundwater	2.34	2.34	N/A
Total Water Discharge (Water-Stressed Areas)	43.83	43.83	47.1
Total Discharge by Freshwater and Other Water (All Areas)	108.83	119.78	119.14
Municipally Sourced	108.83	119.78	119.14
Total Water Discharge by Freshwater and Other Water (Water-Stressed Areas)	43.83	43.83	47.1
Freshwater (≤1,000 mg/L Total Dissolved Solids)	43.83	43.83	47.1
Total Water Consumption (All Areas)	108.28	119.78	119.14
Total Water Consumption (Water-Stressed Areas)	43.83	43.83	47.1
Water Eco-Efficiency (M3/\$M)	53.53	53.00	52.90

\*Stressed watershed regions in 2024 based on the World Resources Institute (WRI) Aqueduct Map & Annual Usage: Burlington, Dubai, Eerbeek, Sydney, Fort Worth, Monastir, Ningbo, Nogales, Plovdiv, Sparks, Shanghai, Wingene, and Menomonee Falls.

Historical Water Usage

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Withdrawals: Municipal Supply (Liters)	201,586,525	184,394,341	200,065,018	198,634,913	222,138,840	193,812,312	130,334,449	111,903,727	105,000,652
Consumption (Liters)									
Asia-Pacific (APAC)	38,902,000	37,823,510	44,143,000	54,124,000	80,650,162	34,444,473	10,673,627	11,646,713	10,453,282
Europe	44,805,180	40,990,760	43,137,540	45,974,842	43,250,378	41,960,837	42,126,405	29,727,807	27,307,591
North America	117,879,345	105,580,071	112,784,478	98,536,071	98,238,300	116,406,941	77,534,417	70,529,207	67,239,779
Discharges: Municipal Treatment (Liters)	201,586,525	184,394,341	200,065,018	198,634,913	222,138,840	193,812,312	130,334,449	111,903,727	105,000,652
Water Eco-Efficiency (M3/\$M)	133.17	125.63	143.07	136.36	141.95	121.09	86.39	61.85	53.04



Waste by Composition (MT)

2023				2024		
	Waste Generated	Waste Diverted From Disposal	Waste Directed to Disposal	Waste Generated	Waste Diverted From Disposal	Waste Directed to Disposal
Metal	4,965	4,965	--	5,000	5,000	--
Plastic	222	222	--	166	166	--
Electronics	12	12	--	10	10	--
Cardboard	588	588	--	311	311	--
Wood	1,069	401	668	108	108	--
Solid Waste	496	--	496	100	100	--
Nonhazardous Waste	3,256	--	3,256	3,002	--	3,002
Hazardous Waste	1,737	--	1,717	1,466	--	1,446
Comingled Recycling	29	29	--	--	--	--
Glass	0	0	--	--	--	--
Organics	4	4	--	--	--	--
Paper	17	17	--	--	--	--
Total	12,377	6,240	6,137	10,163	5,695	4,448
% of Waste Prevented			50.41%	46.83%		



Waste Diversion and Disposal by Recovery and Disposal Operation (MT)

2023			2024	
	Off-Site	Percent	Off-Site	Percent
Hazardous Waste				
Incineration (With Energy Recovery)	38	57%	41	57%
Incineration (Without Energy Recovery)	14	20%	17	20%
Landfilling	12	18%	10	18%
Other Disposal Operations (Stablization-Landfill)	4	5%	4	5%
Preparation for Reuse	N/A	N/A	N/A	N/A
Recycling	N/A	N/A	N/A	N/A
Other Recovery Operations	N/A	N/A	N/A	N/A
Total*	68	100%	72	100%
Nonhazardous Waste				
Landfilling	1,974	85%	2,600	87%
Other Recovery	213	9%	240	8%
Other Treatment	118	5%	120	4%
Discharge to Sewer	7	0.3%	9.3	0.3%
Incineration	2	0.1%	3.1	0.3%
Energy Recovery	2	0.1%	3.1	0.1%
Other	2	0.1%	15.5	0.5%
Total**	2,319	100%	3,002	100%

\*Represents 89% of hazardous waste generated in the Americas.

\*\*Represents 99% of nonhazardous waste generated in the Americas.



