



Annual Communication on Progress (CoP)

Time Period Covered: January – December 2025

Zurn Elkay Water Solutions Corporation

July 2026

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Statement of Continued Support from Our CEO

To our stakeholders:

I am pleased to confirm that Zurn Elkay Water Solutions reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and the ten principles into our business strategy, culture, and daily operations.

We continued to uphold these principles in 2025, and we are guided by a comprehensive and uniform sustainability strategy led by our Board-level Sustainability Committee. We have focused intensely in recent years on addressing climate-related risks, which includes our alignment with the Global Compact, by setting actionable targets, and transitioning from the TCFD Recommendations to the IFRS Sustainability Disclosure Standards, among other efforts. However, our sustainability strategy is about more than managing risks. As a global leader in water management solutions, we are uniquely capable of solving complex water challenges on behalf of our global stakeholders.

Our mission at Zurn Elkay Water Solutions aligns directly with UN SDG Goal 6: to ensure availability and sustainable management of water and sanitation for all. Addressing water-related crises is central to our sustainability strategy and essential to how we drive the Zurn Elkay business forward. Our commitment to clean technology innovation and continuous improvement keeps us focused on expanding our line of products that conserve water, contribute to a cleaner environment, protect human health and hydration, save energy and reduce the use of plastics and other nonrenewable resources.

We are committed to sharing this information with our stakeholders using our primary channels of communication and have communicated these efforts in our 2025 Sustainability Report.

Sincerely,



Todd A. Adams
Chairman and CEO
Zurn Elkay Water Solutions

Governance

As initial signatories to the United Nations (UN) Global Compact in 2021, we incorporated the Ten Principles of the UN Global Compact across our sustainability strategy that year. We continued to uphold these principles over the past several years as we aligned Zurn Elkay under a comprehensive and uniform sustainability strategy. In support of this, we have continued to build on our commitments under a strong governance and oversight program as follows:

- **Governance Structure:** We drive our commitment to strong governance and ethical business practices from the highest levels of our organization. Zurn Elkay's robust governance and ethics strategy includes clearly defined structures, policies and practices that embed our commitment to integrity across our business and to ensure we are transparent and accountable to all our stakeholders. The Zurn Elkay Board of Directors represents our shareholders while ensuring sound, proper governance. An experienced Board, it is composed of accomplished professionals with diverse backgrounds and expertise, benefits the company and shareholders. We currently have 40% diverse representation on our Board, and nine out of the ten directors are independent under applicable New York Stock Exchange rules. Four Board committees oversee specific functions at Zurn Elkay including Audit, Compensation, Nominating and Corporate Governance, and Sustainability.
- **Board Oversight of Sustainability:** We reflect our commitment to being a Sustainably Inspired company in the robust governance structure we created to incorporate sustainable practices throughout Zurn Elkay. Our governance and implementation strategy embeds sustainability practices across Zurn Elkay. Oversight of this strategy is shared by The Board of Directors and our executives and communicated to associates through policies that guide everyday work. The Board's Sustainability Committee sets policy, monitors performance and responds to sustainability-related issues that affect shareholders and other stakeholders. The committee's responsibilities include monitoring performance on sustainability-related initiatives, reporting on sustainability activities and responding to shareholders and other stakeholders on sustainability-related matters.
- **Executive Responsibilities for Sustainability:** Our internal Sustainability Steering Committee is responsible for the daily implementation of our sustainability strategy. The committee, which meets monthly, includes a cross-functional team of Zurn Elkay leaders who use their business expertise and deep knowledge of our sustainability commitments to create and refine our goals, improve our sustainability strategies, establish effective policies and enhance reporting to stakeholders. Our incentive compensation for company leaders may incorporate a link to sustainability performance via a personal performance factor, which may include sustainability-related goals the executive is responsible for leading and achieving.

We actively use and promote the UN Global Compact Principles and are dedicated to improving the transparency of corporate reporting. A description of our actions and measurement of outcomes in the four key areas of human rights, labor, environment, and anti-corruption is included in the following sections.

Section 1: Labor & Human Rights

1.1 Actions

Commitment

At Zurn Elkay we are committed to embedding sustainability into every aspect of our supply chain while also maintaining the highest ethical standards in all our business practices. We understand that our environmental and social responsibilities extend far beyond our operations, and we aim to take proactive measures within our supply chain to ensure that our sourcing, production and delivery processes reflect our values.

