

## C0. Introduction

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### C0.1

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**(C0.1) Give a general description and introduction to your organization.**

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. We took a significant step forward in our Clean Water mission when we acquired Elkay Manufacturing Company in July 2022. On July 1, 2022, the acquisition was completed following which we changed our name to "Zurn Elkay Water Solutions Corporation". Shares of our common stock continue to trade on the New York Stock Exchange under the ticker symbol "ZWS".

The combination of two industry leaders with complementary product lines and a shared focus on sustainability has made the new Zurn Elkay

Water Solutions an even stronger pure-play water company. Our product portfolio includes professional grade water safety and control products, flow system products, hygienic and environmental products, and drinking water products for public and private spaces that deliver superior value to building owners, positively impact the environment and human hygiene and reduce product installation time. Our heritage of innovation and specification has allowed us to provide highly engineered, mission-critical solutions to customers for decades and affords us the privilege of having long-term, valued relationships with market leaders.

We operate in a disciplined way and the Zurn Elkay Business System ("ZEBS"), is our operating philosophy. Grounded in the spirit of continuous improvement, ZEBS creates a scalable, process-based framework that focuses on driving superior customer satisfaction and financial results by targeting world-class operating performance throughout all aspects of our business. Zurn Elkay is a leading provider of specification-driven water management solutions to the multi-billion-dollar construction market of primarily commercial and institutional buildings and to a lesser extent to the waterworks and residential construction markets. Our strategy is to build Zurn Elkay around a strategic platform that participates in end markets with sustainable growth characteristics where we are, or have the opportunity to become, the industry leader. We have a track record of acquiring and integrating companies and expect to continue to pursue strategic acquisitions that will broaden our product lines, allow us to move into adjacent markets and expand our geographic presence. The demand for our products is primarily driven by new commercial and institutional building construction, the retrofit of existing structures (to make them more energy and water efficient) and, to a lesser extent, new infrastructure and residential construction. With our broad portfolio of products, we believe we have become a market leader in the industry by developing innovative products that meet stringent third-party regulatory, building, and plumbing code requirements and by subsequently achieving specification of our products into projects and applications. We are led by an experienced, high-calibre management team that employs ZEBS as a proven operating philosophy to drive excellence and worldclass performance in all aspects of our business, and which includes our "Voice of the Customer" process to promote superior customer satisfaction. Our physical footprint encompasses 40 principal manufacturing and warehouse facilities located primarily in North America. With this submittal, we are responding to the 2023 CDP Climate Change Questionnaire, representing calendar year 2022 activity, as Zurn Elkay Water Solutions Corporation for the first time.

### C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.**

**Reporting year**

**Start date**

January 1 2022

**End date**

December 31 2022

**Indicate if you are providing emissions data for past reporting years**

Yes

**Select the number of past reporting years you will be providing Scope 1 emissions data for**

1 year

**Select the number of past reporting years you will be providing Scope 2 emissions data for**

1 year

**Select the number of past reporting years you will be providing Scope 3 emissions data for**

1 year

### C0.3

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**(C0.3) Select the countries/areas in which you operate.**

Canada

Mexico

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	ZWS

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	The Chair of the ESG Committee is a member of the Board of Directors and has oversight of all aspects of Zurn Elkay operations, oversees Zurn Elkay's strategy planning process, which includes ensuring we pursue business opportunities that further climate action and resiliency goals. The Board Chair ensures appropriate attention and availability of resources to address Zurn Elkay's climate impact, including quantifying greenhouse gas (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, which are described further in this CDP response and are detailed in Zurn Elkay's 2022 Sustainability Report.
Board-level committee	The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. The Committee may form and delegate some or all of its authority to subcommittees when it deems appropriate. 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, 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. In addition, the Committee shall monitor 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. The Committee shall have the sole authority to retain or obtain the advice of consultants, independent legal counsel or other advisers, as it deems appropriate in connection with the discharge of its duties. The Committee shall be directly responsible for the appointment, retention, termination, compensation and oversight of the work of any such adviser. The Company shall provide for appropriate funding, as determined by the Committee, in its capacity as a committee of the Board, for payment of compensation to any of the advisers employed by the Committee. From time to time the Committee shall review the adequacy of this Committee Charter and recommend any proposed changes to the Board for approval. The Committee shall conduct an annual performance evaluation of the Committee's own performance.

C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing and guiding strategy Overseeing the setting of corporate targets	<Not Applicable>	Zurn Elkay’s Board of Directors oversees the company’s Enterprise Risk Management (ERM) process, which involves annual risk assessments, management 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 Zurn Elkay’s annual Sustainability Report and program initiatives. The Board periodically receives updates on our sustainability performance.
Scheduled – some meetings	Reviewing innovation/R&D priorities Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Reviewing and guiding the risk management process	<Not Applicable>	In 2022, we enhanced our reporting process by aligning our approach with the Task Force on Climate-Related Financial Disclosure framework. Opportunities to mitigate climate change are inherent in many of our product lines (e.g., water efficiency and conservation products). Therefore, we regularly integrate climate-related issues in our review of business strategy and risk management planning. Zurn Elkay’s Board of Directors oversees the company’s enterprise risk management (ERM) process, which involves annual risk assessments, management evaluation and management of key risks and opportunities to the business. 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 plan under executive-level supervision in addition to plans at the facility levels. We also take a forward-looking approach to managing transitional risks and opportunities to climate change 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. Creating sustainable and hygienic products that help our customers achieve greater resource efficiency is an example of how Zurn Elkay has planned for climate risk and is ready to adapt and change to maintain our business and manage future risks and opportunities effectively.

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	As stated in our ESG Committee Charter, each member of the Committee shall have experience, in the business judgment of the Board, that would be helpful in addressing the matters delegated to the Committee. The specific criteria required for the selection of each Board member will be determined within the context of the current member composition of the Board and the evolving needs of the company based on business strategy and current senior management competencies. These criteria shall also be used in the evaluation of directors. The composition of the Board will be reviewed annually to ensure the right mix of skills, experience and background needed for the foreseeable future, 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.	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

**Position or committee**

Sustainability committee

**Climate-related responsibilities of this position**

Assessing climate-related risks and opportunities  
Managing climate-related risks and opportunities

**Coverage of responsibilities**

<Not Applicable>

**Reporting line**

Reports to the board directly

**Frequency of reporting to the board on climate-related issues via this reporting line**

More frequently than quarterly

**Please explain**

Zurn Elkay Water Solutions' executives manage ESG-related matters through the ESG Internal Steering Committee. Our Steering Committee is made up of a cross functional group of leaders that 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, Product Quality & Safety, Supply Chain, Environmental, Health and Safety, and Human Capital. Zurn Elkay hired a new head of engineering in 2022 who is part of the ESG committee. The responsibilities of this head of engineering include embedding sustainability into overall product development process and product strategy.

The executive-level ESG Committee consists of the VP-Investor Relations, Director – EHS, VP – Risk Management, VP – Supply Chain, VP – General Counsel, VP/GM – Sector, VP - HR, Director – Marketing Division, and Director – Corporate Communications.

The ESG Committee reports to the Chief Financial Officer (CFO) and Board ESG 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 Committee may delegate duties and responsibilities to one or more subcommittees and may retain outside advisors as it deems necessary.

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**C1.3**

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Incentives are provided for the management of climate-related issues, and new innovative ideas are rewarded through the social, impact fund.

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**C1.3a**

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Entitled to incentive**

All employees

**Type of incentive**

Non-monetary reward

**Incentive(s)**

Internal team/employee of the month/quarter/year recognition

**Performance indicator(s)**

- Progress towards a climate-related target
- Achievement of a climate-related target
- Implementation of an emissions reduction initiative
- Increased share of low-carbon energy in total energy consumption
- Increased share of renewable energy in total energy consumption
- Reduction in total energy consumption

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

n/a

**Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan**

Zurn Elkay recently introduced an employee-led social impact fund to provide resources for associate ideas that advance our sustainability efforts. Zurn Elkay knows that the best and most innovative ideas come from our associates and we are ready to fund those ideas. The Fund provides financial backing and resources for innovative associate ideas that help our company advance our ESG efforts. Our future depends on our ability to act responsibly with the relentless pursuit of sustainable progress, which is fueled by the innovative ideas of our associates. Through the ideas our associates bring forward, we can transform the communities where we live and work.

**Entitled to incentive**

Management group

**Type of incentive**

Monetary reward

**Incentive(s)**

Bonus - % of salary

**Performance indicator(s)**

- Progress towards a climate-related target
- Achievement of a climate-related target
- Implementation of an emissions reduction initiative
- Increased share of low-carbon energy in total energy consumption
- Increased share of renewable energy in total energy consumption
- Reduction in total energy consumption

**Incentive plan(s) this incentive is linked to**

Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**

n/a

**Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan**

The company provides recognition incentives for ESG issues, including climate-related issues. These include company-wide Continuous Improvement (CI) intranet posts, management recognition and being featured in the Sustainability report. Our incentive compensation for company leaders incorporates a link to sustainability performance. Our leaders’ annual cash incentive is based on meeting certain financial performance metrics as well as a personal performance factor. An individual leader’s personal performance factor is based on their respective goals for the year, and certain leaders throughout the organization have sustainability related goals that they are responsible for leading and achieving. Achievement of sustainability goals impacts their personal performance factor and resulting annual incentive bonus.

**C2. Risks and opportunities**

**C2.1**

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

**C2.1a**

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	1	Objectives and budgets are set annually.
Medium-term	1	3	Breakthrough objectives are identified to be achieved within three years.
Long-term	3	10	Long-term market trends help guide the company’s strategic decisions.

## C2.1b

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### **(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

Zurn Elkay Water Solution's Enterprise Risk Management (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 in 2022 to identify transition and physical risks and opportunities that may have significant financial impact on the business. Zurn Elkay is actively working with its ERM team to incorporate the risk management strategies into the broader firm ERM strategy.

Key risks, including climate related risks (classified as Strategic, Operational, Reporting, or Compliance), comprising the Company's Risk Universe are prioritized based on the likelihood and magnitude ratings, applying a scale of 1 to 4 for each. Under the TCFD framework, specific climate related risks are categorized under transitional and physical risks and the risks are scores from 0 to 5. 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 (EBITDA). A magnitude rating of 4 (the highest) indicates that the expected financial impact of an individual risk would be in excess of \$15 million of EBITDA with a magnitude rating of 1 representing a financial impact of less than \$5 million of EBITDA. The final score of 1 to 16 (based on multiplying the likelihood by the magnitude rating) determines the prioritization of the respective key risks.

The transitional and physical risks comprise of policy and legal technology, market, reputation, resource efficiency, energy sourcing, products and services, acute physical and chronic physical risks.

Annually, the ERM Committee formally updates the key risks and ratings within the Risk Universe, incorporating input from the Company's strategic planning process.

## C2.2

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**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

More than once a year

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

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 Water Solution's Business Continuity Planning Program is organized at several levels. A formal organizational-wide plan has been developed under executive level supervision and, in addition, plans have been developed at the plant or facility levels.

The Business Continuity Plans (BCPs) outline the response process to business interruption including climate-related risks and opportunities and the Business Continuity Team roles and responsibilities for assuring that critical processes and services are maintained. The Business Continuity plans 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. A disclosure of risk factors is available in our annual 10-K filing.

