



SUSTAINABILITY REPORT

2024

TRANSFORMING WATER TO CREATE A WORLD OF IMPACT

Acknowledgment of country

We acknowledge the Traditional Owners and Custodians of the lands on which we live and work within Australia. We pay our respects to Elders past and present and acknowledge their continuing connection to waters, skies, seas and country.



CONTENTS

| ABOUT THIS REPORT

This is Zip Water's annual sustainability report, reflecting our progress and ongoing commitment to becoming a more sustainable and responsible business. Covering the reporting period from January 1 to December 31, 2024, the report highlights the advancements we have made against our Environmental, Social, and Governance (ESG) priorities, as well as new initiatives that address the evolving challenges and opportunities we face.

Building on the foundation established in our inaugural report, we have continued to align our approach with the Global Reporting Initiative (GRI) standards and the United Nations Sustainable Development Goals (SDGs). This report focuses on the material ESG topics that matter most to our stakeholders and our business, outlined through our strategic framework:



OUR PRODUCTS



OUR PLANET



OUR PEOPLE



OUR PRACTICES

Zip Water remains committed to reporting publicly and annually, ensuring transparency as we work towards a more sustainable future.

For further information about our performance and approach, please contact us at ESG@zipwater.com





John Doumani

President of Culligan APAC
and Zip International

I FROM OUR PRESIDENT

Since our beginning in 1947, Zip Water has been driven by a passion to deliver water at its best. What began as a small company in Western Sydney has grown into a global leader in premium drinking water solutions, changing the way people experience water. Today, we deliver safe, clean, and sustainable water to more than 25 million people worldwide every day, while keeping over 2.7 billion single-use plastic water bottles out of landfills and oceans annually—numbers that continue to rise as our footprint grows.

As part of the Culligan International portfolio of brands, we proudly work to improve lives and protect the planet. Our shared purpose to make clean, better-tasting water accessible to everyone, everywhere, is underpinned by our collective expertise in sustainability, science, and service. In a rapidly changing world, we are committed to transforming water in ways that address the most pressing environmental and social challenges of our time with clear intent and accountability.

Our latest annual sustainability report reflects progress made and the commitments we keep. Initiatives like dry manufacturing which eliminates wastewater in production process, and the adoption of renewable energy inclusive of solar power for

manufacturing operations, we are reducing our environmental impact while enhancing operations. Our established community programs have given rise to innovative partnerships like the SOURCE Hydropanel project to deliver clean, safe drinking water to remote communities of Australia—demonstrating the real-world impact of Zip Water’s social sustainability strategy.

As we move forward, innovation remains at the heart of what we do. Whether pioneering the use of low Global Warming Potential (GWP) refrigerants, expanding lead-free certifications across our product portfolio, or creating tools like the HydroTap Impact Calculator to help consumers understand their sustainable footprint, “good enough” is never enough for our teams. We push the boundaries of what’s possible to uncover new ways to increase health, wellness, and environmental benefits to the people we serve and the planet we share.

We recognise our success is made possible because of our people. We work to create an environment where collaborative, supportive, innovative teams are empowered to meet the challenges of today and opportunities of tomorrow. The Zip Water teams’ passion and dedication drive our achievements

and inspire us to aim higher. Together, we nurture a culture where innovation, responsibility, and sustainability work in lockstep.

This report formalises our commitments, shares our goals, and demonstrates our accountability. As we navigate an ever-evolving landscape, Zip Water actively contributes to a sustainable future for our business, our communities, and our planet. We are excited to share our progress, celebrate our successes, and keep pushing forward—because we know that together, we can make a lasting, positive impact on the world.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

John Doumani

President of Culligan APAC and Zip International

ABOUT US

Based in Australia, Zip Water is a world-leader in designing and manufacturing instant boiling, chilled and sparkling water solutions.

We invest in continual improvement of water quality, how our products work, how they look and the energy they use. We have been recognised as a global innovator for more than 75 years. Our products are installed in over 80 countries worldwide, providing homes and workplaces with the purest-tasting, safest, cleanest water possible.



75+
years in
business

80+
countries worldwide with
our product installed

25m+
consumers served
globally per day

800+
employees

1000+
dealerships in
80+ countries

OUR HISTORY

Our journey at Zip Water

Founded in Sydney in 1947, Zip Water began as a water heater manufacturer before transforming into an iconic brand under Michael Crouch, who acquired the company in 1962.

Pioneering innovations

From launching the world's first on-wall instant boiling water system in 1975 to introducing the HydroTap underbench system and the Touch-Free Wave, we've continuously redefined water delivery with innovative solutions.

From workplaces to homes

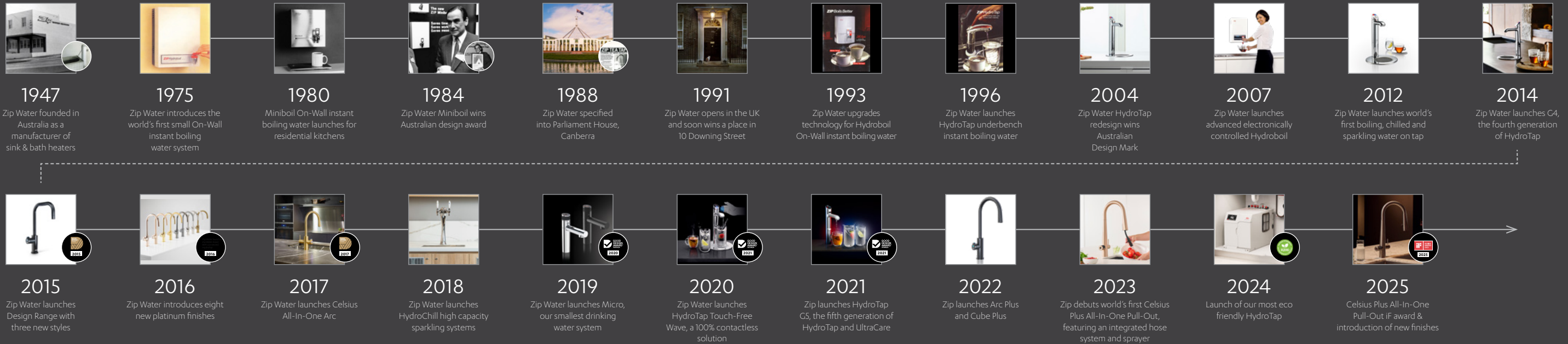
Initially designed for workplaces, our products are now sought after in homes worldwide. The HydroTap brings filtered boiling, chilled, and sparkling water to homes. Combining elegance with convenience.

Award-winning excellence

For over 75 years, we've led Australian manufacturing and innovation, earning accolades like the Australian Good Design Awards. In 2023, the Australian Financial Review named us the fourth Most Innovative Company in Manufacturing and Consumer Goods.

A global vision

Since joining Culligan International in 2017, Zip Water has become part of a global network dedicated to delivering cleaner, safer water while reducing single-use plastics. Together, with brands like ZeroWater and Purezza, we're committed to providing water at its best while supporting a sustainable future.

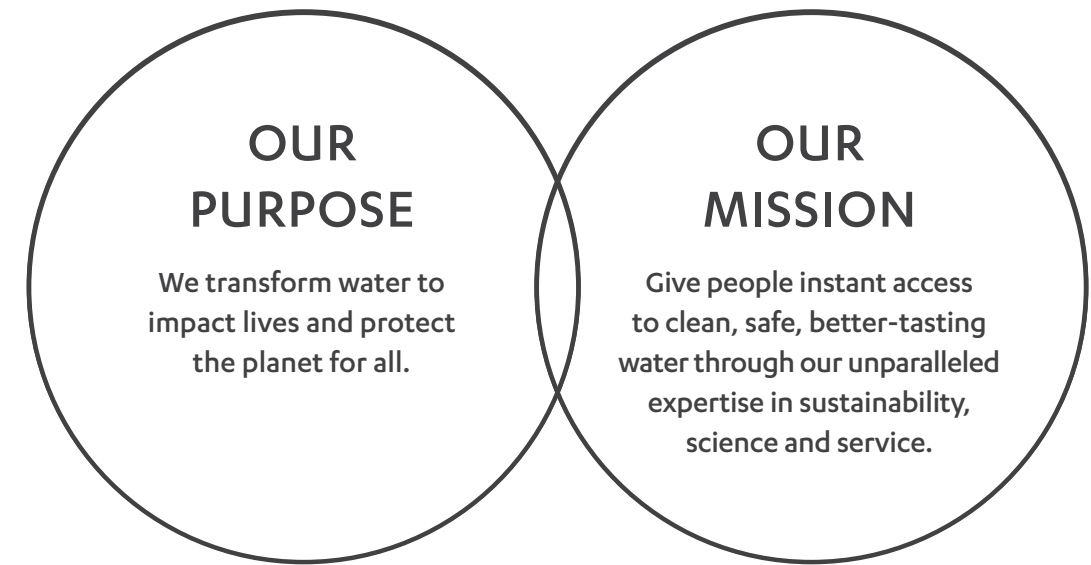


| PART OF CULLIGAN INTERNATIONAL

In 2017, Zip Water was acquired by the Culligan International group of companies (Culligan), a global leader in delivering cleaner, safer, great-tasting water. Culligan shares our enthusiasm for water and reducing single-use plastics.

Our parent company, Culligan was founded in 1936 in the United States with the goal of making better water available to homeowners. It has long been a leader in innovative methods for cleaning and delivering water.

We are proud to be part of a stable of leading brands that includes ZeroWater, Quench, Harvey, Waterlogic and Purezza.



OUR CULLIGAN VALUES: THE 5 CS

Strong values guide our employees' daily decisions and behaviour and build a collaborative, entrepreneurial culture. The 5 Cs unite everyone at Culligan behind our shared purpose and mission.

For more, check out the [Culligan website](#)



Consumer comes first.

We transform water for people everywhere. We actively listen to understand consumers' needs and concerns, and meet them wherever they are, in every part of their day.



Culligan as one.

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



Courage to do what is right.

We believe that what's right for people is right for companies. We operate with unwavering conviction and ethical standards, valuing diversity, treating all with respect and prioritising sustainability in everything we do. Build collaboration. Learn from others, including successes and failures.



Commitment to innovation.

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



Consistently deliver exceptional results.

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

OUR PRODUCTS & SERVICES

Zip Water offers innovative water solutions for in and out of homes and on the go, supported by an in-house service team.

Our core products include the award-winning Zip HydroTap along with other boiling, chilled and sparkling water solutions. We also offer washroom solutions, water filters, spare parts and accessories. Additionally, customers will find unrivalled aftersales support with certified Zip HydroTap installations, Zip Water service and HydroCare service plans.

IN HOME



AT WORK



ON THE GO



SERVICE



OUR IMPACT IN 2024



2.7^B+

single-use plastics
saved from landfill



1.9^B+

litres of safe,
great tasting
water consumed



47^M+

kilograms of
plastic avoided



411^M+

kilograms of CO₂
equivalent saved

EQUIVALENT TO:



1.6^B+

kms driven
by car



48^B+

hours of LED
lighting



4^B+

kms flown
by plane



6.8^M+

seedlings grown
for 10 years

All data is based on our peer-reviewed Life Cycle Assessment (LCA) and Zip Water Install Base. See **Appendix A** for detail.



HOW WE APPROACH SUSTAINABILITY

At Zip Water, we prioritise building trust with stakeholders—those who influence or are affected by our business—by being transparent, delivering on promises, and acting on feedback. To understand and address what matters most, we conducted a materiality assessment in 2022 as part of the broader process undertaken by Culligan International. The findings guide our ESG strategy and resource allocation, ensuring we address the most relevant environmental, social, and governance issues. The process aligned with **GRI** and **AA1000** standards.

In addition to informing our ESG strategy topics and targets, we will continue to evaluate risk and opportunity within our ESG program. This includes plans to explore and conduct a climate related risks and opportunities assessment in line with Australia Sustainability Reporting Standards (ASRS) and Corporate Sustainability Reporting Directive (CSRD).

“All companies within Zip Group conduct an annual EcoVadis assessment as a form of third-party verification to hold ourselves accountable. In 2025, EcoVadis, the world’s largest provider of ratings for business sustainability, recognised our team in New Zealand with a platinum medal rating. This rating is a relative one that compares us to other companies in EcoVadis’ database. It covered our work in areas such as environment, ethics, labour and human rights – and placed us in the 99th percentile of companies assessed.



This result wouldn’t have been possible without the patience, commitment and hard work of the entire NZ team and is a huge reflection of our sustainability approach and efforts.”

Daniel Cuthbert – New Zealand Country Manager



OUR MATERIALITY PROCESS

Our baseline materiality assessment carried out in 2022 followed a three-step process that met GRI standards. Our assessment identified the topics we prioritise in our ESG strategy and continue to remain relevant for our stakeholders. The materiality assessment continues to guide how we allocate our resources and deliver on our ambitions and targets.

THE PROCESS INVOLVED

Understanding industry landscape

We reviewed global trends, emerging issues and regional highlights, sought insights from external ESG professionals, assessed three industry peers and analysed ESG reporting frameworks (GRI, UN SDGs, TCFD and SASB).

Through stakeholder engagement

As well as undertaking a global employee survey, we interviewed 10 internal and external leaders.

Generating our material topics

We distilled industry trends, peer and competitor activities, stakeholder perspectives and business focus into our top ESG topics, and used those insights to inform our ESG position, strategy and communications.

OUR MATERIAL TOPICS

Priority	Environmental	Social	Governance
<div>BUSINESS CRITICAL</div>	<ul style="list-style-type: none"> › Water stewardship › Responsible resource usage › Energy and emissions 	<ul style="list-style-type: none"> › Employee wellbeing › Diversity, equity and inclusion (DEI) 	
<div>EXTREMELY IMPORTANT</div>		<ul style="list-style-type: none"> › Customer service and support › Community involvement › Workers’ rights and fair compensation 	<ul style="list-style-type: none"> › Leadership and governance › Financial health, transparency, disclosure › Value chain responsibility
<div>VERY IMPORTANT</div>	<ul style="list-style-type: none"> › Other environmental impacts 		<ul style="list-style-type: none"> › Compliance and regulations › Market presence › Business ethics › Acquisition engagement and governance › Resilient business practices
<div>MODERATELY IMPORTANT</div>		<ul style="list-style-type: none"> › Stakeholder engagement and sustainability 	

ALIGNING OUR EFFORTS WITH GLOBAL GOALS

As a member of the Culligan Group and the **United Nations Global Compact**, we align our ESG strategy with 11 UN Sustainable Development Goals (SDGs). This supports global efforts to end poverty, protect the planet, and promote prosperity and peace.