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

We are committed to providing a work environment that encourages our associates to feel comfortable being their true selves, so they can perform their best and grow their career with Zurn Elkay. Inclusion is built into our key programs, processes and supply chain. Promoting a sense of belonging is at the heart of both our inclusion and belonging efforts and our core value of total associate engagement. We believe associates who feel they are part of a team are more likely to contribute their energy and creativity toward Zurn Elkay's mission and will be more inclined to build rewarding careers with us.

System

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

The focus of our human rights training rotates annually to cover issues such as modern slavery in the supply chain and child labor. In 2025, training topics included antitrust, sexual harassment (for associates in certain states), data privacy and human rights, including identifying types of labor violations such as debt bondage.

Beyond these measures, we conduct thorough investigations of any potential product safety issues to identify root causes, take corrective action and, if necessary, publicly report any product safety issues. We maintain detailed performance monitoring through self-audits, quarterly and annual third-party product safety audits and field investigations to help us continuously improve product safety and customer satisfaction. In addition to that, the safety of our associates is a top priority for our operations. We continually improve our safety program to protect our associates and further reduce our already world class total recordable incident rate (TRIR).

The People pillar of our sustainability strategy recognizes the importance of fostering an inclusive workplace for everyone and investing in our associates' success. To support that pillar, we have focused on integrating our expanded team into one community under a shared system of platforms, policies, and benefits. Our inclusion programs, including our Employee Resource Groups (ERGs), work to promote a more inclusive environment where all Zurn Elkay associates can bring their authentic selves to work. We have enhanced our compensation and benefits policies to attract, retain, incentivize, and reward associates. All Zurn Elkay associates are on an annual cash bonus plan and have the opportunity to participate in the Zurn Elkay Employee Stock Purchase Plan. The program launched in July 2024 with 311 participating associates in the U.S. and expanded to Canada in January 2025. By the end of the fourth quarter of 2025, we had 458 participants, approximately 23% of eligible associates. Shared ownership creates a strong alignment between their personal contributions and our company's success.

Activities

- **Human Rights Statement:** We have a stand-alone Human Rights Statement that we communicate to our associates and suppliers and provide annual human rights training for all our associates. Our Human Rights Statement aligns with UN Global Compact Principles 1 and 2, the Universal Declaration of Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.
- **Safety in our facilities:** Zurn Elkay operates under mature Environmental, Health and Safety (EHS) policies, which include local safety teams and centralized EHS professionals. Our Corporate Risk Management Team oversees the company's EHS efforts as part of the team's responsibilities for insurance, facilities, business continuity planning and security. This group provides general oversight and guidance to regional EHS staff, ensuring that all programs, training and supporting documents meet regulatory requirements. The Risk Management Department is led by the vice president of risk management, who reports directly to our Chief Administrative Officer (CAO). At each facility, programs are managed by regional EHS staff, who report to the corporate team.
- **Occupational Health and Safety Training:** Our Health and Safety Management System includes training for associates on health and safety practices to minimize the number and

severity of incidents. We require training for all associates upon hire and annually thereafter, in accordance with country- and state-specific EHS requirements and identified best practices. To meet these requirements, we assign each facility a compliance calendar that consists of 30 different EHS topics, including an emphasis on the five cardinal safety rules: Lockout/Tagout, Electrical Safety, Confined Spaces, Machine Guarding and Fall Protection. Formal hazard-recognition training is conducted by each site's EHS manager or a qualified designated trainer. On average, each Zurn Elkay shop associate receives 23 training hours on applicable topics annually.

- **Monitor and measure safety performance:** Every year, we strive for zero workplace injuries and we are working to make progress toward achieving our goal of reducing our TRIR by 10% by 2030 compared to our 2024 baseline. This goal demonstrates our commitment to reducing what is already a world class TRIR. This target includes all full- and part-time associates and contracted temporary workers but excludes third-party subcontractors. Notably, 86% of our sites operated for one year or more without a lost-time incident, reflecting the strength of our safety culture and operational discipline.

We diligently monitor our safety performance data to provide our teams with insights to make progress toward our TRIR reduction target. Our EHS managers' report biweekly on activities to enable the entire department to highlight certain programs or conduct awareness trainings to mitigate identified risks across the entire company. In 2025, we recorded zero workplace fatalities and continued to maintain a TRIR well below the industry benchmark of 2.6. We attribute our success to disciplined commitment to our Health and Safety Management System, which includes tools and processes for measuring safety performance and promoting continuous improvement.