Waste Diversion and Disposal by Recovery and Disposal Operation (MT)

	2014	2015	2016	2017	2018	2019	2020	2021	2022
APAC	0	0	2,780	5,770	16,690	17,100	18,600	12,000	5,280
Europe	1,558,425	1,488,420	1,260,119	1,563,147	1,878,784	1,933,648	2,214,848	1,950,894	1,890,974
North America	372,316	313,835	198,142	162,725	167,407	151,351	121,422	188,541	410,839
Total	1,930,741	1,802,255	1,461,041	1,731,642	2,062,881	2,102,099	2,354,870	2,151.435	2,307,093
Hazardous Waste Eco-Efficiency (KG/\$M)	1,276	1,228	1,045	1,189	1,318	1,307	1,561	1,189	1,165

Historical Total Waste (KG)

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Waste (Hazardous & Nonhazardous)									4,390,554
Hazardous Waste	1,930,741	1,802,255	1,461,041	1,731,642	2,062,881	2,102,099	2,354,870	2,151,435	2,307,093
Nonhazardous Waste									2,083,461
Recycling & Reuse									
Metal Scraps and Chips Recycling							5,609,820	7,325,843	3,446,329
Plastic Regrind Reuse							105,041	122,320	85,695
Global Electronic Waste Recycling							3,507	7,888	8,591

Historical Waste Directed to Disposal

2022		
Disposal Type	Weight (MT)	Percent (%)
Landfill	342	83%
Stablization – Landfill	21	5%
Other – Treatment	15	4%
Other – Physical Treatment	14	3%
Incineration-Energy Recovery	9	2%
Incineration	9	2%
Total Waste Directed to Disposal	410	99%



New Suppliers Screened Using Environmental Criteria

Year	Total Number of New Suppliers	Number of New Suppliers Screened Using Environmental Criteria	% of New Suppliers Screened Using Environmental Criteria
2023	33	33	100%
2024	82	82	100%

U.S. Environmental Protection Agency (EPA) Toxic Release Inventory Reporting – U.S. Sites Only (KG)

	2018	2019	2020	2021	2022	2023	2024	Percent Improvement (2018-2023)
Total Toxics Reported	1,441,860	1,177,637	1,114,393	1,117,575	977,064	969,622	Reporting due July 2025	32%
Total Toxics Recycled	1,441,142	1,144,009	1,079,051	1,062,732	929,096	923,263	Reporting due July 2025	36%

Annual Compliance Procedures

Sites	NPDES (Stormwater)	POTW/Categorical	TRI/EPCRA	Tier II/EPCRA	State Air Permit	RCRA
A15 – Export	●			●		
A23 – Fort Myers	●					
A12 – Nogales						
A18 – San Antonio	●			●	●	
A10 – St Pauls	●		●	●		
V – Vernon						
DR02 – Spindale	●					
A05 – Woodland	●	●	●	●	●	●
A01 – Franklin	●	●	●	●	●	●
D01 – Franklin						
D05 – Sparks	●			●		
D20 – Groveport						
Blauvelt	●	●	●	●	●	
Fort Worth	●	●	●	●	●	●
Nigbo						
Apex						