When we began our sustainability reporting journey, we committed to aligning our actions with a globally recognised framework to ensure we address the world's most critical challenges. In this report, you will see how our sustainability initiatives are directly linked to the United Nations Sustainable Development Goals (UNSDGs) and commit to the **Universal Sustainability Principles**.

The UNSDGs are a set of 17 ambitious global goals adopted in 2015 as part of the 2030 Agenda for Sustainable Development. These goals aim to tackle some of the world's most pressing challenges, focusing on three key pillars of sustainability: social, economic, and environmental progress.

We have identified 11 of the 17 goals where we believe we can make the greatest positive impact. Naturally, Goal 6: Clean Water & Sanitation sits at the heart of our purpose where we transform water to impact lives and protect the planet for all.



| OUR ESG STRATEGY


OUR PRIORITIES & COMMITMENTS

Our materiality assessment shaped our sustainability strategy by identifying four key focus areas. These priorities guide our efforts to drive meaningful change in the areas where we are best positioned to make a difference.

OUR PROGRESS

Building on this strategy, we have established five core commitments to support these priorities. These commitments are aligned with the UN Sustainable Development Goals (SDGs) and reflect the shared values of the Culligan Group.

The following sections outline the specific targets we have set and the progress we've made towards achieving these goals, demonstrating our ongoing commitment to sustainability and responsible business practices.



“We’re committed to driving meaningful change to ensure a more sustainable future— from helping people reduce single-use plastics and accessing safer, cleaner drinking water, to tackling climate change and advancing diversity, equity, and inclusion across our business”

Mike Abbott – Managing Director Zip Water Australia and New Zealand



OUR PRODUCTS

- 01** We commit to encouraging health and wellness through safer and cleaner water



OUR PLANET

- 02** We commit to reducing single-use plastics
- 03** We commit to mitigating climate change



OUR PEOPLE

- 04** We commit to increasing diversity, equity and inclusion



OUR PRACTICES

- 05** We commit to promoting responsible business conduct

OUR SUSTAINABILITY PILLARS

Priority	<div></div> <div>OUR PRODUCTS</div>	<div></div> <div>OUR PLANET</div>	<div></div> <div>OUR PEOPLE</div>	<div></div> <div>OUR PRACTICES</div>
Focus areas	<div><div>› Responsible production and consumption</div><div>› Responsible and ethical supply network</div><div>› Sustainability creates value at every stage of our product portfolio. We will ensure our partners and vendors uphold Culligan’s core values.</div></div>	<div><div>› Water</div><div>› Energy and emissions</div><div>› Waste</div><div>› We are setting ambitious targets within our control to ensure we are the best environmental stewards possible.</div></div>	<div><div>› Diversity, equality and inclusion</div><div>› Employee wellbeing</div><div>› Community involvement</div><div>› We celebrate and amplify the diversity, inclusivity, and global impact of Culligan. We are thoughtful and intentional about the communities we live and work in.</div></div>	<div><div>› Transparent reporting</div><div>› We hold ourselves accountable and to the highest standards of ethics and human rights.</div></div>
Commitment	<div><div>01</div><div>We commit to encouraging health and wellness through safer and cleaner water by practising responsible production and consumption in our product innovation, lifecycle and stewardship and by extending these expectations to our partners throughout our value chain.</div></div>	<div><div>02</div><div>We commit to reducing single-use plastics by using less plastic internally and encouraging others to use less too.</div><div>03</div><div>We commit to mitigating climate change by reducing our inputs, waste and emissions, & increasing recycling across our operations.</div></div>	<div><div>04</div><div>We commit to increasing diversity, equity and inclusion by creating an organisation free of discrimination that benefits our employees and the wider community.</div></div>	<div><div>05</div><div>We commit to promoting responsible business conduct by reporting regularly (internally and externally), ensuring our employees understand what they need to do to comply and being honest about the progress we are making and where the gaps are. We are always striving to do better.</div></div>
UN SDG Goals	<div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div><div><div>5</div><div>GENDER EQUALITY</div><div></div></div><div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div><div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div><div><div>9</div><div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div><div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div><div><div>13</div><div>CLIMATE ACTION</div><div></div></div><div><div>14</div><div>LIFE BELOW WATER</div><div></div></div><div><div>15</div><div>LIFE ON LAND</div><div></div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div></div>			



OUR PRODUCTS



OUR PRODUCTS

We are committed to a long-term plan to drive sustainability while empowering our customers and consumers to embrace more sustainable practices.

Our products actively support several of the UN’s Sustainable Development Goals, and the way we create these products—along with the partnerships we foster in their production—plays a key role in advancing these goals.

There has been considerable progress made against the targets we set, and we will continue to build on this progress as we move forward.

OUR COMMITMENT 01

We commit to encouraging health and wellness through safer and cleaner water by practising responsible production and consumption in our product innovation, lifecycle and stewardship and by extending these expectations to our partners throughout our value chain.

OUR TARGETS

Responsible production and consumption:

- › Reduce emissions across the lifecycle of Zip Water products (as measured by Life Cycle Assessment)
- › 100% of new products incorporate Design for Sustainability concepts and practices by 2025
- › Eliminate 100% of unnecessary and problematic packaging materials through redesign, innovation and alternative packaging methods by 2025
- › 100% of product portfolio is lead-free in market by 2025
- › 100% of manufactured product incorporates low Global Warming Potential (GWP) Refrigerant by 2028

DONE

DONE

IN PROGRESS

IN PROGRESS

NEW



| WHAT WE ARE ACHIEVING

We embed sustainability throughout our product portfolio and work with partners who share Culligan’s values. Our products have a significant impact on the environment, and we’re dedicated to making this impact as positive as possible. Our progress has been significant to date, from manufacturing to customer usage.

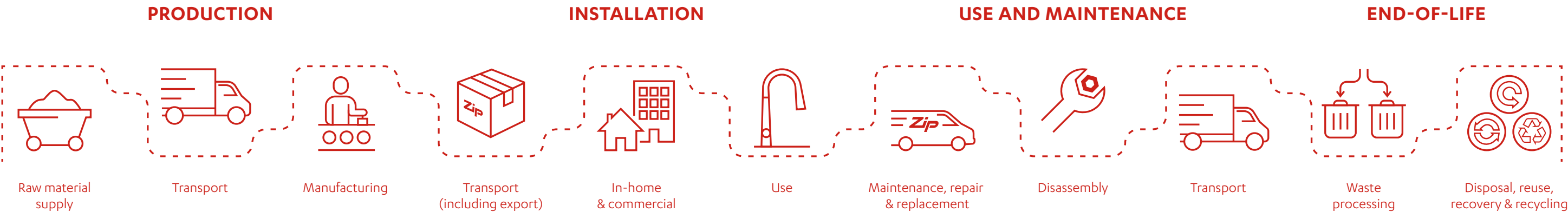
>95% of our HydroTap G5’s materials are recyclable and recoverable at End of Life (EOL)

Ongoing commitment to environmental transparency & product improvement

We are committed to continually understanding and improving the environmental impact of our products. Through peer-reviewed Life Cycle Assessments (LCAs) of our HydroTap range, we gain critical insights to drive innovation and reduce our footprint at every stage of the product life cycle. This ongoing process ensures our solutions align with best environmental practices and evolve to meet sustainability expectations.

Our commitment to transparent reporting is reinforced by our **Environmental Product Declaration (EPD)**, which clearly communicates the environmental performance of our HydroTap products. Independently verified and registered with EPD Australasia, the EPD demonstrates our dedication to providing reliable, science-based information. By regularly updating the declaration to reflect

product innovations, we ensure our environmental credentials remain current and relevant. Tools like the **HydroTap Impact Calculator** further empower consumers to understand the real-world benefits of our products, including reduced carbon emissions and plastic waste, reinforcing the value of choosing sustainable hydration solutions.



| WHAT WE ARE ACHIEVING

Ongoing product stewardship & environmental responsibility

We take a life-cycle approach to managing the environmental, health, and safety impacts of our products. At every stage from research and development to end-of-life disposal we are committed to enhancing a positive impact to the environment and our consumers.



Our United Kingdom and European markets have successfully transitioned to low Global Warming Potential (GWP) refrigerants, such as R290 as a key step in reducing climate impact within our core product range (HydroTap). In 2024 we successfully transitioned all our Australian market to low GWP refrigerant with plans to 100% transition globally by the end of 2025.



Expanding our lead-free certification remains a priority, with a clear target to ensure all core products are completely lead-free certified in 2025 ahead of regulatory set deadlines in 2026. Already, new products meet WaterMark standards and International NSF372, NSF61 and NSF42.



EPD Australia is a recognised Product Certification Initiative within the Green Star rating tools. Products certified by this initiative may contribute to a projects Green Star rating through the Responsible Products credits provided proof of the certification is included in the Green Star Submission. This initiatives Responsible Product Value (RPV) is 5.



The world's oldest formal method of assessing and certifying the sustainability of buildings. Specifying our drinking water systems can contribute towards achieving BREEAM points in both the Energy and Health and Wellbeing sections.



A performance-based system for measuring and certifying how the built environment impacts human health. Our market-leading filtration systems help toward achieving this important standard.



Our 0.2 micron MicroPurity filter has been tested and approved according to NSF/ANSI Standards 42 and 53, evaluating the safety and structural integrity of point-of-use/point-of-entry (POU/POE) drinking water filtration systems, certifying the health and safety of drinking water.



The Water Regulations Advisory Scheme (WRAS) is a conformance mark that demonstrates an item complies with the high standards set out by the 1999 UK water regulations. The WRAS logo certifies our drinking water systems are safe to use in commercial and residential settings, giving our users peace of mind with every pour.





WHAT WE ARE ACHIEVING

Pioneering Sustainable CO₂ Solutions for a Greener Future

Sustainability is at the heart of everything we do. As we look ahead to 2025 and beyond, our mission is to revolutionise the industry with innovative CO₂ solutions that minimise waste and keep empty cylinders out of landfills.

Across the globe, our forward-thinking partnerships are making it easier than ever for consumers to recycle and refill their CO₂ canisters, ensuring a greener and more sustainable future.

- › **North America** – Zip Water North America offers convenient refillable CO₂ bottle solutions for both residential and commercial use. We are developing a recycle and refill program to provide a sustainable solution for customers.
- › **United Kingdom** – Zip Water UK has partnered with **Royal Mail** to offer complimentary CO₂ canister recycling, ensuring our customers have an easy, eco-friendly disposal solution.
- › **Australia & New Zealand** – Zip Water ANZ is developing an end-to-end, consumer-friendly process to streamline CO₂ canister recyclability and refill, so everyone can enjoy the pure, refreshing water they love while reducing waste.

Together, we're driving change and setting new industry standards for sustainability.

WHAT WE ARE ACHIEVING

PRODUCT CERTIFICATIONS

Zip Water is a global organisation committed to being socially and environmentally responsible by adhering to the highest compliance standards. We ensure our products meet the required certifications and approvals on a global scale to maintain the highest levels of quality and safety.

Our certifications and compliance include:

- › **Water:**
WaterMark, WRAS, IAPMO, NSF, KTW-BWGL
- › **Product Safety:**
EESS, IECEE CB Scheme, CCC & CQC, UL (including Canada), KC, SABs, EU Directive, INMETRO, UKCA
- › **International Organisation for Standardization (ISO)s:**
ISO 9001, ISO 14001, ISO 45001 standards

Our HydroTap products also have a verified Environmental Product Declaration (EPD).

See **Appendix B** for detail.

OUR PACKAGING

As part of our commitments under the Australian Packaging Covenant Organisation (APCO), we've made significant progress in eliminating problematic materials. In 2024, we reached a major milestone with plans to remove 100% of these materials, ensuring our packaging is fully recyclable by 2025.

This aligns with our broader waste diversion strategy, including soft plastics recycling on site and improved waste categorisation for accurate reporting. We've also strengthened partnerships with waste providers and are exploring new recycling collaborations with key customers to better manage decommissioned units.

By advancing sustainable packaging and waste diversion, we're minimising our environmental impact and driving a circular economy that reduces landfill waste and maximises recycling.

>95% of the product packaging materials we use are recyclable



WHAT WE ARE ACHIEVING

Ongoing commitment to manufacturing excellence & innovation

With a legacy of more than 75 years of innovation and manufacturing expertise, we are committed to maintaining the highest standards of quality and safety. Our HydroTap G5 models are rigorously tested to meet WaterMark regulations in Australia while complying with global standards, ensuring the reliability and durability our customers expect.

We continue to drive product innovation by leveraging consumer insights to address evolving needs and sustainability challenges. Over the past three years, we have successfully delivered multiple new solutions, demonstrating our focus on continuous improvement and responsible design. By prioritising innovation, quality, and sustainability, we ensure our products meet the highest standards while contributing to a healthier, more sustainable future.

In addition to manufacturing equipment improvements to drive efficiency, we are developing a new product quality lab to enhance testing and validation of incoming components, addressing supplier quality challenges and improving product reliability. Equipped with advanced tools like Coordinate Measuring Machines (CMM), the lab will ensure precise dimensional analysis, reduce defects, strengthen supplier relationships, and reinforce our commitment to Australian-made excellence.

CASE STUDY

ZELDER THE WELDER

We have taken a big step forward in manufacturing innovation with the introduction of “Zelder the Welder,” a new robotic system at our Condell Park factory. Replacing our previous machine, which served us for nearly 25 years but became impossible to maintain, Zelder is designed to produce stainless steel tanks for our HydroTaps with greater speed, precision, and reliability. Her three-stage process—welding the side seam, then the base, and finally conducting a leak test—ensures every tank meets our exacting quality standards.

This upgrade is not about replacing people but about enhancing our capabilities. The year-long project to integrate Zelder was a collaborative effort between our Operations Engineering and Manufacturing teams, demonstrating our investment in both cutting-edge technology and skilled employees. Zelder also takes up significantly less space than her predecessor, freeing up valuable room on the factory floor while improving efficiency.

More than just a new machine, Zelder represents Zip Water’s commitment to the future of manufacturing. By embracing digital advancements while maintaining our focus on craftsmanship, we’re ensuring that every Zip product is built to the highest standards—combining innovation with the expertise of our people.



DESIGNING FOR SUSTAINABILITY

Sustainable design is at the heart of our commitment to creating products that minimise environmental impact while promoting positive social, economic, and ecological outcomes. Guided by our commitment to sustainability and innovation, our overarching goal is clear: to embed sustainability into every product we manufacture and sell to customers and consumers. This approach focuses on efficient resource use, sustainable materials, energy and waste reduction, and designing for a product's entire lifecycle, including durability, repairability, and end-of-life recyclability.