- **Contractor Safety:** Contractors play an essential role in our operations, and we value their work and dedication. We extend the same commitment to safety at our facilities for these workers as we do for our direct associates. Our EHS program includes a robust Contractor Safety Program. We manage any contractor incidents through Zurn Elkay's incident investigation program to determine root causes and corrective actions. In 2025, we had zero injuries or fatalities to third-party contractors in our facilities.
- **Wellness Program:** We offer a comprehensive set of benefits to help our associates achieve better health. Participating associates and covered spouses earn points for preventative measures such as annual physicals, well-woman checkups, mammograms, colonoscopies and dental screenings, as well as lifestyle activities like tracking steps, weight management programs, volunteering, financial wellness programs and participating in annual challenges. Achieving a set target of wellness points earns associates a significant discount on healthcare premium costs. In 2025, 86% of our associates reached their goal to achieve wellness points.
- **Measure Associate Engagement:** Our Total Associate Engagement (TAE) survey measures employee engagement annually and is one of our values and a central focus of the Zurn Elkay Business System. Cultivating associate engagement ensures we can continue developing innovations that support our customers' needs. It also helps us

attract and retain talented associates who are essential to our company's long-term success. Our TAE Survey results continue to demonstrate year-over year improvement. For the second year in a row, participation remained at 95%, well above our 80% annual participation goal. Our engagement score rose to 76%, a two-point improvement from 2024 and a five-point increase since 2023.

- **Benefits:** We know that a comprehensive, high-quality suite of benefits is essential to attract and retain the talent we need. Our integrated package for Zurn Elkay includes medical, dental, vision, health savings accounts, life insurance, disability coverage, employee assistance program (EAP), dependent care Flexible Spending Account, telemedicine, and business travel accident coverage. We also offer a robust 401(k) retirement plan with a generous company match. Additional benefits include equity grant, bonus eligibility, family support, scholarships, wellness programs, parental leave, paid volunteer time, matching gifts for charities, employee referral bonus and paid sick time. In 2025, we also launched the Smart Connect Program, which allows all associates and their dependents, spouses, and friends to connect with a consultant on retiree medical needs and receive education on Medicare.
- **Professional Development:** We deliver training opportunities in a range of formats including leadership development programs, on-the-job training, virtual education, and peer-to-peer learning. As our associates grow and acquire new skills, they can continue developing the innovative water management solutions we need for the future. In 2025, we invested \$712,059 in associate development programs, and we set a goal to increase spending on professional development programs by 5% by the end of 2030.
- **Succession Planning:** Through the Zurn Elkay Business System, we have a systematic and comprehensive succession planning process in place that starts with creating a talent pipeline that is in line with our corporate strategy and goals, incorporates upward mobility into associate evaluations and fosters leadership roles through professional development. Annual comprehensive succession planning and development process delivering talent succession is provided for the top three levels of the organization.
- **Inclusion and Belonging:** Our CEO, CAO and VP of communications and sustainability oversee the execution of our inclusion and belonging strategy and ensure each Employee Resource Group (ERG) has executive sponsorship from a senior-level executive, including our CEO. Our associates participate in ongoing education and development, including annual Code of Conduct training that reinforces our commitment to an inclusive and respectful workplace.
- **Leadership Development:** We are committed to investing in our next generation of leaders. Our leadership development programs include Bridge to Business Program, which bridges the gap between engineering expertise and effective business leadership; Manager Development Programs; and RAPIDS Leadership Program for investing in future leadership and succession planning. In 2025, we launched the Ascent Point Leadership Program, which builds on our commitment to developing future leaders through education, mentoring and networking. The program helps prepare high-potential associates with the skills and connections needed to excel in leadership roles. Several other leadership pilot programs were launched in 2025, including a Change Management program, the Strategic Leadership Series hosted by the University of Wisconsin-Milwaukee business executive program, Growth Dynamics, and Pragmatic Marketing with the Pragmatic Institute.