The Zurn Elkay Water Solution BCPs are compliant with the ISO 22301 standard governing Business Continuity Management (BCM). Accordingly, an outside third-party consulting firm, with Zurn Elkay's Business Continuity Manager's supervision, is engaged to conduct testing and training of all Business Continuity Plans (BCP's) on a minimum bi-annual frequency. Additionally, an outside third-party consulting firm, with Zurn Elkay's Business Continuity Manager's supervision, is engaged to conduct updated business impact analysis of all select sites on a minimum once-every-five-year frequency. Furthermore, all BCMS records, procedures, pre-incident and post-incident reports are to be compliant with ISO 22301 standard. Zurn Elkay may elect as needed or recommended to conduct ISO 22301 BCMS audits at select sites using a third-party certified ISO 22301 auditor.

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 Water Solutions. These pillars are built upon the Core Continuity Functions, which supports all 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 upon. The vital functions are our superior customer care, information technology (IT), finance, and human resources.

Recovering and protecting our people is the first and most important aspect of a 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 & 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.

We also take a forward-looking approach to managing transitional risks and opportunities to climate change in key areas throughout our company, which include business continuity planning, new product and technological advancements, IT protection, disaster recovery planning, and emergent risk evaluations. 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 such as sensor faucets, flush valves, low-flow fixture 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.

For the TCFD physical climate risk analysis, 17 physical hazards that may impact facilities, cause disruptions that impact productivity, operations, and fuel delivery and services were evaluated. Additionally, 5 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 consulting firm. 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).

For facility hazards, the impacts of each of these hazards on infrastructure was qualitatively evaluated per facility. These were then transferred to an impact scoring from N/A (negligible), low, moderate, and high based on the rating scale as shown in the table below. It is possible the hazard consequence may range between two impact ratings. If this is the case, then it is assigned low-moderate or moderate-high.

The risk score is the 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 can be 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, there are a total of 13 physical risk scores for the assets under today's conditions. A composite risk score is provided for each location for comparison across locations and to indicate which locations are exposed to a greater degree of collective physical risks. The analysis identified any facility currently with at least one high risk as a high risk within the portfolio, and likewise for the moderate risk. No facility was identified as a low risk.

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C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	Zurn Elkay continuously monitors the transition risks of current regulations related to climate change, on both the national and international levels. The risk category is relevant due to financial risk of non-compliance (i.e., fines and penalties), but also in terms of potential opportunities.
Emerging regulation	Relevant, always included	As emerging regulations are identified, understanding how to comply is part of assessing decisions. ESG reporting legislation, climate disclosures, mandated GHG reductions and low carbon fuels are examples of potential regulatory risks that we monitor. Zurn Elkay Water Solutions is prepared for the forthcoming SEC rule on disclosing climate-related disclosures in annual filings. Zurn Elkay publishes annual ESG reports aligned with financial reporting and monitors its environmental impacts such as water withdrawals and greenhouse gas emissions. Zurn Elkay has recorded and tracked its greenhouse gas emissions, setting in place a means of governance and accountability of emissions and energy related targets, so as to provide routine disclosure and a performance based on continuous improvement.
Technology	Relevant, always included	Technology risks and opportunities related to climate change are integral to our business, which serve the energy and water markets, where technological innovation and reliability are key components to our success and where lack of product and production innovations could lead to a competitive disadvantage. The successful implementation of our business strategy requires us to continuously evolve our existing water safety & control, hygienic & environmental products and introduce new products to meet customers' needs in the industries we serve. Our products are characterized by stringent performance and specification requirements that mandate a high degree of manufacturing and engineering expertise. Zurn Elkay supplies the industry's widest range of advanced water system and hygienic solutions that enhance and ensure water quality, safety, flow control and conservation
Legal	Relevant, always included	Legal risks are regularly evaluated due to financial and reputational risks, for example through fines and penalties, business disruption or reputational damages that impact sales of our products. Our water safety, quality, and flow control encompass a wide range of valve products, distribution and drainage products and site works products. Key valve products include backflow preventers, fire system valves, pressure reducing valves and thermostatic mixing valves. These highly specified and engineered flow control devices protect and control the potable water supply and emergency water supply within a building or site. Are Designed to meet the stringent requirements of independent test labs, such as the Foundation for Cross Connection Control and Hydraulic Research at USC, NSF, UL and FM, they are sold into commercial, institutional, and industrial new construction and retrofit applications as well as the fire protection, municipal water and wastewater and irrigation end markets.
Market	Relevant, always included	Market variables are part of assessing decisions. For example, energy pricing and incentives can impact the cost of energy in our production facilities, the cost of purchased energy-intensive materials, and the revenue from the sale of more energy-efficient products to our customers. We believe that our customers rigorously evaluate their suppliers on a number of factors, including product quality, price competitiveness, technical and manufacturing expertise, development and product design capability, new product innovation, reliability and timeliness of delivery, operational flexibility, customer service and overall management. Demand for our products is primarily driven by commercial construction activity, remodelling 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 remodelling 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. Climate-related risks can impact our ability to meet our customer's changing specifications with respect to these criteria. Zurn Elkay's products with sustainable attributes includes: water conservation products; products that help protect and manage clean water, including hygienic solutions that enhance and ensure water quality, safety, and flow control; products that help to reduce energy consumption and are considered energy efficient; products that help customers avoid generation of GHG emissions; technologically advanced products that support monitoring of water usage and rapid response to issues, facilitating efficiency and safety; and products with a high content of recycled, thereby reducing impacts resulting from extraction and processing of virgin materials. As climate-change impacts water availability, Zurn Elkay offers sustainable and resilient solutions that enhance water management and efficiency of resources.
Reputation	Relevant, always included	Protecting the company's reputation is part of assessing decisions. For example, changing market behavior toward green products can drive revenue growth and brand reputation as customers increasingly seek water efficient products and energy efficient processes.
Acute physical	Relevant, always included	Acute physical climate related risks are evaluated through our business continuity planning (BCP) process. While the probability of acute physical risks (e.g., hurricanes, wildfires, etc.) cannot be accurately forecasted for any given location, we do anticipate increasing frequency and severity of severe weather events and are developing and/or adjusting business continuity plans accordingly. Zurn Elkay has nine sites that are located in areas with high or extremely high Baseline Water Stress according to the World Resources Institute's (WRI's) Water Risk Atlas tool, Aqueduct and 37.6% of its total water total water consumed in regions with high or extremely high baseline water stress. A major weather event such as a hurricane, tornado, flood, or other catastrophic event could impact employee safety and disrupt our production and/or distribution, which could cause delays in completing sales, providing services, or performing other critical functions. The occurrence of such events can adversely affect our financial position and performance.
Chronic physical	Relevant, always included	We factor longer term shifts in climate patterns and potential impacts on our operations into our longer-term risk assessments to ensure we are resilient to the effects of climate change in our operations, our supply chain, and in our product lines. This is captured by our risk management and business continuity processes, as well as in our strategic planning process.

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Our Scope 1 and 2 carbon footprint is primarily composed of emissions from building heating/cooling activities and electricity consumption. Escalating carbon prices can negatively impact operating costs as regulations on carbon, including carbon taxes and emission reduction mandates increase in Canada and the United States where we operate and/or source materials from.



**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

275870

**Potential financial impact figure – maximum (currency)**

1655220

**Explanation of financial impact figure**

As climate-related issues become a driver of regulation, we are seeing more discussion around carbon pricing instruments as a way of reducing emissions. A commonly discussed method is implementing a carbon tax, which is a cost per metric ton of emitted CO<sub>2</sub>e. There is a wide range in literature of suggested carbon prices. To decide on our medium term carbon pricing range, we used a combination of the Regional Greenhouse Gas Initiative (RGGI) and CDP's analysis of the median internal carbon price disclosed by companies. According to these sources, a reasonable estimate for the medium term brackets would be a low end of \$10/metric ton CO<sub>2</sub>e and a high end of \$60/metric ton of CO<sub>2</sub>e. These values were multiplied by our current emissions of Scope 1 and Scope 2 CO<sub>2</sub>e to get a minimum and maximum potential financial impact.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

Our current method for managing this risk includes monitoring and evaluating regulatory requirements at the global, federal, state, and local level and ensuring awareness across local markets. Climate risk in relation to energy pricing is assessed and managed through the Vice President of risk management, who manages the company's indirect supply chain purchasing function. The company's electricity and utility purchases are primarily managed by the indirect supply chain purchasing function. Additionally, Zurn Elkay is managing this risk by working on GHG reduction strategies, including commitments to reduce GHG emissions and energy use as published in our 2022 Sustainability report. Specifically, Zurn Elkay has set a target to reduce Scope 1 & Scope 2 GHG Emissions intensity by 50% by 2030 and has set a target to reduce energy intensity by 15% by 2024.

**Comment**

n/a

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation	Enhanced emissions-reporting obligations
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Securities and Exchange Commission (SEC) proposed rule: "The Enhancement and Standardization of Climate-Related Disclosures for Investors". The SEC proposed rules to enhance and standardize climate-related disclosures would require Zurn Elkay to include certain climate-related disclosures in our annual and periodic financial reports (i.e., annual 10K) including disclosure of Zurn Elkay's greenhouse gas (GHG) emissions in our SEC filings, which include disclosure of GHG emissions from upstream and downstream activities in our value chain (Scope 3). Likewise, the SEC proposed rules will likely require Zurn Elkay to include an attestation report from an independent attestation service provider covering Scopes 1 and 2 emissions disclosures.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

420000

**Potential financial impact figure – maximum (currency)**

600000

**Explanation of financial impact figure**

Zurn Elkay has been measuring, calculating, and disclosing GHG emissions for several years in accordance with Greenhouse Gas Protocol methodology and guidance.

Likewise, Zurn Elkay has commenced implementation of the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations into our ESG governance, strategy, and relevant risk management processes, which is aligned with the proposed SEC rule. However, the requirement of the proposed rule will result in additional financial impacts for three primary reasons: (1) Zurn Elkay must hire a third-party to provide the assurances required for the Scope 1 and 2 disclosure attestations; (2) Zurn Elkay must hire a third-party consultant to assist with the Scope 3 GHG emissions; and (3) Zurn Elkay must hire additional internal personnel to support compliance with the rule due to implementing new internal processes to ensure the climate reporting coincides with our SEC filings and can meet reporting deadlines. By the SEC's own cost estimates, this new ruling will cost smaller companies \$420,000 and will cost larger organizations in excess of \$600,000 to capture and report the climate related information annually. As such, the SEC cost estimates were used to establish the financial impact figures (range) for this emerging regulation risk.

**Cost of response to risk**

420000

**Description of response and explanation of cost calculation**

The cost of Zurn Elkay's risk response was based on the cost of hiring outside professionals to provide the assurances required for the Scope 1 and 2 disclosure attestations, performing Scope 3 GHG emission calculations, and the cost of hiring a new staff member and including additional internal personnel to support the annual GHG and climate-related financial disclosures. Zurn Elkay believes the actual cost of response to this risk (\$420,000) may be less than this estimate because we are already reporting Scope 1, 2, and 3 GHG emissions. However, the level of effort to align our GHG emissions accounting with our financial accounting and within our SEC filings is yet to be fully determined.