To help equip our teams with knowledge and resources we collectively as part of our Culligan international family developed a global sustainability playbook. Our sustainability playbook is enriched with resources for sustainable design including strategies and governance for product development, material considerations and practical application abilities for scenario modelling. By aligning innovation with environmental and social responsibility we aim to meet our consumer needs and expectations.

“The launch of our most eco-friendly Hydrotap reflects our commitment to innovation and sustainability. By adopting this low-GWP refrigerant, we’re taking another significant step toward a greener future for our customers and the planet.”

Glenn Bucknell – Operations Director



PRODUCT INNOVATIONS DRIVING EMISSIONS REDUCTION

HYDROTAP G5 – REVOLUTIONISING ECO-FRIENDLY HYDRATION

The HydroTap G5 establishes a new standard in sustainability and performance, integrating innovative features that minimise environmental impact while maximising functionality.

Eco-friendly design

The G5 incorporates R290 refrigerant gas, a natural propane with an extremely low Global Warming Potential (GWP). This replaces the previous R134a system, aligning with Australia's upcoming climate regulations and significantly reducing its environmental footprint.

Energy efficiency redefined

Engineered for optimal energy use, the G5 delivers consistent chilled water during peak demand with up to 24% greater energy efficiency. In standby mode, it is 10% more efficient while maintaining precise chilled temperatures, meeting the expectations of energy-conscious users.

Smart performance enhancements

The G5 features a redesigned front fascia with integrated airflow vents for improved air expulsion from cupboards. This innovation enhances cooling efficiency, maintaining 100% water efficiency while boosting energy performance, making it an ideal choice for homes and workplaces alike.

Sustainability commitment

The HydroTap G5 reflects our mission to reduce single-use plastics by providing boiling, chilled, and sparkling water on demand, eliminating the reliance on bottled water.

Combining eco-friendly design, energy-efficient performance, and innovative engineering, the HydroTap G5 is more than just a tap—it is a milestone in sustainable hydration. By addressing environmental concerns while delivering exceptional performance, it exemplifies our commitment to transforming water to benefit people and the planet.



95% The Zip HydroTap G5's refrigerant gas delivers a 95% reduction in Global Warming Potential (GWP)



OUR PLANET





| OUR PLANET

We’re committed to improving health and wellness worldwide by delivering clean, safe, and great-tasting water—while also reducing reliance on single-use plastics. To ensure future generations can enjoy water at its best, we’re making meaningful changes to our business and setting ambitious sustainability goals.

OUR COMMITMENT 02 & 03

We commit to reducing single-use plastics by phasing it out internally and encouraging others to eliminate it, where possible.

We commit to mitigating climate change by reducing our inputs, waste and emissions, and increasing recycling across our operations.

OUR TARGETS

Using water more efficiently:

- › Ensure our HydroTaps remain 100% water-efficient
- › Eliminate 100% of wastewater in the manufacturing processes of our core products by 2025

ONGOING

DONE

Reducing energy and emissions:

- › Increase proportion of renewable energy consumption by 50% by 2025
- › Reduce absolute GHG emissions (Scopes 1 and 2) by 50% by 2030
- › Develop a Science Based Target for net zero by 2025

DONE

IN PROGRESS

IN PROGRESS

Reducing our waste:

- › Eliminate 100% of on-site single-use plastics by 2025
- › Divert 70% of our on-site waste from landfill by 2025
 - › Increasing Target to 85% by 2030
- › Use more than 50% of reusable, renewable, recycled or compostable content in our product packaging by 2025

ONGOING

DONE

NEW

DONE



THE CURRENT STATE OF WATER



1/4

one in four people
don't have access to clean
drinking water₁



50%

almost half of the world's
population will be living in areas
of high-water stress by 2030₂



10^M

an estimated 10 million tons
of plastic enter our oceans
every year₃



1/3

1 in 3 children - up to 800 million
globally - have blood lead levels
which require action₄



2^K

the average person ingests
over 2000 microplastic
particles per week₅



I OUR ROLE IN LEADING WATER STEWARDSHIP

Our commitment to water stewardship is at the heart of everything we do. As a company dedicated to delivering clean, filtered water to homes and businesses around the world, we understand the critical role we play in protecting and preserving this precious resource.

Responsible use of water

According to the United Nations in their 2024 SDG 6 update, from 2015 to 2021 water use efficiency has increased by 19.3% globally. We believe in responsible use of water and are always pursuing ways we can contribute to this global impact.

A key milestone in our water stewardship journey has been the successful implementation of dry manufacturing processes eliminating 100% of wastewater in the manufacturing process of our core products—achieved a year ahead of our 2025 target.

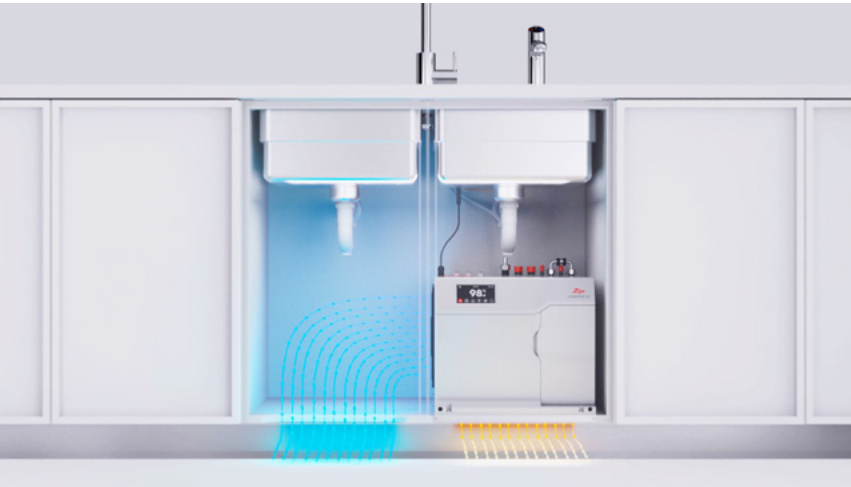
Over the past two years, our manufacturing and research and development teams have worked tirelessly to transition all HydroTap production to a groundbreaking dry manufacturing method. This shift to dry manufacturing has not only reduced our environmental footprint but also improved efficiency.

While dry manufacturing is already the standard for all HydroTap products, we are not stopping there. The method has been extended to our cooler range, with ongoing investigations into how sparkling water components can be tested without water. Additionally, we have plans to expand dry manufacturing to our on-wall boiling systems in 2025, further advancing our mission to innovate sustainably across all product lines.

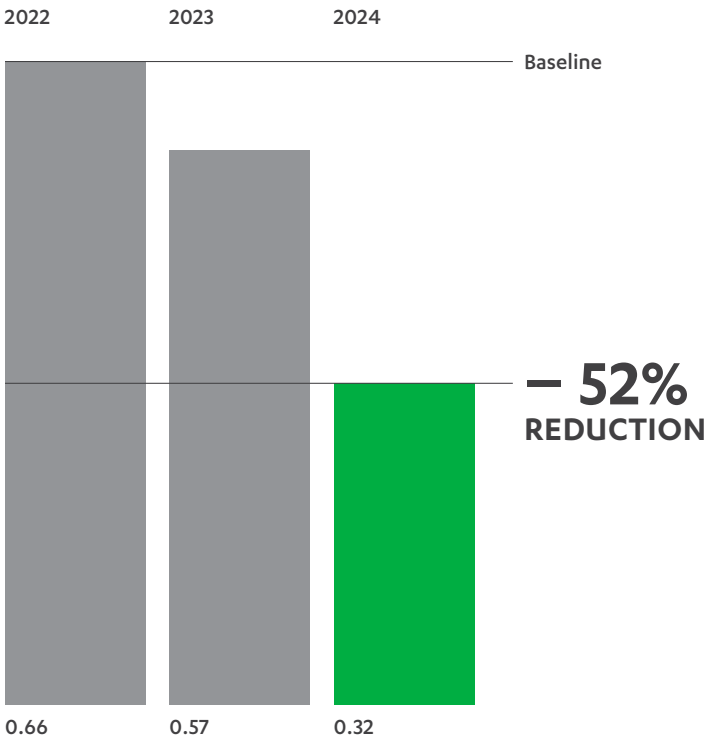
Driving sustainable innovation

Our core product, HydroTap uses air-cooled technology as opposed to water-cooled technology. Aircooled technology uses the air in the environment to remove heat that has been generated as part of the refrigeration process to create chilled water.

In forced air-cooling systems, fans are used to push air through the condenser and over the compressor to remove heat and to increase efficiency of the chilling process. Direct DryChilling is 100% water efficient and delivers perfectly chilled water ready for consumption.



52% absolute reduction in GHG emissions through responsible use of water



*data relates to Zip Australia manufacturing facility

OUR ROLE IN LEADING WATER STEWARDSHIP

Taking on world challenges

As industry leaders, we're always innovating to tackle emerging water quality challenges. Issues like microplastics and forever chemicals are gaining attention, but many local utilities aren't yet equipped to meet new safety standards—potentially putting your health at risk. For over 75 years, we've led the way in water filtration technology, providing cleaner, safer water to households worldwide and protecting people from harmful contaminants. Every Zip HydroTap is equipped with a third-party certified MicroPurity 0.2-micron filter, ensuring superior filtration.

Our filters use triple-action technology and are certified to NSF and ANSI standards, reducing eight of the most common drinking water contaminants—including lead, microplastics, chlorine, cysts, sediment, asbestos, bacteria, and PFAS. PFAS, or “forever chemicals,” are persistent substances that don't naturally break down. While they're invisible, odourless, and tasteless, they pose serious health risks, including cancer, obesity, fertility issues, liver damage, and high cholesterol. Finding contaminants like PFAS and microplastics in your home's water can be concerning, but the good news is—there's a reliable solution to protect you and your family.

Beyond providing cleaner, safer water, filtration improves taste, odour, and clarity while also reducing the need for single-use plastic bottles. Looking ahead, we remain focused on expanding our water stewardship initiatives across all areas of our operations. We are working to protect the world's water resources for future generations, while delivering sustainable solutions that make a positive impact today.



“Our **CPD programme** explores the causes of poor taste, odour, and appearance in drinking water, and introduces proven technologies and treatment solutions that can significantly improve water quality. By raising awareness and offering practical insight, this CPD aims to drive higher standards across the sector and support our shared goal of delivering consistently clean, safe, and great-tasting water for every end user.”

Simon Hastings – Zip Water UK Technical Manager

*Zip MicroPurity 93701 and 93702 filters are certified to NSF/ANSI Standard 53 to reduce 99.4% of Total PFAS.



REDUCING CARBON & OUR IMPACT ON CLIMATE

OUR CARBON FOOTPRINT

Our carbon footprint measures our greenhouse gas emissions (GHGs), expressed as carbon dioxide equivalents (CO₂e). Our footprint consists of three types of emissions.



Our Scope 1 emissions

These are our direct emissions. They come from the day-to-day activities involved in running our organisation, such as powering our fleet of owned vehicles.



Our Scope 2 emissions

These are indirect emissions. They come from the electricity we use to run our business and the heat, steam and cooling we buy too.



Our Scope 3 emissions

These are indirect emissions. They come from our value chain, including from the goods and services we buy, from the transport we use, and from our consumers using our products.

We began measuring our carbon footprint annually in 2022. Understanding our footprint is the first step to reducing it.



Carbon accounting technology company **Emitwise** helps us calculate and report our GHG emissions. In addition to this, our audit partner **Carbonology** has independently verified our scope 1 and 2 emissions data against ISO 14064. Looking ahead we continue to focus on the quality of all our GHG emissions data and assurance readiness.

OUR 2024 EMISSIONS — Total emissions 271,713 tCO₂e

Emissions by scope



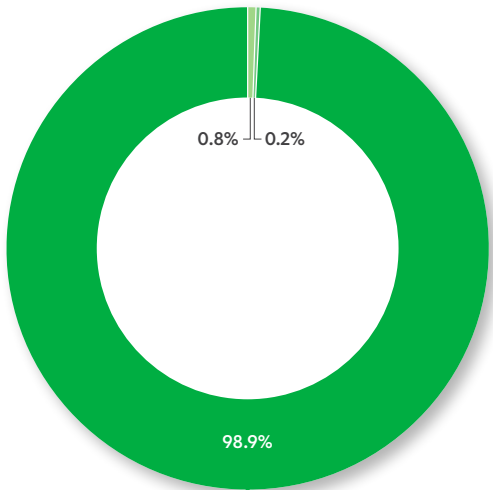
Scope 1: **2199 tCO₂e**



Scope 2: **661 tCO₂e**



Scope 3: **268,853 tCO₂e**



Top contributors to Scope 3 emissions:

- › Use of sold products: **73.9%**
- › Purchased goods and services: **19.4%**

Emissions by country operations



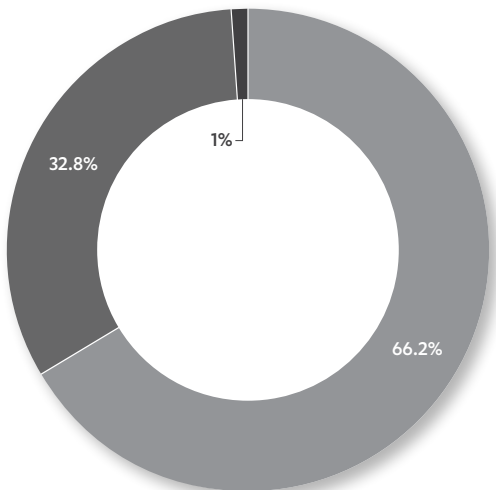
Australia: **66.2%**



United Kingdom: **32.8%**



New Zealand: **1%**



REDUCING OUR IMPACT ON CLIMATE

OUR GHG EMISSIONS INTENSITY

2,860 tCO₂e (Scope 1 & 2 GHG Emissions)

Absolute emissions in 2024



Production

Refrigerant leakage from production processes and stationary equipment

232 tCO₂e



Fleet

Transport of people and goods in company vehicles

1,967 tCO₂e



Electricity

Powering our operations

661 tCO₂e

Change in carbon intensity of
scope 1 and 2 emissions
Relative reduction (%)

2022 - 2024

-12.63%





OUR IMPACT ON EMISSIONS

To support our commitment to reduce GHG emissions (Scopes 1 and 2) by 50% by 2030 we have several major projects initiatives underway to tackle this. We are focusing on areas we can directly control.