- **Promoting Diverse Leadership:** We continue to offer our Women Unlimited Program, which offers a suite of programs to elevate our female talent into leadership roles, fostering success for both participants and our business. We also continued to have participation in the McKinsey & Company's Connected Leaders Academy program, a leadership development initiative designed to prepare associates to lead in an increasingly complex business environment. Through an immersive curriculum and personalized guidance, participants undergo transformational growth – acquiring the insights, skills and strategic acumen to navigate complexities, drive innovation, and lead effectively. Since 2022, we have had a total of 61 participants in this program.
- **Employee Resource Groups:** We believe associates perform best and contribute most when they are supported as their authentic selves, and our ERGs help provide that support. Each ERG is open to all associates for membership or to be an ally of the group. This year, we introduced two new ERGs: ZE Thrive, promoting health and well-being in our workplace, and ZE Field Good, connecting remote and field-based associates together.
- **Pay Equity:** We pride ourselves on paying for performance and conduct an annual pay equity review to ensure that qualifications like years of experience, education and prior work history influence associate pay, not gender.
- **Responsible Sourcing:** Our global supply chain organization takes proactive measures to promote responsible sourcing and uphold our standards to responsible, ethical, and sustainable business practices. All new suppliers go through a new supplier screening process that includes social and environmental criteria and we require all suppliers to sign our Supplier Code of Conduct. The rules of conduct cover human rights and labor practices, environmental, health and safety standards, and ethics, integrity and compliance. We perform on-site audits at least once every three years on our top 80% of suppliers based on spend to ensure that they meet our requirements with respect to applicable laws and working conditions, including laws against human trafficking and slavery.
- **Supplier Quality and Development Program:** Our Supplier Development program addresses any risks or issues identified in new supplier screening or by the Supplier Quality team. Suppliers who fail any of the screening questions, fail to reach a threshold score, or possess a concentration of low-scoring questions on a specific category, such as quality management, operations, or supply chain, may be invited to participate in the program. The program requires action steps, such as training, additional audits, sharing of best practices, and others to address the identified areas and a reassessment is conducted to evaluate if the necessary measures have been implemented to our standards. Our Supplier Management and Governance Council meets monthly to review current supplier risks as well as suppliers' social and environmental initiatives.
- **Supplier Diversity Program:** Our Supplier Diversity Program aims to increase domestic spending with suppliers owned by women, racial and ethnic minorities, LGBTQ+ individuals, disabled individuals, veterans or businesses located in HUB Zones, areas the Small Business Administration has designated as historically underutilized. In 2025, we

expanded our preferred supplier program, successfully onboarded new suppliers, and awarded additional business to existing partners, increasing our domestic spend directed to diverse businesses to 6.4%.

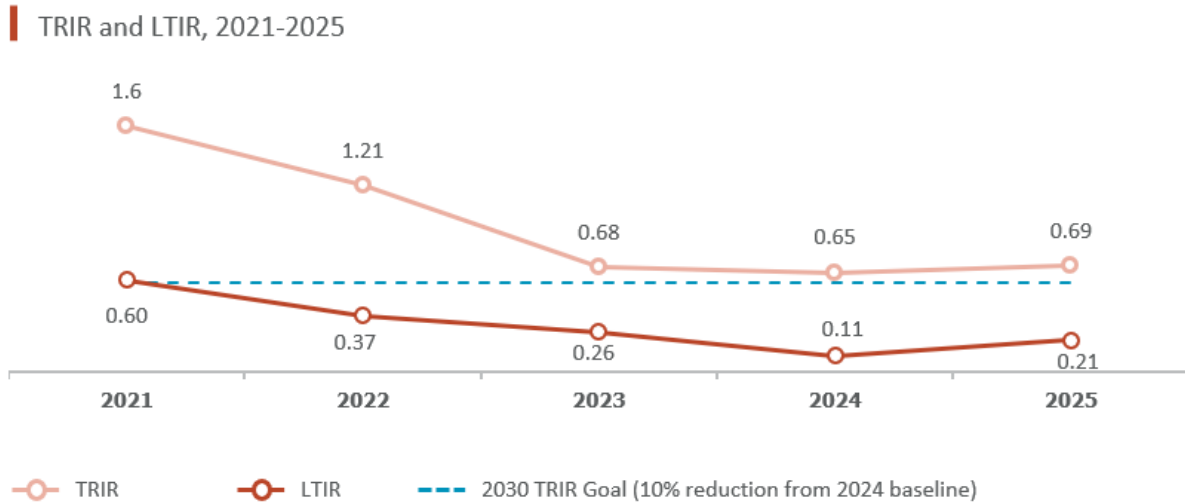
- **Critical and Conflict Materials Management:** Zurn Elkay is committed to sourcing components, raw materials and products from companies that share our values around human rights, ethics, and environmental responsibility. As such, the responsible sourcing of minerals is a fundamental element of our Conflict Minerals Policy. 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. We have a preliminary list of 14 critical materials and are working to determine a strategy to help ensure business continuity, which may include diversification of suppliers, stockpiling of materials, development or procurement of alternative and substitute materials and investments in recycling technology for critical materials. This research is ongoing.
- **Communities:** In addition to providing high-quality employment opportunities, Zurn Elkay supports a range of charities and community efforts through financial and in-kind contributions. We also encourage and support volunteerism and philanthropic giving among our associates, helping them strengthen their communities according to their own preferences and priorities. Both through direct corporate donations as well as through the Zurn Foundation, we focus our community philanthropic efforts on local organizations where we believe we can have the greatest positive impact. In keeping with our mission to provide clean water solutions, our community efforts place particular emphasis on areas where lead levels are high and resources are low. We are especially well positioned to respond to water-related crises quickly and effectively due to the nature of our work.

