

Transforming water for people and the planet.

Our mission is to give people instant access to cleaner, safer, better-tasting water through our unparalleled expertise in sustainability, science and service.





Planet

Solutions

Practices

Indexes

2024 ESG Report 3

#### About this report

This is Culligan's annual Environmental, Social and Governance (ESG) Report. Published in June 2025, it covers the calendar year from January 1 to December 31, 2024, unless stated otherwise. This report contains no restatements of information. In this report, we outline our mission, purpose and values, our ESG strategy and performance, and the risks, opportunities and challenges we have faced.

We have reported the information included in the Global Reporting Initiative (GRIZ) Index for the period January 1 to December 31, 2024, with reference to the GRI Standards. We have also used reporting guidance from the International Financial Reporting Standards (IFRS∠), Sustainability Accounting Standards Board (SASB∠) and the Task Force on Climate-Related Financial Disclosures (TCFD∠) to further inform our reporting, where relevant. If you have questions or would like more information about this report, our performance or our approach, contact us at: ESG@Culligan.com.

This report may include certain forward-looking statements, estimates and/or projections. These "forward-looking statements" can be identified by the use of terms such as "may," "intend," "might," "will," "should," "could," "would," "expect," "believe," "estimate," "anticipate," "predict," "project," "plan," "target," "contemplate," "potential" and similar expressions, or the negative of these terms. You can also identify forward-looking statements by discussions of strategy, plans or intentions. All statements other than statements of historical fact that are made by representatives of the company (including, but without limitation, statements regarding the company's future financial position, business strategy, budgets, projected costs and plans or objectives of management) are forward-looking statements and are based on current management. Any such statements, estimates and projections contained herein may be forwardlooking in nature and involve significant elements of subjective judgment and analysis, which may or may not be correct. Any such statements, estimates and projections reflect various estimates and assumptions by the company and/or its representatives concerning anticipated results. No representations or warranties are made by the company as to the accuracy of any such statements, estimates or projections. Whether or not any such statements, estimates or projections are in fact achieved will depend upon future events, some of which are not within the control of the company. Accordingly, actual results may vary from the projected results and such variations may be material. Forecasts and estimates regarding the company's industry and end markets are based on third-party sources, and there can be no assurance these forecasts and estimates will prove accurate in whole or in part. This presentation should not be regarded as a representation by the company that the projected results will be achieved. In addition, such forward-looking statements, estimates and projections were not prepared with a view to public disclosure or compliance with published guidelines of the U.S. Securities and Exchange Commission, the quidelines established by the American Institute of Certified Public Accountants or U.S. generally accepted accounting principles.

#### Contents

People

2	Introduction	33	Impact from design to disposal
4	A letter from our CEO	34	Packaging with purpose
5	Who we are	35	A future with fewer single-use plastic water bottles
6	By the numbers	36	Partnerships to reduce plastic waste
7	A purposeful brand	37	Transforming water beyond Culligan
8	Where we serve		
9	Our values	38	People
10	Our approach to double materiality	39	Empowering people, driving purpose
11	Our ESG strategy	40	Highlights
12	Demonstratable progress	41	Engaging our people
		42	Empowering growth at every stage
13	Planet	43	Committed to care
14	Environmental impact	44	Our diversity, equity, inclusion and belonging
15	Highlights		journey
16	Carbon emissions	45	Embedding DEIB into how we work
17	Understanding our footprint	46	Empowering women at Culligan
18	Decarbonization focus	47	Making a positive difference in our communities
19	Decarbonization success	48	The Culligan Cares Community Impact Fund
20	Changing behaviors to help reduce waste	49	Employees making a positive difference
21	A game-changing partnership	50	Global partnerships for impact
22	Bringing plastic-free hydration to	51	Culligan Cares supports communities in crisis
	endurance races		
23	Impactful industry leadership	52	Practices
24	The WAVE methodology	53	Our impact
		54	Highlights
25	Solutions	55	Corporate governance
26	Innovative impact	56	Operating ethically and with integrity
27	Highlights	57	Data privacy and cybersecurity
28	Out-of-home solutions	58	Labor, health and safety
29	Household solutions	59	Supplier relationships
30	Reducing the risks of contaminants		
31	Solutions addressing contaminants	60	Indexes
32	Designing for sustainability		



At Culligan International, we take our responsibility to transform water, the world's most essential resource, seriously. Our work requires expert service anchored in integrity and care given its profound impact on the environment, the communities we serve and our planet. In each home and in every business where Culligan is found, our commitments to water stewardship, sustainable impact and innovative experiences come to life.

In 2024, we made purposeful progress. We broadened our global impact while strengthening our commitments. Meaningful opportunities for our people were unlocked as we delivered strong financial performance. Such results validate our core belief: doing what's right fuels enduring success.

We are particularly proud of how we serve communities around the world in a uniquely Culligan way. As a global water filtration leader, we help 170 million people experience great water daily. Solving complex water challenges with industry-leading service and science-backed innovations fuels our ability to drive positive, sustainable change and environmental impact.

Our 2024 ESG report showcases how our powerful purpose is the driving force behind focused business efforts to ensure we operate more sustainably, serve more equitably and govern more effectively.

Most people settle for the water they have until they experience water they love. Culligan teams are driven to create such experiences. Last year, we filtered billions of liters of water to protect homes, quench thirst, and hydrate workforces, all without relying on single-use plastic.

Throughout the year, we ensured our unparalleled service and innovative solutions could sustainably address ever-evolving water needs. Notably, we further formalized our decarbonization strategy, modernized our operations, improved product development, decreased our carbon emissions, further evolved our brand's reach and launched powerful partnerships to enable growth while reinforcing smart, sustainable behaviors.

Delivering cleaner, safer, and great-tasting water to people globally requires great teams. The 15,000 Culligan colleagues across more than 40 countries proudly serve a diverse population of consumers and customers. In parallel, our impactful partnerships and collaborative vendors help us continually drive our industry forward.

Our engaged teams and winning culture are key to our success. While we continually enhance our diversity, equity, inclusion and belonging efforts, we know there's more work to be done. Throughout 2024, we reimagined and enhanced training and development programs to empower Culligan employees to reach their full potential.

Few things are as essential to people and our planet as water. We believe access to lifeenhancing water is a fundamental right for all. And we know being in the water business comes with special responsibility. To empower confidence and control in every drop, we hold ourselves accountable to the highest standards of ethics, transparency, and corporate governance to in turn, earn and keep the trust of those we serve.

As we approach Culligan's 90th anniversary, we look forward to continue showing the world the impact of transforming water. Our teams' relentless passion to provide expert service and solutions while doing what's right for our planet never wanes. We are steadfast in our courage to do what's right, and we know our long-term growth as a company is inseparable from the health of the Earth and the well-being of its people.

Scott Clawson Chairman and CEO

Planet

Solutions

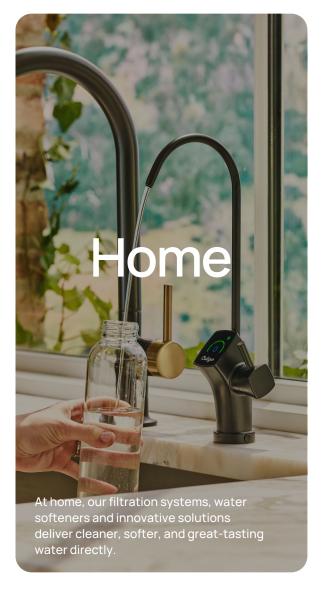
People

**Practices** 

Indexes

### Who we are

We are the global leader in water services. Since 1936, Culligan has reimagined what water can be, using our expert service and innovative solutions to transform it from a necessity into something people truly love.







# By the numbers

Culligan is one of the world's most recognized, trusted names in water services, backed by a legacy of innovation, service and quality.

Using proven science and advanced technology, we filter and soften water to meet or exceed the highest quality and taste standards, reflecting the wants and needs of people around the world.

With every solution we offer, we unlock access to cleaner, safer, better-tasting water, all while working toward a more sustainable future.

We believe that to transform water is to transform the world. Because when we take better care of our water, it takes better care of us - our bodies, families, our homes and our planet.

Visit our <u>global website</u> ✓ to learn more about our legacy of water transformation. **Employees** 

~15k

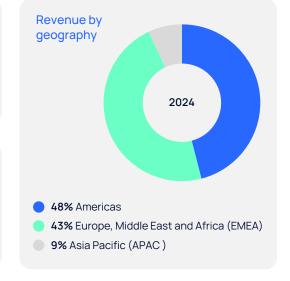
Pro forma revenue 2024 \$3.3B

Recurring revenue

~70%

**Exclusive** dealers

+1k



People served globally per year

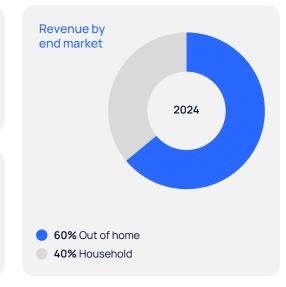
~170M

Total revenue. compound annual growth rate (CAGR) 2016-2024

+34%

Organic revenue CAGR 2016-2024 +8%

Active installed base **22M** 14M household 8M out of home



# A purposeful brand

Culligan is built on a simple belief: everyone deserves cleaner, safer, better-tasting water.

For over 85 years, that belief has come to life through expert service and innovation with uncompromised quality. Anchored in proven science, human-centered service, lifeenhancing water, and a commitment to sustainability, our industry-leading portfolio of solutions empower all to take control of their water. With Culligan as a trusted partner, people make informed decisions for themselves and the environment while enjoying peace of mind and confidence in their water.

We're not simply building a brand. We're building a future where everyone, everywhere can love their water.

#### "

As we strengthen our global brand presence, we are taking deliberate steps to further connect our service and solutions globally ensuring the common connection is an unmistakably Culligan experience."



Patricia Pieretti Global Chief Marketing Officer



Planet

Solutions

People

Practices

Indexes

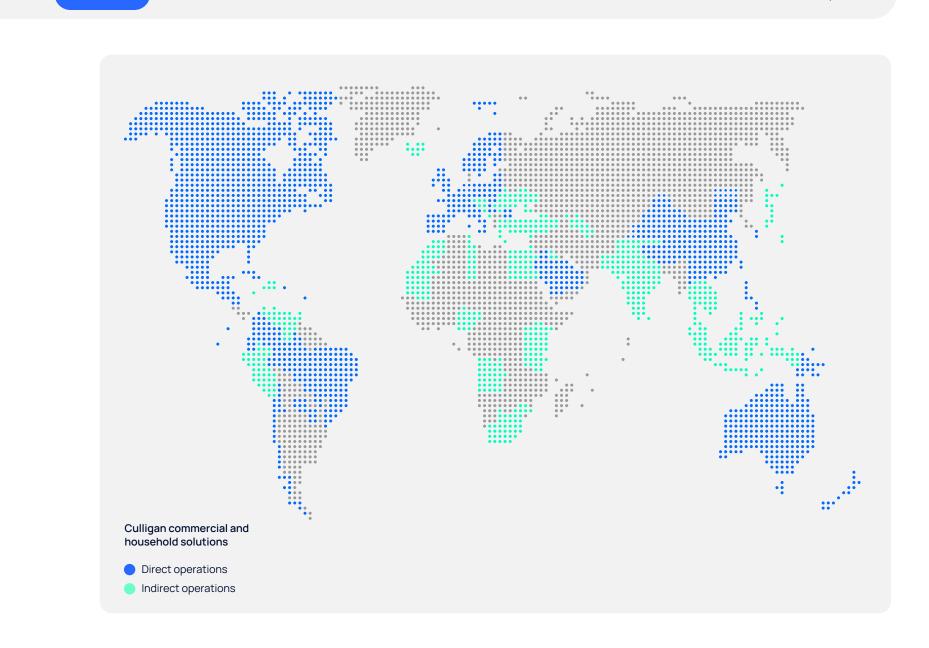
2024 ESG Report 8

### Where we serve

Culligan serves the largest active user base for water solutions in the world. We operate in over 40 countries directly and our dealer network covers more than 90 countries in total, providing cleaner, safer, great-tasting water to people across North America, Latin America, EMEA, and APAC.

+40

Countries with direct operations



### Our values



### Consumer comes first.

We transform water for people everywhere. We actively listen to understand ever-evolving water needs and concerns and meet people where they are with the right service and solution.



### Culligan as one.

We embrace a shared purpose and encourage our teams to bring their knowledge, skills, and unique perspectives together to drive our collective success.



## Courage to do what is right.

We believe that what's right for people is right for companies. We operate with unwavering conviction and ethical standards. valuing diversity, treating all with respect and prioritizing sustainability in everything we do.



### Commitment to innovation.

We develop sustainable, future-forward water solutions and superior experiences by leveraging advanced technology, deep expertise, new ideas and leading insights.



### Consistently deliver exceptional results.

Everyone deserves clean, great-tasting water. We are committed to creating an atmosphere where people can grow and thrive, operating with drive and accountability to deliver water people love.

# Our approach to double materiality

Our double materiality assessment (DMA) process is a strategic tool that offers a holistic view of how our business both affects and is affected by ESG factors. Importantly, the process we followed is compliant with the EU's Corporate Sustainability Reporting Directive (CSRD). While we have not yet reached our first CSRD reporting cycle, the DMA process continues to provide valuable insights into relevant topics across our value chain that help shape our sustainability strategy. This effort reinforces our commitment to ensuring we can create the greatest impact for our teams, those we serve and the world around us.