Environment, Health, and Safety Audits

No.	Plant	Country	Region	Audit Scope	Audit Type	Status
1	Blauvelt	USA	HHWS	General Safety	External	Completed
2	Blauvelt	USA	HHWS	Environmental	External	Completed
3	Enware	Australia	APMEA	ISO 45001	External	Completed
4	Fort Myers	USA	HHWS	Environmental	Internal	Completed
5	Fort Myers	USA	HHWS	General Safety	Internal	Completed
6	Fort Myers	USA	HHWS	ISO 14001	External	Completed
7	Fort Worth	USA	HHWS	Environmental	External	Completed
8	Fort Worth	USA	HHWS	General Safety	External	Completed
9	Fort Worth	USA	HHWS	Environmental	Internal	Completed
10	Fort Worth	USA	HHWS	General Safety	Internal	Completed
11	Germantown	USA	Bradley	General Safety	Internal	Completed
12	Hauvillers	France	Europe	General Safety	Internal	Completed
13	Hauvillers	France	Europe	French Compliance	External	Completed
14	Landau	Germany	Europe	General Safety	Internal	Completed
15	Michigan City	USA	Josam	General Safety	External	Completed
16	Michigan City	USA	Josam	Environmental	External	Completed
17	Michigan City	USA	Josam	General Safety	Internal	Completed
18	Moirans	France	Europe	General Safety	Internal	Completed
19	Moirans	France	Europe	French Compliance	External	Completed
20	Monastir	Tunisia	Europe	General Safety	Internal	Completed
21	Monomonee	USA	Bradley	General Safety	Internal	Completed
22	Ningbo	China	APMEA	General Safety	Internal	Completed
23	Ningbo	China	APMEA	ISO 14001	External	Completed
24	Ningbo	China	APMEA	ISO 45001	External	Completed
25	No. Andover	USA	Americas	General Safety	Internal	Completed
26	No. Andover	USA	Americas	ISO 45001	External	Completed
27	No. Andover	USA	Americas	ISO 14001	External	Completed
28	Nogales	Mexico	Americas	ISO 45001	External	Completed
29	Nogales	Mexico	Americas	General Safety	Internal	Completed
30	Plovdiv	Bulgaria	Europe	ISO 14001	External	Completed
31	Plovdiv	Bulgaria	Europe	ISO 45001	External	Completed
32	Rosieres	France	Europe	General Safety	Internal	Completed

No.	Plant	Country	Region	Audit Scope	Audit Type	Status
33	Rosieres	France	Europe	ISO 14001	External	Completed
34	Rosieres	France	Europe	French Compliance	External	Completed
35	Sorgues	France	Europe	ISO 14001	External	Completed
36	Sorgues	France	Europe	French Compliance	External	Completed
37	Sorgues	France	Europe	ISO 45001	External	Completed
38	Sorgues	France	Europe	General Safety	Internal	Completed
39	Spindale	USA	Americas	General Safety	Internal	Completed
40	St Neots	England	Europe	ISO 14001	External	Completed
41	St Neots	England	Europe	ISO 45001	External	Completed
42	St. Pauls	USA	Americas	General Safety	Internal	Completed
43	St. Pauls	USA	Americas	ISO 14001	External	Completed
44	St. Pauls	USA	Americas	Environmental	External	Completed
45	Vildbjerg	Denmark	Europe	ISO 14001	External	Completed
46	Vildbjerg	Denmark	Europe	General Safety	Internal	Completed
47	Virey	France	Europe	ISO 14001	External	Completed
48	Virey	France	Europe	ISO 45001	External	Completed
49	Virey	France	Europe	French Compliance	External	Completed
50	Virey	France	Europe	General Safety	Internal	Completed
51	Woodland	USA	Americas	Environmental	External	Completed
52	Woodland	USA	Americas	Stormwater	External	Completed
53	Woodland	USA	Americas	General Safety	Internal	Completed

Total Audits in 2024		53
No. of Internal		21
No. of External		32
ISO 14001		10
ISO 45001		8
Safety		22
Environmental		8
Multimedia		5

*\*Audits scopes and schedules are updated annually and are based on multiple criteria, including (1) regulatory obligations, (2) management sytem (ISO) obligations, (3) company risk-based assessments, and (4) a repretative sampling of the global portfolio.*



# Social Data

## New Employee Hires & Rate

New Employee Hires (#)							New Employee Hire Rate (%)					
	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
Total	738	780	652	573	213	328						
New Associate Hires by Region												
Americas	490	490	435	364	141	203	66%	63%	67	64%	66%	62%
Europe	170	238	177	172	40	92	23%	31%	27%	30%	19%	28%
APMEA	78	52	40	37	32	33	11%	7%	6%	6%	15%	10%
New Associate Hires by Gender												
Female	209	297	223	169	61	102	28%	38%	34%	29%	29%	31%
Male	523	482	429	404	152	225	71%	62%	66%	71%	71%	69%
Not Specified	6	1	0	0	0	1	1%	0	0	0	0	0
New Associate Hires by Age Group												
Under 30 Years Old	228	258	196	168	65	88	31%	33%	30%	29%	31%	27%
30 – 50 Years Old	341	352	319	285	102	175	46%	45%	49%	50%	48%	53%
Over 50 Years Old	119	116	119	117	45	60	16%	15%	18%	2%	21%	18%