1.2 Outcomes

We track and measure our performance on an ongoing basis to ensure that we are continuously improving our workplace safety. We diligently monitor our safety performance data to provide our teams with the insights they need to make progress toward our goal of zero recordable workplace injuries. Our EHS managers' report bi-weekly on activities to enable the entire department to highlight certain programs or conduct awareness trainings to mitigate identified risks across the entire company.

In 2025, we recorded zero workplace fatalities and continued to maintain a TRIR well below the industry benchmark of 2.6. Notably, 86% of our sites operated for one year or more without a lost-time incident, reflecting the strength of our safety culture and operational discipline. Our performance demonstrates the effectiveness of our Occupational Health and Safety Management System, which supports proactive risk management, continuous learning and sustained improvement.

Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR), 2021-2025



Worker Health & Safety Metrics, Volunteerism, Donations and Diverse Supplier Spend	2025 Outcome
Total Recordable Incident Rate (TRIR) per 200,000 hours worked globally	0.69
Lost Time Incident Rate (LTIR) per 200,000 hours worked globally	0.21
Fatality Rate (number)	0
Employees participating in “best practice” health and well-being programs that help to reduce absenteeism and improve productivity (percentage)	86%
In total contributions from Zurn Elkay and the Zurn Foundation in 2025, including financial and product donations (USD)	\$1.9 Million
Hours of volunteer time (# hours)	4,901
Proportion of spending on local suppliers as percentage (%) of the procurement budget	42%
Diverse suppliers spend on businesses owned by women, minorities, disabled individuals, veterans, LGBTQ+ community members, and located in HUBZones (USD)	\$19,710,601

Labor Metrics, Human Capital, and Employee Demographics	2025 Outcome
Percentage of active workforce covered under collective bargaining agreements (percentage)	9.3%
Work stoppages (number)	0
Total Associate Engagement (TAE) Survey Response Rate (percentage)	95%
TAE Score - Employee engagement; conducted by third-party survey (percentage)	76%
Associate Inclusion Index Score (percentage)	81%
Total paid parental leave per associate (# days)	10 days
Females in the workforce, globally (percentage)	32%
Female representation in management, globally (percentage)	26%
Female representation on the Board of Directors (percentage)	30%
Minorities in the US workforce (percentage)	41%
Minorities in the US management (percentage)	20%



Success Story

The Zurn Elkay Corporate Safety Observation Program

Our Safety Observation Program equips associates with tools to help identify, communicate and address potential hazards in the workplace. Associates evaluate the following seven EHS topics: personal protective equipment, walking working surfaces, machine safety, material movement and storage, forklift and dock safety, hand tools and equipment, and line of fire. Any hazards identified during the evaluation are either immediately corrected, or they are actioned by site leadership and tracked during the facility's daily management meetings. These observations are collected by department and facility, which track participation, potentially unsafe conditions and corrective actions. We expanded the program to track safety observation data companywide and review it with site EHS managers on a biweekly basis. Site EHS managers provide monthly progress updates, highlighting key metrics, trends and examples of identified hazards. This information drives targeted safety alerts and additional training. We reduced sprain and strain incidents by 17% in 2025 through the Safety Observation Program.

Section 2: Environment

2.1 Actions

Commitment

Zurn Elkay seeks to promote environmental stewardship through sustainable water solutions and helping other sectors of the economy reduce their water usage, while seeking to minimize our own environmental footprint. Our commitment to clean technology innovation and continuous improvement keeps us focused on expanding our line of products that conserve water, contribute to a cleaner environment, protect human health and hydration, save energy, and reduce the use of plastics and other nonrenewable resources.