The table to the right shows Culligan's material issues and how they map to the European Sustainability Reporting Standards (ESRS) based on the preliminary results of our DMA. This enterprise assessment was completed in the fiscal year 2025 reporting cycle with input from several Culligan business units that will complete separate entity-level compliance.

To date, these results confirm the strength of our strategic approach. Previous materiality assessment topics, such as workforce diversity, equity, inclusion and belonging (DEIB), responsible consumption & production, and compliance reporting, are now categorized under new topic names.

ESRS Topics	Topic Definitions	Impacts, Risks, Opportunity Descriptions		
E1 Climate Change	Reduce CO <sub>2</sub> e emissions from direct and indirect operations, transition to electric vehicles, and optimize energy use via energy management systems and expanded use of renewable sources.	<ul> <li>Direct operational emissions of greenhouse gases from company source</li> <li>Indirect emissions of greenhouse gases, associated with upstream and downstream activities</li> </ul>		
E2 Pollution	Design solutions to minimize environmental harm and pollution from chemicals of concern.	<ul> <li>Damage to ecosystem health associated with production, use, degradation and presence of concerning chemicals in plastic packaging products</li> </ul>		
E4 Biodiversity and ecosystems	Mitigate the ecological impacts of single-use plastic pollution via alternative out-of-home and household water treatment solutions.	<ul> <li>Single-use plastics, particularly from bottling operations, contributing to marine and terrestrial pollution if not recycled</li> </ul>		
Resource use and circular economy	Expand the use of recycled materials in solutions and packaging to more easily recycle at end-of-life and divert waste from landfills.	<ul> <li>Possible environmental and health risks from improper disposal of manufacturing, operational and end-of-life waste</li> </ul>		
S1 Own workforce	Ensure fair treatment, physical health and well-being of employees with a culture that promotes DEIB. Provide opportunities for growth and development, while protecting employees' rights to freedom of association and collective bargaining.	<ul> <li>Inadequate protection of worker rights, employee advocacy, engagemer</li> <li>Increased workplace injuries and lower employee well-being due to insufficient health and safety measures</li> <li>Accidents or contamination from improper handling, storage or disposal of materials during the manufacturing process</li> <li>Potential for poor culture absent appropriate working conditions</li> </ul>		
S4 Consumers and end-users	Provide access to cleaner, safer water and improve peoples' health with solutions that reduce contaminants.	<ul> <li>Ensure access to cleaner, safer water, promoting better health for all</li> <li>Faulty or improperly installed solutions could expose people to harmful contaminants, such as heavy metals, pathogens or chemicals</li> <li>Potential data breaches or improper management of consumer information collected through digital products</li> </ul>		
G1 Business conduct	Maintain ethical, accountable governance practices to combat bribery, corruption and conflicts of interest across value chain. Uphold the highest standards of sustainability, ethics and human rights with regular, transparent reporting to ensure compliance.	<ul> <li>Diversity in leadership positions to increased employee satisfaction</li> <li>Potential violations of applicable laws and regulations and/or operations disruptions due to insufficient oversight of suppliers' practices</li> </ul>		

# Our ESG strategy

#### Turning purpose into progress

Driven by our mission, our multi-year sustainability strategy delivers lasting value for people, the planet and the future of water.

As a strong, global business that succeeds by doing good, we leverage materiality assessments and industry standards to guide our approach, ensuring we focus on issues that matter most important to our business and its stakeholders. Our DMA helped define our pillars and will continue to guide our efforts.

Our ambitions are tangible, and our commitments span four pillars in accordance with third-party ESG standards, such as the GRIZ, the SASBZ, the TCFDZ and the United Nations Sustainable Development Goals Z.

Focus areas	ESRS Topic	Public commitments and targets	Progress
<ul><li>Water stewardship</li></ul>		Net positive water impact by 2050 through membership of the CEO Water Mandate	2025 WAVE Certified
<ul> <li>Energy and emissions reduction</li> </ul>	E1	Scope 1 and 2 emissions intensity reduced by 40% by 2035	6%
<ul><li>Responsible</li></ul>	E5	55B liters of cleaner water delivered through our solutions in 2030	64%
		$10Bkg$ of $CO_2$ avoided through product use in $2030$	60%
55.154.1.p.1.5.1		1B kg of single-use plastic avoided through product use in 2030	69%
		65B single-use plastic bottles avoided through product use in 2030	69%
<ul> <li>Product life cycle and sustainability</li> </ul>	E5	100% of new solutions will be assessed for ESG criteria by 2030	50%
<ul><li>Diversity, equity, inclusion and belonging</li></ul>	S1	35% women in leadership by 2030	97%
<ul><li>Social impact</li></ul>	S1	30% racially and ethnically diverse leadership by 2030 (U.S.)	75%
		7.5M liters of water donated to communities in 2024	100%
Responsible and	S1	100% of preferred supplier scorecards to have ESG criteria by 2030	50%
ethical supply network		100% of preferred suppliers to have an annual review of their full ESG program by 2030	5% •
		100% of new and preferred suppliers will be assessed for ESG criteria by 2030	50%
		100% of preferred suppliers acknowledge Supplier Code of Conduct by 2030	50%
<ul><li>Compliance and reporting</li></ul>	G1	Annual communication on progress through ESG report	100%
	<ul> <li>Water stewardship</li> <li>Energy and emissions reduction</li> <li>Responsible production and consumption</li> <li>Product life cycle and sustainability</li> <li>Diversity, equity, inclusion and belonging</li> <li>Social impact</li> <li>Responsible and ethical supply network</li> <li>Compliance and</li> </ul>	Water stewardship     Energy and emissions reduction  Responsible production and consumption  Product life cycle and sustainability  Diversity, equity, inclusion and belonging  Social impact  Responsible and ethical supply network  Compliance and  G1	Water stewardship  Energy and emissions E1  Energy and emissions E1  Responsible production  E5  B5B liters of cleaner water delivered through our solutions in 2030 10B kg of CO <sub>2</sub> avoided through product use in 2030 65B single-use plastic avoided through product use in 2030 65B single-use plastic bottles avoided through product use in 2030 100% of new solutions will be assessed for ESG criteria by 2030 35% women in leadership by 2030 100% of preferred supplier scorecards to have ESG criteria by 2030 100% of new and preferred suppliers to have an annual review of their full ESG program by 2030 100% of new and preferred suppliers acknowledge Supplier Code of Conduct by 2030 Compliance and G1  Annual communication on progress through ESG report

- Environmental
- Social
- Governance

## Demonstrable progress

# **Planet**



#### **Achieved WAVE Water Stewardship**

Certification following an audit and assessment of our 23 highest-impact sites to reduce water use across operations

Transitioned one in four Culligan cars to run on electric or hybrid power, part of a global push to reduce emissions and shrink our carbon footprint

# Solutions



Continued to reduce environmental impact with our robust portfolio that leverages a proprietary **Product** Sustainability Playbook and seven life cycle assessment (LCA) tools

Avoided 45 billion single-use plastic water bottles annually, thanks to **Culligan solutions** 

# People



Reimagined and relaunched Women's **Leadership Network** in North America to empower leaders as we make further progress towards Culligan's Diversity, Equity, Inclusion, and Belonging (DEIB) commitments

Donated 9M liters of water in 2024 globally, exceeding our 7.5 million liters goal

# **Practices**



Advanced supplier scorecards to further implement mandatory ESG requirements across preferred suppliers

100% of preferred suppliers in the Americas and APAC acknowledged our Supplier Code of Conduct



# Planet

Water sustains life, supports communities and connects us. We strive to enhance lives by transforming water, our planet's most vital resource.

Innovative Culligan solutions help people enjoy water while reducing reliance on single-use plastic and energy use. Tracking our own environmental footprint and engaging impactful partners to do the same ensures meaningful action for a more sustainable world.

Planet



# **Environmental impact**

As industry leaders, we recognize the importance of managing our own environmental impact. Our global workforce believes in doing what's right for our world and each other.

Culligan sets ambitious targets for effective water stewardship and lowered emissions intensity across our operations.

We regularly monitor our operational energy consumption, water use and waste. And while our ESG team drives the global environmental strategy, our impact resides in the everyday actions of our 15,000 employees.

Locally, ESG Champions collect and analyze data to better understand challenges and opportunities by facility. These measurements fuel continuous improvement and progress against our public water stewardship and emissions goals.



# Commitments and targets

Focus areas

Public commitments and targets

**Progress** 

Water stewardship

Net positive water impact by 2050 through membership of the CEO Water Mandate

2025 WAVE Certified

Energy and emissions reduction

Scope 1 and 2 emissions intensity reduced by 40% by 2035

6%

# Highlights

To serve the world well, we start by doing well in our own operations. Across Culligan operations globally, we take steps internally and externally to ensure we can execute our plans in ways that protect our planet.



# Electrifying our fleet

We're sustainably driving toward a cleaner future. From the U.S. to Australia, Europe and beyond, we've embraced electric vehicles (EVs) to reduce carbon emissions where possible, ensuring that when our experts serve you, they do so in ways that better serve the planet.

Today, 25% of Culligan's global car fleet is electric. Our UK Zip Water business has electrified half of its vehicles, and Culligan Austria is tracking to switch its entire fleet by 2028.

Read more →



# Recognition for responsible practices

Culligan teams around the world earn recognition for turning our sustainability goals into impactful action. EcoVadis, a global authority on sustainability ratings, awarded top marks to several Culligan teams globally for improving operational sustainability and reducing carbon emissions.

This top-tier accolade represents our commitment to responsible business practices and sustainable operations to support people and protect resources.

Read more →



# Game-changing partnerships

We teamed up with iconic events and venues to advance sustainability in Chicago, our global headquarters.

Our multi-year partnerships with the United Center, Chicago Bulls and Chicago Blackhawks, and Bank of America Chicago Marathon advance our mission to make clean, great-tasting water more accessible. Importantly, each partnership elevates our brand awareness and engagement with our solutions to encourage sustainable behaviors with new audiences.

Read more →

### Carbon emissions

Climate change is a global challenge we all share. To play our part in the solution, we're reducing our carbon emissions.

Our commitment to sustainability and carbon reduction starts with our own operations. We are working to reduce Scope 1 and 2 emissions intensity - the emissions relative to our output by 40% by 2035. This was originally set leveraging 2023 as a baseline; we've updated to a 2024 baseline of 28 tCO<sub>2</sub>e/\$M (tons of carbon dioxide equivalents (CO<sub>2</sub>e) per million in revenue) to reflect our growing business. We will continue adjusting proportionally with the business.

Best practices and strategies are considered in every effort to reduce our carbon footprint, including the possibility of a science-based target. We are in the process of developing action plans to formalize future commitments.

#### Carbon Emissions Assurance

Emitwise ∠, a Carbon Disclosure Project (CDP) gold-accredited partner, calculates and reports our GHG emissions by combining artificial intelligence technology with a proprietary set of emissions factor databases to ensure accurate, auditable and actionable results.

Doing what's right for people and the planet means understanding our carbon footprint to take action. We measure emissions in CO2e, using standards from the Greenhouse Gas Protocol ... In 2024, we audited our Scope 1 and 2 emissions for the first time with <u>Carbonology </u>2, a trusted leader in carbon measurement. Aligned with the ISO 14064 standard, this third-party limited assurance audit helps measure where we are and move faster toward where we want to be.

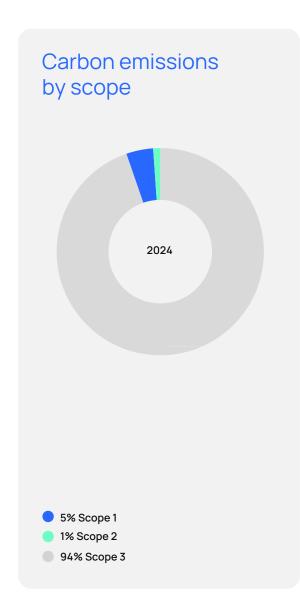


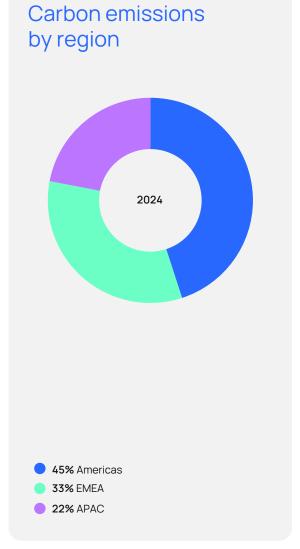


We recognize the importance of meeting our teams where they are. So, we developed a step-by-step path for each business unit to reduce its emissions, guided by smart targets we are confident we can achieve. Working together and leveraging new technology raises our game and strengthens our ESG efforts at local and global levels."



Martin Murden ESG Manager, EMEA





View Energy Index →

Planet

Solutions

People

Practices

Indexes

# Understanding our footprint

As our business grows, so does our overall footprint. More sophisticated data allows us to more readily understand our impact so we can meaningfully act.

Direct and indirect carbon emissions across the business inform progress against our decarbonization target while LCA tools show environmental impact of our key product ranges.

The following year-over-year increases to our carbon footprint reflect a year of significant organic and inorganic growth across our global business:

- Our overall carbon footprint increased, driven by business growth that raised both our total emissions and emissions intensity
- Our Scope 3 emissions increased due to growth and expanded operations through mergers and acquisitions, inclusive of factors such as product use, supply chain activity, service providers and downstream transportation.