**Comment**

n/a

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Market	Increased cost of raw materials
--------	---------------------------------

**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Zurn Elkay's manufacturing processes depend on third parties for raw materials, in particular stainless steel, brass, castings, copper, forgings, high-performance engineered plastic, plate steel, resin, sheet steel and zinc, as well as petroleum and other carbon-based fuel products. While Zurn Elkay strives to maintain alternative sources for most raw materials, Zurn Elkay's business is subject to the risk of price fluctuations, including as a result of, or in reaction to, tariffs, import duties, or other trade protection measures instituted by the U.S. or other countries, inefficiencies in the event of a need to change Zurn Elkay's suppliers, and delays in the delivery of and potential unavailability of Zurn Elkay's raw materials. Any such price fluctuations or delays, of material, could harm Zurn Elkay's profitability or operations. In addition, the loss of a substantial number of suppliers could result in material cost increases or reduce Zurn Elkay's production capacity.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

64952054

**Potential financial impact figure – maximum (currency)**

194856164

**Explanation of financial impact figure**

Zurn Elkay recorded a revenue of 1,580.5 million in 2022 which translates to roughly \$4.33M per day of revenue. The financial impact figure considers a scenario with supply chain disruptions due to market conditions, leading to delays in delivery of raw material ranging from 15-45 days. This could potentially translate to ~\$65 million to ~195 million in financial impact figures.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

Zurn Elkay Supplier Management Council regularly reviews supplier risks, monthly performances, and audit results. In the event, Zurn Elkay identifies an incident or practice of noncompliance, Zurn Elkay engages the supplier and reviews their plan to reach compliance. If their efforts are unsuccessful, Zurn Elkay evaluates 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. Zurn Elkay will manage potential resource constraints by continuing to quantify usage, set reductions targets, and implement efficiency measures, particularly for material reuse, energy, and water.

**Comment**

n/a

**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Technology	Other, please specify (Need for technological innovation to remain competitive.)
------------	--

**Primary potential financial impact**

Other, please specify (Increased capital investment in R&amp;D and increased operations costs due to need for manufacturing and engineering expertise.)

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Technology risks and opportunities related to climate change are integral to Zurn Elkay's business, which serves the energy and water markets, where technological innovation and reliability are key components to Zurn Elkay's success and where lack of product and production innovations could lead to a competitive disadvantage. Zurn Elkay's products are characterized by stringent performance and specification requirements that mandate a high degree of manufacturing and engineering expertise. Zurn Elkay supplies the industry's widest range of advanced water system and hygienic solutions that enhance and ensure water quality, safety, flow control and conservation. The successful implementation of Zurn Elkay's business strategy requires Zurn Elkay to continuously evolve existing water safety and control, hygienic and environmental products and introduce new products to meet customers' needs in the industries served.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

18400000

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The cost to realize opportunities is a function of the company's total research, development, and engineering (RDE) spend. New product development and technological advancements in climate transition solutions is already in place such as water quality, safety, flow control and conservation products such as sensor faucets, flush valves, low-flow fixture, and carrier systems. Creation of sustainable and hygienic products that help Zurn Elkay's 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. As reported in the company's CY2022 Securities and Exchange Commission (SEC) Form 10-K, the company's total RDE spend in CY2022 was \$18.4M. The cost to realize this or any opportunity would only be a portion of that total spend.

**Cost of response to risk**

18400000

**Description of response and explanation of cost calculation**

Zurn Elkay will continue to Monitor technology shifts on the horizon to determine where to invest in innovative technologies and practices.

**Comment**

n/a

**Identifier**

Risk 5

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Market	Other, please specify (Climate-related adverse weather conditions and impacts on construction industry, supply chain disruptions and thereby product demand and availability)
--------	---

**Primary potential financial impact**

Other, please specify (Increased operational costs due to deploying new technologies, processes, and products and decrease in product demand due to weather events.)

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Demand for Zurn Elkay's products is primarily driven by commercial construction activity, remodeling and retrofit opportunities, and to a lesser extent, new home construction. Weather is an important variable affecting financial performance as it significantly impacts execution of construction projects. 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 Zurn Elkay's business. For example, an unusually severe or prolonged winter can lead to reduced or delayed construction activity which could magnify the seasonal decline in Zurn Elkay's net sales and earnings during the winter months and hamper the typical seasonal increase in net sales and earnings during the spring months. Weather conditions play a significant role in driving demand in commercial and residential construction, repair, and remodeling sectors. Prolonged adverse weather conditions could materially impact demand for and sales of products and/or result in downward pressure on product pricing and profit margins, any, or all of which could adversely affect financial results. Climate change may impact rainfall and water availability in many areas in unpredictable and diverse ways, which may change the way building owners and municipalities manage drinking, waste and storm water and may lead to new or

modified regulations could lead to a reduction or increase in demand for certain of Zurn Elkay's products depending on the solution.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

94830000

**Potential financial impact figure – maximum (currency)**

158050000

**Explanation of financial impact figure**

Zurn Elkay has identified that increased market competition and extreme weather events are risks that will impact the construction industry and demand of products. Additionally, there are anticipated increases in operating costs due to need for additional investment in R&D, and implementation of new technologies and processes. We have estimated that a company can incur a business cost averaging from six (6) to 10 percent of annual revenues due to supply chain disruptions, which is based on a report published by The Economist in February 2021 titled: "The Business Costs of Supply Chain Disruption" that explores the impacts of recent instances of disruption to global supply chains. Based on this estimate and a revenue of 1,580.5 million dollars in 2022, Zurn Elkay could potentially incur financial costs ranging from approximately 95 million to up to 158 million in due to market factors and global supply chain disruptions.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

Zurn Elkay will continue to adapt to changing market through supply chain engagement, education, and capacity building. Additionally, Zurn Elkay will continue to mitigate supplier risks through the Supply Chain Risk Management team.

**Comment**

n/a

**Identifier**

Risk 6

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Wildfire
----------------	----------

**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Changes in weather patterns and seasonal fluctuations affect certain segments of our business. Wildfires are projected to become a moderate risk for our Paso Robles, CA facility. This facility is in an area with at least a 0.2% chance of occurring today (that is, 500-year event). Wildfires have already resulted in loss of revenue for this facility during a 2019 event. In addition, smoke from nearby California wildfires can travel distances, potentially affecting staff safety and damage equipment at the site. Power outages are also possible as California utilities now use precautionary tactics like shutting off power to customers to reduce longer-term disruptions.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

500000

**Potential financial impact figure – maximum (currency)**

1000000

**Explanation of financial impact figure**

The California wildfires over the past several years have impacted our facilities in that region. For example, in 2019, a California plant had to be shut down due to wildfires for three shifts, resulting in a loss of revenue. Wildfires have potential financial implications due to temporary building closures, leading to increase in operating costs due to repairs to damaged building and equipment. Additionally, there may be loss of revenue due to downtime because of building closures.

**Cost of response to risk**

500000

**Description of response and explanation of cost calculation**

While severe weather events and other natural disasters could affect our operations at any given location(s) and have a negative impact on our business, financial condition, operational results, or cash flows, the timing and location of these impacts are not known with any certainty. Because of the decentralized nature of our business, with facilities located globally, any given event is anticipated to have isolated impact on our overall business; however the increased frequency and severity of these events over time could present a cumulative risk with multiple locations affected simultaneously. The response to this risk is therefore included in our business continuity planning process. Zurn Elkay has identified insurance as a strategy to reduce realized losses due to severe weather events. The insurance deductible is \$500,000 to to \$1M.

**Comment**

n/a

**Identifier**

Risk 7

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Tornado
----------------	---------

**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

&lt;Not Applicable&gt;

**Company-specific description**

Increased indirect (operating) costs due to delays in sales, services, and material delivery for manufacturing.

In our TCFD analysis, tornado risk was identified as a high risk for three facilities in Ontario Canada near Toronto, which are not critical facilities. This is a small area in Ontario where annualized tornado frequency ranged from 8% to 23% based on 25 years of data from Environment Canada. Additionally, tornados were identified as a moderate risk for four critical facilities in North Carolina and Illinois, where the facilities are located in census blocks with a 1% chance of a tornado occurring in any given year (also termed a 100-year event). These events can impact employee safety and disrupt production and distribution of products and may also increase the possibility of remote work for some employees, resulting in higher cybersecurity risks requiring more robust controls and cyber security program.

**Time horizon**

Long-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

500000

**Potential financial impact figure – maximum (currency)**

1000000

**Explanation of financial impact figure**

Zurn Elkay has identified that tornados can have financial implications due to temporary building closures, leading to increase in operating costs due to repairs to damaged building and equipment, and flying debris leading to employee injury and mortality. Additionally, there may be loss of revenue due to downtime because of building closures, blocked access to roads and downed trees, and impact on electricity and communications.

**Cost of response to risk**

500000

**Description of response and explanation of cost calculation**

This is a physical risk due to changes in climate that could potentially produce unusual variations in temperature and weather patterns, resulting in more intense, frequent, and extreme weather events, such as tornadoes. Insurance can assist with recovering loss. This information will be used to calculate total financial impact due to a tornado-related event. Zurn Elkay has identified insurance as a strategy to reduce realized losses due to severe weather events. The insurance deductible is \$500,000 to \$1M.

**Comment**

n/a

**Identifier**

Risk 8

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Cyclone, hurricane, typhoon
----------------	-----------------------------

**Primary potential financial impact**

Other, please specify (Increased indirect (operating) costs due to repairs, downtime in operations and fines and penalties.)

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

In the TCFD analysis, hurricane risk was identified as a high risk for Cary North Carolina and San Luis Potosí Mexico are a moderate risk for six critical facilities in Georgia, North Carolina, Pennsylvania, and Illinois, where these locations have at least a 1% chance of occurring (that is, 100-year event). These events can impact employee safety and disrupt production and distribution of products and may also increase the possibility of remote work for some employees, resulting in higher cybersecurity risks requiring more robust controls and cyber security program.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

500000

**Potential financial impact figure – maximum (currency)**

1000000

**Explanation of financial impact figure**

Zurn Elkay has identified that hurricanes can have financial implications due to revenue due to downtime because of building closures, damaged equipment and shipping delays. Additionally, there are expected increase in operating costs due to repairs to damaged building and potential fines and penalties due to fuel spills or violations of air quality permits.

**Cost of response to risk**

500000

**Description of response and explanation of cost calculation**

The Company's operations could be adversely affected, and the physical plants placed at greater risk of damage should changes in global climate produce unusual variations in temperature and weather patterns, resulting in more intense, frequent, and extreme weather events, abnormal levels of precipitation, and for operations located on or near coastlines, a change in sea level or sea temperatures. Insurance can assist with recovering loss. Zurn Elkay has identified insurance as a strategy to reduce realized losses due to these events. The insurance deductible ranged from \$500,000 to \$1M .

**Comment**

n/a

## C2.4

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**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

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**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**
**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development of new products or services through R&D and innovation

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

Specializing in water management strengthens our position as an 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. The sale of new Zurn Elkay products is driven by our innovation centers and R&D and aims to develop several new products in the coming years.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

7900000

**Potential financial impact figure – maximum (currency)**

23700000

**Explanation of financial impact figure**

Zurn Elkay has estimated the Total Addressable Market (TAM) of the global water industry to be 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 has positioned itself favorably to adapt to changing regulations, climate and infrastructure conditions while also investing in clean tech innovation and R&D to capitalize on the growing market for sustainable products with a focus on water efficiency, and expects to grow organically by one (1) to three (3) percent through 2025. Roughly half of this growth (0.5-percent to 1.5-percent) is expected to be directly related to the climate change trends and development of new products through R&D and innovations. As such the financial impact figures are based on 0.5-percent to 1.5-percent growth applied to the 2022 revenue of \$1,580.5 Million, which ranges from 7.9 million to 23.7 million.