System

Across all operations, the Zurn Elkay Environmental Management System (EMS) focuses on three fundamental environmental principles: protecting air, water and land. To support those principles, we have developed a comprehensive framework for measuring our company's environmental aspects and impacts, identifying and mitigating risks, ensuring compliance with regulations and delivering on our commitment to continual improvement. Zurn Elkay's Corporate Risk Management Team oversees the company's EMS. At each facility, programs are managed by regional EHS managers, who report to the corporate team. We have created the policies and procedures in our EMS to reflect the values and principles laid out in UN Global Compact's Principles.

Activities

In 2025, we focused on making progress on our previously established targets. In the spirit of our core value of *Continuous Improvement*, we reduced our energy and GHG intensity, increased our use of renewable energy, reduced our water consumed, and validated 2 facilities as zero waste to landfill.

In addition to these achievements, we pursued continual improvement in our stewardship of the environments where we operate by launching several new initiatives and fine-tuning our strategies. We set new targets, improved our tracking measurement and analysis, increased associate engagement on environmental, health and safety matters, and developed more cohesive and effective systems.

- **Environmental Audits:** We conduct regular internal audits led by a dedicated associate to ensure consistent, accurate evaluation of compliance with our EMS regulatory requirements and best practices. One-third of our sites are audited annually, ensuring every facility is reviewed within a three-year cycle. Audits cover documentation, training, facility conditions and 11 key environmental topics. Findings are tracked in our online EHS system and must be closed within 90 days. We built our audit process based on regulatory requirements and best management practices to focus on three main requirements: documentation and training, facility conditions and associate interviews.

- **Energy Use:** We are committed to reducing our overall energy consumption and in 2025, we reduced energy intensity (normalized by revenue) by 28.1% from our 2021 baseline. We conducted energy maturity assessments on our top energy-using facilities to examine a range of energy reduction measures, including lighting, HVAC, air compressors, variable speed drives and heat capture. Assessment results showed LED lighting upgrades offer the greatest energy savings per dollar invested and can be applied to more than half our facilities; we are assessing plans to continue upgrades in our facilities.
- **Decarbonization Roadmap:** We are working to reduce our facilities' baseline energy use and GHG emissions, following the detailed roadmap we developed in 2023 for reducing our Scope 1 and 2 emissions. We continue to advance toward our 50% GHG intensity reduction goal, achieving a 44.3% decrease since our 2021 baseline. In addition to ongoing efficiency projects, we expanded the use of renewable energy through the purchase of renewable energy certificates (RECs) and the installation of rooftop solar panels at select facilities.
- **Scope 3 Emissions:** We continue to advance our process for collecting and refining Scope 3 emissions data to better understand and manage our value chain footprint. Since 2022, we have measured Scope 3 emissions annually in alignment with the GHG Protocol Corporate Value Chain Accounting and Reporting Standard across seven categories that are relevant to our business operations, based on an assessment with a third party. In 2025, we enhanced data quality and accuracy by incorporating more granular, primary data where available. For upstream transportation, we utilized supplier-provided emission factors specific to our international air and ocean carriers, resulting in more precise calculations than previous distance-based methods. We also began requesting energy data, such as natural gas, electricity and fuel use, from suppliers through our annual survey to establish a baseline for future engagement.
- **Sustainable Products:** Zurn Elkay provides a range of sustainable products that help customers avoid GHG emissions while providing other environmental benefits such as: the energy-efficient hand dryers replace paper towels, helping avoid GHG emissions in the energy-intensive paper manufacturing process; Zurn's PEX piping systems for plumbing and heating conserve water and reduce energy usage and; Elkay water bottle fillers reduce the substantial carbon footprint associated with the manufacturing and distribution of single-use plastic water bottles.
- **Renewable Energy:** Renewable energy is a core component of our decarbonization strategy. We have a target to source at least 25% of our electricity from renewable sources by 2030. In 2025, we purchased 5.9 million kilowatt hours (kWh) of renewable electricity through RECs and 20% of our total electricity came from renewable sources through RECs and on-site generation.
- **Responsible Water Management:** We employ a multi-tiered approach to our facilities' water management and share responsibility across the entire organization. Facility managers take the lead on monitoring and improving water consumption and intensity at their sites, reporting their efforts to the corporate EHS Team. Our president and vice president of Risk Management provide senior-level oversight for EHS staff and facility general managers. In addition, our Sustainability Steering Committee provides further oversight of companywide water management efforts. In 2025, we established a new goal to reduce water withdrawal intensity by 3% by 2030. This target reinforces our commitment

to managing water as a finite resource and demonstrates our leadership in advancing water stewardship across our operations. Progress toward this goal will be tracked annually.