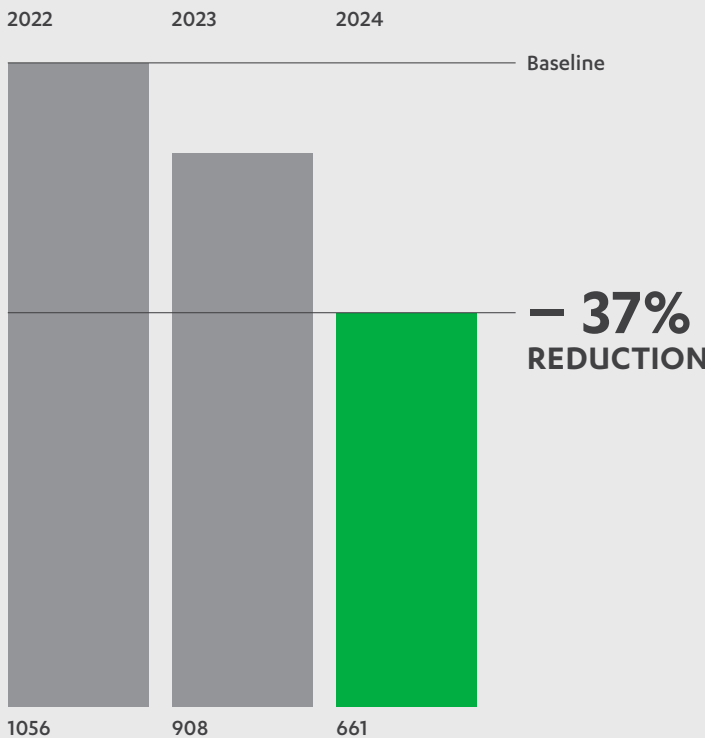
Investing in renewables

We've expanded our solar energy capacity at our Australian manufacturing site, increasing our use of clean, renewable energy.

As of 2024, solar power supplies 26% of our operations—but we're not stopping there. From 2025, Zip Water's Australian manufacturing will be powered entirely by renewable energy. Our New Zealand operations are already powered by 100% geothermal, hydro, and wind energy.

Scope 2 emissions reduction

37% absolute reduction of Scope 2 GHG emissions across zip group



Zip Water's manufacturing facility in Australia



26%

solar power supplied our operations in 2024

100%

manufacturing will be powered entirely by renewable energy from 2025

Zip Water UK's new purpose-built warehouse marks a significant step forward in our commitment to reducing carbon emissions and enhancing sustainability within our supply chain.

By consolidating operations from four separate sites into one central location, we are not only streamlining procedures but also eliminating the need for inter-site vehicle movements, directly reducing our carbon footprint. The warehouse has been designed with energy efficiency at its core - it features advanced insulation to minimise the need for heating and cooling, and solar panels that provide clean energy to support operations during working hours. Additional sustainable features include LED lighting with motion detection, reducing unnecessary energy consumption, four electric vehicle chargers to support greener transport, and the use of highly efficient, fully electric lifting equipment to optimise our daily operations. Together, these measures reflect a forward-thinking approach to warehouse management that prioritises both operational excellence and environmental responsibility.



OUR EMISSIONS REDUCTION ACTIVITIES

CONVERTING OUR MOTOR VEHICLE FLEETS

The availability of resources, equipment, and infrastructure varies across the countries we operate in. In the UK, electric vehicles are both accessible and well-suited to our sales and service operations. As a result, our UK team have already converted 57% of its total fleet, including service vehicles, to electric. Our New Zealand team have converted 42% of its total fleet with a target to convert 100% by end of 2025.

The transition to electric and hybrid vehicles in Australia remains challenging due to limited availability and infrastructure, such as charging stations. Despite this, we’ve prioritised our sales fleet, with 75% now hybrid or electric, and remain committed to reaching 100% by 2027.

While we’ve made significant progress, challenges remain for our Australian service fleet. We’re tackling these by partnering with manufacturers, conducting field trials to ensure vehicles are fit for purpose, and advocating for expanded infrastructure to support our emissions reduction goals.

Global Sales Fleet Road Map

	Actual			Forecast		
	2022	2023	2024	2025	2026	2027
Australia	18%	57%	75%	80%	90%	100%
New Zealand	0%	50%	67%	100%	–	–
United Kingdom	90%	94%	98%	100%	–	–





The Zip HydroTap produces up to 90% fewer carbon emissions than single-use plastic bottles in a commercial setting, and up to 33% fewer than a kettle

OUR EMISSIONS REDUCTION ACTIVITIES

CONVERTING TO LOW-GWP REFRIGERANT

We want to convert all refrigerant gas in our HydroTap products from R134a to R290 refrigerant. This will help us reduce leakage of refrigerants (Scope 1 emissions) and the GHG emissions involved in using our products (Scope 3 emissions).

As of 2024, we have completed this for our UK, EU and Australian markets with plans to complete globally by 2026.

DRIVING INNOVATION AND MANUFACTURING

Innovation and responsible manufacturing are at the heart of our sustainability strategy, addressing what, how, and where of production to minimise our environmental impact. Our environmental management systems are certified to ISO 14001, reflecting our ongoing commitment to meet global standards and continuously improve our practices.

We're proud to manufacture locally in Australia, giving us full control over our processes and the ability to reduce our environmental impact firsthand. Innovations like dry manufacturing have eliminated water usage in HydroTap production, cutting wastewater and reinforcing our commitment to responsible water stewardship—one of our key priorities. By using tools like Life Cycle Assessments (LCAs), we measure the environmental impact of our products from production to end-of-life. This helps us stay accountable, pinpoint areas for improvement, and take meaningful steps to minimise our footprint.

We've identified that emissions from our sold products make up over 70% of our total carbon footprint. By leveraging carbon footprint data and LCAs, we can strategically analyse key emission hotspots and drive innovation. In 2024, we launched our most eco-friendly HydroTap yet, improving energy efficiency by 24%. Our goal now is to completely transform how our products use energy to create a more sustainable future.



WORKING TOWARDS NET ZERO & SCIENCE- BASED TARGETS



SCIENCE
BASED
TARGETS

We are committed to reducing our carbon footprint and taking meaningful steps toward a more sustainable future. As part of the Culligan Group, we are working towards Net Zero and formalising our Science-Based Targets (SBTs), ensuring our emissions reduction efforts align with the latest climate science and the goals of the Paris Agreement.

Right now, we are focused on ensuring the accuracy of our data and models before formally submitting for validation. While this process takes time, our commitment to decarbonisation is already in motion. We are actively reducing emissions where we can and exploring every opportunity to do more. Science-Based Targets will provide a clear, credible, and internationally recognised framework to guide our long-term efforts.

By adopting this approach, we are reinforcing our responsibility to employees, customers, and stakeholders—demonstrating that our sustainability goals are not just ambitions, but measurable, science-backed actions. While formalisation is on the horizon, our work to reduce our impact is happening now, laying the foundation for a greener future for our people, our customers, and our planet.



REDUCING OUR WASTE

Waste diversion is a key priority for us with 74% of our onsite waste diverted from landfill in 2024 exceeding our 2025 target of 70%. Through our strategic deployment process business model, we continue to focus on waste generated in our operations and have increased our target to 85% by 2030 in line with our other sustainability strategies.

To achieve our targets, we focused our efforts on expanding recycling capabilities and reducing landfill contributions. A significant step has been the introduction of soft plastics recycling on-site, requiring investment in a baler and additional infrastructure. While this adds costs, the long-term environmental benefits make it a worthwhile initiative.

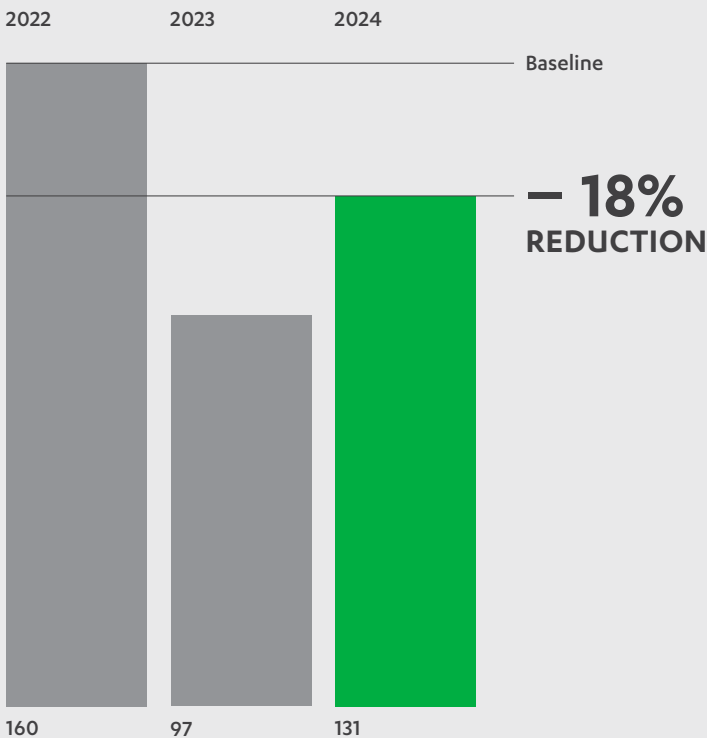
To improve the accuracy of waste reporting, the team has worked closely with waste providers to ensure reliable data on diversion rates. This allows for better tracking of progress and helps identify further opportunities for improvement. One challenge being addressed is the categorisation of decommissioned products.

To tackle this, we are exploring partnerships with key suppliers and customers, who have advanced sustainability infrastructure. Leveraging their recycling systems could significantly enhance the way decommissioned products are processed, helping to further refine our waste management approach.

Carbon emissions generated by our waste

Looking at the last 3 years we have significantly reduced our total carbon emissions generated by waste which includes water waste.

18% absolute reduction in GHG emissions since baseline through responsible manufacturing and diversion from landfill



CASE STUDY

PLASTIC RECYCLING TRIAL AND SET UP AT FACTORY

At Zip Water, we’re taking real action to reduce our environmental impact with our plastic waste recycling program. Instead of sending plastic offcuts from our manufacturing processes to landfill, we collect, sort, and repurpose them into new materials—helping to close the loop and support a circular economy.

Our program is fully embedded in our operations, with dedicated recycling stations across our factory to capture and separate plastic waste efficiently. To streamline the process, we’ve invested in a baling machine that compresses collected plastics into compact bundles, making transport and recycling more efficient.

By partnering with local recycling specialists, we ensure that every usable piece of plastic is repurposed, keeping valuable materials in circulation and reducing unnecessary waste. This initiative not only minimises our environmental footprint but also strengthens our commitment to a more sustainable supply chain.

ELIMINATING ON-SITE SINGLE-USE PLASTICS

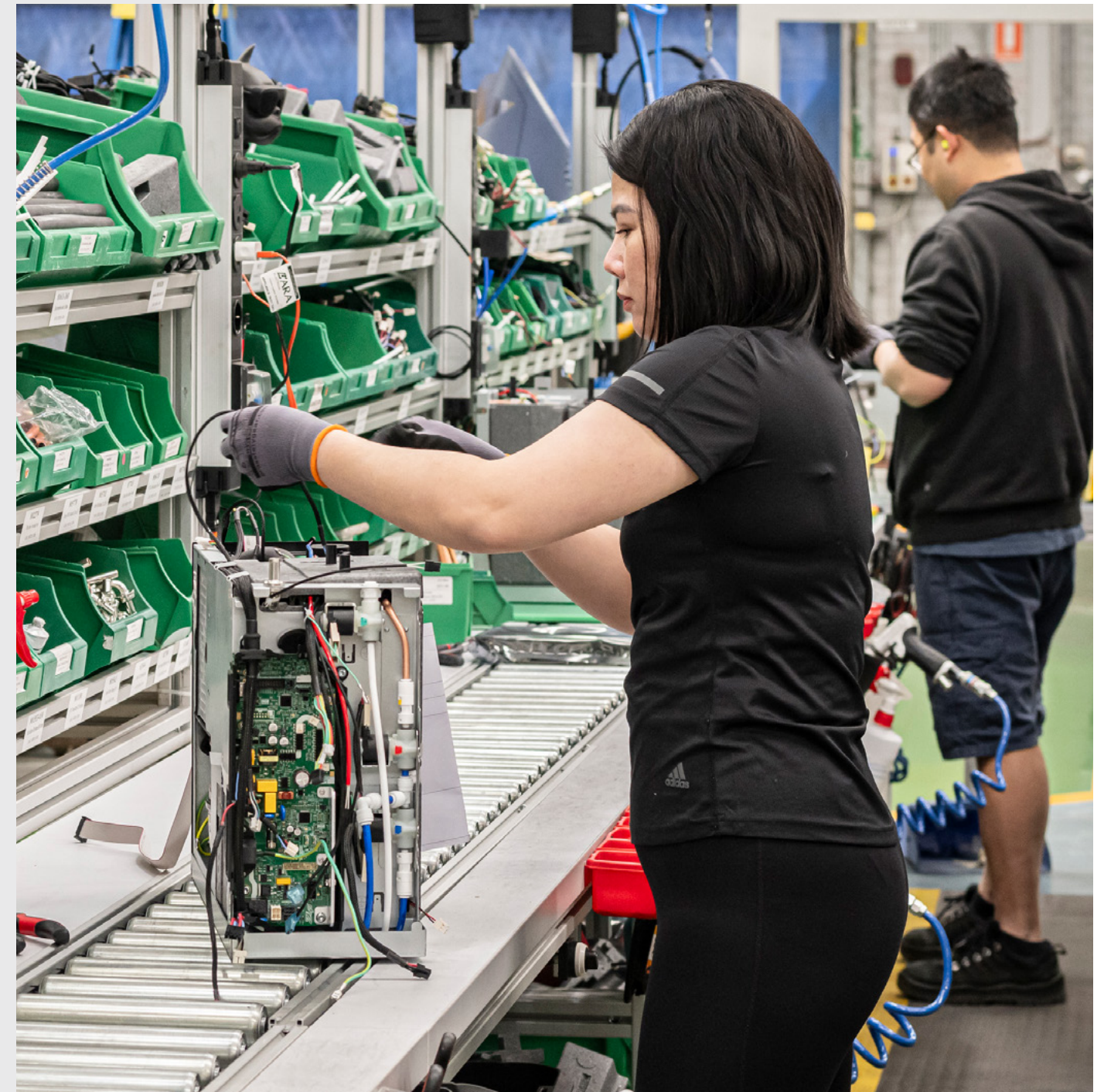
We are making strong progress toward our goal to **eliminate 100% of on-site single-use plastics by 2025**. This ambitious target reflects our commitment to reducing unnecessary waste and minimising our environmental impact.