**Cost to realize opportunity**

18400000

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize opportunities is a function of the company's total research, development and engineering (RDE) spend. As reported in the company's CY2022 Securities and Exchange Commission (SEC) Form 10-K, the company's total RDE spend in CY2021 was \$18.4M. The cost to realize this or any opportunity would only be a portion of that total spend.

**Comment**

To realize new R&D opportunities, Zurn has invested in innovation by opening a 20,000-square foot engineering laboratory in Erie, PA. The laboratory allows us to conceive, design, prototype and test products faster than ever.

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Other, please specify (Increased efficiency leading to less battery waste)

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

Climate opportunities are inherent in a number of our product lines (e.g., water efficiency products), and therefore climate-related issues are regularly reviewed and integrated in the review of the business strategy and investment planning. An example is the review and launch of the Hydro-X Power technology, which is within Zurn Elkay's touchless sensor faucet portfolio. Hydro-X is a small hydrogenator turbine that uses the water activated from the sensor faucet to recharge the cell to deliver sustainable energy for 10 plus years. We harness the power of flushing water rather than continually replacing batteries.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

7000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Recent sales figures associated with Hydro-X faucets. It is expected that revenues from this product line increase as customers transition to products that help conserve water and prioritize efficiency for maintenance/facility teams.

**Cost to realize opportunity**

18400000

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize opportunities is a function of the company's total research, development and engineering (RDE) spend. As reported in the company's CY2022 Securities and Exchange Commission (SEC) Form 10-K, the company's total RDE spend in CY2022 was \$18.4M. The cost to realize this or any opportunity would only be a portion of that total spend.

**Comment**

Zurn Elkay continually invests in research and development to create clean technology water solutions that help our customers meet their water challenges and goals, with a team of more than 50 engineers dedicated to driving innovation and sustainability initiatives.

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**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Reduced water usage and consumption

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

Our focus on innovation and continuous improvement of our products has helped us deliver breakthroughs that address water consumption and efficiency of water use. 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 have more than 850 faucet, toilet, flush valve and urinal models stamped with the WaterSense label. Being WaterSense certified means products use at least 20% less water than regular models. Zurn Elkay's One Low-Flow Fixture and Carrier Systems have paired performance to deliver optimal flushing performance and waste line carry. Zurn Elkay is the only manufacturer to offer a high-efficiency carrier and a 1.1 gallons per flush toilet system. With 31 percent water consumption savings over traditional 1.6 gallons per flush toilet systems, we deliver an industry - leading line carry. Likewise, our Sensor Faucets and Flush Valves conserve water with ultra-low flow rates which Zurn Elkay provides at some of the lowest cost of ownership on the market.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

48500000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Recent sales figures associated with our WaterSense products. It is expected that revenues from this product line increase as customers transition to products that help conserve water.

**Cost to realize opportunity**

18400000

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize opportunities is a function of the company's total research, development and engineering (RDE) spend. As reported in the company's CY2022 Securities and Exchange Commission (SEC) Form 10-K, the company's total RDE spend in CY2022 was \$18.4M. The cost to realize this or any opportunity would only be a portion of that total spend.

**Comment**

Zurn Elkay continually invests in research and development to create clean technology water solutions that help our customers meet their water challenges and goals, with a team of more than 50 engineers dedicated to driving innovation and sustainability initiatives

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**Identifier**

Opp5

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Other, please specify (Competitive market positioning)

**Primary potential financial impact**

Other, please specify (Increased company goodwill and revenues through competitive market positioning and good reputation)

**Company-specific description**

Changing market behaviour towards sustainable products can drive revenue growth and brand reputation as customers increasingly seek water and energy efficient products. Additionally, Zurn Elkay is not marketing or engaging in negative climate activities that could detrimentally impact reputation or involved in any environmental controversies.

**Time horizon**

Long-term

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**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

18400000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Zurn Elkay achieved its goal to increase revenue from products with sustainable attributes to 75% by 2024. As reported in the company's CY2022 Securities and Exchange Commission (SEC) Form 10-K, the company's total RDE spend in CY2022 was \$18.4M and further strengthen our commitment to sustainable products, we have committed to spend \$90 million on engineering and R&D by 2025. This spending will help us advance our development of clean tech products and increase our innovation capacity, which is part of our strategic planning and initiatives. Zurn Elkay has the opportunity to realize increased revenues through access to new and emerging markets and Increased revenue from increased product sales.

**Cost to realize opportunity**

18400000

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize opportunities is a function of the company's total research, development and engineering (RDE) spend. As reported in the company's CY2022 Securities and Exchange Commission (SEC) Form 10-K, the company's total RDE spend in CY2022 was \$18.4M. The cost to realize this or any opportunity would only be a portion of that total spend.

**Comment**

n/a

**Identifier**

Opp6

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Other, please specify ( Reduced operating costs through efficiency gains and recycled materials use)

**Primary potential financial impact**

Other, please specify (Increased company goodwill and revenues through competitive market positioning and good reputation)

**Company-specific description**

Zurn Elkay has set goals to reduce energy consumed per U.S. Dollar of operating revenue by 15% by 2024 (compared to 2021 baseline). In support of this target, Zurn Elkay is focused on implementing energy efficiency projects across its various facilities, procuring renewable electricity through Renewable Energy Credits (RECs) and investigating rooftop solar for onsite power generation. Additionally, 61% of Zurn Elkay's product sales incorporate recycled materials.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

140300

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Zurn Elkay has a target to reduce energy intensity (normalized against revenue) by 15% by 2024. In 2022, there was a 7.8% year-over-year reduction in energy intensity for the combined Zurn Elkay. Zurn Elkay achieved this energy reduction through various efficiency projects. The financial impact figure represents the estimated dollars saved on operational energy costs due to these projects. It is expected this figure will increase as we identify additional energy reduction projects to implement.

**Cost to realize opportunity**

210000

**Strategy to realize opportunity and explanation of cost calculation**

In 2022 several lighting fixtures in warehouses in Texas and Georgia were replaced saving more than 327 MWh and 173 of electricity respectively and 122 and 65 metric tons GHG emission respectively. We also repaired leaks in air compressors at manufacturing facility in Franklin Park, IL which reduced electricity use at this site by 122 MWh annually. Additionally, in 2022, completed a project to reduce natural gas usage for manufacturing of coated parts by reducing the baseline wash tank temperatures and thereby reducing natural gas usage by 2019 MWh. Currently Zurn Elkay is using 3.3% renewable energy. Signed contracts with utility providers for four facilities and

installed a solar array at Paso Robles (installed in 2017), CA facility which produced 907 MWh (saving 212 metric tons CO2e in 2022.) there reducing exposure to fossil fuels. The cost to realize the opportunity is the investment requirement for energy reduction projects and the purchase of RECs in 2022. Additionally, Zurn Elkay is increasing recycling through waste management and circularity practices. 36% of total waste from operations were recycled in 2022. This includes a new program at Broadview, IL manufacturing facility where Zurn Elkay examined materials being sent from the facility to the landfill and identified spent aluminium oxide from sandblasting. Team identified a new waste vendor that can reuse the waste material to manufacture other abrasives. Zurn Elkay is also reducing waste through packaging process improvements and by transitioning from printed instructions to QR codes. Zurn Elkay's products are technologically advanced products that support monitoring of water usage and rapid response to issues, facilitating efficiency and safety; and products with a high content of recycled, thereby reducing impacts resulting from extraction and processing of virgin materials.

**Comment**

n/a

**C3. Business Strategy**

**C3.1**

**(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?**

**Row 1**

**Climate transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

**Publicly available climate transition plan**

<Not Applicable>

**Mechanism by which feedback is collected from shareholders on your climate transition plan**

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your climate transition plan (optional)**

<Not Applicable>

**Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

Zurn Elkay is still developing the transition plan and roadmap to integrate the Elkay operations. Specifically in July 2022, Zurn Water Solutions acquired Elkay Manufacturing, renaming the company Zurn Elkay Water Solutions. Likewise, Zurn Elkay is developing a decarbonization strategy that includes our upstream Scope 3 emissions, which account for the bulk of our carbon footprint. Now operating as a pure-play water management company presents new 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 Water Solutions remains focused on the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

**C3.2**

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

	<b>Use of climate-related scenario analysis to inform strategy</b>	<b>Primary reason why your organization does not use climate-related scenario analysis to inform its strategy</b>	<b>Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future</b>
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

**C3.2a**

**(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.**

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	Customized publicly available transition scenario	Company-wide	2.1°C - 3°C	Transition risks are risks related to the transition to a lower-carbon economy that may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	High Climate Change Scenario (RCP 8.5): Continuation of business-as-usual emissions growth and higher emission scenario. This scenario is expected to result in warming more than 4°C by 2100.
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	Moderate Climate Change Scenario (RCP 4.5): Strong mitigation actions to reduce emissions to half of current levels by 2080 leading to a lower emissions scenario. This scenario is more likely than not to result in warming more than 2°C by 2100.

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

**Row 1**

**Focal questions**

- What are the climate change risks related to Zurn Elkay’s business is exposed in the short medium and long term?
- What are the costs and implications of these risks?
- What are the climate change opportunities related to Zurn Elkay’s in the short medium and long term?
- What are the costs and implications of these opportunities?