- **Biodiversity:** None of Zurn Elkay U.S. operational sites are located within biodiversity sensitive areas. In addition, our products help protect biodiversity by conserving and protecting water. For example, our filtered water bottle filling stations reduce the use of single-use plastic water bottles; our low-flow faucets, flush valves, toilets and urinals help our customers reduce water use; and our hand dryers reduce paper towel waste in restrooms.
- **Waste and Recycling:** Our waste reduction and recycling efforts extend beyond our commitment to using recycled materials in our products. We continually seek ways to eliminate waste generation and to divert more waste away from landfills through recycling and reuse. In 2025, we recycled 69.6% of total waste from our operations, up from 65.6% in 2024. Our waste to landfill increased 6.4% compared to last year, driven by growth in our operations. While we did not meet our goal of 2% annual waste to landfill reduction, we took a comprehensive approach to addressing wood waste across our value chain and continue to identify opportunities to reduce waste and promote recycling efforts. We also validated two facilities as zero waste to landfill (ZWTL) as part of our goal to validate five facilities as ZWTL by 2030.
- **Training and Awareness Programs:** Annual training helps associates recognize environmental risks and understand how operations affect air, water and land. This reinforces a culture of environmental responsibility and continuous improvement across the organization.
- **Communications:** Internal communications include monthly reporting to operations leadership on environmental and health and safety objectives, targets and KPIs, as well as safety alerts to quickly communicate an incident and corrective action to facility managers and associates. When needed, the Risk Management and External Communications Teams collaborate to engage customers, community members, elected officials and the media on environmental matters.
- **Integrate Climate Change Risks into the Business:** In 2023 and 2024 we expanded our Task Force on Climate-Related Financial Disclosure (TCFD) Index. In 2025, we aligned our disclosures with the International Sustainability Standards Board's IFRS S1 General Requirements for the Disclosure of Sustainability-related Financial Information and S2 Climate-related Disclosures, and effectively replaced our previous TCFD reporting. 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. We developed a formal organization-wide plan under executive-level supervision in addition to plans at the facility levels.

2.2 Outcomes

Zurn Elkay products saved an estimated 31.2 billion gallons of water in 2025, exceeding our goal to maintain at least 30 billion gallons annually. Additionally, Elkay bottle fillers have prevented the use of more than 20 billion single-use plastic water bottles avoided with our drinking water products in 2025. We created a new goal to prevent the use of at least 95 billion single-use plastic bottles total from 2025 to the end of 2030, through consumer use of our drinking water products.

Environmental Metrics, Carbon, Energy and Water	2025 Outcome
Gross global Scope 1 GHG Emissions	11,469 Mt CO ₂ e
Gross market-based energy indirect Scope 2 GHG Emissions	8,159 Mt CO ₂ e
Gross total other indirect Scope 3 GHG Emissions	253,827 Mt CO ₂ e
Total energy consumed	346,478 GJ
Percentage grid electricity	27.6%
Percentage renewable	6.9%
Total water withdrawn (Thousand cubic meters)	226.8 m ³
Total water discharged (Thousand cubic meters)	197.4 m ³
Total water consumed (Thousand cubic meters)	29.4 m ³
Percentage of total water consumed in regions with high or extremely high baseline water stress	30.2%
Total waste generated	11,709 Mt
Percentage of total waste diverted from disposal (recycled and reuse)	69.6%
Hazardous waste intensity (Metric tons/ \$M revenue)	0.01
Product safety - Number of recalls issued, total units recalled	0
Percentage of revenue from products with sustainable attributes	86%

Success Story

Tackling Wood Waste Across Our Value Chain

Wood is a significant portion of our waste generation, used in both product packaging and inbound logistics. In 2025, we took a comprehensive approach to addressing this challenge, targeting waste prevention upstream in our supply chain and reuse and recycling downstream in our facilities.