In 2023, we took important steps to lay the groundwork for achieving this goal. A key focus was the development of **internal processes and education programmes** to encourage staff to make more environmentally conscious purchasing decisions. By raising awareness and creating practical guidelines, we are empowering our teams to think critically about the materials we bring into our operations.

During this time, we prioritised the reduction of **problematic, unnecessary materials**, such as **Styrofoam**, which pose significant challenges for the environment. By addressing these high-impact items first, we were able to significantly reduce waste sent to landfill while making tangible progress toward our ultimate goal.

While work to formalise these processes continues, this initiative marks an important cultural shift within our business. We are fostering an organisational mindset that prioritises sustainability at every stage, from procurement to day-to-day operations.

By eliminating on-site single-use plastics, we are taking responsibility for our footprint and setting an example of what is possible when innovation, education, and commitment come together. As we move to 2025 and beyond, we remain focused on creating a workplace free from single-use plastics—ensuring a cleaner, greener future for our business, our people, and the planet.



ELIMINATING ON-SITE SINGLE-USE PLASTICS

TAKING ACTION TO ELIMINATE SINGLE-USE PLASTIC – PLASTIC-FREE JULY

Reducing single-use plastic is more than just a goal—it's a fundamental part of our sustainability commitment. That's why participating annually in Plastic Free July, a global initiative helping people reduce their reliance on plastic, aligns perfectly with our values and purpose.

Plastic pollution is a major challenge for our oceans, wildlife, and communities. This initiative reminds us that small, everyday changes can have a big impact, and we are committed to leading by example in our workplace and beyond.

Through initiatives like Plastic Free July, we are encouraging our teams to “make single-use plastic ZERO-use” by adopting simple, practical swaps that help reduce waste:

- › Bring a reusable cup to work
- › Carry a refillable water bottle (hydrating with Zip, of course!)
- › Use reusable containers for lunch
- › Keep reusable shopping bags handy
- › Choose loose fruits and vegetables instead of plastic-wrapped options

We've also encouraged our team to test their awareness by taking the [Pesky Plastic Quiz](#), helping identify how much plastic they use and where improvements can be made.

By eliminating single-use plastics in our own workplace, we're living our commitment to sustainability and showing how small actions, when taken collectively, can make a significant difference. Throughout the month, we continue to share tips and resources on Hey Culligan to keep the momentum going.

At Zip Water, we know that progress starts with us. Together, we're working to build a cleaner, greener future—one plastic-free choice at a time.



BIODIVERSITY

We take our operational impact for biodiversity seriously. Biodiversity supports living things, protects against climate change and fights food insecurities. None of our sites are near biodiversity sensitive areas however remain focused on carbon reduction and water stewardship, with targets and programs in place to launch key collaborations and initiatives that will protect nature, preserve biodiversity and restore natural ecosystems, both at our facilities and in the communities where we operate.



CASE STUDY

TAKING ACTION TO HELP CLEAN UP

Each year, the Zenith Water team in New Zealand team comes together for our annual clean-up at our local business park, focusing on a stormwater intercept pond that feeds into a creek flowing into the Hauraki Gulf. Initiated in 2022, this event was designed to spark conversations about our impact on the environment and strengthen the connection between our work and the broader community. By removing waste, particularly single-use plastics we help protect local wildlife and marine life in the Gulf, reinforcing our commitment to sustainability. Over time, this initiative has become an important fixture in our calendar, keeping our efforts hyper-local and ensuring we continue to make a tangible difference in our own backyard.





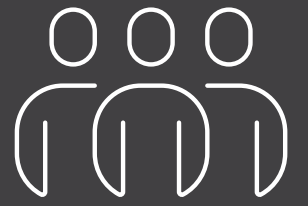
INCREASING CIRCULAR SOLUTIONS TO REDUCE WASTE

To reduce waste and create a more sustainable environment, we're committed to reducing unnecessary and problematic materials in our packaging through redesign, innovation, and alternative reuse models. We have achieved our goal of using more than 50% reusable, renewable, recycled, or compostable content in our product packaging. Our HydroTap packaging is now 100% recyclable and contains up to 70% recycled materials. This is an important milestone in our sustainability journey that ensures we continue to minimise our environmental impact without compromising product protection.

Building on this success, we're exploring ways to further increase recycled content while maintaining the integrity and durability of our products during transportation. Through ongoing innovation and collaboration, we remain focused on advancing sustainable packaging solutions that support our long-term environmental commitments.

Zenith
WATER

Our Operations in New Zealand, Zenith Water has partnered with **Abilities Group** to recycle end-of-life products, supporting both environmental sustainability and meaningful employment opportunities for people with disabilities in Aotearoa. Together, we have successfully recycled our decommissioned products ensuring valuable materials remain out of landfill and contributing to a greener Aotearoa. Abilities Group's long-standing commitment to creating inclusive work opportunities perfectly complements our sustainability efforts, reflecting our shared values of inclusion and environmental stewardship.



OUR PEOPLE



OUR PEOPLE

Our people are the driving force behind our success. To achieve our ambitious goals and sustainability commitments, we rely on their expertise, innovation, and dedication. Attracting, developing, and retaining top talent is essential to delivering the solutions that help us meet the needs of our customers while making a positive impact on the planet. By fostering an inclusive, supportive, and purpose-driven workplace, we empower our teams to thrive, collaborate, and drive meaningful progress.

OUR COMMITMENT 04

We are committed to maintaining and continuously strengthening a diverse, equitable and inclusive organisation - one that is free from discrimination and benefits both our employees and the wider community.

OUR TARGETS

Diversity, equity and inclusion:

- › Continue to report to the Workplace Gender Equality Agency on gender pay gaps and initiatives that support equal opportunities for both men and women within the workplace
- › Review opportunities to provide targeted learning and development opportunities for employees from diverse backgrounds
- › Introduce and act on the Reconciliation Action Plan (Reflect) in 2023
- › Introduce and act on the Reconciliation Action Plan (Innovate) by 2027

IN PROGRESS

IN PROGRESS

DONE

NEW

Employee wellbeing:

- › Achieve an above-average engagement score in the 2025 Global Engagement Survey
- › Use our Latest Engagement Survey to Inform Our Ongoing Human Resources and Wellbeing Strategy
- › Maintain Zip's low voluntary turnover rate
- › Maintain our ISO 45001 and ISO 14001 certifications

IN PROGRESS

DONE

ONGOING

ONGOING

Community involvement:

- › Create a formal program for community partnership that reflects our long-standing engagement with the community, ensuring our efforts are more structured, visible and measurable
- › Provide Clean Safe Drinking Water Solutions to Schools & Communities Annually

DONE

NEW



WHAT WE ARE ACHIEVING

RECRUITING AND RETAINING OUR TEAM

Recruiting our employees

We have developed our candidate selection processes to ensure we are hiring from a diverse pool of applicants. We review these regularly to ensure we are achieving our objectives and meeting the expectations of our stakeholders.

Equal opportunity

Our policy requires that no applicant or employee receives more or less favourable treatment than another. We train our people at all levels of the business to ensure everyone is equipped to contribute effectively in their roles.

Shortlisting for interview

Hiring managers are encouraged to include a minimum of two qualified female and/or diverse candidates in the shortlist for managerial positions, when these candidates are available. All candidates must meet the requirements of the role. We hire the best person for the job, whatever their age, gender or ethnicity.

New hires

We want to foster an inclusive, multigenerational workforce. Our hiring process reflects our commitment to diversity and inclusion. We prioritise

skills, experience, ability and matching values and are confident this will help us meet our diversity goals. By actively hiring people from different age groups, we have introduced many different views and enriched our teams.

Retaining our employees

Our strong retention rates are a testament to our commitment to engaging and supporting our employees. We equip them with the skills, tools, and environment they need to succeed while fostering our core business values. Additionally, policies that promote work-life balance, autonomy, and career advancement further enhance these efforts.

13 years of service
in manufacturing

07 years of service across
the rest of the business

| DIVERSITY, EQUITY & INCLUSION

Continue to report to Workplace Gender Equality Agency (WGEA) on gender pay gaps and put in place initiatives to address the gaps

Our employee remuneration

We are committed to fostering an inclusive and equitable workplace where all individuals are valued fairly compensated. A key aspect of this commitment is closing the gender pay gap - ensuring equal pay for equal work and contributions. By fostering an environment where gender has no impact on career advancement or compensation, we aim to attract, retain and empower top talent while driving meaningful change throughout our organisation.

As part of this commitment, we continue to report annually to the **Workplace Gender Equality Agency (WGEA)** on our gender pay gaps. This transparency allows us to benchmark our performance, measure progress, and identify areas for improvement. In 2024 this gap was 15% based on total remuneration. While it compares favourably with Australia's pay gap of 21.8%, we have implemented targeted initiatives to address pay gaps, including regular reviews of our remuneration structures, enhancing opportunities for women in leadership roles, and promoting policies that support flexible work arrangements and career growth. As a global organisation we report within our respective markets and are publicly available for **Zip Water Australia** and **Zip Water UK**.

Through our ongoing efforts, we are proud to play a part in advancing gender equality, both within our organisation and across our industry.



| DIVERSITY, EQUITY & INCLUSION

OUR EMPLOYEE BENEFITS

Our leave entitlements

We offer generous leave entitlements and support our employees to meet their personal, family and community commitments. For example, we offer extra paid parental leave to help working parents when they give birth to or adopt a child. Other additional leave entitlements that are on top of what the Fair Work Act requires extend to our family and domestic violence and grievance leave provisions. We understand and recognise the impact life events can have on an employee's health and wellbeing and we always put the employee and their family first.

Our Employee Assistance Program

Mental well-being at work is important as it can affect an employee's overall health and ability to contribute to their personal and professional lives. We aim to create a supportive environment that provides resources in support of mental health to enhance employee satisfaction, fuel productivity and improve overall performance.

We offer confidential, short-term professional support for employees and their immediate families. The service supports the emotional, mental and general psychological wellbeing of all employees. Employees can use it for coaching purposes too.



CASE STUDY OUR HEALTH HUB – SUPPORTING WELLBEING & INJURY PREVENTION

Developed in collaboration with Employ Health, we have transformed employee health and wellbeing by providing on-site access to expert physiotherapy services. Located within the heart of the factory, the Health Hub is designed to support workers in managing injuries, improving recovery times, and preventing future issues. By offering convenient access to tailored treatments such as manual therapy, dry needling, and personalised exercise routines, the Health Hub has quickly become an essential resource for our operations team.

The physiotherapy team takes a holistic approach to care, addressing a variety of conditions ranging from muscle soreness, sprains, and strains to more complex concerns such as chronic pain and neurological conditions. Beyond treatment, the Health Hub focuses on prevention, working closely with employees to adjust ergonomics and teach safe manual handling techniques. This proactive support helps reduce injury rates while empowering workers to better understand and manage their physical health.

The positive impact of the Health Hub has been clear, with employees expressing improved recovery outcomes and greater confidence in their treatment plans. By prioritising the health and safety of our workforce, we are creating a supportive workplace environment. The success of the Health Hub not only enhances overall wellbeing but also strengthens our operations, ensuring a healthier, more resilient team for the future.

| DIVERSITY, EQUITY & INCLUSION

Review opportunities to provide targeted learning and development opportunities for employees from diverse backgrounds

Developing our team

We want every employee to feel supported in building a meaningful and rewarding career with us, not just filling a role. That means providing opportunities to grow, develop new skills, and take on new challenges. Whether through training, mentorship, or career progression, we're committed to helping our people reach their full potential and achieve success in a way that's both fulfilling and aligned with their ambitions.

Our career development hub

In 2023, we launched Career Hub, a key initiative designed to enhance internal mobility and support career progression across the organisation. The Hub provides employees with clear visibility of career pathways within and across departments, including leadership opportunities, reinforcing our commitment to professional development. To further support this, the platform features insightful video content from our Leadership Team and department heads, outlining the skills and attributes they seek in their teams. By equipping employees with these resources, the Career Hub plays a vital role in fostering engagement, retention, and long-term growth within our workforce.





I DIVERSITY, EQUITY & INCLUSION

Building our team's skills and knowledge

We are committed to fostering continuous learning and career development across our workforce. Our Learning & Development programs are tailored to meet the specific needs of teams and individuals, equipping employees with the skills and knowledge required to excel in their roles. These include specialised programs designed to develop both current and future leaders, as well as targeted training to address the unique challenges faced by different departments.

In 2022, we launched the Leading Hand Program in our factory to support employees in advancing their careers. Since then, the program has evolved to include secondment opportunities, providing greater exposure to different areas of the business. This expansion ensures a broader skill set and a more sustainable approach to leadership development.

Building on this commitment, in 2024, we introduced a new leadership development program for office-based employees transitioning into leadership roles. The program is designed to build confidence, provide ongoing mentoring, and address common challenges faced by new leaders, particularly in navigating change and leading teams effectively. By closing the gap in leadership readiness, this initiative strengthens our long-term capability and ensures a more supportive pathway for emerging leaders.

Growing our leaders globally

When embracing rapid growth, companies risk losing their essence, agility, and innovative spirit. To avoid this, we are taking proactive steps to preserve a Founder's Mentality—staying consumer-centric, approaching challenges with a solution-oriented mindset, and operating with agility to build trust. To maintain this culture, we launched the Scale Insurgency Programme, a nine-month leadership development initiative for top leaders across our global organisation.

Developed in collaboration with **Bain & Company** and **FranklinCovey**, the programme blends in-person and online learning to support both individual growth and team dynamics. It reinforces a customer-first approach and strengthens our core values, ensuring leaders act with both decisiveness and empathy. Alongside our broader HR initiatives, this programme enhances our leaders' ability to navigate growth while staying true to our foundational principles.

Our performance planning and management (PPM)

We want every employee to understand their role, their performance objectives and how they help our business succeed. Our approach is an inclusive one that supports our employees' professional and personal development. Our process includes an annual performance review and six-monthly check-in with their manager.

| DIVERSITY, EQUITY & INCLUSION

Promoting diversity, equity & Inclusion (DEI)

We believe that a diverse and inclusive workforce is essential for driving innovation, creativity, and long-term success. Providing equal access to learning and development opportunities ensures that employees from all backgrounds have the support they need to reach their full potential and make meaningful contributions to our shared goals.