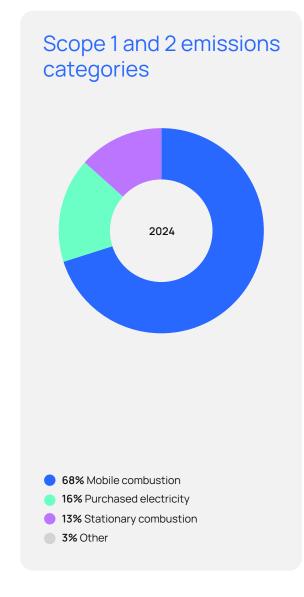
All Culligan operations actively work to decrease emissions within our control, such as fuel and purchased electricity. For those emissions beyond our direct control, we remain focused on longer-term initiatives across our value chain.

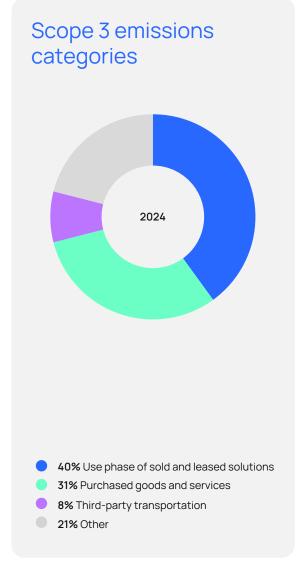
#### Scope 1 and 2

Culligan's operational emissions totaled approximately 98,000 tCO2e. About 82,000 tCO2e came from direct (Scope 1) sources, including fuel combustion from our vehicle fleet and natural gas used at our facilities. The remaining 16,000 tCO<sub>2</sub>e were indirect (Scope 2), primarily from purchased electricity.

#### Scope 3

In 2024, our value chain emissions were estimated at 1.5 million tCO<sub>2</sub>e. Roughly 39% reflect upstream activities, including goods and services purchased and third-party transportation. Another 40% stemmed from downstream emissions, primarily during the use-phase of our solutions.





View Energy Index →

**Planet** 

# **Decarbonization focus**

Culligan

The trust we have created for nearly 90 years reflects our unwavering commitment to deliver the best possible service. Local Culligan experts are resources and partners, meeting people where they are with the best possible solutions. We operate with a relentless focus on creating the best experiences while reducing our environmental impact.

Combining external renewable energy trends and EV manufacturing targets with internal fleet and facility data lets us forecast future emissions, craft mitigation guidelines and set achievable goals.

We're committed to reducing our Scope 1 and 2 emissions intensity by 40% by 2035, and we're investing, at corporate and local levels, to drive real impact such as:

- Transitioning Culligan delivery and service vans and trucks to electronic vehicles
- · Investing in onsite solar panels and purchasing renewable energy
- Reducing energy consumption via facility upgrades such as LED lighting and energy management systems

#### Driving energy efficiency to lower emissions

With forecasted future emissions in place, we identified areas to make significant decarbonization progress. By improving the energy efficiency of our operations and vehicles, we directly reduce our Scope 1 and 2 emissions.

In Austria, our Agua Alpina team uses solar power to run its bottling plant and charge its electric vehicles. Across the company, we're cutting emissions by turning to more sustainable transportation. Over half of Agua Alpina's car fleet is electric today, with a bold target of 100% by 2028. Their new 40-ton electric truck drives further progress, saving up to 50,000 liters of diesel annually.

Half of Zip Water UK's fleet is now electric, and in 2024 our team in Norway has made the full switch to electric for their new vehicles.

According to a survey of our fleets and facilities at 600 global sites:

7%

of our grid electricity comes from renewable sources

of Culligan sites use LED lighting

24%

of our car fleet is either hybrid or fully electric

We aim to increase these measures at all locations within our operational control.



### Decarbonization success

# EcoVadis platinum for Zenith

Based on its 2024 performance, our Zenith Water business in New Zealand became the first Culligan business to receive the Platinum medal from EcoVadis ≥ in March 2025. This sustainable leadership places Zenith in the top 1% of rated companies worldwide. EcoVadis is globally recognized for its sustainability ratings which assess businesses' environmental impact, labor and human rights, ethics and sustainable procurement.

The team maintained its focus on energy efficiency, reducing emissions, waste management, data privacy and anti-corruption measures to complete a year-long project. Now certified with ISO 9001, ISO 14001 and ISO 45001 standards, they moved from Silver to Platinum in only two years, a testament to responsible business practices.

Culligan Germany proudly maintains its EcoVadis Gold status and Culligan Water Czech joined Zip UK and Zip Australia in securing Silver certification

"Achieving an EcoVadis rating is an incredible recognition and validates our focus on what matters most. We will never rest on our laurels. To lead, we know continual progress requires patience, hard work and dedication. It's all about purposeful incrementalism and we could not be prouder!"

#### **Daniel Cuthbert**

**New Zealand Country** Manager, Zenith Water



# Cutting bottle deliveries by 90%

Investing to future-proof operations lets teams innovate to deliver safer, cleaner and great-tasting water.

Our UK commercial drinking water business dramatically reduced bottle deliveries from suppliers by 90%, marking significant progress in reduced carbon emissions and transport costs. Key actions included:

- Installing a blow molder at our Fillongley site in Warwickshire to become an in-house manufacturer and eliminate bottle shipments across Europe.
- Repurposing 12-liter line from Culligan Italy to further expand the facility's capacity. The production of two bottle sizes is set to begin in July 2025.
- Producing polyethylene terephthalate (PET) bottles with new equipment to ensure compliance with upcoming EU legislation banning polycarbonate bottles by 2026.

By the end of 2025, in-house PET bottle production will be fully operational across Culligan Iberia, the UK, Poland and France. Across these sites, we expect transportation-related CO<sub>2</sub> emissions to reduce by more than 3,000 metric tons per year.

"At Culligan, we began transitioning to PET long before the ban was announced. This change is rooted in our commitment to safety and quality."

Alexandra Rudkowski Senior Project Manager, **EMEA Operations** 



# Changing behaviors to help reduce waste

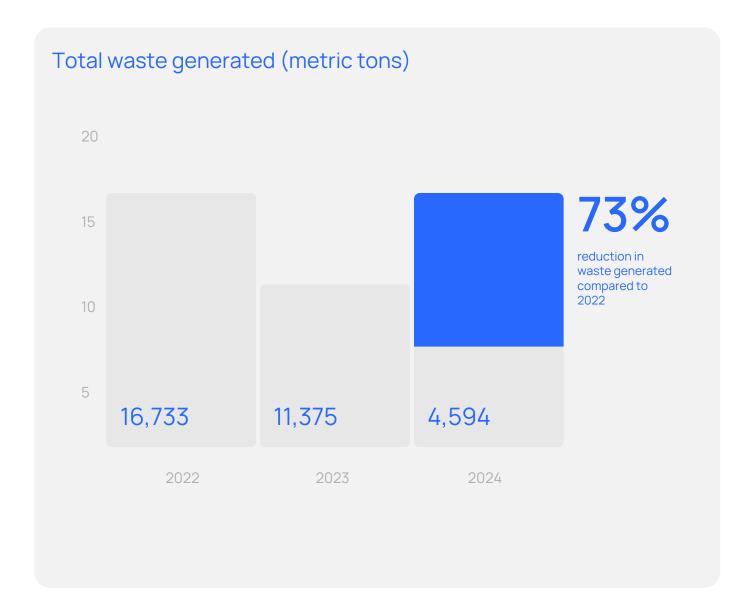
### A future with less waste only becomes a reality by shifting behaviors and embracing innovative solutions.

Reducing consumer waste is built into the very nature of our business. By delivering sustainable water solutions to homes and workplaces, Culligan helps eliminate unnecessary waste before it's created.

Our solutions prevent more than 45 billion single-use plastic water bottles from ending up in landfills annually. This reduces plastic waste and creates broader environmental impact relative to packaging, shipping and disposal. Across our operations, we're taking meaningful steps to expand that impact even further, such as:

- Zip Australia diverted 85.6% of its waste from landfills in 2024, well on track to meet its target of 90% by the end of 2025.
- At our Monterrey plant in Mexico, over 80% of carbon block scrap used in Culligan filtration technology is reused through regrinding and reprocessing. This process transforms waste into new products, reinforcing our commitment to a circular economy.

Read more about how our solutions are <u>designed to</u> <u>create sustainable impact</u>.



**Planet** 

# A gamechanging partnership

In September 2024, Culligan was named the Official Water Partner of the United Center, Chicago Bulls and Chicago Blackhawks. Our multi-year partnership tangibly brings our mission to life, reinforcing sustainable water habits among fans, athletes and entertainers while reducing singleuse plastic in our hometown.

Across the arena, practice facilities and offices, we replaced plastic with purpose. From recyclable aluminum bottles sold at every concession point to new refilling stations, water fountains and premium Zip faucets, Culligan solutions transform hydration behind the scenes and in the spotlight.





Together, we expect to replace hundreds of thousands of single-use plastic water bottles annually. In addition, Culligan implemented new recycling programming throughout the arena to ensure we actively embed and reinforce best practices and behaviors.

By putting our mission in motion in Chicago, we set the stage for future partnerships to drive similar impact.



races

# Bringing plastic-free hydration to endurance



**Planet** 

As a proud partner of the 2024 Bank of America Chicago Marathon, we provided cleaner, great-tasting water in reusable aluminum bottles to more than 52,000 runners at the finish line and placed mobile refill stations throughout the post-race party and spectator areas.

With support from Culligan volunteers, all waste from the marathon was carefully sorted for recycling and composting. In total, our efforts helped the event avoid more than 152,000 plastic water bottles.

Endurance races create optimal opportunities to educate, empower and hydrate an active, wellnessminded audience.

The Culligan marathon playbook is actively being leveraged to engage similar races in markets around the world in 2025 and beyond, amplifying our impact and empowering communities, one refill at a time.

Our partnership strategy is anchored in creating sustainable impact at cultural touchpoints with tangible solutions and unmistakable branding. To see Culligan solutions unlock meaningful behaviors while eliminating single-use plastic reinforces our purpose in powerful ways - and we're only getting started."



Eileen Ziesemer Vice President, Communications and Partnerships



# Culligan

### Impactful industry leadership

Strengthening water stewardship requires the same dedication we bring to deliver cleaner water to 170 million people globally.

Elevating and amplifying water quality is bigger than one company. We participate in several water stewardship organizations to nurture relationships, learn from others, address larger industry barriers and gain access to leading research. Establishing partnerships with such leading organizations helps us learn, apply and evolve best practices, internally and externally.

Culligan is a leading member of <u>The Water Council</u>, a nonprofit dedicated to solving critical global water challenges and the <u>Water Quality Association (WQA)</u>, which works with more than 2,500 organizations to address how to improve water at local and national levels. Beyond company engagement, Culligan's CEO is actively on the Council and North American President Judd Larned served as the 2024 WQA president throughout 2024.

Our membership in these organizations offers access to industry information, training programs, tools, events and networking opportunities. Additionally, this allows us to have a seat at the table for critical water discussions and to voice the needs of the people and communities we serve. In these roles, we reinforce Culligan's role in shaping the future of sustainable water solutions.

In 2024, Scott Clawson reaffirmed Culligan's commitment to achieving a net positive water impact by 2050 as a member of the CEO Water Mandate. Here, Scott is shining a light on the company's focus on improved water quality, benefiting local ecosystems and communities. Additionally, Scott articulated Culligan's values at the United Nations, as part of the company's UN Global Compact membership, the world's largest corporate sustainability initiative.

As CEO and Chairman, Clawson uses his platform to advocate for corporate water responsibility, water quality education and the global reduction of reliance on single-use plastic via social, earned and owned platforms as well as unique speaking opportunities such as Climate Week.

Culligan's Director of ESG, Christina Beckman, actively advances the company's position on water and sustainability, often joining marquee panels and industry events to discuss environmental topics with significant consumer impact.





As members of the <u>CEO Water Mandate</u> and <u>Water Resilience Coalition</u> we strive to achieve a net positive water impact by 2050 by amplifying the ways water quality can benefit local environments.



Planet

Solutions

People Practices

Indexes

2024 ESG Report 24

# The WAVE methodology

To further advance water stewardship within our business, we have invested time and resources in the Water Council's <u>WAVE program</u> ∠. This independent verification of our performance involves understanding water use, impacts and risks, developing a corporate water stewardship policy, prioritizing the mitigation of water risks and communicating our action plan.

As part of the WAVE process, we selected 23 Culligan sites to assess water risks. The audit, completed in 2025, identified operational watersheds and the impacts they create.

Each site has developed a three-year action plan to reduce water consumption inclusive of new bottling technology investments to prevent overfilling, capture rainwater, reuse wastewater, transition from wet to dry product testing and explore ways to sanitize returned bottles more efficiently.

Looking ahead, we are installing tap timers in restrooms, introducing sub-metering to identify potential leaks and continuing to educate staff on water-reduction practices.

An independent verification of the audit was completed by <u>SCS Global Services</u> ∠.





Culligan. Introduction Planet Solutions People Practices Indexes 2024 ESG Report 25



# Solutions

With decades of expertise, Culligan listens, ideates, innovates and creates solutions paired with expert service to transform water and enhance lives.

We listen, collaborate and push boundaries to reimagine the ways people experience water while minimizing environmental impact. From pioneering technologies to deploying responsible packaging, sustainability is embedded into every stage of product development, ensuring meaningful experiences and a more resilient future.

Solutions



## Innovative impact

Water touches every part of our lives. As industry leaders, we continually innovate to address ever-evolving consumer water needs.

