

zurn • elkay
WATER SOLUTIONS

2023

SUSTAINABILITY REPORT

Sustainably Inspired

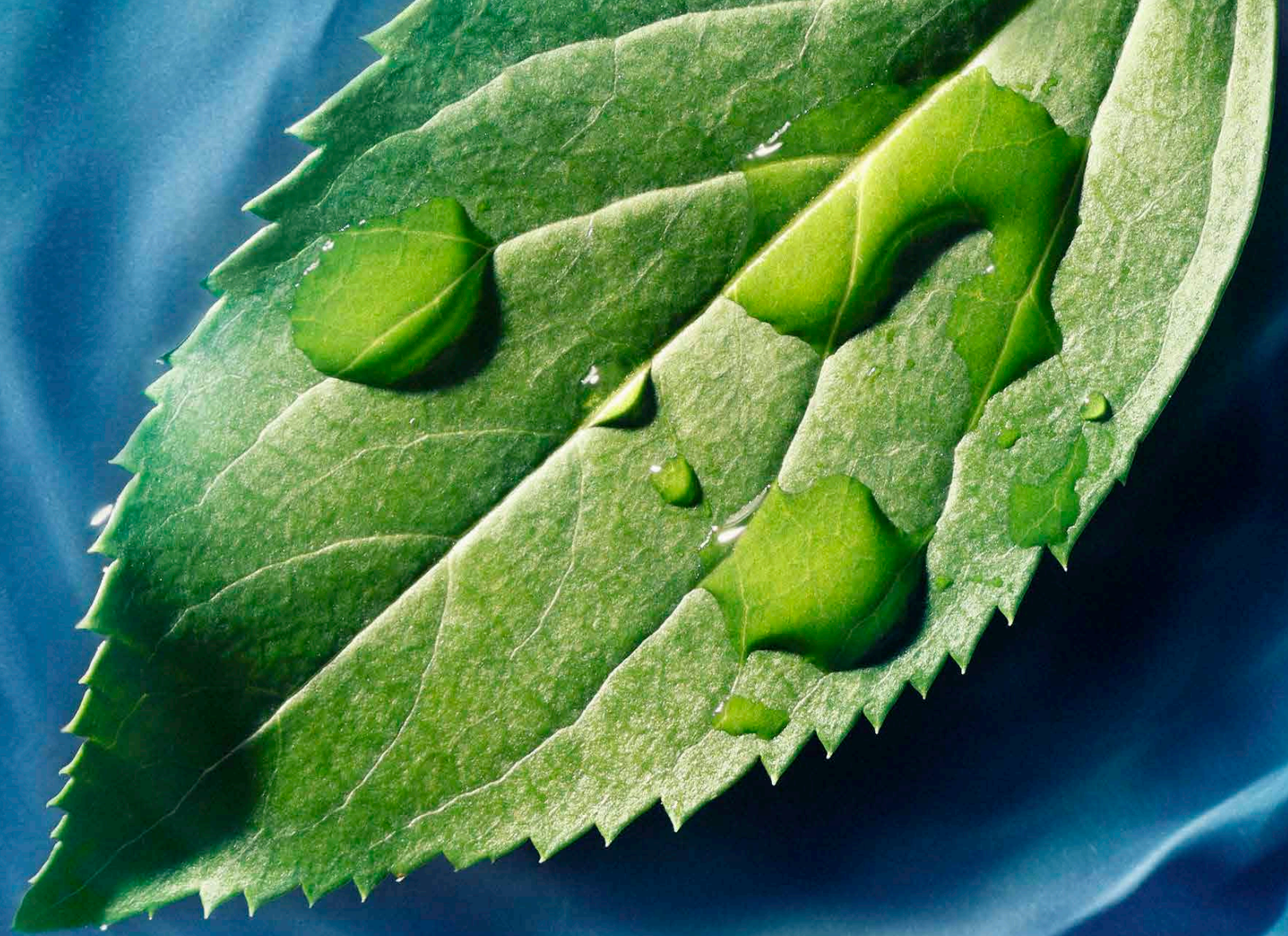


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MESSAGE FROM OUR CHAIRMAN AND CEO

Clean water is the most important natural resource in the world. No discussion of sustainability is complete without consideration of the ways we will protect, conserve and manage the water we all depend on.

The world faces an array of climate- and water-related crises, including flooding and drought events, exacerbated by climate change, water pollution and its impact on biodiversity and human health, and aging infrastructure that can contaminate water supplies. Addressing these crises through the use of our products — which promote health and hydration, protect clean water, provide safer and cleaner drinking water, and conserve resources — is central to our sustainability strategy and essential to how we drive our business forward.

As a company, we have focused intensely in recent years on addressing climate-related crises and risks — for example, by setting actionable targets and aligning with the Task Force on Climate-Related Financial Disclosures and the United Nations (U.N.) Global Compact, among other efforts. However, our environmental, social and governance (ESG) strategy is about more than managing risks. As a global leader in water management solutions, we are uniquely capable of solving complex water challenges on behalf of our global stakeholders.

WE FOCUS ON:

Cleaner, safer water. Our ability to deliver innovative solutions to our customers is central to our ESG and business strategies. Our solutions make water safer and more sustainable in offices, college campuses, K-12 schools, airports, hospitals and stadiums. For example, our filtered Elkay bottle filling stations reduce lead in drinking water in addition to reducing the use of single-use plastic bottles. And we are constantly innovating to address emerging water-related challenges to public health. In late 2023, we introduced drinking water filters for bottle filling stations, bubblers and faucets that reduce not just lead, but also perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS) compounds, two of the most prevalent per- and polyfluorinated substances (PFAS) chemicals, also known as forever chemicals.

Protecting and conserving water. We're also innovating products that reduce water usage and protect this vital resource from contamination. These products include pressure-reducing valves that conserve water, backflow preventers and grease interceptors that protect water sources, and digitally connected water management systems that minimize water waste while providing a return on investment for our customers.



Addressing water-related crises is central to our sustainability strategy and essential to how we drive the Zurn Elkay business forward.”



Promoting sustainability in our operations and supply chain. Our focus on sustainability extends to our own operations and supplier engagements. In 2023, we reduced our operations’ carbon intensity and developed a holistic greenhouse gas reduction roadmap, including our newly established target to source at least 25% of our electricity from renewable sources by 2030. We regularly perform energy reviews to prioritize investments — in LED lighting, more efficient air compression systems, insulation and other areas — that will produce the greatest energy-use reductions. We also ensure supply chain integrity through oversight of supplier diversity, supply chain sustainability and risk.

Prioritizing our people, our values and our communities. Our important work requires dedication from our talented associates — which is why *Total Associate Engagement* is among our core values. In 2023, we bolstered our training initiatives and established a new target of 18 training hours per associate annually. We also reinforced our commitment to diversity, equity and inclusion (DEI) by reinvigorating the Zurn Elkay DEI Council and providing inclusivity training across our organization.

We leverage our collective water expertise and resources to help improve lives in the communities where our associates live and work, expanding our giving and supporting them in the fight for worry-free water. Our water stewardship efforts include providing an immediate solution for communities with aging water systems. In 2023, through our Fountains for Youth program, we donated filtered bottle filling stations and filters to under-resourced public school systems in cities across the United States.

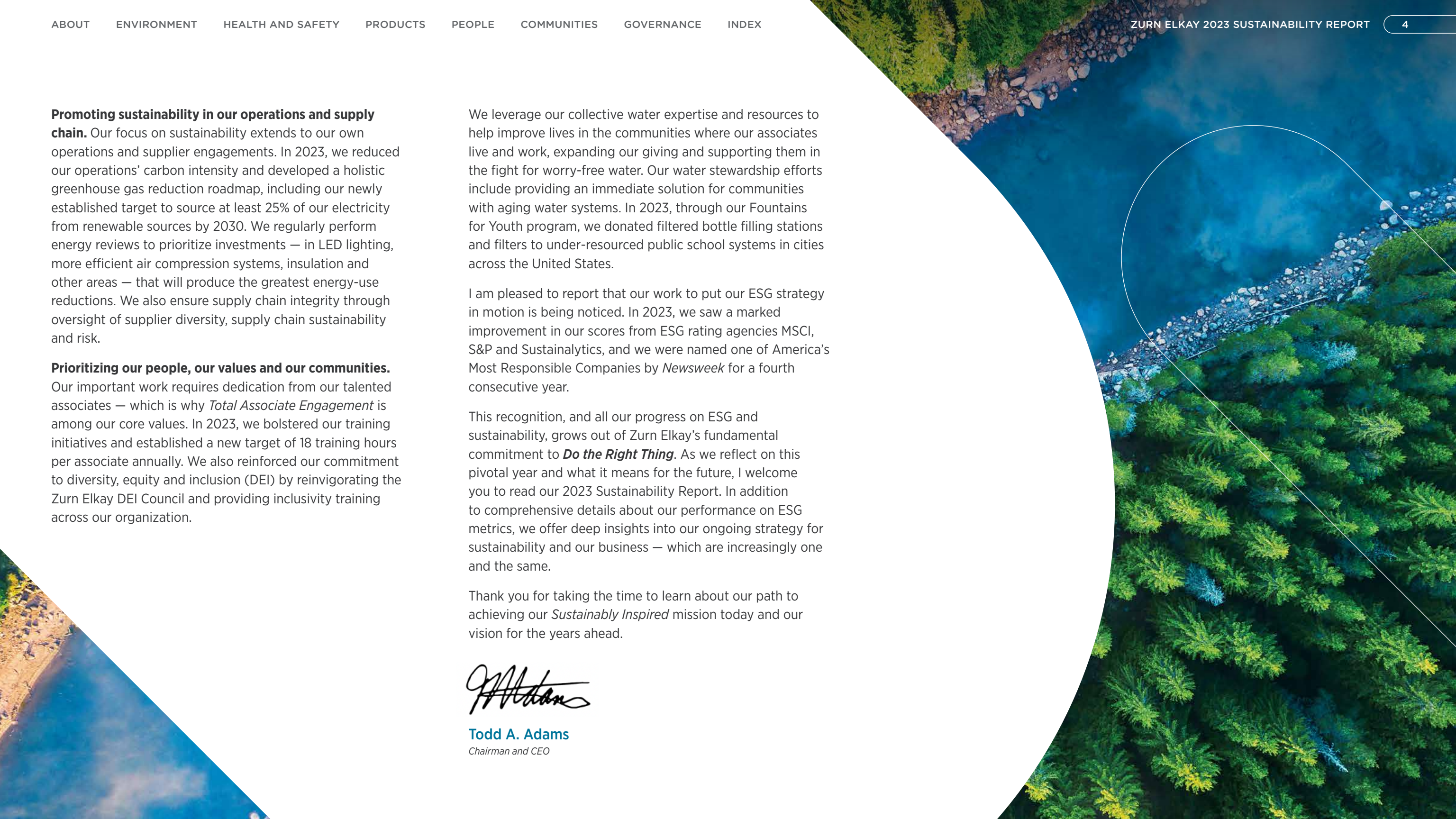
I am pleased to report that our work to put our ESG strategy in motion is being noticed. In 2023, we saw a marked improvement in our scores from ESG rating agencies MSCI, S&P and Sustainalytics, and we were named one of America’s Most Responsible Companies by *Newsweek* for a fourth consecutive year.

This recognition, and all our progress on ESG and sustainability, grows out of Zurn Elkay’s fundamental commitment to ***Do the Right Thing***. As we reflect on this pivotal year and what it means for the future, I welcome you to read our 2023 Sustainability Report. In addition to comprehensive details about our performance on ESG metrics, we offer deep insights into our ongoing strategy for sustainability and our business — which are increasingly one and the same.

Thank you for taking the time to learn about our path to achieving our *Sustainably Inspired* mission today and our vision for the years ahead.



Todd A. Adams
Chairman and CEO



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ABOUT ZURN ELKAY WATER SOLUTIONS

Headquartered in Milwaukee, Wisconsin, USA, Zurn Elkay Water Solutions is a growth-oriented, pure-play water management business.

Water is fundamental to life, making our business inherently focused on sustainability. We are water stewards, and we embed environmental, social and governance (ESG) considerations into our strategic planning process and financial planning to guide us as we grow the company, incorporating sustainability throughout our products, operations, practices and strategies.

Our solutions manage water in a full range of locations, including in restrooms, on rooftops and in hallways, in schools, hospitals, airports, stadiums, dorms, arenas, offices, restaurants, hotels and countless other buildings. Our focus on water empowers our customers to meet the sustainability and safety expectations of the people and communities they support.

Our products help to protect and conserve water, eliminate single-use plastics, reduce energy consumption, support the health of people and the planet and mitigate the impact of climate change.



Our pressure-reducing valves and low-flow faucets and flush valves reduce water usage to offset water scarcity and the increasing impact of droughts



Our energy-efficient hand dryers eliminate the need for paper towels, helping save trees to help prevent deforestation while reducing emissions



Our line of touchless hygienic products reduces the spread of germs and lost student and faculty education time



Our products help our customers achieve sustainability certifications for their buildings, including the Leadership in Energy and Environmental Design (LEED) and WELL certifications



Our filtered bottle-filling stations and water fountains reduce the consumption of single-use plastics, helping keep plastic waste out of landfills and waterways, and help protect children from the dangers of lead in U.S. drinking water, as well as perfluorooctane sulfonic acid (PFOS) and perfluorooctanoic acid (PFOA), two of the most prevalent per- and polyfluorinated substances (PFAS)



Our roof drains help address the increased risk of heavy rain and flooding.

ABOUT ZURN ELKAY WATER SOLUTIONS

We resolve to fulfill our commitments to corporate social responsibility and ESG principles. We have been named one of America’s Most Responsible Companies for four consecutive years by *Newsweek* and named a USA Top Workplace 2022 by Energage.



HEADQUARTERS

Milwaukee, Wisconsin



EMPLOYEES

2,479



2023 REVENUE

\$1.5 billion

86% of revenue derived from products with sustainable attributes or from clean tech such as sustainable drinking water solutions, wastewater treatment and stormwater infrastructure

REVENUE BY PRODUCT CATEGORY



Drinking Water

~20%



Water Safety and Control

~30%



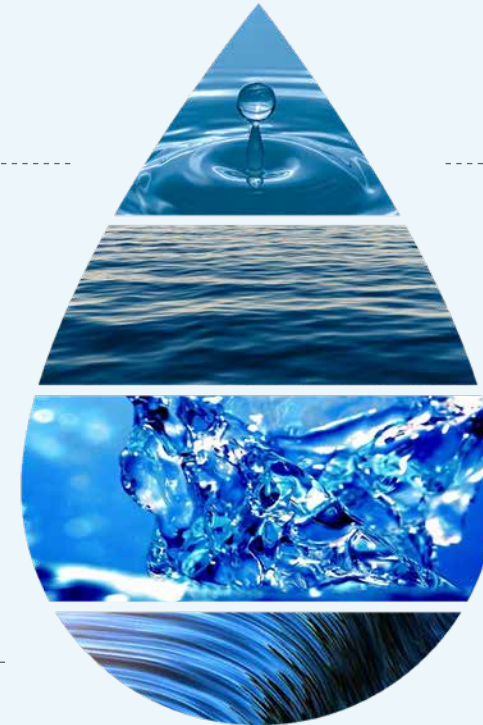
Hygienic and Environmental

~30%



Flow Systems

~20%



2023 AWARDS AND RECOGNITIONS



Named a *Newsweek* Most Responsible Company for a fourth consecutive year, 2024



IR Magazine Awards - Finalist



Recognized by Sustainalytics as rated top 3% of our industry and top rated in our region



AA rating by MSCI, putting us in the LEADER category

Rated top 6% of our industry by S&P Global

CONTINUOUS IMPROVEMENT: ESG ENHANCEMENTS



2023 PERFORMANCE AND PROGRAM HIGHLIGHTS

ENVIRONMENT

12.7%

total reduction in energy intensity through 2023 (compared to our 2021 baseline)

27.2%

total reduction in GHG intensity through 2023 (compared to our 2021 baseline)

16%

of electricity use was from renewable sources in 2023

65.5%

company waste diversion rate

HEALTH AND SAFETY

0.68

Total Recordable Incident Rate (TRIR) compared to industry average of 2.9

0.26

Lost Time Incident Rate (LTIR) compared to industry average of 0.80



launched Safety Observation Program to give associates more tools to improve safety in our facilities

PRODUCTS

84B+

plastic water bottles avoided through the use of our drinking water products since 2012

31B

gallons of water saved by our products in 2023

86%

revenue generated from products with sustainable attributes



Completed our second Life Cycle Assessment (LCA) on vitreous china urinals

PEOPLE

94%

Total Associate Engagement Survey participation

79.3%

Associate Inclusion Index score, exceeding the industry average of 73%

86%

of associates reached their goal to achieve wellness rates for 2024

5%

reduction in voluntary turnover

COMMUNITIES

5,366

total volunteer hours completed by Zurn Elkay associates

\$7.7M

cash and in-kind donations to community organizations

\$2.2M

filter donation providing five years of clean drinking water to Milwaukee Public Schools

GOVERNANCE

5.5%

of supplier spend with diverse businesses in 2023



added annual human rights training



updated our Supplier Excellence Manual, which includes expectations for how to do business with Zurn Elkay

ABOUT THIS REPORT

The Zurn Elkay 2023 Sustainability Report offers a thorough overview of our comprehensive sustainability strategy and its components for the calendar year 2023. As part of our commitment to *Continuous Improvement*, we consistently evaluate our reporting on ESG matters and look to advance our strategy. In 2023, we continued to enhance our transparency through additional disclosures.

● REPORTING PERIOD

The information contained within this report covers the period from January 1, 2023, to December 31, 2023.

● COVERAGE

This report covers all Zurn Elkay Waters Solutions Corporation operations in their entirety, unless otherwise noted, including consolidated data and examples from pre-merger Zurn and Elkay operations. Information in this report is updated periodically on the sustainability section of zurnelkay.com and within our investor materials.

● STAKEHOLDER ENGAGEMENT AND ESG TOPIC PRIORITIZATION

We have a commitment, expressed in our Environmental Sustainability Policy, to consult with relevant stakeholders on environmental issues and topics. In 2023, we formally reached out to our top shareholders, representing ownership of more than 65% of outstanding Zurn Elkay Water Solutions Corporation (ZWS) shares, and provided them with an update on our sustainability program. We also engage with associates and customers on ESG-related topics on an ongoing basis throughout the year. The insights we glean from these touch points inform our ESG topic prioritization and help guide our reporting.

● STANDARDS AND FRAMEWORKS ALIGNMENT

We align our reporting to the following recognized standards and frameworks:

- Task Force on Climate-Related Financial Disclosures
- Global Reporting Initiative
- Sustainability Accounting Standards Board
- United Nations Sustainable Development Goals (SDGs)
- [CDP Climate Change and Water Security Questionnaires](#)

As our sustainability reporting continues to expand and evolve, we are monitoring the global ESG landscape and the convergence of ESG reporting standards, including the International Sustainability Standards Board (ISSB) issuance of IFRS S1 and IFRS S2 standards that we anticipate adopting in future reporting. Alignment to the SASB and CDP standards and the TCFD framework positions us well for adoption of IFRS Standards.

● 2023 DISCLOSURE ENHANCEMENTS

As part of our efforts to continuously improve our sustainability reporting, we included more data in this report than in past years, including:

- A detailed [ESG Performance Index](#) that presents three years of data where available
- A separate [GRI Index](#) with additional material GRI key performance indicators (KPIs)
- An expanded [TCFD Disclosure Index](#)
- A new [Membership Index](#)
- More robust data on [Associate Demographics](#)
- Established Products as a distinct sustainability pillar with an expanded report section demonstrating how our solutions help customers meet their sustainability goals



CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS

Information in this report may involve expectations, outlooks, beliefs, plans, intentions, strategies or other statements regarding the future, which are forward-looking statements. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this report are based upon information available to Zurn Elkay as of the date of the report, and Zurn Elkay assumes no obligation to update any such forward-looking statements. The statements in this report are not guarantees of future performance and actions, and actual results could differ materially from current expectations. Numerous factors could cause or contribute to such differences. Please refer to “Risk Factors” and “Cautionary Notice Regarding Forward-Looking Statements” in the company’s annual report on Form 10-K for the period ended December 31, 2023, as well as the company’s annual, quarterly and current reports filed on Forms 10-K, 10-Q and 8-K from time to time with the U.S. Securities and Exchange Commission (SEC) for a further discussion of the factors and risks associated with the business.

MISSION, VISION AND VALUES

Sustainability is the job of every associate at Zurn Elkay. Our Mission, Vision and Values pave the way for how we operate as a company, team and culture on behalf of all our stakeholders.

→ **MISSION**

Zurn Elkay builds value and trust through superior knowledge of our markets and customers we serve. We provide clean water solutions delivered by exceptional people.

→ **VISION**

We aspire to provide the safest and most efficient water solutions to protect human health and the environment.

→ **VALUES**

<p>Customer First</p> <p>Building strong customer relationships and delivering customer-centric solutions. We value quality in all we do.</p>	<p>Integrity in Everything We Do</p> <p>Gaining the confidence and trust of others with honesty, integrity and authenticity. Our word is our bond.</p>	<p>Continuous Improvement</p> <p>Knowledge empowers us to find the most effective and efficient process to get things done, with a focus on embracing the Zurn Elkay Business System. The relentless pursuit of doing better.</p>
<p>Total Associate Engagement</p> <p>Creating an inclusive, equitable and diverse climate where people can grow and develop their careers while contributing to the overall success of the business. Our strength is in our people.</p>	<p>A Culture of Winning</p> <p>Consistently achieving results, even under tough circumstances. We celebrate our successes and reward and recognize results.</p>	

SUSTAINABILITY PILLARS

We build our efforts to advance sustainability on six pillars:

ENVIRONMENT

Promoting environmental stewardship through sustainable water solutions, while seeking to minimize our own environmental footprint.

HEALTH AND SAFETY

Managing the health and safety of our associates and others who use our facilities.

PRODUCTS

Offering customers solutions that help achieve their sustainability goals, including products that support water quality and conservation, human health and hydration, and reduce the use of nonrenewable resources.

PEOPLE

Investing in our associates and creating an inclusive work environment.

COMMUNITIES

Supporting the communities where we live, work, learn and play through philanthropic giving and volunteer opportunities.

GOVERNANCE AND ETHICS

Embodying ethical business practices globally with a diverse leadership team and supplier base.

ESG GOALS AND TARGETS

We continually evaluate our sustainability goals and our performance toward them.¹ We made progress toward all our goals in 2023, and we set additional targets related to waste, renewable electricity, and training hours.

ENVIRONMENT

15% ↓

REDUCE energy consumed per U.S. dollar of operating revenue by 15% by 2024 (compared to our 2021 baseline).



REPORT on Scope 3 emissions and **establish** and **announce** a science-based target (SBT) for Scope 1, 2 and 3 emissions by 2023.

CONTINUED reporting scope 3 emissions. For information on our SBT progress, see [page 25](#).



REPORT the emissions intensity of air pollutants (NOx, SOx, VOC, PM and HAP)² based on fiscal year revenue annually beginning in 2022.



<1% ✓

MAINTAIN less than 1% of waste directed to disposal as hazardous waste.

2023: Achieved; surpassed goal at 0.68%.³



25% ↑

NEW

SOURCE at least 25% of our electricity from renewable sources by 2030.

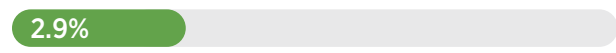
50% ↓

REDUCE Scope 1 and 2 GHG emissions intensity by 50% by 2030 (compared to our 2021 baseline).



15% ↓

REDUCE NOx air emissions intensity per U.S. dollar of operating revenue by 15% by 2025 (compared to our 2022 baseline).



2% ↓

NEW

REDUCE waste disposed to landfill by 2% annually.

¹ All of the target years pertaining to ESG goals and targets reflect end of the calendar year.

² Nitrogen oxides, sulfur oxides, volatile organic compounds, particulate matter and hazardous air pollutants.

³ Waste data does not include wastes generated from remediation activity taking place at locations no longer owned by Zurn Elkay. In 2023, we disposed of 184 metric tons of nonhazardous waste and 17 metric tons of hazardous waste due to remediation activity.

HEALTH AND SAFETY

10% ↓ ✓

REDUCE TRIR by 10% in 2023 (compared to our 2022 baseline).⁴
2023: Achieved; reduced TRIR by 43.8%.



PEOPLE

80% ✓

MAINTAIN 80% engagement survey response rate annually.
2023: Achieved; surpassed goal at 94%.



1% ✓

OFFER associates 1% of their annual company time to volunteer annually.



🚩 ↑ ✓

EXCEED the industry average Associate Inclusion Index score annually.
2023: Achieved; Exceeded industry average by 5%.



18 HOURS **NEW**

PROVIDE 18 hours of training per associate by 2025.

📈 ✓

DISCLOSE associate diversity metrics annually.



PRODUCTS

30B ✓

MAINTAIN water savings of at least 30 billion gallons through the use of our products annually.⁵
2023: Achieved; Surpassed goal at 31 billion.



75% ↑ ✓

INCREASE revenue derived from products with sustainable attributes to 75% by 2024.
2023: Achieved; surpassed goal at 86%.



\$90M ↑

INVEST a total of \$90 million by 2025 in engineering and R&D to enhance the sustainable aspects of our products.⁷



15B ✓

PREVENT the use of at least 15 billion single-use plastic bottles annually through consumer use of our drinking water products.
2023: Achieved; surpassed goal at 17.8 billion.



COMMUNITIES

\$5M ↑ ✓

REACH \$5 million in philanthropic giving by 2024.
2023: Achieved; surpassed goal at \$9.7 million.⁶



GOVERNANCE

100% ✓

TRAIN 100% of associates on the Code of Business Conduct and Ethics annually.



30% ↑ ✓

ACHIEVE 30% female representation on the Board of Directors by 2024.



8% ↑

REACH 8% of spending with diverse businesses by 2025.

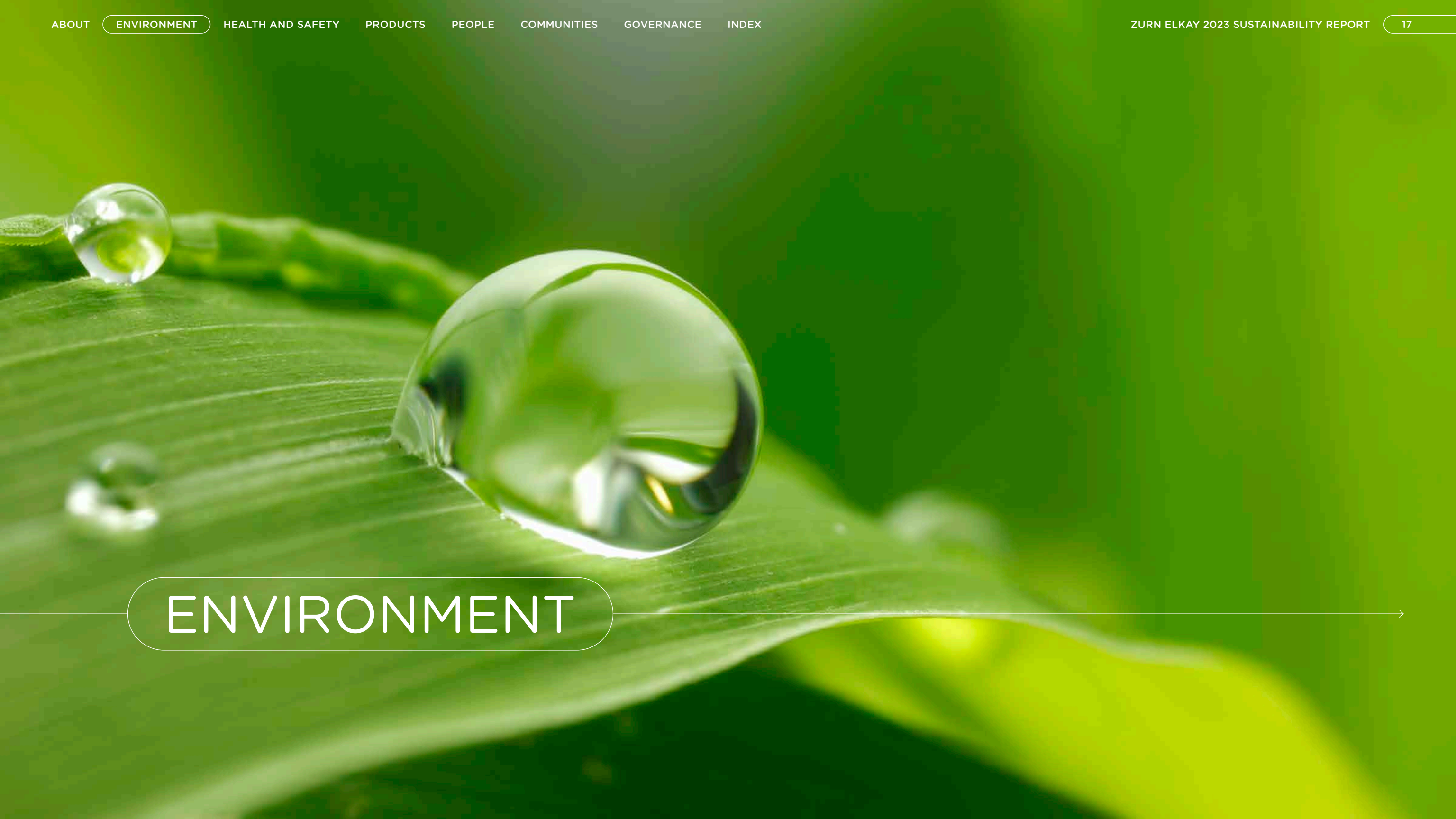


⁴ This target includes all full- and part-time associates and contracted temporary workers but excludes third-party subcontractors.

⁵ This target was adjusted in 2023 to reflect improvements in data tracking to transition to an annual savings.

⁶ This amount reflects donations made in FY 2022 and 2023.

⁷ Investment amount reflects spending in FY 2022 and 2023.



ENVIRONMENT



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Waste and Recycling

12.7%

reduction in energy intensity through 2023 compared to 2021 baseline

27.2%

reduction in GHG intensity through 2023 compared to 2021 baseline

16%

of electricity use was from renewable sources in 2023

65.5%

company waste diversion rate

ENVIRONMENT

Environmental stewardship is core to Zurn Elkay. We are committed to protecting water and supporting a healthy environment, employing a robust set of operations standards to minimize our environmental footprint while ensuring we develop products sustainably.

In 2023, we focused our efforts on making progress on our previously established targets. In the spirit of our core value of *Continuous Improvement*, we reduced the energy intensity of our operations, increased our use of renewable energy, reduced our Scope 1 and Scope 2 GHG emissions, continued to refine the reporting of our Scope 3 value chain emissions, decreased our NOx emissions intensity per dollar of revenue and reported emissions intensity of several criteria air pollutants, including NOx, SOx, VOC, PM and HAP.

We also strove to do even more, committing to new environmental targets related to reducing our waste to landfill and increasing the amount of renewable electricity we are using in our operations. We are also increasing our focus on safeguarding biodiversity. We completed our first biodiversity screening assessment for all our U.S. sites to determine the number of Zurn Elkay operational sites that are located within or near protected areas, and areas of high biodiversity value outside protected areas. There were zero Zurn Elkay U.S. operational sites located within biodiversity-sensitive areas, and our next phase will be to assess potential impacts of sites located near protected areas and areas of high biodiversity value.



THE ZURN ELKAY ENVIRONMENTAL MANAGEMENT SYSTEM

The Zurn Elkay Environmental Management System (EMS) covers all operations, including manufacturing facilities, distribution centers and major office buildings. Our EMS provides a comprehensive framework for measuring and monitoring our environmental impacts, identifying and mitigating risks, ensuring regulatory compliance and pursuing continuous improvement, all with a focus on protecting the fundamental resources of air, water and land. Zurn Elkay's Corporate Risk Management Team oversees the company's EMS. At each facility, programs are managed by regional Environmental Healthy and Safety (EHS) managers, who report to the corporate team. The Risk Management Department is led by the vice president of risk management, who reports directly to the chief financial officer (CFO).