By equipping all team members with the skills, resources, and opportunities to grow, we create an environment where everyone feels valued, supported, and empowered to succeed. This commitment to inclusion is embedded in our approach to talent development, strengthening both our culture and our organisation's future.

Flexible work

Flexible work arrangements encourage a more diverse, equitable and high-performing workforce. They also help us retain our team. Our flexible and hybrid working policies allow eligible employees to access hybrid working.

Transitioning to retirement

We value our senior, experienced employees. We participate in an informal retirement transition program to support employees to work for as long as they choose. We conduct 'Transition to Retirement' seminars for team members as they near retirement.

Diversity by gender

According to the 2024 WGEA report, women make up 27% of Australia's manufacturing workforce. At Zip, we are proud to exceed this benchmark, with 32% of our operations workforce being female. However, we recognise the need to continue driving progress and increasing female representation in manufacturing roles.

To support this, we have implemented targeted policies and development programs that provide women at Zip with the skills, knowledge, and career opportunities needed to grow within the industry. By fostering an inclusive workplace and investing in talent development, we are committed to building a more diverse and equitable future in manufacturing.

Diversity by age

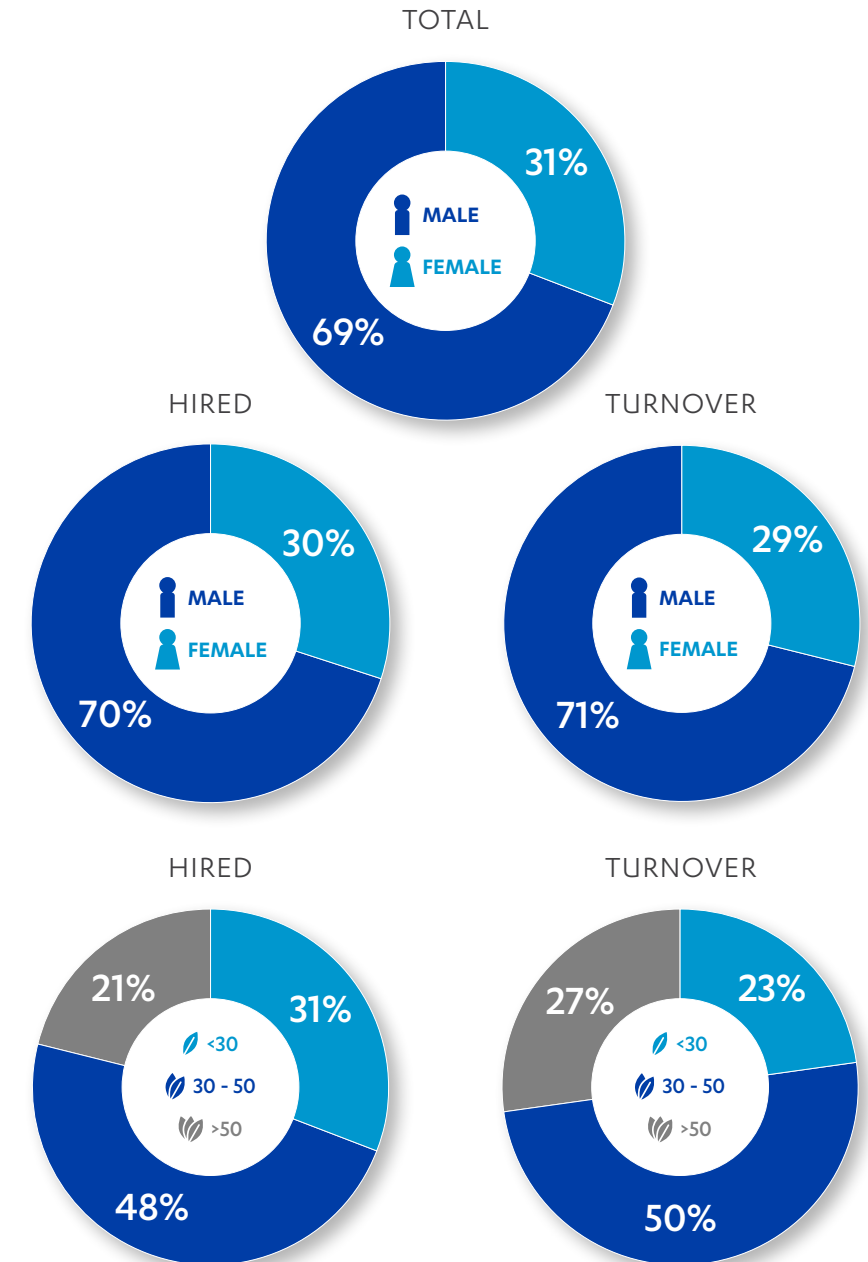
Our workforce is relatively diverse and inclusive by age, ranging from 18 to 70 years. This age diversity attests to a multi-generational workforce that can contribute many different ideas and experiences.



Employee Spotlight

Miki Wai's remarkable career exemplifies Zip Water's commitment to empowering women in Science, Technology, Engineering and Mathematics (STEM). Originally from Myanmar, Miki moved to Australia to pursue her passion for mechanical engineering and joined our team in 2017. Since then, she has played a key role in developing standard operating procedures and leading Kaizen initiatives that enhance production efficiency. Miki has overcome gender stereotypes to become an integral part of our Operations Engineering team, exemplifying their team motto that "Nothing is impossible." Her journey underscores how our inclusive, collaborative environment not only nurtures female talent but also drives innovation and excellence across our STEM disciplines.

ZIP WATER GROUP



*Zip Water Group - Zip Water Australia, Zip Water UK, Zenith Water

PROGRESSING OUR RECONCILIATION JOURNEY – INNOVATE RAP

We are proud to have progressed to the Innovate stage of our Reconciliation Action Plan (RAP), marking a significant step forward in our commitment to advancing reconciliation in Australia. Designed to be implemented over the next two years, the Innovate RAP allows us to build on our existing foundations and take targeted action to strengthen relationships, respect, and opportunities with Aboriginal and Torres Strait Islander peoples. A key focus of this stage includes the rollout of Aboriginal and Torres Strait Islander Cultural Training across all levels of our organisation, as well as our ongoing community programme to provide clean safe drinking water to remote communities.

Our cultural awareness journey began with **Mirri Mirri**, an Aboriginal-owned organisation specialising in cultural education. Through both online and face-to-face workshops, Mirri Mirri has helped our teams deepen their understanding of Aboriginal history, culture, and people. The training, which started with our senior leadership and RAP committee, has been instrumental in creating a more culturally safe and inclusive workplace. As Paul Sinclair, Mirri Mirri's founder, explains, "We try to unpack what biases mean, particularly in the First Nations space." Following the success and positive reception of our Mirri Mirri workshops, this was extended to all leaders within our business and allowed for non-leaders to opt in as well.

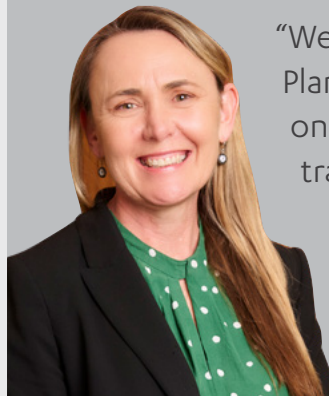
The workshops have resonated deeply with our team, fostering reflection, learning, and a commitment to cultural respect. Employees have shared how the sessions opened their minds, inspired deeper learning, and encouraged greater awareness of cultural diversity within their teams.

Community, celebration, and shared understanding, sit at the heart of our reconciliation journey. As we expand our initiatives, we remain committed to driving meaningful, lasting change and contributing to a future built on respect, understanding, and unity.



"I was surprised at how well the presenters and how my mind was opened in the way they discussed and presented. There was no finger pointing, more questions and we answered our own points. As a 60-year-old male in Australia who has never understood many of the points discussed, my mind is more open to all events and things that are Indigenous-based. Thanks, as this was one of the best and probably the most important courses I have ever done."

Michael Best – National Sales Manager



"We're proud to be advancing our reconciliation journey through the Innovate Reconciliation Action Plan, deepening our commitment to Aboriginal and Torres Strait Islander peoples. This RAP focuses on promoting cultural awareness through initiatives like Aboriginal and Torres Strait Islander cultural training, strengthening community partnerships, and supporting projects like the SOURCE Hydropanel installations in remote schools. It reflects our dedication to listening, learning, and taking meaningful action that makes a positive impact locally and nationally."

Louise Crawshaw – Director of Human Resources APAC and RAP Champion

SUPPORTING OUR COMMUNITIES

In line with our reconciliation journey, we wanted to establish a community program to drive social impact and combat water scarcity. In 2023, we partnered with SOURCE utilising our products and their Hydropanels to deliver clean, sustainable drinking water to remote and regional communities. By focusing on this impactful program, we are not only addressing water reliability challenges but also empowering communities with innovative, renewable technology that eliminates single-use plastics. This partnership allows us to bring our core values—sustainability, innovation, and purposeful hydration—to life, creating meaningful change where it's needed most.

To expand the reach and impact of this program, We are collaborating as a global organisation with Culligan International to secure additional funding, ensuring the program's growth and longevity. This collaboration will enable us to extend the installation of Hydropanel systems to more remote schools and communities across Australia, targeting one school per year. By aligning efforts and resources across the broader Culligan network, we are strengthening our capacity to deliver clean water solutions while reinforcing our role as a leader in environmental and social responsibility.

CASE STUDY

PROVIDING CLEAN SAFE DRINKING WATER TO REMOTE COMMUNITIES

Our commitment to delivering sustainable, clean drinking water and reducing single-use plastics has been brought to life through our strategic partnership with SOURCE Hydropanels, an innovative solution that harnesses solar power to produce clean drinking water. The collaboration began with the installation of 10 SOURCE Hydropanels and 2 Zip Water Chillers at Goodooga Central School, a small, remote school in New South Wales, where 98% of the students identify as Indigenous. Located 800 km from Sydney and home to a tight-knit community of just 247 residents, the school now has access to a renewable supply of clean drinking water, addressing a critical need in a region often challenged by unreliable water infrastructure.

The SOURCE Hydropanel technology works by drawing water vapour from the air using rotating fans and a water-adsorbing material. Sunlight then condenses the vapour into liquid water, which is mineralised with calcium and magnesium before flowing into the drinking system. At Goodooga Central School, the panels are producing 18,000 litres of fresh, clean water each year, providing students and staff with a reliable, sustainable hydration source. This technology not only meets immediate needs but also has a significant long-term impact—eliminating the potential for over 500,000 single-use plastic bottles during the Hydropanels' 15-year lifespan.

The project represents more than just access to clean water. It provides an opportunity for students to learn about sustainability, renewable energy, and the water cycle by engaging with the Hydropanel technology in their own schoolyard. This strategic partnership underscores our shared commitment to environmental responsibility and purposeful hydration, with a vision to support rural and remote communities in need. Following the success at Goodooga, we will be expanding with a new project at Alcoota School in the Northern Territory.



SUPPORTING COMMUNITY ACTIVITIES

BANKSTOWN CHAMBER OF COMMERCE PARTNERSHIP



For the second year in a row, we proudly supported the Canterbury-Bankstown NAIDOC Family Fun Day by providing a Zip Water Stations to keep attendees hydrated throughout the event. The day was filled with Indigenous games, rides, and performances, including a traditional Torres Strait Islander dance and vibrant musical acts.

BENNELONG CUP



We are an ongoing sponsor of the Bennelong Cup, an initiative of Bennelong Electrical Services, a majority-owned Indigenous business working with the facility management community and NSW National Rugby League (NRL). The Bennelong Cup has evolved to grow and enrich indigenous high schoolers with a touch football competition, a careers expo and a social lunch with the South Sydney Juniors. Funds raised support the School to Work Program that helps Aboriginal and Torres Strait Island students into the workplace, plus two charities – the NRL’s North Queensland Cowboys Community House, and South Sydney Rabbitohs’ South Cares Program.





EMPLOYEE WELLBEING

OUR APPROACH TO HEALTH & SAFETY

The safety of our employees is our top priority and part of our company values. Our collective safety goals are simple: zero accidents, zero injuries, zero violations. We are committed to creating a workplace where health, safety, and wellbeing are embedded in everything we do.

Our Health, Safety, and Environment (HSE) team plays a vital role in driving initiatives that foster a safer, smarter, and more efficient work environment across all areas of our operations. From factory floors to service technicians working on customer sites, our approach focuses on empowerment, consistency, and proactive risk management.

We operate across diverse environments, each presenting unique safety challenges. In our operations, major risks such as manual handling, interactions between mobile equipment and personnel, and working at heights are addressed through simplified procedures, practical training, and direct engagement with teams. In service roles, where technicians often work alone in dynamic settings, we have implemented tools like pre-job risk assessments, enhanced procedures, and regular audits to ensure risks are identified and managed effectively. By adopting a collaborative approach, we empower employees to take ownership of safety in their day-to-day work.

Our Occupational Health and Safety Management System is certified to ISO 45001 and we routinely monitor our recordable injury frequency rate (TRIFR) to achieve our zero target goals.

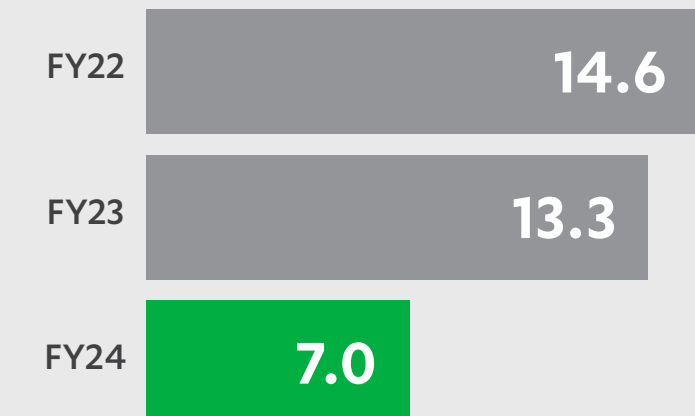
In Australia over the last 3 years we have made significant progress by reducing our TRIFR rate by over 50%. Our commitment to continuous improvement is reflected in our significant progress with the introduction of initiatives like our Pre-Start Program introducing daily warm-up routines

to reduce injuries, and Job Dictionaries, outlining manual handling requirements for specific roles. We set ourselves ambitious goals and targets for safety and conducted 432 audits in 2024 across the entire business including service and manufacturing. Employee safety remains our number one focus across the entire organisation and with our proactive safety strategy we have set a target to conduct over 500 safety audits in 2025.