From a single kitchen tap to a whole home filter, bottleless coolers in office spaces to school water fountains and beyond, we offer solutions that make it easy to enjoy cleaner, safer, bettertasting water at home, at work or on the go.

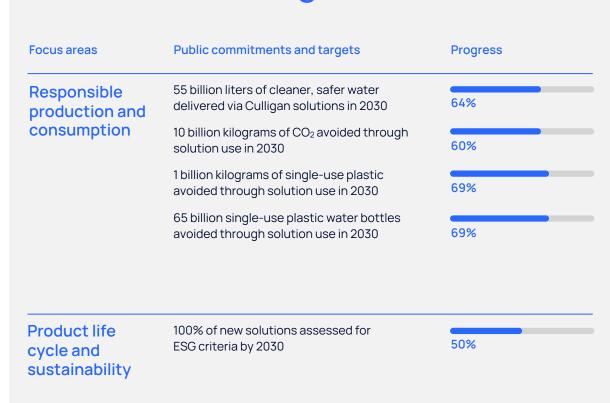
Sustainability and water quality are the foundation of our industry-leading solutions. Each Culligan solution is anchored in a consumer insight, purposefully developed to meet a need, built to be seamlessly functional and powerfully impactful.

With rigorous research, testing and reviews, we evaluate full product life cycles to improve our environmental footprint. That means designing with efficiency in mind and choosing materials responsibly to ensure sustainability from production to disposal. Because delivering high-quality water should never come at the expense of the planet.

Read more about our solutions and services ∠.



# Commitments and targets



# Highlights

Culligan

Working with water is unique to each community we serve. Our expert teams provide the best possible service because they can offer science-backed, industry-leading solutions that can meaningfully meet or exceed certification standards.



# Building sustainability into our solutions

In 2024, we launched our Product Sustainability Playbook to establish clear sustainability principles for product design and development. In partnership with thirdparty experts, we put consistent rigor in place to improve energy efficiency, increase the use of recycled materials, and make end-of-life recycling practices simpler and more accessible.





# Driving sustainable choices

Leveraging our LCA tools is vital for product development and empowers more informed, sustainable choices. At Zip Australia, more than 12,000 people engaged with our tools last year to understand how Culligan solutions offer more sustainable alternatives to single-use plastic water bottles.





# Packaging with purpose

Around the world, our teams reduce waste through smarter packaging choices. One such example is in our Monterrey facility in Mexico where teams switched to cardboard which has helped avoid roughly 1.4 metric tons of non-recyclable waste.

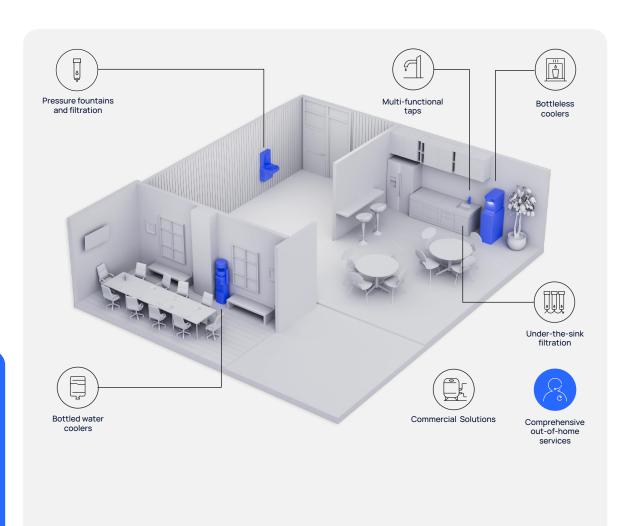
Read more →

### Out-of-home solutions

Culligan

As a global leader in commercial water services and solutions, we work with millions of businesses to transform their water, improve experiences, and support their sustainability journeys.





#### **Bottleless coolers**

Provide filtered hot, chilled, carbonated, flavored or mineralized water directly from the water supply

#### Multi-functional taps

Provide instant filtered boiling, chilled and carbonated water in a variety of faucet styles and color finishes

#### Water softening

Point-of-entry softeners deliver soft water throughout facilities to reduce scale and optimize equipment performance

#### Under-the-sink filtration

Treat water at its point of use with filtration technologies such as reverse osmosis (RO) and activated carbon

#### **Bottled water coolers**

Bulk water bottle on top or inside the dispenser system where plumbing is unavailable or inaccessible

#### Pressure fountains and filtration

Serve public spaces or specialized locations with fountains and filters

#### Commercial solutions

Complete point-of-entry treatment systems for purifying and softening water at scale

#### Comprehensive service

Expert service and maintenance for every out-ofhome water need

### Household solutions

Culligan experts bring cleaner, safer, better-tasting water into homes with advanced filtration and softening solutions that elevate how people hydrate and live.

14M



homes with Culligan solutions



#### Bottleless coolers

Provide filtered hot, chilled, carbonated, flavored or mineralized water from the water supply directly

#### Multi-functional taps

Provide instant filtered boiling, chilled and carbonated water in a variety of faucet styles and color finishes

#### Water softening and conditioning

Enjoy smoother hair and skin, reduce spots and stains caused by buildup, and improve the longevity of your appliances

#### Under-the-sink filtration

Get cleaner, great-tasting water at its point of use with filtration technologies such as reverse osmosis (RO) and activated carbon

#### Bottled water coolers

Leverage recyclable bulk water bottles on top of or inside the system

#### **Everyday solutions**

Deliver great-tasting water from refrigerator pitchers, tap-mounted filters, shower filters, soda-makers, and filtering or chilling bottles

#### **Filtration solutions**

Insert specialty filters into refrigerators

#### Comprehensive services

Expert service and maintenance for every water household water need

# Reducing the risks of contaminants

Culligan

Cleaner water starts with knowledge and clarity. Expertise and service drive our industry leadership, as we help people better understand what's in their water and how to transform it to ensure confidence and control in every sip.

By raising awareness around water quality, serving as a trusted partner and delivering industry-certified solutions, we help people take control of their water, ensuring peace of mind with each glass.

Culligan experts care deeply about what's in, or could be in, your water. We track existing and emerging global contaminants, innovate to solve for them, and actively educate and empower people about the importance of water quality.

### Emerging threats to water safety



# Microplastics

Microplastics are a growing concern in the water people drink every day. Tiny plastic fragments, often smaller than five millimeters in diameter, are finding their way into drinking water from synthetic textiles, personal care products and plastic waste. With an estimated 24 trillion pieces of microplastics in our oceans, the threat is moving upstream into the water people use daily.1



# Forever chemicals

Often called "forever chemicals" (per- and polyfluoroalkyl substances), PFAS are an increasing drinking water concern. Commonly found in everyday items like nonstick cookware, food packaging and cleaning products, they are designed to last. These chemicals linger in the environment, accumulate in the human body and have been linked to health risks.

Despite growing awareness, most people remain unsure how PFAS impact water. What's on Tap, our 2024 survey on American drinking water, showed that 96% of respondents had never tested their water for forever chemicals. despite studies showing forever chemicals are found in nearly half of all U.S. tap water.<sup>2</sup>

#### Meeting the highest standards

Our filtration solutions are certified to meet the highest global water quality and safety standards, including but not limited to the U.S. National Sanitation Foundation (NSF) and American National Standards Institute standards, China's Ministry of Health Drinking Water Standards, Water Regulations Approval Scheme in the UK, Decreto Ministerial 174 in Italy and France's Attestation de Conformite Sanitare.



# Solutions addressing contaminants

# Addressing contamination requires proven solutions and expert service.

#### **Testing**

Local Culligan experts provide water tests to help people understand what's in their water. This informs their recommendation on how to address treating your water. We can conduct more comprehensive testing at our EPAcertified lab to further support informed decisions about potential solutions.

#### Advanced filtration technology

Our filtration solutions meet or exceed the latest regulatory limits for forever chemicals, at microscopic levels. Our solutions use reverse osmosis membrane technology and advanced particulate filtration to protect water from microplastics.

#### Education

We leverage direct channels of communication, including our website, social media and newsletters, to help people understand the risks contaminants pose alongside proactive measures to help safeguard their water quality.



### PFAS Test Kit

Our water test kit uses four simple steps to offer clarity about what's in your water.



# Culligan with ZeroWater Technology

Certified to filter five times more contaminants than the leading pitcher, the pitchers' superior filtration reduces lead, forever chemicals, pharmaceuticals and other contaminants.



### Aquasential® RO Filtration System

Certified to meet the highest industry standards, reducing more than 90 contaminants, including forever chemicals, bacteria, viruses, lead and microplastics.



# Zip Multi-Functional Taps

NSF Standard 53certified to remove 99.4% of forever chemicals.



### Aquasential® Whole Home PFAS Filter

One of the only whole home water filter systems certified to NSF Standard 53 for the reduction of forever chemicals.

# Designing for sustainability

### Culligan solutions are optimized for water and energy efficiency.

It takes a global community to address climate change and plastic waste - and we are working to do our part. By 2030, we aim to avoid 10 billion kilograms of CO<sub>2</sub> and 65 billion singleuse plastic water bottles annually. Delivering solutions that make it easy for people to choose more sustainable options is an important way we can help people around the world a make more informed impact.

Innovating to enhance efficiency and integrate new technologies, our LCA tools help people <u>quantify their impact </u> Users can easily calculate the environmental benefits of using a Culligan solution, inclusive of fewer service visits and lower environmental cost.

#### Sustainable from the start

By 2030, all new Culligan solutions will be assessed against our ESG criteria leveraging our new Product Sustainability Playbook. Created in partnership with third-party experts, the playbook includes sustainability principles across product design and development to ensure optimized energy efficiency, increased recycled materials and improved end-of-life recycling practices that are easy to engage. The playbook has been rolled out globally and is supported by an interactive training workshop.

Improving the sustainability of our solutions through a formalized approach reinforces our commitment to leading the industry while doing what's right for people and the planet.

### Giving our solutions new life

Our commitment to sustainability is not only reserved for new product development. We actively update our installed solutions because prioritizing refurbishment over manufacturing can extend product life cycles and overall investments. In 2024, we refurbished 50% of our installed units across Europe to further reduce their environmental impact.





kg of CO<sub>2</sub> avoided through use of Culligan solutions

35B



liters of cleaner, safer water provided through our solutions



# Impact from design to disposal

Culligan LCA tools measure each solution's sustainability performance. The assessments span an entire product life cycle from design, materials and manufacturing to transportation, use and disposal.

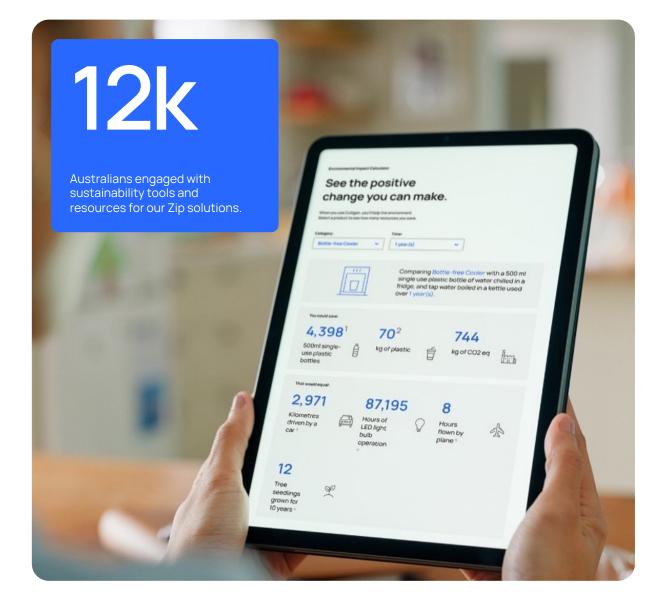
Our seven proprietary LCA tools assess our portfolio of solutions. Understanding sustainability "hot spots" in a product's life cycle informs future developments and packaging with reduced emissions, lower energy consumption and improved resources.

These tools leverage multiple sources to understand how our solutions impact people, the planet and natural resources. These insights guide smarter design and optimizations. In 2024, our LCA tools and data enabled solution-level improvements, design changes and real-world benefits.

#### **Enabling informed decisions**

By comparing "cradle-to-grave" benefits of our solutions against single-use plastic water bottles, our online <u>LCA calculators</u> drive more-informed choices.

Importantly, they are user-friendly and leverage simple prompts and inputs that are readily understood globally. Simply input the solution, your location, expected usage, and lifespan to view an anticipated overall impact. The output is presented in relatable ways, such as plastic bottle equivalents, plastic saved, carbon emissions avoided, distances driven, or hours flown. All data is verified by an independent panel of third-party industry experts.



# Packaging with purpose

# Reducing our environmental impact goes beyond solutions and service.

Around the world, our business units minimize the collective Culligan waste footprint through recycling programs and management systems to keep waste out of landfills. Such practices extend to minimizing packaging materials used and switching to greater recycled content.

#### Poland plant reduces plastic in packaging

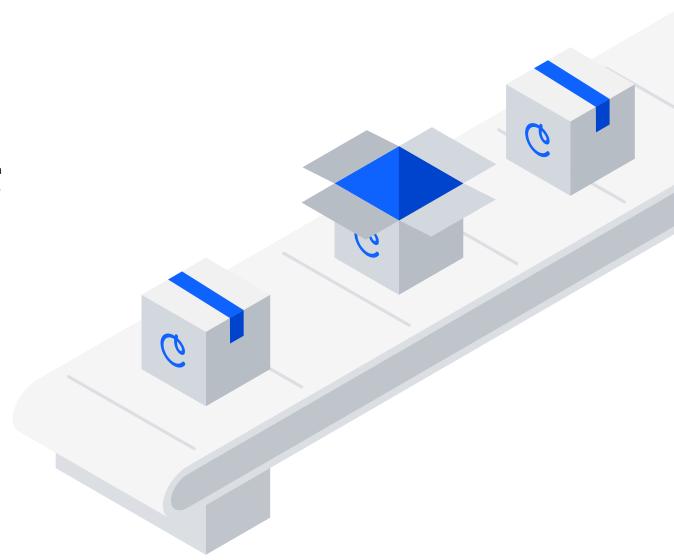
At our Gliwice facility, we replaced plastic tape with paper tape on every hand-taping machine and introduced stretch foil with 30% post-consumer recycled content. We now shred cardboard into protective padding instead of using bubble wrap.

#### Blupura packaging goes plastic-free

In 2024, Blupura removed plastic from its packaging, starting with its bestselling Blusoda unit. It now ships in 100% recyclable cardboard, a meaningful change for a solution that sells ~15,000 units a year.

# Cardboard replaces non-recyclable material in Mexico

Our team in Monterrey switched to cardboardbased packaging, helping avoid roughly 1.4 metric tons of non-recyclable waste each year.



# A future with fewer single-use plastic water bottles

Single-use plastic water bottles offer convenience at a steep environmental cost.

Every day, about 8 million pieces of plastic enter our oceans. By 2050, global plastic waste is expected to double to 121 million metric tons per year. Plastic creates impact on our bodies, our climate and our oceans that is not sustainable.

At Culligan, we believe education, accountability and practical alternatives to single-use plastic water bottles can empower meaningful behavior shifts.

This year, we advanced our commitment to reducing plastic waste. Annually, Culligan solutions help avoid 45 billion single-use plastic water bottles, 5 billion more than last year.

#### **Culligan Oceansaver Award**

To acknowledge our partners setting new standards in reducing single-use plastic waste, we award the 2024 Culligan Oceansaver recognition to three partners globally. ROLAND Rechtsschutz in Germany, Kempinski Hotel Berchtesgaden in Germany, and Infinity at Syndney Tower Trippas White Group in Australia each delivered on outstanding commitments to environmental stewardship. We honored them with a water-droplet trophy made of glass, an infinitely recyclable material.

- Insurance company ROLAND Rechtsschutz-Versicherungs-AG avoided 201,856 singleuse plastic water bottles and 52,885 kilograms of CO<sub>2</sub> by using Culligan water dispensers
- The Kempinski Hotel Berchtesgaden saved 56,075 plastic water bottles and 14,692 kilograms of CO<sub>2</sub> by using our innovative Purezza system.
- Infinity at Sydney Tower demonstrated an outstanding commitment to sustainability by embracing Purezza's eco-friendly watedispensing solutions and eliminating nearly 200,000 single-use plastic bottles.

# 45,000,000,000



Reduction in single-use plastic annually. We help avoid enough plastic water bottles to circle the Earth **200 times**. 1

Solutions



### Partnerships to reduce plastic waste

# Plastic-free hydration at Hilton's 2024 APAC conference

As Hilton's official water supplier in China, Culligan proudly provided sustainable hydration at the 2024 Hilton APAC GM and Commercial Conference, held at the Shenzhen International Convention and Exhibition Center in November.

Over three days, 1,500 guests engaged with 12 water stations equipped with our Zip Water and Purezza solutions. Together, these delivered 15,600 liters of filtered, high-quality water, effectively eliminating the need for 21,600 plastic water bottles. In total, the conference avoided 363 kilograms of plastic waste and reduced its carbon footprint by an estimated 3,200 kilograms of CO<sub>2</sub>e.

With considered planning, one event can make a big impact, and this is a clear example of water solutions making a difference at scale.

"Our partnership with Culligan unites two global brands that lead their respective fields and share a priority to protect our planet, promote wellness and keep sustainability firmly at the top of their agendas."

#### Water Lee

Commercial Sales Senior Manager, Culligan China



# Sustainable solutions at Generali Arena

The Generali Arena in Vienna was built with high environmental standards, featuring solar panels, rainwater harvesting and efficient waste systems to reduce its footprint. Bringing the same sustainable conviction to hydration, FK Austria Wien partnered with Culligan Austria to install 13 bottleless coolers throughout the stadium.

Among the coolers installed is the Selfizz Neo, an advanced water dispenser featuring Firewall® UVC purification technology to reduce up to 99.99% of bacteria and viruses.

By replacing single-use plastic water bottles with refillable alternatives, the Austrian soccer club actively minimizes waste while maximizing convenience. Our collaborative partnership reflects a shared commitment to innovative solutions that make a real difference.

"Sustainable solutions in sports aren't just a gamechanger-they're a goal for the planet. When teams, fans, and Culligan work together to reduce their footprint, the impact is massive-on and off the football pitch."

#### Robert Stolz Managing Director, Culligan Austria



# Transforming water beyond Culligan

Culligan

We serve businesses across diverse industries to help each reduce plastic waste, improve water quality, and deliver elevated experiences to their teams.

From hotels to hospitals, high-traffic venues like airports and more, our solutions strengthen the company's sustainability stories, minimize environmental impact and provide cleaner, better-tasting water for every guest, customer and employee.



#### Hospitality

A leading hospitality brand partnered with Culligan to solve hard water challenges across more than 100 properties.

Using water softeners tailored to local conditions, they improved operational efficiency while supporting long-term sustainability goals. The results included lower energy use, reduced chemical consumption in boiler systems, and fewer linen replacements, all contributing to less waste, lower costs and better guest experiences.



#### Food service

A world-renowned coffee chain partnered with Culligan to enhance its quality, improve sustainability, and support consistent customer satisfaction across its stores.

By installing countertop taps, including the Zip HydroTap, along with reverse osmosis and water softening systems, they reduced waste, streamlined operations, and protected equipment with long-term benefits. The highquality water ensured beverages consistently delivered the same great taste customers expect from the brand.



#### Agriculture

Bustanica, the world's largest indoor vertical farm, depends on Culligan solutions and onthe-ground service to grow more than 1 million kilograms of leafy greens, herbs, and microgreens every year.

By combining advanced hydroponic technologies with Culligan's water expertise, Bustanica produces high-quality food with fewer pesticides and 95% less water than traditional farming. Together, we're strengthening food and water security in the region and redefining responsible agriculture.



# People

Our teams are the driving force behind everything we do to provide access to cleaner, safer, better-tasting water. Since 1936, Culligan has been a community partner and local water expert dedicated to helping people find solutions to address their specific water needs.

Passionate, driven people across Culligan fuel our progress, embody our purpose and bring our mission to life each day. It is their creativity, care and commitment that power our innovation and uphold the promises we make. United by our values and a shared belief in cleaner, safer water, our colleagues are stewards of our vision and catalysts of positive change.



Culligan

At Culligan, respect shapes our actions and builds trust. Inclusivity sparks innovation and strengthens our connection to the communities we serve. And our collective commitment to sustainability drives accountability across all of our efforts.

Our global team of approximately 14,500 people across 40 countries is the foundation of our success. By supporting our employees and investing in their development, we're able to continually enhance Culligan solutions while mitigating our impacts on the planet.

We take a purpose-driven approach to recruitment, seeking out individuals who align with our mission, values and culture. With innovative sourcing strategies in place, Culligan attracts collaborative, entrepreneurial talent to join our diverse, high-performing team and help move our business - and the world - forward.



# Commitments and targets

Focus areas

Public commitments and targets

**Progress** 

Diversity, equity, inclusion and belonging

35% global leadership positions held by women by 2030

30% U.S. leadership positions held by ethnically or racially diverse people by 2030

75%

97%

Social impact

9 million liters of water donated to communities in 2024

100%

# Highlights

Culligan

Meaningful engagement is the foundation of and daily interactions foster collaboration, connection, and celebration across our global network. We invest in what matters most to our people on both personal and professional levels.



## Empowering through purpose

In 2024, we launched the Culligan Community Impact Fund to support employee-led volunteerism and local initiatives. In its inaugural year, employees from three regions removed 146 kilograms of waste from beaches, parks, and trails - demonstrating the powerful intersection of passion and purpose. Building on that momentum, teams have begun planning similar events in 2025.



## Championing women's leadership

To strengthen inclusion, we reimagined our North American Women's Leadership Network (WLN). More than 200 employees joined this employee-led group to further their professional development, community engagement, and well-being. With momentum building, the WLN is now a model for global replication.



## Partnering for a healthier planet

Through our partnership with WILDCOAST, we help protect 32,000 acres of coastal ecosystems and mangrove forests in Mexico. Inspiring our teams, this tangible work offsets carbon emissions and prevents 27,000 kg of ocean-bound plastic annually via strategic trash boom installations.

Read more →

## Engaging our people

As our industry evolves, so do we. We're continuously learning and growing to meet and exceed the expectations of both our employees and our customers.

We invest to help individuals thrive and teams succeed. We listen closely, operate with accountability and focus on what matters most.

#### Fostering a more connected culture

We prioritize connection, open communication and honest feedback to empower our teams and fuel ongoing growth. Our global, social-first employee engagement platform, Hey Culligan, launched in fall 2023 and quickly became a cornerstone of our culture. Hey Culligan has rapidly become a platform of choice in most markets, as seen in its continued engagement growth.

The platform connects teams across borders, celebrates achievements, and keeps teams informed, all powered by inspiring stories, shared experiences and access to tools and resources.

#### Turning feedback into action

Employee feedback is critical to build a strong culture of belonging. Company-wide surveys provide valuable insights that reinforce what's working and identify areas for improvement.

In April 2025, we will re-launch our global employee engagement survey - an essential step in understanding how to further support our people following a period of rapid growth through mergers and acquisitions.

We recognize great culture isn't made with a once-a-year effort. Frequent, meaningful engagement is central to Culligan operations. Across our global business, leaders engage multiple platforms to regularly connect with employees, ensuring they stay attuned to teams' sentiment. Additionally, managers' ongoing conversations with direct reports and cross-functional teams inform day-to-day work and growth, while peers collaborate closely to drive shared success. Such consistent connection points enable meaningful teamwork and actions while reinforcing what matters most: building a workplace where everyone can thrive.









People

# **Empowering growth** at every stage

At Culligan, we believe growth is a journey powered by people. Businesses don't grow on their own people do. And it's their growth that drives lasting business success.

#### Talent management

We work to provide every employee opportunities to grow through hands-on experiences, crossfunctional exposure, and developmental assignments that accelerate learning and impact. We're committed to fair and equitable employment practices across levels and geographies throughout the employee experience at Culligan. Our talent bench is deep, and we continue to build upon it to ensure business continuity and individual career enhancement opportunities. As we nurture growth, we work to create similar paths for diverse employee groups.

#### Talent development and growth

Development opportunities begin early and extend throughout each team member's career at Culligan. A continuous journey, talent development keeps our Talent Review Process at its core as a strategic business imperative and an integral part of our operating rhythm. It drives performance, enhances agility, and ensures the organization is prepared for future challenges and opportunities.

# The Culligan Talent **Review Process centers** on six key priorities:

Planet

Solutions

Introduction

- Organizational capabilities: skills needed to deliver on the business strategy: current and future skill gaps and paths to acquire, build and strengthen
- ✓ Talent assessment: employee performance, potential and readiness to advance evaluation
- Succession planning: prepare future leaders and leadership transitions to ensure business continuity
- Development and growth strategies: personalized development plans for key talent to accelerate growth
- ✓ Talent calibration: comparative efforts across teams to drive consistency in assessments
- ✓ Retention: engagement drivers anchored in clear assessment, development plan and recognition communications

#### Developing purpose-driven leaders

People – not just strategy – move businesses forward. That's why we take a disciplined, people-first approach to leadership development. Across every level of our organization, we create intentional opportunities to reflect, grow and act - empowering leaders to execute with purpose, act with urgency, and inspire others.

#### Scale Insurgency Program

To remain agile, consumer-centric, and solutionsdriven, 400 top leaders participated in a ninemonth Scale Insurgency Program, developed in collaboration with Bain & Company and FranklinCovey. This hybrid learning experience reinforces our core values while enhancing leaders' ability to grow the business with integrity and responsiveness.

#### Advent Leadership Academy

Since 2021, exceptional employees are annually nominated to participate in the prestigious Advent Leadership Academy, a 15-week program led by Advent International and Harvard Business School. Focused on communication, influence, and team building, this highly competitive program represents the next level of leadership excellence.

#### **Growth Leadership Program**

Designed to cultivate high-potential talent across North America, our Growth Leadership Program supports leaders at key stages in their careers:

- Emerging Leader Path: new managers stepping into leadership roles
- Progressive Leader Track: Experienced managers seeking to deepen their impact

Over three years, participants create personalized development plans using unique tools leveraging tailored coaching and hands-on workshops.

#### **Culligan University**

Our commitment to continuous learning is supported by Culligan University, a robust internal platform offering hundreds of courses spanning management training, DEIB education, practical skills and more. In 2024, we expanded our curriculum to include change management, equipping leaders with a better understanding of the mindset and tools needed to navigate transformation and drive meaningful progress.

- 9,000 employees across North America completed a total of 65,750 courses
- 86% of all North American Culligan leaders completed DEIB training

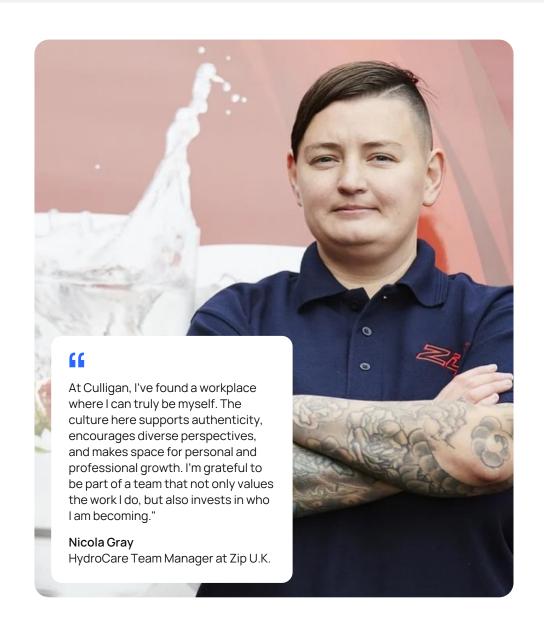
#### Committed to care

We know healthy teams are high-performing teams. Our global benefits are designed to support mental, emotional, and financial well-being.

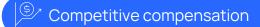
- In Europe, Mental Health First Aiders offer peer support in times of need
- In the U.S., our Employee Assistance Program provides confidential counselling and financial guidance
- Across all regions, we champion wellness with inclusive policies like a menopause support program with trained Menopause Champions

#### Compensation and benefits that reflect our values

Our competitive compensation and benefits packages are designed to attract, develop, and retain a talented global workforce. Our compensation philosophy is grounded in fairness, transparency, and equity, ensuring every employee is recognized and rewarded appropriately. By aligning rewards with performance and values, we support our people's growth and well-being while strengthening results with the communities we serve.









🖏 Leadership development

# Our diversity, equity, inclusion and belonging journey

Culligan

#### The strength of our business lies in the character and diversity of our people.

Varied perspectives and lived experiences drive better decisions, strengthen teams, and reflect the communities we serve.

We are committed to embedding DEIB into every facet of our organization. By fostering an environment where everyone can thrive and celebrating what makes each of us unique, we unlock unparalleled potential for individual growth, collective innovation, and values-driven leadership.

Every day, our teams champion equity as they work to create a more inclusive future. We empower one another to act as a force for positive change, both within Culligan and in the broader world.

To further nurture a workplace where all voices are heard, respected, and supported, employee resource groups (ERGs) are established by human resources and backed by senior leadership. These groups host events, engage with local communities, raise awareness, share best practices, and create space for open, powerful dialogue. ERGs are vital to strengthening belonging as they allow every team member to feel seen and valued.







#### Our DEIB vision

We're building an open culture where everyone can grow, contribute and feel comfortable being exactly who they are.













Introduction Planet Solutions People Practices Indexes 2024 ESG Report 45

# Embedding DEIB into how we work

We promote equity across our organization and have set goals to increase diversity across leadership roles globally. Our inclusive recruitment strategies ensure all open managerial roles have diverse candidate slates. We intend to replicate this approach for roles at every Culligan office.

To reinforce mutual respect and understanding, senior leaders and people managers are encouraged to take unconscious bias training which is complemented by inclusive leadership and DEIB training courses in Culligan University.

Throughout the year, we leverage communications and events to appreciate and celebrate each other's values and beliefs. In 2024, this included efforts around the religious festivals of Diwali, Eid and Ramadan, and month-long cultural celebrations such as Hispanic Heritage Month, Black History Month and Native American Heritage Month.

#### Listening, learning, leading

Consistent listening and open dialogue across levels and platforms let us assess what's working and take swift action where needed. As we grow, we remain grounded in a simple truth: our people move our mission forward.

Whether a local beach cleanup, a leadership summit or a conversation with a colleague, the ripple effects of our people-first culture are clear. We're not just transforming water — we're impacting lives.

#### Our DEIB commitments

- Increase women in global leadership to 35% by 2030
- Increase ethnic/racial diversity in U.S. leadership to 30% by 2030
- Ensure diverse slates in leadership hiring processes
- Foster an inclusive culture by equipping peopleleaders with appropriate trainings

We introduced "belonging" to our DEIB framework in 2024 to reinforce our belief that inclusion goes beyond numbers – it's about connection. Our DEIB Working Group developed and deployed Culligan's first annual DEIB survey in 2024 to better understand gaps and opportunities for growth. Launched in North America, the survey found:

- Our Employee Net Promoter Score is 69, significantly above global benchmarks (47)
- 46% of employees see themselves at Culligan for 10+ years, exceeding global benchmarks (38%)
- Early-career employees would like management to be more diverse
- Compared to benchmark averages, Culligan has fewer ethics concerns, but we can enhance our platforms for employees to raise concerns





Valuing diversity isn't just the right thing to do; it's a business imperative that drives leadership and innovation. In 2024, we introduced 'belonging' to reflect our commitment to fostering a culture where all feel connected to our mission and purpose. When we truly live our values, the impact extends far beyond our walls, inviting teams to shape a better world together."



Aarif Aziz Chief Human Resources Officer

# Empowering women at Culligan

Advancing gender equality is fundamental to growing our business and our commitment to a more inclusive workplace.

We are dedicated to creating environments where women feel supported, valued, and empowered to lead.

In the UK and Ireland, this commitment is reflected in tailored menopause, fertility, and parenthood support, alongside comprehensive health and well-being resources. We've implemented a formal menopause policy to ensure employees navigating this life stage feel safe, respected, and supported.

We're building a culture where women feel supported and empowered to succeed. The WLN plays a vital role in cultivating the next generation of female leaders. By investing in their growth today, we're strengthening our talent and our workplace for tomorrow."



#### Melissa Marra Chief Financial Officer, Culligan Quench and WLN Advisory Board Member

# Creating networks for impact

In June 2024, we restructured and reinvigorated our North American Women's Leadership Network (WLN) to foster deeper connection, growth and support. With more than 200 members, the WLN is guided by a six-person Advisory Board and led by 13 employees focused on three core pillars: professional development, community, and well-being.

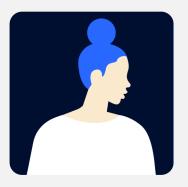
Through leadership panels, mentoring, seminars, and volunteer initiatives, the WLN empowers women across Culligan to grow, lead and make a lasting impact. Rooted in the belief that diverse perspectives make us stronger, the WLN helps cultivate the next generation of female leaders while strengthening our culture of belonging.











# Making a positive difference in our communities

Through volunteerism, philanthropy and partnerships, our impact extends beyond our walls.

We are active in the communities where we live and work, supporting local organizations, sharing resources and encouraging employees to give their time and talents to causes that matter.

#### Our social impact strategy

As a trusted global water provider, we support community issues through philanthropic efforts. Our comprehensive social impact program, launched in 2024, is designed to empower our employees, communities and stakeholders to deliver positive local outcomes.

Our efforts focus on two areas where we can have the largest impact: environmental sustainability and community well-being.

Impact pillars

# Environmental sustainability



- Prioritizing responsible environmental practices
- Engaging communities to invest in sustainable initiatives
- Mitigating environmental impacts
- · Reducing plastic pollution

# Community health and well-being



- · Bringing cleaner, safer water to those in need
- Increasing water security

Taking a holistic approach to driving change, we engage employees by:

- Harnessing the strength, expertise and networks of partner organizations to complement our teams' capabilities and amplify our collective efforts
- Empowering and inspiring all to sponsor small, local initiatives and nonprofits aligned with our purpose
- Activating Culligan Cares, our longstanding nonprofit arm that supports communities in the wake of natural disasters

The success of these programs is measured in lives impacted, liters of water donated, and the amount of plastic avoided.

# The Culligan Community Impact Fund

Backed by our ESG, DEIB and Communications teams, the Culligan Community Impact Fund was launched in 2024 to empower employees to sponsor, fundraise or volunteer for local community activities and events aligned with our social impact pillars: environmental sustainability and community well-being.

Under the leadership of our Paragon Water business unit, we raised funds to rebuild homes after Hurricane Helene devastated Tampa, Florida. A sizeable contribution was donated to Rebuilding Together Tampa Bay Z.



#### How our people got involved

- Eighteen Culligan employees removed 146 kilograms of waste at Donauinsel Island on the Danube in Vienna, working alongside members of <u>Green</u> <u>Heroes Austria</u>, a local environmental group.
- 30 Culligan volunteers joined <u>Feed My Starving Children </u> in Schaumburg, Illinois, to pack more than 46,000 meals for children in need overseas.
- 30 Culligan volunteers assembled to pack kits for <u>Foster Love /</u>, a nonprofit created to address the most urgent needs facing foster youth. The employees built "Birthday Boxes" with celebratory items, and "Sweet Cases" of essentials to comfort kids navigating challenging life transitions.



#### "

We want our colleagues to feel inspired to join initiatives that amplify sustainability or health and wellness in ways that create real, tangible impact locally. Such efforts take our love for these pillars outside of the workplace."



# **Bailey Griggs**Organizational Development and Inclusion Specialist, Corporate Human Resources

## Employees making a positive difference



#### Culligan Walk for The Cure

In October 2024, Club Culligan Philanthropy and Volunteer Committees organized two "Culligan Walk for the Cure" days in Illinois, raising \$4,237 for <a href="Susan G. Komen 2">Susan G. Komen 2</a>, a leading breast cancer organization.



#### **Celebrating Earth Day**

Culligan colleagues marked Earth Day 2024 with events and informational campaigns at our Culligan Manufacturing Hubs in Qingdao, China; Gliwice, Poland; and Monterrey, Mexico.

Covering a range of relevant issues from microplastics and eco-friendly cosmetics to upcycling clothes and reusable bags, the activities sparked meaningful shifts in how we care for the planet, individually and collectively.



#### Plastic Free July

Our hydration solutions are designed to reduce reliance on single-use plastic water bottles.

Last July, we took that commitment even further as teams around the world found simple, creative ways to reduce plastic use, avoiding bottles and bags, choosing reusables and making small swaps that add up to a big impact.

Culligan employees participated in clean-up events in five countries. Cumulatively, nearly 80 employees contributed more than 500 volunteer hours, removing an estimated 362 kilograms of waste.



#### World Oceans Day

In June 2024, 40 Culligan employees across Spain commemorated World Oceans Day by collecting waste from rivers and beaches. In Madrid, Seville and Barcelona, volunteer teams united with a common purpose: to protect our oceans and waterways.

# Culligan

# Global partnerships for impact

# Restoring mangroves in Mexico with WILDCOAST

With <u>WILDCOAST</u> ∠, a California-based nonprofit, we're restoring 32,000 acres of mangrove forests and coastal ecosystems in Oaxaca, Mexico. The trees we plant help offset millions of tons of emissions by trapping carbon deep in their roots and soil. So far, the project has planted more than 260,000 mangrove seedlings across 74 acres of critical habitats under restoration.

This work improves the local environment and strengthens the communities around it by creating jobs that put conservation into the hands of the people who know the land best. We're also training women-led groups to take the lead in protecting their ecosystems, blending climate action with economic opportunity.

This project builds upon our long-standing partnership with WILDCOAST. Together, we've installed four trash booms near Tijuana to prevent more than 46,000 kilograms of plastic from reaching the ocean every year. We also support outreach programs that have educated over 1 million people in San Diego and Tijuana on the importance of reducing single-use plastics.

"Public-private partnerships are so important and the investment from Culligan shows that two organizations with similar missions can successfully come together to protect our shared resources."

#### Serge Dedina

Founder and Executive Director, WILDCOAST



# Transforming water in rural Australia with SOURCE®

A collaboration between Zip Water and SOURCE® Z, a renewable water technology company, brings high-quality, more reliable drinking water to schools in remote areas of Australia.

Ten SOURCE® hydropanels and two Zip Water chillers were installed at Goodooga Central School in rural New South Wales. Generating up to 18,000 liters of clean water every year, this effort provides a consistent water supply for 40 students and 15 staff who do not have access to a clean water source readily. The system works by pulling water vapor from the air, condensing it using solar energy, and enriching it with calcium and magnesium before it's stored and dispensed.

Over its 15-year lifespan, the project is expected to eliminate more than 500,000 single-use plastic water bottles. Beyond cleaner water, it's a hands-on learning opportunity, giving students insight into sustainability, renewable energy and the water cycle.

Following the success in Goodooga, a second installation is planned for Alcoota School in the Northern Territory.

"This project shows how cutting-edge technology and a shared vision can drive meaningful impact. Together, Zip Water and SOURCE are proving innovation can bring lasting, sustainable change to even the most remote communities."

#### John Doumani President, Culligan APAC and Zip International



# Culligan Cares supports communities in crisis

Culligan Cares, our U.S.-based 501(c) (3) nonprofit arm, provides cleaner, safer water to communities in the aftermath of crises.

For more than a decade, we have collaborated with nonprofit organizations such as <u>Convoy of Hope</u>, <u>Water Well Trust</u>, <u>Engineers Without Borders</u> and <u>World Vision</u> to help those impacted by natural disasters. Such collaborations maximize our impact where and when it is needed most.

When hurricanes hit several southern states, leaving millions without food, power or water, Culligan Cares was there, providing financial assistance and water to people in North Carolina impacted by Hurricane Helene. We organized a water donation in Florida following Hurricane Milton, made donations to first responders, and lent trucks and dealership space as makeshift aid stations.

This work is overseen by the Culligan Cares Committee, a group of North American dealers and advisors who review requests for assistance and identify new opportunities to engage.

#### Donating 9 million liters of water

In 2024, we set out to donate 7.5 million liters of cleaner, safer water. We exceeded our goal, delivering nearly 9 million liters to communities worldwide via donations and our partnership with GivePower .

This year, we're aiming even higher. We are striving to donate 10 million liters of cleaner water through our partners and solutions.

Working with local organizations around the world, we identify communities in need and deliver sustainable hydration solutions. By placing our solutions where they'll have impact, we help schools, healthcare facilities and community centers gain long-term access to water, enabling people to thrive.



It's an honor to be part of Culligan Cares, where giving back is woven into our mission. In 2024, I was especially proud of how quickly we came together to support communities hit by disasters, including places many of us call home."



**Bob Boerner** President, Culligan San Antonio





# Practices

Trust is earned through the choices we make daily, from how we treat people to how we make our solutions more sustainable. At Culligan, that means leading with integrity, holding ourselves to the highest standards and building systems to keep us accountable.

We don't cut corners or make compromises. Working ethically, responsibly and transparently is crucial to delivering value to our employees and the people we serve.

Given Culligan is a global, decentralized business, maintaining strong leadership and operations is critical to deliver strong results. Our policies, environmental and social commitments are grounded in action, not aspiration, and designed to deliver real impact.

Culligan as One is one of our core five values. It reinforces that everyone has a role to play in improving our culture and performance, including strengthening engagement with suppliers and supporting partners as they advance their ESG programs.



# Commitments and targets



Compliance and reporting

Annual communication on progress through ESG report

100%

Solutions

# Highlights

Culligan

How we work is as important as what we do. To be a force for good and provide cleaner, great-tasting water, we lead responsibly and respectfully.

True impact comes from consistent, meaningful actions; our practices reflect an unwavering dedication to do what's right - for our employees, our partners and the people we serve around the world. Committing to ethical practices, environmental stewardship and continual improvement ensures we support our mission to transform water and improve our environmental impact.



## Incorporating ethical artificial intelligence

We operate with responsible practices that reflect the realities of the modern world. This year, we published guiding principles to further integrate artificial intelligence (AI) as aligned with our values, prioritizing data security, transparency and ethical use.



### Celebrating Safety Week

Our three manufacturing hubs in Qingdao, China; Gliwice, Poland; and Monterrey, Mexico, celebrated Safety Week in 2024. More than 900 employees participated in awareness-raising activities, emergency drills and trainings on topics such as fire protection, electrical safety and CPR.



### Strengthening supplier stewardship

We advanced our supplier engagement program by formalizing a new Supplier Code of Conduct. In 2024, 100% of suppliers in North America and APAC acknowledged the Code, creating clear expectations across our value chain.

Read more →

# Corporate governance

Culligan

Effective strategic oversight alongside sound policies and practices seamlessly integrate ESG priorities into our operations.

The Culligan International Board of Directors is our highest decision-making body, overseeing business strategy, safeguarding company assets, maintaining appropriate controls and ensuring compliance with applicable laws and regulations.

To assist in due diligence, the audit committee fulfills financial and oversight responsibility while the Compensation Committee authorizes and supervises compensation and benefits reviews across the company.

Leadership teams company-wide oversee risk management, identifying and mitigating the most significant business risks. The Audit Committee regularly reports to the Board on current and emerging operational, financial, strategic, cybersecurity, legal and regulatory compliance risks.

The Board also oversees our ESG strategy and targets in partnership with our chief financial officer as well as the ESG director.

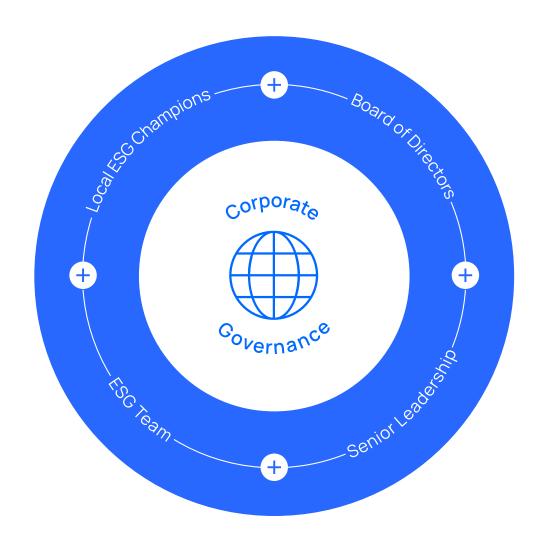
ESG success happens when we all work together. Teams work across departments and geographies at local levels. ESG champions, business unit leaders, legal, operations, procurement, and crossfunctional teams incorporate our ESG strategy into business operations with strong governance to drive holistic, successful efforts, with support from the Executive team and Board.



At Culligan, strong corporate governance is the foundation of our ESG strategy. By embedding accountability, transparency and ethical leadership into our operations, we drive sustainable growth, manage risk effectively and deliver lasting value to our stakeholders."



Al Hamood, President, Chief Finance and Administrative Officer



# Operating ethically and with integrity

Given our size and scale. collaboration and commitment are necessary to ensure responsible business. As one, unified Culligan team, we lead by example, maintain high standards and operate with integrity. Our purpose, vision and values come to life through our collective actions.

#### Addressing modern slavery

Modern slavery, including forced labor, child labor and human trafficking, victimizes an estimated 50 million people globally every year. We acknowledge modern slavery risks exist in complex supply chains, particularly where sub-tier suppliers procure raw materials.

To mitigate such risks, we work closely with suppliers to frequently assess performance on issues such as ethics, bribery, modern slavery and human rights. Suppliers must complete detailed questionnaires about practices and policies, before being vetted and audited by our Supply Chain and Procurement teams

Some Culligan business units, such as Zip Water, have issued Modern Slavery Statements ✓ outlining their actions and expectations.

#### A zero-tolerance approach to discrimination

Having the courage to do what's right is a value that ensures our employees' unique perspectives and lived experiences are seen and heard. We believe in working collaboratively, learning from each other and fostering environments where everyone is treated with dignity and respect, and feels they belong.

Our commitment to anti-discrimination is vital to create a supportive environment where teamwork and innovation thrive, benefiting both employees and the communities we serve.

Across the organization, we comply with legislation that forbids unlawful employment, discrimination or harassment based on an individual's actual or perceived age, ancestry, citizenship, color, creed, disability, gender identity, marital status, national origin, nationality, parental or familial status, pregnancy, race, religion, sexual orientation, genetic information, veteran status or other characteristics protected by international, federal, state or local law.

#### Setting high standards

Our Business Code of Conduct outlines the basic standards of behavior we expect from employees, such as respecting one another, acting ethically, and speaking openly and honestly.

The Code increases employees' awareness and understanding of ethical issues and emphasizes compliance with applicable laws. It also provides information about how to report known or suspected unethical or illegal behavior without fear of retaliation (see reporting concerns and violations section).

As our business grows, we continue to assess and revise the Business Code of Conduct to ensure it remains relevant and effective.

#### Reporting concerns and violations

To safeguard an equitable work environment, we provide many channels to report any suspicion of unethical behavior. Flagged concerns are addressed quickly, respectfully and confidentially.

Employees have access to an internal reporting platform, alert their supervisor, or directly engage HR, Legal, or Environment, Health and Safety (or EHS) teams. Alternatively, they can access EthicsPoint, a confidential reporting tool hosted 24/7 by an independent third party.

#### Anti-bribery and corruption training

We conduct annual ethics and anti-bribery training across business units and key leadership roles. Additionally, anti-corruption training is available to many employees, specifically those in functions susceptible to corruption.

# Data privacy and cybersecurity

Culligan

Our policies and processes manage data and information to protect our employees, suppliers and those we serve.

Culligan's IT Security team works diligently to protect our systems and applications. Strong mechanisms within a layered defense approach prevent unauthorized access and reduce exploitation risks. Often times, access is granted on a need or role basis.

We train all employees on best practices at least annually, providing guidance on identifying and avoiding phishing attacks and other common security threats. A yearly simulated phishing attack tests understanding and provides additional training to high-risk users where appropriate.

We conduct regular internal security audits to identify and address any areas for improvement in the Information Security Management System. Our IT Security team performs quarterly health checks to monitor the effectiveness of security tools and processes, making enhancements and planning replacements as needed. An independent annual tabletop exercise further tests incident response readiness and increases our resilience against cyber-attacks.

Audits of our most critical, financially significant suppliers identify potential vulnerabilities, and our team supports them in implementing mitigating controls.

At Culligan, we use AI to work smarter, in support of human judgment, never as a replacement. From streamlining workflows to improving user experiences, Al helps us do more with purpose and precision.

Our Al approach is guided by a clear set of principles that prioritize security, transparency and human oversight. We prohibit sharing confidential information on open-source tools and encourage critical thinking and factchecking to avoid bias or misinformation in Al-generated content.

Tools like the Cullie chatbot and automated transcription systems are monitored and managed, ensuring AI enhances productivity without compromising trust.

**Practices** 

To build accountability, employees must disclose when Al has contributed to content or decisionmaking; our dedicated Al Committee stays up to date on evolving regulations and best practices.

With the right guardrails in place, Al is leveraged as a tool for innovation without losing sight of our responsibility to do what's right.

### **Our Al Principles**



Security



**Transparency** 



Oversight



At Culligan, protecting data is a top priority. By adopting advanced technologies, automation and rigorous training programs, we can be assured our data privacy practices meet the highest standards. Our dedication to cybersecurity not only fortifies our operations but also reinforces the trust placed in us by those we serve."



#### **Amir Niaz**

Vice President, Chief Information Security Officer

# Labor, health and safety

# Our employees' well-being is embedded in our values.

Everyone is expected to commit to and deliver on our safety goals in every Culligan location, every single day: zero accidents, zero injuries and zero violations. It's critical that our employees feel empowered to speak up about workplace health and safety issues.

Responsibility for safety and ensuring all can thrive at Culligan lies with management teams at each business unit. Some have specific EHS managers or safety professionals. We comply with global, regional and local standards, laws and regulations. This includes providing proper safety equipment where relevant and leveraging automation for repetitive tasks to reduce cumulative trauma injury risks. To manufacture and transport water solutions, we conduct a relevant trainings to keep employees safe during their daily work.

Beyond onsite safety, we support well-being for hybrid workers, using ergonomic selfassessments to support health.

Our strong relationships with union partners reflects more than compliance. We deeply value our employees' input and believe in the power of collective decision-making, especially on issues such as health, safety and quality.

We respect every employee's right to form or join a labor union without fear of reprisal, intimidation or harassment. And where employees are represented by a legally recognized labor union, we fulfill our bargaining obligations as defined by the law.



# Supplier relationships

Building long-lasting relationships with suppliers is a key measure of success as it impacts the quality, availability and affordability of our solutions.

To drive accountability and uphold ethical standards, we partner with like-minded suppliers that uphold the highest standards of sustainability, ethics and human rights.

Our Supplier Code of Conduct ensures shared standards across business units, setting clear expectations on legal and business integrity, data security, labor conditions and human rights, health and safety, and environmental management.

The Code aligns with international legislation and frameworks, including the <u>UN Global</u> Compact ∠, the International Labour Standards ∠ and the <u>UN Universal Declaration of Human Rights ∠</u>. We are committed to updating and reissuing the Code annually.

All preferred suppliers must acknowledge our Supplier Code of Conduct. We plan to expand the Code to more indirect suppliers. On a quarterly basis, we review many preferred suppliers' performance against various criteria, including key ESG criteria.

Supplier scorecards also drive performance improvements and ESG transparency. Each preferred supplier scorecard now includes mandatory ESG criteria, reinforcing our intentions to work with suppliers who align to our vision and values. Conducting annual reviews of preferred suppliers accelerates progress.

We are currently reviewing preferred suppliers by spend with intentions to track against Moody's ESG ratings. These ratings will soon be integrated into the scorecards and annual reviews.

Additionally, the ESG team is also exploring the viability of a supplier diversity program.

#### Supplier engagement and collaboration

We uphold the highest ethical and sustainability standards throughout our supply chain and work closely with suppliers to meet them.

Our risk-based approach spans privacy, cybersecurity and human rights, and is currently managed by individual business units. We are transitioning to greater central visibility and support to optimize responsible sourcing and mitigate supply chain risks.

Beyond scorecards, we collaborate on education and program development. In 2024, we began formalizing relationships with key suppliers to collaborate on ESG and impact initiatives. Our goals is to replicate with other suppliers in time.

#### Auditing our critical suppliers

We regularly audit critical suppliers in high-risk locations to assess working conditions and identify red flags such as environmental negligence or child labor.

Before engaging, we conduct a site visit and reputation analysis in addition to gathering testimonials. This rigorous process protects workers' rights, promotes environmental stewardship and responsibly sources materials for our solutions.

### Culligan and Jacobi

Jacobi → provides Culligan with activated carbon powder for Culligan water filters produced at our Monterrey, Mexico facility. Our strong partnership is rooted in sharing knowledge and maintaining open communication. Our shared values and ESG goals help both teams act with purpose.

Culligan is always working to strengthen supplier collaboration, and Jacobi serves as a model for what purposeful partnership can look like. We remain committed to deepening our work together and expanding what's possible through shared expertise.

"There is a lot of overlap between us, as Culligan's four ESG pillars directly align with Jacobi's values. Working with likeminded companies is only going to improve our own programs, and having our values aligned will accelerate our programs respectively."

#### **Becky Sexton**

Regional Sales Manager, Jacobi Carbons Culligan. Introduction Planet Solutions People Practices Indexes 2024 ESG Report 60

# Indexes

- **61** GRI
- 65 SASB
- 67 TCFD
- 69 People
- 1 Energy
- **72** Water and waste
- 73 Sources and hyperlinks

Solutions

Introduction

Planet

Practices

# **GRI Index**

Culligan has reported the information cited in this GRI content index for the period January 1, 2024 - December 31, 2024 with reference to the GRI Standards.

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Culligan International, Inc. Majority ownership by BDT & MSD Partners Rosemont, IL, USA <u>Who we are</u> <u>Where we serve</u>
	2-2 Entities included in the organization's sustainability reporting	About this report
	2-3 Reporting period, frequency and contact point	About this report
	2-4 Restatements of information	About this report
	2-5 External assurance	Limited external assurance was conducted for this report, specifically for carbon emissions, covering Scope 1 and Scope 2 emissions.  Carbon emissions
	2-6 Activities, value chain and other business relationships	Who we are Where we serve Out-of-home solutions Household solutions
	2-7 Employees	People Index
	2-9 Governance structure and composition	Corporate governance
	2-11 Chair of the highest governance body	Scott Clawson, Chairman and Chief Executive Officer
	2-12 Role of the highest governance body in overseeing the management of impacts	Our approach to double materiality
	2-13 Delegation of responsibility for managing impacts	Our approach to double materiality
	2-14 Role of the highest governance body in sustainability reporting	Corporate governance

Introduction Planet Solutions People Practices Indexes

# **GRI Index**

2-16 Communication of critical concerns	<u>Corporate Governance</u>
2-17 Collective knowledge of the highest governance body	<u>Corporate Governance</u>
2-22 Statement on sustainable development strategy	A letter from our CEO , Our approach to double materiality, Our ESG strategy
2-23 Policy Commitments	Corporate Governance , Operating ethically and with integrity, Supplier relationships
2-24 Embedding policy commitments	Operating ethically and with integrity
2-25 Processes to remediate negative impacts	Operating ethically and with integrity
2-26 Mechanisms for seeking advice and raising concerns	Operating ethically and with integrity
2-27 Compliance with laws and regulations	No incidences.
2-28 Membership Associations	Culligan has membership of various organizations that strategically influence our business operations and ESG Program. Throughout this report, we make references to some of these organizations, including: Business for Social Responsibility, United Nations Global Impact, the Water Resilience Coalition, the CEO Water Mandate, the Water Council, and Water Quality Management.
2-29 Approach to stakeholder engagement	Our approach to double materiality
3-1 Process to determine material topics	Our approach to double materiality
2-3 List of material topics	Our approach to double materiality
3-3 Management of material topics	Our approach to double materiality Our ESG strategy

2024 ESG Report 62

GRI 3: Material Topics 2021

Planet

Solutions

People Practices

Indexes

# **GRI Index**

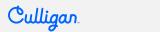
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Index		
	302-2 Energy consumption outside the organization	<u>Energy Index</u>		
	302-3 Energy Intensity	Energy Index		
	302-4 Reduction of energy consumption	Energy Index		
GRI 303: Water and Effluents 2018	303-1 Interaction with water as a shared resource	Impactful industry leadership		
	303-5 Water consumption	Water and Waste Index		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy Index		
	305-2 Energy indirect (Scope 2) GHG emissions	Energy Index		
	305-3 Other indirect (Scope 3) GHG emissions	Energy Index		
	305-4 GHG emissions intensity	Energy Index		
GRI 306: Waste 2020	306-1 Waste generation and signifiacnt waste-related impacts	Changing behaviors to help reduce waste		
	306-2 Management of significant waste-related impacts	Changing behaviors to help reduce waste		
	306-3 Waste generated	Water and Waste Index		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	In 2024, we chose not to collect employee turnover data as we are improving our data collection processes. We plan to disclose this information in the 2025 report and beyond.		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	Empowering growth at every stage		

Introduction Planet Solutions People Practices Indexes

2024 ESG Report 64

# **GRI Index**

GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<u>Labor</u> , health and safety
	403-2 Hazard identification, risk assessment, and incident investigation	Labor, health and safety
	403-3 Occupational health services	Labor, health and safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Labor, health and safety
	403-5 Worker training on occupational health and safety	Labor, health and safety
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People Index
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents and child labor	Operating ethically and with integrity, Supplier relationships
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Operating ethically and with integrity, Supplier relationships
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product services categories	All significant product and solution categories are assessed for health and safety impacts to identify areas for improvement.
		Reducing the risks of contaminants
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of regulatory non-compliance regarding the health and safety impacts of products and services were reported.
		Reducing the risks of contaminants



Planet

Solutions

People Practices

Indexes

#### 2024 ESG Report 65

## SASB Index

Based on Chemicals, Household Personal Products, Industrial Machinery Goods, Professional Commercial Services, and Non-alcoholic Beverages

Accounting Metric Explanation	Accounting Metric	Unit of Measure	Code
Water Management			CG-HP-140a
(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Water and waste Index	Thousand cubic meters (m3)	CG-HP-140a.1
Number of incidents of non-compliance associated with water quality permits, standards and regulations	No incidents	Number	RT-CH-140a.2
Description of water management risks and discussion of strategies and practices to mitigate those risks	Reducing the risks of contaminants	n/a	CG-HP-140a.2 and RTCH-140a.3
Energy Management			
(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Energy Index	GJ, Percentage (%)	RT-IG-130a.1
Greenhouse Gas Emissions			
Gross global Scope 1 emissions, percentage covered under emissions- limiting regulations	Energy Index	Metric tons (t) CO <sub>2</sub> e, Percentage (%)	RT-CH-110a.1
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Carbon emissions	n/a	CG-HP-140a.2 and RTCH-140a.3
Employee Health & Safety			
(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	1) 1.05, 2) 0, 3) NMFR TBD	Rate	RT-IG-320a.1

Planet

Solutions

People Practices

Indexes

# SASB Index

Workforce Diversity & Engagement				
Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Index 1 - HR	Percentage (%)	SV-PS-330a.1	
(1) Voluntary and (2) involuntary turnover rate for employees	People Index	Rate	SV-PS-330a.2	
Community Relations				
Discussion of engagement processes to manage risks and opportunities associated with community interests	Making a positive difference in our communities (pg 47)	n/a	RT-CH-210a.1	
Data Security				
Description of approach to identifying and addressing data security risks	Data privacy and cybersecurity	n/a	SV-PS-230a.1	
Description of policies and practices relating to collection, usage, and retention of customer information	Data privacy and cybersecurity	n/a	SV-PS-230a.2	
Activity Metric	Category	Location	Unit of Measure	Code
Number of employees	Quantitative	People Index	Number	RT-IG-000.B
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Quantitative	People Index	Number	SV-PS-000.A

Planet

Solutions

People

Practices

2024 ESG Report 67

## TCFD Index

In accordance with TCFD recommendations, we disclose information on four areas (governance, strategy, risk management, metrics and targets) in relation to risks and opportunities from climate change.

Disclosure recommendations	Response
Governance	
Describe the board's oversight of climate-related risks and opportunities.	Corporate governance
Describe management's role in assessing and managing climate-related risks and opportunities	Corporate governance
Strategy	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Our approach to double materiality Corporate governance
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Our approach to double materiality Corporate governance
Describe the resilience of the organization's strategy, taking into consideration different climaterelated scenarios, including a 2°C or lower scenario.	Our ESG strategy Carbon emissions
Risk Management	
Describe the organization's processes for identifying and assessing climate-related risks.	We identify climate-related risks through a double materiality assessment (DMA) aligned with the European Sustainability Reporting Standards (ESRS), ensuring compliance with the Corporate Sustainability Reporting Directive (CSRD) in the European Union. In addition, we maintain a comprehensive, annual, global carbon inventory, which allows us to understand the key drivers of our emissions and inform robust decarbonization strategies and modeling efforts. Through the use of life cycle assessment (LCA) tools, we also evaluate the environmental impact of our products, identifying opportunities where innovation can significantly reduce our carbon footprint and deliver positive environmental outcomes.  Our approach to double materiality
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Our approach to double materiality Corporate governance

Planet

Solutions

People

Practices

Indexes

# TCFD Index

Metrics & Targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Energy Index
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Energy Index
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our approach to double materiality Our ESG strategy Carbon emissions



# People Index

Employment status by gender														
Disclosure 2-7	LATAM		EMEA		APAC	APAC			GLOBAL					
Gender	Female	Male												
Total number of employees	750	930	2793	6034	456	661	1377	3009	5376	10634				
Permanent employees	750	927	2673	5872	444	651	1367	2996	5234	10446				
Temporary employees	0	3	120	162	12	10	10	13	142	188				
Full-time employees	749	928	2281	5799	421	646	1351	2973	4802	10346				
Part-time employees	1	2	512	235	35	15	26	36	574	288				

New hires and turnover by age															
Disclosure 401-1	LATAM			EMEA		APAC		NA			GLOBAL				
Age	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Total number of new employees hired in 2024	252	269	39	411	704	235	29	44	14	399	725	254	1091	1742	693
Total rate of new employees hired in 2024	51 %	33%	18%	26%	17%	12%	29%	8%	7%	80%	32%	16%	41%	23%	15%

Percentage of employees by gender													
Disclosure 405-1	LATAM	LATAM		EMEA		APAC		NA					
Gender	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male			
Percentage of Employees	45%	55%	31%	68%	41%	59%	31%	69%	33%	66%			

New hires by ge	New hires by gender													
Disclosure 401-1	closure 401-1 LATAM		EMEA	EMEA		APAC		NA						
Gender	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male				
Total number of new employees hired in 2024	256	325	482	997	33	54	388	984	1159	2360				
Total rate of new employees hired in 2024	38%	38%	19%	17%	9%	11%	29%	33%	23%	24%				

Note: employee turnover not disclosed in 2024. Culligan is improving data collection methods to include this metric in the future.

Practices

# People Index

Culligan

Percentage of employees by age															
	LATAM			EMEA			APAC			NA			GLOBAL		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Percentage of employees	34%	53%	14%	21%	53%	27%	13%	60%	28%	12%	52%	36%	19%	53%	28%

Management and non-management															
	LATAM			EMEA			APAC			NA			GLOBAL		
SASB SV-PS-330a.1	Total count	Female	Male	Total count	Female	Male									
Management	133	34%	66%	947	33%	65%	123	33%	68%	749	33%	67%	1,952	33%	66%
Non-management	1,547	46%	54%	7,944	31%	68%	995	42%	58%	3,645	31%	69%	14,131	34%	66%

Ethnicity and racial diversity						
SASB SV-PS-330a.2	U.S.					
Percentage of employees	41%					

Solutions

Introduction

Practices

# Energy Index

Culligan

Energy consumpti	on (kWh)				
Disclosure 302-1	Region	2024			
Scope 1	U.S. and Canada	71,175,371			
	EMEA	139,780,666			
	APAC	7,371,953			
	LATAM	6,621,678			
	Total	224,949,668			
Scope 2	U.S. and Canada	12,881,114			
	EMEA	21,774,561			
	APAC	5,449,988			
	LATAM	3,392,069			
	Total	43,497,732			
Disclosure 302-2					
Scope 3	U.S. and Canada	465,725,153			
	EMEA	1,959,349,653			
	APAC	562,336,913			
	LATAM	182,107,542			
	Total	3,169,519,261			
Energy intensity (Se	cope 1, 2 and 3, kWh)				
Disclosure 302-3	2024				
U.S. and Canada	0.41				
EMEA	1.39				
APAC	2.58				
LATAM	1.63				
Total	1.07				

Scope 1 (metric tons)	
Disclosure 305-1	
Region	2024
U.S. and Canada	36,677
EMEA	39,896
APAC	2,311
LATAM	2,862
Total	81,747

Scope 2 (metric tons)	
Disclosure 305-2	
Region	2024
U.S. and Canada	5,239
EMEA	6,479
APAC	3,045
LATAM	1,059
Total	15,821

Scope 3 (metric tons)	
Disclosure 302-3	
Region	2024
U.S. and Canada	587,015
EMEA	466,737
APAC	352,784
LATAM	74,226
Total	1,480,762

GHG Emissions Intensity (Scope 1, 2 and 3)					
Disclosure 305-4					
Region	2024				
U.S. and Canada	471				
EMEA	337				
APAC	1,606				
LATAM	662				
Total	493				

Indexes



# Water and Waste Index

Water consumption	
Disclosure 303-4	Water consumption/discharge (liters)
Region	2024
U.S. and Canada	474,237,267
EMEA	537,923,198
APAC	65,971,320
LATAM	43,802,793
Total	1,121,934,578

Waste generated	
Disclosure 306-3	Waste generated (metric tons)
Region	2024
U.S. and Canada	479
EMEA	3,158
APAC	957
LATAM	Not available -spend data only
Total	4,594



# Sources and hyperlinks

#### Page 30

- 1. <a href="https://www.sciencedailv.com/releases/2021/10/211027122120.htm">https://www.sciencedailv.com/releases/2021/10/211027122120.htm</a>
- https://www.culliganinternational.com/newsroom/culligan-revealssignificant-disparities-in-water-quality-concerns

#### Page 35

 Estimate based on standard 16.9 oz plastic bottle height (~8 inches). Earth's equatorial circumference is ~24,901 miles (131.5 million feet). Source: NASA; U.S. EPA.