Employee Turnover & Rate

Employee Turnover							Employee Turnover Rate					
	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
Total	1,015	1054	855	853	783	851						
Voluntary	619	632	616	642	430	559	61%	60%	72%	75%	55%	66%
Involuntary	396	422	239	211	353	292	39%	40%	28%	25%	45%	34%
Turnover by Region (%)												
Americas	629	614	527	566	493	502	62%	58%	62%	66%	63%	59%
Europe	313	357	259	206	208	258	31%	34%	30%	24%	27%	30%
APMEA	73	83	69	81	82	91	7%	8%	8%	9%	10%	11%
Turnover by Gender (%)												
Female	352	351	285	278	237	259	35%	33%	33%	33%	30%	30%
Male	659	702	568	574	546	588	65%	67%	66%	67%	70%	69%
Not Specified	4	1	2	1	0	4	0%	0%	0%	0%	0%	0%
Turnover by Age Group (%)												
Under 30 Years Old	251	233	204	213	166	202	25%	22%	24%	25%	21%	24%
30 – 50 Years Old	429	389	367	394	327	353	42%	37%	43%	46%	42%	41%
Over 50 Years Old	309	327	267	237	269	257	30%	31%	31%	28%	34%	30%



Parental Leave\*

	2024	2023	2022
Total Number of Employees That Were Entitled to Parental Leave	2,476	806	576
Male	1,776	562	417
Female	700	244	159
Not Specified	N/A	N/A	N/A
Total Number of Employees That Took Parental Leave	50	18	18
Male	37	14	15
Female	13	4	3
Not Specified	N/A	N/A	N/A
Total Number of Employees That Returned to Work in the Reporting Period After Parental Leave Ended	42	13	18
Male	37	10	15
Female	5	3	3
Not Specified	N/A	N/A	N/A
Total Number of Employees That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return to Work	2	2	14
Male	2	2	11
Female	0	0	3
Not Specified	N/A	N/A	N/A
Return to Work and Retention Rates of Employees That Took Parental Leave (%)			
Male	100%	100%	73%
Female	93.60%	100%	100%
Not Specified	N/A	N/A	N/A

\*2023 and 2024 data only captures U.S. and APMEA; 2022 data is United States only and was not tracked prior to 2022.



Work-Related Injury Metrics\*

	2024**	2023	2022	2021	2020	2019
Number of Fatalities	0	0	0	0	0	0
Number of Hours Worked	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Fatality Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00
Number of High-Consequence Work-Related Injuries (Excluding Fatalities)	18	24	25	25	29	48
Number of Hours Worked	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
High-Consequence Work-Related Injuries Rate (Excluding Fatalities) (%)	0.34	0.49	0.52	0.52	0.65	1.01
Number of Recordable Incidents	23	21	28	34	36	45
Number of Hours Worked	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Total Recordable Incidents Rate (TRIR) (%)	0.44	0.43	0.58	0.7	0.81	0.94

\*Reported rates are based on 200,000 hours worked and include both employees and temporary workers combined (no distinction) for the global organization.

\*\*Injuries and hours include Bradley, which were not included in the 2023 report.

Work-Related Ill Health Metrics\*

	2024**	2023	2022	2021	2020	2019
Number of Fatalities	0	0	0	0	0	0
Number of Hours Worked	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Fatality Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00
Number of High-Consequence Work-Related Injuries (Excluding Fatalities)	0	0	0	2	1	0
Number of Hours Worked	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
High-Consequence Work-Related Injuries Rate (Excluding Fatalities) (%)	0.00	0.00	0.00	0.04	0.02	0.00
Number of Recordable Incidents	0	0	1	1	1	1
Number of Hours Worked	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Total Recordable Incidents Rate (TRIR) (%)	0.00	0.00	0.02	0.02	0.02	0.02

\*Reported rates are based on 200,000 hours worked and include both employees and temporary workers combined (no distinction) for the global organization.

\*\*Illnesses and hours included Bradley, which were not included in the 2023 report.