The EMS reflects three of the U.N. Global Compact's Ten Principles:

Principle 7

Support a precautionary approach to environmental challenges

Principle 8

Undertake initiatives to promote greater environmental responsibility

Principle 9

Encourage the development and diffusion of environmentally friendly technologies



The EMS includes management plans, training, risk identification and other elements in line with ISO 14001, such as emergency preparedness and response, internal audit, management review, corrective action and continuous improvement.



ASSESSMENT AND MANAGEMENT PLANS

Applicable environmental regulations vary by location and are assessed by the EHS director on a site-by-site basis to account for varying laws. The main legal requirements relevant to our operations relate to air, water, waste and spill prevention. The EHS staff stays abreast of applicable legal requirements through professional organization membership, consultant and legal relationships, knowledge of the business and networking. Any identified regulations and their requirements are added to a site-specific compliance calendar. Our internal audit process also requires each facility to have a document on the environmental permits required, which provides permit details and required compliance actions.



TRAINING AND AWARENESS PROGRAMS

We provide annual training to associates to recognize the environmental risks our operations pose to air, water and land.



COMMUNICATIONS

We deliver monthly internal reporting to operational leaders on our EHS performance and objectives, targets and KPIs, as well as safety alerts for facility managers and associates. Our [Environmental and Sustainability Policy](#) is publicly available on our website, and when necessary, the Corporate Risk Management and External Communications Teams work together to engage customers, community members, elected officials and the media on environmental issues.



RISK IDENTIFICATION AND MITIGATION

Modeled after the ISO 14001 environmental planning section, we have a process for identifying potential environmental risks at each facility, including air emissions, water sources and discharges, generated waste and spill potential. A risk matrix assigns environmental impact and risk scores for each aspect of a process at a facility and the significance of each risk.



REGULATORY COMPLIANCE TRACKING

A detailed compliance calendar tracks the timing of regulatory and compliance obligations, including permit requirements, reporting deadlines, associate training schedules and risk reviews. This system facilitates tracking of our environmental performance and focuses on optimizing it.



CORRECTIVE ACTIONS

Environmental data is collected and used to develop corrective actions and create action plans that drive continuous improvement. In 2023, we reduced process wastewater discharges in our Burlington, ON, and Phoenix, AZ, facilities and added a trash compactor to our Phoenix facility, helping reduce pickup frequency.

INTERNAL ENVIRONMENTAL AUDITS

We perform regular audits of all our facilities to ensure they follow our EMS processes and documentation requirements properly. We audit 33% of our facilities annually, so each facility is audited at least once every three years.

We base our audits on regulatory requirements and industry best practices, including:



REVIEW of documentation and training, facility conditions and associate interviews against 11 environmental topics, including regulatory requirements, waste management, air emissions, water management and spill prevention



EXAMINATION of two categories of questions: those tied to regulatory or compliance requirements and those tied to Zurn Elkay's best management practices



MANAGEMENT of audit checklists and corrective actions through our online EHS management tool to document audit findings and ensure corrective actions are closed within 90 days

2023 AUDIT PROGRESS:

33%

of facilities audited in 2023, in accordance with our stated plan

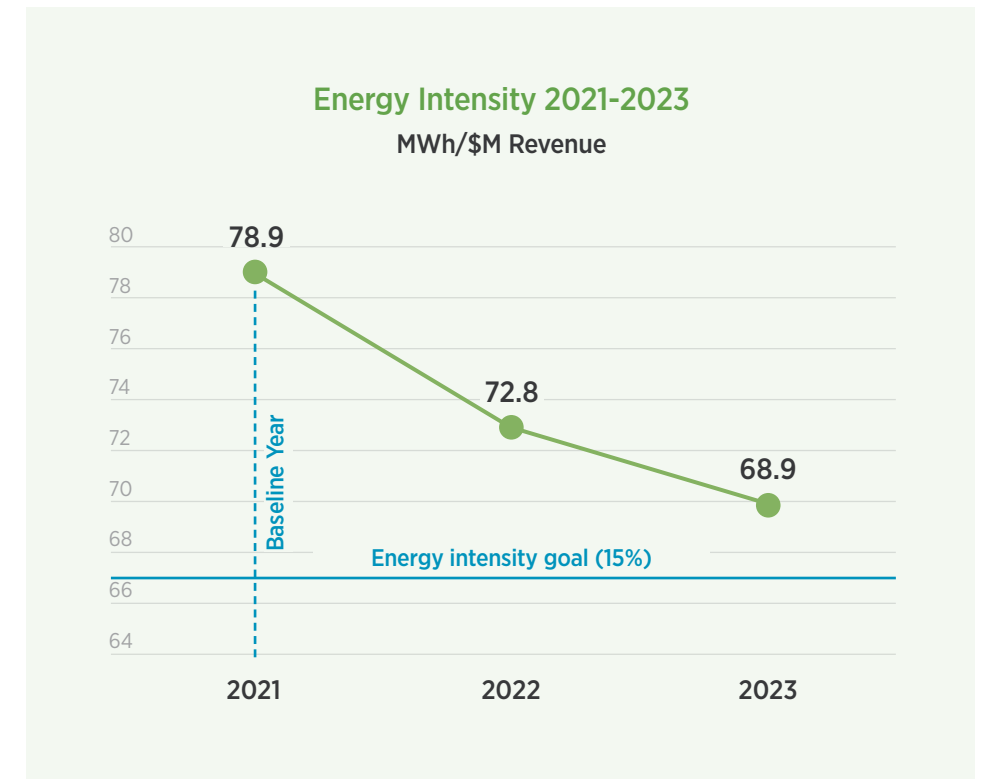
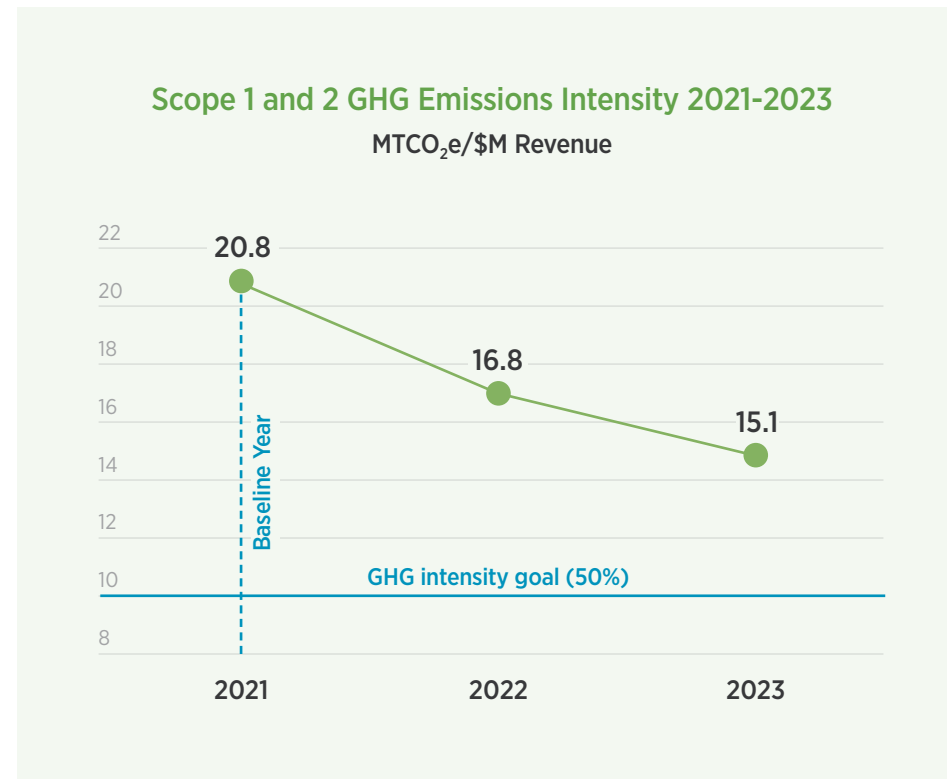
The remaining two-thirds of the audits to occur in 2024 and 2025

ENERGY AND EMISSIONS

The global climate crisis has exacerbated water challenges, from excessive rainfall and severe flooding to droughts and water scarcity. We understand the critical need to address the climate crisis at all levels, and we are doing our part operationally by improving our energy efficiency and reducing GHG emissions. We investigate energy reduction initiatives that we can implement at our facilities as well as renewable energy procurement opportunities such as Renewable Energy Credit (REC) purchases and rooftop solar utilization at select facilities.

We are targeting a 15% reduction in energy intensity (normalized against revenue) by 2024 and a 50% reduction in GHG intensity (normalized against revenue) by 2030, both compared to our 2021 baseline. Through 2023, we have achieved a 12.7% reduction in energy intensity and a 27.2% reduction in GHG intensity since our 2021 baseline year.

In 2023, we received third-party verification of our Scope 1 and 2 GHG inventory using the widely accepted limited-verification level of assurance, which adheres to the ISO 14064-3 standard of reviewing at least 70% of the GHG inventory.



DECARBONIZATION ROADMAP

Energy Reduction in Our Facilities

In 2023, we developed a more detailed roadmap for reducing our Scope 1 and 2 GHG emissions. Step one is underway as we work to reduce our facilities’ baseline energy use and GHG emissions. During the year, we conducted energy maturity assessments on especially energy-intensive facilities, exploring a range of potential energy reduction projects and scoring them on impact, cost and complexity.

We use the data gathered during the energy maturity assessments to prioritize investments in energy efficiency projects and equipment. The data confirmed that upgrading lighting to LED wherever possible provides significant energy use reduction per dollar invested and applies to more than 50% of our facilities. These insights drove the decision to make the LED lighting upgrade initiative a primary focus of our energy-use reduction efforts in 2023. Additional high-priority initiatives we are pursuing include improving the efficiency of compressed air, HVAC and steam systems.

To increase associate engagement in these efforts, we launched an Operational Sustainability Council in 2023. Led by the Sustainability Team, with oversight by Zurn Elkay’s president, the council includes plant managers, business unit leaders, maintenance staff and other key associates. The Operational Sustainability Council meets quarterly to review current energy metrics and ongoing projects, review progress on completed projects, share best practices and provide general updates on the ESG landscape.

Case study 🔍

2023 LED LIGHTING ENERGY REDUCTION PROJECTS

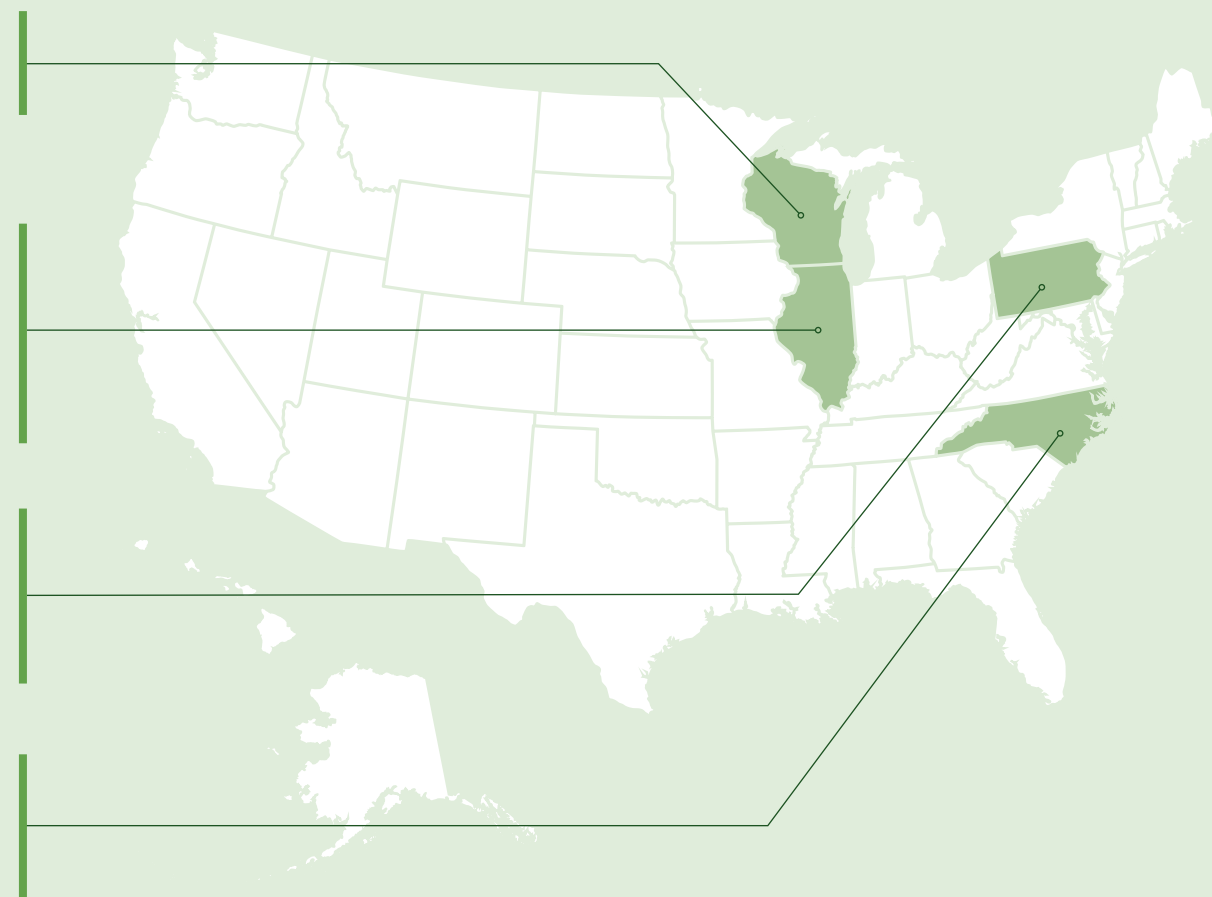
Our energy maturity assessments identified upgrading lighting as a top priority for energy reduction, leading us to implement major lighting upgrades in four of our facilities in 2023. Upgrades included adding occupancy light sensors, installing LED lighting and improving overall light levels.

Milwaukee, WI: We installed 303 fixtures, which will reduce annual energy consumption by 45,123 kilowatt hours (kWh), annual costs by \$6,700 and annual CO₂e emissions by 16.8 metric tons.

Bensenville, IL: We installed 208 fixtures, which will reduce annual energy consumption by 244,171 kWh and annual costs by \$41,021. These upgrades reduced the amount of RECs we purchase to offset CO₂e emissions by 91.0 metric tons per year.

Erie, PA: We installed 200 fixtures that will reduce annual energy consumption by 261,200 kWh and annual costs by \$24,550. These upgrades reduced the amount of RECs we purchase to offset CO₂e emissions by 97.4 metric tons per year.

Lumberton, NC: We installed 587 fixtures that will reduce annual energy consumption by 617,845 kWh, annual costs by \$43,496, and annual CO₂e emissions by 231 metric tons.



DECARBONIZATION ROADMAP

Case study

COMPRESSED AIR LEAK REPAIR

Many Zurn Elkay facilities have compressed air systems. These systems can account for a significant portion of total electricity use because air must be compressed, cooled, dried, transported and regulated, which is energy intensive. Compressed air leaks throughout the system can waste as much as 20% to 30% of the compressor's output. The most common area for leaks are hoses, fittings and pipe joints. One of the initiatives overseen through our Operational Sustainability Council was for sites to complete a compressed air leak study and repair. Leaks are detected using an ultrasonic meter, tagged and repaired. Across our facilities, Zurn Elkay identified and repaired 37 leaks, resulting in approximately 136,000 kWh savings in electricity annually.



Scope 3 GHG Emissions

We calculated our baseline Scope 3 emissions for the first time in 2021 and again in 2022. In 2023, we assessed the feasibility of establishing an SBT. We examined our targets and decided to defer setting an SBT until we can identify a meaningful and achievable pathway to deep decarbonization that is necessary to achieve the initiative's short-term and long-term climate targets. We remain committed to ambitious climate goals and have announced a new target this year to increase renewable electricity use. We've also set a new waste reduction target this year to reduce waste disposed to landfills by 2% annually.

WAVES submission: Carbon offsets for business travel

In 2023, we continued the WAVES project approved in 2022 to purchase carbon offsets for our business travel emissions. This was an associate-led project to calculate our business travel emissions and procure verified carbon offsets supporting a meaningful project. This year we purchased offsets for 100% of our business travel emissions, which was 1,185 metric tons of CO₂e. The offsets we purchased support improved household devices in Central America, including cookstoves, water filters and biogas.



The Zurn Elkay Environmental Management System • Internal Environmental Audits • **Energy and Emissions** • Water Consumption • Water Stewardship • Water Resilience • Waste and Recycling

Renewable Energy Procurement

Renewable energy procurement is the second key step of our decarbonization roadmap. In 2023, we started purchasing RECs for two additional facilities. Six of our facilities now purchase RECs that cover 100% of their electricity use, amounting to over 5,000 MWh and resulting in over 2,000 metric tons of CO₂e emissions eliminated in 2023.

6

facilities now purchase RECs that cover 100% of their electricity use

2,000

metric tons of CO₂e saved in 2023 through the purchase of RECs

We continue to operate a rooftop solar array at our Paso Robles, CA, location, which produced 765 MWh of electricity in 2023, eliminating 185 metric tons of CO₂e emissions.

In 2023, we set a new target to source at least 25% of our electricity from renewable sources by 2030. In 2023, 16% of our electricity was from renewable sources. We will continue to identify renewable electricity procurement opportunities across all of our facilities.

765

MWh of electricity produced by our rooftop solar array at our Paso Robles, CA, facility in 2023

185

metric tons of CO₂e emissions eliminated at our Paso Robles, CA, facility



The Zurn Elkay Environmental Management System • Internal Environmental Audits • Energy and Emissions • **Water Consumption** • Water Stewardship • Water Resilience • Waste and Recycling



WATER CONSUMPTION

We are industry leaders in helping our customers address water scarcity issues through conservation, and we apply the same focus to our own operations. We seek to continuously improve our ability to track and manage our water withdrawal and discharge and to reduce our overall water consumption.

We employ a multi-tiered approach to our facilities’ water management and share responsibility across the entire organization. Facility managers take the lead on monitoring and improving water consumption and intensity at their sites, reporting their efforts to the corporate EHS Team. Our president and vice president of Risk Management provide senior-level oversight for EHS staff and facility general managers. In addition, our ESG Steering Committee provides further oversight of companywide water management efforts. Between 2022 and 2023, we experienced a reduction in our total water withdrawn, discharged and consumed.

For information on how Zurn Elkay products enable water consumption reductions for our customers, see the [Products section, page 42](#).

Facility Water Utilization Reviews

We have routinely collected and reported water use data for years. In 2023, we introduced an annual facility water utilization review to provide a deeper, more granular understanding of our water use at each of our facilities. The facility water utilization review includes sections on domestic use, irrigation, wash and rinse tanks, coolant use and product testing, providing insights into how water is used in our facilities and where it is discharged.

These reviews help us determine which improvements at our facilities could have the greatest impact on our water consumption and use. In addition, they help examine potential tradeoffs related to reductions in water use — for example, the impact that reducing water use in wash tanks could have on product quality or the degree to which recycling rather than discharging water could concentrate contaminants, requiring additional mitigation measures.

Water Use Data, 2022-2023 (thousands m³)

	2022	2023	Change
TOTAL WATER WITHDRAWN	244.4	227.0	7.1% ↓
TOTAL WATER DISCHARGED	213.3	197.5	7.4% ↓
TOTAL WATER CONSUMED	31.1	29.6	5% ↓



WATER STEWARDSHIP

We are committed to responsible water stewardship through the thoughtful management of water use in our operations and by meaningful engagement within the communities in which we do business.

Landscape Redesign

Through the WAVES associate-led social impact fund, an associate in the Paso Robles, CA, facility assessed ways that we could reduce our water usage. This project demonstrates our commitment to reducing water use in our own facilities, which is a key focus area to us as a pure-play water business. Due to the traditional grass landscaping around the facility, we were using approximately 370,000 gallons of water annually for irrigation alone.

The associate implemented a landscape remodel that focused on creating a sustainable and usable space, replacing water-intensive landscaping with native plantings that would require less water. Most existing turf grass was removed and replaced by nearly an acre of native shrubs. Existing trees were left in place and protected to ensure they continue to thrive, and sprinkler systems were adjusted to use water more efficiently where it was still needed.

The project is estimated to cut annual water use at the Paso Robles plant by 60%.

60%

less annual water use at the Paso Robles plant

Waterway Preservation

As a leader in water innovation, one of our strategic goals is to help customers access and manage clean water, particularly in areas experiencing water scarcity and poor water quality. In our communities, we identified focus areas including volunteer water cleanup efforts that aid in the protection, preservation and restoration of major rivers and their watersheds. Through a foundation grant (Sternberg Award), product donations and volunteer cleanup events on the Mississippi and Des Plaines Rivers, we put into action our commitment to the planet's most precious resource. For example, in March 2023, 19 associates from our Illinois locations in Downers Grove, Franklin Park, Bensenville and Broadview worked with the nonprofit Living Lands & Waters, cleaning more than 1,200 pounds of trash out of the Des Plaines River.



Water Metering

To continuously improve our water data and tracking, in 2023, we installed water meters at our Lumberton, NC facility. This facility is the largest water user in our portfolio due to the wash cycles our sinks undergo in production. We've added water meters to several of our water-intensive processes to gain more granular data and drive future projects.



WATER RESILIENCE

Our commitment to sustainability is fundamental to our business strategy and guides how we innovate and create resilient water solutions. With a commitment to invest \$90 million in engineering and R&D by 2025, our team is focused on designing products that conserve water, keep water clean and ultimately protect people and our environment. We help our customers mitigate water risk by providing products that minimize disruption and create resilience for our customers and the communities they support.

Our product portfolio includes water safety and control products, storm water infrastructure and flow systems, and hygienic and environmental products that positively impact the environment and human hygiene. Our highly engineered flow control devices provide emergency water supply for fire protection within a building or site and protect the drinking water supply. These solutions help water professionals provide safe and efficient building and site water management. Investments in our drinking water products have led to the development of a combined lead and PFOA- and PFOS-reducing filter and next gen bottle filling stations.

Zurn Elkay's flow systems are used in schools, office buildings, restaurants, hotels, grocery stores, airports and other transportation infrastructure applications. As heavy rain and storms occur with greater frequency and intensity, our flow system products increase resilience to these risks. Drainage products and systems such as roof and floor drains and linear drainage systems are used to control, capture and direct storm water to prevent water damage and building flooding. We are proud of the positive impact that our engineered products have on water resilience every day.

WASTE AND RECYCLING

We continually seek ways to eliminate waste generation and to divert more waste away from landfills through recycling and reuse. In 2023, we recycled 65.5% of total waste from our operations.



The EHS director and EHS managers are responsible for properly classifying hazardous waste so that all our hazardous waste is disposed of through licensed third-party vendors, in compliance with applicable laws. Zurn Elkay has trained key personnel responsible for waste shipments on completing and managing waste manifests, which are permanently retained records. Hazardous waste made up less than 1% of the waste we disposed of in 2023.



In 2023, we laid the groundwork for advancing progress on this newly established target in 2024 and beyond. We investigated our baseline waste data to better understand the inputs across our operations, especially at facilities with high waste-to-landfill rates. This data will guide our efforts in 2024 and beyond to divert waste for recycling or eliminate waste where possible.

Our EHS Team collects waste data across all our facilities; in 2023, we increased the frequency of this data collection from annually to quarterly. This new schedule enhances our ability to analyze waste data and identify potential improvements while also helping us refine our data collection process.

2022 AND 2023 WASTE AND RECYCLING DATA (METRIC TONS)

	2022 ⁹	2023	CHANGE ¹⁰
Total waste⁸	11,280	10,758	4.6% ↓
Total nonhazardous waste	11,258	10,733	4.7% ↓
Recycled	7,007	6,943	0.9% ↓
Reused	132	105	20.4% ↓
Non-landfill ¹¹	55	60	9.7% ↑
Landfill	4,064	3,624	10.8% ↓
Total hazardous waste¹²	21	25	19.3% ↑
Recycled	0.6	0.5	4.6% ↓
Non-landfill ¹¹	16	20	21.6% ↑
Landfill	4	5	14.0% ↑
Company Diversion Rate	63.3%	65.5%	3.5% ↑

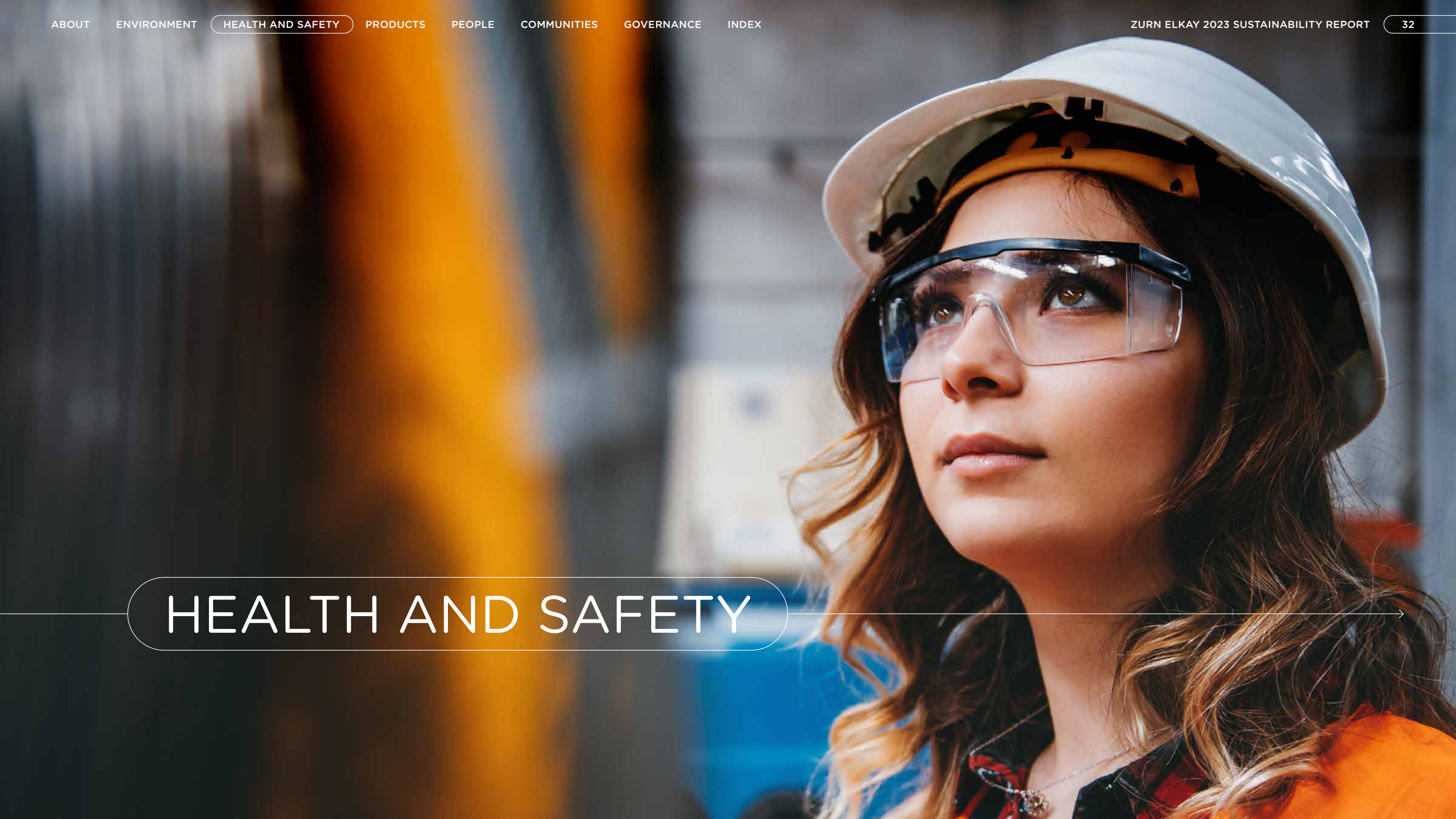
⁸ Waste data does not include wastes generated from remediation activity taking place at locations no longer owned by Zurn Elkay. In 2023 we disposed of 184 metric tons of nonhazardous waste and 17 metric tons of hazardous waste due to remediation activity.

⁹ Due to improvements in data tracking and auditing, we have restated our nonhazardous waste data for 2022.

¹⁰ Percent change is based on actual values rather than rounded ones shown in the table.

¹¹ Non-landfill disposal methods are incineration and off-site process water treatment.

¹² Increase in 2023 was due to a new waste stream that must be managed as a hazardous waste.



HEALTH AND SAFETY

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0.68

TRIR compared to industry average of 2.9

0.26

LTIR compared to industry average of 0.80

16

hours of health and safety training for every shop associate annually

612

ideas for improvement submitted by associates and actioned since implementing the observation program

HEALTH AND SAFETY

We are dedicated to protecting the health and well-being of our associates and others that utilize our facilities by ensuring that our operations and workplaces are safe, healthy environments.



SAFETY IN OUR FACILITIES

Our Health and Safety Management System covers all operations and associates, including full-time and contracted temporary associates. We provide multiple tools for our associates to proactively identify safety, ergonomic and other occupational hazards in the workplace. Our management system includes several elements in line with ISO 45001, including hazard identification, assessment of risks, elimination of hazards, management of change, contractors, emergency preparedness and response, internal audit, management review, corrective action and continual improvement.

Hazard Identification and Risk Assessment

All sites are required to complete and review job safety analysis documents on an annual basis. This process is driven by several tools, including a written program and a hazard analysis tool that identifies and scores the risk related to specific job tasks. For all assessed risks, we identify and implement corrective actions following the hierarchy of controls method. Once we track corrective actions to completion, we reassess the task and give a residual risk rating that the facility EHS manager must approve.



Health and Safety Communications

All associates, including full-time and contracted temporary workers, are active participants in the Health and Safety Management System. The corporate EHS Team communicates health and safety topics throughout the organization utilizing toolbox talk trainings and creating safety alerts after recordable injuries and significant near misses. Safety alerts contain relevant information regarding the incident, hazard identification and corrective actions for other sites to review. These communications are distributed to the organization through email, safety startup meetings and gemba walks. We value and encourage safety-related observations and input from our associates. In 2023, we introduced a new standardized Corporate Safety Observation Program to improve hazard identification and increase associate engagement. For details, see the case study on [page 36](#).

Incident Investigation

We take all health and safety incidents seriously, both injury and noninjury, and we fully investigate each one to determine its root cause. Associates are trained in immediate incident reporting. We have a formal incident investigation process, which includes a written program, first report of incident, “five why” and root cause identification. We investigate incidents within 24 hours; investigations include members of leadership and other functions as needed. We track these incidents and corrective actions electronically to prevent recurrence and ensure the effectiveness of our response.



For information on our approach to Associate Wellness, please see [page 82](#).

Safety in Our Facilities • Occupational Health and Safety Management • Contractor Safety • Health and Safety Audits • Measuring Safety Performance

Case study

THE ZURN ELKAY CORPORATE SAFETY OBSERVATION PROGRAM

Launched in late 2023, our Corporate Safety Observation Program gives associates more tools to help improve safety in our facilities. The program asks associates to evaluate seven topics: personal protective equipment, working surfaces, machine safety, material handling, forklift, tools and equipment and line of fire. Each month, all associates are asked to record their observations on cards and submit them to be tabulated and tracked by department and facility. We use visual daily management boards to record the number of cards completed, types of unsafe conditions identified and corrective actions taken. In addition, these results are evaluated companywide to identify trends and implement corrective actions.