**Results of the climate-related scenario analysis with respect to the focal questions**

Zurn Elkay offers engineered water solutions and sustainable plumbing products, while delivering total building solutions for new construction and retrofit applications. We design, procure, manufacture, and market products that provide and enhance: Water Safety & Control; Flow Systems; Hygienic & Environmental; Drinking Water. The Company has 34 facilities in the United States, Mexico, and Canada analysed in the TCFD analysis and reports that operations have been affected by severe weather including hurricanes, floods, snowstorms, and other inclement conditions. These events can cause property damage, production disruptions in manufacturing facilities, and delivery disruptions of goods and services. There is an awareness that these risks may increase in response to climate change. The Company reports that operations are decentralized, suggesting that an event is anticipated to have isolated impact on the overall business. It is recognized by the Company that climate change may increase the frequency and severity of the events over time resulting in cumulative risk with multiple locations affected simultaneously. These impacts may materially and adversely affect the cost, production, and financial performance of Company operations. Climate opportunities are inherent in several of Zurn Elkay’s product lines (e.g., over 850 products with EPA WaterSense certification, indicating at least 20% less water used as compared to standard products), and therefore climate-related issues are regularly integrated in the review of the business strategy and investment planning. Zurn Elkay is resilient to different climate scenarios because we have conducted scenario analysis specific to our critical facilities and also identified opportunities for growth on specific products. The company’s business continuity plans outline the response process to business interruption to assure critical processes and services are maintained and proactively adapt to the changing market and organically grow market share of sustainable products. Additionally, Zurn Elkay Supplier Management Council regularly reviews supplier risks, monthly performances, and audit results to manage the risk of noncompliance and engages the supplier and review their plan to reach compliance. If their efforts are unsuccessful, Zurn Elkay evaluates 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. In 2022, Zurn Elkay appointed a new Supply Chain Risk Management team to identify mitigation strategies and provide more focus to address supplier and material risk. The 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

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	In 2022, Zurn Elkay hired a third-party consulting firm to conduct TCFD risk analysis and several risk and adaptation strategies were identified under the TCFD framework. Our strategy is to develop and provide 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. Zurn Elkay products contribute to sustainability and combat climate-related risks in a myriad of 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. As of 2022, Zurn Elkay achieved its goal to increase revenue from products with sustainable attributes to 75% by 2024. Zurn Elkay is actively working with its ERM team to incorporate the risk management strategies into the broader firm ERM strategy. The TCFD risk analysis identified an opportunity.
Supply chain and/or value chain	Yes	Providing sustainable products and solutions means committing to thoughtful, responsible sourcing of materials and to maintaining a sustainable, resilient supply chain. Our suppliers are integral to our business, and we expect them to adhere to the same high standards as our company does for environmental stewardship. We have developed our Responsible Sourcing Philosophy and are incorporating it into our strategic planning and sourcing practices. We have established monitoring of supplier performance against the expectations outlined in our Supplier Code of Conduct. Zurn Elkay has prioritized efforts to continuously improve and enhance the sustainability of our global supply chain. We work with our suppliers on environmental issues such as climate change mitigation, supplier environmental management systems, and materials management, including adherence to rules governing conflict minerals. Zurn Elkay recognizes the risks to business operations due to supply chain disruptions. In 2022, Zurn Elkay appointed a new Supply Chain Risk Management team to identify mitigation strategies and provide more focus to address supplier and material risk. The 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, business continuity and supplier development plans.
Investment in R&D	Yes	At Zurn Elkay we continually invest in research and development (R&D) to create clean technology water solutions that help our customers meet their water challenges and goals, with a team of more than 50 engineers dedicated to driving innovation and sustainability initiatives. Since 2014, we have operated the Innovation Center in Cary, NC. The 17,000-square-foot center facilitates product development, testing, quality control and system innovation of our finish plumbing products, while also recycling test water. In 2019, we further invested in innovation by opening a 20,000-square foot engineering laboratory in Erie, PA. The laboratory allows us to conceive, design, prototype and test all drains faster than ever. In some cases, we've decreased development time from months to just weeks. Our strategy to focus on innovation and continuous improvement of our products has helped us deliver breakthroughs that address many of today's most pressing sustainability trends. Zurn Elkay identified the need for technological innovation for better competitive positioning and this is associated with the risk of increased operations costs due to investment in R&D. To further strengthen our commitment to sustainable products and manage the risk of increasing operations costs, we have set a target to allocate and spend \$90 million on engineering and R&D by 2025.
Operations	Yes	Zurn Elkay's Enterprise Risk Management (ERM) process includes the evaluation of climate-related physical risks that could result in the disruption of operations or destruction of property due to physical risks from changing frequencies and intensities of weather-related perils. Acute and chronic physical risks from increasing severe weather events and other natural disasters could affect our operations at any given location(s) and have a negative impact on our operations and assets. While the timing and location of these impacts are not predictable with any certainty, we anticipate increased frequency and severity of these events over time. These risks are assessed within our Business Continuity Planning process and from a strategic and risk management perspective. Based on the risk analysis, few physical risks that may impact operations include extreme outdoor heat, water stress impacting water availability and need for increased energy for operations. Strategies identified to minimize these risks include shortening and altering shift hours with additional breaks to minimize workers to extreme outdoor heat, upgrading HVAC and cooling systems and identifying water conservation actions including water recycling, reuse and alternate hygiene options.

**C3.4**

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Capital expenditures Capital allocation Acquisitions and divestments Assets	Climate-related risks that influence financial planning elements are factored into our acquisition and divestiture strategy. A specific example is the divestiture of the Process & Motion Control business and name change from Rexnord Corporation to Zurn Elkay Water Solutions Corporation. Now operating as a pure-play water management company grants us greater flexibility and focus in pursuing the organization's business strategy on 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. Additionally, sustainable products have been identified as a market opportunity for Zurn Elkay to increase revenue and expand market share. 86% of products of Zurn Elkay have an opportunity to be competitive in the sustainable products market.

**C3.5**

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with a sustainable finance taxonomy	At the company level only

**C3.5a**

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

**Financial Metric**

Revenue/Turnover

**Type of alignment being reported for this financial metric**

Alignment with a sustainable finance taxonomy

**Taxonomy under which information is being reported**

EU Taxonomy for Sustainable Activities

**Objective under which alignment is being reported**

Climate change adaptation

**Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)**

1359000000

**Percentage share of selected financial metric aligned in the reporting year (%)**

86

**Percentage share of selected financial metric planned to align in 2025 (%)**

**Percentage share of selected financial metric planned to align in 2030 (%)**

**Describe the methodology used to identify spending/revenue that is aligned**

In 2022, Zurn Elkay generated 86% of our revenue from products with sustainable attributes and clean technology. 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 Zurn Elkay's 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

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C3.5c

(C3.5c) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

n/a

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C4. Targets and performance

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C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

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C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

**Target reference number**

Int 1

**Is this a science-based target?**

No, but we anticipate setting one in the next two years

**Target ambition**

<Not Applicable>

**Year target was set**

2021

**Target coverage**

Company-wide

**Scope(s)**

Scope 1

Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not Applicable>

**Intensity metric**

Metric tons CO2e per unit revenue

**Base year**

2021

**Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)**

0.000009

**Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)**

0.0000118

**Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)**

0.0000208

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**

100

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**

100

**% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure**

<Not Applicable>

**% of total base year emissions in all selected Scopes covered by this intensity figure**

100

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]**

0.0000104

**% change anticipated in absolute Scope 1+2 emissions**

8.13

**% change anticipated in absolute Scope 3 emissions**

**Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)**

0.0000084

**Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)**

0.0000084

**Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)**

0.0000168

**Does this target cover any land-related emissions?**

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**

38.4615384615385

**Target status in reporting year**

Underway

**Please explain target coverage and identify any exclusions**

The combination of Zurn and Elkay in 2022 required us to consolidate energy and emissions data between the two companies, recalculate the GHG base year in accordance with the GHG Protocol Corporate Accounting Standard, analyze the results and incorporate this new information into our strategic planning process. Our adjusted 2021 baseline is 20.8 metric tons of CO2 equivalent (CO2e) per \$M revenue. Zurn Elkay is exploring the option to establish and announce a science-based GHG emissions strategy, however the timeline of this is still undecided.

**Plan for achieving target, and progress made to the end of the reporting year**

Zurn Elkay has set a target to our Scope 1 and Scope 2 GHG emissions intensity by 50% by 2030 (compared to our 2021 baseline). In order to achieve this, our GHG emissions reduction target has been incorporated into our strategic planning and tracking procedures including monthly check-ins and evaluations of emission reduction strategies to reduce our environmental impacts. Our adjusted 2021 baseline is 20.8 metric tons of CO2 equivalent (CO2e) per \$M revenue, and our carbon intensity in 2022 was 16.8 metric tons CO2e/\$M revenue. As such, we are pleased to report a 19.2% reduction in carbon emissions intensity between 2021 and 2022 for the combined Zurn Elkay. The emission reductions were achieved through reduction in energy consumption through energy efficiency projects (LED upgrades), repairing air compressors leaks, and reduction in natural gas consumption. In addition to energy reduction through energy efficiency, renewable energy credits were also procured for four facilities, which covered 2,929 MWh and saved 1,065 metric tons of CO2e in 2022. The onsite solar array in Paso Robles built in 2017 generated 907 MWh of electricity in 2022, which equates to 212 metric tons of CO2e. Additionally, we also completed a third-party verification of our scope 1 and scope 2 emissions in 2022 for greater accuracy.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

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**C4.2**

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Other climate-related target(s)

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**C4.2b**



**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

**Target reference number**

Oth 1

**Year target was set**

2021

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Intensity

**Target type: category & Metric (target numerator if reporting an intensity target)**

Energy consumption or efficiency	MWh
----------------------------------	-----

**Target denominator (intensity targets only)**

unit revenue

**Base year**

2021

**Figure or percentage in base year**

0.0000789

**Target year**

2024

**Figure or percentage in target year**

0.0000671

**Figure or percentage in reporting year**

0.0000728

**% of target achieved relative to base year [auto-calculated]**

51.6949152542373

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

Yes, this target is part of Zurn Elkay's GHG emissions intensity reduction target (Ref ID – Int 1), as Zurn Elkay's GHG emissions are driven by energy usage, which is largely a function of lighting, heating and cooling our facilities.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain target coverage and identify any exclusions**

Reduce company-wide energy consumed per US dollar of operating revenue by 15% by 2024.

**Plan for achieving target, and progress made to the end of the reporting year**

The combination of Zurn Elkay in 2022 changed our company's overall energy usage baseline due to higher energy requirements at certain Elkay manufacturing facilities. Our adjusted 2021 baseline is 78.9 MWh/\$M revenue; in 2022 our energy intensity measured 72.8 MWh/\$M revenue, a 7.8% year-over-year reduction in energy intensity for the combined Zurn Elkay. We are committed to reducing our overall energy consumption and have set a target to reduce our energy intensity (normalized against revenue) by 15% by 2024 (compared to our 2021 baseline). We include energy management in our annual strategic planning process to help us progress on our targets. To gain a better understanding of our energy usage and develop appropriate energy reduction plans, we launched an energy maturity assessment at our top 10 energy-using facilities to examine a range of energy reduction measures, including lighting, HVAC, air compressors, variable speed drives and heat capture. Starting this process at our 10 highest energy-using facilities will enable a deeper dive into energy saving opportunities and our development of detailed, site-specific project road maps for achieving our energy intensity reduction goal. Along with this top-down assessment of our energy use, we are also expanding our efforts to engage associates directly in our energy reduction efforts. In 2023, we will be extending the use of Energy Councils to all Zurn Elkay facilities. Energy councils include key personnel such as managers and plant maintenance professionals who have detailed knowledge of each site's energy use. Engaging these teams in discussions about our companywide energy reduction targets will help us solicit new ideas for energy reduction projects at each facility.

**List the actions which contributed most to achieving this target**

<Not Applicable>

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	9	1839
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	4	1661
Not to be implemented	0	0

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Energy efficiency in buildings	Lighting
--------------------------------	----------

**Estimated annual CO2e savings (metric tonnes CO2e)**

187

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Please select

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

60000

**Investment required (unit currency – as specified in C0.4)**

190000

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

We are continually evaluating our buildings, equipment, and processes to reduce the amount of electricity we use at our facilities. Lighting in our manufacturing facilities, warehouses and offices represents a significant portion of our overall energy use. Modern LED fixtures offer a way to reduce our energy use and improve working conditions. They are 60% to 80% more efficient than traditional fixtures yet provide better illumination for the safety and productivity of our associates. In 2022, we surveyed our facilities to determine their percentage of LED lighting use, and the results identified 12 facilities that are priority targets for lighting upgrades. Two of the projects completed in 2022 demonstrate the impact of this program. Our warehouse in Commerce, Texas, was one of the largest electricity user in the Zurn Elkay footprint due to its antiquated lighting system. In 2022, we executed a lighting upgrade initiative at this facility that replaced 216 warehouse fixtures, 270 office fixtures and 36 exterior/parking lot fixtures with high efficiency LED fixtures, which will save more than 327 MWh of electricity annually and reduce our GHG emissions by 122 metric tons. At our warehouse in Norcross, Ga., we replaced 208 fixtures with high-efficiency LED lights, saving more than 173 MWh of electricity annually and reducing our GHG emissions by 65 metric tons of CO2e.