Enhancements to our **DoneSafe** incident reporting system have streamlined processes, making it easier for employees to report hazards and incidents.

Looking ahead, we are focused on launching an electronic training portal with tailored learning plans, enhancing safety audits, and prioritising psychosocial support to ensure both physical and mental wellbeing. By listening to our people and fostering meaningful engagement, we are building a culture where everyone feels safe, supported, and equipped to succeed.

TRIFR Australia:





EMPLOYEE WELLBEING

ENGAGING OUR EMPLOYEES

Engaging our employees

One of the best ways we can improve our business is to ask and listen to our people. Our employee surveys help us gain vital insights into their workforce's views.

Our engagement survey

As part of the Culligan family, we take part in the global company-wide survey. The survey explores areas such as health and wellbeing, diversity, equity and inclusion and sustainability, as well as employee satisfaction.

We carry out shorter, more regular pulse surveys across the entire organisation and specific departments to understand how our employees feel about current, important topics.

In April 2025, we will re-launch our global employee engagement survey. The results will continue to inform us of our strategic direction, priorities and focus.



OUR PRACTICES



OUR PRACTICES

Our work is driven by our purpose and underpinned by our core values, ensuring we operate with integrity, accountability, and transparency. We are committed to maintaining the highest standards of governance, holding both ourselves and our suppliers to account.

By regularly reviewing and enhancing our risk assessments and management policies, we ensure that our practices remain robust, agile, and responsive to the demands of an ever-changing world.

Transparency remains at the heart of our operations. We are dedicated to open and honest reporting of our progress, challenges, and achievements, giving our stakeholders confidence in how we operate. By combining strong governance with continuous improvement, we can deliver outcomes that are sustainable, responsible, and aligned with our vision to make a positive impact on people, communities, and the planet.

OUR COMMITMENT 05

We commit to promoting responsible business conduct by reporting regularly (internally and externally), ensuring our employees understand what they need to do to comply and being honest about the progress we are making and where the gaps are. We are always striving to do better.

OUR TARGETS

Reporting:

- › Produce our first annual Sustainability Report in 2023
- › Improve sustainability reporting to best-practice standards
- › Annual communication on progress through ESG Report
- › Climate related disclosure and assurance readiness by 2026

DONE

DONE

NEW

NEW

Responsible and ethical supply network:

- › Assess 100% of new suppliers using ESG Scorecard from 2023
- › Divert 70% of our on-site waste from landfill by 2025
- › Implement online supplier portal with real time monitoring and evaluation by 2030

DONE

DONE

NEW



WHAT WE ARE ACHIEVING

ESG governance

Transparency, accountability, and trust are at the core of our business. We are committed to the highest standards of corporate governance, ensuring we operate responsibly and sustainably while building confidence among employees, customers, suppliers, and the wider community.

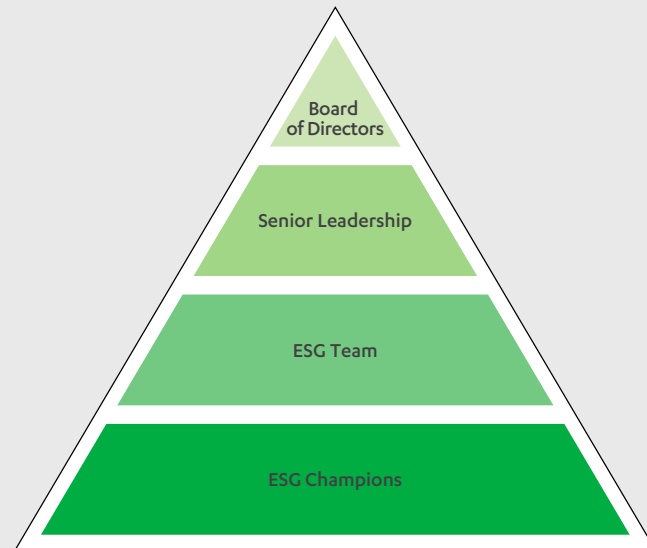
Our governance structure provides clear oversight and effective leadership. The President of Zip International reports to the CEO of Culligan Group International, while the Managing Directors of our Australia & New Zealand and United Kingdom businesses oversee day-to-day operations, supported by their respective Leadership Teams.

To drive sustainability, our ESG Committee—made up of Leadership Team members and representatives from different business areas—meet regularly to review progress, propose new initiatives, and update leadership on key developments. Approved initiatives and commitments are then communicated to employees, ensuring alignment and engagement in our sustainability goals.

We are continually improving our governance approach, enhancing how we track performance, measure impact, and identify innovative opportunities to further our sustainability efforts.

Validating our sustainability claims

We are committed to transparent reporting, both internally and externally, holding ourselves accountable to our ESG targets. Regular peer reviews and third-party validation ensure our sustainability claims are credible and reflect meaningful impact, reinforcing trust with all stakeholders as we continue to improve and grow.



IMPROVING SUSTAINABILITY REPORTING TO BEST-PRACTICE STANDARDS

As we continue to grow, our reporting practices evolve to reflect the demands of an ever-changing world. By aligning with recognised frameworks such as GRI, we ensure our progress is transparent, credible, and actionable. Through continuous collaboration, innovation, and commitment to improvement, we are driving reporting excellence to reinforce our role as a leader in sustainability, governance, and social impact.

Our annual ESG report showcases our performance and progress and is an important touchpoint of our ESG governance. We are working toward reporting assurance as we recognise the value and reliability of data verified through a third party. In the meantime, we work with Emitwise, a carbon accounting technology company, to verify our calculations. Australia has moved to a regime of mandatory climate disclosure reporting. From 2025 with a phased approach, the Treasury and Australian Accounting Standards Board (AASB), along with the Auditing and Assurance Standards Board (AUASB) have legislated and adapted standards for the Australian market with climate reporting. New mandatory climate disclosures require consideration of governance, strategy, risk and metrics and targets covering climate risks and opportunities.

We are part of a consolidated group of entities and are captured by the mandatory disclosure requirements of AASB S2, falling into the group 1 category. As part of our commitments and advancement in our sustainability journey we welcomed the new disclosure regime a year earlier than required.

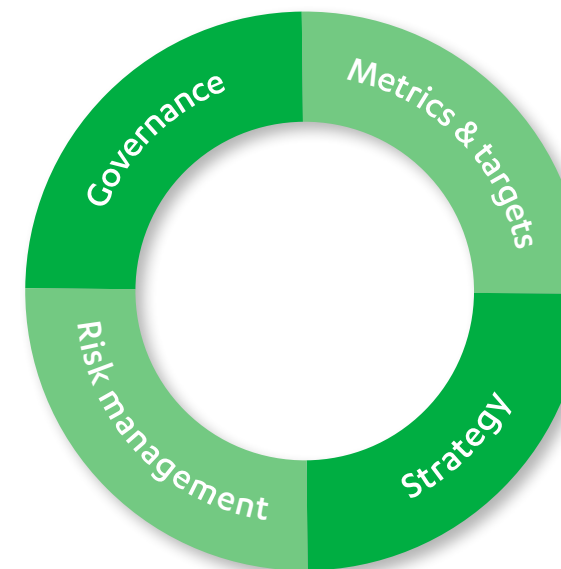
To meet our new responsibilities and obligations we have conducted and evaluated our climate related risks and opportunities and performed several climate related scenario analyses'. This will continue to inform our ESG and total business strategies to ensure we are living our purpose and that is to transform water to impact lives and protect the planet for all.

Climate-related risks and opportunities (CRROs) are factors which may be reasonably expected to affect our strategy and business model in the future. These are:

- › Transition risks – risks relating to the transition to a low carbon economy
- › Physical risks – risks related to the physical impacts of climate change
- › Opportunities – are financial, strategic or operational upsides through savings or growth arising



Core elements of recommended climate-related disclosures



Governance

The organisation's governance around climate-related risk and opportunities

Strategy

The actual and potential impacts of climate-related risk and opportunities on the organisation's businesses, strategy and financial planning

Risk management

The processes used by the organisation to identify, assess and manage climate-related risk

Metrics & targets

The metrics and targets used to assess and manage relevant climate-related risk and opportunities

Source: TCFD

| INTEGRITY, ETHICS & COMPLIANCE

We uphold the highest legal and ethical standards across our business, with zero tolerance for bribery, fraud, corruption, or unacceptable practices. This foundation ensures every decision and action reflects our commitment to integrity and accountability.

Our code of conduct

Our Code of Conduct sets out what we expect of our employees. We introduce it in our onboarding and refer to it during annual reviews, compulsory training and at our company-wide Town Halls. The Code sets out the standards of behaviour employees must meet when they deal with customers, suppliers, clients, co-workers, management and the public. It also alerts them to potential legal and ethical issues and explains how to report issues without fearing retaliation.

Anti-discrimination

We are determined to ensure that all our employees and applicants for employment are protected from being unlawfully discriminated against in their employment. We are an equal opportunity employer and believe that all employees should be treated, and should treat one other, with dignity and respect.

We comply with all laws that forbid unlawful employment discrimination based on, but not limited to, the employee's race, skin colour, sex, sexual orientation, age, physical or mental disability, marital status, family or carer's responsibilities, pregnancy, religion, political opinion and country of origin.

Our Equal Opportunity policy

No applicant or employee will receive more or less favourable treatment than another.

Training

We train employees at all levels of the business regularly to ensure everyone knows what they need to do. This training covers (where relevant) anti-discrimination, bribery, corrupt foreign practices, unconscious bias, bullying and harassment.

Annual compliance training

All employees complete their annual compliance training in July. We target topics based on employees' roles. Topics include DEI, DEI for managers and anti-bribery and corrupt practices and modern slavery. We had a 97%+ completion rate for this training in 2024.

Audit

We audit our internal business and throughout our supply chain to ensure our employees and suppliers comply with our policies and expectations.

Global standards

We hold these standards: ISO 9001 (Quality Management), ISO 45001 (Occupational Health and Safety) and ISO 14001 (Environmental Management System) in our Australian and New Zealand (Zenith) Operations



Raising & reporting issues

We have built an environment where we expect open, honest communication. We encourage employees to have the courage to speak up.

To call out ethical issues, our employees can use EthicsPoint by Navax, a third-party provider, 24/7.

Our grievance policy/process

Our grievance procedure outlines how we address employees' work-related grievance or complaints. We deal with these issues at the nearest appropriate level, as quickly and openly as possible and without prejudice.





IMPROVING SUSTAINABILITY REPORTING TO BEST-PRACTICE STANDARDS

Managing our risks & opportunities

Effectively managing risks and opportunities is key to our sustainable growth and resilience. By identifying challenges early and addressing them proactively, we provide greater certainty for our stakeholders while strengthening our long-term strategy.

Our quality, compliance & risk committee

Our Leadership Team appoints this Committee to review and provide governance support to the business to ensure we comply with operational, health, safety, environmental and general regulatory requirements at all times.

The Committee develops risk matrices to assess quality, compliance and general business risks and advises our Quality, Compliance and Risk Management Teams. It also reviews and responds to complaints and allegations that we have failed to comply with laws and regulations. The Committee meets at least four times each year. It provides a quarterly report to the Leadership Team.

Anti-corruption

We have an Anti-Bribery and Corruption Policy and a Whistleblower Policy. These policies outline the our commitment to prevent fraud, bribery and

corruption and provides a mechanism for individuals to report concerns regarding potentially improper practices or behaviours.

Political action

Our Equal Opportunity Policy protects employees' and applicants' rights of association. We do not lobby government at any level.

Tax & compliance

We believe in transparency and meet high standards of tax governance and compliance. This includes complying with all tax laws in the countries in which we operate and other governance, accounting and reporting standards too. External auditors and advisors assess our compliance annually.

As we are a part of a multinational corporation, Culligan Group, we are considered to be a Significant Global Entity (SGE). This means we adhere to country-by-country reporting obligations.



100% of our preferred suppliers have acknowledged and accepted our Supplier Manual

HUMAN RIGHTS & ETHICAL SUPPLY CHAINS

We believe in responsible procurement and work hard to ensure our supply chain meets our expectations for legal and ethical conduct. Complex supply chains harbour the risk of modern slavery.

Setting clear expectations

Our Supplier Manual is available in [English](#) and [Mandarin](#).

This confirms the quality, compliance, delivery and ethical standards (including modern slavery) we expect current and potential suppliers to meet. We update our supplier manual regularly and refer to it in all new supply agreements. It is also available on our website.

Auditing our suppliers

We audit our suppliers to confirm that they can meet our standards and identify risks to supply, quality, compliance and cost. We assess their management structure and business practices against ethical standards.

Modern Slavery Statement

Our [Modern Slavery Statement](#) sets out our commitment to human rights, dignity and integrity. We support this commitment throughout our business practices, by complying with all applicable laws and standards in regions where we operate directly, and by making it clear to our suppliers that we expect them to do the same in the regions they operate in.

Employee training

All employees responsible for procurement receive detailed, annual training so they understand what the Modern Slavery Act 2018 involves and how they should report any risks.

To reduce the risk of modern slavery in our supply chain, all other employees need to understand this issue too. Company-wide training has also been provided to non-procurement employees to ensure raised awareness and risk mitigation.

Supplier engagement

We take a proactive approach to supply chain responsibility, working closely with our partners to uphold ethical standards, promote sustainability, and mitigate potential risks. This includes monitoring environmental, social, and governance (ESG) performance to ensure alignment with our commitments.

To become an approved supplier, all existing suppliers that provide goods and services valued at more than \$100,000 (AUD) each year must comply with our latest supplier manual and complete our supplier questionnaire. 100% of all our preferred suppliers have acknowledged our supplier manual and completed the supplier questioner. Results from the supplier questionnaire are evaluated against our established ESG and quality control score card which is regularly reviewed as part of our internal supplier business review (SBR) process.

As we look to the future, we plan to integrate as many manual processes as possible and engagements to a digital and transparent platform that fosters collaboration and real time monitoring and evaluation. We have set ourselves an ambitious target by 2030 to have an online supplier portal that not only provides for ESG evaluation criteria but product and supplier performance data at the click of a button.

KEEPING DATA PRIVATE & OUR IT OPERATIONS SECURE

All systems and applications that store customer and supplier data must have strong passwords and use multi-factor authentication to prevent unauthorised access. Employees have access to customer and supplier data on a need-to-know basis only. We keep all software and systems up to date with the latest security patches and updates. We have not experienced any recordable breaches in the past in the past five years.

Training

We train all employees on best practices data security every quarter. This includes how to identify and avoid phishing attacks and other common security threats.