Training & Development

Training (Total Hours)					Training (Average Hours)			
	2024*	2023	2022	2021	2024*	2023	2022	2021
By Gender								
Female	3,228	14,755	14,015	5,854	1.00	5.5	5.04	2.03
Male	1,636	8,017	8,291	2,757	1.00	4.5	5.19	1.67
Not Specified	2,912	25	107	102	--	4.16	0.58	1.85
Total	7,776	22,797	22,413	8,713	1.6	5.13	4.92	1.9
By Employee Category (Americas & APMEA)								
Senior Level	80	678	515	313.5	1.8	7.5		
Middle Level	908	4,641	2,611	996	1.4	8.8		
Entry Level	6,788	17,478	7,039	2,281	1.6	4.6		
Total	7,776	22,797	10,165	3,590.5	1.6	5.13		

\*Reported 2024 training hours only reflect logged hours from learning programs tracked in our Learning Management System (LMS) and do not include hours tracked in manual reports. Prior to 2024, training hours were tracked both in our LMS and through manual reports, including (1) local learning initiatives managed by individual sites, teams, or managers; (2) trainings conducted by manufacturing, sales, or engineering enablement teams; and (3) regional programs in our APMEA and EU regions. Moving forward, we will continue to work on consolidating tracking and training within our LMS.

Regular Performance & Career Development Reviews (%)

	2024	2023	2022	2021	2020	2019
By Gender						
Female	70%	67.70%	67.30%	67.40%	67.70%	67.20%
Male	30%	33.30%	32.70%	32.60%	32.30%	32.80%
Not Specified	0%	N/A	N/A	N/A	N/A	N/A
By Employee Category						
Senior Level	3%	1.50%	1.60%	1.80%	1.90%	2.10%
Middle Level	16%	26.60%	26.40%	26.50%	25.90%	26.50%
Entry Level	81%	71.90%	72.10%	71.80%	72.20%	71.50%
Total	100%	100%	100%	100%	100%	100%
By Region						
Americas	100%	99.06%	99.78%	98.82%	97%	
Europe	100%	99.64%	100%	97.01%	97%	
APMEA	100%	100%	100%	100%	99%	



# Employee Profile

## Global

2021				2022				2023				2024				
	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive
Gender																
Female	36%	29%	20%	14%	36.82%	38.93%	22.85%	21.21%	37.62%	39.67%	24.96%	23.53%	34.89%	36.63%	25%	16.67%
Male	64%	71%	80%	86%	63.14%	61.02%	77.15%	78.90%	62.36%	60.31%	75.04%	78.47%	64.84%	63.07%	75%	83.30%
Other					0.04%	0.5%	0%	0%	0.02%	0.02%	0%	0.02%	0.27%	0.31%	0%	0%
Age Group																
Under 30 Years Old									11.72%	13.09%	3.44%	0%	10.61%	12.07%	1.53%	0%
30 – 50 Years Old									51.31%	51.08%	54.73%	17.65%	50.13%	49.24%	55.06%	22.73%
Over 50 Years Old									36.97%	35.82%	41.82%	85.35%	39.26%	37.96%	42.94%	77.27%

## United States Only — Gender

2021		2022		2023		2024	
	Entire Company	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor
Female	27%	19%	28.36%	29.52%	22.94%	29.20%	29.82%
Male	73%	81%	71.59%	77.06%	77.06%	70.74%	70.12%
Other			0.05%	0.06%	0.00%	0.05%	0.07%



All U.S. Employees Ethnicity Breakdown

2021				2022			2023			2024		
	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management
American Indian/Alaskan Native	1.90%	0.00%	0.00%	1.66%	1.96%	0.29%	1.55%	1.78%	0.56%	1.56%	1.74%	0.74%
Asian	4.30%	4.10%	9.90%	4.63%	4.15%	6.76%	5.50%	5.41%	5.88%	5.60%	5.48%	6.14%
Black/African American	9.70%	6.20%	2.90%	9.83%	11.00%	6.47%	9.77%	11.15%	3.92%	10.89%	12.49%	3.44%
Hispanic/Latino	15.80%	12.90%	5.80%	16.29%	17.38%	11.18%	15.91%	16.95%	11.48%	14.67%	15.97%	8.60%
Native Hawaiian or Other Pacific Islander	0.30%	0.20%	0.30%	0.21%	0.13%	0.59%	0.11%	0.07%	0.28%	0.13%	0.11%	0.25%
Two or More Races	1.30%	1.50%	1.20%	1.14%	1.26%	0.59%	1.23%	1.39%	0.56%	1.30%	1.48%	0.49%
White	65.80%	72.90%	79.00%	63.22%	61.06%	73.24%	62.95%	60.36%	73.95%	62.98%	60.04%	76.66%
Other	0.90%	1.40%	90.00%	3.01%	3.24%	3.24%	1.07%	0.99%	1.40%	1.35%	1.27%	1.72%
Blank							1.92%	1.91%	1.96%	1.52%	1.42%	1.97%

Head Count by Country

	2021	2022	2023	2024
Australia	31	25	27	121
Belgium	43	47	47	47
Bulgaria	249	231	193	183
Canada	163	162	162	153
China	210	180	185	189
Denmark	328	314	293	313
Finland	5	5	4	4
France	689	666	617	591
Germany	220	227	218	206
Italy	225	234	229	230
Mexico	14	15	17	14
Netherlands	16	15	14	15
New Zealand	44	46	42	51

	2021	2022	2023	2024
Norway	9	8	8	7
Poland	14	15	16	15
Republic of Korea	1	1	0	0
Russian Federation	1	1	0	0
Saudi Arabia	0	0	0	3
Singapore	0	0	0	1
Spain	14	15	15	14
Sweden	23	22	19	18
Tunisia	352	381	400	287
United Arab Emirates	18	21	22	23
United Kingdom	43	43	41	40
United States of America	1,873	1,922	1,873	2,304
Total	4,585	4,596	4,442	4,829



Percent of Head Count by Region

	2021	2022	2023	2024
Americas	44.8%	45.8%	46.4%	51.3%
Europe	48.8%	48.6%	47.8%	41.0%
APMEA	6.4%	5.6%	5.8%	7.7%
Total	100%	100%	100%	100%

Contract Type by Gender\*

	2021	2022	2023	2024
Full Time	4,505	4,503	4,344	4,713
Male	2,868	2,876	2,737	3,090
Female	1,582	1,625	1,606	1,614
Blank	55	2	1	9
Part Time	80	93	98	116
Male	15	26	33	41
Female	65	67	65	71
Blank	0	0	0	4
Permanent	N/A	N/A	N/A	4,768
Male	N/A	N/A	N/A	3,097
Female	N/A	N/A	N/A	1,663
Blank	N/A	N/A	N/A	8
Temporary	N/A	N/A	N/A	61
Male	N/A	N/A	N/A	34
Female	N/A	N/A	N/A	22
Blank	N/A	N/A	N/A	5
Total	4,585	4,596	4,442	4,829

\*In 2024, we added Permanent and Temporary categories. However, historical data is unavailable due to acquisitions.

Contract Type by Region\*

	2021	2022	2023	2024
Regular	4,522	4,536	4,383	4,768
Americas	2,029	2,083	2,036	2,458
Europe	2,200	2,194	2,087	1,941
APMEA	293	259	260	369
Temporary	63	60	59	61
Americas	25	23	23	20
Europe	37	37	36	38
APMEA	1	0	0	3
Full Time	N/A	N/A	N/A	4,713
Americas	N/A	N/A	N/A	2,450
Europe	N/A	N/A	N/A	1,896
APMEA	N/A	N/A	N/A	367
Part Time	N/A	N/A	N/A	116
Americas	N/A	N/A	N/A	28
Europe	N/A	N/A	N/A	83
APMEA	N/A	N/A	N/A	5
Total	4,585	4,596	4,442	4,829

\*In 2024, we added Full Time and Part Time categories. However, historical data is unavailable due to acquisitions.



Region by Contract Type & Gender

	2021	2022	2023	2024
Americas	2,054	2,106	2,059	2,478
Regular	2,029	2,083	2,036	2,458
Male	1,483	1,499	1,450	1,779
Female	546	583	585	677
Unspecified	N/A	1	1	2
Temporary	25	23	23	20
Male	15	17	13	13
Female	10	6	10	5
Unspecified	0	0	0	2
APMEA	294	259	260	372
Regular	293	259	260	369
Male	168	148	151	230
Female	125	111	103	139
Temporary	1	0	0	3
Female	1	0	0	0
Male	0	0	0	3
Europe	2,237	2,231	2,123	1,979
Regular	2,200	2,194	2,087	1,941
Male	1,207	1,220	1,140	1,088
Female	952	973	947	847
Unspecified	41	1	0	6
Temporary	37	37	36	847
Male	10	18	16	18
Female	13	19	20	17
Blank	14	0	0	3

