



2025

SUSTAINABILITY  
REPORT





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# A Message From Our Chief Executive Officer

In 2025, we continued to build on the momentum that has defined Watts — delivering solutions for our customers, advancing our sustainability commitments, and investing in the people who make all our work possible. This was a year of meaningful growth and change. We achieved record safety performance at our sites and national recognition for sustainability leadership, grew career development programs that strengthen our culture, and celebrated the outstanding contributions of our entire global team.

We also achieved record financial performance and continued to execute on our growth strategy with the acquisitions of I-CON, EasyWater, Haws Corporation, Superior Boiler, and Saudi Cast. Each of these acquisitions brings complementary capabilities to our portfolio and strengthens our position as a global leader in water and safety solutions.

By continuing to consolidate our ecosystem with a full Smart & Connected product suite, we are delivering differentiated value that sets Watts apart. We continue to scale our Nexa intelligent water management platform, extending our “Digital Triple Play” of Safety and Regulation, Water Conservation, and Energy Efficiency. Nexa-enabled products are helping our customers manage water more safely and sustainably while driving measurable cost savings.

We are proud of the global recognition we received in 2025 for our sustainability efforts and workplace culture, including from Newsweek, TIME, USA Today, The Boston Globe, and Barron’s. For the seventh consecutive year, we achieved each of our operational eco-efficiency targets and have reduced our

location-based emissions by 695 metric tons since 2024. Our environmental performance is driven by our robust operating system and focused efforts at key Watts sites.

As our company grows and evolves, so do the skills, competencies, and expectations of our workforce. We will continue to develop our people to lead and adapt in a changing world. In 2025, we introduced a new Leadership Framework and expanded programs focused on upskilling, early-in-career development, and Registered Apprenticeships.

Our teams exemplified the “One Watts” spirit in service to their local communities. From our headquarters’ annual backpack drive supporting the local Boys & Girls Club to water stewardship projects in Canada and partnerships with local schools to educate students about careers in advanced manufacturing and engineering, Watts employees logged 10,000 hours of volunteer time — a 100% increase over 2024.

We remain focused on advancing innovative technologies and solving our customers’ most complex challenges. As a global industry leader, Watts is poised to respond to the mega trends that will shape our world in the years ahead.

Thank you for your continued partnership. We look forward to our work together as we rethink, reimagine, and reshape the future of water.

Sincerely,



A handwritten signature in black ink that reads "Robert J. Pagano Jr." in a cursive style.

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

# A Message From Our Chief Sustainability Officer

Ten years of annual sustainability reporting at Watts has been a journey defined by consistency and growth. Each report has built on the one before it, and this 10th annual report provides the most mature reflection of our work to date. The results of our collective efforts can be seen not only in the data we report, but in the depth and discipline we bring to managing our performance and sharing our progress. Over the last decade, we have grown from tracking a handful of environmental metrics to managing a comprehensive environmental, social, and governance (ESG) strategy with quantitative performance targets, clear governance, and engaged teams.

In 2025, we surpassed annual targets across each of our intensity metrics, achieving a 3.6% reduction in water intensity, a 13% reduction in market-based carbon emissions intensity, and a 12% reduction in hazardous waste intensity. We reduced our absolute carbon emissions by approximately 1,300 metric tons against a 2023 baseline. Continued progress against our energy strategy is supported by investments in on-site solar generation and energy efficiency upgrades across the company.

After seven consecutive years of achieving our eco-efficiency targets, future reductions require even more innovation, detailed management, and capital investments. In 2025, we leveraged specialized academic and technical knowledge to support our operational expertise and identify new opportunities. At our Franklin, NH, and Fort Worth, TX,

facilities, we continued to partner with local universities to study and evaluate potential solutions to safely divert away waste from landfills.

Employees across Watts continue to engage as active contributors to our sustainability work — a shared commitment rather than a leadership directive. Operations Teams are consistently identifying site-level reduction opportunities through monthly operating reviews. For example, our Fort Worth facility is installing a new condensate capture system to reduce freshwater withdrawal. Our Auckland facility installed a closed-loop rainwater system, and the factory now runs on 100% harvested and recycled water.

We were proud to welcome several new brands to the Watts family throughout 2025, with each bringing its own unique capabilities and sustainability expertise, with many having long legacies of social and environmental commitments. With each acquisition, we have taken a methodical approach to understand how our ESG strategy may be impacted, integrating best practices and ensuring strong data governance.

The foundation we have built over the past decade positions us well for what comes next. Thank you for taking the time to learn more about our work.

Sincerely,



A handwritten signature in black ink, appearing to read 'Ken R. Lepage'.

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

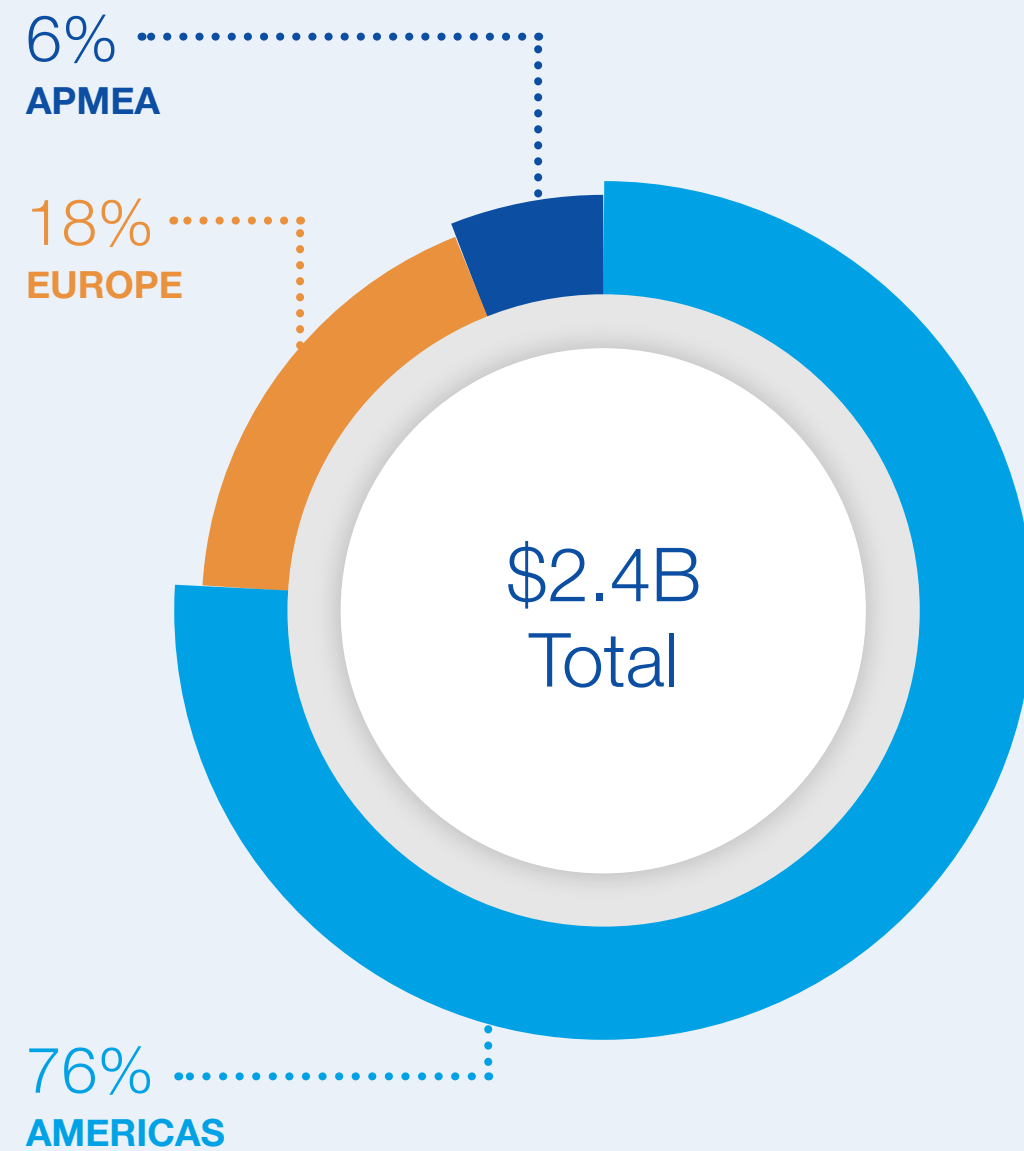
# Corporate Profile

## About Watts Water Technologies, Inc.

Watts Water Technologies, Inc., through its family of companies (“Watts”), is a global manufacturer headquartered in the USA that provides one of the broadest plumbing, heating, and water quality product lines in the world. For more than 150 years, Watts has designed and produced innovative plumbing, heating, and water quality solutions to control the efficiency, safety, and quality of water within commercial, residential, and industrial applications. Headquartered in North Andover, MA, USA, and serving markets of the Americas; Europe; and Asia-Pacific, the Middle East, and Africa (APMEA), Watts Water Technologies, Inc. was incorporated in Delaware in 1985 as the parent company of Watts Regulator Co. and trades on the New York Stock Exchange (NYSE) under the stock symbol WTS. For more information, visit [www.watts.com](http://www.watts.com).

### REVENUE

We report on our annual net sales under three geographic segments in which we operate our business globally, four distribution channels, and principal product categories. The net sales percentages and the total are for the year ended December 31, 2025.



### SOME OF OUR BRANDS



### MISSION

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

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

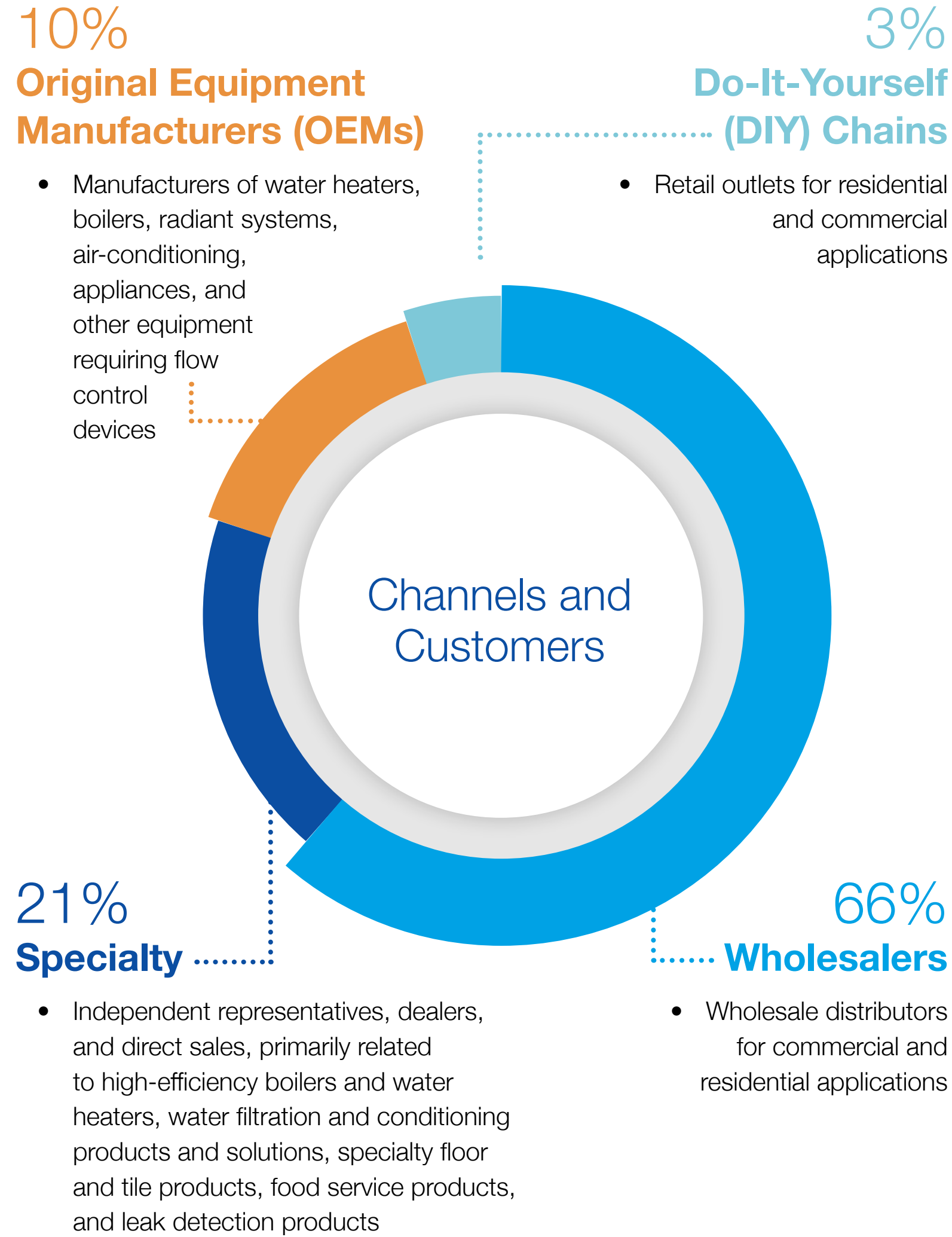
### PURPOSE

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

### VALUES

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

# Corporate Profile



## 23% Heating, Ventilation, and Air-Conditioning (HVAC)

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

## 11% Drainage and Water Reuse

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

## 61% Residential, Commercial, and Industrial Flow Control

- Backflow preventers, water pressure regulators, temperature and pressure-relief valves, thermostatic mixing valves, leak-detection and protection products, commercial washroom solutions, hydration solutions, and emergency safety products and equipment
- Smart and connected enabled flow-control and protection products that alert building management systems and/or personal devices of leaks, floods, freezing temperatures, and other hazards, enabling greater insight into water management and the ability to shut off the water supply to avoid waste and mitigate damage

## 5% Water Quality

- Point-of-use, point-of-entry, closed-loop, cooling tower, and other water applications used for water filtration, monitoring, conditioning, and scale prevention systems for commercial, marine, and residential applications

# Our ESG Strategy

## Footprint to Handprint

**We significantly outperformed our first generation of footprint goals and established second-generation goals. We continue to generate savings in operational expenses while helping our customers meet their environmental and social goals through our products and services.**

- Seven years of progress (2018-2025): Surpassing both first and second generation of footprint goals by achieving a reduction of 64% in water intensity and 44% in usage, a 63% reduction in market-based emissions intensity and 43% in market-based emissions, and a 57% reduction in hazardous waste intensity and 34% in tonnage
- Decarbonization goal: 30% absolute reduction equivalent to 10,000 MT of CO<sub>2</sub> by 2034; achieved approximately 1,300 metric ton reduction against a 2023 baseline in 2025
- Better quantifying our products' handprint benefits and improving future design through life-cycle assessment (LCA) modeling and pursuing environmental product declarations (EPDs) to drive greater transparency for our customers

## Watts Sites to Communities

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

- Increasing accountability of our suppliers and their adherence to ESG principles
- Volunteering more than 10,000 hours to organizations within our communities and beyond through our Watts Cares program
- Performing quality audits of more than 520 suppliers globally through our Supplier Quality Audit Program

## Business Strategy Influenced by Climate Risks and Opportunities

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

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

## Sustainability Integrated at Every Level

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

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





## Our Approach to Environmental Footprint Goal Setting and Performance Tracking

As Watts continues to evolve through acquisitions and divestitures, we are committed to maintaining a consistent and transparent approach to goal setting and performance measurement. Our methodology is designed to reflect the true scale of our business while enabling meaningful year-over-year comparisons.

Each year, we update our reporting boundaries to include companies that were part of Watts for the majority of the reporting year, as well as any material additions (> 5%) that significantly impact our global footprint regardless of the acquisition timing. Rather than recalculating performance back to the original baseline year, we reset the prior year's results to reflect the current portfolio on a full-year basis. This ensures our reported progress reflects the business as it operates today.

While these adjustments may shift the performance target up or down, they do not change our underlying ambition. We remain committed to achieving annual improvements — such as our 3% year-over-year eco-efficiency reduction targets for water, emissions, and hazardous waste — regardless of portfolio changes.\*

This approach allows us to integrate new businesses efficiently, avoid fragmented reporting, and provide a clear, decision-useful view of performance over time that is grounded in transparency and consistency and aligned with leading reporting practices.

*\*Consistent with this approach, in order to allow for year-over-year comparison, we recalculated 2023 intensity to include Bradley and Josam sites and recalculated 2024 intensity to include the I-CON site.*

# Progress Against Our Goals

Our environmental and social commitments are translated into measurable, time-bound goals designed to drive accountability, innovation, and continuous improvement across our global operations. Completed in 2024, our most recent goal-setting process engaged leaders from across our operations and considered our greatest opportunities for impact.

## FOOTPRINT\*

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

- We will reduce 10,000 MT of CO<sub>2</sub> by 2034
- We will reduce our emissions, water, and hazardous waste intensity by 3% annually through 2026
- We completed a high-level global Scope 3 assessment in 2025 for future preparedness, and monitoring requirements for upcoming mandatory compliance and disclosures

### Our Progress in 2025



We achieved each of our eco-efficiency targets — reducing our market-based emissions intensity by 13%, our water use intensity by 3.6%, and our hazardous waste intensity by 12%



Our absolute carbon reduction was approximately 1,300 MT of CO<sub>2</sub> against a 2023 baseline. Reductions were driven by six solar installs across the European Union (EU) & APMEA



Since 2018, we have significantly reduced our water use intensity. Our ability to continue to meet this aggressive target will require even more innovation, detailed management, and capital investments

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

*\*I-CON is included in our environmental boundary. The other 2025 acquisitions are not part of our environmental boundary. We follow the greenhouse gas (GHG) protocol and operational control approach.*

## HANDPRINT

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

- Invest in LCAs to better design and manufacture with environmental impact in mind. This includes completing the following LCAs by 2025:
  - All products in our largest facility located in NH, USA, and in our BLUCHER facility in Vildbjerg, Denmark
  - Two products in France
  - One product in APMEA
- Drive greater transparency for our customers to the environmental impacts of our products through EPDs.
  - Complete 50 EPDs by the end of 2026

### Our Progress in 2025



We completed LCAs for all products in our BLÜCHER facility and began LCA modeling at five additional facilities. Data collection for an additional three facilities is underway as well. By the end of 2026, we expect to complete five plant-level LCAs, with the three additional facilities complete by the end of 2027.

56%

We published 28 EPDs covering 39 product types and are on track to exceed our goal of publishing 50 EPDs by 2026. Watts products with EPDs, following the completion of LCAs, are available on our [website](#) for customers and other interested stakeholders.

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

## SOCIAL RESPONSIBILITY

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

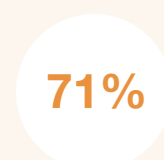
- Expand opportunities for Watts employees to participate in leadership and professional development opportunities
- By 2027, exceed a score of 75% across inclusivity, engagement, and training indicators in our annual global employee engagement surveys
- Increase employee engagement in community projects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

### Our Progress in 2025



We know from surveys and other employee feedback that people come to Watts because they believe in our mission and stay for opportunities to continue to develop their careers.

- We grew existing programs and launched new programs, including programs focused on upskilling, early-in-career development, and Registered Apprenticeships
- We continue to expand leadership and professional development opportunities for Watts employees through the global rollout of our Leadership Framework for all people leaders. As part of this effort, we will launch a new High-Potential Leadership Summit in 2026 to provide key leaders with an immersive development experience. At rollout completion, 100% of Watts people leaders will be trained in the Leadership Framework.



We achieved an average score of 71% across inclusivity, engagement, and training indicators in our annual global employee engagement surveys. This reflects a continued, steady increase in year-over-year engagement scores, and we remain on track to achieve our 2027 target.



Watts colleagues participated in 10,000 hours of volunteerism opportunities, a 100% increase over 2024. Volunteer counts are inclusive of acquisitions completed in the first half of 2025.



Since 2024, we have donated more than \$1 million to nonprofit organizations, including Planet Water Foundation, American Red Cross, and local organizations.

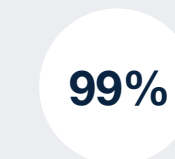
Learn more about this work in the [Social Responsibility pillar](#).

## CORPORATE GOVERNANCE

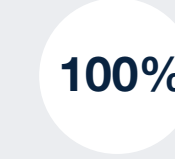
We are earning the trust of our stakeholders by operating responsibly and adhering to high ethical standards. Our corporate governance principles provide an essential framework to ensure we conduct ourselves in accordance with our mission, vision, and values in the work we do every day.

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

### Our Progress in 2025



99% of all employees, consultants, and contractors completed training and acknowledged adherence to our Code\*



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



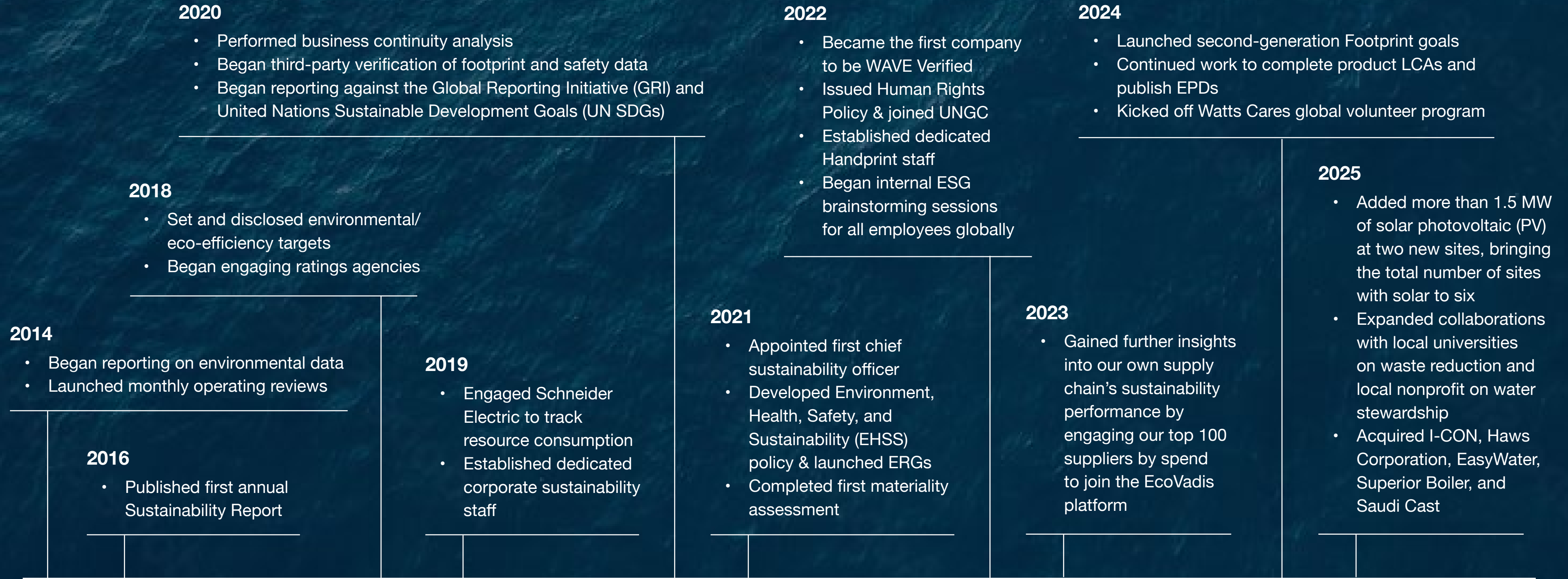
We reviewed the D&B ratings of approximately 71% of our suppliers, representing approximately 56% of our global spend\*\*

Learn more about acquisitions completed in 2025 in the [Corporate Governance pillar](#).

\*Code of Conduct completion rates do not include Haws, Superior Boiler, or Saudi Cast.

\*\*Sourcing data does not include acquisitions completed in 2025.

# Evolving Our Sustainability Strategy



## Accolades

- Received an MSCI AA rating since 2021
- Received a Prime Rating by ISS since 2024
- Selected as one of America's Climate Leaders by USA Today since 2023
- Attained Sustainalytics "low risk" rating for the second consecutive year
- Recognized as America's Top Greentech and America's Best Midsize Companies by TIME
- Recognized as 100 most sustainable companies by Barron's
- Recognized by Newsweek as the World's Greenest Companies for the first time in 2025, as well as one of America's Greenest Companies and Top 300 U.S. companies for environmental sustainability for the third consecutive year
- Earned Newsweek's designation as one of America's Most Responsible Companies for the sixth consecutive year, ranking among the Top 600 from 2,000 major U.S. firms across 14 industries

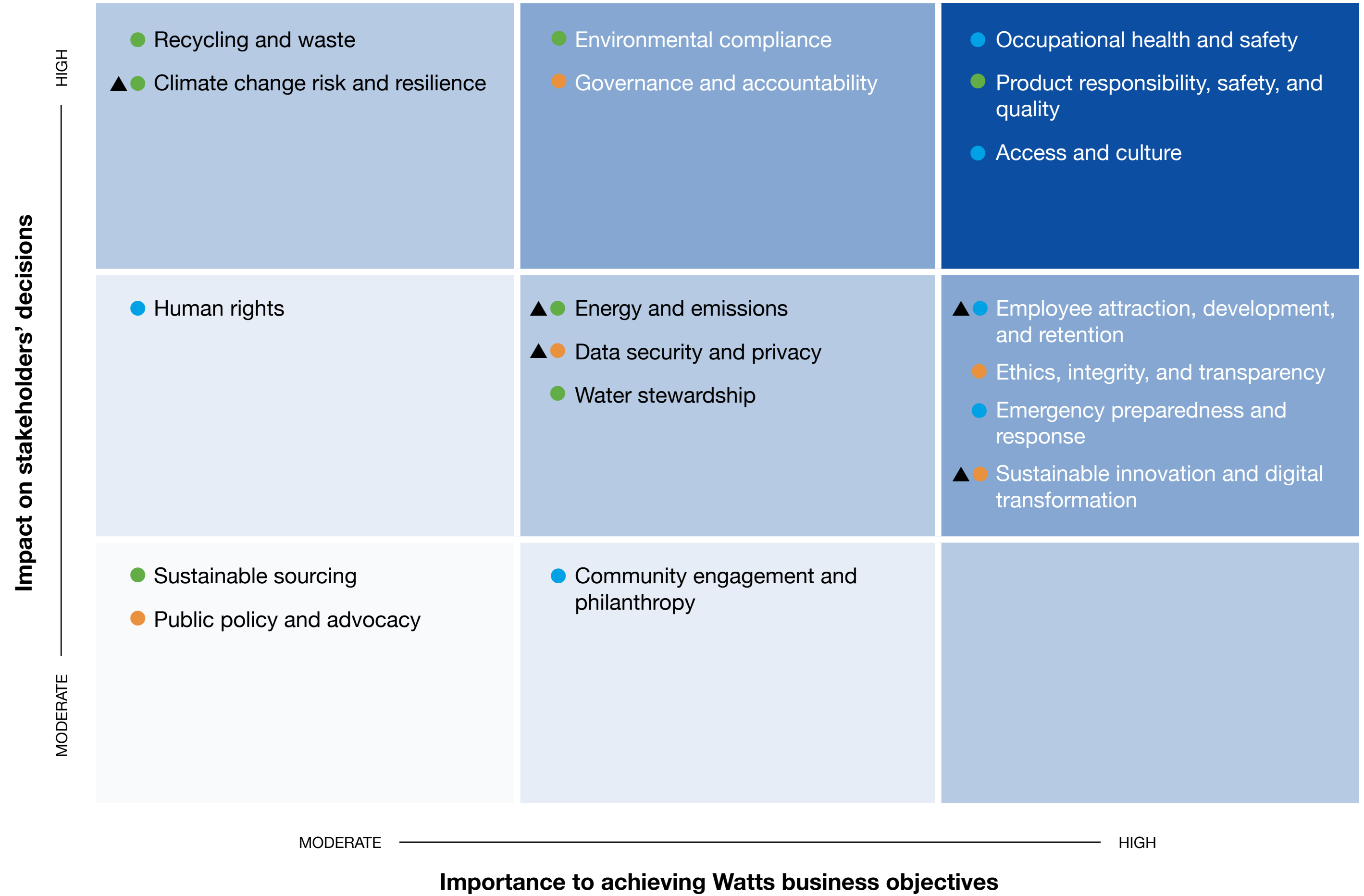


# Materiality Assessment and Topics

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

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

In 2024, separate from the assessment noted above, we completed our double materiality assessment, as required by the European Corporate Sustainability Reporting Directive (CSRD) in preparation for future sustainability reporting. In 2025, we prioritized detailed analysis of specific sustainability matters within the broader double materiality framework. We continue to make progress as we prepare for our future CSRD reporting requirements.



● Environmental
● Governance
● Social
▲ Expected to increase in importance over time

# Contributing to the UN SDGs

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



## Gender Equality, SDG 5

We are committed to finding meaningful ways to be a more accepting business. We seek to break down barriers in the workplace through measures that ensure we attract and retain a wide variety of individuals. To advance this work, our Talent Acquisition Team continues to establish partnerships with institutions, professional networks, and search firms, and attend career fairs.



## Clean Water and Sanitation, SDG 6

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



## Decent Work and Economic Growth, SDG 8

Promoting inclusive economic growth and development enables us to better serve our customers and communities, and we strive to provide our employees with meaningful career-growth opportunities and a positive and safe work environment. As of December 31, 2025, we employed 5,015 employees across 25 countries.\* Our commitment extends beyond our company walls through educational partnerships and charitable donations. Our [Human Rights Policy](#) outlines our commitment to promoting human rights within our labor force. The policy applies not only to our employees, but also to our supply chain partners.

\*Unlike the [2025 Annual Report](#), this number does not include Haws, Superior Boiler, and Saudi Cast employees.



**Industry, Innovation, and Infrastructure, SDG 9**

For nearly 50 years, our backflow prevention valves have set the standard for backflow prevention for municipal water infrastructure, homes, and buildings. Backflow, or the reversal of the normal flow of water in a system, poses a threat to municipal water systems, and our backflow prevention valves help ensure that contaminated water does not reenter the potable water supply, saving millions of gallons of potable water from contamination each year. Through connecting our products with smart technology, we are able to alert building management of a leak or flood early on, which allows for early intervention, either manually or remotely. In 2025, approximately 44% of our revenue was generated from clean-tech products.



**Responsible Consumption and Production, SDG 12**

We are committed to minimizing the environmental impacts of our operations by reducing our energy and water consumption, GHG emissions, and hazardous and nonhazardous waste generated at our sites. Our management approach includes identifying opportunities and investing in solutions to accelerate our transition to the circular economy and finding ways to appropriately divert waste from landfills. Our approach to waste reduction also includes eliminating single-use plastics and using reusable, recyclable, or compostable content in our packaging.



**Climate Action, SDG 13**

We know this decade is critical to mitigating the worst impacts of climate change, and we are committed to doing our part to build a low-carbon economy. Our strategy is rooted in existing UN frameworks and climate science. We aim to reduce not only our energy consumption and carbon emissions by 10,000 MT by 2034, but also to help our customers reduce their carbon emissions by developing new technologies in our product portfolio. AERCO boilers helped customers avoid more than 115,000 MT of CO<sub>2</sub>, which is nearly three times the Watts Scopes 1 and 2 emissions. We supported decarbonization by consuming solar-generated electricity at six of our manufacturing facilities, generating more than 2.2 million kWh of electricity. We continued the adoption of energy efficiency best practices and the purchase of Renewable Energy Certificates (RECs) to offset our global emissions.



**Life Below Water, SDG 14**

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

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



## ESG Governance

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

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

During 2025, our chief sustainability officer presented to the Governance and Sustainability Committee on a number of ESG topics, including progress reports on sustainability initiatives, UN CEO Water Mandate participation, updates on sustainability training programs, and new regulatory requirements relating to ESG disclosures. We also continued to review areas of material risk to Watts with our board, including risks related to climate change and actions we are taking to mitigate those risks.



## Stakeholder Engagement

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

### ESG Leadership in 2025

- Participated in ESG Advisory Boards, panel discussions, and summits that were attended by other corporations, organizations, and utilities in the water industry
- Through The Water Council, facilitated events and discussions on addressing barriers to water stewardship projects within corporations as a platinum sponsor
- Submitted more than 20% of all Quick Kaizens related to sustainability
- Continuously engaged more than 200 employees across all regions from Operations; Environment, Health, and Safety (EHS); Facilities; Maintenance; Finance; and Corporate Communications to participate in monthly operating reviews to track site sustainability progress against our global commitments



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

Environmental Reporting Boundaries

EHS Management

Water Stewardship

Energy and Emissions

Waste Reduction

Quick Kaizens

# FOOTPRINT

Environmental Reporting Boundaries

EHS Management

Water Stewardship

Energy and Emissions

Waste Reduction

Quick Kaizens

# Footprint

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

For more than a decade, we have actively tracked and managed our performance across water, carbon emissions, and waste. Our reporting of this data dates to our first Sustainability Report in 2016, providing transparency for our stakeholders and holding us accountable for our commitments. In 2018, we adopted quantifiable, time-bound performance goals. By the end of 2023, Watts had achieved a 62% reduction in water intensity, a 60% reduction in market-based emissions intensity, and a 35% reduction in hazardous waste intensity — far surpassing our stated goal of a 15% reduction over five years. In 2024, we recommitted to our intensity goals and adopted our first ever absolute carbon reduction goal of 10,000 metric tons by 2034.

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

## 11 Years of Progress



**2014**

Began tracking environmental data



**2018**

Adopted first-generation intensity goals: **15% reduction in five years** (water, emissions, and hazardous waste)



**2023**

Far surpassed first-generation goals; reset baseline with acquisitions of Bradley and Josam



**2024**

Adopted second-generation intensity goals: **9% reduction in three years**



**2025**

Achieved significant progress against second-generation intensity goals; included I-CON only in our 2025 environmental boundary

**2022:** First company to become WAVE Verified in 2022

**2024:** First company to be WAVE Reverified in 2024

**2025:** Investments in certified wind RECs to Offset electricity demand at seven U.S. sites since 2021

- Offset nearly 8,000 metric tons in 2025
- Watts sites with on-site photovoltaic (PV) systems since 2023, generating nearly 3 million kWh in renewable electricity with additional installs coming online in 2026

### Water Intensity

Target: 15% reduction

**Achieved: 62% reduction**

### Emissions Intensity

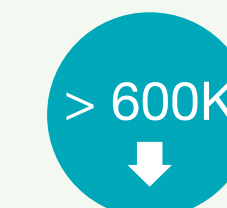
Target: 15% reduction

**Achieved: 60% reduction**

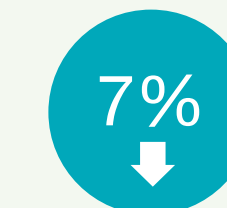
### Hazardous Waste Intensity

Target: 15% reduction

**Achieved: 35% reduction**



liters of water reduced



Scopes 1 and 2 market-based emissions intensity reduction



hazardous waste intensity reduction



reduction in water intensity



reduction in GHG market-based emissions intensity



reduction in hazardous waste intensity

# Environmental Reporting Boundaries

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

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

The scope of our environmental reporting covers 40 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed here are within our operational boundaries for environmental performance in 2025 and represent approximately 94% of our global workforce.

I-CON was not part of our 2024 environmental data boundary, but was included in 2025. And the 2024 intensity data was recalculated to include I-CON for comparison purposes. Superior Boiler, EasyWater, SaudiCast and Haws will be included in the 2026 environmental boundary and Sustainability Report with the same approach for comparison data reporting. Consistent with this approach, previously in 2024 we recalculated 2023 intensity to include Bradley & Josam to allow annual data comparisons.

In 2024, we committed to our first-ever absolute decarbonization goal of 10,000 MT by 2034 — against a 2023 baseline. Additionally, we continued to work toward an annual 3% intensity reduction in water, emissions, and hazardous waste against a 2023 baseline.

Andover, MA	
Blauvelt, NY	
Burlington, ON, Canada	
Calgary, AB, Canada	
Export, PA	
Fort Myers, FL	
Fort Worth, TX	
Franklin, NH	
Franklin, NH	
Germantown, WI	
Groveport, OH	
Menomonee Falls, WI	
Michigan City, IN	
Nogales, Mexico*	
North Andover, MA	
Oviedo, FL	
Reno, NV	
Spindale, NC	
St. Pauls, NC	
Vernon, BC, Canada	

Woodland, CA	
Biassono, Italy	
Dattenberg, Germany	
Eerbeek, Netherlands	
Gardolo, Italy	
Laundau, Germany	
Moirans, France	
Monastir, Tunisia	
Plovdiv, Bulgaria	
Rosieres, France	
Sorgues, France	
St Neots, UK	
Vildbjerg, Denmark	
Virey-le-Grand, France	
Wingene, Belgium	
Auckland, New Zealand	
Dubai, UAE	
Ningbo, China	
Shanghai, China	
Sydney, Australia	

Office	Headquarters	ISO 14001	Distribution Center and/or Warehouse
Manufacturing	ISO 9001	ISO 45001	

\*Contract manufacturing partner



## EHS Management

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

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

business drivers, progress on goals and targets, and actions for continued improvement.

In 2025, we completed 68 internal and external audits at 27 of our operating sites, focusing on EHS-related compliance and management system effectiveness — representing an increase of 22%. These audits are part of our overall EHS Management System. Audit scopes and schedules are updated annually based on multiple criteria, including regulatory obligations, management system (International Organization for Standardization [ISO]) obligations, risk-based assessments, and a representative sampling of the global portfolio. For details of types and frequency of audits across all locations of operations, please refer to the table in the [Appendix](#).



**Sixty-eight EHS-related audits were completed at 27 operating sites, representing a 22% increase in 2025.**

## ISO Certification

Our ISO 14001-certified sites represent 48% of our global legacy population and 49% that include I-CON operations. The pursuit of this certification provides an external framework to measure continuous maturation of our environmental management and is inclusive of our overall global system. You can learn more about the certification of our occupational health and safety (OHS) management system in the [Occupational Health and Safety](#) section of this report.

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# Water Stewardship

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

Our actions include:

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

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

Our water stewardship practices are guided by our commitment to continuous improvement, including:

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

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

We are building on more than a decade of water reduction initiatives and data collection across our sites. Between 2018 and 2025, we reduced close to 100 million liters of water, equivalent to 44% in absolute reduction. Recommitting to annual 3% intensity reduction targets will continue to require even more innovation, detailed management, and infrastructure investments.

In 2025, water intensity is reported based on Watts' current operational footprint, reflecting our evolving portfolio. Reporting boundaries are updated annually to include entities owned for the majority of the year, as well as material acquisitions.

Our approach to water management to achieve our second generation of water intensity goals involves long-term strategic action, yearly operational goals, and monthly operating reviews and business accountability. Long-term strategic reduction projects such as test water reuse, condensate capture, and closed-loop systems will drive impact in avoiding freshwater consumption.

Our data collection process utilizes a monthly, automatic bill collection system for all utilities across 40 Watts sites. For more information regarding our 2025 water consumption data, please visit the [Appendix](#).



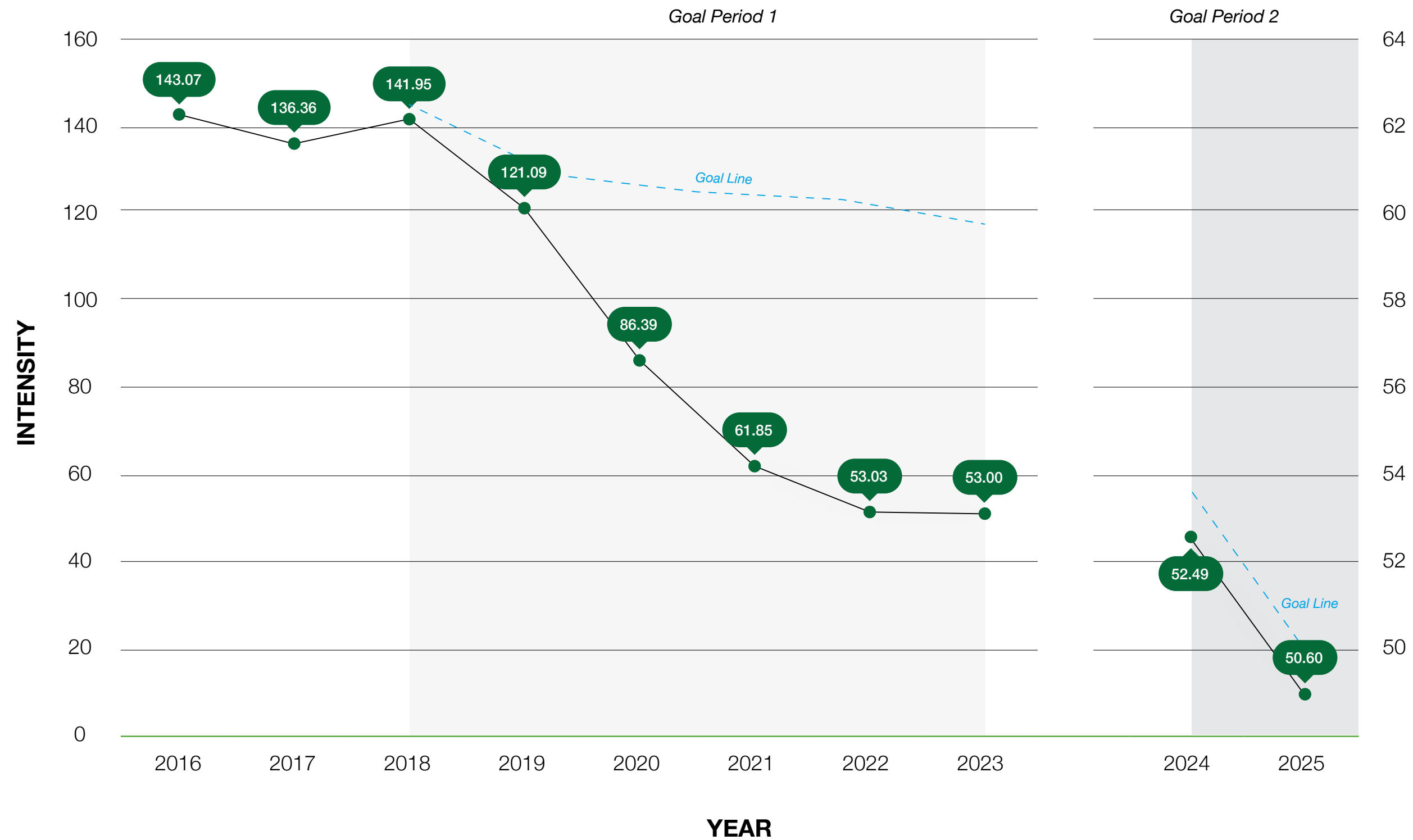
## Water Stewardship: Our Guiding Principles

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

- Environmental Reporting Boundaries
- EHS Management
- Water Stewardship
- Energy and Emissions
- Waste Reduction
- Quick Kaizens

## 10 Years of Water Use Reduction Results

### REDUCING OUR WATER INTENSITY (M3/\$M)



## A Global Leader in Water Stewardship

In 2022, Watts became the first company in the world to successfully complete verification for The Water Council's WAVE Verified program, indicating we have assessed water-related risk across our enterprise, identified the highest water-related impacts using credible water-related data, and implemented best practices in improving water stewardship performance. Watts is one of just 12 companies globally to achieve this distinction. In 2024, we became the first company to renew our verification, which is valid until 2026.

In 2025, through our annual operational goal planning and monthly reviews, we were able to identify and address opportunities as they relate to assessing our water use, setting site-specific targets, identifying and implementing projects that mitigate the highest-priority risks, and leveraging other strategic opportunities in the nexus of energy, water, and waste.

Our top end-water uses for 2025 were people, irrigation, new product development (NPD) testing, and process innovation.



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

# Our Commitment in Action

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

## Leak Mitigation at Multiple U.S. Sites

Small, hidden, “sneaky” leaks such as pinhole punctures in piping, tiny cracks in slabs, or very low-flow leaks are often persistent and hard to find, requiring specialized tools that go beyond visual indicators for leaks that don’t produce puddles or sound. These invisible leaks are notoriously difficult to locate in large manufacturing facilities, especially when the flow rate is very low, often requiring multiple investigations during nonoperational hours, along with several attempts to implementing various intervention measures designed to mitigate leaks of unknown origin. We identified these leaks at four sites in 2025 and worked to address them.

Our **Fort Worth, TX, USA**, facility is where our hot water systems are manufactured. In 2025, an opportunity was identified to capture and reclaim condensate water that’s generated from rooftop AC units during the humid summer months. Instead of letting this condensate get discharged as it had been, the site began implementing a project to capture and pipe it to the passivation area where the water is reused. This adjustment is projected to reduce the site’s annual consumption by ~9%.

In partnership with the Clean River Project, colleagues from **Andover and North Andover, MA, USA**, pulled 1.13 tons of trash from a local waterway in 2025. The nonprofit organization works to clean and preserve a 45-mile stretch of the Merrimack River, a vast waterway that flows through 15 cities in northeast Massachusetts. The river serves as the water supply for more than 600,000 area residents, is a popular destination for outdoor enthusiasts, and is the main regional outlet of fresh water into the Atlantic Ocean. Watts volunteers used hand grabbers, shovels, and rakes to remove items such as discarded tires, construction debris, and plastic refuse. Larger items like bicycles and suitcases were also retrieved. In 2025, the Watts Water/Clean River Project boat made close to a dozen trips, recovering more than 10 MT of trash and debris.

**Franklin, NH, USA**, is home to our largest manufacturing facility worldwide, in both revenue and resource utilization, producing our flagship products such as backflow preventers, temperature and pressure (T&P) valves, and IntelliStation. The site reduced ~2 million liters of water in 2025 as compared to 2024, equivalent to a 9% reduction, through monitoring, enhanced operational efficiencies, and interventions. Colleagues also participated in their first cleanup event as part of an expanded partnership with the Clean River Project, making 2025 the first time Watts participated in cleaning the Merrimack River in two different states.

# Energy and Emissions

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

- Reducing our energy consumption and carbon emissions across all facilities
- Offsetting emissions through the install of on-site solar PV systems and purchase of RECs and carbon offsets
- Developing new technologies within our product portfolio to help our customers transition to a lower carbon economy



**In 2024, we committed to our first-ever absolute decarbonization goal of 10,000 MT by 2034 against a 2023 baseline. Additionally, we continued to work toward an annual 3% intensity reduction against the 2023 baseline.**

Please visit the [Appendix](#) for more information about our carbon emissions and reporting boundaries.

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

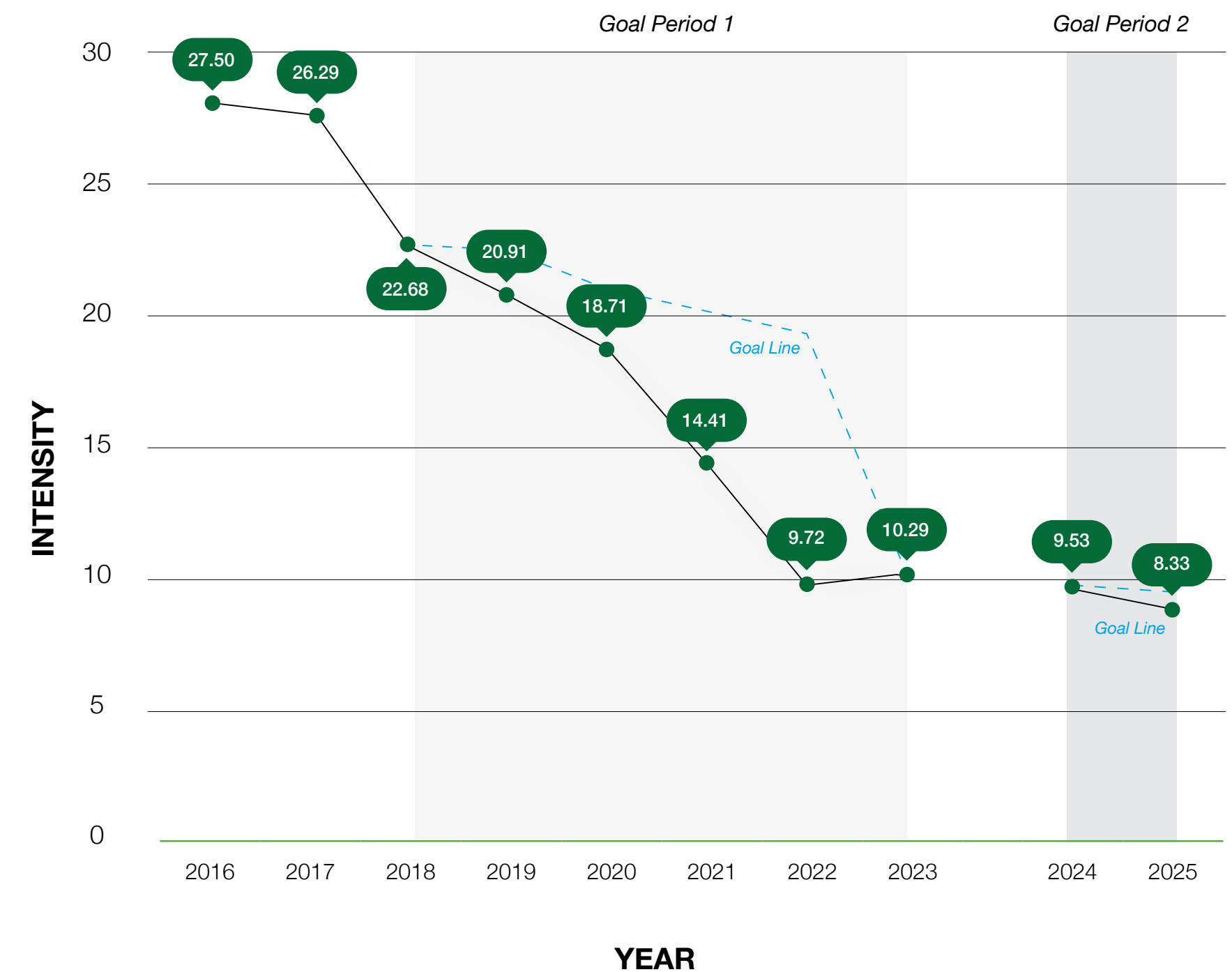
As of 2025, we reduced our location-based emissions by approximately 1,300 MT as compared to the 2023 baseline. These reductions were driven by on-site solar installs at six sites, as well as energy efficiency upgrades across the company. Additional sites are being assessed for on-site solar globally across Watts with two new systems coming online in 2026.

We continue to improve our tracking and carbon-accounting mechanisms. Tracking and reporting both our location-based and market-based carbon emissions allows us to capture our progress in reducing emissions and investing in RECs.

In 2025, our energy and emissions data, emissions calculations methodology, corporate inventory management, and GHG reporting procedures relating to energy and utility data collection were reviewed and verified by a third party. Please visit the [Appendix](#) for more information.

## 10 Years of Emissions Reduction Results

### REDUCING OUR EMISSIONS INTENSITY (MT/\$M)



# Our Commitment in Action

We cannot meet our global sustainability goals without collaboration across the Watts sites where we have the biggest opportunity to achieve reductions. We work closely with operations teams at the local level to identify opportunities for investments with strong return. Watts sites around the world contributed to our emissions reductions in 2025.

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

### Wind-Generated RECs

At **seven sites in the United States**, we continued to purchase wind-generated RECs from our supplier to offset 100% of Scope 2 market-based emissions at these sites. Nearly 8,000 MT worth of RECs were purchased in 2025, offsetting approximately 24% of our global Scope 2 market-based emissions.

### Solar PV System Installs at Watts Sites Totaling 3,371 MWh and Avoiding More Than 800 MT of CO<sub>2</sub> in 2025

- **Biassono, Italy:** Installation of 0.6 MW in the summer of 2025; expected to generate 665 MWh of electricity and reduce 264 MT of carbon annually
- **Gardolo, Italy:** Annual generation of 580 MWh and a reduction of 170 MT
- **Ningbo, China:** Annual generation of 577 MWh and a reduction of 190 MT
- **Plovdiv, Bulgaria:** Annual generation of 237 MWh and a reduction of 90 MT
- **Landau, Germany:** Annual generation of 68 MWh and a reduction of 25 MT
- **Virey, France:** Installation of 1.08 MW in late 2025; expected to generate 1,244 MWh of electricity and reduce 65 MT of carbon annually
- **Nogales, Mexico:** Installing in 2026

# Waste Reduction

We recognize the need to protect our land, waterways, and communities by reducing the amount of waste generated by our operations. Nineteen of our 40 facilities generate waste classified as hazardous and/or regulated industrial discharge, with the remainder generating municipal solid waste and recyclable waste streams such as paper, wood, cardboard, plastic, electronics recycling, and metal chips. We comply with all local and national regulations and track manifests for hazardous and nonhazardous industrial waste.

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

- Brainstorming pre-waste or waste elimination ideas such as how to avoid the waste/recyclable stream from being generated in the first place
- Engaging waste stream vendors on alternatives to divert waste from landfills
- Ensuring packaging material consists of reusable, recyclable, or compostable content
- Tracking all forms of waste, reducing the overall quantity generated, and diverting from landfills using circular models

In line with our updated methodology, intensity performance is calculated based on our current operational footprint, with reporting boundaries adjusted annually to reflect our evolving portfolio, including material acquisitions. Prior-year results are reset accordingly to enable consistent, like-for-like, year-over-year comparisons. For additional details, please see the [Appendix](#).



**We reduced our hazardous waste intensity by 12% in 2025, a result of targeted investments and innovative solutions at our highest-emitting sites.**

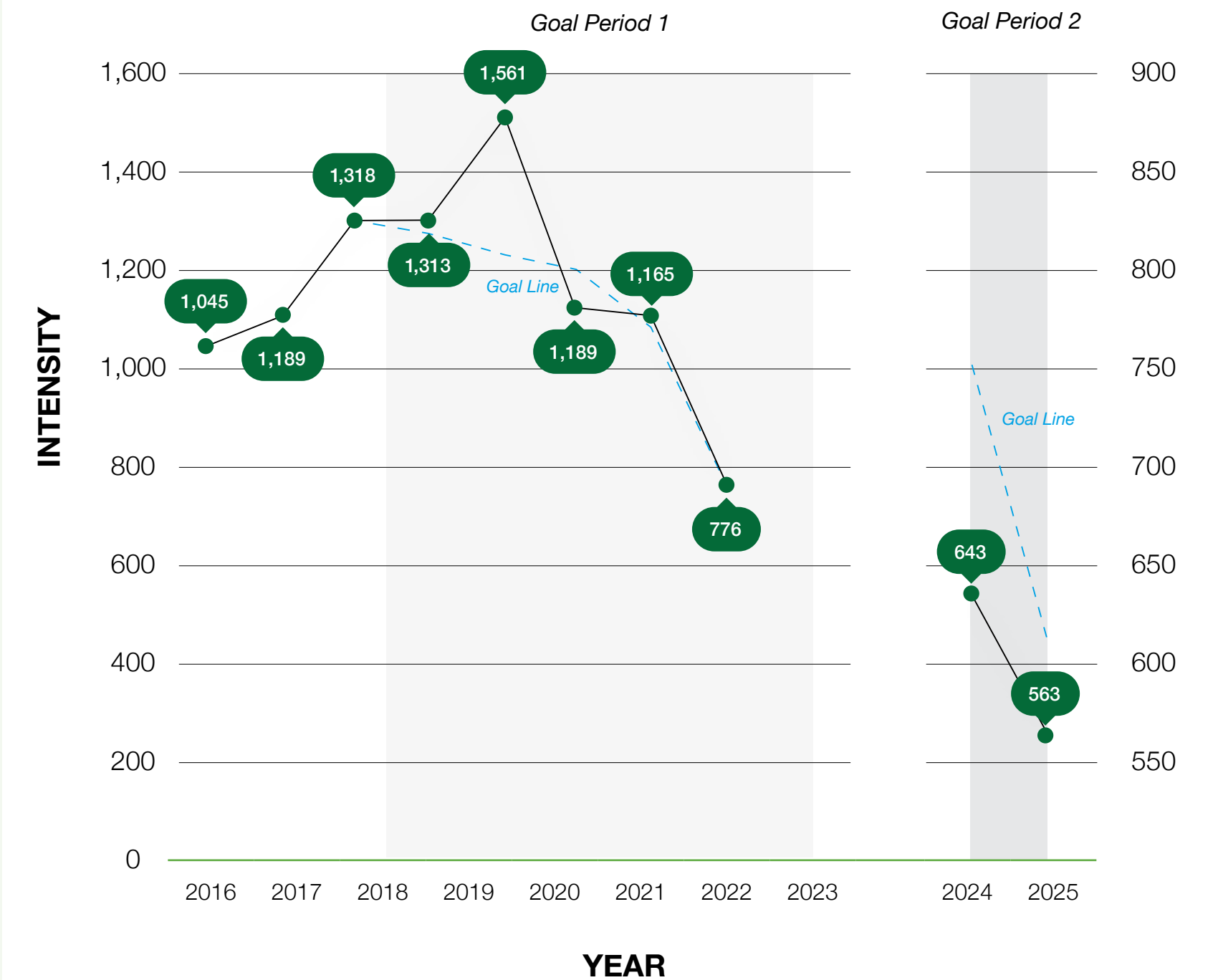
We also continued to work closely with our facilities, waste vendors, and other subject matter experts to identify opportunities to avoid, reuse, and divert waste away from landfills and to standardize data collection across sites. Employee-driven waste reduction initiatives focus on waste delineation, rezoning, and waste stream elimination, thereby reducing our overall waste outputs and increasing recycling and reuse.

For our U.S. operations, the Environmental Protection Agency's (EPA's) Toxic Release Inventory (TRI) reporting requires companies to report releases of certain materials if greater than a set threshold. Annually, Watts utilizes a third party to complete an assessment and determine what, if any materials, need to be reported. A large portion of our reported releases comes in the form of our hazardous waste.

In 2025, our hazardous waste data, calculations methodology, corporate inventory management, and hazardous waste reporting procedures were reviewed and verified by a third party. Please see the [Appendix](#) for more information.

## 10 Years of Hazardous Waste Reduction Results

### REDUCING OUR HAZARDOUS WASTE INTENSITY (KG/\$M)



# Our Commitment in Action

In the summer of 2025, an interdisciplinary team at our **Fort Worth, TX, USA**, facility, including manufacturing, EHS, and Sustainability, engaged a local university through its business internship program. The first part of this engagement entailed a comprehensive waste study to capture all weights, costs, and manufacturing processes generating waste, as well as to engage with all waste vendors associated with the site. The resulting waste proforma identified a road map of several opportunities for waste avoidance, reductions, diversions, and circular models to drive cost reductions in cardboard scrap.

Our second-highest emitter of hazardous waste is **Biassono, Italy**, driven by the machining processes. The site performed detailed analysis on the timings and frequency of the various cleaning activities related to the machining processes to find additional operational efficiencies with respect to the pacing and sequencing of certain types of cleaning activities to avoid resulting hazardous waste disposals as compared to the previous year. This resulted in a 30% reduction in hazardous waste generation, equivalent to 130,000 kgs in 2025.

Our highest emitter of hazardous waste is our **Vildbjerg, Denmark**, site, where the pickling, or passivation, process required to treat stainless steel results in large amounts of hazardous wastewater. The site produces approximately two-thirds of our global hazardous waste generation. In 2025, the team continued to extend the life of the passivation bath, from an average of three to four weeks to an average of five weeks. This resulted in a 4% reduction in hazardous waste generated compared to 2024, equivalent to ~33,000 kg. By the end of 2025, the site completed the installation of an acid purification unit that better separates the metals from the acids, allowing for further extension of the pickling baths. This improvement is projected to avoid close to 80% of the remaining hazardous waste generation.

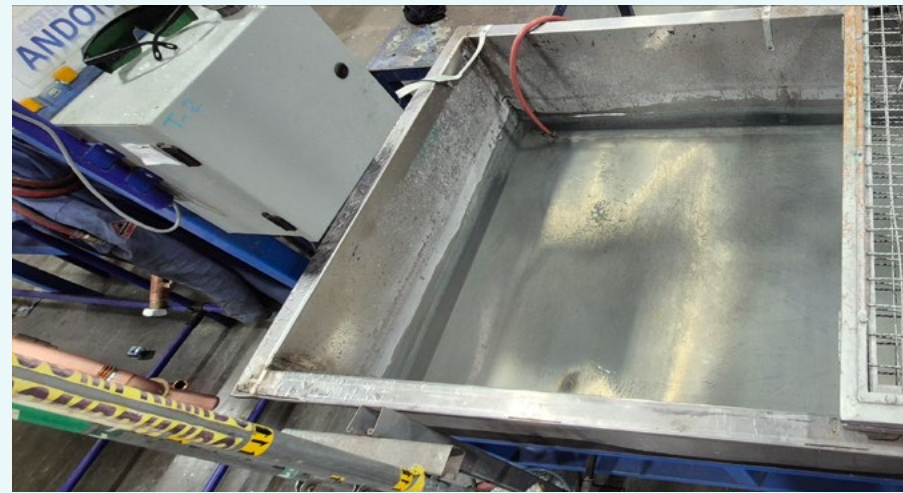
# Quick Kaizens

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



## WATER QUICK KAIZENS

- **Nogales, Mexico**, completed several process changes: reuse of water from leak testing into the metal chips washing machine and the extension of the lifetime of the water used by the computer numerical control (CNC) machines by adding more water or coolant to maintain the adequate water-coolant ratio during metal cutting processes.



- **Vernon, BC, Canada**, worked with a landscaping company to further reduce summer irrigation needs.
- **Ningbo, China**, collected rainwater for toilet flushing to reduce freshwater consumption and installed smart control valves in restrooms to promptly address leaks and avoid unnecessary water use.
- **Woodland, CA, USA**, implemented advanced stormwater runoff best management practices.
- **Landau, Germany**, identified and addressed abnormal weekend water use by routinely reviewing the smart water metering data.

## ENERGY QUICK KAIZENS

- **Moirans, France**, completed electrical rework for better lighting and space consolidation.
- **Sorgues, France**, installed heatwave gauges to monitor indoor temperatures during heat waves.
- **Virey, France**, replaced gas oven preheating with electric, along with the diversion heat from the oven area into distribution area.
- **Dattenberg, Germany**, installed LED lights in two work areas, which will reduce 1.14 tons of CO<sub>2</sub>/year.
- **Nogales, Mexico**, created a tool holder for the CNC indicator machine to avoid extra movements or misalignment.
- **Spindale, NC, USA**, installed a thermoplastic polyolefin (TPO) membrane roof system to upgrade the existing 40-year-old roof over the engineering lab.



## WASTE QUICK KAIZENS

- **Sorgues, France**, digitized real-time inventory information and added a second compactor to avoid the risk of mixing cardboard and plastic to maximize recyclability.
- **Dattenberg, Germany**, and **Moirans, France**, adapted 3D-printed dividers and tube holders to specifications of the workstation. Dattenberg also switched to a replaceable/refillable spool for its 3D printer; previously, the spools were single use and discarded.
- **Rosieres, France**, deployed an unused trash compactor from another facility to bale and compact waste and further reduce the frequency of pickups.
- **Biassono, Italy**, recycled protective nets used on various components that are discarded during assembly back to the vendor.
- **Landau, Germany**, switched wrapping film to contain 30% recycled content; previously, it was 0%.
- **Plovdiv, Bulgaria**, made its own air compressor gun stand using materials ready for scrapping.
- **Vernon, BC, Canada**, validated sensors without the coating in a month-longer temperature cycle test in a saltwater bath. They performed better without the coating applied, eliminating the need for this step during the manufacturing process.

Safety & Regulation

Conserving Water

Improving Energy Efficiency

Nexa: Advancing Intelligent Water Management

Sustainable Innovation

Best-in-Class Training

# HANDPRINT

Safety & Regulation

Conserving Water

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Sustainable Innovation

Best-in-Class Training

# Handprint

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

For over 150 years, we have developed and designed products, components, and systems that solve the world’s greatest water safety challenges, conserve water, and improve energy efficiency. Since the late 1800s, Watts engineers have brought more than 1,000 patents to market, creating new-to-the-industry products for the safe and sustainable delivery of water. We design our products to benefit users and help their sustainability efforts based on this “triple play” of sustainability: Safety and Regulation, Water Conservation, and Energy Efficiency.

## OUR “TRIPLE PLAY” OF SUSTAINABILITY: SAFETY AND REGULATION, WATER CONSERVATION, AND ENERGY EFFICIENCY\*

### Safety and Regulation

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

76%

of Watts gross product revenue

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

### Water Conservation

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

44%

of Watts gross product revenue

Product spotlight: Watts Pressure-Reducing Valves sold in 2025 will avoid the use of more than 19 billion-plus gallons of water globally per year.

### Energy Efficiency

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

23%

of Watts gross product revenue

Product spotlight: In 2025, AERCO, PVI, and the LYNC brands of boilers, water heaters, and heat pumps helped customers avoid more than 115,000 MT of CO<sub>2</sub>, almost three times the Watts Scope 1 and Scope 2 emissions for 2025.



Began implementing product LCAs in 2022



Across all the correctional facilities using I-CON products, our systems save over 4 billion gallons of water and save taxpayers over \$28 million dollars annually



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

### CUSTOMER EDUCATION

> 300K

training sessions globally in 2025



\*Products may fit into multiple categories.

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**HANDPRINT**

- Safety & Regulation
- Conserving Water
- Improving Energy Efficiency
- Nexa: Advancing Intelligent Water Management
- Sustainable Innovation
- Best-in-Class Training

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# EasyWater

We proudly welcomed EasyWater to the Watts portfolio of brands through an acquisition completed in June 2025. Since its founding in 1986, EasyWater has designed and manufactured innovative water treatment solutions that reduce pollution while generating water and energy savings. EasyWater products bring to life our “triple play” of Safety and Regulation, Water Conservation, and Energy Efficiency — and stand alone in their ability to offer whole-building water treatment solutions. Spanning [domestic water protection](#), [cooling towers](#), [steam boilers](#), [closed-loop systems](#), [swimming pools](#), [high-purity water](#), kitchen water, and more, EasyWater solutions also offer significant and rapid returns on investment (ROIs).

- The flagship product developed by EasyWater, **No-Salt Conditioner**, offers physical water treatment to prevent and remove scale and biofilm. A key technology in treating cooling towers, closed-loop systems, and certain domestic water applications, No-Salt Conditioner uses electronic frequencies to physically change the minerals in water, as opposed to a chemical change achieved with ion exchange softeners. Applications of No-Salt Conditioner with EasyWater offerings such as **SmartGuard® RO** contribute to a cleaner water cycle, reduced emissions, and more sustainable product life cycles.

- A reverse osmosis system that does not require softener or chemical pre-treatment, **SmartGuard® RO** is an intelligent water filtration system that delivers on the most stringent water quality and safety standards. An onboard microprocessor measures and reports performance data, operation alarms, and maintenance needs, and a programmable drain maximizes water savings and filter life. With the use of **No-Salt Conditioner**, SmartGuard also eliminates the associated cost, regulation, and pollution from the use of chemicals and salt. The product is helping hospitals reduce run time for equipment sterilization, helping facilities to reduce scale buildup in humidifier systems, and delivering high-quality drinking water for use in beverage, ice, coffee, and brewing operations.



of scale and sediment, facilities are able to reduce their chemical usage by 70% – 90%, waste less water, and minimize corrosion to equipment. Many facilities achieve payback within 0.5 to 3 years as a result of combined energy, chemical, maintenance, and water savings.

## ENERGY SAVINGS CASE STUDY

### Scale and Biofilm Savings

- Scale: 0.02 avg. scale thickness/yr. = \$101,129
- Biofilm: 0.006 avg. biofilm thickness/yr. \$29,777

**Total Energy Savings: \$130,906**

### Chemical Usage

- Annual chemical costs before CTF = \$40,000
- Annual chemical cost after CTF = \$10,000

**Total Savings: \$30,000**

**Total Annual Savings: 160,906**

*These savings calculations assume a cooling tower capacity of 3,000 tons, a chiller efficiency of 0.65 kW/ton, an average 24/7 load of 28.7%, and an electric rate of \$0.1146/kWh.*

- The **EasyWater Series C Closed Loop Treatment System** provides a cost-effective, low-maintenance, nonchemical treatment for controlling corrosion and scaling. The Series C system removes dissolved oxygen, filters suspended solids to submicron levels, and prevents — as well as removes — insulating deposits.



- EasyWater cooling tower treatment systems address the most common and costly challenges associated with cooling towers: scale, corrosion, high bacteria counts, algae, Legionella risk, and sediment buildup. The **CTF Cooling Tower Treatment System** continuously treats and filters tower water, reducing sediment and contaminants, sanitizing water, and preventing scale deposits and biofilm. With cleaner water and heat exchange surfaces, chillers operate more efficiently and can reduce electrical consumption by as much as 45%. Because EasyWater technology eliminates the majority

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Conserving Water

Improving Energy Efficiency

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Sustainable Innovation

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# Safety & Regulation

Dating back to the industrial revolution, our products have kept water, water system equipment, and the people operating our water systems safe. Preventing the overpressurization of hot water vessels to prevent explosion was our earliest focus; today, water contamination and scalding are among the greatest risks we aim to address. Water can become contaminated in the source water, as well as in its distribution system, after water treatment has already occurred. Additionally, the growth of pathogens continues to be a pervasive health threat to drinking water, particularly for populations most vulnerable to illness. Temperature regulation is equally important to safety, as even small increases in water temperature can lead to scalding at faucets in homes and buildings. Scalding leads to more than 100,000 emergency room visits per year in the United States. One [study](#) published in the Journal of Burn Care Research found that hot water temperatures were unsafe in 41% of inspected urban homes.

## PRODUCT HIGHLIGHTS

### INTERLOCK BALL VALVES (ILBVS)

**Challenge:** The rising power density of data center servers is driving the adoption of liquid cooling systems, which offer higher thermal efficiency than conventional HVAC water systems. Given the direct contact between the liquid cooling system and IT hardware, system safety is critical, and any coolant leak poses a serious risk of equipment damage, data loss, and substantial financial impact. Consequently, valves require exceptionally high sealing reliability. Furthermore, extended maintenance downtimes result in significant operational costs, and the process must be meticulously managed to prevent leaks caused by human error.

**Solution:** ILBVs are designed for fluid transfer in the liquid cooling system of data centers. The valves feature a patented interlock feature that prevents spills and ensures maximum safety in the data center liquid cooling system. This innovative design ensures that the valves will only be opened when they are fully mated together, and they cannot be disconnected until both are fully closed. This feature prevents accidental openings and minimizes the risk of accidents during servicing. Traditionally, the maintenance team needs to use a wrench to loosen the clamp connection of the stainless steel, three-piece ball valves for liquid cooling system maintenance. With the ILBVs, the low separation torque and quick-connect design allow for easy disassembly without tools, streamlining maintenance for operations teams. Furthermore, ILBVs are made of stainless steel and produced in



an independent clean room with no oil or grease additives during assembly, ensuring the cleanliness and durability throughout the valve's operational life cycle.

### EXCESS FLOW VALVE (EFV)

**Challenge:** Gas leaks and equipment disconnections in commercial kitchen environments pose serious safety risks, including hazardous gas buildup, potential fires, and catastrophic equipment failure. Traditional gas connectors have seen little innovation in safety technology for decades, leaving facilities exposed to preventable dangers.

**Patented Solution:** Dormont's EFV introduces industry-first safety technology that automatically limits gas flow if a connector is ruptured or disconnected, significantly reducing the risk of dangerous leaks and related incidents. By integrating this advanced EFV into select Blue Hose gas connector kits, Watts enhances operational safety, prevents kitchen disasters, and delivers greater peace of mind for foodservice professionals.



### WATTS PURE WATER TOTAL PFAS FILTRATION SYSTEM (PWDWTPFAS1)

**Challenge:** Per- and polyfluoroalkyl substances (PFAS) — often referred to as “forever chemicals” — are a growing global safety and regulatory concern due to their persistence in the environment and potential health risks when present in drinking water. Traditional municipal

treatment systems and many point-of-use filters do not consistently reduce PFAS to safe levels, leaving consumers exposed to these emerging contaminants, along with other harmful substances such as lead, asbestos, microplastics, and taste/odor-causing compounds. As regulatory bodies tighten standards for PFAS and related contaminants, building owners, facilities, and households increasingly need effective, certified solutions to protect water quality and comply with evolving safety requirements.

**Solution:** The PWDWTPFAS1 delivers a comprehensive, certified approach to drinking water safety and regulatory compliance at the point of use. Designed for easy undercounter installation, the system is IAPMO R&T certified to reduce up to 99.5% of total PFAS, addressing a broad range of PFAS compounds of concern. In addition to PFAS, it also significantly reduces lead, cysts, asbestos, microplastics, chlorine taste and odor, and class 1 particulates — helping to ensure safer water for building occupants and to support compliance with increasingly stringent water quality standards. With a 2.5 GPM high-flow design and quick-change filter cartridge, the system provides high-performance protection without adding complexity to installation or maintenance. By reducing exposure to hazardous contaminants and aligning with evolving regulatory expectations, the Watts Pure Water Total PFAS Filtration System enhances drinking water safety and supports broader sustainability and public health objectives.



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# Haws Corporation

At Watts, we believe that a safer world is a more sustainable world. In November 2025, the acquisition of Haws Corporation, a leading global brand providing emergency safety and hydration solutions, continued to strengthen our safety and sustainability offerings. For more than 120 years, Haws’ specified products have provided industrial, institutional, and nonresidential end-market users with innovative design and product quality that have shaped the emergency response and hydration landscapes.

Haws also demonstrates industry leadership by bringing awareness to the hidden dangers of inadequate emergency response. Its no-cost emergency shower and eye/face wash survey program has assessed compliance with American National Standards Institute (ANSI) Z358 standards for more than 75,000 units of emergency equipment. The comprehensive, brand-agnostic service includes testing, documentation, and a detailed report to ensure proper safety functionality, helping to identify necessary upgrades to meet current safety standards.



Haws’ groundbreaking technology includes **AXION**, a solution that offers the only eye and face wash that duplicates the methodology recommended and used by medical professionals. When a chemical or particulate eye injury occurs, best practice is to sweep contaminants away from the interior of the eye — a method that had not previously been followed in the safety industry. Recognizing this critical gap, Haws reversed the water flow to flush from the inside out for maximum effectiveness, injury reduction, and enhanced victim comfort.



**Portable Gravity Fed Eyewash** offers a reliable source of safety for remote locations, using gravity to supply a continuous flow of clean water to injured personnel for a full 15 minutes.



Haws’ **Free-Standing Stainless Steel Emergency Shower and Eye Wash Booth** is crafted with stainless steel for maximum durability and ensures privacy and water containment during emergencies. Single- or dual-entry access makes installation flexible, and the AXION eye/face wash offers maximum flushing coverage and comfort.

All Haws products are built for durability and with a commitment to quality that reduces service and maintenance costs.

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CASE STUDY

In a large maintenance and service hangar in the Middle East, multiple gravity-fed portable eyewash stations (Haws 7500) are deployed to provide immediate emergency eye irrigation in areas without fixed plumbing. These self-contained units rely on stored potable water, making water quality, system readiness, and ANSI compliance critical to worker safety and regulatory adherence.

The Operational Challenge

To meet ANSI Z358.1 performance requirements, the eyewash units previously relied on a short-term bacteriostatic water additive with a service life of approximately four months. This approach required frequent water changes, multiple refilling cycles per year, and ongoing documentation, and it placed a high workload on health, safety, and environment (HSE) and facility management teams.

The Technical Solution: Haws 9083 Cleansing Stick

To reduce maintenance complexity while improving long-term reliability, the site standardized on the Haws 9083 Cleansing Stick, designed specifically for portable gravity-fed and pressurized eyewash systems. Once installed, the cleansing stick provides passive, long-term water protection without quarterly draining or refilling.

Operational Impact

Following implementation, the facility standardized the 9083 Cleansing Stick across all Haws 7500 portable eyewash units. Quarterly water changes were eliminated, maintenance labor was significantly reduced, and compliance confidence improved across the site. Implementation was supported by Reda, the trusted Haws distribution partner in the region.



WHY IT MATTERS

Emergency eyewash equipment must perform instantly and reliably, often after long periods of inactivity. Extending water service life from months to years lowers total cost of ownership, reduces administrative burden, and strengthens overall safety performance.

# Conserving Water

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

## PRODUCT HIGHLIGHTS

### SENTRYPLUS ALERT™ IN EUROPE

**Challenge:** Abnormal discharge from BA backflow preventers in unattended or low-traffic areas can go undetected for hours or even days. In the event of a fault, continuous water flow can lead to significant water waste, costly property damage, operational downtime, and unexpected utility expenses. Beyond financial impact, uncontrolled discharge undermines water conservation efforts and can negatively affect sustainability performance metrics for buildings and industrial facilities.



**Solution:** SentryPlus Alert™ is a flood protection kit for BA backflow preventers designed to detect abnormal discharge early and alert operators before damage escalates. By identifying potential flood conditions in real time, the system helps stop unnecessary water loss, protect facilities from costly damage, and avoid operational disruption. By preventing prolonged discharge events, SentryPlus Alert™ directly supports water conservation objectives while reducing the financial and environmental impact of wasted water. The solution also contributes to broader sustainability programs and building certification frameworks such as Building Research Establishment Environmental Assessment Methodology (BREEAM) and Leadership in Energy and Environmental Design (LEED), and it can support ISO 50001 energy management initiatives by improving resource efficiency and operational control.

### I-CON MOMENTUM® FLUSH VALVE

**Challenge:** Commercial and institutional restrooms are among the highest water-consuming areas in buildings. Many facilities still operate 1.6 gallons per flush (GPF) or even 3.5 GPF fixtures, making water conservation upgrades costly and disruptive when full fixture replacement is required. As organizations pursue aggressive water reduction targets and green building certifications, they need scalable solutions that reduce consumption without major renovations.

**Solution:** The MOMENTUM® Flush Valve provides a high-impact, retrofit-friendly pathway to water conservation. Capable of reducing water use by up to 60%, the valve can deliver 0.9 GPF performance on an existing 1.6 GPF fixture, or 1.6 GPF on a 3.5 GPF fixture, without requiring fixture replacement. By upgrading performance rather than replacing infrastructure, facilities can significantly lower water consumption, reduce utility costs, and minimize installation waste and downtime. Suitable for both new construction and retrofit applications, the MOMENTUM® Flush Valve supports measurable water savings and advances building sustainability objectives while preserving existing assets.



### LOCKSMITH™

**Challenge:** Commercial and industrial water treatment systems — such as softeners and backwashing filtration units — have historically relied on fixed regeneration and manual control strategies that can waste water, salt, and energy. Unoptimized regeneration cycles may occur even when demand is low, driving unnecessary discharge of treated water and increasing overall water consumption. This inefficiency makes it difficult for facilities to meet water conservation targets, reduce utility costs, and support sustainability certifications.



**Solution:** Watts' LOCKSMITH™ controller introduces advanced automation and demand-based control to commercial softeners and backwashing filtration systems. With configurable programming, automatic service alerts, and metered regeneration logic, LOCKSMITH ensures that treatment cycles occur only when needed — reducing unnecessary water and salt use while maintaining system performance. By streamlining control across softening and filtration equipment and eliminating the need for multiple disparate controllers, the system also reduces operational complexity and downtime. In doing so, LOCKSMITH contributes to measurable water conservation performance, supports resource-efficient facility operations, and can help customers align with sustainability frameworks that prioritize optimized water use in commercial and industrial environments.

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# I-CON Systems

For more than 30 years, I-CON Systems has designed and manufactured electronic plumbing control solutions that conserve water, reduce waste, and preserve natural resources across correctional facilities nationwide.

Acquired by Watts in January 2025, I-CON strengthens our presence in a specialized market, with products spanning electronic controls for toilets, lavatories, and showers; kitchen water systems; submetering with leak detection; and facility-wide water management. I-CON customers typically achieve 40% to 60% reductions in overall facility water usage and 65% to 75% reductions per fixture, with some reporting savings up to 80%. Across all correctional facilities currently using I-CON products, these systems save more than 5 billion gallons of water and \$30 million every year — a powerful ROI.



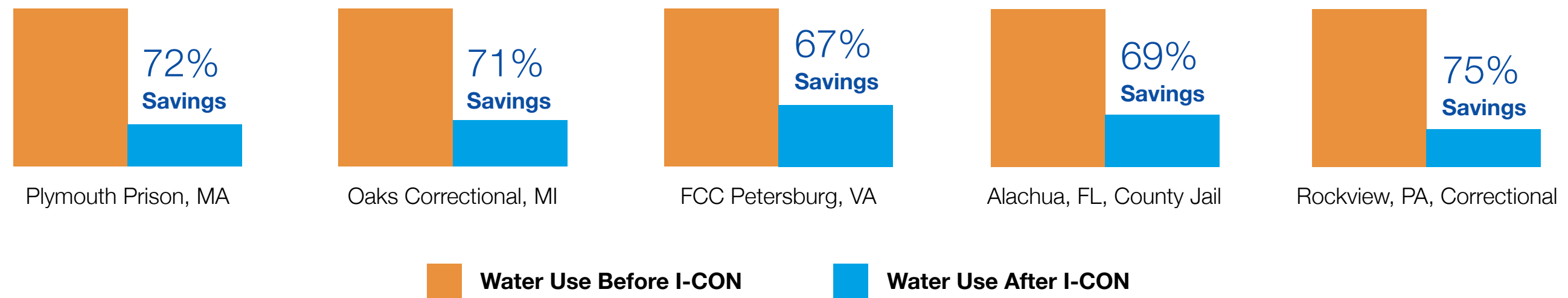
**I-CON products have saved more than 87 billion gallons of water.**

Engineered by I-CON, the MOMENTUM® flush valve represents a significant advancement in water conservation. By increasing water velocity, MOMENTUM® requires less water to effectively remove waste. Integration with I-CON's ENVISAGE® Water Management Software and NEXUS® controllers provides facility managers centralized remote control over runtimes, schedules, and lockouts across individual fixtures or an entire facility.

I-CON's COBALT® series of products, including flush valves, lead the industry in accuracy and performance with their simple, powerful flush. Existing valves can be retrofitted with COBALT®, or the COBALT Pro® flush valve can be installed new, with water savings reaching up to more than 30% for every flush valve installed. With TruFLUSH® technology and customizable options, the COBALT Pro® flush valves and lavatory valves allow customers to choose their water-savings levels, ranging from 5% – 10% more savings.

- Clallam Bay Corrections Center, Washington: Partnering with another water conservation provider to support the Washington Department of Corrections' (DOC's) sustainability goals, I-CON deployed its full suite of solutions at Clallam Bay, reducing annual water consumption from 47.1 million gallons to 16.6 million gallons, a 65% reduction, and generating \$184,000 in annual savings. The Washington DOC has since committed to expanding I-CON systems to additional state facilities.
- Texas Department of Criminal Justice: Within one year of installing I-CON water-saving devices, the Robertson Unit achieved a 58% decrease in water usage, saving 140 million gallons of water and \$1.69 million in combined water and wastewater costs.

## Average Percentage Savings of Water



# Improving Energy Efficiency

Heating and cooling air and water are major sources of GHG emissions. According to the [World Green Building Council](#), around 28% of global CO<sub>2</sub> emissions come from building operations, with 15% of global carbon emissions coming from heating and cooling buildings.

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

## PRODUCT HIGHLIGHTS

### VULCANIZED BUTTERFLY VALVES

**Challenge:** Energy losses in HVAC and hydronic heating/cooling systems often result from valve leakage, unstable flow control, and performance degradation over time. Even small sealing gaps can force pumps and chillers to work harder, disrupting hydraulic balance and reducing overall system efficiency — ultimately increasing energy consumption and operating costs.

**Solution:** Watts' vulcanized butterfly valves are designed to protect system efficiency throughout their life cycle. Enhanced tightness reduces leakage and minimizes energy losses, while stable, reliable flow control supports proper hydraulic balance and optimal performance. Their extended service life helps maintain consistent efficiency over time, limiting degradation and reducing replacement needs — contributing to long-term energy savings and sustainability outcomes.



### STAINLESS STEEL ELECTRIC CONTROL BALL VALVE (SS ECBV)

**Challenge:** In data center liquid cooling systems, Cooling Distribution Units (CDUs) are typically employed to facilitate heat exchange and flow rate distribution, ensuring IT equipment operates within optimal temperature ranges. However, due to varying power consumption across different server cabinets, the required cooling capacity differs significantly. Inaccurate flow rate adjustment leads to energy waste, while the confined space within CDUs presents challenges for installation and maintenance.

**Solution:** SS ECBV valves are typically installed within CDUs, featuring low flow resistance and equal percentage control characteristics. These valves can precisely regulate flow rates through signal reception, ensuring optimal cooling supply while minimizing unnecessary energy consumption. The valves incorporate a quick-connect clamp design, enabling rapid installation and maintenance, thereby reducing deployment and service time requirements. The SS ECBV actuators are designed with compact dimensions and offer a service life exceeding 100,000 cycles, providing space efficiency and durability. Furthermore, the valve body are made of stainless steel and is free of oil and grease, ensuring the cleanliness and durability throughout the valve's operational life cycle.



### COMMERCIAL RO SYSTEMS EQUIPPED WITH ULTRA-LOW-ENERGY MEMBRANES

**Challenge:** Commercial reverse osmosis (RO) systems are traditionally energy-intensive, with high-pressure pumps accounting for a significant share of operational electricity use. As water treatment demands increase, system operators face growing pressure to reduce energy consumption, lower operating costs, and meet sustainability targets, without compromising water quality or performance.

**Solution:** Watts' commercial RO systems equipped with ultra-low-energy membranes operate effectively at lower pressures, significantly reducing the required pump size and associated energy demand. By decreasing power consumption while maintaining high water quality and system reliability, these advanced membranes enable more efficient system design and lower life-cycle operating costs. The result is a measurable reduction in energy use and carbon impact, supporting customers' sustainability and performance goals.

# Superior Boiler

Superior Boiler, an industry-leading designer and manufacturer of customized steam and hot water boilers used in commercial, institutional, and industrial applications, joined Watts through an acquisition completed in November 2025. For more than a century, Superior has built a strong reputation for quality, reliability, and innovation; this acquisition strengthens our ability to deliver integrated, energy-efficient solutions for customers.

Superior Boiler products help drive sustainable operations by delivering exceptional energy efficiency and reduced GHG emissions. Their advanced heat transfer design maximizes fuel utilization, lowering both operating costs and the carbon footprint associated with steam and hot water production. With durable construction, low-NOx burner options, and optimized combustion controls, Superior boilers support cleaner, more responsible industrial performance while extending equipment life and minimizing waste. The result is a high-reliability solution that aligns with corporate ESG goals and contributes meaningfully to long-term environmental stewardship.

Superior designs and manufactures equipment that is built to last. To protect against overheating and thermal stress, the average size of Superior's furnace is 21% greater than other boilers, along with additional features for added strength and longevity.

Superior products deliver measurable environmental benefits through advanced combustion technology that dramatically reduces harmful emissions. Superior's latest Cheyenne high-efficiency condensing models, when paired with certain burners, achieve ultra-low NOx levels below 9 ppm across all sizes, with select dual-fuel configurations reaching as low as 30 ppm and new burner innovations enabling sub-7 ppm performance without the need for flue-gas recirculation. Real-world performance reinforces this capability — Superior installations have demonstrated NOx emissions under 6 ppm during certified field testing at customer sites. These reductions significantly contribute to cleaner air, helping organizations comply with increasingly strict emissions regulations while supporting corporate ESG and decarbonization goals.

## From Old to Gold: Transforming Outdated Boilers for Efficient Heating

In many facilities, the boiler room is often overlooked, with aging equipment left to operate until a major failure occurs. These legacy systems often result in inefficient fuel consumption and high maintenance costs and are unable to meet modern emissions standards. They also represent a significant opportunity for sustainable transformation.

Superior Boiler specializes in "From Old to Gold" projects, where a facility's existing boiler is stripped of its outdated components and retrofitted with a new, high-efficiency burner and advanced control system. Because Superior is "burner agnostic," these boilers are expertly paired with industry-leading technology from other partners. The process involves precise engineering to match the new burner's flame pattern to the existing furnace, ensuring optimal heat transfer and performance.

By choosing a retrofit over a wholesale replacement, customers can achieve the latest low-NOx requirements and significantly better fuel-to-steam efficiency at a fraction of the cost of a new installation. These "Gold" standard upgrades extend the life of the pressure vessel, reduce fuel expenses, and minimize the waste associated with disposing existing equipment. Superior retrofits also demonstrate that high performance and sustainability can be achieved by reviving existing assets, transforming boiler rooms into modern, efficient, and reliable engines to support long-term operational goals.

Particularly for operations that must run continuously, Superior's retrofit approach reduces impacts on facilities without sacrificing energy efficiency benefits.

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# Nexa: Advancing Intelligent Water Management

Watts continues to advance its sustainability strategy through the development of smart and connected solutions that support safety and compliance, water conservation, and energy efficiency. Nexa, Watts' intelligent water management platform, represents a leading example of how digital innovation can help customers better understand and optimize their water systems while reducing environmental impact.

Since its introduction in 2024, Nexa has continued to evolve as a comprehensive platform that combines sensing technology, connected equipment, intuitive software, and expert support to deliver actionable water intelligence for commercial buildings. Nexa monitors water usage, temperature, pressure, and system conditions in real time, helping building operators reduce risk, improve efficiency, and make measurable progress toward sustainability goals.

In 2025, Nexa made several major enhancements to help customers reduce their water usage and achieve their sustainability targets. For individual buildings, customers now have a clear view of water consumption trends and performance over time with Nexa's Sustainability Dashboard. The dashboard allows users to track progress toward water reduction goals, identify unusual consumption patterns, and better understand the operational and environmental impacts of water use across their properties. Given many of Nexa's customers manage a portfolio of buildings, Nexa also introduced a water usage benchmarking dashboard. This enables visibility to the water usage and subsystem water usage within buildings so portfolio leaders can quickly understand their portfolio's performance and identify underperforming buildings. The interface enables comparison over a number of different building characteristics such as region or building size so that apples-to-apples comparisons can be made. Automated reporting and benchmarking capabilities help organizations translate water data into measurable sustainability outcomes.

As water scarcity and efficiency targets become increasingly important across industries, customers are turning to data-

driven approaches to better manage water resources. Nexa helps organizations move beyond monthly utility bills and estimates by providing continuous, real-time visibility into water system performance.

Customers are using Nexa to:

- Detect and mitigate leaks before significant water loss or damage occurs
- Track water consumption trends and reduction progress
- Identify inefficient equipment or operating conditions
- Improve domestic hot water and hydronic system performance
- Support sustainability reporting and compliance initiatives

## Expanded Leak Protection Capabilities

In 2025, Watts further strengthened Nexa's intelligent water management capabilities through the integration of The Detection Group, a Watts brand specializing in advanced leak protection technologies. By combining The Detection Group's proven expertise in leak detection and automated water shutoff with the Nexa digital platform, Watts has expanded Nexa's ability to help customers prevent water loss and protect against property damage.

The integration brings industry-leading leak protection technologies and automated shutoff capabilities into a unified water management platform, enabling customers to identify and respond to leaks more quickly and effectively. Connected Leak Defense valves and distributed sensing technologies allow Nexa to detect abnormal conditions and automatically isolate water flow when necessary, helping to minimize water waste and avoid costly damage.

## Expanded Connected Equipment Ecosystem

Throughout 2025, Watts significantly and continually expanded the Nexa ecosystem through the introduction of 14 "Works With Nexa" integrations across the Watts family of brands. These integrations bring water intelligence directly into critical plumbing and hydronic infrastructure, enabling customers to monitor system performance and resource consumption from a single platform.

By embedding intelligence within infrastructure components, Nexa extends beyond traditional monitoring solutions and enables a more complete understanding of building water systems.



Together with Nexa's broad portfolio of sensors, including temperature, pressure, leak, and flow, these equipment integrations enable comprehensive monitoring across plumbing and hydronic networks. The result is a scalable platform that can be deployed at individual property or portfolio levels across both new construction and existing buildings.

# Sustainable Innovation

In 2025 we continued to invest in and expand our smart and connected enabled products, which connect our customers with smart control systems for optimal performance and conserve critical resources by increasing operability, efficiency, and safety.

## Watts Commitment to Extended Producer Responsibility (EPR)

EPR is a policy approach that requires companies (“producers”) to fund and manage programs that ensure the paper and packaging they supply to consumers are collected and recycled responsibly. EPR shifts the responsibility for the funding of collection, recycling, and end-of-life management for paper and packaging from local governments and taxpayers to the producer.

In order to prepare for packaging EPR programs being launched in several states, Watts has registered with the producer responsibility organization, Circular Action Alliance (CAA).

Watts producer entities are reporting the volume of packaging they send into each participating state, and in 2025 Watts reported data to Oregon, Colorado, and California.

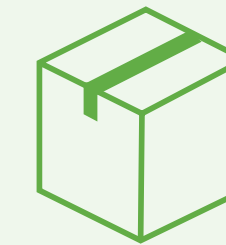
In addition to these three states, the following states are undergoing EPR regulation development and are expecting producers to report their annual supply in 2026:

- Washington
- Maryland
- Maine
- Minnesota

## Sustainable Packaging

Since 2017, our Global Sourcing Team has conducted comprehensive reviews of our packaging practices at Watts, which has helped reduce our use of plastics and chemicals for protective packaging by more than 80%. In 2025, more than 90% of all packaging boxes shipped to customers in the Americas were made with a high percentage of post-consumer recycled (PCR) content and crates from low-grade, nonconsumer wood.

### OUR APPROACH TO SUSTAINABLE PACKAGING:



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



## The Business Call for Product Transparency

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

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## Driving Product Sustainability and Transparency

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

Beyond meeting customer expectations and compliance requirements, gaining a deeper understanding of our products' environmental impact will enable us to enhance manufacturing practices and product design. In 2025, we continued to build on several years of work to better understand the environmental impacts of our products and share this information with our customers.

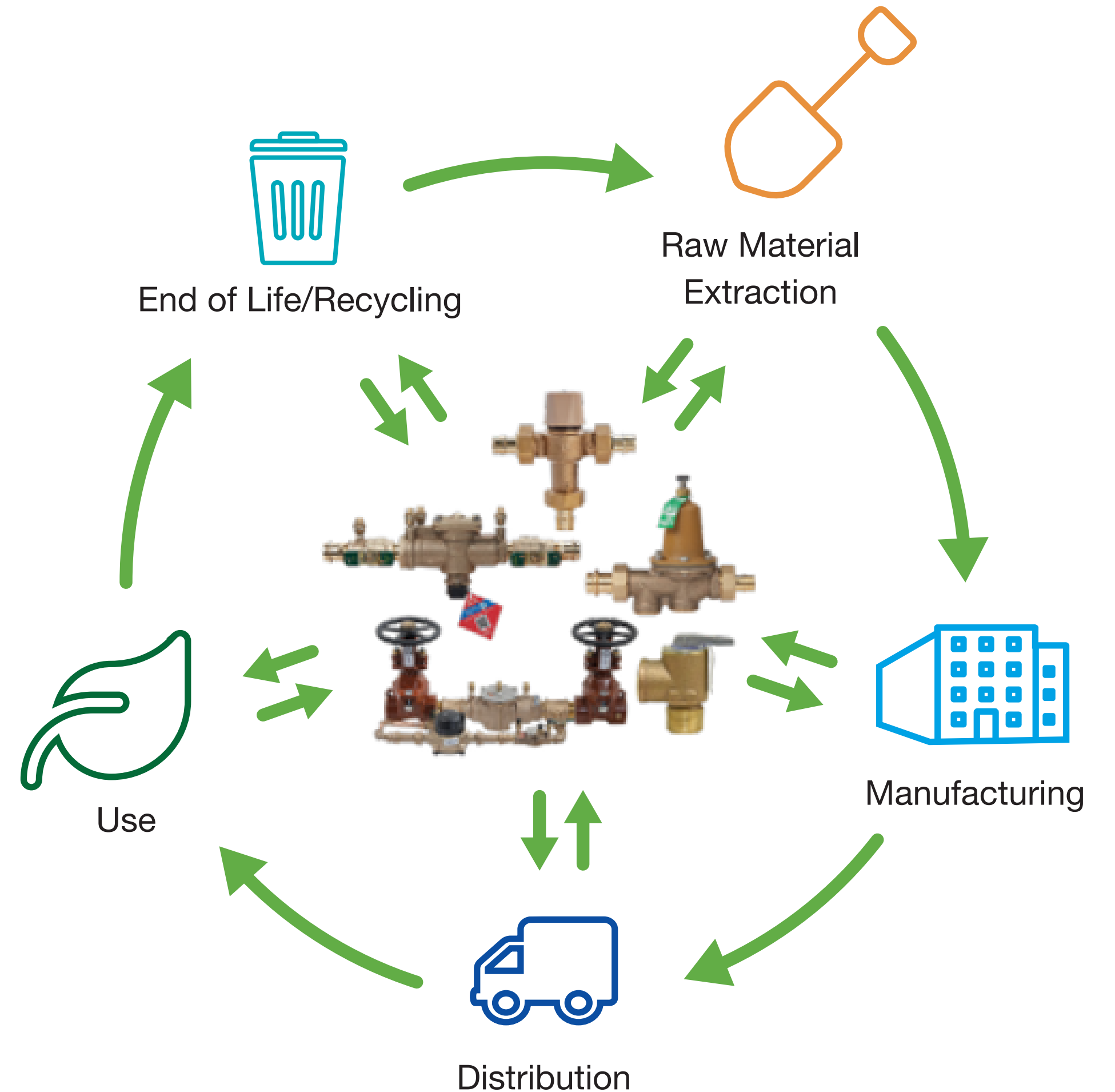
We are achieving these aims through the completion of LCAs and development of EPDs. Governed by the ISO and European (EN) standards, EPDs are an internationally recognized tool for the disclosure of product environmental impacts and reporting the life-cycle impacts of a product in a single, comprehensive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

We continue to prioritize our LCA and EPD work to meet customer needs and focus on opportunities for greatest impact. In 2025, we completed LCAs for all products in our BLÜCHER facility and began LCA modeling at five additional facilities. Data collection for an additional three facilities is underway and by the end of 2026, we expect to complete three, plant-level LCAs.

**By the end of 2025, we had published 28 EPDs covering 39 product types and are on track to exceed our goal of publishing 50 EPDs by 2026.**

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

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



# Best-in-Class Training

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

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

Our training strategy is built on a flexible, blended learning model designed to meet customers where they are. Whether delivered in person at our state-of-the-art Learning Centers, virtually through instructor-led sessions, or on demand through Watts Works Online, each experience is interactive, practical, and focused on real-world applications.

In 2025, we delivered more than 300,000 training sessions to customers worldwide, including a 14% increase in Lunch & Learn sessions, reflecting a growing demand for accessible, field-based education. Additionally, Watts Works Online surpassed 1 million cumulative eLearning completions across the Americas region since first introducing online training in 2019, marking a major milestone in expanding accessible, on-demand professional education.



## Online Learning

- Watts Works Online delivers eLearning in 24 countries and 12 languages.
- Our on-demand training platform enables customers to access product- and applications-based instruction anytime, anywhere, while reducing gasoline consumption and paper usage associated with traditional in-person training.
- Our global portfolio includes more than 1,600 eLearning modules, offering regionally relevant content tailored to local market needs.



## Lunch & Learn

- Small-group training sessions are delivered either on-site at customer locations or virtually by Watts sales and technical experts, providing flexible, hands-on learning experiences.
- **2025 highlight:** We expanded our Lunch & Learn program to include the Josam business, contributing to more than 71,000 Lunch & Learn customer training sessions delivered globally, a 14% increase over the prior year.



## Continuing Education

- Watts offers more than 30 accredited Continuing Education (CEU) courses approved by the American Society of Plumbing Engineers (ASPE) and the American Institute of Architects (AIA), supporting licensed professionals in maintaining credentials and advancing technical expertise
- In 2025, these programs generated more than 14,000 course completions, reflecting strong engagement from engineers, architects, and design professionals.



## Instructor-Led Training

- In-person training is held in a Watts Works Learning Center, focused on hands-on learning and product demonstration in our live wet lab.
- **2025 highlight:** We opened new Learning Centers in Auckland, New Zealand, and Sydney, Australia.

## Watts Works Learning Center – 10-Year Milestone

As we enter 2026, Watts celebrates the 10-year anniversary of the opening of our first Watts Works Learning Center in North Andover, MA. Since opening its doors, the center has delivered impactful, expert-led product and system solutions training focused on real-world applications.

Designed to foster hands-on learning and meaningful industry collaboration, the Learning Center advances a culture of continuous professional growth rooted in innovation, technical excellence, and responsible water management. For a decade, it has served as a gathering place where contractors, engineers, distributors, and industry pros strengthen their expertise and build confidence.

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Talent Retention and Development

Employee Development and Support Programs

Driving Engagement Through Our Employee Resource Groups

One Watts Performance System

Watts Cares — Our Community Impact

Global Engagements

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Talent Retention and Development

Employee Development and Support Programs

Driving Engagement Through Our Employee Resource Groups

One Watts Performance System

Watts Cares — Our Community Impact

Global Engagements

# Social Responsibility

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

Our company thrives because of employees who bring a variety of backgrounds, talents, and ideas to Watts. In an intensely competitive talent landscape, we continued to set ourselves apart in 2025 by providing our employees with meaningful career growth opportunities, a positive and safe work environment, and affirmation that they are heard, valued, and respected.

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

## ENRICHING, ENGAGING, AND PROTECTING OUR EMPLOYEES AND THE COMMUNITIES WHERE WE OPERATE

- Employees volunteered more than 10,000 hours as part of the Watts Cares community giving program. This is double the number of employee volunteer hours compared to 2024, the program's inaugural year
- We continued to develop our benefits communications throughout 2025, with a focus on mental health, physical health, and financial health, including the presentation and addition of a monthly newsletter communicating messages geared toward our targeted populations

### ENGAGING AND INVESTING IN EMPLOYEES



**6,513 hours of employee training**



**Quick Kaizen training now part of our onboarding process for all new hires**



**7,036 Quick Kaizen submissions, 20% of which directly pertained to sustainability efforts**



**40 employees awarded \$130,250 through the Inventor Recognition program**

### ENRICHING COMMUNITIES

Provided clean, safe drinking water for



**89,000 people**

### HEALTH & SAFETY



Zero recordable injuries achieved at 20 operating and distribution sites



> 10,000 units of safety training delivered

**ISO 45001 Certification** achieved for our global OHS program

- Certified sites represented 29% of our global population, excluding Haws, Superior Boiler, Saudi Cast, and I-CON; it is 28% with I-CON

# Occupational Health and Safety

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

Our enterprise-wide OHS management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. Its key elements include worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement. In December 2025, NSF, our certifying body for ISO 45001, completed a recertification audit of our global OHS system, noting one minor nonconformance with the standard. All Watts ISO 45001-certified sites also achieved success in their surveillance audits. With the addition of I-CON, our ISO 45001-certified sites represent 29% of our global population, a slight increase year over year.

## A Culture of Safety

We aspire to be a zero-incident workplace, and in 2025, 20 of our operating and distribution sites maintained zero recordable injuries. Our Zero Incidents, Employee Engagement, Risk Reduction, and Operational Excellence (Z.E.R.O.) approach to drive a culture of safety at Watts empowers our people with the knowledge, tools, and resources they need to effectively identify hazards, mitigate risks, and explore improvements. This approach includes:

- **Safety Committees:** These committees generate opportunities to reduce risk and support the mitigation of those risks.

- **Job Hazard Analyses:** These analyses identify job-related hazards through a systematic risk assessment process.
- **Safety Stand-Downs:** These stand-downs bring employees and site leaders together to discuss safety performance and related issues, and identify opportunities for improvement.
- **Early Reporting:** Reporting early empowers employees at all levels to provide input into safety observations (“I think this is unsafe”) and near-misses (“An event occurred, but nobody was hurt”). In 2025, employees submitted more than 5,900 near-miss reports and 16,450 safety observations, exceeding our annual goals by 19% and 21%, respectively.
- **Safety Training:** This training promotes a safe and healthy workplace. In 2025, we delivered more than 10,000 units of safety training to our employees on a variety of topics, including emergency preparedness, accident prevention, electrical safety, and tool and equipment safety.
- In 2025, the organization expanded the use of our artificial intelligence (AI) ergonomics application from the Americas to all of our operating sites in Europe and Asia to help identify hazard reduction opportunities and make meaningful and measurable change.

Injury reductions in 2025 were driven by multiple factors, including workstation optimization; increased investment in automation, cross-functional engagement, employee rotation programs, and professional development; select staffing adds; and increased best-practice sharing across the globe. Emphasis was placed on manual material handling, which was common in 39% of our injuries, and ergonomic-related risk factors, which drove 29% of our injuries.

## Safety Performance

	<b>Total Recordable Incident Rate (TRIR)</b> <i>Recordable Incidents per 200,000 Hours Worked</i>	<b>Lost Time Incident Rate (LTIR)</b> <i>Lost Time Incident per 200,000 Hours Worked</i>
2020	1.51	0.68
2021	1.28	0.58
2022	1.20	0.52
2023	0.92	0.49
2024	0.78	0.34
2025	0.82	0.17

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

## Vaccination Clinics

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

# Talent Retention and Development

We implemented a number of measures to further distinguish Watts as an employer of choice and took several actions in 2025.

## 2025 Highlights



### COMPENSATION AND INCENTIVES

We regularly analyze wages to retain employees and stay competitive in the labor market. An internal pay equity review is embedded into our hiring and promotion processes. Where needed, we provided market adjustments to stay competitive and retain key talent. In 2025, we continued our project to revitalize our job architecture that will better align with our roles and provide our employees with a more comprehensive career path structure.



### WORK/LIFE BALANCE

In a continued effort to reduce employee overtime at production facilities, we continue to explore diversified recruiting efforts, including focusing on our U.S. internship program and expanding our partnerships with tech schools, recruitment agencies, and a number of professional networks.



### EMPLOYEE DEVELOPMENT

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



### EMPLOYEE ENGAGEMENT SURVEY

In 2025, we consolidated our regional employee surveys into a single global pulse, giving us a more unified and comprehensive view of the employee experience across Watts. This global approach deepened our insights into the topics that matter most to our colleagues, including work-life balance, career growth, and overall engagement.



### SOCIAL PROGRAMMING

We also continued expanding our social programming throughout the year. Cultural celebrations were developed in close partnership with our ERGs, helping to ensure authenticity, representation, and meaningful connection across regions. In addition, we invested in community-building activities such as milestone celebrations, volunteer events through the Watts Cares program, and work safety initiatives — strengthening both belonging and engagement across our global workforce.



### EMPLOYEE ENGAGEMENT/ RECOGNITION

We continue to strive to be an employer of choice, reflecting our commitment to fostering a positive, inclusive, and engaging workplace culture. In 2025, Watts once again earned recognition from employees in both Massachusetts and China — demonstrating consistent, global affirmation of our workplace experience. At our North Andover, MA, headquarters, employees recognized Watts as one of the Top Places to Work in Massachusetts, an honor awarded by The Boston Globe based on employee feedback about company direction, execution, connection, work environment, pay, benefits, and engagement. Similarly, employees at our Watts China location reaffirmed our culture by earning a Great Place to Work certification. This recognition reflects their confidence in the workplace environment, trust in leadership, and overall organizational culture.

## Employee Recognition

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

## Training and Development

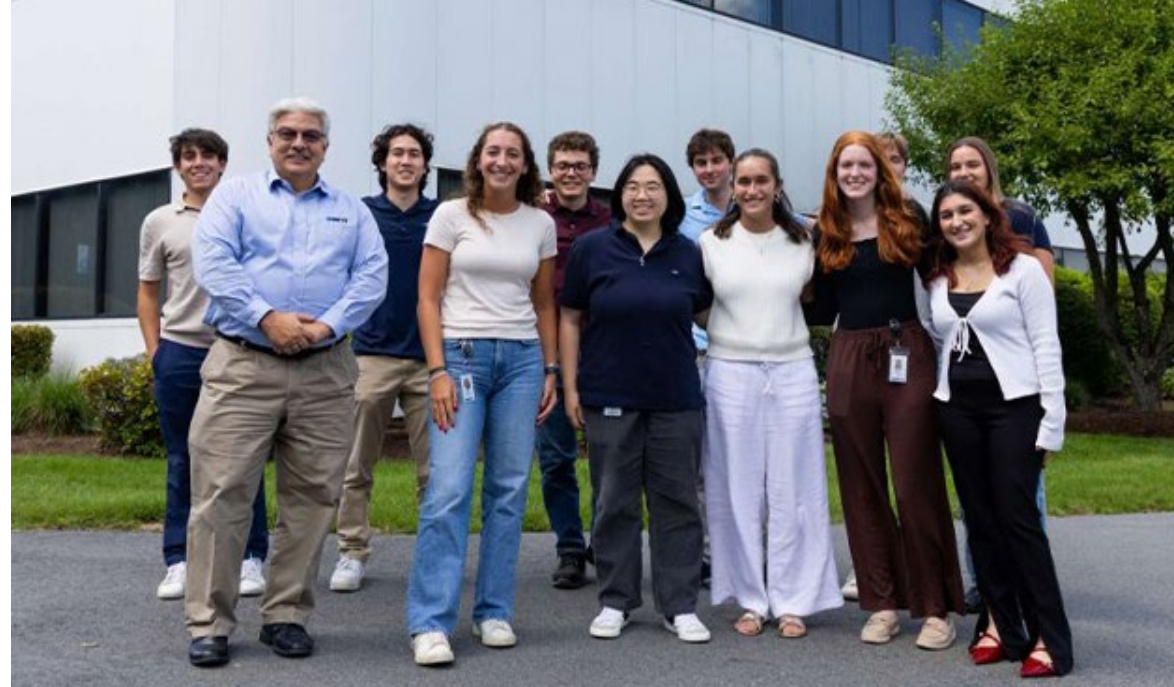
We invest in our employees by providing opportunities that support them in enhancing their skills, competencies, and overall professional development. We offer a variety of in-person and virtual learning and development programs that are designed to build and retain a strong global workforce. In 2025, we continued the rollout of our global leadership and inclusivity training. We encourage all managers and employees to include training and development goals as part of our annual performance management process.

## Internship Program

Our student internship program aims to recruit, develop, and retain the next generation of top talent and future leaders at Watts.



**In 2025, 42 interns from across the United States participated in a variety of training and development activities as part of a 12-week summer program.**



At the end of their internship, participants presented their learnings and experiences to the leadership teams. We also hosted eight Co-op students who participated in key projects over a period of six months to gain real-world experience. They participated in a variety of training and development activities, and were paired with a mentor for guidance and support.

## Strategic Talent Review

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

## Talent Scorecard

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

## Performance Management

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

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



**In 2025, 100% of eligible employees received a performance review.**

# Employee Development and Support Programs

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

In 2025, we continued to cultivate our partnerships with and conducted recruitment activities at universities to drive outreach in the sectors that support our business. We also continued to deliver leadership and skills development training throughout the global organization.

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

## Expanding Our Reach to Attract Top Talent

In 2025, we continued to cultivate our partnerships with and conducted recruitment activities at universities to drive outreach in the sectors that support our business. We also continued to deliver leadership and skills development training throughout the global organization.

### INVESTING IN FUTURE LEADERS

We recognize that development doesn't stop at hiring. Once individuals join Watts, we're dedicated to supporting their long-term success. In 2025, we continued expanding our strategic talent review process, first launched in 2022, to identify emerging talent and provide growth opportunities for high-potential team



members. This process plays a critical role in shaping our leadership pipeline and supporting career progression. In 2025, we began rolling out our new Leadership Framework, designed to help all employees understand what great leadership looks like at Watts — empowering them to lead at every level.

### EMPOWERING GROWTH THROUGH LEARNING

We provide employees with opportunities to enhance their skills and leadership capabilities. We continue to expand leadership and professional development opportunities for Watts employees through the global rollout of our Leadership Framework for all people leaders. As part of this effort, we will launch a new High-Potential Leadership Summit in 2026 to provide key leaders with an immersive development experience. At rollout completion, 100% of Watts people leaders will be trained in the Leadership Framework.

## ENHANCING OUR BENEFITS TO SUPPORT WELL-BEING

In early 2023, we partnered with Mercer, a global consulting firm, to review and strengthen our U.S. benefit offerings for 2024 and beyond. This foundational work continued into 2025 as we focused on ensuring our programs meet our employees' specific needs — particularly around improving access to preventive care, providing enhanced support for complex or chronic conditions, and expanding resources that contribute to long-term health and well-being. Our ongoing review includes medical, pharmacy, dental, and vision plans, along with key ancillary services.

Throughout 2025, we expanded our care-focused solutions through specialized programs for diabetes management, weight-loss support, and musculoskeletal (MSK) health. These offerings are designed to ensure employees can stay healthy, manage conditions more effectively, and access the right care at the right time.

We also strengthened our benefits communication strategy to help employees better understand and utilize these resources.



**In 2025, we launched a monthly benefits and wellness newsletter, expanded our quarterly financial wellness trainings, and introduced a range of tools to support physical, mental, and financial well-being.**

All of these efforts are designed to help employees extend their health span — not just how long they live, but how long they live in good health.

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



# Driving Engagement Through Our Employee Resource Groups

In 2025, we expanded our ERG footprint into our European facilities and appointed executive sponsors to each group to ensure strong leadership alignment and support. We also refreshed ERG branding with updated logos, further elevating the visibility, consistency, and impact of our employee communities across regions. This year also marked the launch of our new Early-in-Career (EIC) ERG, designed to support early tenure and early-career employees by helping them build community, grow their networks, and develop the skills and confidence needed to navigate their careers at Watts.

## Celebrating Cultural Milestones

Throughout the year, our ERGs led a diverse range of impactful cultural and educational initiatives:

- **Black Matters at Watts (BMW)** organized its annual Black History Month book drive, uniting teammates across multiple sites. Participation nearly doubled from the previous year, resulting in 1,933 books donated to local libraries and community resource centers — supporting youth literacy and giving back to our surrounding communities.
- The **Women of Watts (WoW)** ERG hosted a global fireside chat featuring women leaders from across our regional offices. The discussion celebrated International Women’s Day and emphasized the importance of advancing women through mentorship, leadership development, and strong internal support networks.
- Our **PRIDE ERG** led Pride Month celebrations and partnered with SpeakOut for a special discussion on allyship, providing teammates with opportunities to learn; share perspectives; and foster inclusive, supportive environments for LGBTQ+ employees and allies.
- The **EIC** ERG delivered programming aimed at helping new Watts employees find connection, build internal networks, and access professional development resources — cementing its role as a supportive community for individuals at the start of their career journeys.

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# One Watts Performance System

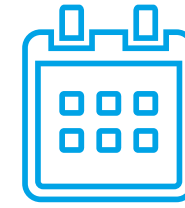
We are committed to a culture of continuous improvement and to elevating performance in everything we do. Our Business Performance System is a key differentiator — setting truly great companies apart from good ones.

At the heart of this is our One Watts Performance System (OWPS), a unified set of tools, processes, and behaviors that drives our growth, unlocks our potential, and fuels future success. Built with our customers at the center, the OWPS serves as the foundation for all our operations. As part of onboarding, new team members receive training on OWPS fundamentals to help simplify, standardize, and continuously improve the way we work every day.

## Kaizen Events and Global Report-Outs

We design Kaizen Events to deliver meaningful improvements in the areas that most directly impact our customers and the efficiency of our operations. Guided by proven Lean methodologies, these cross-functional, multiday sessions provide a structured and disciplined approach to problem-solving. We hold weekly Kaizen Event reviews across all Watts locations to ensure disciplined follow-through and enterprise-wide visibility into improvement activities. These sessions provide a streamlined forum for Kaizen teams to present key results, critical insights, and lessons learned that accelerate performance improvements across the organization. Senior leaders — including members of the Global Leadership Team — regularly participate in these reviews to reinforce alignment, highlight impactful achievements, and rapidly scale best practices across our global operations.

In 2025, our Continuous Improvement Teams completed **187 Kaizen Events** globally, each aligned to key KPI priorities: safety, quality, delivery, cost, and growth. These efforts delivered meaningful operational impact and strengthened our culture of disciplined execution.



We also launched our new **Continuous Improvement Bootcamp**, an immersive three-day development experience open to employees at all levels.

The program combines foundational Lean classroom training with hands-on application directly on the production floor, enabling participants to immediately practice and reinforce what they learn. In its first year, we successfully delivered three CI Bootcamps globally, expanding continuous improvement capability across the organization and equipping more employees to lead improvement within their functions and sites.

## QUICK KAIZENS

Quick Kaizens are small-scale, incremental improvement actions that empower every Watts employee to “fix what bugs them” and eliminate issues at the source. These rapid improvements strengthen daily operations and reinforce our culture of ownership and continuous improvement.

At the center of this effort is our **Quick Kaizen Hub**, a mobile-friendly, fully automated portal that centralizes all improvement activity. Robust filtering and search capabilities allow teams to easily track submissions, benchmark progress, and share solutions across the organization.

Each month, the Continuous Improvement Team recognizes standout contributions by announcing the top Quick Kaizen submissions and the site with the highest participation. Winners receive a branded Wasteologist shirt and global recognition through our internal communication channels.

In 2025, Watts employees submitted **7,036 Quick Kaizens**, demonstrating exceptional engagement in identifying and resolving issues at the right level. The sustained growth in participation reflects a strong commitment to improving our workplace and enhancing operational performance. To see examples of our Quick Kaizens in action, [see page 28](#).



## BLUE BELT AND GREEN BELT

Blue Belt is a special recognition awarded to employees who demonstrate strong proficiency in identifying and eliminating waste through Quick Kaizens. After completing training on waste detection and reduction, any employee who submits three approved Quick Kaizens earns a Blue Belt certificate, reinforcing both skill development and active engagement in continuous improvement.

In 2025, we trained more than 75% of all Watts employees as certified waste identifiers through our Blue Belt program, which focuses on the Eight Wastes of manufacturing (DOWNTIME). This milestone reflects our commitment to building continuous improvement capabilities at every level of the organization.

Looking ahead, we will continue to prioritize education and engagement throughout 2026, with a stretch goal of reaching 85% employee participation. This expanded focus will further strengthen our culture of continuous improvement and drive operational excellence across all sites.

## PRODUCTIVITY PROJECTS PIPELINE

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

**In addition to our Kaizen activities, 2025 also resulted in 435 projects worldwide focusing on Lean improvements, carbon reduction, process engineering, value-added value engineering, improved sourcing, and continued growth.**

# Watts Cares – Our Community Impact

In 2025, through the Watts Cares volunteer program, colleagues gave back a total of 10,000 hours to more than 65 different organizations within their communities and beyond, doubling the number of hours volunteered during our inaugural year in 2024. From food and clothing drives to environmental cleanups and community partnerships, employees gave generously to a variety of different projects, some of which are highlighted below.

## COMMUNITY INVOLVEMENT



### RESTORING ECOSYSTEMS

Colleagues from **Vernon, BC, Canada**, volunteered with the Allan Brooks Nature Centre to provide essential wetland habitat for local wildlife while improving water retention and ecological balance in the region. Together, the team restored native vegetation around a newly expanded pond by planting approximately 425 native plant plugs.

### CLEANING WATERWAYS

In partnership with the Clean River Project, Watts colleagues joined together in **Lawrence, MA, USA**, and **Manchester, NH, USA**, to pull more than 2 tons of trash from the Merrimack River, including tires, plastic, construction debris, and several pieces of furniture. The 117-mile river flows through both states and serves as the water supply for hundreds of thousands of area residents, as well as being a freshwater destination for outdoor enthusiasts.

## EDUCATIONAL PARTNERSHIPS

### INSPIRING FUTURE FEMALE LEADERS

A colleague from **Menomonee Falls, WI, USA**, participated in a roundtable dialogue with girls in grades 7-12 from the Hartford Union High School's (HUHS's) Robotics Team. As part of a dialogue about opportunities in science, technology, engineering, and mathematics (STEM), she shared her experiences, lessons learned, and advice for young women considering careers in STEM. Specific topics included finding a mentor, beneficial extracurriculars, navigating college STEM courses, and overcoming challenges as minorities in the field.

### EDUCATING NEXT-GEN ENGINEERS

Colleagues at our **Franklin, NH, USA**, site partnered with five area schools for nine different events to educate students about careers in advanced manufacturing and engineering. The students also received brief introductions to other professional career paths and were shown the differences between entry-level jobs and skilled careers.

## FUNDRAISING, SPONSORSHIPS, AND DONATIONS

### DONATING BACKPACKS FILLED WITH SCHOOL SUPPLIES

Colleagues from **North Andover, MA, USA**, volunteered to fill 200 backpacks with school supplies that were donated to vulnerable students at the Boys and Girls Club of Lawrence.



### GIVING BACK FOR MULTIPLE SCLEROSIS (MS)

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



## Global Engagements

Our ongoing partnership with the Planet Water Foundation supports the organization’s work to bring clean water to the world’s most impoverished communities through the installation of community-based water filtration systems, as well as implementation of water health and hygiene education programs. Throughout 2025, Watts continued its partnership with Planet Water Foundation, which positively impacted 9,000 children and community members through the following projects:

- During World Water Day in March, Watts sponsored the installation of three integrated water systems for residents in the Philippines and India.
- As part of Planet Water Foundation’s Global Handwashing Day initiatives in October, Watts sponsored four additional AquaTowers, bringing clean drinking water to two vulnerable communities in Indonesia and Mexico.
- Each project provided schools with AquaSan mobile surface disinfection systems to promote good water hygiene practices in the schools’ latrines, as well as a water health and hygiene education program for community members.
- We also sponsored six disaster response initiatives that included the deployment of 19 safe drinking water systems to people impacted by typhoons, hurricanes, earthquakes, and floods in Myanmar, the Philippines, Jamaica, and Indonesia.
- This was the second year Watts sponsored the “Germ Chasers” education program, which provides online hygiene education and interactive teaching materials.

# CORPORATE GOVERNANCE

Ethics, Integrity, and Transparency

Privacy and Cybersecurity

Responsible Supply Chain

# Corporate Governance

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

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

## WATTS BOARD OF DIRECTORS

9

Total Members

61

Average Age

8

Years Average Tenure



Independent Directors



Directors With Experience in ESG Matters

### Committee Meeting Participation:

- 5 Audit
- 4 Governance and Sustainability
- 6 Compensation

## ETHICS AND COMPLIANCE

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

**99%** of global employees were provided updated Code of Conduct training and acknowledged adherence to the Code

## RESPONSIBLE SUPPLY CHAIN

- Expanded use of the D&B ESG Rating Service to include approximately 71% of our suppliers, representing approximately 56% of our global direct spend
- More than 520 suppliers were audited, and more than 1,200 follow-up audits and corrective actions were conducted globally

**~74%** of our global suppliers, by spend, have confirmed conformance to our Supplier ESG Standards



## Governance and Accountability

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

In 2025, our board met five times, and each committee of the board met at least four times, with certain additional meetings as needed throughout the year. Each director attended at least 75% of the meetings of the board and all committees of the board on which the director served. In addition, all of our board members attended the 2025 Annual Meeting of Stockholders, in person or by telephone conference call.

We believe our board should be composed of directors who have the collective experience, qualifications, attributes, and skills required to make informed decisions, provide effective oversight, assess management's performance, and evaluate our strategic direction.



To learn more about our board composition, responsibilities, and performance, see our [2026 Proxy Statement](#).

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# Ethics, Integrity, and Transparency

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

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

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

In addition to annual training, we require all employees to acknowledge the Code and its requirements and encourage them to raise questions and speak up if they observe conduct that violates it. Each year, we refresh our training by selecting different areas of focus, which in 2025 included abusive workplace conduct, safety training, and ethical decision-making. In 2026, training will focus on similar and additional Code topics, including business ethics, bribery and improper payments, and antidiscrimination training.

We also provide additional ethics and compliance training, both online and in person throughout the year, using a targeted approach that identifies positions, functions, and regions with a higher risk of potential incidents, as well as in response to global trends and developments and our own hotline data. In 2025, we conducted targeted training to finance, sales, sourcing, operations, and select third parties on anti-corruption policies, business courtesies, third-party due diligence, and import/export. We also require select management and functional areas, including all global employees at the director level and above, to complete an annual Conflict of Interest Certification and Disclosure, stating they have read, understand, and will comply with our [Conflict of Interest Policy](#).



**In 2025, we met our goal to have 99% of employees (including part-time employees, consultants, and contractors), both direct and indirect, complete our Code of Business Conduct training and acknowledge their adherence to the Code. Our 99% goal remains for 2026.**

## Due Diligence Reviews

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

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

We renew due diligence reviews for third parties every two years, but we conduct ongoing denied-party list searches for all parties throughout the year, including using multiple denied-party list tools and tools that reach ownership interests. Due diligence policies and procedures are documented and are part of regular training and review for select new hires and positions at Watts. This process permits us to identify and address higher-risk third parties.

## Risk Assessments

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

## Management Oversight

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

The CCO, who reports to the CEO, is responsible for management and oversight of the ethics and compliance program. The CCO and Compliance Team regularly monitor trends from reported hotline matters and legal, regulatory, and industry developments to update any necessary program and policy enhancements. Each quarter, the CCO or another

member of the Compliance Team reports to the board of directors and the Audit Committee, which shares oversight for the ethics and compliance program, regarding additional compliance and business ethics developments, investigations, ethics hotline reports, and review status.

## Anti-Corruption Policies

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



**No incidents of corruption were confirmed at Watts in 2025, nor were any legal actions regarding corruption brought against the company.**

## Government Contracting

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

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

## Reporting Concerns

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

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

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

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



**In 2025, the number of reports received by our ethics hotline was demonstrative of a healthy and effective hotline according to the Navex Global benchmark.**

## No Retaliation – Whistleblower Protection Policy

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



## Privacy and Cybersecurity

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

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

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

### Oversight and Accountability

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

# Responsible Supply Chain\*

## 2025 PERFORMANCE AT A GLANCE:

- Confirmed conformance to our Code of Business Conduct and Supplier ESG Standards by approximately 70% of suppliers, representing approximately 74% of our global direct spend
- Audited more than 520 suppliers and conducted more than 1,200 follow-up audits and corrective actions globally
- Evaluated approximately 71% of our suppliers, representing approximately 56% of our global spend, through the D&B ESG Rating Service

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

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

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

**At the end of 2025, approximately 70% of our suppliers representing approximately 74% of our 2025 global spend had confirmed their conformance, including 100% of new suppliers.**

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

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

- Safeguard human life by providing safe working conditions for all employees, customers, and contractors.
- Respect the protection of international human rights, as specified by local laws, including laws prohibiting discrimination, child labor, forced labor, and human trafficking. This includes laws such as the UK Modern Slavery Act, the California Transparency in Supply Chains Act of 2010, and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, as well as alignment with our Supplier ESG Standards and the international frameworks embodied in those standards such as the ILO's 1998 Declaration on Fundamental Principles and Rights at Work.
- Promote ethical standards through compliance with anti-corruption laws and by identifying and addressing potential conflicts of interest with customers and suppliers.
- Protect the environment by limiting the use of natural resources and engaging in sustainable business practices that minimize the environmental impact of their operations.
- Keep the supply chain intact by complying with all applicable national, regional, state, and local laws and regulations governing the environment, as well as health and safety, in the countries in which they operate.

\*2025 metrics in the Responsible Supply Chain section do not include data from 2025 acquisitions.

## Ensuring Quality Throughout Our Supply Chain

In 2025, professionally trained and certified members of our Audit Team performed quality audits at more than 520 suppliers globally through our Supplier Quality Audit Program. We work with our suppliers on quality corrective action plans to remediate issues of noncompliance via a structured approach and reaudits to check on improvements. This includes training on current requirements, self-assessment programs, noncompliance reporting, corrective action plans, and all available supplier resources on our website. We track nonconformances through the corrective action process in our quality management system. We also measure suppliers for performance via monthly scorecards issued by Watts and compared to similar operations within the same manufacturing methods to align with best practices.



**We performed more than 1,200 follow-up audits and corrective actions globally in 2025.**

## Sustainability in Our Supply Chain

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

In 2025, we expanded our use of the D&B ESG Rating Service in annual reviews of supplier ESG performance and in our scoring evaluations for new business awards. The D&B service is a web-based ratings platform that assesses the ESG operations of suppliers across 31 key topics and 13 ESG themes, including through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), Sustainability Accounting Standards Board (SASB), GRI, UN SDGs, Task Force on Climate-related

Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). In 2025, we reviewed the D&B ratings records of approximately 71% of our suppliers, representing approximately 56% of our global direct spend.

In 2025, we also continued our participation as a global supplier on the EcoVadis platform, allowing our customers to better assess our sustainability performance, and more than 300 of our key suppliers have completed EcoVadis performance surveys. The average overall score of our participating suppliers exceeded both the global EcoVadis benchmark and the EcoVadis Manufacturing industry benchmark in 2025. EcoVadis reviewed our global policy and performance in several areas, including environment, labor, human rights, ethics, and sustainable procurement. The review resulted in the identification of areas where Watts exceeds standards, as well as opportunities for improvement. We will work to implement EcoVadis recommendations for improvement in 2026.

## Enhancing Our Approach on Conflict Minerals

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

In 2025, we continued to enhance our conflict minerals reporting process by working with Assent to continually reassess our survey base among our supply partners, along with ensuring that suppliers of our recent acquisitions are included in future report scoping in accordance with SEC rules.

## Public Policy & Advocacy

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

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

## Political Contributions

Watts does not make contributions to political organizations, causes, candidates, or campaigns. As such, the company made no political contributions in 2025. However, we encourage our employees to become involved in civic affairs and to participate in political activities, provided they:

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

# About This Report

This Sustainability Report is the ninth annual publication of its kind for Watts Water Technologies, Inc. It highlights our commitment to sustainability and provides information about the progress we are making to promote a sustainable and prosperous future through responsible business practices across ESG dimensions. The disclosures we provide in each section of this report underwent extensive internal quality checks and are factual to the best of our knowledge at the time of reporting. As is standard practice at Watts, our 2025 Sustainability Report was formally reviewed by our:

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

The scope of our environmental reporting covers 40 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed here are within our operational boundaries for environmental performance in 2025 and represent 94.49% of our global workforce.

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

Additional information about our ESG performance is available in our [2025 Annual Report](#), [Form 10-K](#), [2026 Proxy Statement](#), and on our company website. We welcome your feedback so we can continue to improve our ESG reporting and provide the most relevant information to our stakeholders. Please direct any questions or comments to [sustainability@wattswater.com](mailto:sustainability@wattswater.com).

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Please note: full appendix will be linked to internal sections prior to publication

# GRI Index

**Statement of Use:** Watts Water Technologies, Inc. has reported in accordance with the GRI Standards for the period January 1, 2025, to December 31, 2025.

**GRI 1 Used:** GRI 1: Foundation 2021

**Applicable GRI Sector Standard(s):** Not applicable

GRI Standards	Disclosure Title	2025 Response
<b>GRI 2: General Disclosures 2021</b>		
2-1	Organizational details	Watts Water Technologies, Inc. was incorporated in Delaware in 1985 and trades on the New York Stock Exchange (NYSE) under the stock symbol WTS. Watts is headquartered at 815 Chestnut Street, North Andover, MA 01845, USA. Watts operates in the Americas; Europe; and Asia-Pacific, Middle East, and Africa (APMEA).
2-2	Entities included in the organization's sustainability reporting	The 2025 Sustainability Report covers Watts Water Technologies, Inc. and its consolidated subsidiaries. The scope of our environmental reporting covers 40 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed here are within our operational boundaries for environmental performance in 2025 and represent 94.49% of our global workforce. Please see a full list of the sites included in the <a href="#">Footprint</a> section.
2-3	Reporting period, frequency, and contact point	01/01/2025 – 12/31/2025 Annual Published: June 2026 Questions or comments should be directed to: <a href="mailto:sustainability@wattswater.com">sustainability@wattswater.com</a>
2-4	Restatements of information	There are no restatements of information within the 2025 Sustainability Report with respect to our previous report.
2-5	External assurance	Third-party external assurance is used to validate our environmental data beginning with 2020 data. Our Sustainability and Environment, Health, and Safety (EHS) Teams are involved in approving scope of verification.  Our external Verification Statements regarding environmental and safety data can be found in the <a href="#">Appendix</a> .
2-6	Activities, value chain, and other business relationships	Watts Water Technologies, Inc., through its family of companies, is a leading provider of solutions designed to promote safety, energy efficiency, and water conservation in the commercial, industrial, and residential markets of the Americas, Europe, and APMEA.  For more than 150 years, Watts has designed and produced valve systems that safeguard and regulate water systems, energy-efficient heating and hydronic systems, drainage systems, and water filtration technology that helps purify and conserve water.  Markets: Americas, Europe, and APMEA  Customers: Wholesalers, Specialty, Original Equipment Manufacturers (OEMs), and Do-It-Yourself (DIY) Chains

GRI Standards	Disclosure Title	2025 Response		
		<p>We report on our annual net sales for each of the three geographic segments in which we operate our business globally, as well as by product line, customers, and markets:</p> <p>Total Net Sales: \$2.4 billion USD</p> <p>Americas: 76%</p> <p>Europe: 18%</p> <p>APMEA: 6%</p> <p>Our supply partners play an integral role in helping us deliver value to our customers, providing critical materials and services that support the production of finished goods throughout our global operations. We commit to preventing and mitigating social and environmental impacts in our supply chain, as well as partnering with suppliers that share our values and high standards of ethical business conduct.</p> <p>In 2025, we continued to lessen our dependence on sole sources and prioritize sourcing locally while maintaining our commitment to having one of the most reliable and sustainable supply chains in the industry.</p> <p>For more information, see the Corporate Profile and Responsible Supply Chain sections of the 2025 Sustainability Report, as well as Item 1 of our <a href="#">2025 Form 10-K</a>.</p>		
2-7	Employees	<p>For information on employees, please see the <a href="#">Employee Profile</a> in the Appendix.</p> <p>Methodologies and assumptions:</p> <ul style="list-style-type: none"> <li>• Head count was used and then separated out by part time or full time.</li> <li>• The data was compiled at the end of the reporting period, effective 12/31/2025. Starting with the 2023 data, we added another element to freeze the data and have a “data entry date” added so the data doesn’t change (personal information data can be updated or retro transactions entered) if the reports are needed to be pulled again.</li> </ul> <p>There is no significant fluctuation in the number of employees during the reporting period and between reporting periods.</p>		
2-8	Workers who are not employees	<p><b>Information Unavailable/Incomplete:</b> Certain information and data was unavailable or incomplete for inclusion in this report. We are continuously striving to enhance our data collection processes and improve the availability and accuracy of information for future reporting cycles.</p>		
2-9	Governance structure and composition	<table border="0"> <tr> <td style="vertical-align: top;"> <p><b>Board of Directors:</b></p> <p>Rebecca J. Boll</p> <p>Michael J. Dubose</p> <p>David A. Dunbar</p> <p>Kenneth Napolitano</p> <p>Joseph T. Noonan</p> <p>Robert J. Pagano Jr.</p> <p>Merilee Raines</p> <p>Joseph W. Reitmeier</p> <p>Suzanne L. Stefany</p> </td> <td style="vertical-align: top;"> <p><b>Board of Directors Composition:</b></p> <p>Total Members: 9</p> <p>Average Age: 61</p> <p>Average Tenure: 8 years</p> <p>Independent Directors: 7/9</p> <p>Directors With Experience in Environmental, Social, and Governance (ESG) Matters: 7/9</p> </td> </tr> </table>	<p><b>Board of Directors:</b></p> <p>Rebecca J. Boll</p> <p>Michael J. Dubose</p> <p>David A. Dunbar</p> <p>Kenneth Napolitano</p> <p>Joseph T. Noonan</p> <p>Robert J. Pagano Jr.</p> <p>Merilee Raines</p> <p>Joseph W. Reitmeier</p> <p>Suzanne L. Stefany</p>	<p><b>Board of Directors Composition:</b></p> <p>Total Members: 9</p> <p>Average Age: 61</p> <p>Average Tenure: 8 years</p> <p>Independent Directors: 7/9</p> <p>Directors With Experience in Environmental, Social, and Governance (ESG) Matters: 7/9</p>
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		<p>Committee Meeting Participation: Audit (5), Governance and Sustainability (4), Compensation (6)</p> <p>The Governance and Sustainability Committee has primary responsibility for the oversight of our ESG efforts and strategy. The Governance and Sustainability Committee reviews the company's ESG performance and strategic plans at its regularly scheduled quarterly meetings and receives additional updates from our chief sustainability officer, as needed.</p> <p>For more information regarding governance structure, roles, and composition of the board, see the Corporate Governance and ESG Governance sections of the 2025 Sustainability Report. Also see pp. 14 – 17 of the <a href="#">2025 Form 10-K</a>, our <a href="#">2026 Proxy Statement</a>, and our <a href="#">Board of Directors page</a>.</p>
2-10	Nomination and selection of highest body	<p>We believe that our board should be composed of directors who, as a group, have the experience, qualifications, attributes, and skills that are collectively required to make informed board decisions and provide effective board oversight. The composite skills of the board members and the ability and willingness of individual board members to complement each other and to rely on each other's knowledge and expertise should produce informed board members who are not afraid to disagree, can intelligently assess management's performance, and can evaluate our strategic direction.</p> <p>In considering whether to recommend any candidate for nomination to the board, including candidates recommended by stockholders, the Governance and Sustainability Committee must be satisfied that the recommended nominee has, at a minimum:</p> <ul style="list-style-type: none"> <li>• The highest personal and professional integrity</li> <li>• Sound business and strategic judgment</li> <li>• The ability to devote sufficient time and energy to the board</li> <li>• The ability and willingness to challenge management while refraining from assuming management's role</li> </ul> <p>In addition, the nominee must not serve on more than two public company boards in addition to our board. The Governance and Sustainability Committee will consider for nomination to the board candidates recommended by stockholders and may consider potential candidates suggested by current directors, company officers, employees, third-party search firms, and others.</p> <p>We include more information on our processes and skills considered for board members in the Director Independence, Director Candidates, and Selection Criteria sections on p. 16 and pp. 21 – 22 of the <a href="#">2026 Proxy Statement</a>.</p>
2-11	Chair of the highest governance body	<p>In February 2022, our board determined that combining roles of the CEO and chairperson of the board is the most effective leadership structure for the board at this time and unanimously elected Robert J. Pagano Jr. as chairperson. Robert J. Pagano Jr. has been the CEO of the company since May 2014.</p> <p>In conjunction with electing Mr. Pagano as chairperson of the board, the board established the role of lead independent director. The lead independent director's responsibilities include acting as a liaison between the independent directors and the chairperson and CEO, providing advice and guidance to the CEO, advising the CEO of the board's information needs, and helping to set the agenda items for board meetings.</p> <p>For more information, please see p. 14 of the <a href="#">2025 Form 10-K</a>, our Board of Directors page, and the Board Leadership Structure section on p. 15 of our <a href="#">2026 Proxy Statement</a>.</p>

GRI Standards	Disclosure Title	2025 Response
2-12	Role of the highest governance body in overseeing the management of impacts	<p>Our board of directors continually works to improve the high ethical standards we promote and practice every day at Watts. Such approaches include periodic reviews of our corporate policies and practices and leveraging guidance provided by the U.S. Securities and Exchange Commission (SEC) and NYSE. The board has adopted our <a href="#">Corporate Governance Guidelines</a> to assist and guide each of its members in serving in their director roles and carrying out the many responsibilities within their charge, including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Monitoring overall company performance, as well as the integrity of our financial controls and legal compliance procedures</li> <li>• Appointing executive officers, as well as overseeing succession planning and our executive officers' performance and compensation</li> <li>• Supervising the development of operating; financial; and other corporate plans, strategies, and objectives</li> <li>• Overseeing our approach to sustainability and corporate social responsibility</li> <li>• Reviewing and approving the company's annual business plan, capital expenditures budget, and other key financial and business objectives</li> <li>• Overseeing processes and strategies for identifying; assessing; managing; and mitigating operational, financial, legal, regulatory, strategic, and reputational risk</li> <li>• Evaluating the board's own performance, as well as the effectiveness of its three standing governance committees, annually</li> </ul> <p>Sustainable business practices and products are essential to creating financial and nonfinancial value for our stakeholders. We believe that embedding sustainability into our products, operations, and governance benefits our company and its external stakeholders, including customers, investors, and nongovernmental organizations (NGOs). We completed a materiality assessment in September 2021 to inform our future strategy and action. This assessment helped us identify, evaluate, and stratify numerous ESG topics that impact our business and its stakeholders, including ESG-related risks and opportunities, as we execute on our growth strategy, as well as societal trends that may impact our ability to create long-term value and respond to external stakeholder demands and expectations.</p> <p>Management and our Internal Audit Team conduct annual risk assessments to evaluate risks at all Watts locations and operations globally. Our teams use the Enterprise Risk Management (ERM) process and annual risk assessments to assess and enhance the program and identify areas of focus for audits and site visits.</p> <p>The Audit Committee, chaired by Director Merilee Raines, holds one regularly scheduled meeting each quarter and schedules additional meetings as often as necessary to perform its duties and responsibilities, which include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Overseeing the integrity of financial statements</li> <li>• Evaluating compliance with legal and regulatory requirements</li> <li>• Managing systems of internal control over financial reporting</li> <li>• Overseeing the internal audit function</li> <li>• Evaluating and/or reviewing the performance of the internal audit function</li> <li>• Overseeing the effectiveness of the internal control structure</li> <li>• Reviewing management's assessment and management of risk</li> <li>• Managing the qualification, independence, and performance of the independent auditor</li> <li>• Evaluating management's approach to cybersecurity assessment and risk mitigation</li> <li>• Forming "whistle-blowing" procedures</li> </ul> <p>For more information, see the <a href="#">Governance and Accountability</a>, <a href="#">Stakeholder Engagement</a>, and <a href="#">Materiality Assessment and Topics</a> sections of the 2025 Sustainability Report, as well as the Corporate Governance section on pp. 11 – 25 of the <a href="#">2026 Proxy Statement</a>.</p>

GRI Standards	Disclosure Title	2025 Response
2-13	Delegation of responsibility for managing impacts	<p>Our board, primarily through its Governance and Sustainability Committee, provides oversight of the company's approach to sustainability and corporate social responsibility. In addition, our Compensation Committee oversees the company's approach to workplace environment and culture, as well as talent development. The board and its committees regularly discuss with management our approach to sustainability, including risks and opportunities and implications for the company's strategy.</p> <p>Our board of directors has overall authority and responsibility for our sustainability efforts. In addition to general board oversight, our Governance and Sustainability Committee is primarily responsible for oversight of governance matters; the Compensation Committee is responsible for oversight of human capital issues; and the Audit Committee is responsible for oversight of our corporate ethics and compliance program.</p> <p>The Governance and Sustainability Committee has primary responsibility for the oversight of our ESG efforts and strategy.</p> <p>The Governance and Sustainability Committee regularly reviews the company's ESG performance and strategic plans and receives additional updates from the company's chief sustainability officer, as needed. At the management level, our general counsel, chief compliance officer, and chief sustainability officer, who reports directly to our CEO, has general oversight responsibility for all sustainability matters. Our general counsel, chief compliance officer, and chief sustainability officer also chairs our global Sustainability Steering Committee, which is made up of senior company leaders and is responsible for formulating our sustainability strategy and overseeing the execution of our ESG initiatives.</p> <p>For more information, see the <a href="#">ESG Governance</a> section of the 2025 Sustainability Report and the Corporate Governance section on pp. 11 – 25 of our <a href="#">2026 Proxy Statement</a>.</p>
2-14	Role of the highest governance body in sustainability reporting	<p>The board is not responsible for reviewing and approving our annual Sustainability Reports. The Global Leadership Team, including the CEO and the CEO's direct reports, is the highest governance body that reviews and approves the report prior to publication. The board is provided with a copy of the report once it is published.</p>
2-15	Conflicts of interest	<p>Our <a href="#">Conflict of Interest Policy</a> is publicly available on our website. We also require select management and functional areas, including all employees at the director level and above, to complete an annual Conflict of Interest certification and disclosure, stating they have read, understand, and will comply with our Conflict of Interest Policy. Our board has also adopted a written Related Persons Transaction Policy, which requires a review of transactions with related persons. This policy covers, but is not limited to, the related party transactions and relationships required to be disclosed under SEC rules.</p> <p>Watts employees and business partners should avoid any situation that may involve or be perceived as a conflict between personal, social, financial, or political interests and the interests of the company.</p> <p>For more information, see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report and pp. 24 – 25 of the <a href="#">2026 Proxy Statement</a>.</p>
2-16	Communication of critical concerns	<p>Our board welcomes the submission of any comments or concerns from stockholders and any interested parties. Communications should be in writing and addressed to our corporate secretary at our principal executive offices and marked to the attention of the board or any of its committees, the lead independent director, individual directors, or nonmanagement or independent directors as a group. All relevant and appropriate correspondence will be forwarded to the intended recipient(s).</p> <p>Please see the Communications With the Board section on p. 18 of the <a href="#">2026 Proxy Statement</a>.</p>

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2-17	Collective knowledge of the highest governance body	For information on the expertise present in our board of directors, please see p. 23 of the <a href="#">2026 Proxy Statement</a> .
2-18	Evaluation of the performance of the highest governance body	Our board of directors evaluates the board's own performance, as well as the effectiveness of its three standing governance committees, annually. For more information, see pp. 15 – 16 of the <a href="#">2026 Proxy Statement</a> and our <a href="#">Corporate Governance Guidelines</a> .
2-19	Remuneration policies	Executive officer compensation information is available in the Compensation Discussion and Analysis section on pp. 30 – 46, and board compensation information is available in the Director Compensation section on pp. 8 – 10 of the <a href="#">2026 Proxy Statement</a> .
2-20	Process to determine remuneration	Executive officer compensation information is available in the Compensation Discussion and Analysis section on pp. 30 – 46, and board compensation information is available in the Director Compensation section on pp. 8 – 10 of the <a href="#">2026 Proxy Statement</a> . The company conducts annual shareholder advisory votes on named executive officer compensation, as described in Proposal 2, pp. 65 – 66, of the <a href="#">2026 Proxy Statement</a> .  At our 2025 annual meeting, the annual advisory vote on named executive officer compensation was approved by more than 96% of shareholder votes. See results of the voting on the proposals considered at the 2025 annual meeting reported on Current Report on <a href="#">Form 8-K</a> filed May 22, 2025.
2-21	Annual total compensation ratio	The median of the annual total compensation of all employees of the company (other than our CEO) was \$54,714, and the annual total compensation of our CEO was \$10,423,317.  Based on this information, for 2025, the ratio of the annual total compensation of our CEO to the median of the annual total compensation of all employees was approximately 191 to 1.  CEO pay increased 15% from 2024 to 2025, while the median employee compensation increased by 6% in the same period. This reflects a ratio of 2.5 to 1 in yearly increase in compensation for the CEO versus the median employee.  For more information, please see the Pay Ratio Disclosure section on p. 63 of the <a href="#">2026 Proxy Statement</a> .
2-22	Statement on sustainable development strategy	See <a href="#">A Message From Our Chief Executive Officer</a> in the 2025 Sustainability Report.
2-23	Policy commitments	We believe that good corporate governance and an environment of high ethical standards are important for us to achieve business success and to create value for our stockholders. Our board is committed to high governance standards and continually works to improve them. We periodically review our corporate governance policies and practices and compare them to those suggested by various authorities on corporate governance and employed by other public companies and consider changes to our corporate governance policies and practices in light of such guidance and interpretations. We have adopted a <a href="#">Code of Business Conduct</a> applicable to all officers, employees, and board members worldwide that serves as the foundation for our ethics and compliance program and drives policy development, training initiatives, and reinforcement of our values throughout the global organization.  In 2022, we implemented a formal <a href="#">Human Rights Policy</a> stating our commitment to identifying, preventing, and addressing actual or potential human rights issues within our scope of control and influence, including through its support of, and adherence to, the UN Global Compact (UNGC) and the Universal Declaration of Human Rights. Our Human Rights Policy applies to all its subsidiaries and supply chain partners. In 2025, we adopted an <a href="#">Anti-Money Laundering Policy</a> to reinforce our commitment to ethical business practices.

GRI Standards	Disclosure Title	2025 Response
		<p>The Code of Conduct is approved by our board, while other policies buttressing our Code, including the Human Rights Policy, are approved by executive and senior management. We provide annual training on the Code of Conduct and provide additional ethics and compliance training, both online and in person, throughout the year using a targeted approach that identifies positions, functions, and regions with a higher risk of potential incidents and in response to global trends and developments and our own hotline data.</p> <p>Our <a href="#">policies</a> include our California Transparency in Supply Chains Act and UK Modern Slavery Disclosure; Human Rights Policy; Conflict Minerals Policy; Environment, Health, Safety, &amp; Sustainability Policy Statement; Conflict of Interest Policy; Anti-Corruption Policy; Anti-Money Laundering Policy; <a href="#">Anti-Human Trafficking Policy</a>; Embargoed and Denied Parties; Supplier Quality Manual; and Due Diligence.</p> <p>Please see more information on how these policies are communicated to employees, businesses, and other parties in the <a href="#">Ethics, Integrity, and Transparency</a> and <a href="#">Responsible Supply Chain</a> sections of the 2025 Sustainability Report.</p>
2-24	Embedding policy commitments	<p>Our board of director's Governance and Sustainability Committee provides oversight of the company's approach to sustainability. The integration of specific ESG policy commitments into our strategies and operational procedures is overseen by various cross-functional teams.</p> <p>For more on our specific policies, please see our policies disclosure on GRI 2-23 and the GRI 3-3 management approaches of the GRI Topic Standards in the Appendix and the Environmental, Health, and Safety Management; Water Stewardship; Ethics, Integrity, and Transparency; and Responsible Supply Chain sections of the 2025 Sustainability Report. More information can be found on p. 12 of the <a href="#">2025 Form 10-K</a>.</p>
2-25	Processes to remediate negative impacts	Please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report.
2-26	Mechanisms for seeking advice and raising concerns	Please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report.
2-27	Compliance with laws and regulations	In 2025, Watts had no significant noncompliance with laws and regulations. Please see Item 1 "Product Liability, Environmental and Other Litigation Matters" and note 17 of the consolidated financial statements in our <a href="#">2025 Form 10-K</a> for information regarding certain legal and regulatory proceedings in which we are involved.
2-28	Membership associations	<p>To advance its mission, Watts partners with a variety of industry organizations and associations around the world, participating in several as a member, on committees, and/or providing additional funding beyond traditional membership dues.</p> <p>Since 2021, our CEO Robert J. Pagano Jr. has been a member of the board of directors of The Water Council, a global hub dedicated to solving critical water challenges by driving innovation in freshwater technology and advancing water stewardship.</p> <p>See our full list of <a href="#">Membership of Organizations</a> in the Appendix.</p>
2-29	Approach to stakeholder engagement	<p>A variety of global stakeholders play an integral role in the growth and success of our business today, as well as our commitment to create sustainable, long-term value in the future. To that end, we regularly engage and interact with key stakeholder groups, which align with our sustainability effort, in a variety of ways.</p> <p>For more information on our stakeholder engagement approach and activities, please see the <a href="#">Stakeholder Engagement</a> section of the Appendix.</p>

GRI Standards	Disclosure Title	2025 Response
2-30	Collective bargaining agreements	<p><b>Collective Bargaining</b></p> <p>Our commitment to protecting human rights also applies to freedom of association and collective bargaining. We believe such activities facilitate dialogue and play an invaluable role in building trust, inclusivity, and transparency in the workplace. In compliance with International Labour Organization (ILO) standards, it is our policy to ensure our employees have the right to form or join associations of their own choice concerning the relationship between the employer and the employees and to bargain collectively in accordance with applicable law. We do not issue disciplinary or discriminatory actions against employees who choose to peacefully and lawfully organize or join an association. Employees are prohibited from using intimidation tactics of any kind to obstruct other employees' right to freely associate and/or right to organize or not.</p> <p><b>Communication of Rights</b></p> <p>At the local level and where applicable, we work to ensure our employees are aware of and understand their collective bargaining rights. These rights may be communicated to employees in different ways based on local labor laws, regulations, and/or practices. Employees at Watts may receive information about their collective bargaining rights:</p> <ul style="list-style-type: none"> <li>• During the onboarding process</li> <li>• Via internal company channels (e.g., company policies, rules and regulations, information boards, etc.)</li> <li>• Directly from their trade union or works council representative</li> </ul> <p><b>Grievance Procedures</b></p> <p>Where applicable, grievance procedures for collective bargaining rights may be provided to employees via any of the methods stated above. While individual grievance cases may be handled differently based on local labor laws, regulations, and/or practices, they are usually resolved within a few days. Employees receive updates on their individual grievance cases from the trade union or works council representing them. Resolved cases are routed to the appropriate management team at Watts. Cases requiring further escalation are reported to our Global Leadership Team.</p> <p>In 2025, Watts had approximately 1,735 employees worldwide who were represented by unions, collective bargaining agreements, or works councils. That is approximately 35% of our total workforce. Working conditions and terms of employment for those not covered by collective bargaining agreements are directed by local laws.</p>
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	<p>To address the principle of materiality, Watts undertook a process of identifying its key material topics that have the greatest financial, environmental, and social impact on its business, as well as those topics regarded as highly important by its key internal and external stakeholder groups. To identify our key focus areas, Watts has selected and prioritized material topics using a materiality matrix. Through communication and engagement with all our key stakeholder groups, we have identified the material topics that are of highest relevance to them. In parallel, the material topics identified by other organizations have been taken into account through a benchmarking study focusing on sustainability reporting of peer companies in the Industrial and Building Water Product Manufacturing sector that use the principle of materiality to identify their priority topics. Upon completion of the above exercise, topics considered as material for Watts were included in our annual Sustainability Report.</p> <p>See more information in the <a href="#">Materiality Assessment and Topics</a> section of the 2025 Sustainability Report.</p>
3-2	List of material topics	<p>See the <a href="#">Material Topic Definitions</a> section of the Appendix.</p> <p>There were no changes in our list of material topics compared to the previous reporting period.</p>

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GRI Standards	Disclosure Title	2025 Response
<b>GRI 205: Anti-Corruption 2016</b>		
3-3	Management of the material topic	<p>Our global compliance program is managed and administered by the Compliance Team at Watts and supported by our board of directors and Global Leadership Team. Led by our chief compliance officer with support from designated compliance professionals from around the world, the program promotes ethical practices and compliance. To mitigate international and any industry-specific risks, we employ multiple tools to drive ethics and compliance through our global compliance organization, including our Code of Business Conduct and the following compliance procedures: compliance training on the Code of Business Conduct and anti-corruption; third-party due diligence reviews and denied-party monitoring; risk assessments; gifts and entertainment, business courtesy, and anti-corruption policies, specifically prohibiting facilitation payments; and hotline and issue escalation.</p> <p>We also conduct routine audits of various policies and programs that compose our global compliance program, including:</p> <ul style="list-style-type: none"> <li>• A biannual due diligence review</li> <li>• A quarterly business courtesies review</li> <li>• Ethics hotline viability and availability</li> <li>• Compliance-focused site visits utilizing detailed checklists designated specifically for a compliance policy and process review, sampling, and training</li> </ul> <p>Employees are encouraged to report any violations to the Legal Department or through our hotline so that they can be investigated and properly resolved. Management, including the compliance function and our Internal Audit Team, conduct annual risk assessments to evaluate corruption and bribery-related risks.</p> <p>Before entering into new business relationships with third parties acting on our behalf, we conduct risk-based due diligence utilizing a multifactor questionnaire, anti-corruption law notification, and certification of compliance with such laws, as well as a continuous international denied parties search review. Based on questionnaire responses — in addition to automated risk ranking through our third-party due diligence tool (utilizing, among other factors, the Transparency International Corruption Perception Index) — we determine whether to further supplement the review with risk-based, open-source investigations. The Compliance Team in each region then determines whether to approve going forward with the relationship or recommend further review and approval.</p> <p>Management, including the compliance function and our Internal Audit Team, conduct annual risk assessments to evaluate corruption and bribery-related risks. Utilizing multiple factors, risks, and business developments, these assessments determine areas of focus for audits and site visits, during which select compliance processes are reviewed for evidence of fraud, corruption, or deficiencies such as compliance with the U.S. Foreign Corrupt Practices Act; UK Bribery Act; and other anti-bribery laws, rules, and regulations — even if it is contrary to local customs and practices.</p> <p>For more information, see the <a href="#">Anti-Corruption Policies</a> and the <a href="#">Ethics, Integrity, and Transparency</a> sections of the 2025 Sustainability Report. Please also see the <a href="#">Stakeholder Engagement</a> section of the Appendix.</p>
205-1	Operations assessed for risks related to corruption	<p>Audits of all entities are performed related to third-party intermediaries and due diligence. No significant risks related to corruption were identified through the audits.</p> <p>For more information, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report.</p>

GRI Standards	Disclosure Title	2025 Response
205-2	Communication and training about anti-corruption policies and procedures	To promote awareness and understanding of our Code — published in 15 languages — and the importance of operating ethically, we provide annual Code training, and our Compliance Team regularly authors informative articles and distributes information through internal communications channels to promote awareness of the Code and timely related topics.  For more information, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report and the Training on Anti-Corruption Chart in the Appendix.
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption were confirmed at Watts in 2025, nor were any legal actions regarding corruption brought against the company.  For more information, please see the <a href="#">Anti-Corruption Policies</a> section of the 2025 Sustainability Report.
<b>GRI 206: Anti-Competitive Behavior 2016</b>		
3-3	Management of the material topic	We are committed to acting with integrity in every facet of our operations and strive to meet — and often exceed — applicable laws, regulations, and standards. We require all Watts directors, officers, and employees (including part-time employees and contractors) throughout all regions, which includes all subsidiaries globally, to adhere to our <a href="#">Code of Business Conduct</a> .  For more information on our global compliance program, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report.
206-1	Legal actions for anti-competitive behavior	No legal actions regarding anti-competitive behavior or corruption were brought against the company in 2025.
<b>GRI 301: Materials 2016</b>		
3-3	Management of the material topic	The most common raw materials found in our products are bronze, brass, cast iron, stainless steel, steel, and plastic. Many of our products also contain tin, tantalum, tungsten, and gold (3TG), which are sometimes referred to as “conflict minerals.” At Watts, we are committed to ensuring compliance with our reporting and disclosure obligations regarding conflict minerals in our products to the SEC, as required under the Dodd-Frank Act. We also comply with all applicable trade laws and regulations and expect the same from our suppliers.  We require our suppliers to comply with our Conflict Minerals Policy, which includes disclosing the use of conflict minerals, exercising due diligence on the source and chain of custody of these metals, and implementing corrective action if we identify a reasonable risk of violation. Since 2021, we have partnered with Assent Compliance, Inc., a global leading supply chain compliance partner, to enhance our analysis of the scope of our 3TG supply base and to deploy our 3TG supplier surveys. For more information on our management of this topic, please see the Conflict Minerals section of the 2025 Sustainability Report.  We also know that adopting circular approaches to materials management in our production processes is critical, so we are identifying opportunities and investing in solutions to accelerate our transition to the circular economy and finding ways to divert waste from landfills. Senior management oversees the sourcing of materials and their impacts on the environment. We have a history of designing our products for long life to ensure that we get the most out of the raw materials we use and that our customers do not need to replace or dispose of products unnecessarily.  For more information on our efforts to quantify and extend product life, please see the <a href="#">Sustainable Innovation</a> section of the 2025 Sustainability Report.

GRI Standards	Disclosure Title	2025 Response
301-1	Materials used by weight or volume	<b>Information Unavailable/Incomplete:</b> Some sustainability data is currently unavailable or incomplete for inclusion in this report.
301-2	Recycled input materials used	We work to make our products out of recyclable materials to ensure that when they do reach their end of life, the materials get a useful second life. We also try to incorporate recycled content into our products to help drive demand for recycled materials, which boosts the recycling infrastructure. Our BLÜCHER products, manufactured in Denmark, contain steel that consists of 65% – 85% recycled steel.  For more information, see the <a href="#">Sustainable Innovation</a> section of the 2025 Sustainability Report.
301-3	Reclaimed products and their packaging materials	In 2025, more than 90% of all packaging boxes shipped to customers in the Americas were made with a high percentage of post-consumer recycled (PCR) content and crates from low-grade nonconsumer wood.  For more information, please see the <a href="#">Sustainable Packaging</a> section of the 2025 Sustainability Report.
<b>GRI 302: Energy (2016)</b>		
3-3	Management of the material topic	We are dedicated to minimizing our environmental impact by continually improving our manufacturing and business operations. This commitment is demonstrated through our adherence to all relevant laws, regulations, and standards concerning energy efficiency, emissions, and energy usage. We regularly collaborate with our facilities and personnel to enhance data collection, monitor key performance metrics, and implement projects aimed at achieving our eco-efficiency reduction objectives.  Energy and emissions reduction targets are adopted by the sites annually, and their actual performance against adopted targets is consistently monitored through our environmental management system, monthly internal reports, and other avenues. Environmental indicators such as absolute consumption and emissions play a crucial role in tracking our progress. To effectively work toward our goals, we undertake initiatives such as solar photovoltaic (PV) deployment, LED replacement, equipment and facility upgrades, energy audits, smart metering, programmed automated controls, behavioral best practices, and more.  Lessons learned are prominently featured in our best-practice sharing across sites, including key areas to focus on during “energy hunts,” insights gained from submetering to better understand usage and trends, and more. These best practices are shared during monthly reports, through internal articles, and through monthly site meetings.  For further details, please refer to the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and our <a href="#">Environment, Health, Safety, &amp; Sustainability Policy</a> .
302-1	Energy consumption within the organization	<b>Total Energy Consumption (MWh)*:</b> 126,274  Our overall strategy and recurring operating systems includes a systematic invoice collection and processing system within our environmental management framework, adhering to the Greenhouse Gas (GHG) Protocol for consistency and comparability. We utilize specific emission factors as reported by the Environmental Management Authorities (EMA) and utilities across Watts sites reported in our environmental boundary for each energy source to ensure accuracy in our calculations. Subsequent analysis of the data is then completed to identify trends, areas of inefficiency, and opportunities for improvement, enabling informed decision-making to optimize energy use and reduce emissions effectively. Please note that cooling and steam are not purchased.

GRI Standards	Disclosure Title	2025 Response
		<p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report, as well as the <a href="#">Environmental Data</a> section of the Appendix for more detailed data and historical environmental data, including our Verification Statements.</p> <p>*This value is for our 2025 environmental boundary, which is inclusive of the I-CON site. In order to provide year-over-year comparison, we recalculated our 2024 total energy consumption, including I-CON = 123,268 MWh.</p>
302-2	Energy consumption outside of the organization	<b>Information Unavailable:</b> Currently out of scope for inclusion in this report.
302-3	Energy intensity	<p><b>Energy Intensity Ratio*:</b> 52.18 MWh/\$1M  <b>Ratio Denominator:</b> \$2.4 billion  <b>Energy Types Included:</b></p> <ul style="list-style-type: none"> <li>• Electricity (kWh)</li> <li>• Natural Gas (m3)</li> <li>• Propane (Liter)</li> <li>• Diesel (Liter)</li> <li>• Gasoline – Fleet (Liter)</li> <li>• Acetylene (M3)</li> <li>• Propylene (Liter)</li> </ul> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and the <a href="#">2025 Annual Report</a>. Please see the <a href="#">Environmental Data</a> section of the Appendix for historical environmental data.</p> <p>*This value is for our 2025 environmental boundary, which is inclusive of the I-CON site. For year-over-year comparison, we recalculated the 2024 energy intensity ratio with the inclusion of the I-CON site = 54.05 MWh/\$M.</p>
302-4	Reduction of energy consumption	<p>In 2025, our net energy consumption increased by 3,000 MWh as compared to 2024, which is equivalent to 2.4%. This is primarily due to increased consumption of natural gas at manufacturing plants related to product testing and space heating. There were net reductions in electricity and other fossil fuels through the deployment of renewables, regular monitoring, and implementation of energy best practices across sites globally.</p> <p>Our strategy includes a systematic invoice collection and processing system within our environmental management framework, adhering to the GHG Protocol for consistency and comparability. We utilize specific emission factors from the EMA for each energy source to ensure accuracy in our calculations. Subsequent analysis of the data is then completed to identify trends, areas of inefficiency, and opportunities for improvement, enabling informed decision-making to optimize energy use and reduce emissions effectively. Our sites have implemented various measures to reduce energy consumption and emissions. Initiatives to reduce energy include purchasing carbon offsets, improving processes to reduce natural gas usage, conducting energy hunts, participating in our air leak reduction program, and engaging in external activities such as joining the Green Power Association and undergoing external audits. Our basis for calculating reductions in energy consumption started by establishing a baseline in 2018. Subsequently, we compare energy consumption levels using data from our environmental management system that allows us to analyze our increase or decrease in overall energy.</p> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and <a href="#">Environmental Data</a> section in the Appendix.</p>

GRI Standards	Disclosure Title	2025 Response
302-5	Reductions in energy requirements of products and services	<p>Several of our products are designed to reduce energy utilization such as our commercial boilers and water heaters, as well as our thermostats. One good example is our Thermostatic Mixing Valves (TMVs), which help reduce energy utilization by holding heat between 2 degrees of variance.</p> <p>Customers can calculate their anticipated energy savings when using our products by using the calculator on our website. The calculator is based on the heat source, temperature settings, TMV system, and setback settings.</p>
<b>GRI 303: Water &amp; Effluents (2018)</b>		
3-3	Management of the material topic	<p>We believe access to clean, safe, and affordable water is a fundamental human right. Water and climate are intricately linked, and an imminent global water crisis threatens the availability, quality, and quantity of water for basic human needs. We are committed to being part of the solution – by reducing the amount of water we use and discharge to manufacture our products, ensuring our business practices protect the water quality and supply in the communities where we operate, and developing effective and innovative products and services that solve long-standing water conservation challenges.</p> <p>For our second goal period (2024 – 2026), we committed to reducing our water intensity by 3% annually. By the end of 2025, using our 2025 environmental boundary, Watts achieved an annual reduction of 3.6% against a goal of 3%. We recalculated our 2024 water intensity ratio to include I-CON site for year-over-year comparison = 52.49 M3/\$M.</p> <p>For more information on our strategy, water stewardship guiding principles, goals, initiatives, and progress, see the <a href="#">Water Stewardship</a> section of the 2025 Sustainability Report.</p>
303-1	Interactions with water as a shared resource	<p>Water-related impacts are identified through our ongoing monitoring of water usage across all our sites. We utilize leak detection devices, utility water monitoring programs, and our internal environmental management system to measure our water consumption and impact. Any identified issues such as leaks or poor water quality are addressed before they escalate, thereby conserving this vital resource. Additionally, our organization takes proactive measures to ensure that all water discharge meets the standards set for our sewer system, thus mitigating any adverse effects associated with water discharge. Our water reduction goals are established by our Governance and Sustainability Committee, in collaboration with our manufacturing sites. These goals are determined by analyzing the water consumption achievements and setting targets for a 3% year-over-year reduction. Additionally, our water quality goals are aligned with guidelines provided by the U.S. Environmental Protection Agency (EPA) to ensure compliance with industry standards and best practices.</p> <p>Watts is the first company to be reverified to The Water Council's Water Stewardship Program (WAVE) in 2024 with the reverification valid through 2026. For more information on WAVE reverification and our water stewardship guiding principles, goals, and yearly progress, see the <a href="#">Water Stewardship</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix for historical environmental data.</p>
303-2	Management of water discharge-related impacts	<p>Our water stewardship guiding principles include the acknowledgment of water as a local and shared resource, as well as the numerous impacts of the amount of water withdrawn and consumed and the quality of discharges from our manufacturing operations on the functioning of local ecosystems. We're ensuring that all Watts facilities meet national and local requirements for the return of clean and safe wastewater back into public water sources. We also understand that we have a role to play as stewards by reducing the amount of water we use and discharge to manufacture our products, ensuring our business practices protect the water quality and supply in the communities where we operate, and developing effective and innovative products and services that solve long-standing water conservation challenges.</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2025 Sustainability Report.</p>

GRI Standards	Disclosure Title	2025 Response
303-3	Water withdrawal	<p><b>Total Water Withdrawal (All Areas):</b> 122.46 ML  <b>Total Water Withdrawal (Water-Stressed Areas*):</b> 49.81 ML (Burlington, Dubai, Eerbeek, Fort Worth, Germantown, Menomonee Falls, Monastir, Ningbo, Nogales, Plovdiv, Sparks, Shanghai, Wingene, Woodland)</p> <p>Our 2025 environmental data boundary consists of 40 sites, which includes I-CON.                      Our 2024 total water withdrawal, including I-CON, is 119.71 ML.</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p> <p>*Based on the World Resources Institute (WRI) Aqueduct Risk Atlas Map.</p>
303-4	Water discharge	<p><b>Water Discharge*:</b> 122.46 ML</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p> <p>*Inclusive of the I-CON site.</p>
303-5	Water consumption	<p><b>Total Water Withdrawal (All Areas):</b> 122.46 ML  <b>Total Water Withdrawal (Water-Stressed Areas*):</b> 49.81 ML (Burlington, Dubai, Eerbeek, Fort Worth, Germantown, Menomonee Falls, Monastir, Ningbo, Nogales, Plovdiv, Sparks, Shanghai, Wingene, Woodland)</p> <p>Our 2025 environmental data boundary consists of 40 sites, which includes I-CON.</p> <p>Our strategy for managing water consumption revolves around a systematic invoice collection and processing system integrated within our environmental management framework. This system serves as our primary source of water consumption data. Additionally, we utilize water meters to gather real-time data on our water usage. We then conduct a thorough analysis of this data to identify trends, pinpoint areas of inefficiency, and uncover opportunities for improvement.</p> <p>For more information, please see the <a href="#">Water Stewardship</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p> <p>*Based on the WRI Aqueduct Risk Atlas Map.</p>
<b>GRI 305: Emissions (2016)</b>		
3-3	Management of the material topic	<p>In 2024, we committed to our first-ever absolute decarbonization goal of 10,000 metric tons (MT) by 2034 against a 2023 baseline.</p> <p>For our second goal period (2024 – 2026), we continue committed to reducing our GHG emissions intensity by 3% annually. By the end of 2025, using our 2025 environmental boundary, Watts achieved a year-over-year reduction of 13% in market-based and 9% in location-based emissions intensity against a goal of 3%. The 2024 emissions intensities were recalculated for year-over-year comparisons.</p>

GRI Standards	Disclosure Title	2025 Response
		<p>We routinely engage with facilities and other personnel to enhance data collection, track key performance metrics, and identify and implement projects to meet our reduction goals. Our energy policy is rooted in UN frameworks and climate science. Lessons learned are prominently featured in our best-practice sharing across sites, including key areas to focus on during energy hunts, insights gained from submetering to better understand usage and trends, and more. These best practices are shared during monthly reports, through internal articles, and through monthly site meetings. Through ongoing dialogue and collaboration with stakeholders, we have gained valuable insights into their concerns, priorities, and expectations. This engagement has helped us identify specific areas where action was needed, allowing us to tailor our strategies and initiatives to address these concerns effectively. By actively listening to stakeholder feedback, we have been able to prioritize actions that align with their needs and aspirations, ensuring that our efforts are both relevant and impactful.</p> <p>For additional information, please refer to the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report.</p>
305-1	Direct (Scope 1) GHG emissions	<p><b>Total Scope 1:</b> 11,049 MTCO<sub>2</sub>e                      North America: 8,333 MTCO<sub>2</sub>e                      Europe: 2,712 MTCO<sub>2</sub>e                      Asia-Pacific, the Middle East, and Africa (APMEA): 4 MTCO<sub>2</sub>e</p> <p><b>Gases included in the calculation:</b> Natural gas, diesel, propane, acetylene, and propylene. Gasoline, forklift propane, and fleet diesel were also included for mobile Scope 1 emissions.</p> <p>Watts uses an operational control approach in accordance with the global GHG Protocol standards. Our 2025 environmental boundary consists of 40 sites, including I-CON.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
305-2	Energy indirect (Scope 2) GHG emissions	<p><b>Scope 2 (Location-Based):</b> 17,548 MTCO<sub>2</sub>e                      North America: 13,908 MTCO<sub>2</sub>e                      Europe: 2,727 MTCO<sub>2</sub>e                      APMEA: 913 MTCO<sub>2</sub>e</p> <p><b>Scope 2 (Market-Based):</b> 9,110 MTCO<sub>2</sub>e                      North America: 13,119 MTCO<sub>2</sub>e                      Europe: 2,727 MTCO<sub>2</sub>e                      APMEA: 952 MTCO<sub>2</sub>e                      RECs: -7,688 MTCO<sub>2</sub>e</p> <p><b>Scope 2 market-based electricity KWH (without RECs):</b> 16,798 MTCO<sub>2</sub>e</p> <p><b>Gases Included in the Calculation:</b> CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub></p> <p>Watts uses an operational control approach in accordance with the global GHG Protocol standards. Our 2025 environmental boundary consists of 40 sites, including I-CON.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section and <a href="#">Verification Statements</a> in the Appendix.</p>

GRI Standards	Disclosure Title	2025 Response
305-3	Other indirect (Scope 3) GHG emissions	<p>Scope 3 business travel emissions (air and rail for the European Union [EU] and Americas): 5,894 MT.</p> <p>A global Scope 3 assessment across all categories was completed in 2025 with Category 11, emissions from products sold, being the largest category by far, primarily from emissions related to our boiler and hot water heaters. Our emissions compare favorably against peers within the manufacturing and heavy machinery industry. For more information, please see the <a href="#">Environmental Data</a> section of the Appendix.</p>
305-4	GHG emissions intensity	<p><b>GHG Emissions Intensity Ratio:</b> 8.33 MTCO<sub>2</sub>e/\$M  <b>Ratio Denominator:</b> \$2.4 billion  <b>GHG Emissions Included in Ratio:</b> Scope 1 and Scope 2 market-based  <b>Gases Included:</b> CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub></p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
305-5	Reduction of GHG emissions	<p>In 2025, we saw a decrease of ~1,500 MTCO<sub>2</sub>e in market-based and ~1,300 MTCO<sub>2</sub>e in location-based total GHG emissions compared to 2024, despite the acquisition of I-CON, from deploying on-site PV, air leak detection, continued monitoring, controls, and implementation of energy reduction best practices, as well as the continued purchase of RECs to offset market-based emissions at seven U.S. sites.</p> <p>For more information, please see the <a href="#">Energy and Emissions</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
305-6	Emissions of ozone-depleting substances (ODS)	<b>Not Applicable:</b> Watts does not generate ODS.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Please review our U.S. EPA Toxic Release Inventory (TRI) Reporting Volatile Organic Compounds (VOC) disclosure for metrics on significant air emissions in the <a href="#">Environmental Data</a> section of the Appendix.

**GRI 306: Waste (2020)**

3-3	Management of the material topic	<p>At Watts, we recognize the need to protect our land, waterways, and the community by reducing the amount of waste generated by our manufacturing and business operations. We recognize the environmental and economic benefits of a circular approach to materials management in our production processes and identifying opportunities to delineate, recycle, and reduce our waste footprint. Since 2014, Watts sites have been tracking their waste streams on an annual basis.</p> <p>For our second goal period (2024 – 2026), we committed to reducing our hazardous waste intensity by 3% annually. By the end of 2025, we achieved a 12% reduction in hazardous waste intensity against an annual goal of 3%.</p> <p>We significantly advanced our data collection process by implementing automatic bill collection. A deeper understanding of our waste generation and more frequent collaboration at the site level has generated substantial interest and engagement among colleagues throughout our operations. Employee-driven waste initiatives focus on waste delineation, rezoning, and waste stream elimination, thereby reducing our overall waste outputs and increasing recycling and reuse.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2025 Sustainability Report.</p>
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GRI Standards	Disclosure Title	2025 Response								
306-1	Waste generation and significant waste-related impacts	<p>In 2025, we continued our partnership with a local university near our New Hampshire facility on repurposing the foundry's sand waste. We also continued to track solid waste, scrap metal, and other recycling streams, working closely with our facilities and waste contractors to understand the source and management of our waste and to standardize data collection across sites globally. This work required significant collaboration across our global operations; our Corporate Sustainability Team partnered with site teams to identify opportunities for improvement through process changes.</p> <p>A deeper understanding of our waste generation and more frequent collaboration at the site level has generated substantial interest and engagement among colleagues throughout our operations. In 2025, we engaged another local university near our Texas facility through targeted internships to better understand opportunities to avoid and divert waste. Employee-driven waste reduction initiatives focus on waste delineation, rezoning, and waste stream elimination, thereby reducing our overall waste outputs and increasing recycling and reuse. We continue to replace single-use paper and plastic items with reusable items and install direct-line water refill stations to avoid disposing of plastic water bottles.</p> <p>Tracking all forms of waste, reducing the overall quantity generated, and diverting from landfills using circular models is a complex challenge. To accelerate our efforts, we have recommitted to reducing hazardous waste intensity by 3% annually through the end of 2026.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2025 Sustainability Report.</p>								
306-2	Management of significant waste-related impacts	<p>Our organization is committed to minimizing waste generation and mitigating significant waste-related impacts by optimizing our production processes, extending the life cycle of our equipment, employing commonly used additives like coolants, reusing regularly utilized items such as oily rags and uniforms, and effectively managing and evaluating waste invoices from third-party haulers. Hazardous and nonhazardous industrial waste are tracked through invoices, site records, and vendor manifests that are compiled and validated annually.</p> <p>Watts contracts with properly licensed waste vendors and transporters for management of waste.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2025 Sustainability Report.</p>								
306-3	Waste generated	<p>Watts discloses and has data verified for its yearly total waste generated and other environmental data via invoices, site records, vendor manifests, and compliance reporting. In 2025, the amount of hazardous waste generated was 1,363 MT, and 5,154 MT of nonhazardous waste generation was reported across Watts globally.</p> <p>Watts uses an operational control approach in accordance with the global GHG Protocol standards. Our 2025 environmental boundary consists of 40 sites, including I-CON.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2025 Sustainability Report and the Environmental Data and <a href="#">Verification Statements</a> sections of the Appendix.</p>								
306-4	Waste diverted from disposal	<p>Watts has a growing recycling program at our manufacturing facilities. Our diverted waste stream includes metal recycling, plastic regrind, and global electronics waste. See below for our total recycling and reuse in 2025:</p> <table border="0"> <tr> <td><b>Metal Scrap:</b> 5,600 MT</td> <td><b>Foundry Sand Beneficial Reuse*:</b> 500 MT</td> </tr> <tr> <td><b>Plastic Regrind:</b> 30 MT</td> <td><b>Cardboard</b> = 577 MT</td> </tr> <tr> <td><b>Electronic Waste:</b> 11 MT</td> <td><b>Wood Crates &amp; Scrap</b> = 1,010 MT</td> </tr> <tr> <td><b>Plastic Waste Recycling:</b> 330 MT</td> <td></td> </tr> </table> <p>*We began tracking foundry sand data since 2024, which is only generated at our largest manufacturing plant in the USA.</p>	<b>Metal Scrap:</b> 5,600 MT	<b>Foundry Sand Beneficial Reuse*:</b> 500 MT	<b>Plastic Regrind:</b> 30 MT	<b>Cardboard</b> = 577 MT	<b>Electronic Waste:</b> 11 MT	<b>Wood Crates &amp; Scrap</b> = 1,010 MT	<b>Plastic Waste Recycling:</b> 330 MT	
<b>Metal Scrap:</b> 5,600 MT	<b>Foundry Sand Beneficial Reuse*:</b> 500 MT									
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<b>Plastic Waste Recycling:</b> 330 MT										

GRI Standards	Disclosure Title	2025 Response
		<p>Watts uses an operational control approach in accordance with the global GHG Protocol standards. Our 2025 environmental boundary consists of 40 sites, including I-CON.</p> <p>For more information, please see the <a href="#">Waste Reduction</a> section of the 2025 Sustainability Report and the <a href="#">Environmental Data</a> section of the Appendix.</p>
306-5	Waste directed to disposal	<p><b>Total Weight of Other Waste Directed to Disposal:</b> 2,173 MT  <b>Total Weight of Waste Diverted From Disposal:</b> 7,338 MT  <b>Total Weight of Hazardous Waste Directed to Disposal:</b> 1,363 MT  <b>Total Weight of Nonhazardous Waste Directed to Disposal:</b> 5,154 MT</p> <p>Watts uses an operational control approach in accordance with the global GHG Protocol standards. Our 2025 environmental boundary consists of 40 sites, including I-CON.</p> <p>For more information on how hazardous and nonhazardous wastes are further treated, please see the <a href="#">Environmental Data</a> section of the Appendix. Additionally, please see the <a href="#">Waste Reduction</a> section of the 2025 Sustainability Report.</p>
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
3-3	Management of the material topic	<p>Our supply partners play an integral role in helping us deliver value to our customers, providing critical materials and services that support the production of finished goods throughout our global operations. We commit to preventing and mitigating social and environmental impacts in our supply chain, as well as partnering with suppliers that share our values and high standards of ethical business conduct.</p> <p>In 2022, we published our Supplier ESG Standards and began requiring our suppliers to acknowledge and certify their conformance with our Code of Business Conduct and with these Supplier ESG Standards. We aligned the standards with the 10 principles of the UN Global Compact (UNGC), the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's (ILO's) 1998 Declaration on Fundamental Principles and Rights at Work. Approximately 70% of our suppliers — representing approximately 74% of our global annual spend — have confirmed their conformance to these Supplier ESG Standards. We also require new suppliers to certify conformance with our Code of Business Conduct and with these Supplier ESG Standards.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.</p>
308-1	New suppliers that were screened using environmental criteria	<p>We require all new suppliers to complete an onboarding ESG self-assessment, which allows us to continually update and enhance our insight into ESG practices in our supply chain.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.</p>
308-2	Negative environmental impacts in the supply chain and actions taken	<p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain's sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard. In 2025, the average overall score of our participating suppliers exceeded both the global EcoVadis benchmark and the EcoVadis Manufacturing industry benchmark.</p> <p>In 2025, we reviewed approximately 71% of our suppliers, representing approximately 56% of our global annual spend, using the Dun &amp; Bradstreet (D&amp;B) ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes, through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), Sustainability</p>

GRI Standards	Disclosure Title	2025 Response
		Accounting Standards Board (SASB), GRI, UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). Through our use of this tool, we gained increased insight into our suppliers' sustainability practices, including that suppliers making up one-sixth of the global spend we assessed already have advanced ESG systems in place.  For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.
<b>GRI 401: Employment (2016)</b>		
3-3	Management of the material topic	We believe that our employees are our greatest asset, and we aim to provide a safe, accepting, and high-performance culture where our employees can thrive. At Watts, we strive to attract, develop, retain, and engage high-performing talent, and we reward employee performance. By developing and promoting our talented people, we are creating value for our customers and shareholders. To that end, we have developed, and continue to enhance and refine, a robust and comprehensive talent management strategy that spans from talent attraction to performance management, career development, and retention of our top talent to succession planning across our organization. We continually strive to cultivate and support a highly engaged and productive workforce with employees from all backgrounds.  For more information, please see the <a href="#">Talent Retention and Development</a> section of the 2025 Sustainability Report.
401-1	New employee hires and employee turnover	Please see the <a href="#">Social Data</a> section in the Appendix.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	We provide our full-time employees, remote or on-site, with a comprehensive benefits package through a mix of plans designed to support their individual and/or family's health and wellness needs. We offer a standard benefits package in the United States to our eligible employees. In other countries where we operate, government-sponsored programs provide for the health, disability, retirement, parental leave, and unemployment benefits for our employees as a matter of legislative or national practice in support of their social system. In addition to these government-sponsored programs, we provide supplemental coverage or benefits in certain countries where we have large employee populations, which may include: <ul style="list-style-type: none"> <li>• Medical care</li> <li>• Pharmacy program</li> <li>• Dental care</li> <li>• Vision care</li> <li>• Life insurance</li> <li>• Supplemental life insurance</li> <li>• Short-term and long-term disability coverage</li> <li>• Dependent care spending accounts</li> <li>• Pre-tax health care spending and savings accounts</li> <li>• Voluntary accident and critical illness coverage</li> <li>• Employee wellness program</li> <li>• Business travel and accident insurance</li> <li>• Relocation programs</li> </ul>

GRI Standards	Disclosure Title	2025 Response
		<ul style="list-style-type: none"> <li>Employee discounts</li> <li>Fitness and tuition reimbursement</li> <li>Performance bonus</li> </ul> <p>We comply with applicable local laws regarding benefits and pay for part-time, temporary, and full-time employees.</p>
401-3	Parental leave	Watts officially launched a company-paid parental leave program in 2024. This is in addition to any state-mandated leaves. For more information, please see the <a href="#">Social Data</a> section in the Appendix.
<b>GRI 403: Occupational Health &amp; Safety (2018)</b>		
3-3	Management of the material topic	<p>At Watts, we believe that occupational injuries and illnesses are preventable. We recognize healthy and safe working conditions as a human right and commit to protecting the health and safety of all employees working at our facilities around the world. This commitment extends to contractors, visitors, customers, suppliers, and all other business partners. Our enterprise-wide Occupational Health and Safety (OHS) management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. Its key elements include worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement.</p> <p>Our safety rules apply to all third parties performing activities at our locations, including suppliers, contingent workers, contractors, vendors, visitors, and all other non-Watts employees. For example, contractors are required to follow our safety practices when working on our sites if they do not have equivalent or more stringent practices.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
403-1	Occupational health and safety management system The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:	<p>Our enterprise-wide OHS management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. Its key elements include worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement.</p> <p>Individual operating sites prioritize risk assessments and provide a monthly update of progress toward top risks during the monthly operating review. Operating sites also have a target risk-reduction goal established annually to continue to reduce overall workplace hazards and mitigate risks. Watts has multiple opportunities for workers to report workplace hazards, including meeting with their supervisors, safety committees, near-miss and safety observation programs, and through our ethics hotline. Our near-miss and safety observation programs include tracking open items to closure through our Environment, Health, and Safety (EHS) software, Gensuite.</p> <p>Our system applies to all employees, contractors, and visitors across all Watts sites. Our system emphasizes worker participation and consultation, risk assessments, training, written procedures, internal and external auditing, and a framework for measuring program maturity and identifying opportunities for continuous improvement. For example, all employees, contractors, and visitors are encouraged to report unsafe conditions as part of our near-miss and safety observation programs. Concerns identified are tracked to closure, with closure rates reported by each operating site during our monthly operating reviews. Workers also participate in other elements of our program, including safety committees, conducting risk assessments, identifying and scoping continuous improvement ideas, training, and inspections.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>

GRI Standards	Disclosure Title	2025 Response
403-2	<p>Hazard identification, risk assessment, and incident investigation</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>We aspire to be a zero-incident workplace, and in 2025, 20 of our operating and distribution sites continued to report zero recordable injuries. Our Zero Incidents, Employee Engagement, Risk Reduction, and Operational Excellence (Z.E.R.O.) approach to drive a culture of safety at Watts empowers employees with the knowledge, tools, and resources they need to effectively identify hazards, mitigate risks, and explore improvements. Watts sets an expectation that all employees report workplace hazards proactively to reduce the opportunity for future injuries. “STOP WORK” is included in our OHS training for new-employee orientation, as well as annual refresher training. Included in the OHS system is our incident investigation standard, which assigns responsibility for investigating injuries and determining root cause and corrective and preventive actions. Workers, supervisors, and EHS professionals are involved in these investigations.</p> <p>Workers, including non-Watts employees, are expected to report hazards in the workplace through our near-miss and safety observation program. This includes notifying their supervisor or EHS representative, completing a near-miss/safety observation card, informing another member of leadership, or raising a concern through our ethics program. Worker disciplinary actions are focused on intentional behaviors that violate specific safety rules (e.g., intentional bypass of a machine guard or operating a fork truck without proper training). Watts has a safety-critical policy that employees are trained on at new-hire orientation and annually to emphasize the importance of following company safety rules.</p> <p>Our OHS system includes a written incident investigation program that requires the involvement of supervisors, workers, EHS, and others, as necessary. The program includes taking into account the hierarchy of controls and corrective and preventive actions. Workplace injuries are presented to top management monthly, and learnings that have multisite impact are communicated through best-practice sharing calls. In addition, the Senior Leadership Steering Committee reviews the effectiveness of the OHS system annually, including recommendations for continuous improvement.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
403-3	<p>Occupational health services</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Watts provides occupational health services in various methods. We have an occupational health professional on staff at our largest site who provides direct occupational health services to on-site employees, as well as supports the balance of the sites globally regarding ergonomics, injury evaluations, and triage. The occupational health professional also interfaces with our outside occupational health clinics in assessing care and transitional return to work. In the cases of Mexico, Tunisia, and our largest site in France, we also have occupational medical professionals on-site, as required by country regulations. Other locations also have medical services provided, where required by country regulation. All employees have access to outside medical services, and where we have influence over the clinics, we seek occupation-specific clinics.</p> <p>Work-related medical records are either maintained by HR or the EHS organization. These organizations follow country-specific requirements for the confidentiality of medical records and worker access to these records. In cases of non-work-related medical records, these records are maintained solely by the HR organization.</p> <p>The occupational health services are focused on quality of care for work-related matters and also administer transitional return-to-work programs, where allowed by country-specific requirements (e.g., Canada, U.S., and Germany). In addition, proactive stretching programs are in place across many U.S. sites to encourage prevention of injury. Wellness programs include vaccination clinics; wellness clinics, including screening; and stretching programs.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>

GRI Standards	Disclosure Title	2025 Response
403-4	<p>Worker participation, consultation, and communication on occupational health and safety</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Worker participation and consultation is incorporated into our OHS system. Workers participate in developing risk assessments (job hazard analysis), training programs, safety committees, and Lean/continuous improvement programs. Workers are also expected to participate in our early reporting programs, including near-miss and safety observations reporting, and where allowed, offered token recognitions for both reporting and providing solutions. These recognitions vary around the world and often include awarding points to workers so that they may order company logo gifts such as T-shirts, hats, and electronic items (e.g., headphones).</p> <p>Worker participation and consultation is specifically stated in our standard procedure for incident investigation and risk assessment, encouraging direct input into solutions such as the redesign of workstations, alternative tools, improved personal protective equipment (PPE), and additional training. The modifications emphasize the hierarchy of control to drive corrective and preventive actions that provide long-term benefits in OHS. Worker disciplinary actions are focused on intentional behaviors that violate specific safety rules (e.g., intentional bypass of a machine guard or operating a fork truck without proper training). Watts has a safety-critical policy that employees are trained on at new-hire orientation and annually to emphasize the importance of following company safety rules.</p> <p>Workers are expected to STOP WORK when they feel they are in an unsafe situation or are asked to conduct a task that they are not trained to do. Workers are not disciplined for proactively reporting unsafe conditions or acts. Watts has historically held employee safety stand-downs annually to encourage employee participation and awareness around trending injury concerns. The safety stand-down approach varies by site but generally includes training, outside guests, and discussion of injury trends.</p> <p>Joint management worker health and safety committees exist throughout the organization. These committees are responsible for raising concerns from other workers, analyzing data (e.g., safety concerns, injuries, near-misses), establishing priorities for the local site to focus on, and raising these priorities to the local senior leadership. Committee members may also be engaged in defining and executing continuous improvement projects.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
403-5	<p>Worker training on occupational health &amp; safety</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Our OHS system requires training for all employees in accordance with country-specific regulations, as well as specific job duties. Each site assesses compliance obligations, as well as other specific training topics that are applicable to workers' job duties. Each site prepares a training plan and executes the plan over the year. Training is delivered in the local language and, where additional language assistance is needed, training is delivered to accommodate. Training plans include the frequency of training and vary by site. For example, more complex training may be broken down into shorter segments to enhance its effectiveness.</p> <p>Select trainings require testing (e.g., forklift), while others are validated by demonstration (e.g., lockout/tagout) or exercises (e.g., emergency response drill). Training is delivered through competent trainers who may require specialized training (e.g., forklift) or competency through education or experience (e.g., internal safety professional or third party).</p> <p>Training is delivered during company working hours. If workers need to be sent off-site for specialized training, the workers are compensated.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>

APPENDIX

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GRI Standards	Disclosure Title	2025 Response
403-6	<p>Promotion of worker health</p> <p>The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:</p>	<p>Watts provides our employees with a comprehensive benefits package through a mix of plans designed to support their individual and/or family's health and wellness needs. We offer a standard package in the United States to our eligible employees. In other countries where we operate, government-sponsored programs provide for the health, disability, retirement, parental leave, and unemployment benefits for our employees as a matter of legislation or national practices in support of their social system. In addition to these government-sponsored programs, we provide supplementation coverage of benefits in certain countries where we have large employee populations, which may include:</p> <ul style="list-style-type: none"> <li>• Medical care</li> <li>• Pharmacy program</li> <li>• Dental care</li> <li>• Vision care</li> <li>• Life insurance</li> <li>• Supplemental life insurance</li> <li>• Short-term and long-term disability coverage</li> <li>• Dependent care spending accounts</li> <li>• Pre-tax health care spending and savings accounts</li> <li>• Voluntary accident and critical illness coverage</li> <li>• Retirement savings (401[k]) plans with generous employer-matching funds</li> <li>• Employee wellness programs</li> <li>• Paid time off</li> <li>• Business travel and accident insurance</li> <li>• Relocation programs</li> <li>• Employee discounts</li> <li>• Fitness and tuition reimbursement</li> <li>• Performance bonus</li> </ul> <p>For temporary workers, benefits are covered by their respective employer. However, for on-site wellness activities, temporary workers are welcome to participate (e.g., wellness fairs, vaccination clinics).</p>
403-7	<p>Prevention and mitigation of occupational health &amp; safety impacts directly linked by business relationships</p>	<p>Our enterprise-wide OHS management system promotes operational excellence and enables Watts to build exceptional products in facilities that operate safely, ethically, and responsibly. We aspire to be a zero-incident workplace, and worker participation and consultation is incorporated into our OHS system.</p> <p>The majority of our sales comes from products that have been approved under regulatory standards incorporated into national; state; and municipal plumbing, heating, building, and fire prevention codes around the world. We manufacture quality products that are safe, reliable, and code compliant. We maintain stringent quality control and testing procedures at our manufacturing facilities in accordance with superior quality standards and strict performance criteria outlined in local, national, and international codes and standards. Our manufacturing facilities undergo routine audits for process and quality control procedures, ensuring that both our processes and products have consistent quality control throughout the product life cycle. We conduct product testing — and periodic retesting and recertification — in accordance with standard compliance methodologies.</p> <p>The full list of independent testing and certification organizations can be found in the Appendix. For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>

GRI Standards	Disclosure Title	2025 Response
403-8	Workers covered by an occupational health & safety management system	<p>All workers across the organization, including temporary workers, contractors, and visitors, are subject to the OHS system. For example, temporary workers participate in the new-hire orientation, along with new Watts employees. Watts doesn't distinguish between workers when implementing the OHS system, and if temporary workers become employees, they become integrated into the annual training obligations. Globally, Watts applies the U.S. Occupational Safety and Health Administration (OSHA) criteria for reporting injuries.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
403-9	Work-related injuries	<p>Please see OHS data tables in the Social Data section of the Appendix. Reported rates are based on 200,000 hours worked and include both employees and temporary workers combined (no distinction) for the global organization. Injuries associated with temporary workers, who work under the direction of Watts, are included in the reported injuries for the organization. For 2025, strains were the most common injury type, representing 29% of all recordable injuries. This represents a 9% decrease compared to 2024.</p> <p>Hazards are identified through multiple means, including conducting workstation risk assessments, employee near-miss and safety observations reporting, workplace first aids, and injuries.</p> <p>Efforts to mitigate injuries consider the hierarchy of controls and include:</p> <ul style="list-style-type: none"> <li>• Increasing automation or new tooling</li> <li>• Existing workstation redesign</li> <li>• New workstation design</li> <li>• Job rotations</li> <li>• Routine stretching programs</li> <li>• Physical assessments (e.g., worker practices, positioning, PPE)</li> <li>• Workstation assessments (e.g., making minor modifications to operating practices, positioning workers closer to workstations to reduce reach, modifying tools, modifying PPE)</li> </ul> <p>Watts applies OSHA criteria for reporting injuries globally.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
403-10	Work-related ill health	<p>Please see OHS data tables in the <a href="#">Social Data</a> section of the Appendix. Reported rates are based on 200,000 hours worked and include both employees and temporary workers combined (no distinction) for the global organization. There were no ill health recordable incidents. No lost time cases were driven by illness.</p> <p>Hazards are identified through multiple means, including occupational noise exposure assessments, workstation risk assessments, employee near-miss and safety observation reporting, and workplace first aids.</p> <p>Efforts to mitigate work-related ill health consider the hierarchy of controls and include:</p> <ul style="list-style-type: none"> <li>• Increasing automation or introducing new tooling (e.g., removing workers from noise exposure)</li> <li>• Existing workstation redesign</li> <li>• New workstation design</li> <li>• Job rotations</li> </ul>

GRI Standards	Disclosure Title	2025 Response
		<ul style="list-style-type: none"> <li>Physical assessments (e.g., worker practices, positioning, PPE)</li> <li>Workstation assessments (e.g., making minor modifications to operating practices, positioning workers closer to workstations to reduce reach, modifying tools, modifying PPE)</li> </ul> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
<b>GRI 404: Training &amp; Education (2016)</b>		
3-3	Management of the material topic	<p>We invest in our employees by providing opportunities that support them in enhancing their skills, competencies, and overall professional development. We offer a variety of in-person and virtual learning and development programs that are designed to build and retain a strong global workforce. We continue to expand leadership and professional development opportunities for Watts employees through the global rollout of our Leadership Framework for all people leaders. As part of this effort, we will launch a new High-Potential Leadership Summit in 2026 to provide key leaders with an immersive development experience. At rollout completion, 100% of Watts people leaders will be trained in the Leadership Framework. We partner with external vendors to offer a variety of leadership and professional development opportunities such as coaching for improved performance and time management. We provide global, broad-based coaching opportunities through external partnerships that are targeted to the individual's coaching and development needs.</p> <p>For more information, please see the <a href="#">Talent Retention and Development</a> section of the 2025 Sustainability Report.</p>
404-1	Average hours of training per year per employee	<p>For data related to training and development, see the Social Data charts in the Appendix. Reported 2025 and 2024 training hours only reflect logged hours from learning programs tracked in our Learning Management System (LMS) and do not include hours tracked in manual reports. Prior to 2024, training hours were tracked both in our LMS and through manual reports, including (1) local learning initiatives managed by individual sites, teams, or managers; (2) trainings conducted by Manufacturing, Sales, or Engineering Enablement Teams; and (3) regional programs in our APMEA and EU regions. Moving forward, we will continue to work on consolidating tracking and training within our LMS.</p>
404-2	Programs for upgrading employee skills and transition assistance programs	<p><b>Employment Security</b></p> <p>We strive for our employees to feel secure in their jobs at Watts and are committed to responsible workforce restructuring practices. We recognize the impact these actions can have on our colleagues and will only take such steps when deemed necessary to enhance the value and performance of our company. As part of its oversight responsibilities, our board of directors approves all major restructuring programs. When conducting restructuring activities, Watts adheres to local employment laws and statutes, and ensures our employees are treated fairly. We take measures to assist affected employees in their transition, which may include:</p> <ul style="list-style-type: none"> <li>Severance pay, which considers employees' years of service</li> <li>Job placement service</li> <li>Other forms of transition assistance (e.g., training, retraining, counseling, etc.)</li> </ul> <p>For career endings resulting from retirement, employees are offered various forms of transition assistance, including financial, estate, and long-term care planning.</p> <p>For information on programs upgrading employee skills, please see the <a href="#">Talent Retention and Development</a> section of the 2025 Sustainability Report.</p>

GRI Standards	Disclosure Title	2025 Response
404-3	Percentage of employees receiving regular performance and career development reviews	In 2025, 100% of our eligible employees received a performance review.  For more information, see the <a href="#">Performance Management</a> section of the 2025 Sustainability Report and the <a href="#">Social Data</a> section of the Appendix.
<b>GRI 405: Diversity &amp; Equal Opportunity (2016)</b>		
3-3	Management of the material topic	Our mission is to cultivate and sustain a workplace that prioritizes and integrates an inclusive culture in everything we do to fuel innovation, empower our people to reach their full potential, and foster stronger connections with our partners. To support this mission, we have incorporated inclusion into the Watts strategic pillars and cultural behaviors, as well as the Global Leadership Team’s goals. We have established partnerships with and conducted recruitment activities at universities to drive outreach and rolled out leadership training throughout the global organization as our comprehensive approach. We monitor employee perception through employee feedback, and we create awareness with our employees through the company intranet, in employee meetings, and through a calendar of events designed to increase solidarity, engagement, and support.  For more information, please see the <a href="#">Employee Development and Support Programs</a> section of the 2025 Sustainability Report.
405-1	Diversity of governance bodies and employees	Corporate Governance, 2025 Sustainability Report Employee Profile, Appendix
405-2	Ratio of basic salary remuneration of women to men	We regularly analyze wages to retain employees and stay competitive in the labor market. An internal pay equity review is embedded into our hiring and promotion processes. Where needed, we provided market adjustments to stay competitive and retain key talent. In 2025, we continued our project to revitalize our job architecture that will better align with our roles and provide our employees with a more comprehensive career path structure.  For more information, please see the <a href="#">Talent Retention and Development</a> section of the 2025 Sustainability Report.
<b>GRI 413: Local Communities 2016</b>		
3-3	Management of the material topic	Giving back to the community is important to all of us at Watts. As a responsible corporate citizen, we aim to bring positive change to the communities where we live and work, as well as the industry in which we do business. We believe in building strong, resilient communities and are committed to promoting social good at the corporate level, as well as regionally and locally through our strategic partnerships, charitable giving, fundraising, and volunteer activities.  In 2024, we kicked off the inaugural year of the Watts Cares volunteer program, in which colleagues from more than 40 sites gave back a total of 5,000 hours to dozens of different organizations within their communities and beyond. In 2025, the program grew 100% with colleagues doubling the number of volunteer hours to 10,000.  For more information, please see the <a href="#">Watts Cares — Our Community Impact</a> and <a href="#">Global Engagements</a> sections of the 2025 Sustainability Report.
413-1	Operations with local community engagement, impact assessments, and development programs	<a href="#">Watts Cares — Our Community Impact</a> , 2025 Sustainability Report <a href="#">Global Engagements</a> , 2025 Sustainability Report

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GRI Standards	Disclosure Title	2025 Response
<b>GRI 414: Supplier Social Assessment 2016</b>		
3-3	Management of the material topic	<p>Expectations of suppliers across various areas of ethics and integrity, as well as social and environmental responsibility, are covered in our Human Rights Policy, our Supplier Quality Manual, and the Watts Code of Business Conduct. Our standard terms and conditions require supplier compliance with the Supplier Quality Manual and the Watts Code of Business Conduct, including agreement to our Anti-Corruption Policy. In addition, in 2022, we published our Supplier ESG Standards, which are informed by the 10 principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the ILO's 1998 Declaration on Fundamental Principles and Rights at Work. Approximately 70% of our suppliers, representing approximately 74% of our annual spend, have confirmed their conformance to these ESG standards.</p> <p>Concerns or violations of our standards regarding our supply chain or supplier quality may be reported at any time through our ethics hotline. Together with the Legal Department, the team regularly monitors key social and environmental performance indicators in our supply chain to ensure compliance with our standards, including in areas of health and safety, human and labor rights, social responsibility, and conflict minerals.</p> <p>For more information, please see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.</p>
414-1	New suppliers that were screened using social criteria	<p>We require all new suppliers to complete an onboarding ESG self-assessment, which allows us to continually update and enhance our insight into ESG practices in our supply chain.</p> <p>For more information, please see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.</p>
414-2	Negative social impacts in the supply chain and actions taken	<p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain's sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2025, we reviewed approximately 71% of our suppliers, representing approximately 56% of our global annual spend, using the D&amp;B ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, GRI, UN SDGs, TCFD, and UN PRI. Through our use of this tool, we gained increased insight into our suppliers' sustainability practices, with respect to our suppliers that already have advanced ESG systems in place.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.</p>
<b>GRI 416: Customer Health &amp; Safety 2016</b>		
3-3	Management of the material topic	<p>For more than 150 years, Watts has developed products, components, and systems that have improved comfort, safety, and quality of life around the world. Our equitable, efficient, and environmentally sustainable product designs, acquisition strategy, and widespread advocacy for the safe and efficient conveyance of water center upon keeping people, equipment, and water safe while protecting the planet. We have complete life-cycle assessments (LCAs) of all our products produced in our largest facility in Franklin, New Hampshire, USA, as well as our BLUCHER facility in Denmark. The LCAs provided us insights into all materials used, and we are publishing the information to provide further transparency. We have published environmental product declarations (EPDs) for more than 30 products.</p>

GRI Standards	Disclosure Title	2025 Response
		<p>We are committed to manufacturing products, systems, and solutions in safe workplaces that are environmentally responsible. We participate in and contribute to local and government initiatives around the world that improve the quality of life in communities where we live and work. We also invest heavily in training our customers on the safe use and installation of products.</p> <p>For more information, please see the <a href="#">Safety &amp; Regulation</a> and <a href="#">Best-in-Class Training</a> sections of the 2025 Sustainability Report.</p>
416-1	Assessment of the health and safety impacts of product and service categories	<p>The majority of health and safety impacts of our products is set during the design phase. As a result, 100% of our new products are assessed for health and safety during our standard new product introduction process. This assessment includes product performance, which targets our customers and other stakeholders, as well as manufacturing and supply chain health and safety. During the life cycle of our products, our standard quality process and operating system assess all instances of noncompliance for definitive root cause and corrective/improvement actions. The results of our standard quality process and operating system are discussed monthly in our standard business operating reviews. The majority of our sales comes from products that have been approved under regulatory standards incorporated into national; state; and municipal plumbing, heating, building, and fire prevention codes around the world. More than 70% of Watts revenue comes from products that are designed specifically for the safety and regulation of water. We develop our products and enhance our existing products under a supervised stage-gate process that includes design for safety, testing at multiple stages before launch, and steering committee oversight to ensure we have safe, reliable products that go to market. We manufacture quality products that are safe, reliable, and code compliant. We maintain stringent quality assurance and testing procedures at our manufacturing facilities in accordance with superior quality standards and strict performance criteria outlined in local, national, and international codes and standards. We have a global quality framework to identify and address product safety incidents promptly. Our manufacturing facilities undergo routine audits for process and quality-control procedures, ensuring that both our processes and products have consistent quality throughout the product life cycle. We conduct product testing and periodic retesting for recertification — in accordance with standard compliance methodologies.</p> <p>For more information, please see the <a href="#">Safety &amp; Regulation</a> and <a href="#">Best-in-Class Training</a> sections of the 2025 Sustainability Report.</p>
<b>GRI 417: Marketing &amp; Labeling 2017</b>		
3-3	Management of the material topic	<p>We strive to create transparency and a superior buying experience for our customers. We believe in providing information about our products and services that is accessible and helps our customers make informed purchasing decisions. Watts only uses substantiated claims in its advertising, marketing, and sales materials. We take care to include product use instructions and warnings that are clear and easy for the end user to understand. Our packaging includes clear information about the product, including size, description, model number, and if it is “lead-free.” Many product labels also include QR codes, which allow customers to quickly access information and resources from their mobile devices. Labels for products traditionally sold in the retail market in North America include translations in both Spanish and French, providing greater access for our diverse audience of customers.</p> <p>We engage in responsible sales and marketing practices that are fair and transparent and help to promote economic efficiency and sustainable growth. At Watts, we believe in promoting our services honestly and educating our customers about the appropriate use of our products. We expect our employees to be clear, accurate, and truthful when representing the quality, features, and/or potential hazards of our products.</p> <p>All our marketing materials go through a standard review process with our Legal Department prior to the release of facts or comparisons of our products alongside our competitors. Also, we compete on the merits of our products and services and make no attempts to restrain or limit competition. We strictly adhere to “antitrust” laws in the United States and “competition” laws in countries in which we operate our business. At Watts, we operate within the boundaries of fair competition and antitrust laws, and we are committed to delivering value to our customers and suppliers by rejecting conduct that undermines fair, stable, and open markets.</p>

GRI Standards	Disclosure Title	2025 Response
417-1	Requirements for product and service information labeling	<p>The country of origin is defined by where products are assembled or produced. We adhere to all prop 65 labeling requirements, as well as lead labeling requirements. We also provide documentation on safe use and installation in product packaging, as well as on our website, and 100% of our products are assessed for proper labeling and compliance. The majority of this activity happens prior to product launch and is performed to the requirements of our new product introduction process.</p> <p>This assessment includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• The sourcing of components of the product or service</li> <li>• Content, particularly with regard to substances that might produce an environmental or social impact</li> <li>• Safe use of the product or service</li> <li>• Disposal of the product and environmental or social impacts</li> <li>• Any other relevant information</li> </ul>

**Other**

**Emergency Preparedness and Response** was identified as a material topic for Watts but is not covered by the GRI Topic Standards. Reporting against this topic is included in the [Occupational Health and Safety](#) section of the 2025 Sustainability Report.

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SASB Topic	Disclosure Code	SASB Metric	2025 Response
Energy Management	RT-EE-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	<b>Total energy consumed:</b> 126,274 MWh <b>Percentage grid electricity:</b> 52% (65,595 MWh) <b>Percentage renewable:</b> 24% (31,000 MWh)
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated, percentage recycled	<b>Amount of hazardous waste generated:</b> 1,363,350 kg <b>Percentage recycled:</b> Data, as requested, is not available at this time. Watts has a strong metal-recycling program at our manufacturing facilities. In 2025, we recycled 5,600 t of metal scraps and chips and 11 t of electronic waste and reused 30 t of plastic regrinds.
Hazardous Waste Management	RT-EE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	We did not have reportable spills in 2025.
Product Safety	RT-EE-250a.1	Number of recalls issued, total units recalled	Watts issued no product recalls in 2025.
Product Safety	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	Watts had no material monetary losses as a result of legal proceedings associated with product safety in 2025.
Product Life-Cycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	As IEC 62474 is a voluntary standard, we do not formally track to this framework. Instead, we directly track and manage regulated substances in accordance with applicable regulations (REACH, PFAS, RoHS, etc.) through the ASSENT compliance platform.
Product Life-Cycle Management	RT-EE-410a.2	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Three products within the PVI and tekmar brands meet ENERGY STAR® criteria and have a combined revenue of less than 1% of Watts' total revenue.
Product Life-Cycle Management	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	A total of 23% of Watts revenue in 2025 was from energy efficiency-related products.
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Expectations of suppliers across various areas of ethics and integrity, as well as social and environmental responsibility, are covered in our Human Rights Policy, our Supplier Quality Manual, and the Watts Code of Business Conduct. Our standard terms and conditions require supplier compliance with the Supplier Quality Manual and the Watts Code of Business Conduct, including agreement to our Anti-Corruption Policy. In addition, in 2022, we published our Supplier Environmental, Social, and Governance (ESG) Standards, which are informed by the 10 principles of the United Nations Global Compact (UNGC) initiative, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's (ILO's) 1998 Declaration on Fundamental Principles and Rights at Work. Approximately 70% of our suppliers, representing approximately 74% of our annual spend, have confirmed their conformance to these ESG standards.

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SASB Topic	Disclosure Code	SASB Metric	2025 Response
			<p>Concerns or violations of our standards regarding our supply chain or supplier quality may be reported at any time through our ethics hotline. Together with the Legal Department, the team regularly monitors key social and environmental performance indicators in our supply chain to ensure compliance with our standards, including in areas of health and safety, human and labor rights, social responsibility, and conflict minerals.</p> <p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain's sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2025, we reviewed approximately 71% of our suppliers, representing approximately 56% of our global annual spend, using the Dun &amp; Bradstreet (D&amp;B) ESG Rating Service. The service is a web-based ratings platform that assesses the ESG operations of suppliers across 31 key topics and 13 ESG themes, including through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). Through our use of this tool, we gained increased insight into our suppliers' sustainability practices with respect to our suppliers that already have advanced ESG systems in place.</p> <p>For more information, see the <a href="#">Responsible Supply Chain</a> section of the 2025 Sustainability Report.</p>
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	<p>Watts is committed to acting with integrity and has detailed compliance procedures and policies. We confirm that both anti-corruption and anti-competitive behavior policies are covered in the Code of Conduct.</p> <p>For more information, please see the <a href="#">Ethics, Integrity, and Transparency</a> section of the 2025 Sustainability Report.</p>
Business Ethics	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	No incidents of corruption or associated legal actions occurred in 2025.
Business Ethics	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	No incidents of anti-competitive behavior or associated legal actions occurred in 2025.
Activity Metric	RT-EE-000.A	Number of units produced by product category	Information on revenue, products, customers, and markets is available in the <a href="#">Corporate Profile</a> section of the 2025 Sustainability Report.
Activity Metric	RT-EE-000.B	Number of employees	Watts employed a total of 5,015 people in 2025. Social data in this report does not include Haws, Superior Boiler, and Saudi Cast employees.

# SDG Index

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

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

# CEO Water Mandate

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

Principles	Our Impact: How We Are Contributing		GRI
1. Direct Operations	<ul style="list-style-type: none"> <li>Corporate Profile</li> <li>Our ESG Strategy</li> <li>ESG Governance</li> <li>Footprint</li> <li>EHS Management</li> <li>Water Stewardship</li> <li>Energy and Emissions</li> <li>Waste Reduction</li> </ul>	<ul style="list-style-type: none"> <li>Keeping Generations of People and Water Safe</li> <li>Sustainable Innovation</li> <li>Nexa</li> <li>Environmental Data</li> <li><a href="#">EHSS Policy</a></li> <li><a href="#">2025 Form 10-K</a></li> <li><a href="#">2026 Proxy Statement</a></li> </ul>	<ul style="list-style-type: none"> <li>GRI 2-12</li> <li>GRI 2-23</li> <li>GRI 2-24</li> <li>GRI 303: Water and Effluents</li> </ul>
2. Supply Chain and Watershed Management	<ul style="list-style-type: none"> <li>Contributing to the UN SDGs</li> <li>Stakeholder Engagement</li> <li>Footprint</li> </ul>	<ul style="list-style-type: none"> <li>Water Stewardship</li> <li>Responsible Supply Chain</li> <li>Membership of Organizations</li> </ul>	<ul style="list-style-type: none"> <li>GRI 308: Supplier Environmental Assessment</li> </ul>
3. Collective Action	<ul style="list-style-type: none"> <li>Footprint</li> <li>Stakeholder Engagement</li> <li>Membership of Organizations</li> </ul>	<ul style="list-style-type: none"> <li>Global Engagements</li> <li>Keeping Generations of People and Water Safe</li> </ul>	<ul style="list-style-type: none"> <li>GRI 2-28</li> <li>GRI 2-29</li> <li>GRI 3-1</li> </ul>
4. Public Policy	<ul style="list-style-type: none"> <li>Public Policy &amp; Advocacy</li> <li>Membership of Organizations</li> </ul>	<ul style="list-style-type: none"> <li>Keeping Generations of People and Water Safe</li> <li>Stakeholder Engagement</li> </ul>	<ul style="list-style-type: none"> <li>GRI 2-28</li> <li>GRI 2-29</li> </ul>
5. Community Engagement	<ul style="list-style-type: none"> <li>Footprint</li> <li>Handprint</li> <li>Stakeholder Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Community Impact</li> <li>Watts Cares</li> <li>Keeping Generations of People and Water Safe</li> </ul>	<ul style="list-style-type: none"> <li>GRI 413: Local Communities</li> </ul>
6. Transparency	<ul style="list-style-type: none"> <li>Footprint</li> <li>Ethics, Integrity, and Transparency</li> <li>Stakeholder Engagement</li> </ul>	<ul style="list-style-type: none"> <li>About This Report</li> <li>Environmental Data</li> <li><a href="#">EHSS Policy</a></li> </ul>	<ul style="list-style-type: none"> <li>GRI 303: Water and Effluents</li> </ul>

# EcoVadis Action Proxies

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Topic	Metric	2025 Response – Metric	2025 Response – Description
Environment	% of the total workforce across all locations who received training (internally or externally) on environmental issues	100%	Environmental awareness training is provided upon employee onboarding and periodically thereafter. It is measured in the Americas and other sites, as available, for 2025.
Environment	% of renewable energy out of total energy mix	24%	A total of 24% of our total energy mix comes from renewable energy. This includes the purchasing of Renewable Energy Certificates (RECs) and on-site photovoltaic (PV) generation. In 2025, we increased the percentage of generated on-site PV compared to 2024. The number of sites purchasing RECs remained the same in 2025 compared to 2024. Our 2025 environmental boundary includes I-CON.
Environment	% of total waste diverted from landfills, e.g., through recycling, reusing, or waste-to-energy (WTE)	49%	<p>Our organization is committed to minimizing waste generation and mitigating significant waste-related impacts by optimizing our production processes, extending the life cycle of our equipment, employing commonly used additives like coolants, reusing regularly utilized items such as oily rags and uniforms, and effectively managing and evaluating waste invoices from third-party haulers.</p> <p>Watts contracts with properly licensed waste vendors and transporters for management of waste.</p> <p>Watts discloses and has data verified for its yearly total waste generated and other environmental data via invoices, site records, vendor manifests, and compliance reporting. In 2025, the amount of hazardous waste generated was 1,363 MT. For the facilities where data is available, 5,154 MT of nonhazardous waste generation was reported.</p> <p>For more information, please see the Environmental Data and Verification Statements sections of the Appendix.</p>
Environment	% of all operational sites certified to ISO 14001, Eco-Management and Audit Scheme (EMAS), or other environmental management standard	49%	Our International Organization for Standardization (ISO) 14001-certified sites represent 48% of our global legacy population and 49%, including I-CON.
Labor & Human Rights	% of all operational sites covered by an employee health & safety risk assessment	100%	<p>Workers, including non-Watts employees, are expected to report hazards in the workplace through our Near-Miss and Safety Observations (NM/SO) program. This includes notifying their supervisor or environment, health, and safety (EHS) representative, completing an NM/SO card, informing another member of leadership, or raising a concern through our Ethics program. Worker disciplinary actions are focused on intentional behaviors that violate specific safety rules (e.g., intentional bypass of a machine guard or operating a fork truck without proper training). Watts has a safety-critical policy that employees are trained on at new-hire orientation and annually to emphasize the importance of following company safety rules.</p> <p>Our occupational health and safety (OHS) system includes a written incident investigation program that requires the involvement of supervisors, workers, EHS, and others, as necessary. The program includes taking into account the</p>

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Topic	Metric	2025 Response – Metric	2025 Response – Description
			<p>hierarchy of controls, corrective, and preventive actions. Workplace injuries are presented to top management monthly, and learnings that have multisite impact are communicated through best-practice sharing calls. In addition, the Senior Leadership Steering Committee reviews the effectiveness of the OHS system annually, including recommendations for continuous improvement.</p> <p>Injury reductions in 2025 were driven by multiple factors, including workstation optimization, increased investment in automation, cross-functional engagement, professional development, and increased best-practice sharing across the globe. Eleven of our operating and distribution sites achieved injury reductions of 25% or greater, with 20 operating and distribution sites having zero recordable injuries.</p> <p>Each site presents its EHS performance as part of our Monthly Operating Reviews. Our standard metrics for safety include seven key performance indicators (KPIs): Total Recordable Injury Rate (TRIR), Lost Time Incident Rate (LTIR), near-miss reporting, safety observations reporting, risk-reduction scores, EHS framework score, training completion, and finding-closure rate. Thirty-three operating and distribution sites reduced their year-over-year LTIR or had zero incidents, including 11 sites with reductions greater than 25%.</p> <p>For more information, please see the <a href="#">Occupational Health and Safety</a> section of the 2025 Sustainability Report.</p>
Labor & Human Rights	% of total workforce across all locations represented in formal joint management-worker health & safety committees	100%	All sites have safety committees. For Europe, these are required by regulation; for the United States, it is state dependent.
Labor & Human Rights	% of workforce who are covered by formal collective agreements concerning working conditions	35%	<p><b>Collective Bargaining</b></p> <p>Our commitment to protecting human rights also applies to freedom of association and collective bargaining. We believe such activities facilitate dialogue and play an invaluable role in building trust, inclusivity, and transparency in the workplace. In compliance with International Labour Organization (ILO) standards, it is our policy to ensure our employees have the right to form or join associations of their own choice concerning the relationship between the employer and the employees, and to bargain collectively in accordance with applicable law. We do not issue disciplinary or discriminatory actions against employees who choose to peacefully and lawfully organize or join an association. As well, employees are prohibited from using intimidation tactics of any kind to obstruct other employees’ right to freely associate, and/or right to organize or not.</p> <p><b>Communication of Rights</b></p> <p>At the local level and where applicable, we work to ensure our employees are aware of and understand their collective bargaining rights. These rights may be communicated to employees in different ways based on local labor laws, regulations, and/or practices. Employees at Watts may receive information about their collective bargaining rights:</p> <ul style="list-style-type: none"> <li>• During the onboarding process</li> <li>• Via internal company channels (e.g., company policies, rules and regulations, information boards, etc.)</li> <li>• Directly from their trade union or work council representative</li> </ul>

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Topic	Metric	2025 Response – Metric	2025 Response – Description
			<p><b>Grievance Procedures</b></p> <p>Where applicable, grievance procedures for collective bargaining rights may be provided to employees via any of the methods stated above. While individual grievance cases may be handled differently based on local labor laws, regulations, and/or practices, they are usually resolved within a few days. Employees receive updates on their individual grievance cases from the trade union or works council representing them. Resolved cases are routed to the appropriate management team at Watts. Cases requiring further escalation are reported to our Global Leadership Team.</p> <p>In 2025, Watts had approximately 1,735 employees worldwide who were represented by unions, collective bargaining agreements, or works councils. That is approximately 35% of our total workforce. Working conditions and terms of employment for those not covered by collective bargaining agreements are directed by local laws.</p>
Labor & Human Rights	% of workforce who are covered by formally elected employee representatives		<p><b>Information Unavailable/Incomplete:</b> Despite our best efforts, certain information was unavailable or incomplete at the time of reporting. We are continuously striving to enhance our data collection processes and improve the availability and accuracy of information for future reporting cycles.</p>
Labor & Human Rights	% of workforce who received regular performance and career development reviews	100%	<p><b>Employment Security</b></p> <p>We strive for our employees to feel secure in their jobs at Watts and are committed to responsible workforce restructuring practices. We recognize the impact these actions can have on our colleagues and will only take such steps when deemed necessary to enhance the value and performance of our company. As part of its oversight responsibilities, our board of directors approves all major restructuring programs. When conducting restructuring activities, Watts adheres to local employment laws and statutes and ensures our employees are treated fairly. We take measures to assist affected employees in their transition, which may include:</p> <ul style="list-style-type: none"> <li>• Severance pay, which considers employee years of service</li> <li>• Job placement service</li> <li>• Other forms of transition assistance (e.g., training, retraining, counseling, etc.)</li> </ul> <p>For information on programs upgrading employee skills, see the <a href="#">Talent Retention and Development</a> section of the 2025 Sustainability Report.</p>
Labor & Human Rights	% of workforce who received career-related or skills training	100%	See above.
Labor & Human Rights	% of workforce who received training on preventing discrimination & human rights violations	99%	Our Code of Conduct prohibits discrimination or human rights violations, and Code of Conduct training is provided to employees annually. In 2025, 99% of global employees were provided updated Code of Conduct training and acknowledged adherence to the Code.

Topic	Metric	2025 Response – Metric	2025 Response – Description
Labor & Human Rights	% of all operational sites that have been subject to human rights reviews or human rights impact assessments		<p>Our Code of Conduct prohibits discrimination or human rights violations, and Code of Conduct training is provided to employees annually. In 2025, 99% of global employees, across all of our operational sites, were provided updated Code of Conduct training and acknowledged adherence to the Code.</p> <p>In 2025, we reviewed approximately 71% of our suppliers, representing approximately 56% of our global annual spend, using the Dun &amp; Bradstreet (D&amp;B) ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), UN Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), and UN Principles for Responsible Investment (PRI). Through our expanded use of this tool, we gained increased insight into our suppliers' sustainability practices with respect to our suppliers that already have advanced ESG systems in place.</p>
Labor & Human Rights	% of all operational sites certified to ISO 45001, SA 8000, or other similar management standard	29%	This is calculated based on head count and sites that are certified.
Ethics	% of the total workforce who received training on business ethics issues	99%	<p><b>Code of Conduct Training Proxies</b></p> <ol style="list-style-type: none"> <li>1. Computer Users: Our Human Resources Information System automatically feeds the names of the employees with access to a computer to the Learning Management System (LMS), and the LMS tracks the completion and acknowledgment of the Code, as stated above.</li> <li>2. Factory Floor: For the employees who do not have a computer, they are trained in person, and each person must acknowledge attending the training and the Code of Conduct.</li> <li>3. Entity-Level Controls: As part of our entity-level controls, the Internal Audit Team reviews and validates the tracking and completion of the training by both online and in-person training.</li> </ol> <p><b>KPIs – Whistleblowing</b></p> <p>Watts Water manages a global hotline and reports on a quarterly basis the number and nature of the incidents.</p> <p>No incidents of corruption were confirmed at Watts in 2025, nor were any legal actions regarding corruption brought against the company.</p> <p>For more information, please see the <a href="#">Anti-Corruption Policies</a> section of the 2025 Sustainability Report.</p>
Ethics	% of all operational sites covered by an internal audit/risk assessment of business ethics issues		<p><b>Due Diligence Audits – Global</b></p> <p>Watts performs a biannual due diligence verification audit of all third-party intermediaries for all sites globally. This audit conducted by the Compliance Teams verifies that all third-party intermediaries have been identified and the due diligence is completed.</p>

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Topic	Metric	2025 Response – Metric	2025 Response – Description
Ethics	% of all operational sites certified to ISO 27000 or other information security management system standard		<p><b>Cybersecurity Risk Management and Strategy</b></p> <p>We have developed and implemented a cybersecurity risk management capability intended to protect the confidentiality, integrity, and availability of our critical systems and information.</p> <p>We design and assess our program with reference to the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). This does not imply that we meet any particular technical standards, specifications, or requirements. We use the NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business, including decisions related to controls, investments, and maturity progression. Our cybersecurity risk management processes are integrated into our overall risk management program and share common methodologies, reporting channels, and governance processes that apply across the risk management program to other legal, compliance, strategic, operational, and financial risk areas.</p> <p>Our cybersecurity risk management program includes the following, among other elements:</p> <ul style="list-style-type: none"> <li>• Risk assessments designed to help identify material cybersecurity threats to our critical IT Systems and information</li> <li>• A security team principally responsible for managing our (1) cybersecurity risk assessment processes, (2) security controls, and (3) response to cybersecurity incidents</li> <li>• The use of external service providers, where appropriate, to assess, test, or otherwise assist with aspects of our security processes</li> <li>• Risk review of certain third-party service providers, including software vendors, third-party cloud services, and third-party hosting services, with ongoing risk monitoring for critical vendors through an external cybersecurity intelligence service</li> <li>• Cybersecurity awareness training of our employees, including incident response personnel, and senior management</li> <li>• A cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents including escalation, communication, and recovery protocols</li> <li>• Periodic evaluation of our cybersecurity capabilities to identify opportunities for improvement and to prioritize enhancements based on risk, threat intelligence, and business needs</li> </ul> <p><b>Information Security Measures</b></p> <ol style="list-style-type: none"> <li>1. Outside Risk Assessment: Watts utilizes third-party companies to perform annual enterprise assessment, and then we supplement with other targeted assessments based on potential risk factors or specific events such as an acquisition.</li> <li>2. Training: Watts has an Information Security Training program that includes quarterly mandatory security awareness training for all computer users. We maintain the records of all users that complete the training.</li> <li>3. Phishing Simulation: We perform monthly phishing simulations globally.</li> </ol>

Topic	Metric	2025 Response – Metric	2025 Response – Description
Ethics	% of all operational sites certified to ISO 37001 or other anti-corruption management system standard		In 2025, no incidents of corruption were confirmed at Watts, nor were any legal actions regarding corruption brought against the company.
Sustainable Procurement	% of targeted suppliers who have signed the supplier code of conduct	~70%	Approximately 70% of our suppliers have confirmed conformance to our Code of Business Conduct and Supplier ESG Standards, representing approximately 74% of our global direct spend.
Sustainable Procurement	% of targeted contracts that include clauses on environmental, labor, and human rights requirements	100%	Our standard terms and conditions of purchase require supplier compliance with the Supplier Quality Manual and the Watts Code of Business Conduct, including agreement to our Anti-Corruption Policy, which includes our expectations and requirements on environmental, labor, and human rights.
Sustainable Procurement	% of targeted suppliers covered by a sustainability assessment	~71% of suppliers	<p>We engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain’s sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2025, we reviewed D&amp;B approximately 71% of our suppliers, representing approximately 56% of our global annual spend, using the D&amp;B ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, GRI, TCFD, and UN PRI. Through our expanded use of this tool, we gained increased insight into our suppliers’ sustainability practices with respect to our suppliers that already have advanced ESG systems in place.</p>
Sustainable Procurement	% of all buyers who received training on sustainable procurement		<p>In 2025, 100% of newly hired buyers and planners in the Americas and Europe received training on sustainable procurement.</p> <p>In addition, we engaged with more than 550 top suppliers to join the EcoVadis platform to gain further insight into our own supply chain’s sustainability performance. Of these, more than 300 have completed and shared the EcoVadis scorecard.</p> <p>In 2025, we reviewed approximately 71% of our suppliers, representing approximately 56% of our global annual spend, using the D&amp;B ESG Rating Service. The service is a web-based ratings platform that assesses the operations of suppliers across 31 key topics and 13 ESG themes through peer benchmarking and leading sustainability frameworks such as CDP (formerly the Carbon Disclosure Project), SASB, GRI, UN SDGs, TCFD, and UN PRI. Through our expanded use of this tool, we gained increased insight into our suppliers’ sustainability practices with respect to our suppliers that already have advanced ESG systems in place.</p>
Sustainable Procurement	% of targeted suppliers covered by a sustainability on-site audit		Watts performed more than 520 supplier quality audits (which include sustainability elements) and more than 1,200 follow-up audits and corrective actions globally in 2025.

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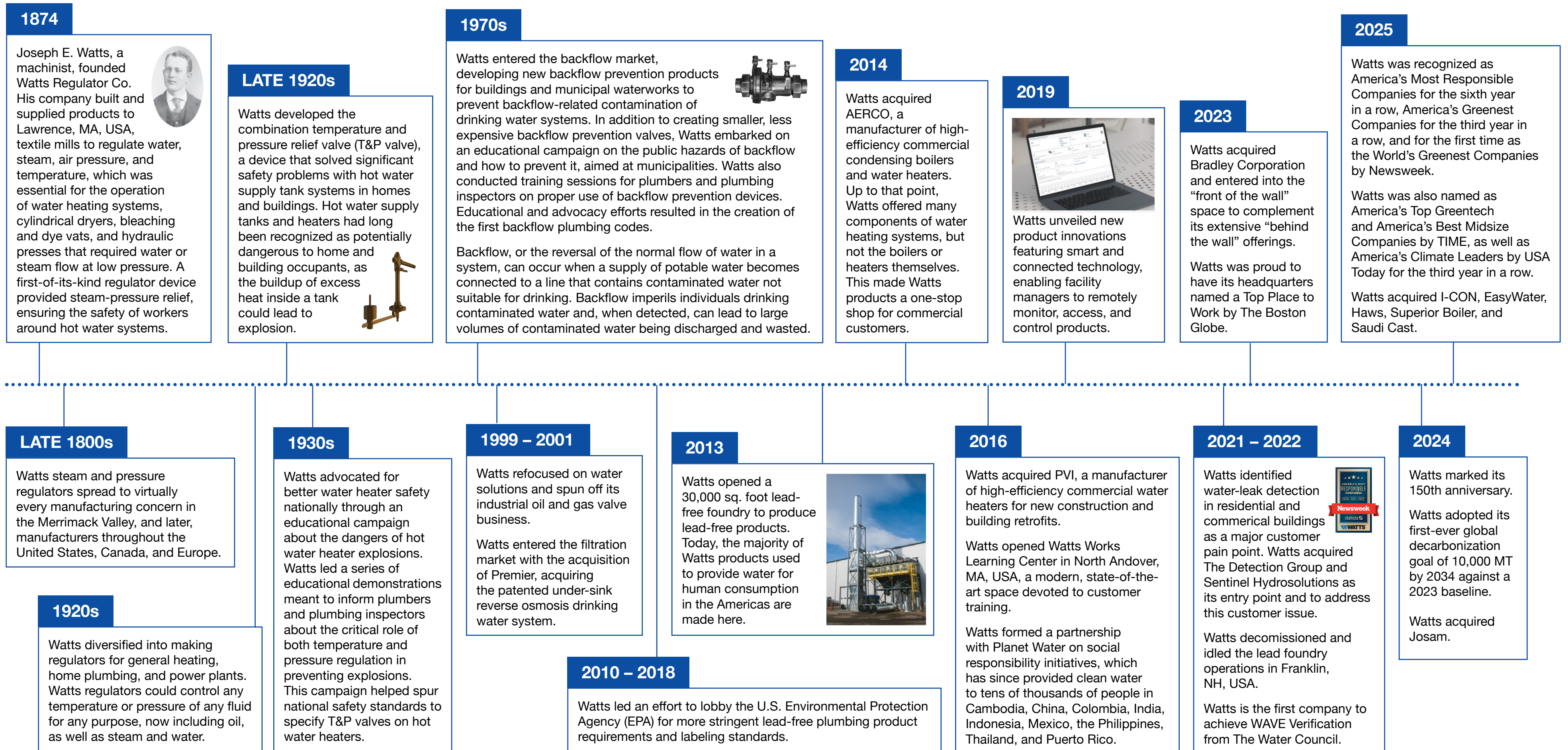
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# Keeping Generations of People and Water Safe

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



## A Rich History of Sustainability



# Stakeholder Engagement

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## Key Topics

## Methods of Engagement

	Key Topics	Methods of Engagement
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>Employee attraction, development, and retention</li> <li>Ethics, integrity, and transparency</li> <li>Occupational health and safety</li> <li>Product responsibility, safety, and quality</li> <li>Human rights</li> <li>Data security and privacy</li> <li>Access and culture</li> <li>Governance and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Annual performance management process</li> <li>Branded social media channels</li> <li>Career development programs</li> <li>Code of Business Conduct</li> <li>Collective bargaining agreements</li> <li>Company policies and procedures</li> <li>Connect intranet</li> <li>Connect weekly email newsletter</li> <li>Employee engagement committees</li> </ul>
<b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>Product responsibility, safety, and quality</li> <li>Ethics, integrity, and transparency</li> <li>Occupational health and safety</li> <li>Environmental compliance</li> <li>Human rights</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable innovation and digital transformation</li> <li>Sustainable sourcing</li> <li>Governance and accountability</li> <li>Recycling and waste</li> </ul>
<b>STAKEHOLDERS AND DEBT HOLDERS</b>	<ul style="list-style-type: none"> <li>Access and culture</li> <li>Employee attraction, development, and retention</li> <li>Governance and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Climate change risk and resilience</li> <li>Product responsibility, safety, and quality</li> <li>Environmental compliance</li> </ul>
<b>SUPPLIERS</b>	<ul style="list-style-type: none"> <li>Governance and accountability</li> <li>Ethics, integrity, and transparency</li> <li>Sustainable sourcing</li> <li>Human rights</li> <li>Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Employee attraction, development, and retention</li> <li>Access and culture</li> <li>Energy and emissions</li> <li>Water stewardship</li> <li>Recycling and waste</li> </ul>
<b>COMMUNITY</b>	<ul style="list-style-type: none"> <li>Community engagement and giving back</li> <li>Data security and privacy</li> <li>Ethics, integrity, and transparency</li> <li>Recycling and waste</li> </ul>	<ul style="list-style-type: none"> <li>Human rights and occupational health and safety</li> <li>Access and culture</li> <li>Climate change risk and resilience</li> <li>Talent pipelines</li> </ul>
<b>REGULATORY AUTHORITIES</b>	<ul style="list-style-type: none"> <li>Governance and accountability</li> <li>Ethics, integrity, and transparency</li> <li>Occupational health and safety</li> <li>Water stewardship</li> </ul>	<ul style="list-style-type: none"> <li>Energy and emissions</li> <li>Recycling and waste</li> <li>Product responsibility, safety, and quality</li> <li>Human rights</li> </ul>
<b>BOARD OF DIRECTORS</b>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Product responsibility, safety, and quality</li> <li>Access and culture</li> <li>Employee attraction, development, and retention</li> <li>Ethics, integrity, and transparency</li> <li>Emergency preparedness and response</li> <li>Sustainable innovation and digital transformation</li> <li>Environmental compliance</li> <li>Governance and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Energy and emissions</li> <li>Data security and privacy</li> <li>Water stewardship</li> <li>Community engagement and giving back</li> <li>Recycling and waste</li> <li>Climate change risk and resilience</li> <li>Human rights</li> <li>Sustainable sourcing</li> <li>Public policy and advocacy</li> </ul>

# Material Topic Definitions

## Environmental topic definitions

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

## Social topic definitions

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

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**Governance topic definitions**

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

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Organization Name	Americas	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
7x24 Exchange	Americas	Yes	No	No	\$1,000
AFCOM	Americas	Yes	No	No	\$1,100
AHRI	Americas	Yes	Yes	Yes	
AIG (Australian Industry Group)	Americas	Yes	No	No	N/A
Air-Conditioning, Heating & Refrigeration Institute	Americas	Yes	Yes	No	N/A
Air-Conditioning, Heating, and Refrigeration Institute (Formerly GAMA)	Americas	No	Yes	No	N/A
American Backflow Prevention Association	Americas	Yes	Yes	No	\$2,000
American Centers for Life Cycle Assessment	Americas	Yes	Yes	No	N/A
American Correctional Association	Americas	Yes	No	No	\$2,500
American Fire Sprinkler Association	Americas	Yes	No	No	\$15,000
American Institute of Architects	Americas	Yes	No	No	N/A
American Jail Association	Americas	Yes	No	No	\$2,500
American Rainwater Catchment Systems Association	Americas	No	Yes	No	N/A
American Society for Testing and Materials	Americas	Yes	Yes	No	N/A
American Society of Heating, Refrigerating and Air-Conditioning Engineers	Americas	Yes	Yes	No	\$280
American Society of Interior Designers	Americas	Yes	No	No	N/A
American Society of Mechanical Engineers	Americas	Yes	Yes	No	N/A
American Society of Plumbing Engineers	Americas	Yes	Yes	Yes	~\$10,000

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American Society of Sanitary Engineering	Americas	Yes	Yes	No	N/A
American Supply Association	Americas	Yes	Yes	Yes	~ \$15,000
American Water Works Association	Americas	Yes	Yes	No	\$5,300
Association for Smarter Homes & Buildings	Americas	Yes	No	No	\$1,100
Association of Home Appliance Manufacturers	Americas	Yes	No	No	\$4,000
Australian Backflow Association	Americas	Yes	No	No	N/A
Blue Flame Alliance	Americas	Yes	No	No	\$750
Building Industry Consulting Service International	Americas	Yes	Yes	No	N/A
Canadian Institute of Plumbing & Heating	Americas	Yes	Yes	No	N/A
Canadian Standards Association	Americas	No	Yes	No	N/A
Commercial Food Equipment Service Association	Americas	Yes	No	No	\$1,500
Correctional Leaders Association	Americas	Yes	No	No	\$60,000
Council of Industry	Americas	Yes	No	No	N/A
Foodservice Consultants Society International	Americas	Yes	No	No	\$2,500
Foodservice Equipment Distributors Association	Americas	Yes	No	No	\$1,600
International Association of Plumbing and Mechanical Officials	Americas	Yes	Yes	Yes	~\$2,500
International Code Council	Americas	Yes	Yes	No	N/A
International Safety Equipment Association	Americas	Yes	Yes	No	N/A
Irrigation Association	Americas	Yes	Yes	No	\$3,500
Manufacturers' Agents Association for the Foodservice Industry	Americas	Yes	Yes	No	\$2,300

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Manufacturers Alliance for Productivity and Innovation	Americas	Yes	No	No	N/A
Manufacturers Standardization Society	Americas	Yes	Yes	No	N/A
Mechanical Contractors Association of America	Americas	Yes	Yes	No	N/A
National Fire Protection Association	Americas	Yes	No	No	N/A
National Fire Sprinkler Association	Americas	Yes	Yes	No	\$7,800
National Rural Water Association	Americas	Yes	No	No	\$1,500
North American Association of Food Equipment Manufacturers	Americas	Yes	No	No	\$2,000
NSF International (National Sanitary Foundation)	Americas	No	Yes	No	N/A
Plastic Pipe Institute	Americas	Yes	Yes	No	N/A
Plumbing and Drainage Institute	Americas	Yes	Yes	No	N/A
Plumbing-Heating-Cooling Contractors Association	Americas	Yes	No	No	N/A
Plumbing Manufacturers International	Americas	Yes	Yes	No	N/A
Rockland Business Association	Americas	Yes	No	No	N/A
SEMI	Americas	Yes	No	No	\$20,000
Thermal Environmental Comfort Association	Americas	Yes	No	No	\$560
U.S. Green Building Council	Americas	Yes	Yes	No	N/A
Underwriters Laboratories	Americas	No	Yes	No	N/A
United States Green Building Council	Americas	Yes	No	No	\$8,250
USC Foundation for Cross-Connection Control and Hydraulic Research	Americas	No	Yes	No	N/A
Water & Sewer Distributors of America	Americas	No	Yes	No	N/A

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Water Quality Association	Americas	Yes	No	No	\$90,000
Western Regional Backflow Conference	Americas	No	Yes	No	N/A
3-A Sanitary Standards, Inc.	Americas and Europe	No	Yes	No	N/A
Anti-Backflow Technology Group	APMEA	Yes	No	No	N/A
Backflow Prevention Group, Water System Branch, China Engineering and Consulting Association (CEDA)	APMEA	Yes	No	No	CNY 2,000
China Association for Quality Inspection	APMEA	Yes	No	No	
China Data Center Committee	APMEA	No	No	No	CNY 0
China Valve Industry Association	APMEA	Yes	No	No	CNY 3,000
Green Data Center Technology Committee	APMEA	Yes	No	No	CNY 10,000
Gold Partners of the Master Plumbers Association	APMEA	Yes	No	No	N/A
Chongqing HVAC & Piping Installation Industry Association	APMEA	Yes	No	No	CNY 0
Ningbo Beilun Green Power Association (BLGPA)	APMEA	Yes	No	No	N/A
Master Plumbers Association (NZ)	APMEA	Yes	No	Yes	NZD 12,000 (annual dues NZD 10K; MP recommends NZD 2K)
Rosebank Business Association (NZ)	APMEA	Yes	No	No	N/A
Water New Zealand	APMEA	Yes	No	No	NZD 1,300
Employers and Manufacturers Association NZ (EMA)	APMEA	Yes	No	No	N/A
The Australian Industry Group (Legal)	APMEA	Yes	No	No	N/A
EL 20 Standards Committee	APMEA	No	Yes	No	N/A
PPIG (Plumbing Products Industry Group) (AU & NZ)	APMEA	No	No	No	N/A
WS026 Australian Standards Committee	APMEA	No	Yes	No	N/A

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Australian Water Association (AU)	APMEA	Yes	No	No	N/A
Master Plumbers Association (AU)	APMEA	Yes	No	No	N/A
Association of Hydraulic Services Consultants Australia (AU)	APMEA	Yes	No	No	N/A
Australian Health Design Council (AU)	APMEA	Yes	No	No	N/A
The Institute of Healthcare Engineering (AU)	APMEA	Yes	No	No	N/A
Australian Packaging Covenant Organisation (AU)	APMEA	Yes	No	No	N/A
Hydraulic Consultants Association (Australasia)	APMEA	Yes	Yes	No	No
Refrigerant Reclaim Australia	APMEA	Yes	Yes	No	No
Australian Industry Group (AIG)	APMEA	Yes	Yes	Yes	Conference Sponsors AUD 11,000
ICPA Design and Planning Committee	APMEA	Yes	Yes	Yes	Yes – AUD 5,000 (Strategic Partner)
Backflow Prevention Association of Australia (BPAA)	APMEA	Yes	Yes	No	No
Legionella Management Advisory Group (LMAG)	APMEA	Yes	Yes	No	No
WS-001 Australian Standards Committee	APMEA	Yes	No	Yes	AED 15,750 (Platinum Partner)
SF-048 Australian Standards Committee	APMEA	Yes	Yes	No	N/A
ASHRAE Falcon Chapter, U.A.E. (MEA)	APMEA	Yes	No	No	N/A
ADFRI (Association de Distribution Française de Robinetterie Industrielle)	Europe	Yes	No	No	N/A
Aicarr (Italian Association for HVAC, Heating)	Europe	Yes	No	No	N/A
Angaisa (Italian National Association for Plumbing)	Europe	Yes	No	No	N/A
Anima (Italian Mechanical Association for Industry)	Europe	Yes	No	No	N/A

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Aqua Italia (Fluid Solutions Association)	Europe	Yes	No	No	N/A
Assoclima	Europe	Yes	No	No	N/A
Assotermica (Italian Thermotecnic Association)	Europe	Yes	No	No	N/A
ATTB (Associatie Thermische Technieken België)	Europe	Yes	No	No	N/A
AVR (Italian Association of Valves and Taps Manufacturers)	Europe	Yes	No	No	N/A
BDH (Federation of German Heating Industry)	Europe	Yes	No	No	N/A
BFV (Bundesverband Flächenheizungen und Flächenkühlungen e.V.)	Europe	Yes	No	No	N/A
BTecCH (Belgian Technology Center for Cooling & Heating)	Europe	Yes	No	No	N/A
Climafed (Associate Thermische Technieken België)	Europe	Yes	No	No	N/A
Confindustria Monza e Brianza (Italian Association of Industry)	Europe	Yes	No	No	N/A
Confindustria Trento (Industry for Trento Region)	Europe	Yes	No	No	N/A
CTI (Italian ThermoTechnical Association)	Europe	Yes	No	No	N/A
Danish Industry	Europe	Yes	No	No	N/A
Danish Standards – S-315 Drainage Technology	Europe	Yes	No	No	N/A
DDA (Dutch Datacenter Association)	Europe	No	No	No	N/A
Digital Infrastructure Ireland	Europe	Yes	No	No	N/A
Distretto Trentino Tecnologico (Area Trento District for Technology)	Europe	Yes	No	No	N/A
EHEDG – WG Building & Factory Design Group	Europe	Yes	No	No	N/A
GCCP (Genie Climatique Couverture-Plomberie)	Europe	Yes	No	No	N/A
IBC (Associazione Industrie Beni di Consumo)	Europe	Yes	No	No	N/A

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ITGA – Industrieverband Technische Gebäudeausrüstung NRW	Europe	Yes	No	No	N/A
ODE (Heating Networks Flanders)	Europe	Yes	No	No	N/A
Opentherm Association	Europe	Yes	No	No	N/A
SHK Regional (Sanitär · Heizung · Klima)	Europe	Yes	No	No	N/A
Syndicat ACR (Ancien MTA Concept)	Europe	Yes	No	No	N/A
TMP (Technical Association for Plastic Material)	Europe	Yes	No	No	N/A
UNCP-FFB (Federation Francaise du Batiment)	Europe	Yes	No	No	N/A
UNI (Italian Standard Unification)	Europe	Yes	No	No	N/A
UNICLIMA	Europe	Yes	No	No	N/A
VDMA	Europe	Yes	No	No	N/A
VIZ – Verband der Installations-Zulieferbetriebe Austria	Europe	Yes	No	No	N/A
WBT (Werkgroep Beveiligingstoestellen) – Consultative Institution for KIWA	Europe	Yes	No	No	N/A
The Water Council (TWC) (Global)					

# Environmental Data Tables

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## Carbon Footprint

	2025 Consumption		2025 Emissions (MTCO <sub>2</sub> e)
<b>Scope 1</b>			
Generation of Electricity, Heat, or Stream (kWh)*	60,044,229		10,796
Transportation (Liters)**	30,000		253
		<b>Total Scope 1:</b>	<b>11,049</b>
<b>Scope 2: Location-Based</b>			
Electricity (kWh)	65,595,244		17,548
		<b>Total Scope 2, Location-Based:</b>	<b>17,548</b>
<b>Scope 2: Market-Based</b>			
Electricity (kWh)	65,595,244		16,798
Renewable Energy Credits (RECs) (kWh)	28,498,858		-7,688
		<b>Total Scope 2, Market-Based:</b>	<b>9,110</b>
<b>Scope 3***</b>			
Business Travel (Air Miles)	16,000,000 miles*		5,894
		<b>Total Scope 3:</b>	<b>5,894</b>
<b>Total Scope 1, Scope 2 (Location-Based), &amp; Scope 3****</b>			<b>34,491</b>
Scope 1 + Scope 2 (Location-Based) Total			28,597
Scope 1 + Scope 2 (Location-Based) Intensity (MTCO <sub>2</sub> e/\$M)			11.82
<b>Total Scope 1, Scope 2 (Market-Based), &amp; Scope 3****</b>			<b>26,053</b>
Scope 1 + Scope 2 (Market-Based) Total			20,159
Scope 1 + Scope 2 (Market-Based) Intensity (MTCO <sub>2</sub> e/\$M) Total			8.33
Scope 1 + Scope 2 (Market-Based) Year-Over-Year (YOY) Intensity Reduction (%)			-13%
Scope 1 + Scope 2 (Location-Based) YOY Intensity Reduction (%)			-9%
Total MWH			126,274.42 MWH
2025 Energy Intensity (MWH/\$M)			52.18
YOY energy intensity reduction			-3.5%

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

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

\*\*\*Watts completed a high-level global Scope 3 assessment in 2025 for future preparedness, and monitoring requirements for upcoming mandatory compliance and disclosures.

\*\*\*\*For this disclosure, Scope 3 does not include Category 11 emissions — “Use of Sold Products.”

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**Historical Greenhouse Gas (GHG) Emissions**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (39 sites)*	2023 (40 sites)*	2024
<b>Scope 1: Natural Gas, Diesel, Propane, Acetylene, Propylene (MTCO<sub>2</sub>e)</b>										9,760	11,091	10,293
North America	8,168	9,598	10,092	9,241	8,045	7,629	7,855	7,667	7,917			
Europe	3,134	3,203	3,191	3,369	3,208	3,262	3,465	3,965	3,102			
Asia-Pacific, the Middle East, and Africa (APMEA)	3	3	3	3	3.14	1.27	26.31	31	6			
<b>Scope 1: Transportation – Fleet Gasoline, Fleet Diesel, and Propane Mobile (MTCO<sub>2</sub>e)</b>										365	365	499
Europe Sites: Blassono, Dattenberg, Hautvillers, Landau, Moirans, Sorgues, St. Neots, Vildbjerg, Virey								182	305			
<b>Total Scope 1 Emissions (MTCO<sub>2</sub>e)</b>								11,845	11,330	10,125	11,456	10,792
<b>Scope 2: Electricity Location-Based (MTCO<sub>2</sub>e)</b>										15,836	19,577	18,331
North America	20,040	18,477	16,419	16,719	15,353	13,589	10,488	10,993	11,158			
Europe	6,529	6,323	6,604	6,686	6,461	6,680	4,628	4,495	3,950			
APMEA	1,884	1,890	2,147	2,280	2,416	2,307	1,768	1,995	1,175			
<b>Total Scope 2 Location-Based GHG Emissions (MTCO<sub>2</sub>e)</b>								17,483	16,282	15,836	19,577	18,331
<b>Scope 1 + Scope 2 (Location-Based) Total</b>								29,328	27,613	25,961	29,952	29,043
<b>Scope 1 + Scope 2 (Location-Based) Intensity (MTCO<sub>2</sub>e/\$M)</b>								16.21	13.95	12.83	13.25	12.90
<b>Scope 2: GHG Emissions (Market-Based; MTCO<sub>2</sub>e)</b>										15,354	19,037	18,560
North America								14,184	10,665			
Europe								4,223	3,761			
APMEA								1,995	1,175			
RECs								-6,174	-7,374	-7,230	-7,230	-8,125
<b>Total Scope 2 Market-Based GHG Emissions (MTCO<sub>2</sub>e)</b>								14,228	8,227	8,124	11,807	10,938
<b>Scope 1 + 2 (Market-Based) Total</b>								26,073	19,251	18,249	23,263	21,730
<b>Scope 1 + Scope 2 (Market-Based) YOY Reduction (%)</b>									-26	-7.3	-	-9**
<b>Scope 1 + Scope 2 (Market-Based) Intensity (MTCO<sub>2</sub>e/\$M)</b>								14.41	9.73	9.02	10.29	9.53
<b>Scope 1 + Scope 2 (Market-Based) Intensity YOY Reduction (%)</b>									-32	-	-	-9**
<b>Scope 3: Business Air Travel Emissions (MTCO<sub>2</sub>e)</b>										5,640	5,640	5,138
North America	2,241	3,056	4,263	4,417	5,397	5,065	1,049	1,044	3,053			
Europe						185	21	5	100			
<b>Total Scope 3 Emissions (MTCO<sub>2</sub>e)</b>								1,049	3,153	5,640	5,640	5,138
<b>Watts Global Total Emissions (MTCO<sub>2</sub>e) – Using Scope 2 Market-Based</b>								27,122	22,710	23,889	31,321	27,147

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

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**2025 GHG Emissions Intensity Ratio\***

Scopes Included in Numerator:	Scope 1 & Scope 2 (Market-Based)	Scope 1 & Scope 2 (Location-Based)
Numerator:	20,159 MTCO <sub>2</sub> e	28,597 MTCO <sub>2</sub> e
Denominator:	2,420.06 USD per million	2,420.06 USD per million
Ratio:	8.33 MT/\$M	11.82 MT/\$M

\*Calculations are based on our 2025 environmental boundary, which includes I-CON.

**Change in 2025 Total GHG Emissions\* vs. 2023 Baseline\*\***

	Baseline Emissions Metric Tons CO <sub>2</sub> e (2023)	2025 Emissions Metric Tons CO <sub>2</sub> e	% Change of Total Emissions
Total Scope 1, Scope 2 (Location-Based), & Scope 3	35,592	34,491	-3.1%
Total Scope 1, Scope 2 (Market-Based), & Scope 3	28,903	26,053	-10%

\*2025 total GHG emissions includes only those 40 sites that were part of the rebaselined 2023 baseline. This is not inclusive of our 2025 environmental boundary.

\*\*Our 2023 baseline was recalculated to include Bradley and Josam sites, for a total of 40 sites.