Auditing

We carry out regular security audits to identify and address vulnerabilities or weaknesses in our systems and processes that handle customer and supplier data.

Testing

We perform annual penetration tests and tabletop exercises to find gaps and work on being ready to face inevitable cyber attacks effectively.

Reviewing global practice

Our team reviews the global compliance landscape (including GDPR and CCPA) regularly. We want to make sure we meet standards and put in place the right policies and tools to capture and protect all our data.



APPENDIX



ZIP WATER GROUP



APPENDIX A

Assumptions used in figures on page 9

All data is based on our peer-reviewed LCA and Zip Water Install Base.

Data presented is based on Australia Region.

Based on the same volume of water consumed with Zip products and vs 500 ml PET plastic water bottles.

Based on the total weight of plastic used in 500 ml PET plastic water bottles, minus the total weight of plastic used in ZIP product and packaging.

Distance driven by an average gasoline-powered passenger vehicle, based on US EPA <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Based on a nine-watt light-emitting diode (LED) bulb operated in Australia

Hours flown by Boeing 747-400 (used for long-distance international flights), based on Carbon Independent <https://www.carbonindependent.org/22.html>

A medium-growth coniferous or deciduous tree, planted in an urban setting and allowed to grow for 10 years, based on US EPA <https://www.epa.gov/energy/greenhouse-gases-equivalenciescalculator-calculations-and-references#seedlings>

APPENDIX B

Product safety acronyms

Abbreviation	Description
CCC	China Compulsory Certificate
CQC	China Quality Certification
EESS	Electrical Equipment Safety Scheme
EU	European Union
IAPMO	International Association of Plumbing & Mechanical Officials
IECEE	International Electrotechnical Commission for Electrical Equipment
INMETRO	Instituto Nacional de METROlogia
KC	Korea Certification
KTW-BWGL	Evaluation criteria for products in contact with drinking water
NSF	National Sanitation Foundation
SABS	South African Bureau of Standards
UKCA	United Kingdom Conformity Assessed
UL	Underwriters Laboratories
WRAS	Water Regulation Approval Scheme

APPENDIX C

The current state of water on page 26

<https://www.unwater.org/publications/un-world-water-development-report-2023>

<https://www.un.org/waterforlifedecade/scarcity.shtml>

<https://news.climate.columbia.edu/2022>

<https://www.unicef.org/press-releases/third-worlds-children-poisoned-lead-new-groundbreaking-analysis-says>

<https://www.apmreports.org/story/2020/05/04/epa-lead-pipes-drinking-water>

<https://www.who.int/publications/i/item/9789241516198>

[^ https://www.epa.gov/ground-water-and-drinking-water/basic-information-about-lead-drinking-water](https://www.epa.gov/ground-water-and-drinking-water/basic-information-about-lead-drinking-water)

APPENDIX D

Zip Water Group 2024 Carbon Emissions (tco₂e)

		ZIP WATER GROUP			
Scope	Description	Zip Heaters (AU) Pty Ltd	Zip Heaters (UK) Pty Ltd	Zenith Water	Total
1	Fugitive Emissions	168	-	-	168
	Mobile Combustion	1,260	653	54	1,967
	Stationary Combustion	23	41	-	64
		1,450	694	54	2,199
2	Purchased Electricity	610	47	3	661
		610	47	3	661
3	Purchased Goods & Services	34,651	16,323	1,636	52,610
	Capital Goods	5,415	0	2	5,417
	Fuel & Energy Related Services	534	185	16	734
	Upstream Transportation & Distribution	5,476	708	85	6,268
	Waste Generated	59	71	2	131
	Business Travel	524	75	10	609
	Employee Commuting	326	146	7	478
	Use Of Sold Products	129,518	70,352	987	200,857
	End Of Life Treatment	303	107	15	425
	Down stream Leased Assets	1,016	306	0	1,323
		177,821	88,274	2,758	268,853
Total GHG Emissions		179,881	89,015	2,816	271,713

APPENDIX E

Reference to the Global Reporting Index (GRI)

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

GRI Standard	Disclosure	Location
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
	2-1 Organizational details	About us <i>Page 5 to 8</i>
	2-2 Entities included in the organization’s sustainability reporting	About us <i>Page 5 to 8</i>
	2-3 Reporting period, frequency and contact point	About this report <i>Page 3</i>
	2-4 Restatements of information	About this report <i>Page 3</i>
	2-5 External assurance	Reducing carbon & our impact on climate <i>Page 29</i> Scope 1 & 2 Emissions
	2-6 Activities, value chain and other business relationships	About us <i>Page 5 to 8</i>
	2-7 Employees	About us <i>Page 5 to 8</i>
	2-8 Workers who are not employees	Workers who are not employees are suppliers and are covered through the supplier manual
	2-9 Governance structure and composition	Our practices <i>Page 53 to 55</i>
	2-10 Nomination and selection of the highest governance body	Our practices <i>Page 53 to 55</i>
	2-11 Chair of the highest governance body	Our practices <i>Page 53 to 55</i>
	2-12 Role of the highest governance body in overseeing the management of impacts	Our practices <i>Page 53 to 55</i>
	2-13 Delegation of responsibility for managing impacts	Our practices <i>Page 53 to 55</i>
	2-14 Role of the highest governance body in sustainability reporting	Our practices <i>Page 53 to 55</i>
	2-15 Conflicts of interest	Integrity, ethics & compliance <i>Page 57</i>
	2-16 Communication of critical concerns	Integrity, ethics & compliance <i>Page 57</i>
	2-17 Collective knowledge of the highest governance body	Our practices <i>Page 53 to 55</i>
	2-18 Evaluation of the performance of the highest governance body	Our practices <i>Page 53 to 55</i>
	2-19 Remuneration policies	Diversity, equity & inclusion <i>Page 43</i>
	2-20 Process to determine remuneration	Diversity, equity & inclusion <i>Page 43</i>
	2-21 Annual total compensation ratio	Diversity, equity & inclusion <i>Page 43</i>
	2-22 Statement on sustainable development strategy	Aligning our efforts with global goals <i>Page 12</i>
	2-23 Policy commitments	Our people <i>Page 40 to 47</i> , Our practices <i>Page 57 to 60</i>
	2-24 Embedding policy commitments	Our people <i>Page 40 to 47</i> , Our practices <i>Page 57 to 60</i>
	2-25 Processes to remediate negative impacts	There have been no negative impacts in the reporting period
	2-26 Mechanisms for seeking advice and raising concerns	Raising & reporting issues <i>Page 57</i>
	2-27 Compliance with laws and regulations	Our practices <i>Page 53 to 60</i>
	2-28 Membership associations	Our partnership with Australian Packaging Covenant Organisation (APCO) <i>Page 20</i>
	2-29 Approach to stakeholder engagement	How we approach sustainability <i>Page 10 to 12</i>
	2-30 Collective bargaining agreements	We recognise that our employees have the right to join, or not join, a union without fearing reprisal, being intimidated or harassed

APPENDIX E

GRI Standard	Disclosure	Location
GRI 3: Material Topics 2021	3-1 Process to determine material topics	How we approach sustainability <i>Page 10 to 12</i>
	3-2 List of material topics	How we approach sustainability <i>Page 10 to 12</i>
	3-3 Management of material topics	Our ESG Strategy <i>Page 13 to 14</i>
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Omitted due to confidentiality constraints
	201-2 Financial implications and other risks and opportunities due to climate change	Omitted due to confidentiality constraints
	201-3 Defined benefit plan obligations and other retirement plans	Transitioning to retirement <i>Page 47</i>
	201-4 Financial assistance received from government	Zip Water received no Government finance during the reporting period
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Our employee remuneration <i>Page 43</i>
	202-2 Proportion of senior management hired from the local community	Information unavailable/incomplete
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Zip Water is not an infrastructure company
	203-2 Significant indirect economic impacts	Zip Water is not an infrastructure company
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Information unavailable/incomplete
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Integrity, ethics and compliance <i>Pages 57</i>
	205-2 Communication and training about anti-corruption policies and procedures	Integrity, ethics and compliance <i>Pages 57</i>
	205-3 Confirmed incidents of corruption and actions taken	There were no incidences in the reporting period
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions against Zip Water during the reporting period
GRI 207: Tax 2019	207-1 Approach to tax	Tax & compliance <i>Page 58</i>
	207-2 Tax governance, control, and risk management	Tax & compliance <i>Page 58</i>
	207-3 Stakeholder engagement and management of concerns related to tax	No stakeholder concerns around tax were raised during the reporting period
	207-4 Country-by-country reporting	Tax & compliance <i>Page 58</i>
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Ongoing commitment to environmental transparency & product improvement <i>Page 17</i>
	301-2 Recycled input materials used	Ongoing commitment to environmental transparency & product improvement <i>Page 17</i>
	301-3 Reclaimed products and their packaging materials	Our packaging <i>Page 20</i>
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Reducing carbon & our impact on climate <i>Page 29</i>
	302-2 Energy consumption outside of the organization	Product innovations driving emissions reduction <i>Page 23</i>
	302-3 Energy intensity	Reducing carbon & our impact on climate <i>Page 30</i>
	302-4 Reduction of energy consumption	Our impact on emissions <i>Page 31</i>
	302-5 Reductions in energy requirements of products and services	Our emissions reduction activities <i>Page 32</i>
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Responsible use of water <i>Page 27</i>
	303-2 Management of water discharge-related impacts	Responsible use of water <i>Page 27</i>
	303-3 Water withdrawal	Water withdrawals are not a material issue for Zip Water
	303-4 Water discharge	Responsible use of water <i>Page 27</i>
	303-5 Water consumption	Responsible use of water <i>Page 27</i>
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity <i>Page 38</i>
	304-2 Significant impacts of activities, products and services on biodiversity	Impacts on biodiversity are not a material issue for Zip Water Water

APPENDIX E

GRI Standard	Disclosure	Location
GRI 305: Emissions 2016	304-3 Habitats protected or restored	Biodiversity <i>Page 38</i>
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity <i>Page 38</i>
	305-1 Direct (Scope 1) GHG emissions	Reducing carbon & our impact on climate <i>Page 29</i>
	305-2 Energy indirect (Scope 2) GHG emissions	Reducing carbon & our impact on climate <i>Page 29</i>
	305-3 Other indirect (Scope 3) GHG emissions	Reducing carbon & our impact on climate <i>Page 29</i>
	305-4 GHG emissions intensity	Reducing our impact on climate <i>Page 30</i>
	305-5 Reduction of GHG emissions	Our emissions reduction activities <i>Page 32</i>
GRI 306: Waste 2020	305-6 Emissions of ozone-depleting substances (ODS)	The Ozone Depleting Potential of the Zip Water HydroTap is immaterial throughout a cradle to gate (with options) life cycle (Verified EPD)
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Zip Water Water do not use or emit NOx or SOx
	306-1 Waste generation and significant waste-related impacts	Reducing our waste <i>Page 35</i>
	306-2 Management of significant waste-related impacts	Reducing our waste <i>Page 35</i>
	306-3 Waste generated	Reducing our waste <i>Page 35</i>
	306-4 Waste diverted from disposal	Reducing our waste <i>Page 35</i>
	306-5 Waste directed to disposal	Reducing our waste <i>Page 35</i>
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Human rights & ethical supply chains <i>Page 59</i>
	308-2 Negative environmental impacts in the supply chain and actions taken	There were no incidences in the reporting period
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Diversity, Equity & Inclusion <i>Page 47</i>
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	All full-time and part-time employees receive the same benefits
	401-3 Parental leave	Our employee benefits <i>Page 44</i>
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Zip Water Water has no minimum notice periods for operational changes
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee wellbeing <i>Page 51</i>
	403-2 Hazard identification, risk assessment, and incident investigation	Employee wellbeing <i>Page 51</i>
	403-3 Occupational health services	Employee wellbeing <i>Page 51</i>
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee wellbeing <i>Page 51</i>
	403-5 Worker training on occupational health and safety	Employee wellbeing <i>Page 51</i>
	403-6 Promotion of worker health	Our employee benefits <i>Page 44</i> , Employee wellbeing <i>Page 51</i>
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee wellbeing <i>Page 51</i>
	403-8 Workers covered by an occupational health and safety management system	Employee wellbeing <i>Page 51</i>
	403-9 Work-related injuries	Employee wellbeing <i>Page 51</i>
	403-10 Work-related ill health	Employee wellbeing <i>Page 51</i>
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	No target disclosed. Training is mentioned on <i>Pages 45,48,51,57,59 and 60</i>
	404-2 Programs for upgrading employee skills and transition assistance programs	100% Diversity, equity & inclusion <i>Page 45</i>
	404-3 Percentage of employees receiving regular performance and career development reviews	100% Diversity, equity & inclusion <i>Page 45</i>

APPENDIX E

GRI Standard	Disclosure	Location
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, equity & inclusion <i>Page 43</i>
	405-2 Ratio of basic salary and remuneration of women to men	Diversity, equity & inclusion <i>Page 43</i>
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no recorded incidents during the reporting period
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	We recognise that our employees have the right to join, or not join, a union without fearing reprisal, being intimidated or harassed
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	No suppliers have been identified during the reporting period with incidents of child labour. Zip Water has a modern slavery statement which is enforced and a supplier manual that complements this. Zip Water undertakes routine audit procedures. This is documented in its Supplier Manual
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No suppliers have been identified during the reporting period that has incidents of discrimination. Zip Water undertakes routine audit procedures. This is documented in its Supplier Manual
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Zip Water operations due to their current geographic locations do not require security personnel to be trained in specific humans rights policies
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no incidents involving indigenous peoples during the reporting period
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Progressing our Reconciliation journey - Innovate RAP <i>Page 48</i>
	413-2 Operations with significant actual and potential negative impacts on local communities	Progressing our Reconciliation journey - Innovate RAP <i>Page 48</i>
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Human rights & ethical supply chains <i>Page 59</i>
	414-2 Negative social impacts in the supply chain and actions taken	Zip Water had no negative social impacts in its supply chain during the reporting period
GRI 415: Public Policy 2016	415-1 Political contributions	Zip Water does not make political contributions
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Ongoing product stewardship & environmental responsibility <i>Page 18</i>
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	There were no incidences of product non-compliance during the reporting period
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Zip Water products meet the requirements for product information and labelling in all markets. This is included in product documentation
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no incidences of product non-compliance during the reporting period
	417-3 Incidents of non-compliance concerning marketing communications	There were no incidences of product non-compliance during the reporting period
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Keeping data private & our IT operations secure <i>Page 60</i>



2025 ZIP WATER ALL RIGHTS RESERVED