Percentage of Head Count by Age Group

	2023	2024
Under 30 Years Old	10.9%	10.6%
30 – 50 Years Old	50.3%	50.1%
Over 50 Years Old	38.8%	39.3%
Total	100%	100%



United States Only – Military Vets by Classification

	2022			2023			2024		
	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management
Retired	1.77%	1.77%	1.77%	1.76%	1.72%	1.96%	0.9%	1.0%	0.5%
Newly Separated	0.94%	0.95%	0.88%	1%	0.92%	1.40%	0.8%	0.7%	1.1%
Inactive Reserve	0.78%	0.63%	1.47%	0.75%	0.66%	1.12%	0.6%	0.4%	1.4%
Special Disabled	0.36%	0.44%	0.00%	0.32%	0.40%	0.00%	0.4%	0.4%	0.3%
Vietnam Era	0.16%	0.19%	0.00%	0.16%	0.20%	0.00%	0.2%	0.2%	0.0%
Active Reserve	0.10%	0.00%	0.59%	0.11%	0.00%	0.56%	0.1%	0.1%	0.5%
No Military Service	5.25%	5.18%	5.59%	4.80%	4.61%	5.60%	4.4%	4.3%	4.9%
Not Indicated	90.64%	90.84%	89.71%	91.5%	91.5%	89.4%	92.6%	92.9%	91.4%



# Governance Data

## Training on Anti-Corruption Policies & Procedures

	2021	2022	2023	2024
<b>Governance Body: Region</b>				
Americas	100%*	100%*	100%*	100%*
Europe	100%*	100%*	100%*	100%*
APMEA	100%*	100%*	100%*	100%*
<b>Employees: Category</b>	<b>99%</b>	<b>99%</b>		
Senior Level			99%	100%
Mid Level			100%	100%
Entry Level			99%	99%
<b>Employees: Region</b>	<b>99%</b>	<b>99%</b>		
Americas			99%	99%
Europe			99%	99%
APMEA			99%	99%
<b>Business Partners: Type</b>	<b>100%</b>	<b>100%</b>		
Distributors			100%	100%
Sales Agents/Reps			100%	100%
<b>Business Partners: Region</b>	<b>100%</b>	<b>100%</b>		
Americas			100%	100%
Europe			100%	100%
APMEA			100%	100%

*\*The Management Team of Watts consists of the Global Leadership Team, the America's Leadership Team, the European Leadership Team, and the APMEA Leadership Team.*



## Watts Water Technologies Inc.

815 Chestnut Street, North Andover, MA 01845, USA

**GHG Accounting Standard:** The Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard – Revised Edition

ISO 14064-1:2018 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

GRI Disclosure Guidelines

**Verification Criteria:** ISO 14064-3 2019 Specification with guidance for the verification and validation of greenhouse gas statements

**Reporting Period:** CY 2024 (01 January 2024 – 31 December 2024 inclusive)

### Scope of the Verification

Verification covers the above period associated with Watts Water Technologies Inc. global inventory. Where assumptions have been made then these have been documented for transparency. These components are collectively referred to as the “inventory” for the purposes of this Opinion. The verification covers:

The reporter utilises Schneider Electric’s “Resource Advisor”, a web-based data management system designed to store utility consumption information and invoices. The reporter primarily uses invoices as the source data but also tracks utility consumption using own reads which can be used as an alternative to invoices as source data if required. Individual installations are given responsibility to enter data / invoices / own reads into the “Resource Advisor” platform. Robust checks are implemented centrally to ensure the quality of the data is good. Lucideon was provided with guest access to Resource Advisor to enable invoice sampling and interrogation of the inventory. Emission factors are applied to the source data within “Resource Advisor” to calculate inventory emissions where applicable. The emission factors used were assessed to be from robust and recognized sources in all cases. While water and waste are not associated with emissions the same approach was applied to data collection within “Resource Advisor” and the key outputs are litres (water) and kg (waste). As part of the verification Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR) were verified back to source. The key metrics as reported with the overall inventory data were assessed to be correct.

The scope of the verification included energy consumption, greenhouse gas emissions, water consumption, waste generation, TRIR & LTIR. After review of the reported data and it is concluded that the inventory is materially correct. Data and calculations selected for verification were based upon a risk assessment approach. The verification also included ‘boundaries’ completeness checks. Data in spreadsheets were examined and specific sampling of data was conducted giving consideration to raw data sources. Emission factors were found to be based on best available information and were from robust and recognised sources where applied.

## Verification Opinion Statement

### GRI / Inventory Verification

#### Verifiers Opinion

Based on the evidence provided and the samples selected for verification, nothing has come to our attention that causes us to believe that the inventory is not materially correct.

The verification was conducted to a limited level of assurance in accordance with ISO 14064-3 (2019).

The inventory is a fair and accurate representation of Watts Water Technologies Inc. actual data compiled in conformance with the verification criteria described above. The data and information supporting the inventory were historical in nature.

The following qualifications and notes apply:

- The verification boundary is defined as reported in the reporter's inventory summaries. All other source streams are outside the verification boundary.
- Sites where utilities are included in the rent are only included in the inventory if available. Applies to Ningbo DC, Shanghai, Calgary, Amsterdam & Eerbeek.
- Some source streams cover sites where data is available for specific sites only (see footnotes to the summary data table for source streams where this is applicable).

#### Verified Inventory

SCOPE	Subscope	Activity Data	tCO <sub>2</sub> e (LocationBased)	tCO <sub>2</sub> e (Market Based)
1	Acetylene	3,172 litres	0.01	0.01
1	Diesel	3,095 litres	8.42	8.42
1	Fuel Oil	18,980 litres	60.26	60.26
1	Propane	267,016 litres	405.34	405.34
1	Propylene	6,407 litres	10.48	10.48
1	Natural Gas	5,097,050 m3	9,809.18	9,809.18
1	Fleet (Diesel / Gasoline / Propane)*	83,002 litres	418.70	418.70
	<b>Scope 1 Totals</b>		<b>10,712.39</b>	<b>10,712.39</b>

NB: table continued on next page.



# Verification Opinion Statement

## GRI / Inventory Verification

2	Electric Power	65,771,162 kWh	18,330.80	18,559.50
2	RECs**	27,997,664 kwh	-	8,125.46
	<b>Scope 2 Totals</b>		<b>18,330.80</b>	<b>10,434.04</b>
3	Business Travel	24,262,149 km	5,137.60	5,137.60
	<b>Scope 3 Totals</b>		<b>5,137.60</b>	<b>5,137.60</b>
<b>All</b>	<b>Total</b>		<b>34,180.80</b>	<b>26,284.03</b>

Other	Water Consumption (litres)	119,140,336
Other	Hazardous Waste (kg)***	1,465,506
Other	Non-Hazardous Waste (kg)****	3,001,806
Other	Total Recordable Incident Rate (TRIR) *****	0.78
Other	Lost Time Incident Rate (LTIR) *****	0.34

\* Covers sites where data is available (Blassono, Dattenberg, Eerbeek, Moirans, Monastir, Ningbo, Plovdiv, Sorgues, Vildbjerg, Virey). Some sites use previous year data where current year unavailable. Litres quoted is for sites where previous year estimate used only.

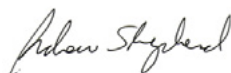
\*\* covers sites where contractual instruments were used in 2024: Blauvelt, D20, Export, Franklin, Franklin DC - D01, Ft Worth, North Andover.

\*\*\* covers site where hazardous waste was produced. Vildbjerg, Blassono, Landau, Hautvillers, Menomonee Falls, Virey, Enware, Germantown, Ft. Worth, Franklin, Rosieres, Nogales, Ningbo, Sorgues, Plovdiv, Gardolo, Moirans, Woodland, Ft. Myers Vernon. Other sites did not produce hazardous waste during 2024.

\*\*\*\* covers sites where non-Hazardous waste was produced. Franklin, Hautvillers, St. Pauls, Woodland, Ft. Worth, Rosieres, Blassono, Export, Ladau, Gardolo, Ft. Myers, Germantown, Morians, Menomonee Falls.

\*\*\*\*\* As reported May 2025 noting that the system is dynamic and subject to small changes as cases are updated over time.

Signed:




Name: **Andrew Shepherd – Lead Auditor**  
**Lead Auditor**

Name: **Tony Summers**  
**Independent Technical Reviewer**

Date: 30 May 2025

Date: 07 June 2025