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

	2023	2024	2025
SOx	0.00705646	0.00416	8.23E-03
Volatile Organic Compounds (VOCs)	6.63924	6.43	8.23E+00
Hazardous Air Pollutants (HAPs)	3.95452	3.16	5.28E+00
Particulate Matter (PM)	0.0479803	0.045	5.93E-02
Regulated Toxic Air Pollutants (RTAPs)	5.33	4.15	3.81E+00

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

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**Energy Consumption**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (39 sites)	2023 (40 sites)	2024	2025
<b>Total Fuel Consumption (Nonrenewable Sources)</b>													
Electricity (kWh)	78,888,704	75,679,370	71,583,480	72,681,696	67,933,680	62,568,448	61,309,093	65,085,079	61,486,848	58,322,231	66,528,522	65,771,162	65,557,620
<i>From RECs</i>								14,959,799	26,562,408	25,991,453	25,991,454	27,997,664	28,491,353
Natural Gas (M3)	5,729,747	6,454,121	6,716,075	6,368,092	5,697,142	5,546,331	5,753,167	5,839,721	5,511,643	4,862,298	5,493,365	5,097,050	5,585,250
Propane (Liter) <i>Includes forklift usage</i>	132,452	204,171	203,614	196,826	160,095	123,110	133,562	169,793	198,464	169,000	249,648	268,176	102,030
Diesel (Liter)* <i>Includes fuel oil</i>	81,745	74,710	50,281	63,548	52,160	30,303	18,554	32,408	19,733	28,579	44,022	22,075	30,000
Diesel & Gasoline – Fleet (Liter)									126,609	117,689	146,000	156,207	15,000
Acetylene (M3)	2,946	4,300	2,889	402	311	113	13	36	15	30	98	3	40
Propylene (Liter)	89	0	7,735	10,847	9,780	15,357	11,844	23,619	17,783	4,723	4,723	6,407	2,165
<b>Total Fuel Consumption (Renewable Sources):</b>													
On-site solar at Ningbo, Plovdiv, Gardolo, Landau (kWh)										676,910	676,910	1,462,200	2,155,000
<b>Total Energy (MWh)</b>	<b>141,600</b>	<b>146,600</b>	<b>145,000</b>	<b>142,500</b>	<b>130,200</b>	<b>127,647</b>	<b>123,593</b>	<b>129,856</b>	<b>121,873</b>	<b>111,714</b>	<b>126,729</b>	<b>122,555</b>	<b>125,601</b>
<b>YOY Energy Reduction</b>									<b>-7,983</b>	<b>-10,159</b>	<b>--</b>	<b>-4,174</b>	<b>3,046</b>
<b>Energy Eco-Efficiency (MWh/\$1M)</b>	<b>93.55</b>	<b>99.88</b>	<b>103.69</b>	<b>97.82</b>	<b>83.20</b>	<b>79.75</b>	<b>81.93</b>	<b>71.78</b>	<b>61.55</b>	<b>55.22</b>	<b>--</b>	<b>54.42</b>	<b>51.51</b>

\*2025 Car rental and gas mileage reimbursements reported in Scope 3 business travel.

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**Water Usage (ML)**

	2023 (39 sites)	2023 (40 sites)	2024*	2025**
<b>Total Withdrawal (All Areas)</b>	<b>108.28</b>	<b>119.78</b>	<b>119.71</b>	<b>122.46</b>
Surface Water	105.94	117.44	119.71	121.07
Freshwater (≤ 1,000 mg/L Total Dissolved Solids)	105.94	117.44	119.71	121.07
Groundwater	2.34	2.34	N/A	N/A
Freshwater (≤ 1,000 mg/L Total Dissolved Solids)	2.34	2.34	N/A	N/A
<b>Total Withdrawal (Water-Stressed Areas)</b>	<b>43.83</b>	<b>43.83</b>	<b>47.1</b>	<b>49.81</b>
Surface Water	41.49	41.49	47.1	49.81
Groundwater	2.34	2.34	N/A	N/A
Freshwater (≤ 1,000 mg/L Total Dissolved Solids)	2.34	2.34	N/A	N/A
<b>Total Water Discharge (All Areas)</b>	<b>108.28</b>	<b>119.78</b>	<b>119.71</b>	<b>117.67</b>
Surface Water	105.94	117.44	119.71	117.67
Groundwater	2.34	2.34	N/A	N/A
<b>Total Water Discharge (Water-Stressed Areas)</b>	<b>43.83</b>	<b>43.83</b>	<b>47.1</b>	<b>49.81</b>
<b>Total Discharge by Freshwater and Other Water (All Areas)</b>	<b>108.83</b>	<b>119.78</b>	<b>119.71</b>	<b>117.67</b>
Municipally Sourced	108.83	119.78	119.71	117.67
<b>Total Water Discharge by Freshwater and Other Water (Water-Stressed Areas)</b>	<b>43.83</b>	<b>43.83</b>	<b>47.1</b>	<b>49.81</b>
Freshwater (≤ 1,000 mg/L Total Dissolved Solids)	43.83	43.83	47.1	49.81
<b>Total Water Consumption (All Areas)</b>	<b>108.28</b>	<b>119.78</b>	<b>119.71</b>	<b>117.67</b>
<b>Total Water Consumption (Water-Stressed Areas)</b>	<b>43.83</b>	<b>43.83</b>	<b>47.1</b>	<b>49.81</b>
<b>Water Eco-Efficiency (M3/\$M)</b>	<b>53.53</b>	<b>53.00</b>	<b>52.49</b>	<b>50.60</b>

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

\*\*Our 2025 boundary includes I-CON.

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Historical Water Usage

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

Waste by Composition (MT)

	2023			2024			2025		
	Waste Generated	Waste Diverted From Disposal	Waste Directed to Disposal	Waste Generated	Waste Diverted From Disposal	Waste Directed to Disposal	Waste Generated	Waste Diverted From Disposal	Waste Directed to Disposal
Metal	4,965	4,965	--	5,000	5,000	--	5,600	5,600	--
Plastic	222	222	--	166	166	--	350	350	--
Electronics	12	12	--	10	10	--	11	11	--
Cardboard	588	588	--	311	311	--	577	577	--
Wood	1,069	401	668	108	108	--	1,010	200	810
Solid Waste	496	--	496	100	100	--	600	100	500
Nonhazardous Waste	3,256	--	3,256	3,002	--	3,002	5,154	500	4,654
Hazardous Waste	1,737	--	1,717	1,466	--	1,446	1,363	--	1,363
Comingled Recycling	29	29	--	--	--	--	--	--	--
Glass	0	0	--	--	--	--	--	--	--
Organics	4	4	--	--	--	--	--	--	--
Paper	17	17	--	--	--	--	--	--	--
<b>Total</b>	<b>12,377</b>	<b>6,240</b>	<b>6,137</b>	<b>10,163</b>	<b>5,695</b>	<b>4,448</b>	<b>14,665</b>	<b>7,338</b>	<b>7,327</b>
<b>% of Waste Prevented</b>			<b>50.41%</b>			<b>46.83%</b>			<b>51%</b>

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Historical Total Waste (KG)

	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Total Waste (Hazardous &amp; Nonhazardous)</b>									4,390,554
Hazardous Waste	1,930,741	1,802,255	1,461,041	1,731,642	2,062,881	2,102,099	2,354,870	2,151,435	2,307,093
Nonhazardous Waste									2,083,461
<b>Hazardous Waste Eco-Efficiency (KG/\$M)</b>	1,276	1,228	1,045	1,189	1,318	1,307	1,561	1,189	1,165
<b>Recycling &amp; Reuse</b>									
Metal Scraps and Chips Recycling							5,609,820	7,325,843	3,446,329
Plastic Re grind Reuse							105,041	122,320	85,695
Global Electronic Waste Recycling							3,507	7,888	8,591

EPA Toxic Release Inventory Reporting - US Sites only (kg)

RY2023	Total Toxics Reported <sup>1</sup>	Total Toxics Recycled <sup>2</sup>
2024	1,188,393	1,135,996
2023	969,629	923,270
2022	977,064	929,096
2021	1,117,575	1,062,732
2020	1,114,393	1,079,051
2019	1,177,637	1,144,009
2018	1,441,860	1,441,142
Reduction <sup>3</sup>	18%	21%

<sup>1</sup>Watts reporting showed a reduction of toxic materials under EPA's TRI reporting of 18% compared to 2018.

<sup>2</sup>Watts recycled over 95% of toxics in EPA's TRI reporting year of 2024.

<sup>3</sup>Note — Bradley is not included in reporting years 2023 and prior.

New Suppliers Screened Using Environmental Criteria

Year	Total Number of New Suppliers	Number of New Suppliers Screened Using Environmental Criteria	% of New Suppliers Screened Using Environmental Criteria
2023	33	33	100%
2024	82	82	100%
2025	18	18	100%

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**Annual Compliance Procedures**

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

Environment, Health, and Safety Audits

No.	Plant	Country	Region/Platform	Audit Scope	Audit Type	Audit Status
1	Auckland	New Zealand	APMEA	General Safety	Internal	Completed
2	Blassono	USA	Europe	ISO45001	Internal	Completed
3	Blauvelt	USA	HHWS	General Safety	External	Completed
4	Blauvelt	USA	HHWS	Environmental	External	Completed
5	Blauvelt	USA	HHWS	Workers Comp	External	Completed
6	Blauvelt	USA	HHWS	Workers Comp	Internal	Completed
7	Enware	Australia	APMEA	ISO14001	External	Completed
8	Enware	Australia	APMEA	ISO45001	External	Completed
9	Fort Myers	USA	HHWS	Environmental	Internal	Completed
10	Fort Myers	USA	HHWS	General Safety	Internal	Completed
11	Fort Myers	USA	HHWS	ISO14001	External	Completed
12	Fort Worth	USA	HHWS	Environmental	External	Completed
13	Fort Worth	USA	HHWS	General Safety	External	Completed
14	Fort Worth	USA	HHWS	Environmental	Internal	Completed
15	Fort Worth	USA	HHWS	General Safety	Internal	Completed
16	Franklin	USA	Americas	ISO45001	External	Completed
17	Franklin	USA	Americas	General Safety	Internal	Completed
18	Franklin	USA	Americas	Environmental	Internal	Completed
19	Gardolo	USA	Europe	ISO45001	Internal	Completed
20	Germantown	USA	Bradley	General Safety	Internal	Completed
21	Landau	Germany	Europe	General Safety	Internal	Completed
22	Menomonee	USA	Bradley	General Safety	Internal	Completed
23	Menomonee	USA	Bradley	Environmental	Internal	Completed
24	Michigan City	USA	Josam	General Safety	External	Completed
25	Michigan City	USA	Josam	Environmental	External	Completed
26	Michigan City	USA	Josam	General Safety	Internal	Completed
27	Moirans	France	Europe	General Safety	Internal	Completed
28	Moirans	France	Europe	French Compliance	External	Completed
29	Monastir	Tunisia	Europe	General Safety	Internal	Completed
30	Monastir	Tunisia	Europe	Environmental	Internal	Completed
31	Ningbo	China	APMEA	General Safety	Internal	Completed
32	Ningbo	China	APMEA	ISO14001	External	Completed
33	Ningbo	China	APMEA	ISO45001	External	Completed
34	No. Andover	USA	Americas	General Safety	Internal	Completed
35	No. Andover	USA	Americas	Environmental	Internal	Completed
36	No. Andover	USA	Americas	ISO45001	External	Completed
37	No. Andover	USA	Americas	ISO14001	External	Completed
38	Nogales	Mexico	Americas	ISO14001	External	Completed
39	Nogales	Mexico	Americas	General Safety	Internal	Completed

No.	Plant	Country	Region/Platform	Audit Scope	Audit Type	Audit Status
40	Oviedo	USA	Americas	General Safety	Internal	Completed
41	Oviedo	USA	Americas	Environmental	Internal	Completed
42	Oviedo	USA	Americas	Health	External	Completed
43	Oviedo	USA	Americas	Environmental	External	Completed
44	Plovdiv	Bulgaria	Americas	General Safety	Internal	Completed
45	Plovdiv	Bulgaria	Europe	ISO14001	External	Completed
46	Plovdiv	Bulgaria	Europe	ISO45001	External	Completed
47	Rosieres	France	Europe	General Safety	Internal	Completed
48	Rosieres	France	Europe	ISO14001	External	Completed
49	Rosieres	France	Europe	French Compliance	External	Completed
50	Sorgues	France	Europe	ISO14001	External	Completed
51	Sorgues	France	Europe	French Compliance	External	Completed
52	Sorgues	France	Europe	ISO45001	External	Completed
53	Sorgues	France	Europe	General Safety	Internal	Completed
54	Spindale	USA	Americas	General Safety	Internal	Completed
55	St. Neots	England	Europe	ISO14001	External	Completed
56	St. Neots	England	Europe	ISO45001	External	Completed
57	St. Pauls	USA	Americas	General Safety	Internal	Completed
58	St. Pauls	USA	Americas	Environmental	External	Completed
59	Vildbjerg	Denmark	Europe	ISO14001	External	Completed
60	Vildbjerg	Denmark	Europe	ISO45001	Internal	Completed
61	Vildbjerg	Denmark	Europe	General Safety	Internal	Completed
62	Virey	France	Europe	ISO14001	External	Completed
63	Virey	France	Europe	ISO45001	External	Completed
64	Virey	France	Europe	French Compliance	External	Completed
65	Virey	France	Europe	General Safety	Internal	Completed
66	Woodland	USA	Americas	Environmental	Internal	Completed
67	Woodland	USA	Americas	Stormwater	External	Completed
68	Woodland	USA	Americas	General Safety	Internal	Completed

Total Audits / Visits in 2025	68
No. of Internal	34
No. of External	34
ISO14001	11
ISO45001	11
Safety	28
Environmental	14
Multimedia	4

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

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## New-Employee Hires & Rate

	New-Employee Hires (#)							New-Employee Hire Rate (%)						
	2025	2024	2023	2022	2021	2020	2019	2025	2024	2023	2022	2021	2020	2019
<b>Total</b>	<b>992</b>	<b>738</b>	<b>780</b>	<b>652</b>	<b>573</b>	<b>213</b>	<b>328</b>							
<b>New-Associate Hires by Region</b>														
Americas	750	490	490	435	364	141	203	76%	66%	63%	67%	64%	66%	62%
Europe	155	170	238	177	172	40	92	16%	23%	31%	27%	30%	19%	28%
Asia-Pacific, the Middle East, and Africa (APMEA)	87	78	52	40	37	32	33	9%	11%	7%	6%	6%	15%	10%
<b>New-Associate Hires by Gender</b>														
Female	258	209	297	223	169	61	102	26%	28%	38%	34%	29%	29%	31%
Male	691	523	482	429	404	152	225	70%	71%	62%	66%	71%	71%	69%
Not Specified	43	6	1	0	0	0	1	4%	1%	0%	0%	0%	0%	0%
<b>New-Associate Hires by Age Group</b>														
Under 30 Years Old	313	228	258	196	168	65	88	34%	31%	33%	30%	29%	31%	27%
30 – 50 Years Old	442	341	352	319	285	102	175	49%	46%	45%	49%	50%	48%	53%
Over 50 Years Old	154	119	116	119	117	45	60	17%	16%	15%	18%	2%	21%	18%

\*Social data in this report does not include Haws, Superior Boiler, or Saudi Cast employees.

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**Employee Turnover & Rate**

	Employee Turnover							Employee Turnover Rate (%)						
	2025	2024	2023	2022	2021	2020	2019	2025	2024	2023	2022	2021	2020	2019
<b>Total</b>	<b>872</b>	<b>1,015</b>	<b>1,054</b>	<b>855</b>	<b>853</b>	<b>783</b>	<b>851</b>							
Voluntary	469	619	632	616	642	430	559	54%	61%	60%	72%	75%	55%	66%
Involuntary	403	396	422	239	211	353	292	46%	39%	40%	28%	25%	45%	34%
<b>Turnover by Region</b>														
Americas	570	629	614	527	566	493	502	65%	62%	58%	62%	66%	63%	59%
Europe	237	313	357	259	206	208	258	27%	31%	34%	30%	24%	27%	30%
APMEA	65	73	83	69	81	82	91	7%	7%	8%	8%	9%	10%	11%
<b>Turnover by Gender</b>														
Female	263	352	351	285	278	237	259	30%	35%	33%	33%	33%	30%	30%
Male	590	659	702	568	574	546	588	68%	65%	67%	66%	67%	70%	69%
Not Specified	19	4	1	2	1	0	4	2%	0%	0%	0%	0%	0%	0%
<b>Turnover by Age Group</b>														
Under 30 Years Old	207	251	233	204	213	166	202	25%	25%	22%	24%	25%	21%	24%
30 – 50 Years Old	373	429	389	367	394	327	353	45%	42%	37%	43%	46%	42%	41%
Over 50 Years Old	258	309	327	267	237	269	257	31%	30%	31%	31%	28%	34%	30%

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**Parental Leave\***

	2025	2024	2023	2022
<b>Total Number of Employees That Were Entitled to Parental Leave</b>	<b>3,401</b>	<b>2,476</b>	<b>806</b>	<b>576</b>
Male	2,436	1,776	562	417
Female	964	700	244	159
Not Specified	N/A	N/A	N/A	N/A
<b>Total Number of Employees That Took Parental Leave</b>	<b>114</b>	<b>50</b>	<b>18</b>	<b>18</b>
Male	65	37	14	15
Female	49	13	4	3
Not Specified	N/A	N/A	N/A	N/A
<b>Total Number of Employees That Returned to Work in the Reporting Period After Parental Leave Ended</b>	<b>91</b>	<b>42</b>	<b>13</b>	<b>18</b>
Male	59	37	10	15
Female	32	5	3	3
Not Specified	N/A	N/A	N/A	N/A
<b>Total Number of Employees That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return to Work</b>	<b>61</b>	<b>2</b>	<b>2</b>	<b>14</b>
Male	30	2	2	11
Female	31	0	0	3
Not Specified	N/A	N/A	N/A	N/A
<b>Return to Work and Retention Rates of Employees That Took Parental Leave (%)</b>				
Male	100%	100%	100%	73%
Female	88.83%	93.60%	100%	100%
Not Specified	N/A	N/A	N/A	N/A

\*2023, 2024, and 2025 data only captures United States and APMEA; 2022 data is United States only and was not tracked prior to 2022.

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**Work-Related Injury Metrics\***

	2025	2024**	2023	2022	2021	2020	2019
<b>Number of Fatalities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Number of Hours Worked	10,297,927	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Fatality Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Number of High-Consequence Work-Related Injuries (Excluding Fatalities)</b>	<b>9</b>	<b>18</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>29</b>	<b>48</b>
Number of Hours Worked	10,297,927	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
High-Consequence Work-Related Injuries Rate (Excluding Fatalities) (%)	0.17	0.34	0.49	0.52	0.52	0.65	1.01
<b>Number of Recordable Incidents</b>	<b>33</b>	<b>23</b>	<b>21</b>	<b>28</b>	<b>34</b>	<b>36</b>	<b>45</b>
Number of Hours Worked	10,297,927	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Total Recordable Incidents Rate (TRIR) (%)	0.64	0.44	0.43	0.58	0.7	0.81	0.94

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

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

**Work-Related Ill Health Metrics\***

	2025	2024**	2023	2022	2021	2020	2019
<b>Number of Fatalities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Number of Hours Worked	10,297,927	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Fatality Rate (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Number of High-Consequence Work-Related Injuries (Excluding Fatalities)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>
Number of Hours Worked	10,297,927	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
High-Consequence Work-Related Injuries Rate (Excluding Fatalities) (%)	0.00	0.00	0.00	0.00	0.04	0.02	0.00
<b>Number of Recordable Incidents</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Number of Hours Worked	10,297,927	10,496,845	9,780,517	9,656,944	9,652,990	8,865,719	9,539,222
Total Recordable Incidents Rate (TRIR) (%)	0.00	0.00	0.00	0.02	0.02	0.02	0.02

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

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

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### Training & Development

	Training (Total Hours)					Training (Average Hours)				
	2025	2024*	2023	2022	2021	2025	2024*	2023	2022	2021
<b>By Gender</b>										
Male	3,615	3,228	14,755	14,015	5,854	1.1	1.00	5.5	5.04	2.03
Female	2,328	1,636	8,017	8,291	2,757	1.4	1.00	4.5	5.19	1.67
Not Specified (termed and unspecified)	681	2,912	25	107	102	--	--	4.16	0.58	1.85
<b>Total</b>	<b>6,624</b>	<b>7,776</b>	<b>22,797</b>	<b>22,413</b>	<b>8,713</b>	<b>1.3</b>	<b>1.6</b>	<b>5.13</b>	<b>4.92</b>	<b>1.9</b>
<b>By Employee Category (Americas &amp; APMEA)</b>										
Senior Level	230	80	678	515	314	2.5	1.8	7.5		
Middle Level	1,297	908	4,641	2,611	996	2.7	1.4	8.8		
Entry Level	4,421	6,788	17,478	7,039	2,281	1.54	1.6	4.6		
<b>Total</b>	<b>5,948</b>	<b>7,776</b>	<b>22,797</b>	<b>10,165</b>	<b>3,591</b>	<b>1.7</b>	<b>1.6</b>	<b>5.13</b>		

\*Reported 2025 and 2024 training hours only reflect logged hours from learning programs tracked in our Learning Management System (LMS) and do not include hours tracked in manual reports. Prior to 2024, training hours were tracked both in our LMS and through manual reports, including (1) local learning initiatives managed by individual sites, teams, or managers; (2) trainings conducted by manufacturing, sales, or engineering enablement teams; and (3) regional programs in our APMEA and EU regions. Moving forward, we will continue to work on consolidating tracking and training within our LMS.

### Regular Performance & Career Development Reviews (%)

	2025	2024	2023	2022	2021	2020	2019
<b>By Gender</b>							
Male	67.43%	70%	67.70%	67.30%	67.40%	67.70%	67.20%
Female	32.20%	30%	33.30%	32.70%	32.60%	32.30%	32.80%
Not Specified	0.37%	0%	N/A	N/A	N/A	N/A	N/A
<b>By Employee Category</b>							
Senior Level	2.38%	3%	1.50%	1.60%	1.80%	1.90%	2.10%
Middle Level	15.30%	16%	26.60%	26.40%	26.50%	25.90%	26.50%
Entry Level	82.32%	81%	71.90%	72.10%	71.80%	72.20%	71.50%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Region</b>							
Americas	100%	100%	99.06%	99.78%	98.82%	97%	
Europe	100%	100%	99.64%	100%	97.01%	97%	
APMEA	100%	100%	100%	100%	100%	99%	

# Employee Profile\*

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## Global

	2021				2022				2023				2024				2025				
	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive	Entire Company	Individual Contributor	Management	Executive	
<b>Gender</b>																					
Female	36%	29%	20%	14%	36.82%	38.93%	22.85%	21.21%	37.62%	39.67%	24.96%	23.53%	34.89%	36.63%	25%	16.67%	33.70%	35.04%	26.38%	22.45%	
Male	64%	71%	80%	86%	63.14%	61.02%	77.15%	78.90%	62.36%	60.31%	75.04%	78.47%	64.84%	63.07%	75%	83.30%	65.78%	64.43%	73.03%	77.55%	
Other					0.04%	0.5%	0%	0%	0.02%	0.02%	0%	0%	0.27%	0.31%	0%	0%	0.52%	0.54%	0.58%	0%	
<b>Age Group</b>																					
Under 30 Years Old									11.72%	13.09%	3.44%	0%	10.61%	12.07%	1.53%	0%	11.80%	13.45%	2.64%	0%	
30 – 50 Years Old									51.31%	51.08%	54.73%	17.65%	50.13%	49.24%	55.06%	22.73%	49.60%	48.90%	55.28%	34.70%	
Over 50 Years Old									36.97%	35.82%	41.82%	85.35%	39.26%	37.96%	42.94%	77.27%	38.60%	37.64%	42.08%	65.31%	

## United States Only – Gender

	2021		2022			2023			2024			2025		
	Entire Company	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management
Female	27%	19%	28.36%	29.52%	22.94%	29.20%	29.82%	26.61%	27.69%	28.04%	26.04%	26.47%	25.76%	29.64%
Male	73%	81%	71.59%	77.06%	77.06%	70.74%	70.12%	73.39%	72.14%	71.74%	73.96%	73.53%	74.24%	70.36%
Other			0.05%	0.06%	0.00%	0.05%	0.07%	0.00%	0.17%	0.21%	0.00%	0.00%	0.00%	0.00%

## All U.S. Employees Ethnicity Breakdown

	2021			2022			2023			2024			2025		
	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management
American Indian/Alaskan Native	1.90%	0.00%	0.00%	1.66%	1.96%	0.29%	1.55%	1.78%	0.56%	1.56%	1.74%	0.74%	1.49%	1.78%	0.21%
Asian	4.30%	4.10%	9.90%	4.63%	4.15%	6.76%	5.50%	5.41%	5.88%	5.60%	5.48%	6.14%	5.42%	5.25%	6.18%
Black/African American	9.70%	6.20%	2.90%	9.83%	11.00%	6.47%	9.77%	11.15%	3.92%	10.89%	12.49%	3.44%	11.59%	13.43%	3.41%
Hispanic/Latino	15.80%	12.90%	5.80%	16.29%	17.38%	11.18%	15.91%	16.95%	11.48%	14.67%	15.97%	8.60%	16.18%	17.77%	9.17%
Native Hawaiian or Other Pacific Islander	0.30%	0.20%	0.30%	0.21%	0.13%	0.59%	0.11%	0.07%	0.28%	0.13%	0.11%	0.25%	0.12%	0.14%	0.00%
Two or More Races	1.30%	1.50%	1.20%	1.14%	1.26%	0.59%	1.23%	1.39%	0.56%	1.30%	1.48%	0.49%	1.18%	1.30%	0.64%
White	65.80%	72.90%	79.00%	63.22%	61.06%	73.24%	62.95%	60.36%	73.95%	62.98%	60.04%	76.66%	59.94%	56.14%	76.76%
Other	0.90%	1.40%	90.00%	3.01%	3.24%	3.24%	1.07%	0.99%	1.40%	1.35%	1.27%	1.72%	1.10%	1.11%	1.07%
Blank							1.92%	1.91%	1.96%	1.52%	1.42%	1.97%	2.99%	3.08%	2.56%

\*Social data in this report does not include Haws, Superior Boiler, or Saudi Cast employees.

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**Head Count by Country**

	2021	2022	2023	2024	2025
Australia	31	25	27	121	110
Belgium	43	47	47	47	50
Bulgaria	249	231	193	183	179
Canada	163	162	162	153	154
China	210	180	185	189	214
Denmark	328	314	293	313	299
Finland	5	5	4	4	4
France	689	666	617	591	558
Germany	220	227	218	206	194
Italy	225	234	229	230	229
Mexico	14	15	17	14	15
Netherlands	16	15	14	15	15
New Zealand	44	46	42	51	53
Norway	9	8	8	7	7
Poland	14	15	16	15	16
Republic of Korea	1	1	0	0	0
Russian Federation	1	1	0	0	0
Saudi Arabia	0	0	0	3	6
Singapore	0	0	0	1	2
Spain	14	15	15	14	15
Sweden	23	22	19	18	17
Tunisia	352	381	400	287	265
United Arab Emirates	18	21	22	23	26
United Kingdom	43	43	41	40	41
United States of America	1,873	1,922	1,873	2,304	2,546
<b>Total</b>	<b>4,585</b>	<b>4,596</b>	<b>4,442</b>	<b>4,829</b>	<b>5,015</b>

**Percent of Head Count by Region**

	2021	2022	2023	2024	2025
Americas	44.8%	45.8%	46.4%	51.3%	54.1%
Europe	48.8%	48.6%	47.8%	41.0%	37.7%
APMEA	6.4%	5.6%	5.8%	7.7%	8.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

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**Contract Type by Gender\***

	2021	2022	2023	2024	2025
<b>Full Time</b>	<b>4,505</b>	<b>4,503</b>	<b>4,344</b>	<b>4,713</b>	<b>4,909</b>
Male	2,868	2,876	2,737	3,090	3,259
Female	1,582	1,625	1,606	1,614	1,625
Blank	55	2	1	9	25
<b>Part Time</b>	<b>80</b>	<b>93</b>	<b>98</b>	<b>116</b>	<b>106</b>
Male	15	26	33	41	40
Female	65	67	65	71	65
Blank	0	0	0	4	1
<b>Permanent</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4,768</b>	<b>4,972</b>
Male	N/A	N/A	N/A	3,097	3,280
Female	N/A	N/A	N/A	1,663	1,673
Blank	N/A	N/A	N/A	8	19
<b>Temporary</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>61</b>	<b>43</b>
Male	N/A	N/A	N/A	34	19
Female	N/A	N/A	N/A	22	17
Blank	N/A	N/A	N/A	5	7
<b>Total</b>	<b>4,585</b>	<b>4,596</b>	<b>4,442</b>	<b>4,829</b>	<b>5,015</b>

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

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**Contract Type by Region\***

	2021	2022	2023	2024	2025
<b>Regular</b>	<b>4,522</b>	<b>4,536</b>	<b>4,383</b>	<b>4,768</b>	<b>4,971</b>
Americas	2,029	2,083	2,036	2,458	2,700
Europe	2,200	2,194	2,087	1,941	1,861
APMEA	293	259	260	369	410
<b>Temporary</b>	<b>63</b>	<b>60</b>	<b>59</b>	<b>61</b>	<b>44</b>
Americas	25	23	23	20	15
Europe	37	37	36	38	28
APMEA	1	0	0	3	1
<b>Full Time</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4,713</b>	<b>4,909</b>
Americas	N/A	N/A	N/A	2,450	2,690
Europe	N/A	N/A	N/A	1,896	1,811
APMEA	N/A	N/A	N/A	367	408
<b>Part Time</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>116</b>	<b>106</b>
Americas	N/A	N/A	N/A	28	25
Europe	N/A	N/A	N/A	83	78
APMEA	N/A	N/A	N/A	5	3
<b>Total</b>	<b>4,585</b>	<b>4,596</b>	<b>4,442</b>	<b>4,829</b>	<b>5,015</b>

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

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**Region by Contract Type & Gender**

	2021	2022	2023	2024	2025
<b>Americas</b>	<b>2,054</b>	<b>2,106</b>	<b>2,059</b>	<b>2,478</b>	<b>2,715</b>
<b>Regular</b>	<b>2,029</b>	<b>2,083</b>	<b>2,036</b>	<b>2,458</b>	<b>2,700</b>
Male	1,483	1,499	1,450	1,779	1,984
Female	546	583	585	677	716
Unspecified	N/A	1	1	2	0
<b>Temporary</b>	<b>25</b>	<b>23</b>	<b>23</b>	<b>20</b>	<b>15</b>
Male	15	17	13	13	14
Female	10	6	10	5	1
Unspecified	0	0	0	2	0
<b>APMEA</b>	<b>294</b>	<b>259</b>	<b>260</b>	<b>372</b>	<b>411</b>
<b>Regular</b>	<b>293</b>	<b>259</b>	<b>260</b>	<b>369</b>	<b>411</b>
Male	168	148	151	230	262
Female	125	111	103	139	149
<b>Temporary</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>
Female	1	0	0	0	0
Male	0	0	0	3	0
<b>Europe</b>	<b>2,237</b>	<b>2,231</b>	<b>2,123</b>	<b>1,979</b>	<b>1,889</b>
<b>Regular</b>	<b>2,200</b>	<b>2,194</b>	<b>2,087</b>	<b>1,941</b>	<b>1,861</b>
Male	1,207	1,220	1,140	1,088	1,034
Female	952	973	947	847	808
Unspecified	41	1	0	6	19
<b>Temporary</b>	<b>37</b>	<b>37</b>	<b>36</b>	<b>847</b>	<b>28</b>
Male	10	18	16	18	5
Female	13	19	20	17	16
<b>Blank</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>7</b>

**Percentage of Head Count by Age Group**

	2023	2024	2025
Under 30 Years Old	10.9%	10.6%	11.8%
30 – 50 Years Old	50.3%	50.1%	49.6%
Over 50 Years Old	38.8%	39.3%	38.6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

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**United States Only – Military Vets by Classification**

	2022			2023			2024			2025		
	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management	Entire Company	Individual Contributor	Management
Retired	1.77%	1.77%	1.77%	1.76%	1.72%	1.96%	0.91%	0.95%	0.54%	0.63%	0.63%	0.64%
Newly Separated	0.94%	0.95%	0.88%	1.01%	0.92%	1.40%	0.82%	0.74%	1.08%	0.75%	0.72%	0.85%
Inactive Reserve	0.78%	0.63%	1.47%	0.75%	0.66%	1.12%	0.56%	0.42%	1.35%	0.59%	0.58%	0.64%
Special Disabled	0.36%	0.44%	0.00%	0.32%	0.40%	0.00%	0.39%	0.42%	0.27%	0.39%	0.39%	0.43%
Vietnam Era	0.16%	0.19%	0.00%	0.16%	0.20%	0.00%	0.17%	0.21%	0.00%	0.16%	0.19%	0.00%
Active Reserve	0.10%	0.00%	0.59%	0.11%	0.00%	0.56%	0.13%	0.05%	0.54%	0.20%	1.00%	0.64%
No Military Service	5.25%	5.18%	5.59%	4.80%	4.61%	5.60%	4.38%	4.27%	4.85%	3.89%	3.56%	5.34%
Not Indicated	90.64%	90.84%	89.71%	91.50%	91.50%	89.40%	92.62%	92.94%	91.37%	93.40%	93.84%	91.45%

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## Training on Anti-Corruption Policies & Procedures

	Training				
	2021	2022	2023	2024	2025
<b>Governance Body: Region</b>					
Americas	100%*	100%*	100%*	100%*	100%
Europe	100%*	100%*	100%*	100%*	100%
APMEA	100%*	100%*	100%*	100%*	100%
<b>Employees: Category</b>	<b>99%</b>	<b>99%</b>			
Senior Level			99%	100%	100%
Mid Level			100%	100%	100%
Entry Level			99%	99%	99%
<b>Employees: Region</b>	<b>99%</b>	<b>99%</b>			
Americas			99%	99%	99%
Europe			99%	99%	99%
APMEA			99%	99%	99%
<b>Business Partners: Type</b>	<b>100%</b>	<b>100%</b>			
Distributors			100%	100%	100%
Sales Agents/Reps			100%	100%	100%
<b>Business Partners: Region</b>	<b>100%</b>	<b>100%</b>			
Americas			100%	100%	100%
Europe			100%	100%	100%
APMEA			100%	100%	100%

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

# Verification Opinion Statement

## GRI / Inventory Verification



## Watts Water Technologies Inc.

815 Chestnut Street, North Andover, MA 01845, USA

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

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

GRI Disclosure Guidelines

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

**Reporting Period:** CY 2025 (01 January 2025 – 31 December 2025 inclusive)

### Scope of the Verification

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

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

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

## Verification Opinion Statement

### GRI / Inventory Verification

#### Verifiers Opinion

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

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

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

The following qualifications and notes apply:

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

#### Verified Inventory

SCOPE	Source Stream	kWh	tCO2e (Location Based)	tCO2e (Market Based)
1	Acetylene	2,212	0.54	0.54
1	Propane	831,472	178.80	178.80
1	Propylene	19,215	4.46	4.46
1	Natural Gas	59,509,481	10,777.38	10,777.38
1	Fleet (Diesel / Gasoline / Propane)*	316,801	87.59	87.59
	<b>Scope 1 Totals</b>	<b>60,679,181</b>	<b>11,048.77</b>	<b>11,048.77</b>
2	Electric Power	65,595,244	17,547.80	16,798.60
2	RECs**	28,498,858	-	7,688.59
	<b>Scope 2 Totals</b>	<b>65,595,244</b>	<b>17,547.80</b>	<b>9,110.01</b>
3	Category 6 Business Travel	NA	5,894.17	5,894.17
	<b>Scope 3 Totals</b>		<b>5,894.17</b>	<b>5,894.17</b>
<b>All</b>	<b>Total</b>	<b>126,274,425</b>	<b>34,490.74</b>	<b>26,052.95</b>

# Verification Opinion Statement

## GRI / Inventory Verification



Other	Water Consumption (litres) ***	122,460,762
Other	Hazardous Waste (kg) ****	1,363,350
Other	Non-Hazardous Waste (kg)	5,153,791
Other	Total Recordable Incident Rate (TRIR) *****	0.82
Other	Lost Time Incident Rate (LTIR) *****	0.17

\* Covers sites Biassono & Woodland. Fleet emissions for other sites are included in Scope 3 Business Travel (Category 6). All fleet emissions should be reported in Scope 1. This is a simplification due data structure availability and it is not considered material to overall emissions.

\*\* covers sites where contractual instruments were used in 2025: Blauvelt, D20, Export, Franklin, Franklin DC - D01, Ft Worth, North Andover. (kWh already accounted with Electric Power)

\*\*\* Amsterdam, Andover, Calgary, Ningbo DC are small leased sites. Data is not available and the sites are excluded from the reported water consumption.

\*\*\*\* covers site where hazardous waste was produced. Vildbjerg, Biassono, Landau, Ft. Worth, Franklin, Virey, Bradley (Menomonee Falls & Germantown), Hautvillers, Rosieres, Nogales, Monastir, Enware, Ningbo, Gardolo, Sorgues, Plovdiv, Moirans, Fort Meyers, St. Pauls, Vernon & Woodland. Other sites did not produce hazardous waste during 2025.

\*\*\*\*\* As reported May 2026 noting that the system is dynamic and subject to small changes as cases are updated over time.

Signed:

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

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

Date: 26 May 2026

Date: 01 June 2026