**Initiative category & Initiative type**

Energy efficiency in buildings	Other, please specify (Compressed Air)
--------------------------------	--

**Estimated annual CO2e savings (metric tonnes CO2e)**

45

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Please select

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

5300

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

1-2 years

**Comment**

The Just Manufacturing facility in Franklin Park, Illinois conducted a leak study on their compressed air system. The vendor used ultrasonic detection to identify and repair 31 compressed air leaks throughout the facility. This resulted in an estimated annual savings of 122 MWh and 45 metric tons CO2e. The study was free to Zurn Elkay due to rebates available.

**Initiative category & Initiative type**

Other, please specify	Other, please specify (REC's)
-----------------------	-------------------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

1065

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Please select

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

20000

**Payback period**

No payback

**Estimated lifetime of the initiative**

11-15 years

**Comment**

We signed contracts with utility providers at four of our facilities to purchase renewable energy certificates (RECs) covering 2,929 MWh in 2022, which equates to 1,065 metric tons of CO2e.

**Initiative category & Initiative type**

Energy efficiency in production processes	Process optimization
---	----------------------

**Estimated annual CO2e savings (metric tonnes CO2e)**

364

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Please select

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

75000

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

6-10 years

**Comment**

This initiative is to reduce the temperatures of wash tanks and ovens in several of our facilities to reduce natural gas usage. More details can be found on page 36 of the 2022 Sustainability Report. The annual monetary savings was calculated using the annual energy savings of 2,019 MWh. A cost of natural gas savings was calculated using \$11.34/thousand cf from the U.S. Natural Gas Prices (eia.gov), which translates to approximately \$37.56/MWh. The investment required was \$0 because we lowered the temperatures ourselves and assessed quality accordingly.

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Employee engagement	In order to get energy reduction projects financed, which in turn can lead to emissions reductions, our risk management department engages employees at plant sites. Projects are brainstormed, vetted, and implemented using budgets available at each facility.
Financial optimization calculations	Some of our manufacturing facilities are located in states which have incentive programs to help finance projects related to energy efficiency. In these states we actively work with the utility and pursue opportunities to make project financing more attractive to our internal decision makers.
Internal incentives/recognition programs	We recently launched the Zurn Elkay Water Solutions associate-led Social Impact Fund. The Fund provides financial backing and resources for innovative associate ideas that help our company advance our ESG efforts. Our future depends on our ability to act responsibly with the relentless pursuit of sustainable progress, which is fueled by the innovative ideas of our associates. Through the ideas our associates bring forward, we can transform the communities where we live and work.

**C4.5**

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes



**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

**Level of aggregation**

Product or service

**Taxonomy used to classify product(s) or service(s) as low-carbon**

The EU Taxonomy for environmentally sustainable economic activities

**Type of product(s) or service(s)**

Other	Other, please specify (Energy-efficient Hand Dryers; )
-------	--

**Description of product(s) or service(s)**

Zurn's Hand Dryers help customers avoid GHG emissions by replacing paper towels use.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

Yes

**Methodology used to calculate avoided emissions**

Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

Use stage

**Functional unit used**

Hand dryers: (paper towels/year)

**Reference product/service or baseline scenario used**

Hand Dryers: Avoided GHG emissions were based on the mass of paper towels avoided/saved, which is more than 4 billion paper towels.

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

Use stage

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

62500

**Explain your calculation of avoided emissions, including any assumptions**

In 2022, our energy-efficient hand dryers eliminate the need for paper towels, helping prevent deforestation that contributes to climate change. We estimate that our touchless hand dryers replace more than 4 billion paper towels per year and save more than 166,000 trees per year. Avoided GHG emissions were based on the mass of paper towels saved and results in 166 metric tons of CO2e avoided. Estimated avoided emissions and GHG positive impacts were calculated using the Environmental Paper Network's Paper Calculator, which was as created and originally launched in 2005 by the Environmental Defense Fund (EDF).

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

7

**Level of aggregation**

Product or service

**Taxonomy used to classify product(s) or service(s) as low-carbon**

The EU Taxonomy for environmentally sustainable economic activities

**Type of product(s) or service(s)**

Other	Other, please specify (Zurn Elkay's PEX piping systems for plumbing and heating)
-------	--

**Description of product(s) or service(s)**

Zurn Elkay's PEX piping systems for plumbing and heating conserve water and reduce energy usage.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

Yes

**Methodology used to calculate avoided emissions**

Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

Use stage

**Functional unit used**

PEX piping system: baseline energy consumption (kWh/year)

**Reference product/service or baseline scenario used**

PEX Piping systems: Avoided GHG emissions were based on the customer energy savings of 6.8 Million kWh in 2022.

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

Use stage

**Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario**

2500

**Explain your calculation of avoided emissions, including any assumptions**

In 2022, our PEX piping systems helped customers save 6.8 million kwh of energy. The avoided energy use results in a savings of 2,500 MT CO2e, based on 2021 US average energy intensity.

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

7

C5. Emissions methodology

C5.1

**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

C5.1a

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

**Row 1**

**Has there been a structural change?**

Yes, an acquisition

**Name of organization(s) acquired, divested from, or merged with**

On July 1, 2022, we completed the Elkay acquisition following which we changed our name to "Zurn Elkay Water Solutions Corporation". As such, we are submitting the 2023 CDP Climate Change Questionnaire as "Zurn Elkay Water Solutions" for the first time. Zurn and Elkay were treated as a single company for the entirety of calendar year 2022 as if the organization was combined since January 1, 2022 from an emissions and financial reporting perspective.

**Details of structural change(s), including completion dates**

Acquired Elkay Manufacturing Company on July 1, 2022.

C5.1b

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

**(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?**

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, market-based	Yes our baseline emissions were recalculated. The combination of Zurn Elkay and Elkay in 2022 required us to consolidate energy and emissions data between the two companies, recalculate our base year GHG emissions in accordance with the GHG Protocol Corporate Accounting Standard, analyze the results and incorporate this new information into our strategic planning process.	Yes

C5.2

**(C5.2) Provide your base year and base year emissions.**

**Scope 1**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

13254

**Comment**

n/a

**Scope 2 (location-based)**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

17440

**Comment**

n/a

**Scope 2 (market-based)**

**Base year start**

January 1 2021

**Base year end**

December 31 2021

**Base year emissions (metric tons CO2e)**

17440

**Comment**

n/a

**Scope 3 category 1: Purchased goods and services**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

256017

**Comment**

n/a

**Scope 3 category 2: Capital goods**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

7237

**Comment**

**Scope 3 category 4: Upstream transportation and distribution**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

28442

**Comment**

**Scope 3 category 5: Waste generated in operations**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

7796

**Comment**

**Scope 3 category 6: Business travel**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

872

**Comment**

**Scope 3 category 7: Employee commuting**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

5663

**Comment**

**Scope 3 category 8: Upstream leased assets**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3 category 9: Downstream transportation and distribution**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

9906

**Comment**

**Scope 3 category 10: Processing of sold products**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3 category 11: Use of sold products**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3 category 12: End of life treatment of sold products**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant



**Scope 3 category 13: Downstream leased assets**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3 category 14: Franchises**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3 category 15: Investments**

**Base year start**

January 1 2022

**Base year end**

December 31 2022

**Base year emissions (metric tons CO2e)**

**Comment**

Category not relevant

**Scope 3: Other (upstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**Scope 3: Other (downstream)**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

**C5.3**

---

**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Climate Registry: General Reporting Protocol

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

US EPA Mandatory Greenhouse Gas Reporting Rule

Other, please specify (US EPA Center for Corporate Climate Leadership: Scope 3 Category 6: Business Travel)

**C6. Emissions data**

---

**C6.1**

---

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**  
13256

**Start date**  
January 1 2022

**End date**  
December 31 2022

**Comment**  
Reporting year

**Past year 1**

**Gross global Scope 1 emissions (metric tons CO2e)**  
13254

**Start date**  
January 1 2021

**End date**  
December 31 2021

**Comment**  
Past year emissions have been restated to include acquisitions.

**C6.2**

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**  
We are reporting a Scope 2, location-based figure

**Scope 2, market-based**  
We are reporting a Scope 2, market-based figure

**Comment**  
We are reporting a Scope 2, market-based figure calculated using Renewable Energy Certificates (RECs) and regional or subnational emission factors, as specified in GHG Protocol Scope 2 Guidance.

**C6.3**

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**  
14331

**Scope 2, market-based (if applicable)**  
13264

**Start date**  
January 1 2022

**End date**  
December 31 2022

**Comment**  
Reporting year.

**Past year 1**

**Scope 2, location-based**  
17440

**Scope 2, market-based (if applicable)**  
17440

**Start date**  
January 1 2021

**End date**  
December 31 2021

**Comment**  
Past year emissions have been restated to include acquisitions.

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### **Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

256017

**Emissions calculation methodology**

Average data method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Emissions from purchased goods and materials were estimated by collecting data on the mass (e.g., kilograms or pounds) of materials purchased, as available, and multiplying by the relevant secondary (e.g., industry average) emission factors (e.g., average emissions per unit of material).

### **Capital goods**

**Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Zurn Elkay's Elkay's water management products and business model consists of primarily assembly of sub-components and intermediate parts into finished products, which does not require significant investment in capital goods. Therefore we do not rely upon capital equipment in any significant way.

### **Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

7237

**Emissions calculation methodology**

Fuel-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Fuel and energy related activity emissions use published DEFRA emission factors to calculate emissions utilizing the same primary data as Scope 1 and 2 emissions.

### **Upstream transportation and distribution**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

28442

**Emissions calculation methodology**

Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Emissions were calculated using the distance-based method, which involves determining the mass, distance, and mode of each shipment, then applying the appropriate mass-distance emission factor for the vehicle or mode of transportation used.

## Waste generated in operations

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

7796

### Emissions calculation methodology

Waste-type-specific method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Emissions were calculated using the waste-type-specific method, which involves using emission factors for specific waste types and waste treatment methods based on the amount of waste disposed.

## Business travel

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

872

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Emissions were calculated using the distance-based method, which involves determining the distance and mode of business trips, then applying the appropriate emission factor for the mode of travel used, such as air travel, truck, and car.

## Employee commuting

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

5663

### Emissions calculation methodology

Average data method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Emissions were calculated using the average-data method, which involves estimating emissions from employee commuting based on average (e.g., national) data on commuting patterns.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Not relevant for Zurn Elkay's business operations or business model as we do not own or operate upstream leased assets.

## Downstream transportation and distribution

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

9906

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Emissions were calculated using the distance-based method, which involves determining the mass, distance, and mode of each shipment, then applying the appropriate mass-distance emission factor for the vehicle or mode of transportation used.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Scope 3 GHG emissions from processing of sold products are not relevant to Zurn Elkay. Zurn Elkay's products are delivered complete and operational and do not require significant additional processing by the customer. Products sold include building and site water management solutions that enhance water quality, safety, flow control and conservation. These products do not require processing.