Upstream: Reducing Wood Crates in Supplier Shipments

At our Norcross, Georgia, facility we piloted a wood waste reduction project to replace wood crates used in supplier shipments with cardboard packaging. The team tested reinforced cardboard boxes with edge guards, shipping test pallets to several internal locations, conducting laboratory packaging tests, and working with the supplier to trial a shipment. This project will help reduce wood from entering our facility waste streams, as well as be a model for expanding this concept for other supplied material.

Downstream: Recycling Wood Pallets Through Pallet Central

Through a new partnership with our pallet supplier, Pallet Central, we introduced a wood pallet recycling program that allows the recycling of used pallets. At several facilities, we've diverted pallets from going to landfills and found a recycling or reuse option for wood. This initiative supports our broader waste reduction goals.

Section 3: Anti-Corruption

3.1 Actions

Commitment

Zurn Elkay is committed to the highest ethical standards in all our business practices. We strive to run our business honorably, inspired by our core value of Integrity in Everything We Do. That focus guides our systems and practices to ensure that throughout Zurn Elkay, we always act in accordance with our values and obligations - and do so with transparency and accountability.

System

Zurn Elkay's robust governance and ethics strategy includes clearly defined structures, policies and practices that embed our commitment to integrity across our business and ensure we are transparent and accountable to all our stakeholders. We drive our commitment to strong governance and ethical business practices from the highest levels of our organization. The Zurn Elkay Board of Directors leads these efforts by overseeing company management on behalf of our shareholders.

The Zurn Elkay Code of Business Conduct and Ethics guides our behavior across all business units and levels of the company, defining responsibilities, providing resources, and guiding training on various areas, including our Anti-Corruption Law Policy and procedures. The code covers a range of topics, including conflicts of interest, insider trading, data privacy, employment practices such as harassment and discrimination, and our Human Rights Statement.

Our Anti-Corruption Law Policy is integral to our Compliance and Ethics Program. As a multinational company, Zurn Elkay operates under several regulatory and legal regimes, including the U.S. Foreign Corrupt Practices Act and other local and international bribery and corruption laws.

Activities

- **Compliance and Ethics:** To support our commitment to our Code of Business Conduct and Ethics, we maintain a reporting program that allows associates and vendors to report claims through various methods, including a 24/7 confidential hotline, website, email, mail, in person or externally through government regulators. This same reporting program is accessible to associates to report interactions and transactions with suppliers and other supply chain partners, and is accessible in local languages.
- **Anti-Corruption Policy:** We provide our [Anti-Corruption Law Policy](#) to associates in multiple languages to deliver the guidance needed to remain compliant with all applicable laws. We also maintain a robust due diligence process to protect the company against bribes and other unlawful offers made to potential customers by third-party intermediaries such as sales agents, customs brokers and freight forwarders. Any associate engaging

with a third-party intermediary must complete an anti-corruption review and risk assessment. Our contracts with intermediaries include standard provisions such as anti-corruption representations, audit rights and termination rights for any violations of applicable anti-corruption laws.

- **Tax Transparency:** Our Tax and Finance teams maintain compliance wherever we conduct business by applying sound, responsible tax practices and operating with transparency. Income taxes paid are provided below, organized by country.

Corporate Income Taxes Paid (USD)		
	2024	2025
United States	61,497,635	59,116,397
Canada	5,475,915	3,048,128
India	227,686	283,767
Mexico	872,727	639,432
Other	2,486	2,946
Total	68,076,449	63,090,671

3.2 Outcomes

The Zurn Elkay Team regularly reviews the anti-corruption activities and processes in order to evaluate compliance with corporate procedures and policies, implementation of this policy in respect of its suitability, adequacy and effectiveness and makes improvements as appropriate. These reviews identify risks in our controls and our operating environments, providing the insight necessary to drive continuous improvement in our compliance program. No incidents of corruption were confirmed at the company, nor were any legal actions regarding corruption brought against Zurn Elkay in 2025.

We have developed a strong due diligence process for third party intermediaries, including a robust anti-corruption review and risk assessment. Before an associate can employ an intermediary's services, they must complete this process and have a written agreement in place. Our contracts with third-party intermediaries also include standard provisions such as anti-corruption representations, audit rights and termination rights for any violations of applicable anti-corruption laws. We repeat this process when existing contracts or relationships come up for renewal.

Additionally, we require biennial anti-corruption training for associates in several relevant job functions, including legal, finance, sales, business development, supply chain and logistics. Associates who undergo training must sign off on our Anti-Corruption Law Policy and receive a certificate of completion.