612

ideas for improvement submitted by associates and actioned since implementing the observation program





Occupational Health and Safety Training for Associates

Our Health and Safety Management System includes training for associates in health and safety practices in order to minimize the number and severity of incidents. We require training for all associates upon hire and annually thereafter, in accordance with country- and state-specific EHS requirements and identified best practices. To meet these requirements, we assign each facility a compliance calendar that consists of 28 different EHS topics, including an emphasis on the five cardinal safety rules: Lockout/Tagout, Electrical Safety, Confined Spaces, Machine Guarding and Fall Protection. In 2023, we added formal hazard-recognition training to the compliance calendar. Training is conducted by each site's EHS manager or a qualified designated trainer.

EMERGENCY RESPONSE TRAINING

We train our employees to respond to a variety of potential emergencies in the workplace. We have a corporate emergency response program that our EHS managers make specific to each site, which includes guidance on developing an emergency response team at the facility. Each facility also completes annual emergency response training with all associates, covering fires, tornadoes, power loss, gas leaks and workplace violence. Annual fire and severe weather drills are critiqued, and corrective actions are implemented based on any deficiencies identified during the drill.

16 HOURS

in environmental health and safety training completed by every Zurn Elkay manufacturing associate annually

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

Every year, we strive for zero workplace injuries. As part of our work toward that ambition, we set a goal to reduce our TRIR by 10% by 2023. This target includes all full- and part-time associates and contracted temporary workers but excludes third-party subcontractors. We achieved this goal in 2023.

Zurn Elkay's Corporate Risk Management Team oversees the company's EHS efforts as part of the team's responsibilities for insurance, facilities, business continuity planning and security. This group provides general oversight and guidance to regional EHS staff, ensuring that all programs, training and supporting documents meet regulatory requirements.

The Risk Management Department is led by the vice president of risk management, who reports directly to our CFO. At each facility, programs are managed by regional EHS staff, who report to the corporate team.



CONTRACTOR SAFETY

Contractors play an essential role in our operations, and we value their work and dedication. We extend the same commitment to safety at our facilities for these workers as we do for our direct associates.



Our EHS Contractor Safety Program manages contractor safety at our facilities at each stage of the relationship:

PREQUALIFICATION

- We conduct contractor safety performance and risk screening for those who will be on-site at our plants and distribution facilities
- All new contractors must review and provide written agreement to our EHS standards

ONBOARDING

- Each contractor receives orientation on our EHS expectations from a Zurn Elkay host

ONGOING

- We review the Contractor Safety Program with facility leadership annually as part of our EHS compliance calendar
- We use internal EHS audits to measure conformance with the Contractor Safety Program

HEALTH AND SAFETY AUDITS

We conduct internal environmental health and safety audits to ensure compliance with our Health and Safety Management System. We built our audit process based on Occupational Safety and Health Administration requirements and Zurn Elkay's best management practices. These audits focus on documentation and training, facility conditions and associate interviews.

Our goal is to audit every facility at least once every three years. We audited 33% of our facilities in 2023.



We base our audits on regulatory requirements and industry best practices, including:



REVIEW of documentation and training, facility conditions and associate interviews against 36 health and safety topics, including emergency response, incident investigation, electrical safety and machine safeguarding



EXAMINATION of two categories of questions: those tied to regulatory requirements and those tied to Zurn Elkay's best management practices



MANAGEMENT of audit checklists and corrective actions through our online EHS management tool to document audit findings and ensure corrective actions are closed within 90 days

MEASURING SAFETY PERFORMANCE

Achieving continuous improvement in workplace safety demands ongoing tracking and measurement of our performance. We diligently monitor our safety performance data to provide our teams with the insights they need to make progress toward our vision of zero recordable workplace injuries.

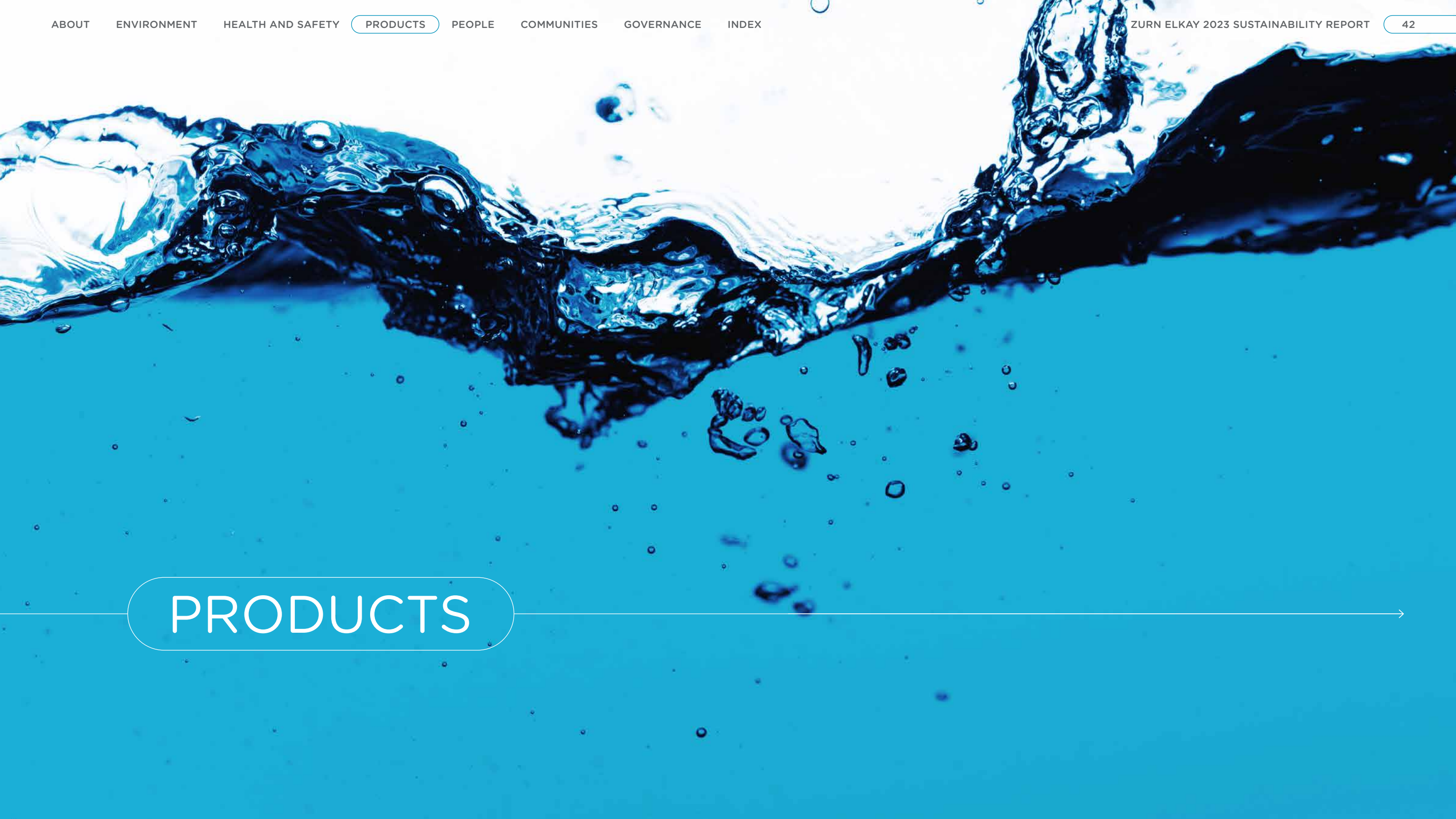
We had zero workplace fatalities in 2023. As noted earlier, we achieved our goal of a 10% reduction in our TRIR. Seventy percent of manufacturing and warehouse locations achieved zero recordable injuries in 2023. We attribute success to disciplined commitment to our Health and Safety Management System, which includes tools and processes for measuring safety performance and promoting continuous improvement.

Total Recordable Incident Rate and Lost Time Incident Rate, 2021-2023*

	Zurn Elkay 2021	Zurn Elkay 2022	Zurn Elkay 2023	Industry Average
TRIR	1.60	1.21	0.68	2.9
LTIR	0.60	0.37	0.26	0.80

* Metrics include all full and part-time associates and contracted temporary workers but exclude third-party subcontractors.





PRODUCTS



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86%

revenue generated from products with sustainable attributes

17.8B

single-use plastic water bottles avoided through the use of our drinking water products in 2023

682

products with U.S. Environmental Protection Agency (EPA) WaterSense certification

31B

gallons of water saved by our products in 2023

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

PRODUCTS

We are stewards of water, the most important resource on earth. Our products are central to water issues that are key to environmental and human sustainability, helping to:

-  Conserve and protect water
-  Improve human health, hygiene and safety
-  Reduce pollutants and contaminants in drinking water
-  Reduce waste
-  Mitigate water-related climate risks
-  Achieve sustainability building certifications

The products we provide safely manage the full range of buildings' water-related needs. We view products not in isolation but as connected components of cohesive water management solutions. Our solutions empower our customers to overcome a comprehensive array of water management challenges, helping them advance their sustainability goals.

Water issues touch every community, and our solutions must sustainably address diverse water management needs. As we fulfill our role as *Sustainably Inspired* water stewards, we consider a range of stakeholders as we design, market and distribute our water solutions, including customers in areas experiencing water scarcity, students and faculty at schools and universities, facility and maintenance teams, suppliers, designers and architects and more.



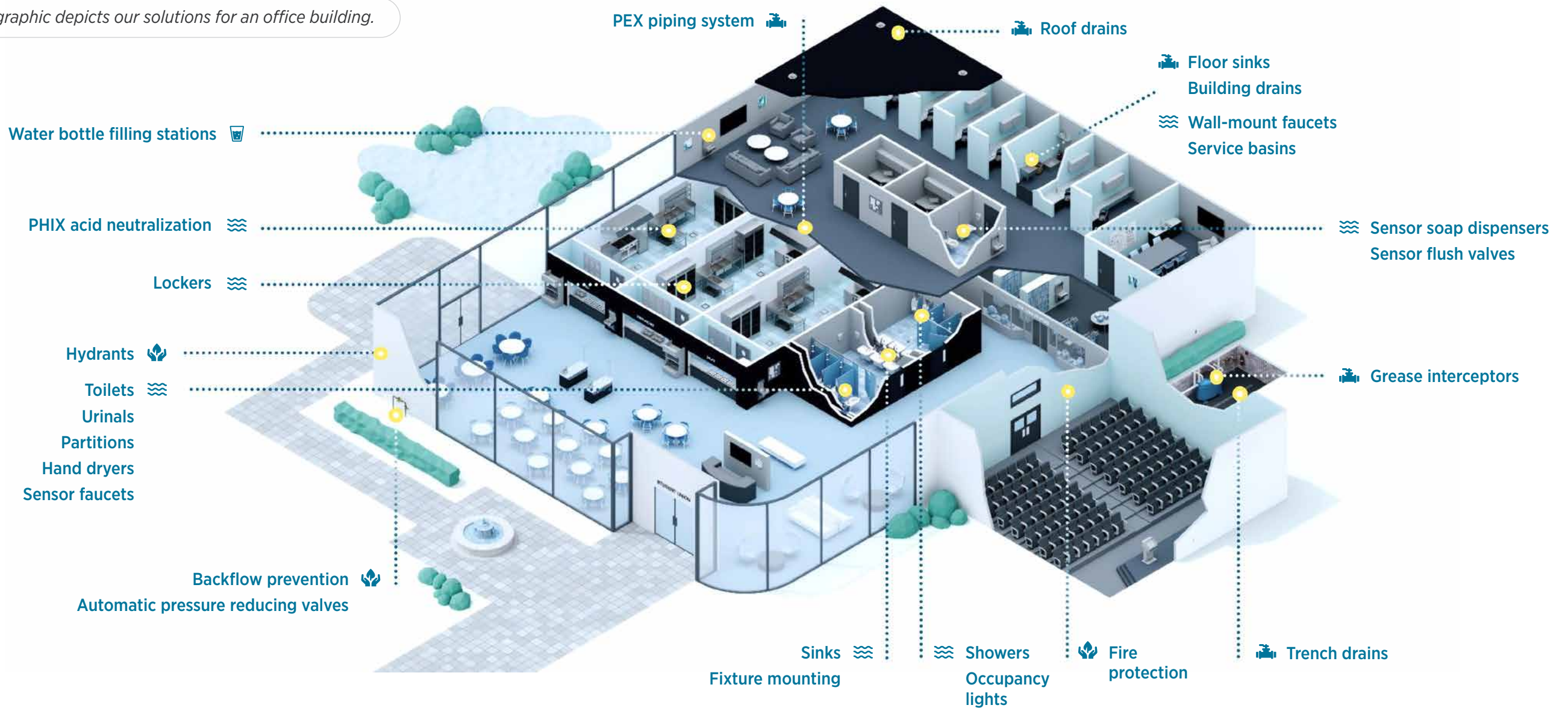
Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

SOLUTIONS FOR SUSTAINABILITY

Zurn Elkay offers building owners and operators a complete portfolio of sustainable products for hygienic and hydration services.

This graphic depicts our solutions for an office building.

- Drinking Water
- Flow Systems
- Water Safety and Control
- Hygienic and Environmental



Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

PRODUCT GOALS AND TARGETS

GOAL/TARGET

2023 RESULTS

Invest a total of **\$90 million** by 2025 in engineering and R&D to enhance the sustainable aspects of our products.

\$48M¹³

Increase revenue derived from products with sustainable attributes to **75%** by 2024.¹⁴

86%

Prevent the use of at least **15 billion** single-use plastic bottles annually through consumer use of our drinking water products.

17.8B

Achieve water savings of at least **30 billion** gallons through the use of our products annually.¹⁵

31B



¹³ Investment amount reflects spending in FY 2022 and 2023.

¹⁴ We define products with sustainable attributes based on the European Union's Taxonomy Regulation, which provides a classification system for sustainable activities and can be used as guidance for defining products with sustainable attributes. For our products to be considered sustainable, they must contribute to at least one of the EU Taxonomy's six environmental objectives, do no significant harm to the environment and respect basic human rights and labor standards. Examples include:

- Objective 3** Sustainable use and protection of water and marine resources: Water Management Products
- Objective 6** Protection and restoration of biodiversity and ecosystems: Products with high recycled content
- All objectives:** Energy efficient products and technological products for managing water usage.

¹⁵ This target was adjusted in 2023 to reflect improvements in data tracking to transition to an annual savings.

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

PRODUCTS WITH SUSTAINABLE ATTRIBUTES

Zurn Elkay's family of brands helps customers advance their sustainability journeys by providing a wide range of products and solutions that serve the full spectrum of water management needs. Our solutions address water infrastructure and distribution, water safety and flow control for pollution prevention, water treatment and purification, and hygienic and environmental pollution controls.

Our products make use of recycled materials and provide sustainable solutions to challenges including water scarcity, drinking water quality, wastewater quality, single-use plastic and paper towel waste and energy use. In addition to helping our customers achieve their sustainability objectives, we focus on continuously improving the sustainability of the products themselves.

Drinking Water

Elkay filtered bottle filling stations deliver drinking water that is cleaner and safer than unfiltered water and reduce the use of single-use plastic water bottles. Elkay's filters decrease lead, sediment, particulates, chlorine taste and odor, and cysts and microplastics in drinking water, and are tested and certified to NSF/ANSI 42, 53, 372 and 401. Our newest filter works to reduce drinking water levels of PFOA and PFOS compounds, part of the PFAS family of "forever chemicals." We offer a high-capacity, 6,000-gallon filter focused on removing lead for Elkay Enhanced ezH2O Bottle Filling Stations, reducing the number of required filter changes. New models and retrofits aim to ease filter changes for facility teams to provide continuous access to cleaner, safer drinking water. For more information about our filters and how we are helping address drinking water challenges, see [page 55](#).

Bottle filling stations reduce the use of single-use plastic water bottles that otherwise would enter waste streams. In 2023, our bottle filling stations prevented the use of 17.8 billion single-use plastic water bottles, exceeding our goal of preventing the use of at least 15 billion disposable plastic water bottles per year.

Zurn Elkay has 8 patents and 6 patents pending related to our drinking water products.

CHALLENGE:
Cleaner, Safer Drinking Water and Single-Use Plastic Waste Reduction



OUR SOLUTION:
Filtered Bottle Filling Stations

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety



Water Safety and Control

Wilkins pressure-reducing valves conserve water by reducing incoming water pressure for commercial buildings and homes. Our new 500XL3 series has a compact valve design, reducing the amount of bronze needed to manufacture the product compared to the legacy model by approximately 34%. This valve offers best-in-class flow performance with lower pressure fall-off and provides greater reliability with less maintenance relative to previous models.

CHALLENGE:
Water Conservation



OUR SOLUTION:
Pressure Reducing Valve

Wilkins backflow preventers protect water quality by preventing contaminated water from flowing back into potable water systems. Our new 950XL3/975XL3 series of backflow preventers uses a shorter bronze body, helping reduce the amount of material needed for manufacture by approximately 48% compared to legacy models and allowing the valve to fit in a variety of applications. Customers can use our connected technology with backflow preventers to monitor flow performance, relief valve discharge and pressure trends to help building owners with predictive maintenance.

CHALLENGE:
Water Quality



OUR SOLUTION:
Backflow Preventer

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

PRODUCTS THAT EXCEED EPA WATER-EFFICIENCY STANDARDS

Fixture	Our most water-efficient model	EPA WaterSense maximum
Faucet	0.35 gpm	1.5 gpm
Toilet	1.1 gpf	1.28 gpf
Urinal	0.125 gpf	0.5 gpf

gpm: Gallons per minute. gpf: Gallons per flush.



Hygienic and Environmental

Zurn low-flow faucets, flush valves, toilets and urinals reduce water use in education, hospital, commercial and residential buildings, helping our customers address water scarcity challenges. Zurn's water-efficient fixtures include several models with flow rates well below the maximum allowed for WaterSense certification.

CHALLENGE:
Water Conservation



OUR SOLUTION:
Low-flow Toilets, Urinals and Faucets

Zurn touch-free sensor products create a more hygienic restroom for building occupants. The new next-gen EZ Gear Flush Valve provides a simple solution to upgrade manual flush valves to hands-free, hygienic sensor operation. The sensor retrofit offers improved battery life and a programmable auto-flush to minimize stagnation during periods of inactivity. Zurn's restroom fixture offerings also include Hydro•X turbine-powered faucets, which reduce battery waste, and connected products. To learn more about these technologies, see the product spotlights on [page 53](#).

CHALLENGE:
Health and Hygiene



OUR SOLUTION:
Sensor Products

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

Hygienic and Environmental

Elkay and Just Manufacturing CuVerro antimicrobial copper sinks¹⁶ are manufactured with properties that are shown to reduce microbial contamination on their surfaces. Laboratory testing has shown that when cleaned regularly, CuVerro surfaces kill more than 99.9% of bacteria within two hours and continue to kill 99% of bacteria after repeated contamination.

CHALLENGE:
Health and Hygiene



OUR SOLUTION:
CuVerro Copper Sink

World Dryer hand dryers are an energy-efficient solution to reduce paper towel waste in restrooms. Drying hands in as little as 12 seconds, our VERDEdri touchless dryers use only 3.16 watts of electricity per hour and feature a HEPA filter that captures 99.97% of particles 0.3 micrometers or larger for a more sanitary experience. In 2023, our World Dryer hand dryers eliminated the need for 3.8 billion paper towels, saving 152,000 trees. Our energy efficient hand dryer models reduced electricity use for customers, saving approximately 6,500 metric tons GHG emissions.

CHALLENGE:
Paper Towel Waste



OUR SOLUTION:
Energy-efficient Hand Dryers

Hadrian restroom partitions are manufactured from materials with a high percentage of recycled content. Today, Hadrian stainless steel partitions include 91% recycled content, our powder-coated partitions and lockers include 50% recycled content, and our solid plastic partitions include a minimum of 30% pre-consumer recycled content. In 2023, Hadrian published several health product declarations (HPDs) to increase transparency into the materials used. For more information on HPDs, see [page 57](#).

CHALLENGE:
Material Use



OUR SOLUTION:
Partitions with Recycled Content

Elkay and Just Manufacturing stainless steel sinks are made with a high percentage of recycled content, typically 75%. We also offer filtered sink faucet models that provide point-of-use filtration of contaminants, offering cleaner drinking water from sink faucets.

CHALLENGE:
Material Use



OUR SOLUTION:
Sinks with Recycled Content

¹⁶ Laboratory testing has shown that when cleaned regularly, CuVerro surfaces kill more than 99.9% of bacteria within 2 hours, and continue to kill 99% of bacteria even after repeated contamination. Testing demonstrates effective antibacterial activity against Methicillin-Resistant Staphylococcus aureus (MRSA), Staphylococcus aureus, Enterobacter aerogenes, Pseudomonas aeruginosa, Vancomycin-Resistant Enterococcus faecalis (VRE) and Escherichia coli O157:H7. CuVerro copper alloy surfaces have been shown to reduce microbial contamination, but do not necessarily prevent cross-contamination. The use of a copper alloy surface is a supplement to and not a substitute for standard infection control practices; users must follow all current infection control practices, including those practices related to cleaning and disinfection of environmental surfaces. Copper alloy surfaces are for use only in non-food zone areas. CuVerro is a registered trademark of GBC Metals LLC, d/b/a Olin Brass. CuVerro antimicrobial alloys are registered with the US Environmental Protection Agency.

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

Flow Systems

Zurn grease interceptors separate grease, food solids, oils and sediment from wastewater before they can enter the public sewage system. These pollutants can cause odor, clogged pipes and safety and environmental concerns. Zurn interceptors are made with materials that prevent rust and corrosion, which could potentially expose soil to pollutants. Interceptors are made in various sizes for applications in facilities such as dining halls, restaurants, car washes and commercial fleet maintenance facilities. With our Smartpro monitoring system, building owners can check grease levels remotely. To learn more about this feature, see [page 53](#).

CHALLENGE:
Water quality



OUR SOLUTION:
Grease Interceptors

Zurn PEX piping systems for plumbing and heating may conserve energy by reducing heat loss compared to traditional copper pipes. Our PEX products are manufactured to the leading industry standards and certified for the highest UV and chlorine resistance in the industry.

CHALLENGE:
Energy Savings



OUR SOLUTION:
PEX Piping

Zurn Z100 FLOFORCE™ high-performance roof drain technology provides the most efficient water evacuation to remove excess water and prevent problems that can occur when water pools atop building roofs. FLOFORCE™ drains feature an innovative dome and gravel guard design to maximize water flow while limiting debris and allow for a reduced piping system size that saves labor and material costs. We also include options for green roofs that allow for rainwater absorption, provide insulation and create a habitat for wildlife.

CHALLENGE:
Water Quality



OUR SOLUTION:
Roof Drains

Sustainably Inspired Products

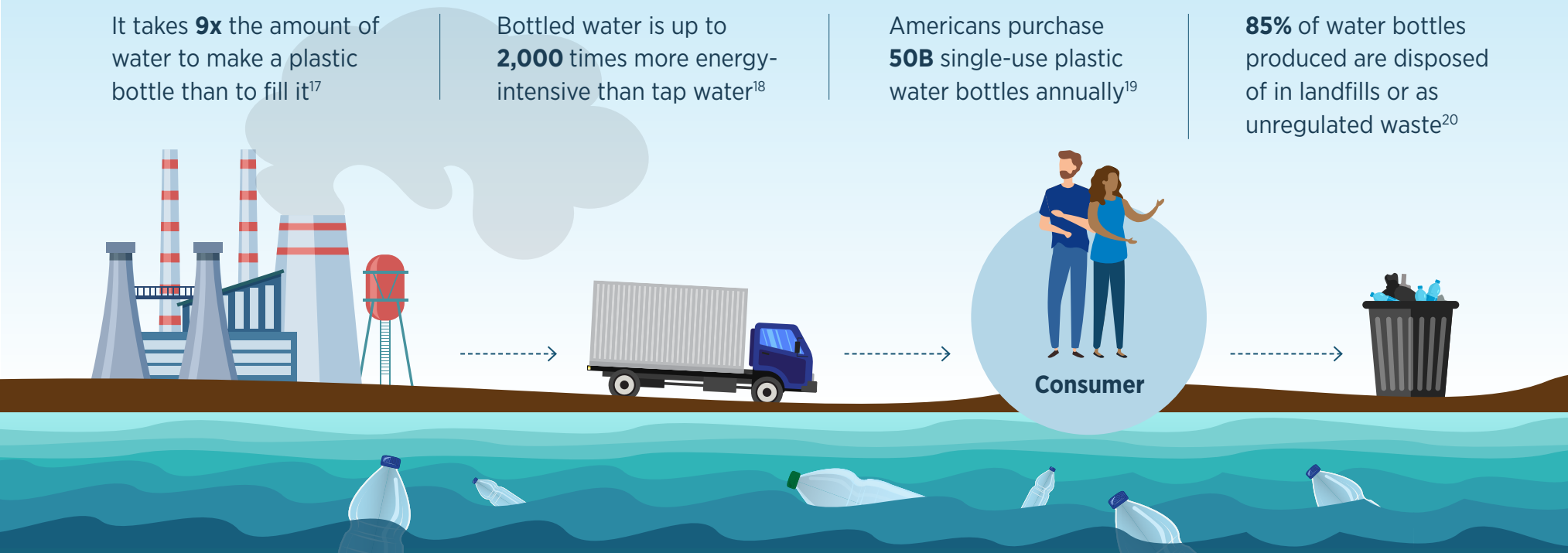
Our Elkay filtered bottle filling stations deliver sustainability benefits for consumers and the broader community by delivering clean drinking water while reducing reliance on single-use plastic bottles, which have negative environmental impacts during their production and through the waste they generate.

It takes **9x** the amount of water to make a plastic bottle than to fill it¹⁷

Bottled water is up to **2,000** times more energy-intensive than tap water¹⁸

Americans purchase **50B** single-use plastic water bottles annually¹⁹

85% of water bottles produced are disposed of in landfills or as unregulated waste²⁰



Where do single-use plastic bottles go?

8M metric tons of plastics leak into the ocean per year, equivalent to dumping over 10,000 single-use plastic bottles in the ocean per second²²

Plastics can take up to **450** years to degrade and can end up as micro-plastics²³

PET microplastics are the most abundant form of plastic debris in the ocean at present²⁴

Microplastics contain persistent organic pollutants that contaminate animal and human food chains when ingested in marine environments²⁴

Elkay filtered bottle filling stations break an unsustainable cycle²¹

2M metric tons of plastic waste reduced since 2012

8.1M metric tons of GHG emissions avoided since 2012

Over 84B plastic water bottles avoided since 2012



Gallons of filtered water delivered 2022-2023



¹⁷ Source: Foodprint

¹⁸ Source: Blue Ribbon Water

¹⁹ Source: earthday.org

²⁰ Source: United Nations Institute for Water, Environment and Health

²¹ Metrics are based on Elkay bottle filling stations sales data; conservatively assumed each bottle filler prevents 15,000 single use plastic water bottles annually; Standard 20-ounce PET plastic water bottles; United Nations Framework Convention on Climate Change (UNFCCC) GHG emissions calculator methodology.

²² Source: World Economic Forum

²³ Source: Forge Waste & Recycling

²⁴ Source: United Nations University Institute for Water, Environment and Health

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

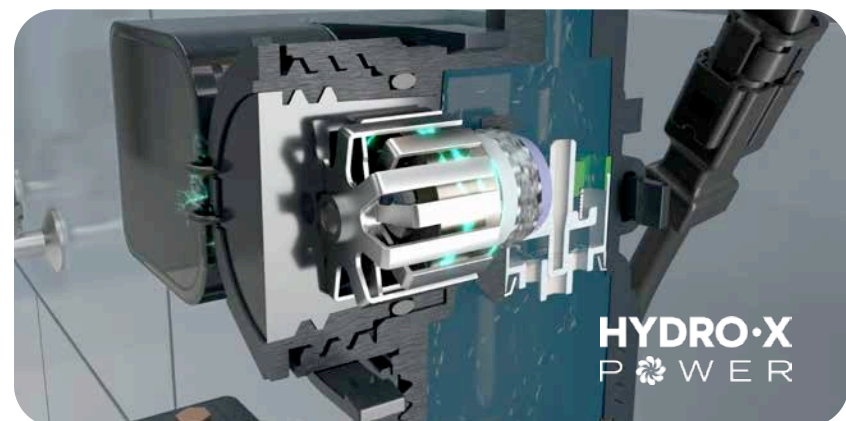
Innovation Drives Sustainability

At Zurn Elkay, we continually develop new ideas and technologies to help customers advance on their sustainability journeys. Our innovations include:

Hydro•X: Tapping the Power of Water

We harnessed hydropower technology to deliver sustainable, innovative solutions for our customers. Our Hydro•X Power touchless faucets use built-in water turbines that harness the energy of flowing water to generate and store their own power, eliminating the need for external power sources.

We simplified assembly by reducing the number of steps needed for installation compared to hard-wired solutions. Additionally, this patent pending technology extends each unit's battery life up to 10 years, even if the product is activated only a few times per day. As a result, batteries last the commercial lifespan of a bathroom, leading to less waste and maintenance.



Connected Products: Delivering Data to Improve Product Performance and Assess Sustainability

Our various connected fixtures deliver valuable data to plumbSMART, our platform that helps customers leverage data insights to target preventative maintenance; prevent flooding, leaks or major repairs; reduce water use and costs; and measure and validate their own sustainability efforts around water use.

Backflow Preventers can provide pressure readings, relief valve discharge calculations, flooding prevention and automatic water shutoff.

Faucets and Flush Valves can track the number of activations per day, water usage and preventive maintenance needed, such as battery and solenoid changes. PlumbSMART provides a handwashing score to promote health and hygiene. Customers can use plumbSMART data to validate their own sustainability efforts around water use, allowing facilities teams to gain deep insights into their restrooms. For example, high water use could indicate a leak, or low activations on a fixture could signal a repair is needed.

Occupancy Sensors improve the flow of traffic in busy restrooms and alert facilities teams if a restroom stall has been occupied longer than a set time, helping flag potential safety issues.

Bottle Filling Stations notify plumbSMART when filters need to be changed.

Grease Interceptors with the Smartpro monitoring system enable facilities teams to check grease levels remotely rather than relying on a standard pumping schedule — streamlining maintenance and protecting downstream water from contaminants.

Roof Drains set off an alarm when conditions indicate potential clogs or other drainage issues.



Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • Meeting Customers' Building Needs • Product Safety

Case study 

BWI AIRPORT AWARDED AMERICA'S BEST RESTROOM

When Baltimore/Washington International Thurgood Marshall Airport (BWI Marshall) embarked on a \$55 million restroom improvement and expansion plan, they turned to Zurn Elkay. In September 2023, the project's first phase was named America's Best Restroom in Cintas' 22nd annual competition.

The airport offers a showcase for ways connected technology can improve restrooms for users and facilities managers alike. *"Zurn's smart occupancy lights visually let guests know which stalls are open, all while capturing valuable traffic data for maintenance and custodial teams,"* said inside sales specialist Michael Bruders. *"Smart technology collects traffic and usage patterns behind the scenes, so staff can make decisions based on real-time data, like performing tasks during off-peak hours to reduce congestion or stocking supplies for guest satisfaction."*



Products with Sustainable Attributes • **Providing Cleaner, Safer Drinking Water in Schools** • Meeting Customers' Building Needs • Product Safety

PROVIDING CLEANER, SAFER DRINKING WATER IN SCHOOLS

The United States faces a crisis in drinking water. Aging infrastructure, pollution and other factors have led to the presence of lead, PFOA and PFOS in drinking water used by millions of people. These contaminants threaten public health, particularly in under-resourced areas.

Lead is harmful to everyone, but it is especially problematic for developing children. Exposure to lead is linked to developmental and learning delays, lower IQ, behavioral issues, hyperactivity and slowed growth. School buildings are a primary source of drinking water for our children. Much-needed improvements to our country's water infrastructure will take years or decades — and even when service lines are replaced, lead could leach in from lead pipes or fixtures.

Lead in the Water Supply

9.2M

lead service lines in use in the U.S. today

* Source: EPA

56%

of the U.S. population drank from water systems with detectable lead levels

* Source: NRDC

Zurn Elkay offers an immediate and affordable solution. Our products provide point-of-use filtration that immediately makes drinking water cleaner and safer. For just one dollar per student per year, school districts and other institutions can use our Elkay bottle filling stations with our filters that decrease lead levels. The filters are NSF/ANSI certified to reduce lead levels to below five parts per billion and offer the highest capacity (up to 6,000 gallons) of point-of-use filtration products on the market.

See [page 90](#) for information about Fountains for Youth, our program through which we donate bottle filling stations to under-resourced schools.

\$1 PER STUDENT PER YEAR

cost of Elkay filters filters that reduce lead in drinking water, assuming filter is replaced every six months



In 2023, we launched our first combined lead-, PFOA- and PFOS-reducing filter that integrates into Elkay bottle filling stations and faucets for schools, hospitals, airports and other commercial and residential applications. This newest filter will work to reduce drinking-water levels of PFOA and PFOS compounds, part of the PFAS family of “forever chemicals.”



Case study 

MICHIGAN'S CLEAN WATER DRINKING ACT

In October 2023, the state of Michigan became the first state in the country to pass Filter First legislation by way of the Clean Drinking Water Act. We commend the passage of this legislation that further safeguards children in schools and childcare facilities from the adverse effects of lead in drinking water - including learning delays, behavioral and health issues and lost learning time.

Michigan's Filter First legislation requires all schools and childcare centers to install filtered bottle filling stations and filtered faucets for all water sources intended for human consumption, develop a drinking water management plan and conduct routine testing to ensure safe and accessible drinking water for children.

At the time of this report, a similar bill was introduced in Pennsylvania and we expect even more states to follow. At the heart of it, everyone deserves cleaner and safer drinking water whether they are at school, at the gym, in an airport or at home.

We know that our point-of-use filtration products offer a unique, immediate and cost-effective solution to the nation's infrastructure issues. For just \$1 per student per year, students can have access to filtered drinking water in schools - where they spend the majority of their day.

That is why we are supportive of the Filter First legislation and why we continue to innovate around affordable and easily accessible solutions.

Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • **Meeting Customers' Building Needs** • Product Safety

MEETING CUSTOMERS' BUILDING NEEDS

We consult closely with our customers to ensure our products support their sustainability journey. Among our most important contributions to our customers' success are solutions that help them achieve building certification from industry-leading sustainability organizations.

Zurn Elkay is a member of the U.S. Green Building Council, which sponsors the LEED green building rating system. We design products that meet or exceed LEED standards, helping our customers achieve project certification. These products help building owners achieve water efficiency LEED points and include low-flow faucets, toilet flush valves, urinal flush valves and showerheads. For example, Zurn Omni-Flo™ urinals provide 87% water consumption savings over traditional 1.0 gpf urinals, helping building owners exceed the LEED threshold.

We are also a member of the International WELL Building Institute, the sponsor of the WELL Building Standard. The WELL framework promotes building design that supports the health and wellness of building occupants through the management of air, water, light, movement, thermal comfort, sound and materials. Many of our products are dedicated to promoting hygiene and safety, ranging from touch-free faucets that reduce the spread of germs in

high-traffic public buildings to specialized products for medical, research and industrial facilities. We offer 14 product categories that may contribute to WELL points, and our website showcases ways our products may help customers earn them.

We have HPDs for several Elkay sink models that can be found on our product webpages. In 2023, we began developing HPDs on powder-coated partitions and lockers and our stainless steel partitions. These HPDs are currently being third-party verified.



Products with Sustainable Attributes • Providing Cleaner, Safer Drinking Water in Schools • **Meeting Customers' Building Needs** • Product Safety



LIFE CYCLE ASSESSMENTS

We dedicate ourselves to understanding our products' sustainability characteristics throughout their life cycle, from the production of the materials used to create them through their eventual disposal. In 2022, we conducted our first product life cycle assessment (LCA) and environmental product declaration, documenting the end-to-end environmental impacts of our U.S.-made stainless steel sinks. In 2023, we completed our second LCA on our vitreous china urinals, which is currently undergoing third-party.

PRODUCT SAFETY

Our products play critical roles for our customers, so they must perform to the highest quality and safety standards. All facilities operate under Zurn Elkay's quality management system, which ensures that we consistently provide products and services that meet all applicable customer, statutory and regulatory requirements. The quality management system includes a feedback loop to support continuous improvement and prevent nonconformity, ensuring both product safety and associate safety.

OUR PRODUCTS MEET STANDARDS AUTHORED BY THE FOLLOWING ORGANIZATIONS:

- American National Standards Institute
- American Society of Mechanical Engineers
- American Water Works Association
- ASSE International
- ASTM International
- CSA Group
- Factory Mutual
- Foundation for Cross-Connection Control and Hydraulic Research
- International Association of Plumbing & Mechanical Officials
- NSF International
- Plumbing and Drainage Institute
- Standards Australia and Standards New Zealand
- UL LLC





Our Product Safety Approach

Safety is central to our mission as a sustainable water solutions provider. We design and manufacture water management solutions to exceed product service life targets while meeting the latest standards for safety, including building codes, regulations and voluntary certifications.

Our governance program assigns responsibility for overseeing quality, product and service safety and regulatory standards to our sector leaders and trains our engineering and manufacturing associates on expectations and processes to ensure a rapid, effective and coordinated response to any potential product quality or safety issue.

Our comprehensive product safety approach includes policies and practices to continually monitor and improve the safety of our products. We believe this process is essential for any manufacturer, but it is especially important for us because of our role in supporting our customers' health and safety priorities.

- We had zero product recalls for safety reasons in 2023.
- We are routinely audited by accredited third parties for safety and conformity product standards at a minimum of once per year.
- The Risk Management team meets with engineering and sales regularly to investigate and review product incidents. Any corrective actions identified are assigned and actioned in the appropriate time frame.
- In addition to the product safety policy and supplier requirements, we have processes and work instructions that identify critical points for quality and safety characteristics.
- For more details on our product safety programs, please see the [Product Safety Policy](#)



PEOPLE



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Associate Wellness

94%

response rate to the 2023 Total Associate Engagement Survey, up from 87% in 2022

71%

engagement score, a 2% increase from 2022

79%

Associate Inclusion Index score, 5% higher than the industry average

40,600

total associate training hours

PEOPLE

We are committed to *Total Associate Engagement* because we know our strength is our people.

Our mission of providing clean water systems delivered by exceptional people demands that we attract, develop, retain and empower outstanding talent.

We enhanced associate engagement in 2023, developing new communications efforts highlighting individual associates' contributions to their communities and our business. We assessed our benefits programs to ensure they support and reward our associates, including bonus eligibility for all. And we introduced new development opportunities across our organization.

We reinforced our commitment to DEI by reestablishing the associate-led Zurn Elkay DEI Council and broadening its team of executive sponsors. We also focused on fostering an inclusive culture, expanding our Total Associate Engagement (TAE) Survey questions, launching inclusivity training for all associates and providing inclusive leadership training for all managers.



Our people-related strategies and policies support the U.N. Global Compact’s Labor and Nondiscrimination Principles, which state that businesses should uphold:

- Principle 3** The freedom of association and the effective recognition of the right to collective bargaining
- Principle 4** The elimination of all forms of forced and compulsory labor
- Principle 5** The effective abolition of child labor
- Principle 6** The elimination of discrimination in respect to employment and occupation

HUMAN CAPITAL STRATEGY GOALS

GOAL/TARGET	2023 RESULTS
EXCEED the industry average Associate Inclusion Index score annually	Achieved
DISCLOSE associate diversity metrics annually	Achieved
OFFER all associates 1% of their annual company time to volunteer	Achieved
MAINTAIN 80% engagement survey response rate annually	Achieved
We introduced the following new human capital strategy goal in 2023: PROVIDE 18 hours of training per associate by 2025	New

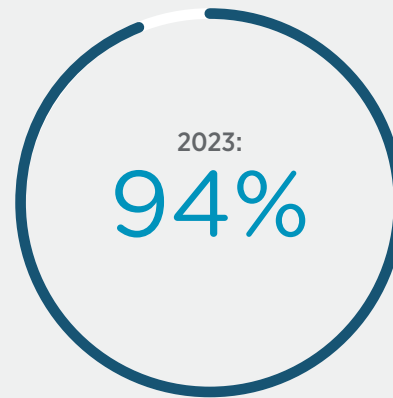
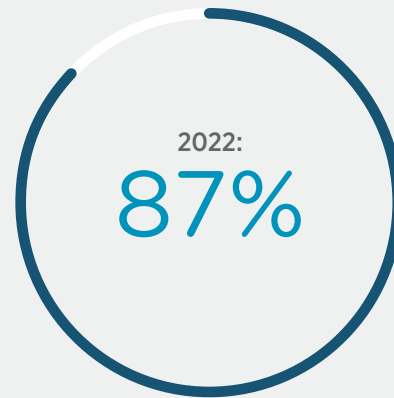
ASSOCIATE ENGAGEMENT

Every Zurn Elkay associate has a role to play in our water stewardship. We strive to engage associates around that work and ensure that their experience is beneficial and sustainable for them as individuals. Their contributions propel our *Culture of Winning* and our ability to fulfill our mission.

OUR 2023 TAE SURVEY

Results of Total Associate Engagement Survey

PARTICIPATION



ZURN ELKAY TAE SCORE



86%

feel they have open and honest communication with managers

84%

feel comfortable voicing different ideas and opinions

83%

feel they belong on their team

83%

feel they receive timely feedback from their managers

83%

feel managers treat people fairly

Our TAE Survey results were particularly important to us in 2023, the year following the combination of Zurn and Elkay. Engagement improved across many metrics, demonstrating the continued strengthening of our organization. TAE Survey participation was 94% in 2023, up from 87% in 2022 and exceeding our 2022 goal of 80% participation by 2024. Our overall TAE score of 71% represents an increase of 2 percentage points from 2022.

Associate satisfaction with our commitment to sustainability and ESG improved the most among our engagement metrics, from 73% in 2022 to 78% in 2023. We attribute the improvement to our efforts to increase companywide communications about these topics and initiatives and how they relate to our business. Responses to questions about manager relationships and belonging and inclusion on teams, core focus areas for us in the past year, also improved.

Areas for Improvement

Our commitment to *Continuous Improvement* means we focus not solely on our engagement scores but also on our efforts to increase them over time. Results of the TAE Survey are distributed to each department and team within Zurn Elkay so that teams can create specific action plans for improvement throughout the following year.

In 2023, we added new questions related to diversity and inclusion. While we scored well on some questions — for example, on associates’ feelings that they can succeed regardless of gender, race or cultural background — we would like to see improvement in diversity and inclusion overall. To drive progress in this area, we have increased our focus on cultivating inclusive leadership and nurturing belonging at every level of the organization. For more information on our associate and leadership inclusion training, see [page 81](#).



ENGAGEMENT AT ZURN ELKAY IN ASSOCIATES’ WORDS

Our TAE Survey includes a space for associates to provide subjective feedback. Here are some of their comments:

“

I am new to the company. So far, my experience has been very positive. Everyone is very supportive. My leadership team, my manager and my own team have been very supportive of me and provided guidance in learning the business quickly. I am very happy with my current role.”

“

Twelve months after the merger, Zurn Elkay has settled into a powerful combined organization, with talented associates across the board marching toward the same goal. The investment in ESG gives me pride to work for the organization.”

“

I’m grateful for being an employee at Zurn Elkay. This company shows that it cares for its employees.”

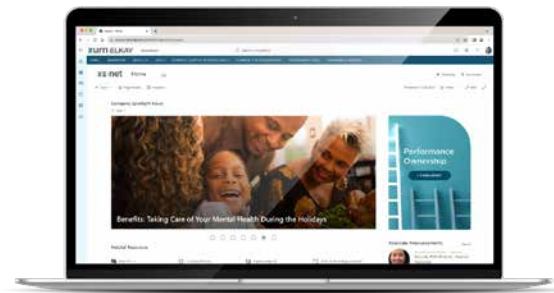
Associate Engagement • Associate Benefits • Professional Development • Diversity, Equity and Inclusion • Associate Wellness

FOSTERING ENGAGEMENT

At Zurn Elkay, we engage associates through multiple channels, platforms and touchpoints. They include:

ZE-NET

We expanded ZE-net as our sole-source-of-truth intranet, adding five to seven news items per week designed to drive awareness of company strategy, participation in professional development and utilization of benefits. To simplify the connection and expand its reach, we broadcast stories to manufacturing associates through a network of digital screens and email a weekly digest to every inbox.



TOWN HALLS

In the first full year as a combined company, we grew our slate of on-site town hall meetings and listening sessions to continue to close the gap between senior leadership and associates at every level of the organization and celebrate local success and performance.

WAVES SOCIAL IMPACT FUND

The Zurn Elkay WAVES Social Impact Fund helps us harness associates' creativity around sustainability. The fund, launched in 2022, provides financial backing and other resources for associate-developed initiatives that help advance our company's ESG efforts. See [page 94](#) for the 2023 WAVES submissions.

THE DROP

In more than 29 20-minute episodes, our internal subject matter experts share expertise and insights on our podcast, *The Drop*. Recordings are available to all associates companywide, on topics such as product category overviews, marketing efforts, benefits information, volunteering and philanthropic efforts.



FLEXIBLE WORK ARRANGEMENTS

We provide flexible work arrangements to make it easy for associates to engage with Zurn Elkay in ways that work for their lives. Our hybrid work policy allows associates to work remotely one day per week. The time associates spend in the office or at our facilities ensures ample opportunities for face-to-face connections between colleagues, which supports a strong company culture.

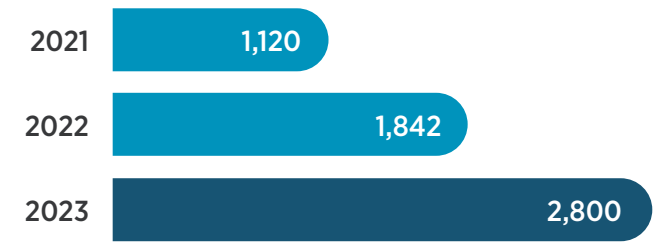
#CI: COLLABORATING ON CONTINUOUS IMPROVEMENT

Continuous Improvement is one of our core values. #CI is our internal, shared knowledge management system that highlights real examples of Continuous Improvement activities, ideas and successes. As we solve challenges worldwide, any associate — regardless of location or function — can access these examples and learn from the work that's been done.

This system enables our associates to take a site-specific issue and turn it into a virtual, real-life classroom. With #CI, associates faced with a challenge can quickly collaborate and learn from peers. They can then rapidly share and deploy successful ideas across the organization, making it easy for associates to see how others employ the Zurn Elkay Business System.

Senior leaders recognize and celebrate outstanding #CI projects during quarterly all-associate updates. In 2023, associates submitted 2,800 improvement projects. The volume of submissions exceeded our internal company goal to receive one #CI submission for every associate.

NUMBER OF CONTINUOUS IMPROVEMENT SUBMISSIONS



ASSOCIATE BENEFITS

We know that a comprehensive, high-quality suite of benefits is essential to attract and retain the talent we need. 100% of our employees are eligible for a competitive package that encompasses health and financial benefits.

Our benefits package includes:

- Medical, dental and vision insurance
- Health savings account
- Life insurance
- An employee assistance program
- Medical second opinion program
- Robust 401(k) retirement plan with a generous company match
- Dependent care Flexible Spending Account
- Telemedicine
- Business travel accident
- Merit increase program

To support work-life balance, we provide various types of time away from work. The following programs are supported by our Working Hours policy:

- Company paid holiday
- Paid bereavement leave
- Paid jury duty
- Disability programs
- Paid parental leave programs
- Paid sick time

We offer various wellness programs to help associates live healthy, happy, balanced lives and enable them to bring their best selves to work. Our programs include tobacco cessation, financial wellness, stress management and weight management. For more information about wellness at Zurn Elkay, see Associate Wellness on [page 82](#).

2023 BENEFITS HIGHLIGHTS

5,366

total hours of associates' company-sponsored volunteer time

\$38,130

in tuition reimbursements





TOTAL REWARDS STATEMENT

To reinforce that compensation is more than just cash compensation, we issued each associate a personalized Total Rewards Statement this year, outlining the salary, bonus, retirement contributions and other benefits they receive.

Some of those benefits include:



Parental Leave. All U.S. associates are eligible for two weeks of fully paid parental leave following the birth of a child or the placement of a child through adoption or foster care.



Annual Cash Bonus Plan. All U.S. Zurn Elkay associates not covered by a collective bargaining agreement (CBA) are eligible for an annual cash bonus based on personal performance, business-unit metrics and company results.



Equity. All full-time associates at the time of the Zurn and Elkay merger (July 1, 2022) have an ownership stake in the company through a long-term equity incentive.



Tuition Reimbursement. Associates employed for at least 12 months are eligible to receive \$5,250 in tuition reimbursement per calendar year.



Charity Matching Grants. U.S. associates can receive up to \$5,000 in company matching funds for gifts made to U.S.-based 501(c)(3) charities.



Retirement: We match both full and part time associates in their 401(k) in the U.S. (50% of the first 8%, for a 4% company match), unless stipulated by a CBA.



Referral Bonus. We encourage associates to bring great people to Zurn Elkay.



Paid Sick Time. In addition to compliance with all applicable statutory sick pay regulations, we provide all hourly associates with two days of paid sick time per year.



Support for Associates Transitioning out of Zurn Elkay. We leveraged our existing severance and restructuring programs to assist associates with severance, benefit coverage, outplacement and transition, including a dedicated career consultant, training and reemployment support.



A Scholarship Spreads Joy

2023 was Zurn Elkay's 45th consecutive year awarding scholarships to associates' family members. These grants have helped scores of people pursue their higher education goals, making a profound difference in their lives and those of their families.

In 2023, the Excellence Scholarship, for \$16,000 (\$4,000 per year for four years), was awarded to Marissa Sturrup, whose parents, Jessica and Cranston Sturrup, are both assemblers in our Lanark, IL, facility.

"I have always felt a pull to help those around me. Knowing that what I'm doing is making others happier brings me joy," said Marissa, now a freshman at Olivet Nazarene University. *"I want to use my passion for science and biology, my education and my love for other people to create a positive impact on people who have been physically and/or emotionally damaged. My hope is to build others up to make them healthier in all aspects of their lives."*

"I want her to find what she really loves to do," said Marissa's mother, Jessica. *"So when she finds that job, it won't feel like work — she'll love it and be able to help others love what they do, too."*



"I want to use my passion for science and biology, my education and my love for other people to create a positive impact on people who have been physically and/or emotionally damaged. My hope is to build others up to make them healthier in all aspects of their lives."

MARISSA STURRUP

Excellence Scholarship Recipient

PROFESSIONAL DEVELOPMENT

We believe supporting our associates' growth will enable us to build on our leadership in water-management solutions, better serve our customers' needs and support associate retention. To those ends, we provide a broad array of programs that help associates learn and refine various skills at all stages of their professional journeys.

We also believe our success is because of our associates. Through our Zurn Elkay Business System, we have a systematic and comprehensive succession planning process in place that starts with creating a talent pipeline that is in line with our corporate strategy and goals, incorporates upward mobility into employee evaluations and fosters leadership roles through professional and leadership development.

40,600

total associate training hours

14

participants in Women Unlimited Program

161

career development programs participated in by our associates

278

associates promoted

4

high-potential associates participating in our new RAPIDS program

75%

of 2023 interns were women or racially or ethnically diverse



CAREER DEVELOPMENT

We employ a variety of tools and programs to help associates advance in their careers, including:

Mentorship Program

We are committed to nurturing our associates' potential. Recognizing the pivotal role mentorship plays in professional growth, we have integrated mentorship into our development framework, which consists of experiences, exposure and education. The mentorship program provides firsthand insights, guidance and exposure to real-world challenges and opportunities.

We revitalized our Mentorship Program in 2023, aiming to create a more inclusive and diverse experience for all associates. We ensure that every associate has the opportunity to participate in the Mentorship Program, regardless of their background or role within the organization.

E-Learning

We harness digital learning tools to nurture our associates' skills. Our e-learning programs include:

Workday Learning

Our comprehensive Talent Development Program, powered by Workday Learning, offers associates a gateway to a diverse array of learning opportunities. It supports a broad spectrum of professional development needs, including mandatory training requirements. Our program provides a rich variety of offerings, covering Zurn Elkay-specific topics such as our products and the Zurn Elkay Business System, and an assortment of functional and management subjects.

LinkedIn Learning

In 2023, we began a strategic collaboration with LinkedIn Learning that empowers associates to acquire sought-after skills from a library of more than 13,000 high-quality courses spanning diverse domains.

LinkedIn Learning helps associates acquire skills that strengthen and accelerate their professional journeys, leveraging data-driven insights to offer personalized course recommendations tailored to each associate's unique aspirations and goals. This personalized approach ensures that every individual receives relevant and beneficial learning opportunities.



Variable Performance-Based Component to Pay

We offer a bonus program to all eligible associates (full-time and part-time) not covered by a collective bargaining agreement. Each year, associates set individual performance goals aligned with career development. Associates and their managers discuss progress toward achieving these goals and any resulting bonus payout in required annual performance reviews. We base bonus payout eligibility on the associate's achievement of their performance goals and Zurn Elkay's business performance.

Internships

Our Internship Program reflects our commitment to cultivating the next generation of talent by bridging the gap between the classroom and the workplace.

The program provides a hands-on learning experience for college students, offering them opportunities to apply their classroom knowledge to real-world scenarios within our organization. This immersive journey helps them develop essential skills, gain industry insights and build valuable professional networks while enriching our workforce with fresh perspectives and innovative ideas.

Thirty interns from 24 colleges and universities participated in our program in 2023, and 75% were either women or racially or ethnically diverse.

In 2024, we plan to focus on building relationships with five core schools in the Chicago area. We believe strengthening those connections will help us position Zurn Elkay as the employer of choice for this important source of local talent, increasing our access to outstanding individuals as they embark upon their career journeys.





LEADERSHIP DEVELOPMENT

We are committed to investing in our next generation of leaders. Our leadership development programs include:

Bridge to Business

Our Bridge to Business Program, developed and provided in collaboration with Marquette University, bridges the gap between engineering expertise and effective business leadership. This program offers a comprehensive toolkit to engineers, equipping them with the skills necessary to excel cross-functionally and become high-potential leaders within our organization. This initiative exemplifies our dedication to nurturing well-rounded leaders who combine engineering excellence with strategic business acumen.



The program's curriculum is curated to enhance participants' understanding of the business landscape and hone their ability to deliver engineering insights within a broader enterprise context. It helps them develop the communication, decision-making and team leadership skills that position them to take on multifaceted roles within our organization.

The Bridge to Business Program's multifaceted modules empower engineers with a comprehensive skill set beyond their technical prowess. They address critical aspects of business, including supply chain management, accounting, finance, marketing, leadership skills, ethical considerations, intellectual property and innovation. Six associates completed the Bridge to Business Program in 2023.

Manager Development Programs

We recognize the importance managers have in our organization and focus on developing individual contributors into managers and leaders. In 2023, we introduced our revamped Manager Development Programs as part of our commitment to nurturing leadership excellence within our organization. We combined the development strengths of both legacy companies, added new key topics and incorporated associate feedback. The outcome is two specialized programs, designed collaboratively by Zurn Elkay leadership and the Marquette University Executive Education team, enabling success in critical skills at different levels of managerial experience.

Level I: IMPACT Manager Development

This online, approximately 20-hour program is curated for new and early-career managers. It is a dynamic experience that instills practical competencies vital for their roles. The curriculum features modular learning, focusing on leadership skills and proficiencies. A cohesive approach encourages immersive social learning beyond scheduled sessions to encompass assignments, interactive activities and continuous communication. Each participant is assigned a mentor to enrich their learning journey, developing skills including effective communication, conflict resolution, diverse team management and strategic goal attainment. Twenty associates participated in the IMPACT program in 2023.

Level II: INFLUENCE Manager Development

This program is designed to propel experienced managers toward senior leadership roles at Zurn Elkay Water Solutions, affirming our commitment to nurturing leaders who will shape our organization's future. Experts and mentors lead an experiential learning journey rooted in practical application and research that nurtures strategic and tactical prowess for immediate application. The curriculum provides diverse courses, from inclusive leadership and critical thinking to financial acumen and networking strategies. Twenty associates participated in the INFLUENCE program in 2023.



In Bridge to Business, I received a much better understanding of the many different departments that go into making specific teams successful in projects."



Eric Morgensen, Engineer II, Sinks Team, Downers Grove, IL

RAPIDS Leadership Program

Our new RAPIDS program is a vital part of our strategy for investing in future leadership and succession planning. It signifies our commitment to cultivating a dynamic leadership pipeline. This intensive program aimed to identify and develop a cohort of four to six high-potential early-career individuals, blending internal talent with external recruitment to create a diverse pool of future leaders.

We designed the RAPIDS program to foster holistic growth, equipping participants with the skills and insights for success in product management, commercial sales and operations. Located in our USA-based business centers, these custom experiences are designed to challenge participants, foster accountability and establish high expectations for performance.

Participants who successfully complete the program graduate as directors, putting them on the succession path for general management or a commercial VP role. Their journey is supported by senior leadership mentoring, personalized coaching from general managers or VPs and tailored training from our management development programs. This immersive experience grants them visibility to senior leaders and the executive council, fostering a culture of upward mobility.

Four associates were selected for the RAPIDS program in 2023.



Emily Simpson, *Hadrian*

Emily Simpson, sales manager in our Hadrian division, was among our first associates selected for the RAPIDS program. Our executive team will mentor her throughout all of her RAPIDS assignments, helping her develop skills and insights that accelerate her advancement on the general manager track. Her initial RAPIDS assignment was to work with our Global Supply Chain Department and suppliers in Asia on behalf of our drinking water business, and upcoming assignments include work in operations and product management.



RAPIDS is a truly unique program that is tailored to each individual. It's a fantastic opportunity to challenge yourself and come out as a different person, a better leader, and somebody who has a unique understanding of things from A to Z."





Women Unlimited Program

We offer a suite of programs to elevate our female talent into leadership roles, fostering success for both participants and our business. Our integrated approach focuses on mentoring, education and networking, with the goal of enabling participants to translate the leadership insights they gain into actionable results. These programs empower women to lead with confidence, navigate complexity and create a lasting impact within the organization.

IMpower

Designed for new or early-career managers, our IMpower program features six monthly sessions and immersive on-the-job assignments. The program elevates career skills, hones relationship-building acumen and amplifies business impact through collaborations with accomplished leaders. Six associates participated in IMPower in 2023.

LEAD

Designed for mid-level managers, Learn-Engage-Achieve-Deliver (LEAD) includes high-potential women with more than seven years of managerial experience. Through 12 sessions, personalized mentoring by corporate executives and strategic networking, participants evolve into influential leaders adept at managing ambiguity and driving change. Eight associates participated in LEAD in 2023.

McKinsey
& Company

Connected Leaders Academy: Nurturing Exceptional Leadership

Zurn Elkay had nine associates participate in McKinsey & Company’s Connected Leaders Academy, a leadership development initiative tailored to the challenges of today’s business landscape. Through an immersive curriculum and personalized guidance, participants undergo transformational growth — acquiring the insights, skills and strategic acumen to navigate complexities, drive innovation and lead effectively.

The Connected Leaders Academy offers three distinct programs, each tailored to a specific experience level: Leadership Essentials, Management Accelerator and the Executive Leadership Program. These comprehensive pathways ensure leaders at various career stages can engage in targeted learning and growth. The academy emphasizes the inclusion of Black, Hispanic and Latinx, and Asian leaders, fostering diverse perspectives and cross-cultural collaboration within leadership circles.

Nine associates completed the program in 2023 and continue using the skills they developed to build their careers. We are currently determining nominations for enrollment in 2024.

DIVERSITY, EQUITY AND INCLUSION

Our values — particularly *Integrity in Everything We Do* and *Total Associate Engagement* — compel us to build a culture that values and welcomes differences among our associates, customers and the broader community. This work was particularly vital in 2023 as we continued to integrate our two legacy companies and build a strong, shared culture.

OUR DEI PILLARS

INCLUSION

Continue to build a culture of inclusion and collaboration in which associates feel they belong and can bring their authentic self to work every day, leveraging employee resource groups (ERGs) to help educate and celebrate differences

RECRUITMENT AND DEVELOPMENT

Advance our associate attraction, growth, development and retention efforts and increase representation of diverse groups at all levels of the organization

COMMUNITY

Support partner organizations through volunteerism, product donations and charitable giving, helping build a more diverse and skilled workforce over time

[Read Zurn Elkay's Diversity, Equity and Inclusion Policy](#)



DEI GOVERNANCE

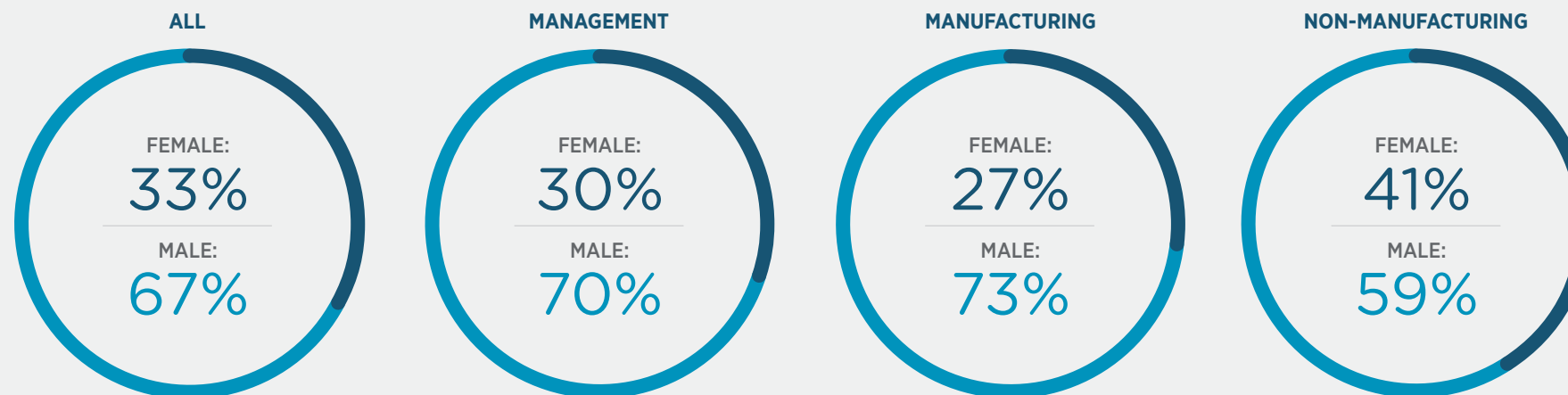
Diversity, equity and inclusion are central to everyone’s role at Zurn Elkay, at every level of our organization.

- Our **Board of Directors** provides oversight of matters related to DEI, and our CEO and Chief Human Resources Officer (CHRO) report to the Board on risks and opportunities concerning DEI issues, including recruitment and retention of diverse associates and executives
- Members of our **Executive Council** oversee DEI strategy and are executive sponsors of the associate-led DEI Council
- The associate-led **DEI Council** reflects the diverse voices and backgrounds within the organization and leads the ERGs
- Our **associates** receive education and training as part of our annual development and Code of Conduct training

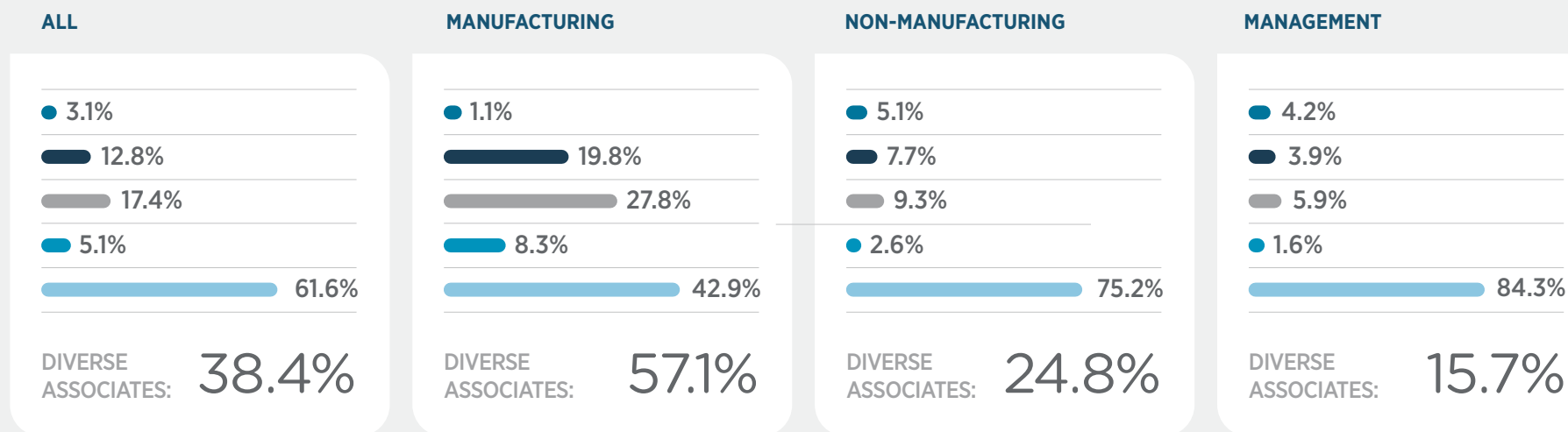
We also promote DEI with Zurn Elkay’s external business partners. We are working to increase diversity among our supplier base (see [page 106](#) for more details), and several of our volunteer and philanthropic efforts focus on supporting racial justice and equity (see [page 92](#) for more details).

Diversity at Zurn Elkay

GENDER BREAKDOWN, GLOBAL ASSOCIATES (FEMALE AND MALE)



RACIAL AND ETHNIC BREAKDOWN, U.S. ASSOCIATES



EVOLVING EMPLOYEE RESOURCE GROUPS

To fulfill our mission, we strive to empower our associates to bring their authentic selves to work. We sponsor ERGs that provide support and connection for members of particular populations, helping create a workplace where everyone feels comfortable and engaged. These associate-led organizations bring together people with shared backgrounds or characteristics to discuss their experiences, identify ways to improve our diversity and inclusion efforts and create networking and personal development opportunities.

In 2023, we brought together the Zurn and Elkay ERGs. As part of that process, we evaluated which ERGs provided the greatest value to our associates and boosted engagement. That analysis led us to merge some groups and add or remove others, helping improve the effectiveness of our ERGs overall and increase connections and cohesiveness across our company. We added the veterans ERG and parenthood ERG subgroup this year, and we expect them to receive high levels of engagement and support.

ZE WOMEN



Provides support and connection for female associates and includes the parenthood support initiative

ZE SPECTRUM



Fosters inclusive work culture and support for LGBTQ+ associates

ZE BLACK EMPLOYEE RESOURCE GROUP



Empowers African American associates

ZE ¡HOLA! LATINX RESOURCE COMMUNITY



Offers a safe, inclusive space for Hispanic and Latinx associates to address issues and raise awareness

ZE VETERANS



Community of veterans and their allies that aims to connect, collaborate, and thrive both personally and professionally while creating a positive change within our company and communities

ZE EASTERN ENERGY SQUAD



Creates an environment for appreciation of Asian American and Pacific Islander cultures

Belonging at Zurn Elkay

We know that to live out our core value of *Total Associate Engagement*, we must maintain a culture in which all associates feel they belong. Our annual Associate Inclusion Index score helps us gauge our progress in fostering feelings of belonging at Zurn Elkay. It asks whether associates agree with statements such as “*I feel as if I belong in my team*” and “*I am comfortable voicing my ideas and opinions, even if they are different than others’.*” We strive to exceed the industry average Associate Inclusion Index score each year.

Associate Inclusion Index vs. Industry Average

79.3%

Zurn Elkay

73.6%

Industry Average



DEI RECRUITING PARTNERSHIPS

In 2023, we renewed our relationship with National Black MBA and Hispanic Alliance for Career Enhancement, leveraged talent networks and participated in career fairs. Additionally, we joined Women in Business at the University of Wisconsin, Milwaukee, a college-level professional organization that helps us build important relationships with early-career talent. We continued to develop a network of diversity-focused recruitment agencies by partnering with Sparks Group, a certified LGBT Business Enterprise (LGBTBE) through the National LGBT Chamber of Commerce (NGLCC), and the Orion Group veteran staffing firm. We also renewed our relationships with Circa and Seekout, online sourcing tools that highlight diverse candidates.



PAY EQUITY

We conduct an annual pay equity review to ensure we provide compensation based on qualifications such as experience, education and skills and that associates' compensation is not influenced by gender. Our 2023 review found no significant gender pay issues.

INCLUSIVE LEADERSHIP AND CULTURE TRAINING

At Zurn Elkay, our commitment to DEI is a cornerstone of our corporate vision. Our DEI initiatives reflect our dedication to fostering a workplace that values diverse voices, celebrates inclusivity and embraces change. We are at the beginning of a transformative journey, taking our initial strides in a comprehensive effort to foster a diverse and inclusive workplace. We focus on long-term investment, pledging the necessary resources and time to make a lasting impact.

Training and Development Overview

As a core component of our inclusion commitment, we have introduced mandatory training for all associates to be delivered in person or via the LinkedIn Learning portal. This module empowers our associates with the tools and insights needed to engage in constructive conversations about diversity-related matters. In 2023, we added human rights training for all global associates (see [page 101](#) for more details).



Leadership Engagement

We are helping equip our leaders with the skills to navigate DEI challenges effectively. For training geared toward our directors and senior leaders, we have forged a partnership with a recognized authority on human behavior with a multidisciplinary background in communication science, social psychology and cognitive neuroscience. Dr. Robbins met with all director-level and above employees to build inclusive leadership awareness and capability.

We recognize that this training is just one step on a journey. Dr. Robbins will work closely with our HR business partners to support them in team discussions throughout 2024. These sessions will focus on translating insights into actionable initiatives facilitating strategic planning and implementation.

ASSOCIATE WELLNESS

At Zurn Elkay, we seek to foster a healthy environment that supports the personal well-being of our associates and their families. We believe supporting associate wellness will lead to a healthier, more robust and productive work culture and greater sustainability as an organization.

We offer a wellness program that includes resources and incentives to support physical and mental health, focusing on preventive care. Participating associates and covered spouses earn points for preventative measures such as annual physicals, well-woman check-ups, mammograms, colonoscopies and dental screenings, as well as lifestyle activities like tracking steps, stress management programs, weight management programs, volunteering, financial wellness programs and participating in annual challenges. Achieving a set target of wellness points earns associates a significant discount on healthcare premium costs.

ASSOCIATE WELLNESS PROGRAM STATISTICS, 2023

86%

reached their goal to achieve wellness rates for 2024

49%

completed their annual preventative health exam

41%

age or gender-specific checkups (e.g., mammogram, colonoscopy, etc.)

903

associates participated in the health screen





COMMUNITIES

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70

years of philanthropy from the Zurn Foundation

45

years of providing scholarships to children of associates

5,366

total volunteer hours completed by Zurn Elkay associates in 2023

\$7.7M

cash and in-kind donations to community organizations

COMMUNITIES

Zurn Elkay’s support of the communities where we live, work and play is integral to our *Sustainably Inspired* philosophy.

Beyond providing high-quality employment opportunities, we support the communities in which we operate through financial and in-kind contributions to various organizations and initiatives. We also actively support philanthropy and volunteerism among our associates, helping them develop strong connections to their communities in the ways that are most rewarding to them.

We focus our community philanthropic efforts on local organizations where we believe we can have the most significant positive impact, with a particular focus on areas with poor water quality and few resources.

2023 COMMUNITY IMPACT HIGHLIGHTS

\$2.2M

filter donation provides five years of clean drinking water to Milwaukee Public Schools

\$7.7M

cash or in-kind donations to community organizations

5,366 HOURS

total volunteer hours for Zurn Elkay associates

45 YEARS

Time the Zurn Foundation has been offering college scholarships to associates’ children



Zurn Elkay donated a five-year supply of bottle filling station filters, valued at \$2.2 million, to Milwaukee Public Schools (MPS) for use in their drinking fountains and bottle filling stations.

CORPORATE GIVING

We provide financial support, in-kind donations and volunteer time to organizations working at the ground level to foster sustainability in our communities. We deliver this support through direct corporate donations as well as through the Zurn Foundation.



Corporate Giving • Associate Giving and Volunteerism

THE ZURN FOUNDATION

Zurn Elkay has a long history of community support, including 70 years of charitable giving from the Zurn Foundation. Since 1953, the Zurn Foundation has extended our company’s philanthropic reach and impact by making financial contributions and providing volunteer support to organizations within our communities. The foundation focuses its giving on three community pillars: Basic Needs, Education and the Environment.

ZURN FOUNDATION FOCUS AREAS

Basic Needs

Supporting organizations that improve quality of life by delivering essentials such as food, shelter, care and clean water

Education

Supporting programming related to science, technology, engineering and math and the plumbing trade, as well as organizations that extend equal access to education for everyone and that work to create a more diverse and equitable pipeline of workers for the economy

Environment

Supporting organizations that work to protect water and other natural resources for current and future generations

2023 Zurn Foundation Grant Recipients

The Zurn Foundation made grants to the following organizations in 2023:



ZURN FOUNDATION

In 2023, Zurn Elkay and the Zurn Foundation made \$7.7 million in total contributions, including financial and product donations. The contributions far exceeded our goal to donate \$5 million between 2022 and 2024.



THE ZURN FOUNDATION **URNS 70**

On Friday, October 9, 1953, President L.B. McKnight and other leaders of the 62-year-old Chain Belt Company established the Chain Belt Foundation Inc. with a starting endowment of \$150,000 (\$1.725 million in 2023 dollars).

While the foundation’s name has changed in the ensuing seven decades — to Rexnord Foundation in 1973 and to Zurn Foundation in 2022 — its commitment to building hope and a brighter tomorrow has been steadfast. Enduring economic recessions, business transformations and a global pandemic without interruption, the Zurn Foundation has been a partner and advocate, funding thousands of appeals in Milwaukee and across the country. Today, the Zurn Foundation provides financial support to organizations working at the ground level to foster sustainability in our communities.

“The foundation is committed to impact giving that doesn’t just benefit the now but endures for the future,” said Patty Whaley, Zurn Foundation board member.



The foundation is committed to impact giving that doesn’t just benefit the now but endures for the future.”

PATTY WHALEY
Zurn Foundation Board Member

The foundation, led by President Todd Adams and foundation officer Mark Peterson, also matches U.S. associates’ personal philanthropy up to \$5,000 per year per U.S.-based associate, and it provides every global associate 20 hours of paid volunteer time off per year. The foundation has also awarded U.S. college scholarships to associates’ children for 45 years.



“We’ve provided hundreds of college scholarships to the children of Zurn Elkay associates, helping to educate two generations — and counting — of teachers, tradespeople, scientists, artists, physicians and so much more,” Patty said. *“While these are just a few highlights of the last 70 years, I couldn’t be prouder of the work the foundation has already done and I’m excited to be part of what is next.”*

Scholarships

The Zurn Foundation has been offering college scholarships to associates' children for 45 years. Graduating high school seniors enrolled in an accredited four-year college or university are eligible to apply for:



The **\$24,000** Ron Katz Memorial Scholarship (\$6,000 per academic school year)



The **\$16,000** Foundation Scholarship (\$4,000 per academic school year)



One of five **\$8,000** Foundation Scholarships (\$2,000 per academic school year)

IN 2023, THE ZURN FOUNDATION PROVIDED

\$62,000

in scholarships to children of associates.

Paul Sternberg Jr. Community Impact Award

Zurn Elkay provides additional financial support to our communities through the Paul Sternberg Jr. Community Impact Award. Each year, our associates nominate their colleagues and the family members of Zurn Elkay associates for the award in recognition of their outstanding volunteer efforts with charitable organizations. Zurn Elkay selects winners and provides grants to the charities where they volunteer. In 2023, we awarded grants totaling \$6,000.

2023 Award Winners:

For **Dan Hess**, a senior supply chain specialist in Downers Grove, IL, his involvement in the community has evolved over his 39 years with Zurn Elkay and its predecessor companies. When based in the Savanna and Lanark facilities in northwestern Illinois, Dan worked with the nonprofit environmental conservation organization Living Lands & Waters on cleanups of the nearby Mississippi River.

In 2023, Dan continued his support of Living Lands & Waters by organizing a cleanup on the Des Plaines River — a new location for the organization — supported by Zurn Elkay associates from the Downers Grove, Bensenville and Broadview communities. *“When we saw the boats come in with all the garbage we picked up, it was a wonderful feeling for our whole team,”* he said. *“We left the river a better place than we found it.”*



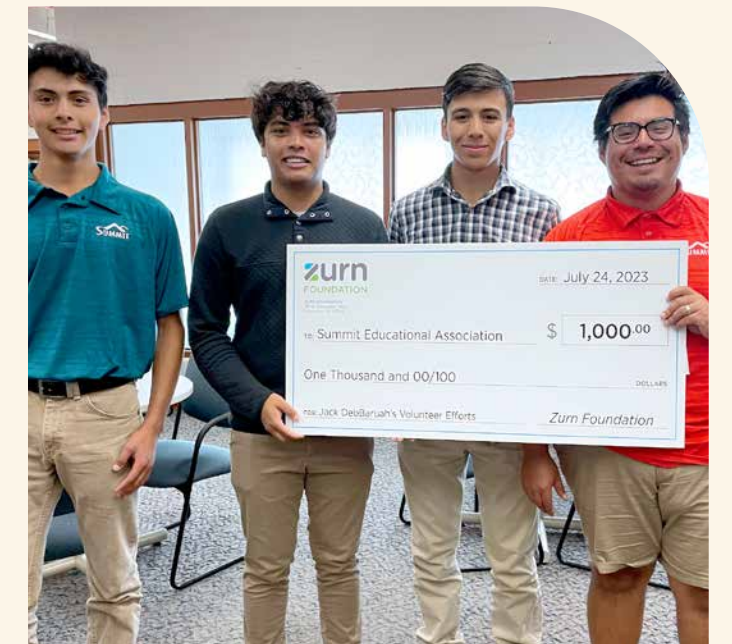
Milwaukee-based marketing manager **Betsy Reuteman** has been involved with Big Brothers Big Sisters for a decade and has been a “Big” for five. She volunteered over 100 hours in the past year alone, including work with the organization’s Board. *“One of the greatest things about working here is that I am encouraged to volunteer during work hours, and I definitely use every one of those 20 hours,”* she said.

“I haven’t had opportunities like this at other places I’ve worked, so it really does stand out to me that Zurn Elkay is very invested in our communities and really wants to get their people involved.”



Jack DebBaruah, a high school senior and son of an associate, has been involved with Summit Educational Association for two years, serving as a tutor and mentor for Milwaukee Public School students. *“I’m just one of several volunteers working to bridge the MPS educational and proficiency gap,”* he said. *“It’s amazing what can happen when you work one-on-one with a student.”*

Jack notes that the \$1,000 grant will go a long way toward providing services for even more MPS students: Summit Educational Association charges just \$26 per year for support services that include working with students and their families.



COMPANY CONTRIBUTIONS

Our business places us at the center of critical community issues related to water cleanliness, safety, conservation and infrastructure. We proactively address lead in school drinking water through product donations. Our products can support communities in fulfilling one of their most fundamental and important goals: providing safer, cleaner drinking water.

FOUNTAINS FOR YOUTH

To address lead in drinking water head-on, Zurn Elkay's Fountains for Youth program was relaunched to provide filtered bottle filling stations to school districts in areas where lead levels are high and resources are low. We seek partnerships with districts where we can significantly and dramatically improve students' access to cleaner, safer drinking water, especially within elementary schools. In 2023, we donated 5,732 products including filling stations, filters, faucets, flush valves and other accessories to 10 school systems.



HABITAT FOR HUMANITY

Again in 2023, we supported Habitat for Humanity, a nonprofit organization that has helped more than 46 million people achieve safe and affordable shelter. We donated more than \$4 million worth of sinks and \$1 million worth of faucets to Habitat for Humanity for use in both their new home construction projects and for sale through their ReStores.



Case study 

MILWAUKEE PUBLIC SCHOOLS

In an event with students at Storms Early Childhood Center, Milwaukee Mayor Cavalier Johnson, MPS Superintendent Dr. Keith Posley and Zurn Elkay Chairman and CEO Todd Adams celebrated the launch of a five-year support agreement between Zurn Elkay and MPS.

Zurn Elkay donated a five-year supply of bottle filling station filters, valued at \$2.2 million, so that MPS's drinking fountains and bottle filling stations stay filtered. *"While the drinking water in MPS is clean and safe, we know that our young people deserve the highest quality of water,"* Dr. Posley said.

"Partnering with Milwaukee-based businesses — whether they are local operations or national leaders like Zurn Elkay — is an essential part of ensuring a lead-free Milwaukee," added Mayor Johnson. *"That's why we truly appreciate Zurn Elkay stepping up."*

"For kids in Milwaukee and all across the country, school buildings are more than a place for education and social development: They're a primary source of drinking water," Todd said. *"As a proud Milwaukee-based company, we're grateful that MPS has trusted Zurn Elkay with the opportunity to help ensure every MPS student, teacher and staff member has access to safer, cleaner drinking water."*



As a proud Milwaukee-based company, we're grateful that MPS has trusted Zurn Elkay with the opportunity to help ensure every MPS student, teacher and staff member has access to safer, cleaner drinking water."

TODD ADAMS

Zurn Elkay Chairman and CEO

ASSOCIATE GIVING AND VOLUNTEERISM

At Zurn Elkay Water Solutions, we believe in supporting the communities where we live and work. From philanthropic giving to volunteer opportunities for associates, social responsibility is a company priority. Our associates and their skills and passion are making a difference in their communities.

Matching Gifts

All U.S. associates are eligible for up to \$5,000 in Zurn Foundation matching funds for gifts made to U.S.-based 501(c)(3) nonprofits during the foundation’s fiscal year. In 2023, we doubled the impact of our associates’ charitable contributions by making \$42,015 in matching gifts. In addition, we match associates’ United Way contributions each year in support of our ongoing long-term collaboration with this invaluable community organization.

\$42,015

Total company matching contributions in 2023, to 74 nonprofit organizations

Case study

UNITED WAY CAMPAIGN

Our annual United Way campaign supports efforts to build strong, equitable communities. Thanks to the generosity of our associates and our matching gift program, in 2023 we raised \$273,138 for communities across the U.S. and Canada, which included a \$90,000 donation from the Zurn Foundation.

Our associates contributed 126 volunteer hours to United Way partner agencies:

- 15 associates in Calgary, AB, packed more than 100 lunches for Mustard Seed, a nonprofit dedicated to individuals experiencing homelessness and poverty
- Five associates in Downers Grove, IL, spent a total of 35 hours building a home with Habitat for Humanity Chicago South Suburbs
- 20 associates in Milwaukee packed 100 bags with healthy snacks and inspirational messages before dropping them off at Big Brothers Big Sisters of Metro Milwaukee
- Six associates in Carrollton, TX, spent a half day making essential repairs for disadvantaged and elderly homeowners through the city’s People Helping People program



ASSOCIATE GIVING AND VOLUNTEERISM HIGHLIGHTS

Company Sponsored Volunteer Time

Volunteering for important causes not only helps improve the quality of life in our local communities but also builds stronger bonds among associates and reinforces our culture of caring. That's why we provide associates 20 hours of company sponsored volunteer time each year.

IN TOTAL, 887 ASSOCIATES GAVE 5,366 HOURS TO 170 NONPROFITS IN FIVE COUNTRIES, INCLUDING:

161 HOURS

to Food for Life Canada
(Burlington, ON)

196 HOURS

to Girl Scouts of Western Pennsylvania
(Edinboro, PA)

176 HOURS

to Living Lands & Waters
(East Moline, IL)

20 HOURS

to a local beach cleanup effort
(Dubai, UAE)

194 HOURS

to Hunger Task Force
(Milwaukee)

25 HOURS

to National Multiple Sclerosis Society
(Woodbridge, NJ)

40 HOURS

to Trusted World Foundation
(Garland, TX)

61 HOURS

to the Special Olympics
(Goodyear, AZ, and Normal, IL)

38 HOURS

to Carolina Animal Rescue and Adoption
(Sanford, NC)



zurn • elkay
SOCIAL IMPACT FUND

WAVES SOCIAL IMPACT FUND

Our associates are responsible for some of our best and most innovative thinking. We've tapped this talented group to advance our sustainability goals through the WAVES Social Impact Fund.

Launched in 2022, the WAVES Social Impact Fund provides financial backing for innovative associate ideas that help our company advance our ESG efforts. All associates are welcome to submit ideas throughout the year, and our ESG Committee selects the top submissions to receive funding from Zurn Elkay to put the ideas into action.

Four new WAVES ideas were approved in 2023, providing support for innovative projects such as:

- Partnering with a higher education institution to explore how to recycle used water filters
- Exploring renewable energy options to assist in meeting the company's newly established target of sourcing at least 25% of our electricity from renewable sources by 2030
- Switching to sustainable clothing options and reusable nameplates when our associates are at trade shows. In addition, merchandise on the company store will be switched out for more sustainable apparel
- Establishing an internal task force to explore a path to zero waste at our Paso Robles, CA, facility

A photograph of a man with a beard and glasses, wearing a light blue dress shirt, smiling broadly as he shakes hands with another person whose arm in a blue denim shirt is visible on the right. The background is blurred, showing warm, bokeh-style lights.

GOVERNANCE AND ETHICS

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40%

female and minority representation on the Board of Directors in 2023

100%

of new suppliers screened for environmental and social criteria

100%

of associates trained on the Code of Business Conduct and Ethics in 2023

5.5%

of supplier spend with diverse businesses in 2023

GOVERNANCE AND ETHICS

We build our governance and ethics strategy on our core value *Integrity in Everything We Do*. From incorporating best practices into our companywide training to building a diverse Board of Directors aligned with our ESG efforts, our approach ensures transparency, accountability and the responsible operation of our *Sustainably Inspired* company.



The Zurn Elkay Board of Directors



Todd Adams

Zurn Elkay Chairman of the Board and CEO



Mark Bartlett

Partner (retired 2012), Ernst & Young



Don Butler

Executive Director (retired 2020), Connected Vehicles of Ford Motor Company



Thomas Christophoul

Cofounder and Managing Partner, Iviron Capital Partners



Timothy Jahnke

Chairman of the Board (retired 2022), Elkay Manufacturing Company



David Longren

Senior VP (retired 2016), Polaris Industries



Emma McTague

SVP and CHRO, Oshkosh Corporation



George Moore

Director, IPS Corporation, Cypress PerformanceGroup, CP Atlas Parent Holdings



Rosemary Schooler

Corporate VP, Global Data Center Sales (retired 2022), Intel Corporation



Peggy Troy

President and CEO, Children's Wisconsin

CORPORATE GOVERNANCE STRUCTURE

The Zurn Elkay Board of Directors guides our corporate governance and ethics strategy on behalf of our shareholders.

A diverse and experienced Board brings tangible benefits to the company and its shareholders. We achieved our goal of having 30% gender diversity on our Board of Directors in 2023 — one year ahead of our target — when Emma McTague joined the Board. Four of the last five directors to join the Board are gender or racially diverse. We currently have 40% diverse representation on our Board, and nine out of the ten directors are independent under applicable New York Stock Exchange rules.

The Board of Directors includes four key committees that oversee specific functions at Zurn Elkay:

- **Audit:** Oversees and monitors Zurn Elkay's financial reporting process and the integrity of our financial statements and internal controls, including the hiring, retention, performance and fees paid to the independent auditors; the policies and processes with respect to risk assessment and risk management, including the company's enterprise risk management (ERM) program; and compliance with legal and regulatory matters
- **Compensation:** Designs and administers Zurn Elkay's executive compensation programs and oversees management of related risks
- **Nominating and Corporate Governance:** Identifies Board candidates and recommends nominees for election; identifies and recommends best practices and corporate governance principles; and oversees the evaluation of our Board of directors and senior management
- **Sustainability:** Oversees Zurn Elkay's initiatives, plans, policies and practices with respect to ESG and sustainability matters that are significant to the company and the communities in which it operates, including policies and programs related to environmental, health and safety, sustainability and climate-related issues

THE ZURN ELKAY BOARD OF DIRECTORS

STRONG BOARD WITH EXPERTISE IN:

SUSTAINABILITY AND ESG

TECHNOLOGY AND CYBERSECURITY

HUMAN CAPITAL MANAGEMENT

AUDIT AND FINANCE

LEADERSHIP AND MANAGEMENT

PUBLIC COMPANY GOVERNANCE

INDUSTRY AND GLOBAL MANUFACTURING

Director	Director Since	Title	Age	Gender	Ethnic Diversity	Independent	Audit Committee	Compensation Committee	Nominating & Corporate Governance Committee	Sustainability Committee
Todd Adams	2009	Zurn Elkay Chairman of the Board and CEO	53	M		CEO				
Mark Bartlett	2012	Partner (retired 2012), Ernst & Young	73	M		X	X			
Don Butler	2021	Executive Director (retired 2020), Connected Vehicles of Ford Motor Company	60	M	X	X	X		X	
Thomas Christopoul	2013	Cofounder and Managing Partner, Iviron Capital Partners	59	M		X		Chair		
Timothy Jahnke	2022	Chairman of the Board (retired 2022), Elkay Manufacturing Company	64	M		X				
David Longren	2016	Senior VP (retired 2016), Polaris Industries	65	M		X		X		Chair
Emma McTague	2023	SVP and CHRO, Oshkosh Corporation	50	F		X		X	X	
George Moore	2015	Director, IPS Corporation, Cypress Performance Group, CP Atlas Parent Holdings	68	M		X	Chair			X
Rosemary Schooler	2019	Corporate VP, Global Data Center Sales (retired 2022), Intel Corporation	56	F		X		X		
Peggy Troy	2019	President and CEO, Children's Wisconsin	72	F		X			Chair	X

ESG GOVERNANCE

We developed a governance and implementation strategy that embeds ESG practices across Zurn Elkay. Oversight responsibility for our ESG strategy is shared by the Board of Directors and our executives, and it is communicated to associates through policies that guide them in their everyday work. See [page 121](#) of the index for a complete list of our ESG policies.

BOARD OVERSIGHT OF ESG AND ETHICS

The Board’s Sustainability Committee sets ESG policy, monitors performance and responds to ESG-related issues that affect shareholders and other stakeholders. As an indication of ESG’s importance to the business, the Board Sustainability Committee meets at least semi-annually as a committee and with members of management.

Our Board oversees the company’s ERM process, which involves annual risk assessments covering both ethical and physical risks, evaluation and management of critical risks and opportunities to the business. During the annual ERM process, we survey members of management for potential risks, formally document and assess those risks and put mitigation efforts in place.

We integrate climate-related physical risks that could result in disruption of operations — for example, due to changing frequency and intensity of weather — into our business continuity planning (BCP)

process. The BCP evaluates the organization and its upstream and downstream components for risks to the business, based on four pillars: People, Premises, Process and Product. A formal BCP template has been developed under executive-level supervision and is made specific to individual facilities. The BCPs outline the response process to business interruption, including interruptions due to climate-related risks, and detail responsibilities for assuring continuity of critical processes and services. Zurn Elkay’s BCP process is reviewed by a third-party auditor and complies with ISO 22301.

We take a forward-looking approach to managing climate transition risks and opportunities in key areas throughout our company. These include business continuity planning, new product and technological advancements, IT protection, disaster recovery planning and emergent risk evaluations. New product development and technological advancements such as our water quality, safety, flow control and conservation products, including sensor faucets, flush valves, low-flow fixtures and carrier systems, are of critical importance to our transitional planning. Our efforts to create sustainable and hygienic products that help our customers achieve greater resource efficiency offer an example of how planning for climate risk has informed our business strategy.

Board Sustainability Committee Members

David Longren – *Committee Chair*

George Moore

Peggy Troy

Board Sustainability Committee Responsibilities

Health and Safety

Sustainability

Ethical and Sustainable Sourcing

Human Rights

Environmental Matters

Product Safety and Eco-friendly Design

Supplier Conduct and Diversity

Materials Sourcing

Labor Practices

Diversity and Inclusion in Employment

Volunteerism and Corporate Giving

Corporate Citizenship

Business Ethics

Reporting

EXECUTIVE OVERSIGHT OF ESG

Our internal ESG Steering Committee is responsible for the daily implementation of our ESG strategy. The committee, which meets monthly, includes a cross-functional team of Zurn Elkay leaders who use their business expertise and deep knowledge of our sustainability commitments to create and refine our goals, improve our ESG strategies, establish effective policies and enhance reporting to stakeholders.

Incentive compensation for company leaders may incorporate a link to sustainability performance. Our annual bonus plan applies certain financial performance metrics for our business as well as a personal performance factor. The personal performance factor is based on the executive’s personal goals for the year, which may include sustainability-related goals the executive is responsible for leading and achieving. Achievement of sustainability goals affects that individual’s personal performance factor and resulting annual bonus.

ESG Steering Committee’s focus areas:

Governance and Ethics

Products

Sustainability

Quality and Safety

Supply Chain

Environment

Health and Safety

Climate

Human Capital

COMPLIANCE AND ETHICS

Zurn Elkay is committed to the highest ethical standards in all our business practices. Our comprehensive [Code of Business Conduct and Ethics](#) guides our actions across the company. The Code broadly covers ethics and anti-corruption compliance, including conflicts of interest, insider trading, data privacy and employment practices such as harassment and discrimination. It incorporates and references our [Anti-Corruption Law Policy](#) and our [Human Rights Statement](#).

The general counsel manages the Compliance and Ethics Program across Zurn Elkay and provides annual updates to the Audit Committee and Board of Directors. Members of the management team and the Board of Directors review and update the Code of Business Conduct and Ethics each year, and we require all full- and part-time associates to complete annual training in the Code of Business Conduct and Ethics. In 2023, we added training specifically focused on human rights and human trafficking. Beginning in 2024, we plan to rotate the focus of our human rights training annually to cover topics such as modern slavery in the supply chain and child labor.

To support our commitment to our Code of Business Conduct and Ethics, we maintain a reporting program that allows associates and vendors to report claims through various methods, including a 24/7 confidential hotline, website, email, mail, in person or externally through government regulators. This same reporting program is accessible to associates to report interactions and transactions with suppliers and other supply chain partners and is available in local languages. To further deter noncompliance, we conduct a quarterly SEC Section 302 certification process in which our top 30 leaders, covering the entire enterprise, certify that they are not aware of any undisclosed ethics violations within their respective organizations.

We have established processes to ensure that we address and confidentially investigate all hotline and whistleblower concerns in a timely fashion and then report out to the appropriate level of the organization. When a complaint is filed, it is subject to a preliminary assessment of the allegations' seriousness, credibility and details. An investigator is assigned and begins the process of defining the scope of the investigation, identifying potential witnesses and evidence, preparing interview questions and determining a timeline for the investigation. The investigator interviews witnesses and collects relevant data or documentation. Upon completion of witness interviews, including any follow-up interviews and document or data collection, the evidence is reviewed and a recommendation made for next steps based on the conclusions reached. Business partners with a legitimate need to know may be provided with information regarding the allegations, conclusions and any action items to be taken, including but not limited to training, policy review, coaching, disciplinary action and/or termination. Upon completion of the investigation, complainants receive feedback and briefing on the outcome.

Our Internal Audit function reviews compliance with aspects of our Code of Business Conduct and Ethics as part of its activities, including site audits. The ethics reporting program provides guidelines for reporting material ethics claims to the Board's Audit Committee. The Board receives an annual report on the company's Compliance and Ethics Program. In 2023, we received 25 reports through our ethics reporting system, none of which were deemed material.

Our compliance and ethics codes and policies align with the U.N. Global Compact's Human Rights and Anti-Corruption Principles.

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2

Businesses should make sure that they are not complicit in human rights abuses

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

ANTI-CORRUPTION POLICY

Our [Anti-Corruption Law Policy](#) is integral to our Compliance and Ethics Program. As a multinational company, Zurn Elkay operates under several regulatory and legal regimes, including the U.S. Foreign Corrupt Practices Act and other local and international bribery and corruption laws. We provide our Anti-Corruption Law Policy to associates in multiple languages to deliver the guidance needed to remain in compliance with various laws.

We require biennial anti-corruption training for associates in several relevant job functions, including legal, finance, sales, business development, supply chain and logistics and they must sign off upon training completion.

We also employ a strong due diligence process to protect the company against bribes and other unlawful offers made to potential customers by third-party intermediaries such as sales agents, customs brokers and freight forwarders. Any associate hiring a third-party intermediary must perform an anti-corruption review process and risk assessment. Our contracts with third-party intermediaries also include standard provisions such as anti-corruption representations, audit rights and termination rights for any violations of applicable anti-corruption laws. We repeat this process when existing contracts or relationships come up for renewal.

As a publicly traded company, we have internal controls that are specifically designed to address record-keeping and approvals within the organization, including those pertaining to our Bribery and Corruption Program.

Regular reviews of anti-corruption processes allow us to evaluate compliance with our corporate procedures and policies, helping drive continuous improvement in our Compliance and Ethics Program each year. No incidents of corruption were confirmed at the company, nor were any legal actions regarding corruption brought against the company in 2023.

TAX TRANSPARENCY

We are committed to complying with the letter and spirit of all tax laws in the countries in which we operate. Our tax and finance teams work to maintain compliance with tax laws wherever we have business dealings by applying reasonable tax practices and acting transparently. Income taxes paid are provided below, organized by country.

CORPORATE INCOME TAXES PAID (USD)

	2022 ¹	2023
United States	1,488,887	41,881,398
Canada	1,052,024	3,221,915
India	167,118	183,875
Mexico	421,793	416,089
Singapore	—	1,915
Total	3,129,822	45,705,192

¹ United States income taxes paid were significantly lower due to a number of discrete items, including a large overpayment credit from 2021 relating to end-of-year NQSO exercises and utilization of various tax attributes inherited in conjunction with the Elkay merger.

SUPPLY CHAIN SUSTAINABILITY

We carefully evaluate our entire supply chain to make purchasing choices that help us deliver sustainable products and protect our business from risk.

In 2023, we refined our documentation and approval process for suppliers and updated our Supplier Excellence Manual, which includes expectations for how to do business with Zurn Elkay. For more information on the Supplier Excellence Manual, see [page 105](#).

To help ensure the integrity of our supply chain, we are dedicated to overseeing the critical areas of supplier diversity, supply chain sustainability and supply chain risk. Zurn Elkay's Senior Vice President of Supply Chain initiates and oversees all initiatives. In line with our core value of *Continuous Improvement*, our team is always looking for enhancements that can improve our management of these topics while balancing the complexities of domestic and global supply chains across our global supplier base. We provide training on a quarterly basis on ESG initiatives during our Management and Governance Council Meetings.

100%

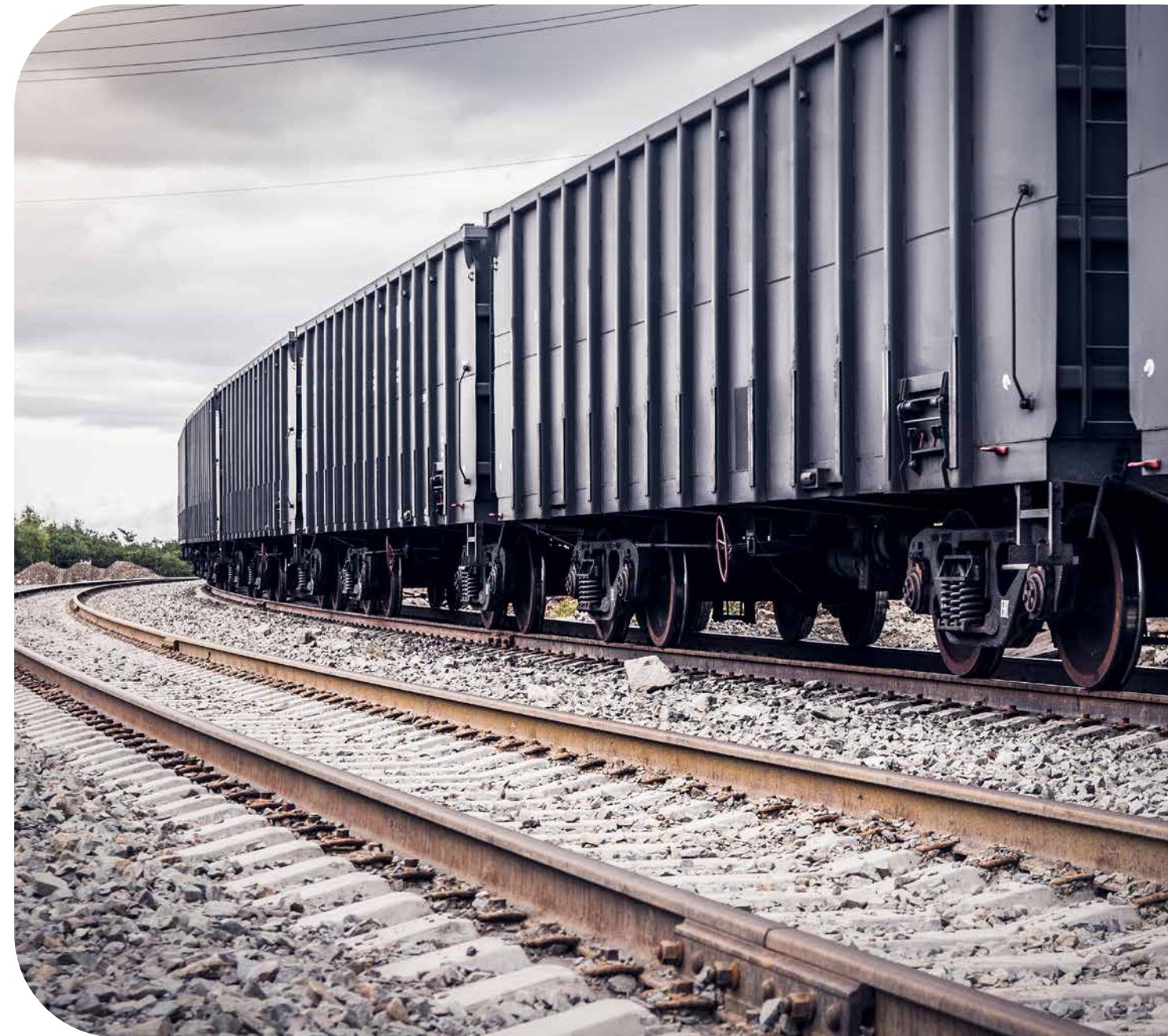
of new suppliers were screened using environmental and social criteria

41%

of procurement spend with local suppliers

5.5%

of our domestic spend with diverse suppliers



SUPPLIER SCREENING AND ASSESSMENT

Our supplier screening program uses a systematic approach to onboard new suppliers and assess existing suppliers. It includes supplier self-declaration and validation through internal supplier audits of key environmental and social performance indicators. The assessment process is designed to identify and evaluate significant negative environmental or social impacts, including both actual and potential impacts. Key features include:



NEW SUPPLIER SCREENING:

Our new supplier screening includes eight questions on ESG criteria. Suppliers must meet our threshold score for Zurn Elkay to consider conducting business with them. Our emphasis on our supplier ESG program ensures our suppliers are aware of our ESG efforts and participate in them. After suppliers pass the initial screening, an on-site audit is scheduled. The Quality Team records responses throughout the new supplier screening process in a system that is accessible across business units. The team flags negative responses and develops action plans appropriate for the risks identified. Suppliers' ESG is taken into consideration in the supplier selection and contract awarding process. Prior to onboarding, new suppliers are subject to the review and approval of our Supplier Management and Governance Council. We onboarded 27 new suppliers in 2023, all of which have been screened and had audits scheduled.



SUPPLIER RISK AUDITS:

We have a robust system for supplier audits that applies to the top 80% of suppliers based on spend, and we have established a roadmap to broaden the review to encompass 100% of our supply base by the end of 2024. We perform on-site audits at least once every three years to ensure ongoing alignment with Zurn Elkay ESG requirements. Using a risk matrix measuring eight categories, suppliers are categorized as high, medium or low risk and monitored accordingly. If suppliers are deemed non-conforming, our Risk and Quality Teams work with the Supplier Management and Governance Council to develop a risk mitigation plan. In 2023, we introduced a new companywide system that details processes for when a supplier is identified as needing corrective action. We performed 77 audits on ongoing suppliers in 2023.



ESG AND BUSINESS CONTINUITY SURVEY:

In 2023, we launched an ESG and Business Continuity Survey for all suppliers, including questions about energy use, greenhouse gas emissions and water use. It also included questions about supplier business continuity, helping us ensure that we are aware of and addressing risks within our supply chain. The survey results will guide future plans for ESG engagement and business continuity risk.

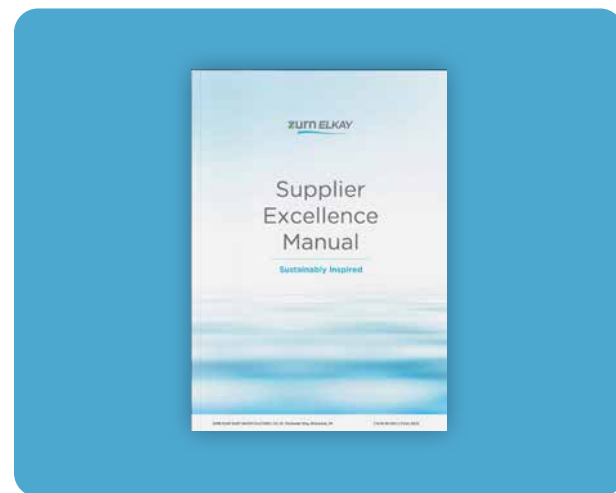


SUPPLIER AFFIRMATIONS:

We are committed to improving our product stewardship and transparency efforts and to reducing the toxic footprint in the supply chain. Suppliers are required to affirm their compliance of their own compliance with certain regulations, for example the U.S. Federal Toxic Substances Control Act and Lautenberg Chemical Safety Act; the California Safe Drinking Water and Toxic Enforcement Act of 1986 (Prop 65); and the European Union Restriction of Hazardous Substances in Electrical and Electronic Equipment.

SUPPLIER CODE OF CONDUCT

Operating as a *Sustainably Inspired* company requires us to hold our suppliers to the same standards we apply to our operations in critical areas such as ethics, human rights, diversity and environmental stewardship. In 2023, we published a new Supplier Excellence Manual that includes information about several of our supply chain initiatives and requirements, including the Supplier Code of Conduct, Human Rights Statement, Supplier Quality and Development Program and Supplier Diversity. The manual is intended to provide a clear understanding of our expectations, guidelines and processes. Adhering to these standards ensures seamless collaboration, enhanced operational efficiency and shared success in the competitive marketplace. Reviewing the Supplier Excellence Manual is part of our new supplier onboarding process. It is housed on our website, and we expect suppliers to adhere to it in totality.



Human Rights Statement

Zurn Elkay Water Solutions is committed to respecting, protecting and supporting human rights throughout our operations and supply chain. We support the elimination of all forms of child and forced labor, adherence to the principle of nondiscrimination in the workplace, compliance with wage and working hour laws, freedom of association and assembly, the right to collective bargaining, and internationally recognized human rights standards, including the Universal Declaration of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work. We strive to support human rights through our investments in our associates, annual human rights training for all associates, volunteerism in our communities and charitable giving.

Supplier Quality and Development Program

In 2023, we instituted the Supplier Management and Governance Council. The council meets monthly to review current supplier risks and ESG and sustainability initiatives. If there are suppliers that are not meeting our expectations, the council helps develop action plans, take appropriate corrective actions and evaluate the business relationship if necessary.



THE SUPPLIER CODE OF CONDUCT ADDRESSES:

- Compliance with all applicable laws
- Compliance with applicable environmental regulations, conservation of natural resources and energy, pollution prevention, waste reduction and minimization of environmental impacts
- Ethics and integrity concerning bribery, competition, accounting, documentation, conflict minerals and conflicts of interest
- Human rights, including providing associates with safe working conditions, treating them fairly and with dignity, and otherwise acting in accordance with the U.N. Universal Declaration of Human Rights
- Workplace safety and health, including measures to minimize the risk of injuries and illness

SUPPLIER DIVERSITY

We are committed to improving the diversity of our suppliers as we pursue a comprehensive approach to maintaining a sustainable supply chain. In 2023, 5.5% of our domestic spending went to diverse suppliers, putting us on track to achieve our goal of 8% diverse spending by 2025. We define diverse suppliers as those owned by women, racial and ethnic minorities, LGBTQ+ individuals, veterans and suppliers in historically underutilized urban and rural communities (HUBZones).

To help us advance toward our 8% target, our Supplier Diversity Team works to build initiatives and company awareness in support of our targets. The team has worked to develop relationships with key certifying agencies and is reviewing our current supply base to identify new certification opportunities. Additionally, we have developed staffing and marketing requests for proposals to be sent to targeted diverse suppliers.



SUPPLIER DIVERSITY DAY

In mid-December, many of our current and prospective diverse suppliers gathered with Zurn Elkay accountability partners and senior leadership near our headquarters in Milwaukee, WI. Over a full day of presentations, workshops and breakout sessions, participants strengthened their relationships with us and each other. Supplier Diversity Day includes three key goals: Identify diverse suppliers that meet our 2024 plans; identify diverse suppliers that are not certified and pair them with appropriate certifying agencies; and work with current diverse suppliers to expand their reach within the company.

SUSTAINABLE MATERIALS

As a responsible manufacturer, we strive to use sustainable materials in our products and packaging whenever possible. We continue to report on the total weight of renewable and nonrenewable materials used to produce and package our products. For more information, see our ESG Performance Index, [page 110](#).

We are committed to using recycled materials and avoiding the use of virgin materials in our manufacturing process whenever possible. Below is the average recycled content identified in some of our major product groups.

61%

of Zurn Elkay product sales incorporate recycled materials



APPROXIMATE RECYCLED CONTENT BY PRODUCT CATEGORY

91%

stainless steel restroom partitions

75%

stainless steel sinks

65%

bottle filling stations

60%

stainless steel drinking fountains

50%

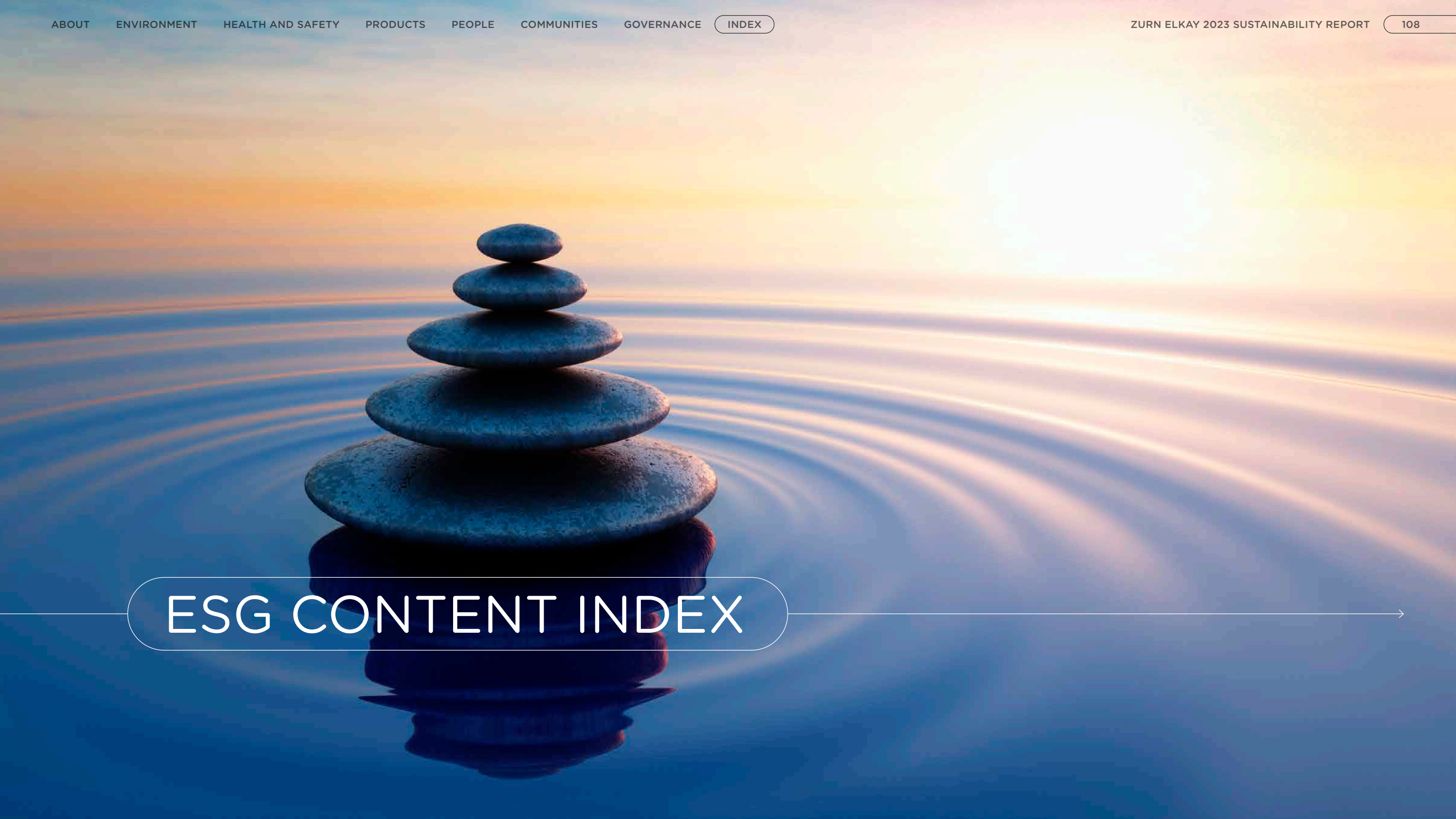
powder coated restroom partitions and lockers

CONFLICT MINERALS AND CRITICAL MATERIALS

The responsible sourcing of minerals is a fundamental component of our Conflict Minerals Policy. Zurn Elkay is committed to sourcing components, raw materials and products from companies that share our values around human rights, ethics and environmental responsibility. We communicate our Conflict Minerals Policy to all suppliers and encourage them to adopt similar policies and undertake reasonable due diligence in their own supply chain.

Zurn Elkay is committed to conducting supply chain due diligence to assess risk exposure. We use a third party to collect supplier conflict mineral information through the Conflict Minerals Reporting Template each year. After all data is collected, the information is submitted through the appropriate channels and regulatory agencies. Any data we receive that requires further investigation is reviewed and mitigated with our Trade Compliance Team.

In 2023, we initiated our research phase to determine Zurn Elkay's critical materials. We have a preliminary list of 14 critical materials: busheling, carbon steel, copper, general plastics, high density polyethylene (HDPE), linerboard, low density polyethylene (LDPE), other resins, pig iron, polyphenylsulfone (PPSU), printed circuit board assembly (PCBA), refrigeration components, and stainless steel, and are working to determine a strategy to help ensure business continuity, which may include diversification of suppliers, stockpiling of materials, development or procurement of alternative and substitute materials and investments in recycling technology for critical materials. This research is ongoing.



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ESG PERFORMANCE INDEX

Topic	Accounting Metric	Units	2021 ¹	2022 ²	2023	SASB ³	GRI ⁴	UN SDG	
Greenhouse Gas Emissions	Gross global Scope 1 emissions (direct greenhouse gas (GHG) emissions)	Metric tons CO ₂ e	13,254	13,256	12,486	RT-CP-110a.1	305-1	13 – Climate Action	
	Percentage of global scope 1 emissions covered under emissions-limiting regulations	Percentage	0	0	0	RT-CP-110a.1	305-1		
	Gross market-based energy indirect Scope 2 GHG emissions	Metric tons CO ₂ e	17,440	13,264	10,657	—	305-2		
	Gross other indirect Scope 3 category 1: Purchased goods and services	Metric tons CO ₂ e	N/A	256,017	196,216	—	305-3		
	Gross other indirect Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)	Metric tons CO ₂ e	N/A	7,237	6,682	—	305-3		
	Gross other indirect Scope 3 category 4: Upstream transportation and distribution	Metric tons CO ₂ e	N/A	28,442	25,076	—	305-3		
	Gross other indirect Scope 3 category 5: Waste generated in operations	Metric tons CO ₂ e	N/A	3,494*	3,218	—	305-3		
	Gross other indirect Scope 3 category 6: Business travel	Metric tons CO ₂ e	N/A	872	1,185	—	305-3		
	Gross other indirect Scope 3 category 7: Employee commuting	Metric tons CO ₂ e	N/A	5,663	5,282	—	305-3		
	Gross other indirect Scope 3 category 9: Downstream transportation and distribution	Metric tons CO ₂ e	N/A	9,906	8,119	—	305-3		
	Gross total other indirect Scope 3 GHG emissions ⁵ all reported categories	Metric tons CO ₂ e	N/A	311,632*	245,778	—	305-3		
	Scope 1 and 2 GHG emissions intensity based on fiscal year sales/revenue	Metric tons CO ₂ e / \$M revenue		20.8	16.8	15.1	—		305-4
	Discussion of long-term and short-term strategy or plan to manage Scope 1 GHG emissions, emissions reduction targets, and an analysis of performance against those targets.	—	N/A		ESG Goal and Targets, 2022 Report	ESG Goal and Targets, page 15 Decarbonization Roadmap, page 24	RT-CP-110a.2		305-5

(continued)

¹ The Zurn Elkay merger was completed in July 2022. Metrics are provided for 2021 as if Zurn Elkay was one combined company in 2021 wherever possible.

² Due to improvements in data tracking and auditing, Scope 3 Category 5 and total Scope 3 data for 2022 have been restated. These metrics are marked with an asterisk.

³ Version 2018-10: SASB Electrical and Electronic Equipment Standard RT-EE, Version 2018-10: SASB Industrial Machinery & Goods Standard RT-IG, Version 2018-10: SASB Containers & Packaging Standard RT-CP, Version 2018-10: SASB E-Commerce Standard CG-EC, Version 2018-10: SASB Waste Management Standard IF-WM, Version 2018-10: SASB Medical Equipment & Supplies Standard HC-MS, Version 2018-10: SASB Biotechnology & Pharmaceuticals Standard HC-BP, and Version 2018-10: SASB Marine Transportation Standard TR-MT.

⁴ GRI 102 General Disclosures 2016, GRI 202 Market Presence 2016, GRI 204 Procurement Practices 2016, GRI 301 Materials 2016, GRI 302 Energy 2016, GRI 303 Water and Effluents 2018, GRI 305 Emissions 2016, GRI 306 Waste 2020, GRI 308 Supplier Environmental Assessment 2016, GRI 401 Employment 2016, GRI 403 Occupational Health and Safety 2018, GRI 405 Diversity and Equal Opportunity 2016, and GRI 414 Supplier Social Assessment 2016.

⁵ Scope 3 GHG categories reported include: Category 1 – Purchased goods and services; Category 3 – Fuel- and energy-related activities; Category 4 – Upstream transportation and distribution; Category 5 – Waste generated in operations; Category 6 – Business travel; Category 7 – Employee commuting; and Category 9 – Downstream transportation and distribution.

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Air Quality	Nitrogen oxides (NOx) — Air Emissions	Metric tons	N/A	11.10	10.45	RT-CP-120a.1	305-7	3 – Good Health and Well-being 11 – Sustainable Cities and Communities
	Sulfur oxides (SOx) — Air Emissions	Metric tons	N/A	0.07	0.06	RT-CP-120a.1	305-7	
	Volatile Organic Compounds (VOC) — Air Emissions	Metric tons	N/A	2.55	2.52	RT-CP-120a.1	305-7	
	Hazardous air pollutants (HAP) — Air Emissions	Metric tons	N/A	0.22	0.21	RT-CP-120a.1	305-7	
	Particulate matter (PM) — Air Emissions	Metric tons	N/A	1.82	1.77	RT-CP-120a.1	305-7	
	NOx air emissions intensity based on fiscal year sales/revenue	Metric tons NOx / \$M revenue	N/A	0.0070	0.0068	RT-CP-120a.1	305-7	
	SOx air emissions intensity based on fiscal year sales/revenue	Metric tons SOx / \$M revenue	N/A	0.00004	0.00004	RT-CP-120a.1	305-7	
	VOC air emissions intensity based on fiscal year sales/revenue	Metric tons VOC / \$M revenue	N/A	0.0016	0.0016	RT-CP-120a.1	305-7	
	HAP air emissions intensity based on fiscal year sales/revenue	Metric tons HAP / \$M revenue	N/A	0.0001	0.0001	RT-CP-120a.1	305-7	
	PM air emissions intensity based on fiscal year sales/revenue	Metric tons PM / \$M revenue	N/A	0.0012	0.0012	RT-CP-120a.1	305-7	
Energy Management	Total energy consumed	Gigajoules	419,964	414,308	379,767	RT-EE-130a.1	302-1	7 – Affordable Clean Energy 13 – Climate Action
	Percentage grid electricity	Percentage	N/A	33.2	29.2	RT-EE-130a.1	—	
	Percentage renewable	Percentage	N/A	3.3	5.6	RT-EE-130a.1	—	
	Energy intensity based on fiscal year sales/revenue	MWh / \$M revenue	78.9	72.8	68.9	—	302-3	

(continued)

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022 ⁶	2023	SASB	GRI	UN SDG
Water Management	Total water withdrawn	Thousand cubic meters	N/A	244.4	227.0	RT-CP-140a.1	303-3	6 – Clean Water and Sanitation 14 – Life Below Water
	Total water discharged	Thousand cubic meters	N/A	213.3	197.5	—	303-4	
	Total water consumed	Thousand cubic meters	N/A	31.10	29.60	RT-CP-140a.1	303-5	
	Total water withdrawn intensity	Thousand cubic meters / \$M revenue	N/A	0.155	0.148	—	—	
	Percentage of total water consumed in regions with high or extremely high baseline water stress	Percentage	N/A	37.6	35.5	RT-CP-140a.1	303-3	
	Description of water management risks and discussion of strategies and practices to mitigate those risks	—	N/A	Water Consumption and Intensity, 2022 Report	Water Consumption, page 27	RT-CP-140a.2	303-2	
	Number of incidents of noncompliance associated with water quality permits, standards and regulations	Number	N/A	1	3	RT-CP-140a.3	—	
Waste Management ⁷	Total waste generated	Metric tons	N/A	11,280*	10,758	—	306-3	12 – Responsible Consumption and Production 15 – Life on Land
	Total waste diverted from disposal (recycled and reuse)	Metric tons	N/A	7,140	7,049	—	306-4	
	Percentage of total waste diverted from disposal (recycled and reuse)	Percentage	N/A	63.3*	65.5	—	306-4	
	Total waste directed to disposal	Metric tons	N/A	4,140*	3,709	—	306-5	
	Amount of non-hazardous waste directed to disposal	Metric tons	N/A	4,119*	3,684	—	306-5	
	Non-hazardous waste intensity	Metric tons / \$M revenue	N/A	7.4*	7.0	—	—	

(continued)

⁶ Due to improvements in data tracking and auditing, select company waste data for 2022 have been restated. These metrics are marked with an asterisk.

⁷ Waste data does not include wastes generated from remediation activity taking place at locations no longer owned by Zurn Elkay. In 2023 we disposed of 184 metric tons of nonhazardous waste and 17 metric tons of hazardous waste due to remediation activity.

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Hazardous Waste Management	Amount of hazardous waste generated, as defined per U.S. EPA Resource Conservation and Recovery Act (RCRA) regulations and other regulatory frameworks applicable within the jurisdictions where the waste is generated	Metric tons	N/A	21.3	25	RT-EE-150a.1	306-3	12 – Responsible Consumption and Production 15 – Life on Land
	Hazardous waste intensity	Metric tons / \$M revenue	N/A	0.01	0.02	—	—	
	Percentage of hazardous waste generated out of total waste, as defined per U.S. EPA RCRA regulations and other regulatory frameworks applicable within the jurisdictions where the waste is generated	Percentage	N/A	0.19	0.24	RT-EE-150a.1	306-3	
	Percent of hazardous waste recycled, as defined per U.S. EPA RCRA regulations and other regulatory frameworks applicable within the jurisdictions where the waste is generated	Percentage	N/A	2.7*	2.1	RT-EE-150a.1	306-4	
	Number of reportable spills	Number	N/A	0	0	RT-EE-150a.2	—	
	Aggregate quantity of reportable spills	Kilograms	N/A	0	0	RT-EE-150a.2	—	
	Quantity of reportable spills recovered	Kilograms	N/A	0	0	RT-EE-150a.2	—	
Occupational Health & Safety	Total recordable incident rate (TRIR) per 200,000 hours worked, globally	Rate	1.60	1.21	0.68	RT-IG-320a.1	403-9	3 – Good Health and Well-being
	Fatality rate	Number	0	0	0	RT-IG-320a.1	403-9	
	Lost time incident rate (LTIR) per 200,000 hours worked, globally	Rate	0.60	0.37	0.26	TR-MT-320a.1	403-9	
	Percentage of employees participating in “best practice” health and well-being programs that help to reduce absenteeism and improve productivity	Percentage	N/A	>80	85	—	—	
Environmental Compliance	Significant* fines or penalties related to the environment or ecology in the past four fiscal years <i>* Significant is any fine/penalty that individually costs more than \$10,000 USD</i>	Number	0	0	0		307-1	

(continued)

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Product Safety	Number of recalls issued, total units recalled	Number	N/A	Zero recalls issued under any U.S. government regulations (i.e., U.S. Consumer Product Safety Commission)	Zero recalls issued under any U.S. government regulations (i.e., U.S. Consumer Product Safety Commission)	RT-EE-250a.1	—	8 – Decent Work and Economic Growth 12 – Responsible Consumption and Production
	Total amount of monetary losses as a result of legal proceedings associated with product safety	U.S. Dollars	N/A	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q. ⁸	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q.	RT-EE-250a.2	—	
Employee Recruitment, Inclusion & Performance	Employee engagement; conducted by third-party survey. The survey included questions or statements related to goal setting, support to achieve goals, training and development, work processes, and commitment to the organization. Percentage calculated as the number (#) of employees who are actively engaged divided by the total number (#) of employees who completed the survey.	Percentage	N/A	69	71	CG-EC-330a.1	—	8 – Decent Work and Economic Growth
	Voluntary employee turnover rate, globally	Percentage	N/A	20.3	15.1	CG-EC-330a.2	401-1	
	Involuntary employee turnover rate, globally	Percentage	N/A	12.6	14.4	CG-EC-330a.2	401-1	
	Employee turnover — total	Percentage	N/A	32.9	29.5	CG-EC-330a.2	401-1	
	Ratio of basic salary and remuneration of women to men in the U.S. workforce, across all pay grades	Percentage	N/A		85%	—	405-2	
	R&D Personnel Talent Development	Hours	N/A	Training Efforts, 2022 Report	40,630	HC-BP-330a.1	—	
	Parental Leave; total number of employees that were entitled to parental leave, by gender	Number	N/A		F: 14 M: 27		401-3	
	Parental Leave; total number of employees that took parental leave, by gender	Number	N/A		F: 14 M: 27		401-3	
Parental Leave; total number of employees that returned to work in the reporting period after parental leave ended, by gender.	Number	N/A		F: 12 M: 26		401-3		

(continued)

⁸ See our SEC filings on our website for more information.

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Diversity and Employee Demographics	Percentage of females in the workforce, globally	Percentage	N/A	32	33	CG-EC-330a.3	405-1	8 – Decent Work and Economic Growth 5 – Gender Equality 10 – Reduced Inequalities
	Percentage of female representation in management, globally	Percentage	N/A	30	30	CG-EC-330a.3	405-1	
	Percentage of female representation in manufacturing, globally	Percentage	N/A	26	27	CG-EC-330a.3	405-1	
	Percentage of minorities in the U.S. workforce	Percentage	N/A	41	38	CG-EC-330a.3	405-1	
	Percentage of minority representation in U.S. management	Percentage	N/A	16	16	CG-EC-330a.3	405-1	
	Percentage of minority representation in U.S. manufacturing	Percentage	N/A	59	57	CG-EC-330a.3	405-1	
	Percentage of technical employees who are H-1B visa holders	Percentage	N/A	1	1	CG-EC-330a.4	405-1	
	Zurn policies and programs for fostering equitable employee representation across global operations	—	N/A	Diversity, Equity and Inclusion, 2022 Report Employee Resource Groups, 2022 Report Belonging at Zurn Elkay, 2022 Report	Diversity, Equity and Inclusion, page 77 Employee Resource Groups, page 79 Belonging at Zurn Elkay, page 80	CG-EC-330a.3	405-1	
Board of Directors Demographics	Percentage of female representation on the Board of Directors	Percentage	N/A	20	30	CG-EC-330a.3	405-1	5 – Gender Equality 10 – Reduced Inequalities
	Percentage of minority representation on the Board of Directors	Percentage	N/A	10	10	CG-EC-330a.3	405-1	
	Percent women and minority men representation on the Board of Directors	Percentage	N/A	30	40	CG-EC-330a.3	405-1	
	Median Board of Director Age	Number	N/A	61	64	CG-EC-330a.3	405-1	

(continued)

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Labor Practices	Ratios of the standard entry level wage at U.S. significant locations of operation to the minimum wage	Percentage	N/A	186	183	—	202-1	8 – Decent Work and Economic Growth
	Percentage of active workforce covered under collective bargaining agreements	Percentage	N/A	10.9	8.1	IF-WM-310a.1	—	
	Number of work stoppages	Number of days	N/A	0	0	IF-WM-310a.2	—	
	Number of total days idle	Number of days	N/A	0	0	IF-WM-310a.2	—	
	Working Hours Policies	—	N/A	Implemented Disconnect-from-Work Policy in Canada in 2022; reviewing same for U.S. in 2023	Canada Disconnect from Work Policy, and US Working Hours Policy in place	—	—	
	Percentage of employee restructuring layoffs granted severance agreements	Percentage	N/A	100	100	—	—	
	Profit per employee	U.S. Dollars	N/A	23,292	47,000	—	—	
Products and Life Cycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Percentage by revenue	N/A	Not applicable to Zurn Elkay. Zurn Elkay does not manufacture Electrical and Electronic Equipment that meet this criteria.	Not applicable to Zurn Elkay. Zurn Elkay does not manufacture Electrical and Electronic Equipment that meet this criteria.	RT-EE-410a.1	—	12 – Responsible Consumption and Production
	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	Percentage by revenue	N/A			RT-EE-410a.2	—	
	Revenue from renewable energy-related and energy efficiency-related products	U.S. Dollars	N/A			RT-EE-410a.3	—	
	Percentage of revenue from products with sustainable attributes ⁹	Percentage by revenue	N/A			86	86	

(continued)

⁹ The Zurn Elkay products that meet the Taxonomy's definition of sustainable economic activities fall into the following categories: (1) water conservation products that help to reduce water usage and save water; (2) products that help protect and manage clean water, including hygienic solutions that enhance and ensure water quality, safety, and flow control; (3) products that help to reduce energy consumption and are considered energy efficient; (4) products that help customers avoid generation of GHG emissions; (5) technologically advanced products that support monitoring of water usage and rapid response to issues, facilitating efficiency and safety; (6) products with a high content of recycled material (i.e., recycled content constitutes at least 20%, based on cost, of the total value of the materials in the project), thereby reducing impacts resulting from extraction and processing of virgin materials; and (7) products that help prevent and reduce waste generation and reduce the use of disposable products such as water bottle filling stations, which minimize the dependency on disposable plastic bottles.

ESG Performance Index • GRI Index • TCFD Index • Membership Index • Associate Demographic Index

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Supply Chain Management	Description of efforts to maintain traceability within the distribution chain	—	N/A	Conflict Minerals and Critical Materials, 2022 Report	Conflict Minerals and Critical Materials, page 107	HC-MS-430a.2	—	8 – Decent Work and Economic Growth 12 – Responsible Consumption and Production
	Proportion of spending on local suppliers as percentage of the procurement budget (percentage of products and services purchased locally). Local is defined as domestic U.S. supplier spend.	Percentage	N/A	49	41	—	204-1	
	Diverse supplier spend on businesses owned by women, minorities, disabled individuals, veterans, LGBTQ+ community members, and located in HUBZones	U.S. Dollars	N/A	7,200,000	15,165,000	—	—	
	Total weight of non-renewable materials that are used to produce and package the organization’s primary products	Million pounds	N/A	171.8	132.3	—	301-1	
	Total weight of renewable materials that are used to produce and package the organization’s primary products	Million pounds	N/A	6.6	8.7	—	301-1	
	New suppliers that were screened using environmental criteria.	Percentage	—	—	100	—	308-1	
	New suppliers that were screened using social criteria.	Percentage	—	—	100	—	414-1	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	—	N/A	Conflict Minerals and Critical Materials, 2022 Report	Conflict Minerals and Critical Materials, page 107	RT-EE-440a.1	—	12 – Responsible Consumption and Production
Anti-Corruption	Percentage of operations assessed for risks related to corruption. Significant risks related to corruption identified through the risk assessment.	Percentage	—	—	—	—	205-1	16 – Peace and Justice Strong Institutions

(continued)

Topic	Accounting Metric	Units	2021	2022	2023	SASB	GRI	UN SDG
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	—	N/A	ESG Policies: ¹⁰ • Anti-Corruption law Policy • Anti-Trust Policy • Code of Business Conduct and Ethics • Supplier Code of Conduct	ESG Policies: • Anti-Corruption law Policy • Anti-Trust Policy • Code of Business Conduct and Ethics • Supplier Code of Conduct	RT-EE-510a.1	205-2	16 – Peace and Justice Strong Institutions
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	U.S. Dollars	N/A	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q.	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q.	RT-EE-510a.2	—	
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	U.S. Dollars	N/A	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q.	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q.	RT-EE-510a.3	—	
Political Contributions	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.	U.S. Dollars	—	—	\$206,843	—	415-1	16 – Peace and Justice Strong Institutions
Volunteerism	Volunteer Hours	Number	N/A	5,406	5,366	—	—	11 – Sustainable Cities and Communities
Activity Metrics	Number of units produced by product category	Number	N/A	Zurn Elkay creates a wide variety of water management products and sales data is provided in our annual report to shareholders on Form 10-K.	Zurn Elkay creates a wide variety of water management products and sales data is provided in our annual report to shareholders on Form 10-K.	RT-EE-000.A	—	6 – Clean Water and Sanitation
	Number of employees	Number	N/A	2,600	2,479	RT-EE-000.B	—	

¹⁰ See our website for more information on our [ESG Policies](#).

GRI INDEX

GRI Standards	Disclosure	Zurn Elkay Response
GRI 2: General Disclosures		
GRI 2-1	Organizational details	Zurn Elkay Water Solutions Corporation (Zurn Elkay), headquartered in Milwaukee, is a growth-oriented, pure-play water management business that designs, procures, manufactures, and markets what we believe to be the broadest sustainable product portfolio of specification-driven water management solutions to improve health, human safety and the environment.
GRI 2-2	Entities included in the organization’s sustainability reporting	The 2023 Sustainability Report covers Zurn Elkay and its consolidated subsidiaries. The scope of our environmental reporting covers 39 facilities globally, including office buildings, manufacturing sites, distribution centers, and warehouses. The facilities listed here are within our operational boundaries for environmental performance reporting in 2023.
GRI 2-3	Reporting period, frequency and contact point	January 1, 2023, through December 31, 2023 Annual report published in February 2024 Questions or comments should be directed to: Angela.Hersil@zurn.com
GRI 2-4	Restatements of information	Company waste data from 2022 was restated in this report.
GRI 2-5	External assurance	Zurn Elkay received third-party verification of our 2023 Scope 1 and 2 greenhouse gas inventories. This is the widely used limited-verification level of assurance, following the ISO 14064 standard where at least 70% of the GHG inventory has been reviewed.
GRI 2-6	Activities, value chain and other business relationships	Our product portfolio includes professional grade water safety and control products, flow system products, hygienic and environmental products and drinking water products that deliver superior value to building owners, positively impact the environment and human hygiene and reduce product installation time. We evaluate our entire supply chain carefully to make thoughtful, responsible choices that support our commitment to delivering sustainable products and protecting our business from risk. Guided by our core value of <i>Continuous Improvement</i> , we conducted a deep examination of our combined supply chain to find opportunities to make it more resilient and sustainable. Zurn Elkay is currently partnering with three additional organizations to help us achieve more diversity in our supply chain. Markets: Commercial, institutional, waterworks and residential end markets in North America. Customers: Independent sales representatives, plumbing wholesalers and industry-specific distributors in the waterworks, foodservice, industrial, janitorial, sanitation and siteworks industries. 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, and customers and markets: • Total Net Sales: \$1.531 billion USD
GRI 2-7	Employees	Zurn Elkay has a total of 2,479 employees. Additional details can be found in the People section of the Sustainability Report.
GRI 2-9	Governance structure and composition	Zurn Elkay has a Board of Directors-led Sustainability Committee made up of three independent Board members, which oversees operations and strategic planning with respect to sustainability/ESG including business opportunities that further climate action and resiliency goals. The Board chair ensures appropriate attention and availability of resources to address Zurn Elkay’s efforts related to climate impact, including quantifying GHG emissions, assessing vulnerability to climate change, and implementing decarbonization strategies to reduce climate impacts. An example of a Board decision includes developing and publishing specific ESG-related targets, including commitments to reduce GHG emissions and energy use.

(continued)

GRI Standards	Disclosure	Zurn Elkay Response
GRI 2-10	Nomination and selection of the highest governance body	The composition of the Board will be reviewed annually to ensure an appropriate mix of skills, experience and background needed for the company's business, changing the membership mix of the Board as required to meet such needs. The need for changing the membership mix of the Board will also be reviewed when a Board member changes employment and therefore may no longer meet the original criteria for that member's selection to the Board. Such review will also occur when it is determined management's evolving need for certain capabilities and/or guidance from the Board is not being met by the current composition of the Board. The Nominating and Corporate Governance Committee, in conjunction with the chairperson, shall review the qualifications, performance and independence of existing Board members on an annual basis and make recommendations to the full Board whether individual Board members should stand for reelection when his or her term is up.
GRI 2-11	Chair of the highest governance	Todd A. Adams has been the chief executive officer of the company since 2009 and chair of the Board since 2020. The Board of Directors currently includes nine independent directors.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	The Zurn Elkay Board of Directors leads these efforts by overseeing company management on behalf of our shareholders. The Board of Directors includes four key committees that oversee specific functions at Zurn Elkay: Nominating and Corporate Governance, Audit, Compensation and Sustainability.
GRI 2-13	Delegation of responsibility for managing impacts	Oversight responsibility is shared by the Board of Directors and our executives, and it is communicated to associates through policies that guide them in their everyday work.
GRI 2-14	Role of the highest governance body in sustainability reporting	The duties and responsibilities of the Sustainability Committee are to provide oversight with respect to management's evaluation of risks and opportunities with respect to ESG matters, which include but are not limited to EHS, sustainability, ethical and sustainable sourcing, human rights, environmental matters, product safety and eco-friendly design, supplier conduct and diversity, labor conditions, diversity and inclusion in employment, volunteerism and corporate giving, and corporate citizenship; management's creation of ESG initiatives, plans, policies and practices; the company's governance of, and performance relative to, ESG initiatives; and the company's response to any stockholder proposal on ESG matters and to other significant stakeholder concerns related to ESG matters.
GRI 2-15	Conflicts of interest	Zurn Elkay associates should avoid any situation that may involve a conflict between personal interests and the interests of the company. A conflict of interest occurs when an associate's private interest interferes, or appears to interfere, in any way with the interests of the company. More details information on conflict of interest is included in the Code of Business Conduct and Ethics .
GRI 2-16	Communication	Zurn Elkay releases an annual communication on progress regarding our commitment to the U.N. Global Compact. Additionally, internal communications regarding environmental management include monthly reporting to operations leadership on environmental and health and safety objectives, targets and KPIs, as well as safety alerts to quickly communicate an incident and corrective action to facility managers and associates. Externally, the company's Environmental and Sustainability Policy is communicated on the company's public website, and when necessary the Corporate Risk Management and External Communications Teams work together to engage customers, community members, elected officials and the media on environmental issues. Additionally, there are regular internal communications to foster engagement.
GRI 2-17	Collective knowledge of the highest governance body	The CEO, along with the chair of the Sustainability Committee, David C. Longren, is responsible to oversee the management of the company's ESG-related efforts. A former group president for Polaris, David brings both product development, innovation and marketing experience and a deep understanding of Zurn Elkay's business. David serves a vital role in leading the Board's ESG efforts to manage our company's climate-related risks, opportunities and impacts.
GRI 2-18	Evaluation of the performance	We share responsibility for maintaining our Compliance and Ethics Program across Zurn Elkay. The general counsel manages the program and provides annual updates to the Audit Committee and Board of Directors.
GRI 2-19	Remuneration policies	Compensation information for directors and executive officers is provided in Zurn Elkay's annual proxy filing. Information regarding directors can be found on pages 35 to 38. Information on executive officers can be found in the Compensation Discussion and Analysis (CD&A) section on pages 39 to 65.

(continued)

GRI Standards	Disclosure	Zurn Elkay Response
GRI 2-20	Process to determine remuneration	<p>Compensation information for directors and executive officers is provided in Zurn Elkay’s annual proxy filing. Information regarding directors can be found on pages 35 to 38. Information on executive officers can be found in the Compensation Discussion and Analysis (CD&A) section on pages 39 to 65.</p> <p>An annual shareholder meeting is held and executive compensation is one of the items that is reviewed and approved.</p>
GRI 2-22	Statement on sustainable development strategy	<p>Zurn Elkay joined the U.N. Global Compact in 2021. Each year since then Zurn Elkay has reaffirmed our support of its Ten Principles. Our most recent Annual Communication on Progress, released in 2023, can be found on https://zurnelkay.com/sustainability.</p>
GRI 2-23	Policy commitments	<p>We reflect our commitment to being a <i>Sustainably Inspired</i> company in the robust governance structure we created to incorporate ESG practices throughout Zurn Elkay. Oversight responsibility is shared by the Board of Directors and our executives, and it is communicated to associates through policies that guide them in their everyday work. Zurn Elkay has committed several policies included in the sustainability reports. The key polices include, Code of Business Conduct and Ethics which guides our behavior across all business units and levels of the company, defining responsibilities, providing resources and guiding training on various areas, including our Anti-Corruption Law Policy and procedures. The code covers a range of topics, including conflicts of interest, insider trading, data privacy, employment practices such as harassment and discrimination, and our Human Rights Statement. Other policies are listed below.</p> <ul style="list-style-type: none"> • Anti-Boycott Compliance Policy • Anti-Trust Policy • California Transparency in Supply Chains Act • Conflict Minerals Policy • Data Privacy Policy • Diversity and Inclusion Policy • Embargoed Countries and Denied Parties Policy • Environmental and Sustainability Policy • Equal Employment Opportunity • Insider Trading Policy • Product Safety and Quality Policy • Substance Abuse in the Workplace Policy • Supplier Code of Conduct • Supplier Diversity Policy • UK Tax Strategy • Volunteerism Policy • Workforce Privacy Notice • Workplace Free from Unlawful Harassment and Discrimination
GRI 2-24	Embedding policy commitments	<p>Our Board of Directors Sustainability Committee oversees Zurn Elkay’s ESG efforts. The committee’s responsibilities include:</p> <ul style="list-style-type: none"> • Monitoring performance on ESG initiatives • Reporting on ESG activities • Responding to shareholder proposals on ESG matters and other significant ESG-related stakeholder concerns <p>Additionally, all full-time and part-time associates complete training on the Code of Business Conduct and Ethics annually.</p>

(continued)

GRI Standards	Disclosure	Zurn Elkay Response
GRI 2-25	Processes to remediate negative impacts	We have established processes to ensure that we address and investigate all hotline and whistleblower concerns in a timely fashion and then report out to the appropriate level of the organization. Our Internal Audit function reviews compliance with aspects of our code as part of its activities, including site audits. The ethics reporting program provides guidelines for reporting material ethics claims to the Board's Audit Committee. The Board receives an annual report on the company's Compliance and Ethics Program.
GRI 2-26	Mechanisms for seeking advice and raising concerns	To support our commitment to our Code of Business Conduct and Ethics, we maintain a reporting program that allows associates and vendors to report claims through various methods, including a 24/7 confidential hotline, website, email, mail, in person or externally through government regulators. This same reporting program is accessible to associates to report interactions and transactions with suppliers and other supply chain partners and is available in local languages. Additionally, Zurn Elkay's membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate. In December 2021, Zurn Elkay's joined the U.N. Global Compact, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices on human rights, labour, anti-corruption and the environment.
GRI 2-27	Compliance with laws and regulations	We developed the compliance and ethics policies in our ESG strategy to reflect the values and principles laid out in the U.N. Global Compact Human Rights and Anti-Corruption principles. We share responsibility for maintaining our Compliance and Ethics Program across Zurn Elkay. Our operations and facilities are subject to extensive laws and regulations, including those related to trade taxes, government contracts, pollution and the protection of the environment, health and safety, including those governing, among other things, emissions to air; discharges to water; climate change; the generation, handling, storage, treatment and disposal of hazardous wastes and other materials; and the remediation of contaminated sites. A failure by us to comply with applicable requirements or the permits required for our operations could result in civil or criminal fines, penalties, enforcement actions, third-party claims for property damage and personal injury, requirements to clean up property or to pay for the costs of cleanup, or regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures, including the installation of pollution control equipment or remedial actions.
GRI 2-28	Membership associations	See Membership Index
GRI 2-29	Approach to stakeholder engagement	The Sustainability Committee is responsible for addressing significant stakeholder concerns related to ESG matters.
GRI 2-30	Collective bargaining	Refer to ESG Performance Index
GRI 201: Economic Performance		
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Key risks, including climate-related risks (classified as Strategic, Operational, Reporting, or Compliance), comprising the company's ERM Program risk universe are prioritized based on likelihood and magnitude ratings. The likelihood rating considers the potential for an underlying adverse event to prevent achievement of a key business objective based on incident frequency. The magnitude rating considers the estimated effect of an underlying adverse event on the company's earnings before interest, taxes, depreciation and amortization.
GRI 202: Market Presence		
GRI 202-1	Ratios of the standard entry level wage at U.S. significant locations of operation to the minimum wage	Refer to ESG Performance Index

(continued)

ESG Performance Index • **GRI Index** • TCFD Index • Membership Index • Associate Demographic Index

GRI Standards	Disclosure	Zurn Elkay Response
GRI 204: Procurement Practices		
GRI 204-1	Proportion of spending on local suppliers as percentage of the procurement budget (percentage of products and services purchased locally). Local is defined as domestic U.S. supplier spend.	Refer to ESG Performance Index
GRI 205: Anti-Corruption		
GRI 205-1	Total number and percentage of operations assessed for risks related to corruption. Significant risks related to corruption identified through the risk assessment.	Refer to ESG Performance Index
GRI 205-2	Communication and training about anti-corruption policies and procedures	Zurn Elkay has a Code of Conduct and Ethics Policy, Anti-Corruption Law Policy; procedures which covers a range of topics, including conflicts of interest, insider trading, data privacy and employment practices such as harassment and discrimination; and our Human Rights Statement. We require biennial anti-corruption training for associates in several relevant job functions, including legal, finance, sales, business development, supply chain and logistics. Associates who undergo mandatory training must sign off on our Anti-Corruption Law Policy when they complete the training.
GRI 205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption were confirmed at the company, nor were any legal actions regarding corruption brought against the company in 2023.
GRI 301: Materials		
GRI 301-1	Materials used by weight or volume	Refer to ESG Performance Index
GRI 302: Energy		
GRI 302-1	Total energy consumed	Refer to ESG Performance Index
GRI 302-3	Energy intensity based on fiscal year sales/revenue	Refer to ESG Performance Index

(continued)

GRI Standards	Disclosure	Zurn Elkay Response
GRI 303: Water and Effluents		
GRI 303-1	Interactions with water as a shared resource: a description of how organization interacts with water, identify water related impacts, and the process to set up water-related goals	Zurn Elkay does not consume a significant amount of fresh water directly in our manufacturing processes. Our focus on innovation and <i>Continuous Improvement</i> of our water management products has helped us deliver products for our customers that address many of today’s most pressing sustainability water scarcity trends. For example, Zurn Elkay Water Solutions offers 682 products that carry EPA WaterSense® certification, which indicates that the product uses 20% less water than a standard product. These products include low-flow faucets, flush valves, toilets and urinals.
GRI 303-2	Description of water management risks and discussion of strategies and practices to mitigate those risks	<p>Zurn Elkay Water Solution’s ERM Committee conducts an enterprise wide approach to anticipate, identify, prioritize and monitor risks that could significantly impact the achievement of our key business objectives. The ERM Committee, consisting of functional and platform leaders, meets quarterly and provides an annual ERM Program update to the company’s Board of Directors. Additionally, Zurn Elkay hired a third-party consulting firm to conduct a climate risk assessment, aligned with the TCFD framework to identify transition and physical risks and opportunities that may have significant financial impact on the business.</p> <p>Under the TCFD framework, water-related risks, including water stress and flooding, are categorized under physical risks and the risks are scored from 0 to 5. These risks could impact our business financially. Annually, the ERM Committee formally updates the key risks and ratings within the risk universe, incorporating input from the company’s strategic planning process. Additionally, many of our customers are interested in water-saving and low-water use products. As such, Zurn Elkay offers many products to meet these customer requirements.</p>
GRI 303-2	Management of water discharge-related impacts	Zurn Elkay will meet or exceed the regulatory water discharge standards applicable to the locations where it operates. Where discharge standards do not exist, Zurn Elkay will manage wastewater consistent with its Commitment to Sustainability.
GRI 303-3	Water withdrawal	Refer to ESG Performance Index
GRI 303-4	Water discharge	Refer to ESG Performance Index
GRI 303-5	Water consumption	Refer to ESG Performance Index
GRI 305: Greenhouse Gas and Air Emissions		
GRI 305-1	Direct (Scope 1) GHG emissions	Refer to ESG Performance Index
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Refer to ESG Performance Index
GRI 305-3	Other indirect (Scope 3) GHG emissions	Refer to ESG Performance Index
GRI 305-4	Scope 1 and 2 GHG emissions intensity based on fiscal year sales/revenue	Refer to ESG Performance Index
GRI 305-5	Reduction of GHG emissions	In 2023 Zurn Elkay had a 27.2% reduction in emissions in comparison to the 2021 baseline year.
GRI 305-7	NOx, SOx and other significant air emissions and emissions intensity	Refer to ESG Performance Index

(continued)

GRI Standards	Disclosure	Zurn Elkay Response
GRI 306: Waste and Hazardous Waste		
GRI 306-1	Waste generation and significant waste-related impacts	<p>In 2023, our EHS Team increased the frequency of waste data collection from annually to quarterly. This enhanced data collection frequency allows for more time to analyze waste data, identify potential improvements, and manage and standardize our data collection process. The data collected includes waste generated, waste diverted from disposal through activities such as recycling and reuse, and waste directed to disposal. In 2023 our waste diversion rate was 65.5%, which increased compared to 63.3% of waste diverted from disposal in 2022.</p> <p>We break down our waste streams by type and composition of the waste including both hazardous waste and non-hazardous waste. We have a program designed to properly classify hazardous waste so that all of our hazardous waste is disposed of through licensed third-party vendors, in compliance with applicable laws. We continually seek ways to manage and reduce waste generation and to divert waste from landfills via recycling and reuse of materials. In 2023, we recycled 65.5% of total waste from our operations. To further commit to waste reduction, we have set a new target this year to reduce waste disposed to landfill by 2% annually.</p> <p>Our operations and facilities are subject to extensive laws and regulations, including those related to pollution and the protection of the environment; discharges to water; and generation, handling, storage, treatment and disposal of hazardous wastes and other materials; and the remediation of contaminated sites. We are committed to maintaining compliance with the applicable laws and regulations. We utilize the Zurn Elkay Environmental Management System (EMS) to manage our waste generation and disposal activities and maintain compliance with applicable requirements and the permits required for our operations.</p>
GRI 306-2	Management of significant waste-related impacts	Our waste reduction and recycling efforts extend beyond our commitment to using recycled materials in our products. We recycled 65.5% of our total waste from operations in 2023, and we continue to evaluate opportunities to further eliminate or divert waste from our manufacturing process. Zurn Elkay is actively managing its waste through programs to recycle, reduce and eliminate toxic waste. We have set a new target in 2023 to reduce waste disposed to landfill by 2% annually.
GRI 306-3	Waste generated	Refer to ESG Performance Index
GRI 306-4	Waste diverted from disposal	Refer to ESG Performance Index
GRI 306-5	Waste directed to disposal	Refer to ESG Performance Index
GRI 307: Environmental Compliance		
GRI 307-1	Significant fines or penalties related to the environment or ecology	Refer to ESG Performance Index
GRI 308: Supplier Environmental Assessment		
GRI 308-1	New suppliers that were screened using environmental criteria	Refer to ESG Performance Index
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	Our new supplier screening includes eight questions on ESG criteria. Suppliers must meet our threshold score for Zurn Elkay to consider conducting business with them. Our emphasis on our supplier ESG program ensures our suppliers are aware of our ESG efforts and participate in them. After suppliers pass the initial screening, an on-site audit is scheduled. The Quality Team records responses throughout the new supplier screening process in a SharePoint system that is accessible across business units. The team flags negative responses and develops action plans appropriate for the risks identified. Prior to onboarding, new suppliers are subject to the review and approval of our Supplier Management and Governance Council. We onboarded 27 new suppliers in 2023, all of which have been screened and had audits scheduled.

(continued)

GRI Standards	Disclosure	Zurn Elkay Response
GRI 401: Employment		
GRI 401-1	New employee hires and employee turnover	Refer to ESG Performance Index
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All U.S. Zurn Elkay associates not covered by a collective bargaining agreement are eligible for an annual cash bonus.
GRI 401-3	Parental leave	<p>Zurn Elkay provides many employee support programs, including Parental Leave:</p> <ul style="list-style-type: none"> • Full time associates are eligible for parental leave of 100% salary • Benefit is for both birthing and non-birthing parent • Benefit applies for adoptions • Benefit must be taken within the first 12 months of the child’s birth or placement, and runs concurrently with any federal or state leave program <p>Refer to ESG Performance Index for parental leave metrics.</p>
GRI 403: Occupational Health and Safety		
GRI 403-1	Occupational health and safety (OH&S) management system	<p>Our vision continues to be a future with zero workplace injuries, and as we progress toward that vision we have set a goal to reduce our Total Recordable Incident Rate (TRIR) by 10% by 2023, which was achieved.</p> <p>Zurn Elkay’s Risk Management function oversees the company’s EHS approach and activities. The Corporate Risk Management Team consists of individuals responsible for insurance, safety, environmental, claims, real estate, facilities, business continuity planning and security. This group provides general oversight and guidance to regional EHS staff and ensures that all programs, training and supporting documents meet company best management practices and regulatory requirements.</p>
GRI 403-2	Description of OH&S processes/ procedures for hazard identification, risk assessment, and incident investigation	<p>Our EHS management system provides multiple tools for our associates to proactively identify safety, ergonomic and other occupational hazards in the workplace. All sites are required to complete and review job safety analysis documents on an annual basis. This process is driven by several tools, including a written program and a hazard analysis tool that identifies and scores the risk related to specific job tasks. For all assessed risks, we identify and implement corrective actions following the hierarchy of controls method. Once we have tracked corrective actions to completion, we reassess the task and give a residual risk rating that EHS professionals must approve.</p> <p>Our incident investigation process includes a written program, first report of incident documentation process, and incident investigation. Incident investigation tools include “five whys” and root cause identification that is completed with the EHS professional and site management. We track incidents and corrective actions to prevent recurrence and ensure the effectiveness of our response.</p>
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Associates, temporary contacted workers and visitors are all active participants in the EHS management system. Participation is encouraged through EHS Teams, committees and programs. Facilities in Canada have Joint Health and Safety Committees that raise awareness of health and safety issues in the workplace. They participate in hazard identification, regular inspections and testing. The committee meets at least once every three months. Across all facilities, associates participate in the identification and mitigation of hazards, hazard controls, investigation of incidents, and the corporate safety observation program.</p> <p>Safety communication is provided to the organization through safety alerts and toolbox talk trainings. Safety alerts are created after recordable injuries and significant near misses occur. They contain relevant information regarding the incident, hazard identification and applicable corrective actions that other sites shall take. These communications are created by the corporate EHS Team and distributed to the organization through email, safety start up meetings and gemba walks.</p>

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GRI Standards	Disclosure	Zurn Elkay Response
GRI 403-5	Description of OH&S training for workers, including reporting number of training days	Associate training and engagement is a key component of our overall EHS program. We require training for all associates upon hire and annually thereafter, in accordance with country- and state-specific EHS requirements and identified best practices. To meet these requirements, we assign each site a compliance calendar that consists of 28 different EHS topics, emphasizing the five cardinal safety rules. Trainings for these topics are always conducted by the site’s designated EHS professional or other qualified third-party trainer. On average, each Zurn Elkay shop associate receives 16 training hours on applicable topics annually.
GRI 403-6	Promotion of worker health	At Zurn Elkay, we seek to foster a healthy environment that supports the personal well-being of our associates and their families. Our benefits package includes medical, dental and vision insurance; health savings account; life insurance; an employee assistance program and more. We offer a wellness program that includes resources and incentives to support physical and mental health, focusing on preventive care. Participating associates and covered spouses earn points for preventative measures such as annual physicals, well-woman check-ups, mammograms, colonoscopies and dental screenings, as well as lifestyle activities like tracking steps, stress management programs, weight management programs, volunteering, financial wellness programs and participating in annual challenges. Achieving a set target of wellness points earns associates a significant discount on healthcare premium costs.
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	<p>Within Zurn Elkay there are limited situations where our associates are working in an environment that is not directly under the company’s control. This only occurs in situations where our field service associates (<50) are required to conduct maintenance on products already installed in the field. Field service associates are based at our manufacturing locations and are provided training on the same 28 EHS topics that all other associates receive annually, including lockout tagout, confined space, elevated work and pre-job hazard analysis.</p> <p>Prior to work starting, pre-job hazard analysis documents are available to field service personnel to identify hazards and emphasize compliance with regulatory and company EHS practices. While off-site, field service personnel are required to comply with all Zurn Elkay EHS expectations and are encouraged to deny any work that does not comply with those expectations.</p>
GRI 403-8	Workers covered by an occupational health and safety management system	All Zurn Elkay’s employees are covered under the occupational health and management system. Zurn Elkay’s Risk Management function oversees the company’s EHS approach and activities. The Corporate Risk Management Team consists of individuals responsible for insurance, safety, environmental, claims, real estate, facilities, business continuity planning and security. This group provides general oversight and guidance to regional EHS staff and ensures that all programs, training and supporting documents meet regulatory requirements. Regional EHS staff assigned to each facility manage programs locally, drive <i>Continuous Improvement</i> and work toward our EHS vision. Regional EHS staff report to Zurn Elkay’s Corporate Risk Management Team.
GRI 403-9	Work-related injuries	Refer to ESG Performance Index
GRI 404: Employee Training and Education		
GRI 404-1	Average hours of training per year per employee	40,600 in total training hours for associates, and an average of 16 hours training per year per employee.
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Zurn Elkay has several employee development programs, including mentorship, succession planning, manager development, RAPIDS, Women Unlimited, and a connected leaders academy.
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	<p>100% of our associates have the opportunity for career development and training opportunities. Each year, associates set individual performance goals aligned with career development. Associates and their managers discuss progress toward achieving these goals.</p> <p>As per the 2023 Zurn Elkay Total Associate Engagement Survey results, 86% of associates felt they have an open and honesty communication with their managers.</p>

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GRI Standards	Disclosure	Zurn Elkay Response
GRI 405: Diversity and Equal Opportunity		
GRI 405-1	Diversity of governance bodies and employees	Refer to ESG Performance Index
GRI 405-2	Ratio of basic salary and remuneration of women to men	<p>Pay equity is important to Zurn Elkay and we perform an annual pay equity review where we look at gender along with other factors to ensure that compensation is appropriate regardless of gender. The annual review evaluates all similar job roles to ensure that similar roles within the organization are paid appropriately and comparably based on job scope, tenure, education, experience and performance. Any identified outliers in this annual evaluation process are immediately actioned.</p> <p>Refer to ESG Performance Index for metrics.</p>
GRI 412: Human Rights Assessment		
GRI 412-2	Employee training on human rights policies or procedures	In 2023, we added training specifically focused on human rights and human trafficking. Beginning in 2024, we plan to rotate the focus of our human rights training annually to cover topics such as modern slavery in the supply chain and child labor.
GRI 413: Local Communities		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	<p>Zurn Elkay supports partner organizations through volunteerism, product donations and charitable giving that enable us to build a diverse and skilled workforce.</p> <p>Zurn Elkay's support of the communities where we live, work and play are integral to our <i>Sustainably Inspired</i> philosophy. Beyond providing high-quality employment opportunities, we support the communities in which we operate through financial and in-kind contributions to various organizations and initiatives and by providing ample volunteer opportunities for our associates.</p> <p>In 2023, Zurn Elkay contributed \$7.7 million in cash and in-kind donations to community organizations. We also dedicated 5,366 hours of volunteer time, a value of \$160,000, using Independent Sector's value of \$29.95/hour.</p>
GRI 414: Supplier Social Assessment		
GRI 414-1	New suppliers that were screened using social criteria	Refer to ESG Performance Index
GRI 414-2	Negative social impacts in the supply chain and actions taken	Zurn Elkay's Supply Chain Risk Management Team identifies mitigation strategies and provides focus to address supplier and material risk. Mitigation strategies may include approving multiple sources of supply, where available, employing unique stocking strategies for key materials, near shoring of major components to minimize supply risk and business continuity and supplier development plans.
GRI 415: Public Policy		
GRI 415-1	Political contributions	Refer to ESG Performance Index
GRI 416: Customer Health and Safety		
GRI 416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	<p>In the event we identify an incident or practice of noncompliance, we engage the supplier and review their plan to reach compliance. If their efforts are unsuccessful, we evaluate the business relationship and take appropriate corrective action, which may include further training, a formal development project to reach compliance, cancellation of a purchase order or termination of the business relationship.</p> <p>There were no material incidents of noncompliance in 2023.</p>

TCFD INDEX

In 2023, Zurn Elkay made significant progress in aligning our governance and risk management processes with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our disclosures in this index will continue to evolve over the coming years as we continue to advance our climate strategy and make progress on our targets and goals.

Key Area	Disclosure
Governance: Disclose the company’s governance around climate-related risks and opportunities.	
<p>Describe the board’s oversight of climate-related risks and opportunities.</p>	<p>Zurn Elkay has a Board of Directors-led Sustainability Committee made up of three independent Board members. The chair of the Sustainability Committee is a member of the Board of Directors and this Committee has oversight of all aspects of Zurn Elkay’s operations and strategic planning with respect to sustainability/ESG efforts, which includes a focus on pursuing business opportunities that further climate action and resiliency goals. The Board chair ensures appropriate attention and availability of resources to address Zurn Elkay’s efforts related to climate impact, including quantifying greenhouse gas (GHG) emissions, assessing vulnerability to climate change, and implementing decarbonization strategies to reduce climate impacts.</p> <p>Zurn Elkay’s Board of Directors oversees the company’s Enterprise Risk Management (ERM) process, which involves ongoing evaluation and management of key risks to the business, and periodic reporting to the Board regarding the most significant risks to the company’s business. Physical risks related to climate change are integrated in our business continuity and disaster recovery planning process, which is reviewed at least annually by the Board. The Board also approved new governance policies that reflect our commitments, with streamlined reporting that provides increased transparency for our shareholders and other stakeholders, in addition to reviewing and providing input on Zurn Elkay’s annual Sustainability Report and program initiatives. The Board periodically receives updates on our sustainability performance.</p> <p>Zurn Elkay has a Board-level Sustainability Committee that oversees climate-related issues. The duties and responsibilities of the committee are to provide oversight with respect to: management’s evaluation of risks and opportunities with respect to ESG matters, which include but are not limited to Environmental, Health and Safety (EH&S), sustainability, ethical and sustainable sourcing, human rights, environmental matters, product safety and eco-friendly design, supplier conduct and diversity, labor conditions, diversity and inclusion in employment, volunteerism and corporate giving, and corporate citizenship; management’s creation of ESG initiatives, plans, policies and practices; the company’s governance of, and performance relative to, ESG initiatives; and the company’s response to any stockholder proposal on ESG matters and to other significant stakeholder concerns related to ESG matters.</p> <p>In addition, the committee monitors ESG trends, issues and concerns that could affect the company’s brand, image and reputation, as well as its sustainability efforts, and make recommendations to the Board and management regarding how the company should respond to such trends, issues and concerns to more effectively achieve its ESG and sustainability goals.</p>
<p>Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>Zurn Elkay has an internal ESG Steering Committee that reports directly to the Board and our executives manage ESG-related matters through this committee. Our ESG Steering Committee is composed of a cross-functional group of leaders who are dedicated to improving ESG-related strategies and objectives and deploying ESG-related goals. This committee is comprised of functional heads and establishes policies that reflect the company’s commitments and is tasked with streamlining reporting for stakeholders. The ESG Steering Committee and senior business leaders are responsible for critical aspects of our sustainability initiatives, performance and long-term success with particular focus to the following topics: Governance and Ethics, Product Quality & Safety, Supply Chain, EHS and Human Capital.</p> <p>The executive-level ESG Steering Committee consists of the VP - Investor Relations, director - EHS, VP - Risk Management, VP - Supply Chain, VP - General Counsel, director - Engineering, VP - HR, VP - Marketing, VP - Internal Audit and VP - Corporate Communications. The ESG Steering Committee reports to the CEO and Board Sustainability Committee. Providing cross-functional input and review to strategic ESG and climate matters ensures that the climate strategy is embedded within all aspects of the business. The ESG Steering Committee may delegate duties and responsibilities to one or more subcommittees and may retain outside advisors as it deems necessary.</p>

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Key Area	Disclosure
<p>Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning where such information is material.</p>	
<p>Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.</p>	<p>Operating as a pure-play water management company presents opportunities to embed sustainable principles and practices into every aspect of our business, which includes ensuring our business model will continue to be relevant in a net-zero carbon economy. Zurn Elkay is focused on the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p> <p>Over the past 12 to 18 months, Zurn Elkay worked with a third-party firm to conduct a TCFD risk analysis, and multiple risks and adaptation strategies were identified using the TCFD framework. The analysis identified various transitional risks, including carbon pricing mechanisms, enhanced emissions-reporting obligations, increased cost of raw materials and the need for technological innovation to remain competitive. The physical risks relevant to Zurn are wildfire and severe storms such as tornadoes and tropical systems such as a hurricane. The climate-related opportunities include development of new products from increased R&D and innovation activities, increased revenues resulting from increased demand for products, services in new emerging markets and increased company goodwill.</p> <p>Zurn Elkay categorizes risks as short-, medium- and long-term. Short-term risks vary from months to 1 year, medium-term from 1 to 3 years and long-term from 3 to 10 years. Enhanced emissions-reporting obligations and wildfires fall into the short-term risk timeframe, carbon pricing mechanisms and increased cost of raw materials are considered medium-term risks, while need for technological innovation to remain competitive, supply chain disruptions, severe storms and tropical systems are considered long-term risks.</p>
<p>Describe the impact of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning.</p>	<p>There are several impacts of climate related risks and opportunities on Zurn Elkay’s business. Key climate-related risks identified include:</p> <ul style="list-style-type: none"> • Increased frequency of weather events could disrupt construction activity and adversely affect the demand for our products. Demand for our products is primarily driven by commercial construction activity, remodeling and retrofit opportunities, and to a lesser extent, new home starts. Weather is an important variable affecting financial performance, as it significantly impacts construction activity. Adverse weather conditions, such as prolonged periods of cold or rain, blizzards, hurricanes and other severe weather patterns, the frequency of which might be affected by climate change, could delay or halt construction and remodeling activity, which could have a negative effect on our business. For example, an unusually severe or prolonged winter can lead to reduced or delayed construction activity, which could magnify the seasonal decline in our net sales and earnings during the winter months and hamper the typical seasonal increase in net sales and earnings during the spring months. • The long-term effect of climate change could decrease demand for certain of our products. Climate change may impact rainfall and water availability in many areas in unpredictable and different ways, which may change the way building owners and municipalities manage drinking, waste and storm water and may lead to new or modified regulations that may impact the market for our products. In certain areas, these changes could lead to a reduction in demand for certain of our products, although it also could increase demand for other of our products. The overall effect of this could be to reduce our sales and addressable market and/or alter our product sales mix in ways that reduce our margins, either of which could adversely impact our results of operations. • The physical impacts of climate change may materially adversely affect our business and financial condition. The physical impact of climate change on our operations are highly uncertain and could differ amongst the geographic regions of relevant markets and areas of operation. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. The impact of climate change may materially and adversely affect the cost, production and financial performance of our operations. Further, any impacts to our business and financial condition due to climate change are likely to occur over an extended period of time and are therefore difficult to quantify with any degree of specificity. For example, extreme weather events may result in adverse physical effects on portions of our infrastructure, which could disrupt our supply chain and our business operations. In addition, disruption of transportation and distribution systems could result in reduced operational efficiency and customer service interruption. Climate-related events have the potential to disrupt our business, including the business of our suppliers, and may cause us to experience higher attrition, losses and additional costs to resume operations. <p>Key climate-related opportunities identified include, but are not limited to:</p> <ul style="list-style-type: none"> • Increased revenue from water conservation products and innovative R&D. Climate-related opportunities are inherent through many of our water efficiency and water conservation product lines. We are water stewards and climate-related issues such as extended periods of drought are regularly reviewed and integrated into our business strategy and product development. As reported in the company’s 2023 Form 10-K annual report, the company’s total Research Development and Engineering(RDE) spend in 2013 was \$23.7M, and to further strengthen our commitment to sustainable products, we have committed to spend \$90 million on engineering and R&D to enhance the sustainable aspects of our products by 2025. The R&D spend will help us advance our development of water conservation and clean tech products and increase our innovation capacity, which is part of our strategic planning and initiatives. Water conservation is a cornerstone of our business and Zurn Elkay offers products that can help buildings be more water efficient. Zurn Elkay is proud to offer a broad range of WaterSense certified products, which indicates those products use at least 20% less water than standard products on the market. • Competitive market positioning and demand for climate resilient products. Changing market behavior towards sustainable products can drive revenue growth and brand reputation as customers increasingly demand climate adaptive and resilient products. The increased frequency and severity of weather events due to the effects of climate change will increase global demand for products needed during flooding and heavy rain events. Zurn Elkay is positioned favorably to adapt to changing market conditions driven by climate and infrastructure conditions to capitalize on this growing market. As public and private organizations prepare for climate-related scenarios, the demand for Zurn Elkay’s line of resilient water safety and control and flow systems will increase. • Increased revenue through new and emerging markets. The Total Addressable Market (TAM) of the global water industry is approximately \$500 billion as estimated by the Nasdaq Index Research Team in their “State of the Water Industry 2021” article published in October 2021. Zurn Elkay’s revenue in 2023 was \$1.5 billion and the company expects to grow organically by one to three percent through 2025. Roughly half of this growth (0.5-percent to 1.5-percent) is expected to be directly related to increased demand due to climate change trends and new and emerging markets. With 86% of revenue in 2023 derived from products with sustainable attributes or from clean tech such as sustainable drinking water solutions, wastewater treatment and stormwater infrastructure, Zurn Elkay is well positioned to respond to new and emerging markets resulting from policy change, increased water quality regulations, population growth and demand for clean water.

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Key Area	Disclosure
<p>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Zurn Elkay approaches climate resilience through the integration of climate risks and opportunities with business strategy and ERM. As a growth-oriented, pure-play water business, we offer one of the industry’s broadest ranges of engineered water solutions and sustainable plumbing products that promote health and hydration, protect clean water and conserve resources. Our strategy includes developing and providing effective, safe and efficient water management products, which is an essential component of sustainability. For more than a century, we’ve developed solutions that help manage this most important natural resource — water.</p> <p>Zurn Elkay products contribute to sustainability and combat climate-related risks in myriad ways. We design products that reduce energy consumption, which helps to mitigate the impact of climate change. Our roof drains help address the increased risk of heavy rain and flooding; our pressure-reducing valves, automatic control valves and touchless fixtures help reduce water usage to offset water scarcity and the ever-increasing impact of droughts; and our energy-efficient hand dryers eliminate the need for paper towels, helping prevent deforestation and carbon emissions that contribute to climate change.</p> <p>Zurn Elkay has identified insurance as a strategy to reduce realized losses due to events from physical hazards. In addition to the hazard-specific measures, the company may consider the formation of a committee/working group to prioritize adaptation investments; ensure emergency response plans are up to date, and routinely review policies, procedures, and plans to institute climate resilience.</p> <p>The financial planning considerations include increased operating costs, loss of revenue due to delays and disruptions, impacts on worker health and hygiene, increased investment in R&D and insurance costs. Climate-related risks that influence financial planning elements are factored into our acquisition and divestiture strategy. Operating as a pure-play water management company grants us greater flexibility and focus in pursuing the organization’s business strategy for our water management products. Specializing in water management also strengthens our position as a research-driven, innovative, sustainable and responsible global company. Our team is focused on designing products that save more water, keep water safe and clean, reduce the resources needed to manufacture and ultimately protect our environment, which includes ensuring our business model will continue to be relevant in a net-zero carbon economy.</p>
<p>Risk Management: Disclose how the company identifies, assesses, and manages climate-related risks.</p>	
<p>Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p>Zurn Elkay’s business continuity manager within the corporate Risk Management Team evaluates the organization and its upstream and downstream components for risks to the business. Zurn Elkay’s Business Continuity Planning (BCP) Program is organized at several levels. The BCP evaluates the organization and its upstream and downstream components for risks to the business, based on four pillars: People, Premises, Process and Product. A formal corporate BCP template has been developed under executive-level supervision and is made specific to individual facilities. In addition to an internal process, Zurn hired a third-party consulting firm for identifying climate-related risks and opportunities.</p> <p>For the TCFD physical climate risk analysis, 17 physical hazards that may impact facilities or cause disruptions that impact productivity, operations, and fuel delivery and services were evaluated. Additionally, five physical hazards that may impact operational costs (such as increased costs of energy and water) and staff safety were evaluated. Ten of these hazards were evaluated under a changing climate using an ensemble of statistically downscaled climate models for 2030 (2020-2039) and 2050 (2040-2059) performed by a third party. The analysis looked at both a lower-emissions scenario that assumes some mitigation of emissions with an emissions peak in the 2040s (representative concentration pathway (RCP) 4.5), and a higher-emission scenario which assumes no mitigation of emissions over time (RCP8.5).</p> <p>For facility hazards, the impacts of each of these hazards on infrastructure were qualitatively evaluated per facility. These were then transferred to an impact scoring system. The risk score was calculated as a combination of the impact rating and the likelihood of the event occurring. Each location was assigned a set of risk scores, one for each hazard evaluated. In addition, some hazards were quantified using future conditions under a changing climate, providing an additional set of risks based on four future scenarios. After evaluating each location for risks to the suite of hazards, a composite risk score is provided for comparison across locations and to indicate those that are exposed to a greater degree of collective physical risks.</p>

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Key Area	Disclosure
<p>Describe the organization’s processes for identifying and assessing climate-related risks. <i>(continued)</i></p>	<p>Additionally, seven categories of climate-related transition risks and opportunities were evaluated and a strategy to adapt to these risks and opportunities has been developed. The various transitional risks considered are listed below:</p> <ul style="list-style-type: none"> • Policy & Legal: Risks from emerging regulations aimed at addressing climate change • Technology: Risks and opportunities from emerging technologies aimed at supporting the low-carbon transition • Market: Risks and opportunities from shifting supply and demand as economies react to climate change • Reputation: Risks of damage to brand value and loss of customer base from shifting public opinion • Resource Efficiency: Risks of reduced resources increasing costs and limiting production and opportunity to invest in resource efficiency measures and alternative material sourcing • Energy Sourcing: Use of lower emission sources of energy or decentralized energy sources providing reduced operational costs • Products & Services: Development and/or expansion of sustainable goods and services to increase revenue and expand market share
<p>Describe the organization’s processes for managing climate-related risks.</p>	<p>Zurn Elkay’s risks, including climate- and water-related risks, are managed through a comprehensive program that is broken down into the continuity of the four pillars of BCP at Zurn Elkay. These pillars are built upon the core continuity functions, which supports continuity functions. The four pillars of BCP are People, Premises, Process, and Product. The core continuity functions are the foundation upon which the pillars are built. The vital functions are our superior customer care, information technology (IT), finance, and human resources.</p> <p>Recovering and protecting our people is the first and most important aspect of continuity after a major incident. With the increase in physical climate change impacts, such as flooding, wildfires and power outages to both our facilities and our suppliers, Zurn Elkay’s BCP Program includes an Emergency Action Plan and a Fire Prevention Program to address those physical risks. The Emergency Action Plan has been implemented to establish procedures and organizational structure for responding and managing emergency situations in a manner that is systematic, efficient, and gives primary consideration to life safety. Emergencies addressed in this plan include severe weather, fires, gas leaks, and utility outages.</p> <p>We also take a forward-looking approach to managing transitional risks and opportunities to climate change in key areas throughout our company, which include BCP, new product and technological advancements, IT protection, disaster recovery planning and emergent risk evaluations.</p> <p>Of critical importance to our transitional planning is new product development and technological advancements such as our water quality, safety, flow control and conservation products, including sensor faucets, flush valves, low-flow fixtures and carrier systems. Creation of sustainable and hygienic products that help our customers achieve greater resource efficiency is an example of how Zurn Elkay has planned and is ready to adapt and change to maintain the business and manage risk and opportunities effectively.</p>

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Key Area	Disclosure
<p>Describe the organization’s processes for managing climate-related risks. <i>(continued)</i></p>	<p>In addition to the BCP program, based on the results of the TCFD analysis, we have identified the following mitigation strategies to manage climate risk. Risk and opportunity management includes a strategy that focuses on mitigation, monitoring, managing and planning of risks and opportunities identified in the TCFD analysis.</p> <p>Transitional Risks</p> <p>Mitigate</p> <ul style="list-style-type: none"> • <u>Resource Efficiency</u>: Adapt to changing market through supply chain engagement, education and capacity building. Continue to mitigate supplier risks through the Supply Chain Risk Management Team • <u>Energy Sourcing</u>: Mitigate increased costs for energy at production facilities by increasing investment in energy efficiency and renewable energy. Work with energy suppliers to sign long term power purchase agreements that lock in rates and factor in growth expectations <p>Monitor</p> <ul style="list-style-type: none"> • <u>Technology</u>: Monitor technology shifts on the horizon to determine where to invest in innovative technologies and practices • <u>Market</u>: Monitor market growth opportunities for sustainable products • <u>Resource Efficiency</u>: Monitor waste generation from production and packaging, set reduction targets and continue to find alternative reuse options <p>Manage and Plan</p> <ul style="list-style-type: none"> • <u>Products & Services</u>: Plan for potentially increased operational costs associated with R&D and implementation of innovative technologies, products and processes • <u>Market</u>: Plan for climate-change impacts on the commercial construction industry as unusually severe or prolonged winters can lead to reduced or delayed construction activity • <u>Policy & Legal</u>: Manage policy and legal risks by focusing on ESG data collection, such as GHG quantification and target setting and investing in low-carbon and renewable energy • <u>Reputation</u>: Manage reputation risks by continuing to invest in ESG initiatives, such as disclosing raw material sourcing, energy use, and waste production and taking remediation action immediately if issues are identified • <u>Resource Efficiency</u>: Manage potential resource constraints by continuing to quantify usage, set reduction targets and implement efficiency measures, particularly for material reuse, energy and water <p>Physical Risks</p> <p>Mitigate</p> <ul style="list-style-type: none"> • Routinely ensure emergency response team information is up to date and conduct training exercises • Have an equipped safety shelter for workers <p>Monitor</p> <ul style="list-style-type: none"> • All locations exposed to physical risks will be monitored with appropriate insurance in place • Monitor need over time for implementing strategies to reduce hazard exposure and/or risks <p>Manage and Plan</p> <ul style="list-style-type: none"> • Establish clear lines of communication and coordination between different departments and external stakeholders, such as suppliers, customers and emergency responders, to ensure a timely and effective response to tornado-related disruptions • Prepare and disseminate an emergency plan describing what employees should do as tornados, floods, hurricanes and wildfires threaten • Conduct analysis (tornados, floods and hurricanes) with future heavy precipitation to better prepare facilities for the next few decades

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Key Area	Disclosure
<p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p>We integrate physical risks related to climate change into our business continuity and disaster recovery planning process, which the Board reviews at least annually. We developed a formal organization wide template under executive-level supervision in addition to plans at the facility levels. Annually, the ERM Committee formally updates the key risks and ratings within the risk universe, incorporating input from the company’s strategic planning process. Zurn Elkay is actively working with its ERM Team to incorporate the climate risk management strategies into the broader firm ERM strategy. Zurn Elkay’s Board of Directors oversees the company’s ERM process, which involves annual risk assessments, management evaluation and management of key risks and opportunities to the business.</p> <p>The facility-level BCPs outline the response process to business interruption, including climate-related risks and the Business Continuity Team roles and responsibilities for assuring that critical processes and services are maintained. The BCPs include supply chain and operational risks with contingency plans for supporting delivery of product in the event of a business disruption. We conduct robust risk assessments to gauge possible risk factors facing our business, from issues such as supply chain disruptions, damage assessments, COVID-19 concerns and adverse economic and financial market conditions.</p> <p>An outside third-party consulting firm is engaged to conduct updated business impact analysis of all select sites at least once every five years and conduct testing and training of all BCPs at least biannually. The Zurn Elkay BCPs are compliant with the ISO 22301 standard governing business continuity management, and a full disclosure of risk factors is available in our annual 10-K filing.</p>
<p>Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	
<p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>To achieve our climate goals, Zurn Elkay has set a target to reduce our Scope 1 and Scope 2 GHG emissions intensity by 50% by 2030 (compared to our 2021 baseline). Additionally, we set a target to reduce energy consumed per U.S. dollar of operating revenue by 15% by 2024 (compared to our 2021 baseline). To achieve this, our GHG emissions and energy reduction targets have been incorporated into our strategic planning and tracking procedures, including monthly check-ins and evaluations of emission reduction strategies. To encourage progress towards climate targets at the leadership level, the company provides recognition incentives for identifying ESG issues, including climate-related issues. Our incentive compensation for company leaders incorporates a link to sustainability performance and certain leaders throughout the organization have sustainability related goals. Achievement of sustainability goals impacts their personal performance factor and resulting annual incentive bonus.</p>
<p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>2023 emissions calculated in accordance with the Greenhouse Gas Protocol and third-party verified are:</p> <ul style="list-style-type: none"> • Scope 1: 12,486 MT CO₂e • Scope 2 (market-based): 10,657 MT CO₂e <p>In 2023, Scope 3 GHG emissions were 245,778 MT CO₂e representing approximately 91% of Zurn Elkay total corporate (Scope 1 + Scope 2 + Scope 3) GHG emissions. The ESG Performance Index provides the share of emissions by each relevant Scope 3 category.</p> <p>Purchased goods and services (category 1), which includes all upstream emissions from the goods and services purchased by Zurn Elkay in 2023, upstream transportation and distribution (category 4) and downstream transportation and distribution (category 9) were the main contributors to the Scope 3 emissions.</p>
<p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>Zurn Elkay has established climate-related targets as part of our sustainability goals and strategy. We continually evaluate our climate-related targets and our performance toward them. We made progress toward our targets in 2023, and we set more ambitious targets related to sourcing of renewable electricity this year.</p> <p>The targets include:</p> <ul style="list-style-type: none"> • Reduce our Scope 1 and Scope 2 GHG emissions intensity by 50% by 2030 from a base year of 2021 • Reduce our energy consumed per U.S. dollar of operating revenue by 15% by 2024 from a base year of 2021 • Source at least 25% of our electricity from renewable sources by 2030 <p>In 2023, we are pleased to report a 9.9% reduction in Scope 1 and Scope 2 GHG emissions intensity from the previous year, which represents a 27.2% reduction from our 2021 baseline. We also achieved a 5.4% reduction in energy intensity in 2023 compared to the previous year, which represents a 12.7% reduction from our 2021 baseline.</p> <p>In 2022, Zurn Elkay conducted an enterprise wide Scope 3 GHG emissions assessment to detect the largest emitting areas in its value chain to identify focus areas for reductions and met our Scope 3 reporting target. Moving forward, we will continuously evaluate GHG emissions opportunities across our global operations and value chains, in line with the expectations of our stakeholders, and adjust targets accordingly.</p> <p>Details on our carbon and energy emission reductions initiatives are provided in the Decarbonization Roadmap section of our 2023 Sustainability Report.</p>

MEMBERSHIP INDEX

Membership of Organizations	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
American Fire Sprinkler Association	USA	Yes	No	No	N/A
American Supply Association	USA	Yes	No	No	N/A
American Society of Certified Engineering Technicians	USA	No	No	Yes	N/A
American Society of Interior Designers	USA	Yes	No	No	N/A
American Society of Plumbing Engineers	USA	No	No	Yes	\$5,000
American Water Works Association	USA	Yes	Yes	No	N/A
Disability:IN	International	Yes	No	No	N/A
International Association of Plumbing & Mechanical Officials	International	Yes	No	No	N/A
Manufacturers Alliance	USA	Yes	Yes	No	N/A
Mechanical Contractors Association of America	USA	Yes	No	Yes	\$2,500
Metropolitan Milwaukee Association of Commerce	Midwest	Yes	No	No	N/A
Mississippi River Cities & Towns Initiatives	USA	No	Yes	Yes	\$10,000
National Fire Sprinkler Association	USA	Yes	No	No	N/A
National Kitchen & Bath Association	USA	Yes	No	No	N/A
National LGBT Chamber of Commerce	USA	Yes	No	No	N/A
National Veteran Business Development Council	USA	Yes	No	No	N/A
North Central Wholesalers Association	Midwest	Yes	No	No	N/A
Northwestern Illinois Economic Development	Midwest	Yes	No	No	N/A
Plumbing and Drainage Institute	USA	Yes	No	No	N/A
Plumbing Manufacturers International	International	Yes	No	No	N/A

(continued)

ESG Performance Index • GRI Index • TCFD Index • **Membership Index** • Associate Demographic Index

Membership of Organizations	Region	Member	Committee Participation	Funding Beyond Membership Dues	Funding Amount
Plastic Pipe and Fittings Association	USA	Yes	No	No	N/A
Plastics Pipe Institute	USA	Yes	No	No	N/A
Southern Wholesalers Association	Southeast	Yes	No	No	N/A
U.N. Global Compact	International	Yes	No	No	N/A
U.S. Green Building Council / LEED Certification	USA	Yes	No	No	N/A
Wisconsin LGBTQ Chamber of Commerce	Midwest	Yes	No	No	N/A
Water Quality Association	USA	Yes	No	No	N/A

ASSOCIATE DEMOGRAPHIC INDEX

GLOBAL

Gender	Global Workforce	Manufacturing	Non-Manufacturing	Management	Board of Directors
Female	32.8%	26.7%	40.7%	29.8%	30.0%
Male	67.1%	73.2%	59.2%	70.2%	70.0%
Not Declared	0.1%	0.1%	0.1%	0.0%	0.0%

UNITED STATES

Gender	U.S. Workforce	U.S. Manufacturing	U.S. Non-Manufacturing	U.S. Management	U.S. Executives
Female	37.3%	32.5%	46.1%	33.1%	13.6%
Male	62.6%	67.5%	53.8%	66.9%	86.4%
Not Declared	0.1%	0.0%	0.1%	0.0%	0.0%

UNITED STATES — DIVERSITY AND EMPLOYEE DEMOGRAPHICS

Classification	U.S. Workforce	U.S. Manufacturing	U.S. Non-Manufacturing	U.S. Management
American Indian or Alaska Native	4.1%	7.3%	1.3%	1.0%
Asian	3.1%	1.1%	5.1%	4.2%
Black or African American	12.8%	19.8%	7.7%	3.9%
Hispanic or Latinx	17.4%	27.8%	9.3%	5.9%
Native Hawaiian or Other Pacific Islander	0.2%	0.2%	0.1%	0.0%
Two or More Races	0.9%	0.8%	1.2%	0.7%
White	61.2%	42.5%	75.2%	83.3%
Other or Unknown	0.4%	0.5%	0.0%	1.0%
U.S. Minority	38.4%	57.1%	24.8%	15.7%

UNITED STATES — MILITARY VETERANS

Classification	U.S. Workforce	U.S. Manufacturing	U.S. Non-Manufacturing	U.S. Management
Military Veteran	3.0%	2.5%	3.4%	3.9%
Not Indicated	97.0%	97.5%	96.6%	96.1%

GLOBAL ASSOCIATES BY COUNTRY

Classification	Full Time Associates	Part Time Associates	Total
Asia — Total	140	0	140
China	26	0	26
India	107	0	107
Indonesia	1	0	1
Singapore	1	0	1
Taiwan	2	0	2
Thailand	1	0	1
Vietnam	2	0	2
Middle East — Total	11	0	11
Qatar	1	0	1
Saudi Arabia	1	0	1
UAE	9	0	9
North America — Total	2,320	8	2,328
Canada	271	0	271
Mexico	186	1	187
USA	1,863	7	1,870
Total	2,471	8	2,479



2023 SUSTAINABILITY REPORT

Sustainably Inspired

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