## Use of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Scope 3 GHG emissions from use of sold products are not relevant. Our sold products consist of engineered water management products that do not require a material amount of power and do not produce significant GHG emissions from use.

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

The end of life treatment of sold products is very minor in comparison to other Scope 3 categories and is further diminished by the long life-cycle of our products.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Not relevant for Zurn Elkay as we do not own or operate downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Emissions in reporting year (metric tons CO2e)

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

Not relevant for Zurn Elkay as we do not own or operate franchises.

**Investments****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant for Zurn Elkay's business operations or business model.

**Other (upstream)****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant for Zurn Elkay's business operations or business model as we do not own or operate upstream leased assets.

**Other (downstream)****Evaluation status**

Not relevant, explanation provided

**Emissions in reporting year (metric tons CO2e)**

<Not Applicable>

**Emissions calculation methodology**

<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

**Please explain**

Not relevant for Zurn Elkay as we do not own or operate downstream leased assets.

C6.5a

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**(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.**

**Past year 1**

**Start date**

January 1 2022

**End date**

December 31 2022

**Scope 3: Purchased goods and services (metric tons CO2e)**

256017

**Scope 3: Capital goods (metric tons CO2e)**

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

7237

**Scope 3: Upstream transportation and distribution (metric tons CO2e)**

28442

**Scope 3: Waste generated in operations (metric tons CO2e)**

7796

**Scope 3: Business travel (metric tons CO2e)**

872

**Scope 3: Employee commuting (metric tons CO2e)**

5663

**Scope 3: Upstream leased assets (metric tons CO2e)**

**Scope 3: Downstream transportation and distribution (metric tons CO2e)**

9906

**Scope 3: Processing of sold products (metric tons CO2e)**

**Scope 3: Use of sold products (metric tons CO2e)**

**Scope 3: End of life treatment of sold products (metric tons CO2e)**

**Scope 3: Downstream leased assets (metric tons CO2e)**

**Scope 3: Franchises (metric tons CO2e)**

**Scope 3: Investments (metric tons CO2e)**

**Scope 3: Other (upstream) (metric tons CO2e)**

**Scope 3: Other (downstream) (metric tons CO2e)**

**Comment**

n/a

**C-CG6.6**

**(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?**

	Assessment of life cycle emissions	Comment
Row 1	Yes	We initiated our first product lifecycle analysis (LCA) in 2022 to document the end-to-end environmental impact of our U.S.-made stainless steelsinks—one of Elkay's bestselling products. By conducting LCAs alongside environmental product declarations and health product declarations we give our customers additional confidence when choosing Zurn Elkay products to achieve their own sustainability goals.

**C-CG6.6a**

**(C-CG6.6a) Provide details of how your organization assesses the life cycle emissions of its products or services.**

	Products/services assessed	Life cycle stage(s) most commonly covered	Methodologies/standards/tools applied	Comment
Row 1	Representative selection of products/services	Cradle-to-grave	ISO 14040 & 14044	In 2022, we have initiated our first end to end LCA of our stainless-steel sinks. This lifecycle analysis is being conducted alongside Environmental Product Declarations and Health Product Declarations.

**C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

**Intensity figure**

0.000017

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

26519

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

1580500000

**Scope 2 figure used**

Market-based

**% change from previous year**

**Direction of change**

<Not Applicable>

**Reason(s) for change**

Change in renewable energy consumption  
Other emissions reduction activities  
Divestment

**Please explain**

Emissions went down due to several energy efficiency measures, onsite solar generation and procurement of RECs.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	13242	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	0.25	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	0.03	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Canada	1989
United States of America	166
Mexico	11101

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By business division
- By facility
- By activity



### C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Zum	4836
Elkay	8281
Corporate HQ	139

### C7.3b

**(C7.3b) Break down your total gross global Scope 1 emissions by business facility.**

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
USA - AZ - 3602 W Washington St, Phoenix	309	33.448482	-112.137158
USA - CA - 1747 Commerce Way, Paso Robles	134	35.60996	-120.652974
USA - GA - 6280 Best Friend Rd, Norcross	0	33.920226	-84.219481
USA - IL - 340 County Line Rd, Bensenville	144	41.947842	-87.921755
USA - IL - 9233 King St, Franklin Park	464	41.939707	-87.857124
USA - NC - 5900 Elwin Buchanan Dr, Sanford	90	35.554526	-79.18254
USA - OH - 7420 Clover Ave, Mentor	54	41.663014	-81.376169
USA - PA - 1301 Raspberry St, Erie	1432	42.114556	-80.1029
USA - PA - 1801 Pittsburgh Ave, Erie	82	42.100899	-80.123667
USA - TX - 116 Maple St, Commerce	30	33.233292	-95.878751
USA - TX - 2055 Luna Rd, Carrollton	94	32.934527	-96.9241
USA - WI - 511 W Freshwater Way, Milwaukee	139	43.028452	-87.917162
CAN - AB - 2550 61st Ave SE, Calgary	991	50.999605	-113.999618
CAN - ON - 7900 Goreway Dr, Brampton	54	43.729516	-79.656701
CAN - ON - 880 Rangeview Rd, Mississauga	483	43.5719	-79.55973
CAN - ON - 965 Syscon Rd, Burlington	460	43.392999	-79.75561
MEX - SLP - San Luis Potosi	166	22.155	-100.978
USA - NC - 880 Caton Rd, Lumberton	4315	34.642	-79.074
USA - NC - 855 Caton Rd, Lumberton	76	34.641	-79.075
USA - IL - 6400 Penn Ave, Savanna	399	42.082	-90.117
USA - IL - 2700 S. 17th St, Broadview	1495	41.851	-87.853
USA - UT - 551 S. Depot Dr, Ogden	581	41.254	-111.999
USA - IL - 105 N. Rochester St, Lanark	499	42.104	-89.828
USA - IL - 1750 S Lincoln St, Freeport	547	42.276	-89.6
USA - VA - 2000 Cane Creek Parkway, Ringgold	6	36.599	-79.312
USA - GA - 4170 JVL IND Park Dr, Marietta	46	34.054	-84.517
USA - UT - 3365 W 500 S, Ste 400, Salt Lake City	45	40.757	-111.971
USA - OH - 7610 New West Rd, Toledo	80	41.683	-83.726
USA - IL - 1333 Butterfield Rd, Downers Grove	26	41.854	-87.854

### C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Corporate Office	77
Manufacturing	12520
Warehouse	488

### C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.**

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	899	899
United States of America	12939	11872
Mexico	493	493

## C7.6

### (C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By business division
- By facility
- By activity

## C7.6a

### (C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Zurn	4387	3320
Elkay	9741	9741
Corporate HQ	202	202

## C7.6b

### (C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
USA - AZ - 3602 W Washington St, Phoenix	159	159
USA - CA - 14650 Miller Ave, Fontana	114	114
USA - CA - 1747 Commerce Way, Paso Robles	27	27
USA - GA - 6280 Best Friend Rd, Norcross	151	151
USA - IL - 340 County Line Rd, Bensenville	201	64
USA - IL - 9233 King St, Franklin Park	603	155
USA - NC - 3700 Regency Parkway, Cary	132	132
USA - NC - 5900 Elwin Buchanan Dr, Sanford	187	187
USA - OH - 7420 Clover Ave, Mentor	168	168
USA - PA - 1301 Rasperry St, Erie	438	128
USA - PA - 1801 Pittsburgh Ave, Erie	222	49
USA - TX - 116 Maple St, Commerce	735	735
USA - TX - 2055 Luna Rd, Carrollton	136	136
USA - TX - 4894 Interstate Hwy 30, Caddo Mills	216	216
USA - WI - 511 W Freshwater Way, Milwaukee	202	202
CAN - AB - 2550 61st Ave SE, Calgary	844	844
CAN - ON - 7900 Goreway Dr, Brampton	7	7
CAN - ON - 880 Rangview Rd, Mississauga	24	24
CAN - ON - 965 Syscon Rd, Burlington	25	25
MEX - SLP - San Lusi Potosi	493	493
USA - NC - 880 Caton Rd, Lumberton	3687	3687
USA - NC - 855 Caton Rd, Lumberton	378	378
USA - IL - 6400 Penn Ave, Savanna	1829	1829
USA - IL - 2700 S. 17th St, Broadview	1267	1267
USA - UT - 551 S. Depot Dr, Ogden	589	589
USA - IL - 105 N. Rochester St, Lanark	532	532
USA - IL - 1750 S Lincoln St, Freeport	281	281
USA - VA - 2000 Cane Creek Parkway, Ringgold	191	191
USA - GA - 4170 JVL IND Park Dr, Marietta	69	69
USA - UT - 3365 W 500 S, Ste 400, Salt Lake City	12	12
USA - OH - 7610 New West Rd, Toledo	150	150
USA - IL - 1333 Butterfield Rd, Downers Grove	151	151
USA - CA - 4144 South Airport Way, Stockton	33	33
USA - MS - 6332 Commercial Dr, Olive Branch	79	79

## C7.6c

### (C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Corporate Office	202	202
Zurn	4387	3320
Elkay	9741	9741

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1065	Decreased	3.5	Zurn Elkay total scope 1 and scope 2 emissions decreased by 3.5% in comparison to 2021 due to purchase of RECs
Other emissions reduction activities	187	Decreased	0.61	Zurn Elkay total scope 1 and scope 2 emissions decreased by 0.61% in comparison to 2021 due to several energy efficiency activities. Our warehouse in Commerce, Texas, was one of the largest electricity user in the Zurn Elkay. In 2022, we executed a lighting upgrade initiative at this facility that replaced 216 warehouse fixtures, 270 office fixtures and 36 exterior/parking lot fixtures with high efficiency LED fixtures, which will save more than 327 MWh of electricity annually and reduce our GHG emissions by 122 metric tons. At our warehouse in Norcross, Ga., we replaced 208 fixtures with high-efficiency LED lights, saving more than 173 MWh of electricity annually and reducing our GHG emissions by 65 metric tons of CO2e
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

This is our first year of reporting

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

### C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	73094	73094
Consumption of purchased or acquired electricity	<Not Applicable>	9966	31119	41084
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	908	<Not Applicable>	908
Total energy consumption	<Not Applicable>	10873	104212	115086

### C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

### C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Sustainable biomass**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

n/a

**Other biomass**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

n/a

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

n/a

**Coal**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

n/a

**Oil**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

n/a

**Gas**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

3094

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

1,036 Btu/scf heating value

**Other non-renewable fuels (e.g. non-renewable hydrogen)**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

n/a

**Total fuel**

**Heating value**

Unable to confirm heating value

**Total fuel MWh consumed by the organization**

3094

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

1,036 Btu/scf heating value

**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	908	908	908	908
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

**C8.2e**

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

**Country/area of low-carbon energy consumption**

United States of America

**Sourcing method**

Unbundled procurement of energy attribute certificates (EACs)

**Energy carrier**

Electricity

**Low-carbon technology type**

Solar

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

2929

**Tracking instrument used**

US-REC

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

United States of America

**Are you able to report the commissioning or re-powering year of the energy generation facility?**

No

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

<Not Applicable>

**Comment**

RECs were started to be procured from 2022.

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C8.2g

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**(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.**

**Country/area**

Canada

**Consumption of purchased electricity (MWh)**

3240

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

3240

**Country/area**

United States of America

**Consumption of purchased electricity (MWh)**

37754

**Consumption of self-generated electricity (MWh)**

908

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

38662

**Country/area**

Mexico

**Consumption of purchased electricity (MWh)**

999

**Consumption of self-generated electricity (MWh)**

0

**Is this electricity consumption excluded from your RE100 commitment?**

<Not Applicable>

**Consumption of purchased heat, steam, and cooling (MWh)**

0

**Consumption of self-generated heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

999

**C-CG8.5**

**(C-CG8.5) Does your organization measure the efficiency of any of its products or services?**

	Measurement of product/service efficiency	Comment
Row 1	Yes	Measure water savings efficiency and energy efficiency.

**C-CG8.5a**

**(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.**

**Category of product or service**

Other, please specify (Water Management Plumbing Components)

**Product or service (optional)**

WaterSense products including faucets, flushvalves, urinals, and toilets

**% of revenue from this product or service in the reporting year**

3

**Efficiency figure in the reporting year**

6.3

**Metric numerator**

Other, please specify (Million Gallons (of Water))

**Metric denominator**

Other, please specify (year)

**Comment**

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 have more than 850 faucet, toilet, flush valve and urinal models stamped with the WaterSense label. Being WaterSense certified means products use at least 20% less water than regular models.

**C9. Additional metrics**

**C9.1**

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**Description**

Other, please specify (Percent Revenue from Sustainable Products)

**Metric value**

86

**Metric numerator**

%

**Metric denominator (intensity metric only)**

No denominator; this is not an intensity metric

**% change from previous year**

16

**Direction of change**

Increased

**Please explain**

Zurn Elkay tracks revenue from products that support climate change mitigation (i.e., energy efficient products and products that reduce greenhouse gas [GHG] emissions) and products that support climate change adaptation (i.e., technological products for managing water usage). 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 Zurn Elkay's 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.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6-In 2022, Zurn Elkay generated 86% of our revenue from products with sustainable attributes and clean technology of which 61% of Zurn Elkay product sales incorporate recycled materials. TO9.6/C-TS9.6

**C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6**

**(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?**

	Investment in low-carbon R&D	Comment
Row 1	Yes	Zurn Elkay invests in R&D for World Dryer products, which are low-carbon.

**C-CG9.6a**

(C-CG9.6a) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

**Technology area**

Other, please specify (energy efficient products or efficiency drivers)

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

20

**R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)**

**Average % of total R&D investment planned over the next 5 years**

**Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan**

Zurn Elkay Water Solutions continually invests in research and development to create clean technology solutions that help our customers meet their water challenges and goals. Our energy-efficient hand dryers eliminate the need for paper towels, helping prevent deforestation that contributes to climate change. We estimate that our touchless hand dryers replace more than 4 billion paper plus towels per year and save more than 166,000 trees per year. VERDEdri is our most energy efficient touchless operating hand dryer, with its integrated High Efficiency Particulate Air (HEPA) filter, one unit can save 100+ trees during its lifetime.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Verification Statement for Scope 1 and 2 - 2022 -FINAL.docx  
ZurnElkaySustainability-Report2022FINAL\_V.pdf

**Page/ section reference**

Page 37 of 2022 sustainability report.

Page 2 of the verification statement

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

70

C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

Verification Statement for Scope 1 and 2 - 2022 -FINAL.docx

ZurnElkaySustainability-Report2022FINAL\_V.pdf

**Page/ section reference**

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

70

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**C10.2**

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, we do not verify any other climate-related information reported in our CDP disclosure

**C11. Carbon pricing**

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**C11.1**

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

**C11.2**

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**(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?**

No

**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers/clients

**C12.1a**

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**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Other, please specify (Environmental Impact survey and supplier self-assessments)

**% of suppliers by number**

6

**% total procurement spend (direct and indirect)**

**% of supplier-related Scope 3 emissions as reported in C6.5**

**Rationale for the coverage of your engagement**

We have expanded our Supplier Quality and Development Program to include an assessment of key environmental and social performance indicators. We have introduced the use of supplier surveys and contractual reviews and audits designed to identify negative environmental or social impacts, both actual and potential, and we are engaging with suppliers on sustainability initiatives. In 2022, 41 supplier surveys and audits were conducted to identify key sustainability risks and issues that we would incorporate into our Supplier Quality and Development Program.

**Impact of engagement, including measures of success**

Our Supplier Code of Conduct spells out Zurn Elkay Water Solutions' policies and expectations for suppliers. It must be signed annually by our top suppliers and complied with as part of all long-term supplier contracts. Currently, Zurn Elkay is developing a new process that will interweave the most effective elements of each Zurn and Elkay's approach to help us gather more data and enhance our ability to track progress toward our goals.

The Zurn Elkay Supplier Management Council regularly reviews supplier risks, monthly performances and audit results. In the event an incident or practice of noncompliance is identified, 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.

**Comment**

Zurn Elkay is investing in our information technology systems and auditing capabilities to further monitor supply chain compliance and drive sustainable sourcing.

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**C12.1b**

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**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement & Details of engagement**

Other, please specify	Other, please specify (LEED Building Standards - Sustainable building certification )
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**% of customers by number**

**% of customer - related Scope 3 emissions as reported in C6.5**

**Please explain the rationale for selecting this group of customers and scope of engagement**

We collaborate with our customers to help them achieve sustainability goals in building projects.

**Impact of engagement, including measures of success**

Zurn Elkay is a member of the US Green Building Council, which sponsors the LEED green building rating system. We design products that meet or exceed LEED standards helping our customers achieve certification for their building projects. We offer 850 products that carry EPA WaterSense certification. These products help building owners achieve water efficiency LEED points.

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**C12.2**

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**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

Yes, climate-related requirements are included in our supplier contracts

**C12.2a**

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**(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.**

**Climate-related requirement**

Complying with regulatory requirements

**Description of this climate related requirement**

Zurn Elkay sets the expectation that our top suppliers and long-term contracts sign off annually on our Supplier Code of Conduct and adhere to its principles. Zurn Elkay monitors adherence to the supplier Code of Conduct across the following, but not limited to, climate-related principles:

Environmental Protection: Comply with the environmental regulations, seek ways to conserve natural resources and energy, reduce waste and minimize adverse impacts on the environment.

Management System and Communication: Supplier shall ensure that this Code is communicated to its officers, directors, employees, representatives and agents, as appropriate, and flowed down to its subcontractors and suppliers.

Monitoring and Compliance: Supplier shall maintain all documentation necessary to demonstrate its compliance with this Code

Sustainable Sourcing and Conflict Minerals: Comply with the conflict minerals rules under the United States Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and related regulation that require Zurn Elkay to provide information regarding the presence of conflict minerals in its products. Zurn Elkay's due diligence program is performed in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. In 2022, we appointed a new Supply Chain Risk Management team to identify mitigation strategies and provide more focus to address supplier and material risk.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

**% suppliers by procurement spend in compliance with this climate-related requirement**

**Mechanisms for monitoring compliance with this climate-related requirement**

Supplier self-assessment

Grievance mechanism/Whistleblowing hotline

Supplier scorecard or rating

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

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**C12.3**

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**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, but we plan to have one in the next two years

**Attach commitment or position statement(s)**

<Not Applicable>

**Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan**

In December 2021, we joined the UN Global Compact, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices on human rights, labor, anti-corruption and the environment.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**C12.3b**

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**(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.**

**C12.4**

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**(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

ZurnElkaySustainability-Report2022FINAL\_V.pdf

**Page/Section reference**

**Content elements**

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics
- Other, please specify

**Comment**

Zurn Elkay Elkay Solutions’ 2022 Sustainability report includes an ESG Content Index with performance metrics from GRI and SASB sectors that apply to our business operations. We have added a table cross-referencing ESG topics covered within our Report and other Zurn Elkay Elkay Solutions published documents to the corresponding SASB Sustainable Industry Classification System code and GRI disclosure code. The ESG Content Index also references activities with which our business contributes to the UN Sustainable Development Goals (SDGs).

**C12.5**

**(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.**

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	UN Global Compact	In December 2021, we joined the UN Global Compact, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices on human rights, labor, anti-corruption and the environment.

**C15. Biodiversity**

**C15.1**

**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, executive management-level responsibility	<p>ESG Committee Chair oversees the management of our ESG efforts and hence overlooks bio-diversity and community activities.</p> <p>The Elkay Foundations for Youth Program aims to protect our ecosystem by preventing waste generated from single-use plastics. In 2022, we donated 101 Elkay ezH2O bottle filling stations to city facilities and non-profits to reduce plastic waste from single-use plastics through this program. We also continued our partnership with 501CThree, a non-profit that helps in providing alternatives to single-use plastic bottles for communities experiencing a water crisis.</p> <p>Our associate giving program provided each US associate up to \$5000 in matching gifts for any qualified charitable contributions made to organizations including Urban Ecology Center, Living Land Waters, Habitat for Humanity etc. Our associates also participated in a Living Lands &amp; Waters volunteer event, planting 140 trees in all the public parks throughout Savanna.</p>	<Not Applicable>

**C15.2**

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	<Not Applicable>	SDG

**C15.3**

**(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?**

**Impacts on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**Dependencies on biodiversity**

**Indicate whether your organization undertakes this type of assessment**

No, but we plan to within the next two years

**Value chain stage(s) covered**

<Not Applicable>

**Portfolio activity**

<Not Applicable>

**Tools and methods to assess impacts and/or dependencies on biodiversity**

<Not Applicable>

**Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)**

<Not Applicable>

**C15.4**

**(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?**

Not assessed

**C15.5**

**(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection

**C15.6**

**(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Other, please specify (n/a)

**C15.7**

**(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Other, please specify (Bio-diversity related volunteering and community activities )	ZurnElkaySustainability-Report2022FINAL_V.pdf

**C16. Signoff**



(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

### C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Sustainability Manager	Environment/Sustainability manager

### SC. Supply chain module

#### SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Zurn Elkay has chosen to allocate emissions to customers based on a revenue ratio.

#### SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	1580500000

#### SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

**Requesting member**

Ferguson plc

**Scope of emissions**

Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not Applicable>

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

13264

**Uncertainty (±%)**

**Major sources of emissions**

**Verified**

Yes

**Allocation method**

Other, please specify (Allocation based on sales revenue.)

**Market value or quantity of goods/services supplied to the requesting member**

346000000

**Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The requesting customer accounts for 22% of net sales. The figure provided is the pro-forma value as if Zurn and Elkay were one company starting January 1, 2022 to align with the emissions data provided.

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**Requesting member**

Ferguson plc

**Scope of emissions**

Scope 1

**Scope 2 accounting method**

<Not Applicable>

**Scope 3 category(ies)**

<Not Applicable>

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

13256

**Uncertainty (±%)**

**Major sources of emissions**

**Verified**

Yes

**Allocation method**

Other, please specify (Allocation based on sales revenue.)

**Market value or quantity of goods/services supplied to the requesting member**

346000000

**Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The requesting customer accounts for 22% of net sales. The figure provided is the pro-forma value as if Zurn and Elkay were one company starting January 1, 2022 to align with the emissions data provided.

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SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Resources and measuring tools are not present to completely track this data.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Lack of resources.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms