



# Environmental, Social and Governance Report 2021

Better thinking, better water, better for you, better for the planet™



# Environmental, Social and Governance Report 2021

This report illustrates how we bring our ESG purpose to life through our business. It covers our environmental, social and governance (ESG) activities, performance and approach for the calendar year 2021, focusing on the issues where we can make the greatest contribution.

We have embedded the UN Sustainable Development Goals into relevant sections of the report to illustrate where Waterlogic plays a direct role in making progress toward relevant goals.



All reporting and performance data is limited to information for the owned and operated facilities of Waterlogic and its subsidiaries, unless stated otherwise.

[www.waterlogic.com](http://www.waterlogic.com)



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## Navigating the Waterlogic ESG Report

For your convenience, we have included navigation to help you digest the report. Use the back and forward arrows at the bottom right of each page to move between the pages and between the chapters. At the top of the page, the home icon will take you to the report contents page, and the words 'Environmental', 'Social' and 'Governance' will take you to those respective sections.

The pioneering story of our 30-year journey as Waterlogic has been driven by our endeavour to bring safe and sustainable hydration to everyone, everywhere, and to treat people and the wonderful world we inherited with the utmost respect and dignity. I'm extremely proud to say that these values have defined who we are, and they remain the bedrock of our company purpose and culture today. Our greatest achievements in 2021 have been built on these very foundations, and we continue to demonstrate performance and growth across all environmental, social and governance areas.

Supporting our customers to achieve their own ESG goals drives us to continually push the boundaries of innovation with our product offering. 2021 saw several new solutions launch in support of our vision to provide even more consumers with unbeatable protection and plastic-free hydration. Our new Hydration Showroom in London will open its doors in early 2022 to showcase our range of solutions and assist our customers in making the right choice for their needs.

With heightened hygiene concerns and the well-being of employees and patrons top-of-mind for our customers, over the last couple of years we have strengthened our hygiene proposition by incorporating our patented COVID-secure Firewall® purification technology across the range. This included bringing new Purezza P2 Firewall® Bar solutions to market and integrating Firewall into our Reverse Osmosis system to offer the highest purification for contaminated incoming water, alongside launching contactless infrared technology and air purifiers for the first time. Our bottle filling solutions have allowed our customers to offer quality on-the-go hydration in

public areas and venues, and champion reusable bottles to mitigate the scourge of single-use plastic on our planet. Parcel delivery company DPD reported a staggering 1 million bottle refills by May 2021 in its depots up and down the UK through a Waterlogic solution. Our Purezza bottle filling systems continue to be a popular choice for the hospitality sector, despite the difficulties experienced in the industry as a result of the pandemic. Purezza met its annual goal of removing 30 million single-use bottles from the hospitality supply chain, and we signed a contract in 2021 to supply Accor, the world's largest hotel group. This was only made possible following Accor's in-depth scrutiny of our sustainable practices, and helps us know we're on the right path.

Our dispensers not only operate sustainably but they are built, supplied and serviced following the same mindful principles. We continually invest in green solutions to balance our impact on the environment. Our manufacturing headquarters in China moved to new state-of-the-art premises in June 2021 giving us a modern, tailor-made space that's enormously energy efficient and kind to workers. Plans for the installation of solar panels are underway with the intention that the factory will become energy positive, and we are on route to becoming ISO 14001 and ISO 45001 certified. The factory has also now completely phased out the use of wooden pallets in favour of more robust plastic alternatives that boast a much longer service life. In addition, we are spearheading the replacement of protective packing for our dispensers with more sustainable substitutes, as well as already having a well-established process in place to reuse and recycle packaging waste through the supply chain.



**“The pioneering story of our 30-year journey as Waterlogic has been driven by our endeavour to bring safe and sustainable hydration to everyone, everywhere.”**

In March 2021, we delivered on a major supply chain transformation programme to outsource and re-design our European logistics network with the opening of the European Central Distribution Centre (ECDC). Responsible for simplifying and streamlining the flow of goods from our manufacturing hubs in China and Australia to our domestic markets, the ECDC facilitated a 9.6% reduction in shipping in 2021. Furthermore, rationalising SKU complexity resulted in 2,174 dispensers being removed from the supply chain, representing a 385.8 tCO2e saving on freight and components. We also delivered on ambitious targets to refurbish 27,350 dispensers, an increase of 26% on 2020, with the goal set to drive a 39% increase in 2022 to further leverage the associated environmental benefits.

In 2021, we rolled out our field service enhancement programme to limit waste and reduce the emissions

associated with servicing and maintaining our machines in field. The programme has successfully implemented better technician route optimisation saving 129,000 miles worth 19.4 tCO<sub>2</sub>e, improved our 'right first-time' fix success rate and reduced unnecessary call-outs by 8,396, saving 22.3 tCO<sub>2</sub>e.

Developing, nurturing and training talent is a fundamental part of our success and we are always finding new ways to foster the skills of our people. From supporting learning and development across our Group Operations team and launching a 'Bitesize' series of weekly sales tips, to onboarding new talent through the U.S. and Canada's new 'Waterlogic University', and the leaders training and development programme. Plus, our newly-launched Competency Framework supports career and personal development through line manager and self-assessments.

Our vision is to create a working environment that embraces a fair, inclusive and diverse culture across the organisation. We have undertaken an enormous amount of work in this area, particularly in the UK and Ireland. The newly-launched Diversity Forum facilitates a two-way communication and consultation platform to exchange ideas and discuss issues and opportunities relating to attracting, retaining and educating on aspects of diversity. We also completed the pay and benefit harmonisation programme in 2021, further decreased the gender pay differential whilst increasing senior management roles for women, and created 11 permanent roles for young people through youth programmes and apprenticeships. The safety and well-being of our people remains our absolute priority. In 2021 we completed an enterprise-wide health and safety audit to continually raise safeguarding standards across the organisation. We continue to expand and launch

new initiatives for people struggling with mental health issues and support them in finding help. These include increasing our Mental Health First Aid network, providing access to a range of emotional and support services through Employee Assistance Programmes and self-help resources, and promoting togetherness through new wellness initiatives such as the Waterlogic World of Sports.

Despite the challenges we face in our own lives, our kind and compassionate people gave their time freely to give back to communities through company-supported volunteering and fundraising for a number of worthy causes. We are now celebrating 10 years of support for the Make-A-Wish Foundation UK, granting 199 life-changing wishes to children and young adults fighting life-threatening conditions.

2022 is set to be huge year for Waterlogic and I'm excited about the future and the opportunities that lie ahead of us. In December 2021 we announced our agreement to combine with Culligan, a leading global consumer water solutions and services provider. Together, we can better address the fundamental need for the provision of clean, safe, soft and sustainably-sourced water while reducing single-use plastics. Both Waterlogic and Culligan are innovative and purpose-led businesses, with similar people-focused cultures and values, and we are confident we will be able to deliver for our stakeholders even more successfully than we do today, following the completion of the transaction in 2022.

I'm incredibly proud of the integrity, resilience and diligence of everyone that works for Waterlogic. Our people have been critical to our success. A big thank you to all our employees for making our company a great place to work and for embedding responsible and ethical principles into everything they do, every single day. I would like to also acknowledge



Castik Capital and our many other investors who continue to offer wise counsel and to be of great assistance to us.

Every day we work to make the lives of the people we engage with better and to pioneer new ways of contributing to saving this fragile world we call home. This report is truly evidence of those accomplishments.

I wish you good health and happiness in all that you do,



Jeremy Ben-David, Founder and Group CEO Waterlogic

# Waterlogic at-a-glance



**30 years**  
of experience



**1.481 million**  
dispensers worldwide  
with 53 million users



**40%**  
dispensers on full-service  
rental contracts



**Serving customers**  
in over 70 countries



**100%**  
wholly owned  
R&D and manufacturing



**Diverse workforce**  
of circa 3,000 employees



**200,000+**  
businesses from  
diverse customer base



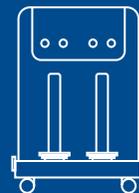
**\$400+ million**  
revenue (2021)

## 3 core brands, 4 sustainably focused product categories



**waterlogic**

Next generation mains-fed freestanding and countertop dispensers



**PUREZZA™**  
PREMIUM WATER

Premium high-volume table water solution for hospitality sector



**Billi**  
by Waterlogic

Integrated dispensers for corporate and hospitality environments



Easy-to-buy practical drinking and dispenser consumables and accessories

**Our mission is to provide access globally to the best drinking water solutions, to all organisations, in a safe and environmentally-sustainable way**



# About Waterlogic

Waterlogic is an innovative designer, manufacturer, distributor and service provider of drinking water dispensers and accessories designed for environments such as offices, factories, hospitals, restaurants, hotels, schools and public spaces. From freestanding, countertop and integrated dispensers to bottled water coolers, bottle filling stations, fountains and boilers, every solution focuses on delivering the best quality water in the safest and most sustainable way.

We operate a multi-brand strategy with different product category brands running in parallel as part of the Waterlogic range of hydration solutions. Our core brands are Waterlogic, Purezza Premium Water and Billi. The company benefits from a stable recurring revenue as a result of our full-service rental model and strong long-term relationships with a diverse customer base in key international markets.

Founded in 1992, Waterlogic was one of the first companies to introduce mains-fed dispensers to customers worldwide. Our rich and pioneering history has seen us at the forefront of the market promoting product design, water quality and sustainability. As a leading vertically-integrated player in the industry, we continue to innovate the application of advanced technology in the design and build of all our water dispensers so our customers can enjoy unparalleled quality. Waterlogic is a truly global company with its own subsidiaries in 23 countries and our core markets are the U.S., Latin America, Australia and Western Europe, in particular the UK, Scandinavia and Germany. Our extensive and expanding independent global distribution network spans over 50 countries in North and South America, Europe, Asia, Australia and South Africa.

This far-reaching market coverage means Waterlogic is the only water dispenser provider able to cover the full geographical needs of global customers under one roof.

We drive growth organically and through M&A to consolidate our lead in existing territories and extend our reach to new markets. Acquiring established, reputable companies in existing and new geographic territories has been a crucial component in Waterlogic achieving strong global growth and breadth of product range, and remains a key focus today.



For more information about Waterlogic visit [www.waterlogic.com](http://www.waterlogic.com)

## Company structure and ownership

Waterlogic is the UK registered parent company of the Waterlogic Group of companies with our global headquarters based in Maidenhead UK, our wholly owned R&D and manufacturing facilities in China, the U.S. and Australia, and operations, offices and distributors in over 70 countries.

Waterlogic was jointly acquired by funds managed by European private equity firm Castik Capital and Waterlogic's management in 2015. Waterlogic's management remain shareholders and in 2020 we secured long-term investment from BCI, Neuberger Berman, Skandia and StepStone as minority shareholders.



CASTIK CAPITAL



NEUBERGER BERMAN

skandia:



# Our purpose

## What drives us

Better thinking, better water, better for you, better for the planet™. It's not just a strapline, it's behind everything we do.

At Waterlogic, everything starts with the way we think about water. Behind every drop of Waterlogic water are 30 years of knowledge, innovation and experience to deliver purified, great-tasting water in the safest, most sustainable and socially responsible way.

We believe that everyone should have easy access to safe, great-tasting water every day. And we believe that every individual and every business has a responsibility to reduce the negative impact humans are having on the natural world and society in any way we can.

The damage being done to our planet by single-use plastic pollution and unnecessary high carbon emissions is one of the most pressing issues of our time, as is managing the consequences of a global pandemic and its impact on the health and mental well-being of our people. We believe we have a responsibility to do whatever we can to change and improve this situation.

Promoting hydration, good health, sustainable and responsible business practices, and raising awareness of plastic pollution and energy efficiency mean a great deal to us. These are the driving forces keeping us focused on why we do what we do, ensuring we meet the needs of our community and the needs of our planet too.

## Thirsty for change and hungry for action

Founded on innovation, hard work and doing the right thing, our purpose guides our actions and helps ensure we meet the needs of our stakeholders, and the needs of our planet too.

Every day we drive change through our own organisation and the communities we touch, to act with the best interests of people and the environment in everything we do. We do this by remembering these guiding principles:

- Working to achieve significant positive environmental and social impacts helping our communities deliver against ESG ambitions.
- Creating awareness within our communities of the societal and environmental effect of operations and how they can work towards mitigating harm.
- Improving our own efficiencies to minimise the use of materials, energy consumption, waste and pollution generation.
- Enabling employers to establish a better workplace providing safe and essential hydration to their people in the most sustainable and responsible way.

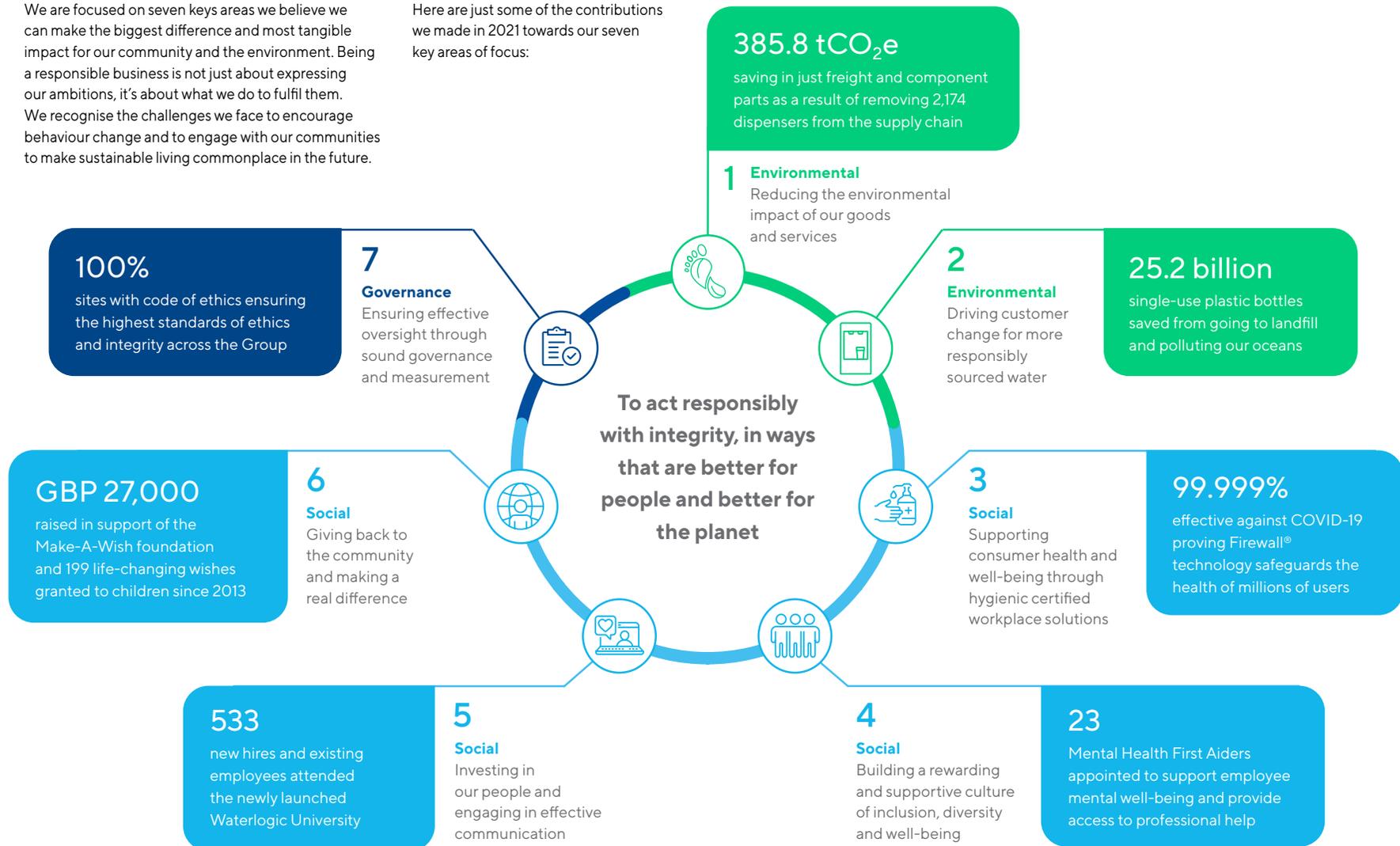
### Our purpose

To act responsibly with integrity, in ways that are better for people and better for the planet

# Our performance highlights in 2021

We are focused on seven keys areas we believe we can make the biggest difference and most tangible impact for our community and the environment. Being a responsible business is not just about expressing our ambitions, it's about what we do to fulfil them. We recognise the challenges we face to encourage behaviour change and to engage with our communities to make sustainable living commonplace in the future.

Here are just some of the contributions we made in 2021 towards our seven key areas of focus:



# ENVIRONMENTAL

# Reducing the environmental impact of our goods and services

Finding solutions to using less water and energy, producing less waste and developing sustainable products that continue to use finite resources in an efficient way for the longest time, is our aim.

We strive to reduce the environmental impact right across the supply chain, from design, manufacturing, distribution, installation, servicing, maintenance, refurbishment and end of life, to managing the carbon footprint of our offices.

## In this section:

**Greener thinking product design and manufacturing**

**Championing green travel initiatives to reduce emissions**

**Advocating sustainable packaging and confronting waste**

**Tackling site carbon management, consumption and waste**

**Streamlined supply chain with less inventory and more product refurbishment**

**Field service programme removes emissions and waste from supply chain**

**Employees make positive environmental contributions**

Waterlogic is working towards these Sustainable Development Goals:



## Greener thinking product design and manufacturing

### A 'clean' manufacturing operation that does not pollute the environment

Opened in June 2021, our new state-of-the-art China factory is a 'clean' manufacturing operation, meaning it is even more energy efficient and kinder to our workers and the environment. We are committed to the responsible use of natural resources, continual development of clean technologies and the replacement of harmful substances with eco-friendly alternatives.

Our clean manufacturing operation means that we do not pollute the environment with harmful fumes and substances through the production of our products, for example:

- We do not contaminate the water supply with effluent water used in the factory, and we monitor water consumption throughout the manufacturing process. The incoming water we use in our processing is filtered and purified, meaning waste water is free from pollutants.
- We have installed an air purification system for the filter production and welding lines, meaning all emissions of carbon dust, VOC (volatile organic compounds) and welding fumes are filtered, keeping the air cleaner.
- We have installed LED lighting throughout the factory as it is far more energy efficient and kinder to the environment. Manufacturing plants typically use cost-effective fluorescent lighting containing toxic and hazardous materials including liquid mercury. When the glass bulbs are broken, mercury is released as a gas and is very harmful to the environment and human health.

- We have begun the journey to convert the fluorescent lamps used in our Firewall® UVC purification technology to UVC LED systems which use far less energy, last longer and do not contain liquid mercury. This will take a number of years to conclude, and until then, all our UV lamps are safely disposed of in accordance with WEEE regulations.

We are ISO 9001 certified and we are also on route to becoming ISO 14001 and ISO 45001 certified - a set of rules and standards created to help manufacturers reduce industrial waste and environmental damage.



**Greener thinking product design and manufacturing**

**Using 100% recyclable, non-toxic and non-hazardous materials**

We focus increasingly every year on using the most environmentally friendly materials. In 2020, we manufactured our first stainless steel dispenser range, the P2 Firewall™ Bar - Classe Series. In 2021, we designed the WL8, a stainless steel version of our popular WL7 dispenser due to be launched in 2022.

Stainless steel is 100% recyclable and up to 60% of the material originates from recycled scrap metal. Its impact on the environment is minimal when compared to other materials: it is not coated with toxic material and does not produce toxic run-off; less energy is required to manufacture stainless steel; and using steel means we make less moulds and parts, reducing the overall carbon footprint of steel-made products even further.

The majority of our dispensers are made of fully recyclable ABS, polypropene and polyethylene thermoplastics with steel, copper and brass components. Our plastics do not contain any Bisphenol A (BPA) or other chemicals harmful to humans and the environment.

None of the paints we use contain cadmium or other dangerous additives, and all the materials used in our products are certified RoHS compliant. Components are independently tested in professional laboratories to confirm the absence of toxic and hazardous substances and compliance to all the relevant standards and directives.

Our filters have been designed with not only performance but also with the environment in mind. Traditional filters expire every year and are completely disposed of in landfill as entire units, including the plastic housing. Waterlogic filters offer the option of replacing the carbon material and reusing the plastic housing and caps over and over again.



**100%**

recyclable, non-toxic and non-hazardous materials



**0%**

BPA contained in our plastics



**60%**

composition of stainless steel uses recycled scrap metal



**100%**

reusable filter housings



Source: Institute of Scrap Recycling Industries

**Making the switch to environmentally-friendly refrigerant gases**

In 2017 we converted to using the natural refrigerant gas R600a in our mains-fed water dispenser compressors as an environmentally friendly solution, five years ahead of the European ban on harmful refrigerant gases that came into force in 2021. By the end of 2021, compared to using R134a, we reduced the CO<sub>2</sub> equivalent by 99.8% per mains-fed dispenser, saving a total CO<sub>2</sub> equivalent of 36,609 tonnes.

In 2021, we also made a significant investment in our Australia manufacturing facility by updating all the production lines and making engineering changes to machinery to convert our integrated tap systems from the R134a refrigerant gas to natural R290 'green gas'.

Boasting excellent thermodynamic performance, R600a and R290 are both non-toxic, have zero Ozone Depletion Potential (ODP) and very low Global Warming Potential (GWP), providing an excellent combination of cooling, energy efficiency and zero environmental damage.

## Championing green travel initiatives to reduce emissions

### The environmental benefit from a free ride to work

Our China factory employs local people and supplies free buses to limit the carbon emissions associated with individual commuting and provide a safe mode of transport on China's busy roads. Previously, only managers were offered free travel, but following relocation to a new site in mid-2021, now all employees are able to benefit from the scheme. The company provides buses to transport workers from Qingdao to and from the factory each day, saving the carbon emissions associated with individual modes of personal transport.

### 100% climate-neutral shipping

Waterlogic Germany ships parcels using GLS KlimaProtect's 100 percent climate-neutral service. All CO<sub>2</sub> emissions resulting from the transportation of parcels are offset by GLS through a certified forest protection and reforestation project as well as by measures to reduce and avoid emissions. These include the use of 100% sustainable electricity, increased use of e-vehicles and the establishment of micro depots near cities.



### Reducing road fuel usage and switching to electric fleet

In 2021, the UK operations team established a new reporting initiative drawing data from the management system of the engine's CAN Bus. This allows the team to report on vehicle idling, speeding and harsh braking to help Service Centre Managers enforce safe and sustainable driving behaviours with their teams.

As a result of the reporting capability, we have been able to identify that 395 litres of fuel per week is wasted due to drivers leaving their engines idling. Across a fleet base of 300+ vehicles, this amounts to a massive 12,312 tCO<sub>2</sub>e a year needlessly polluting the atmosphere (based on 2,640g of carbon in every litre of fuel). A 'Vehicle Idling Time' programme planned for 2022 will target a 50% reduction, aiming to save 6,158 tCO<sub>2</sub>e.

We are also trialling the all-electric LDV Maxus 3.5t with a view to replacing up to 10 light commercial vehicles in UK service centres in cities such as London and Birmingham in 2022. Three company car users have electric cars plus we have selected eight 'go-to' hybrid vehicles for field salespeople. Over the next 2 years, we will phase out all combustion fuelled vehicles in the UK as contracts expire. In addition, electric vehicle charging points will be installed at our head office to facilitate the use of electric vehicles.

All vehicles used by the field sales team in the Netherlands were changed from diesel to petrol to help reduce their carbon footprint. A total of 12 were upgraded over a 3-year period, with the next stage focussed on moving to hybrid and electric vehicles where it is practical and financially viable to do so.



**Advocating sustainable packaging and confronting waste**

**Local factory suppliers sign up to reusable packaging scheme**

We receive a substantial amount of deliveries as well as waste packaging materials with every delivery from the many companies that supply the China factory. To combat this, over the years we have designed a model that reduces shipping and transportation, and removes packaging waste.

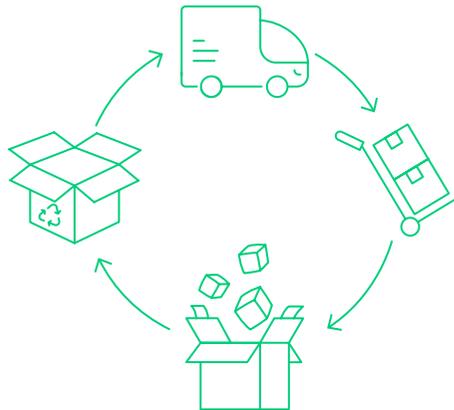
We have localised our suppliers as far as possible, whilst still sourcing internationally certified components meeting RoHS standards. We have also developed a reusable and recyclable packaging scheme with our local suppliers. Once their trucks deliver to the factory and offload the items, we return packaging from previous consignments for our suppliers to reuse. We have reached an agreement with the majority of our suppliers to participate in the scheme.

In collaboration with one of our largest suppliers, we have completely eradicated cardboard boxes from their deliveries. The supplier, who delivers three times a day, has replaced cardboard with more durable longer-lasting plastic boxes. The expected lifespan of a plastic box is at least three years, compared to a cardboard box which lasts for one or two uses. In addition to this, our supplier of steel components delivers parts in steel cages, which are returned for them to resend parts to us. The steel cages are used for many years.

These major green initiatives mean that no packaging entering our factory is ever discarded. It also means we reduce road miles and the associated emissions by working largely with local suppliers, as well as returning packing during scheduled deliveries.

**New dedicated factory recycling depot**

The China factory has always proactively championed recycling initiatives. With the move to new premises in 2021, we took the opportunity to create a dedicated recycling area on a much grander scale than we had been able to previously accommodate for. Our purpose-built recycling centre accumulates cardboard, glass and plastics for collection by an environmental company for recycling.



## Advocating sustainable packaging and confronting waste

### Limiting deforestation and waste using long-service pallets

From warehouse storage to enabling machines to be easily moved in bulk as well as protecting them, the China factory uses hundreds of pallets every year. Since 2017, we have purchased recyclable plastic pallets to replace wooden alternatives. In 2021, we completely phased out the use of wooden pallets and we are educating our suppliers to do the same.

Although plastic pallets are far more expensive than wooden, they are more environmentally friendly due to the service life of a wooden pallet being considerably shorter. Wooden pallets become unsafe to handle and tend to degrade after only a few uses, and typically have a lifespan of around a year, often being burned or going to landfill. Plastic pallets are more robust, easily sanitised and reusable for between 10 to 15 years.

Whilst the cradle-to-grave carbon footprint of a wooden pallet is relatively low compared to its plastic counterpart, using plastic pallets avoids deforestation and timber imports (which account for 64% of the total import volume of timber in China). When extensively reused, the plastic pallet is an attractive and sustainable alternative to wood.



### An attractive and sustainable alternative to wood



Source: Research and Markets

### Spearheading the replacement of EPS protective packaging

The EU Directive on Single-Use Plastics bans certain single-use plastics for which alternatives are available. Although the directive does not yet capture the use of product packaging materials, as a responsible manufacturer we have taken the opportunity to spearhead the transition to more sustainable forms of protective packaging.

Currently, our dispensers are packed using customised expanded polystyrene (EPS) molds top and bottom to protect the machine during storage and transit. We are trialling a molded paper alternative which is a 100% recycled and recyclable solution.

EPS is produced using a mixture of petroleum-based polystyrene and a gasoline blowing agent, such as pentane or carbon dioxide, that expands when heated. Because of its unique composition, EPS cannot be easily recycled and often ends in landfill taking up an enormous amount of space.

Molded fibre is typically made using recycled paperboard or newsprint and can be easily recycled. During tests conducted onsite, molded fiber has demonstrated to have excellent vibration dampening and cushioning properties, it stands up well to drop testing and transportation, and its static neutral properties are ideal for electronic components. Subject to further investigation, we hope to replace EPS with molded fiber packaging in 2022.

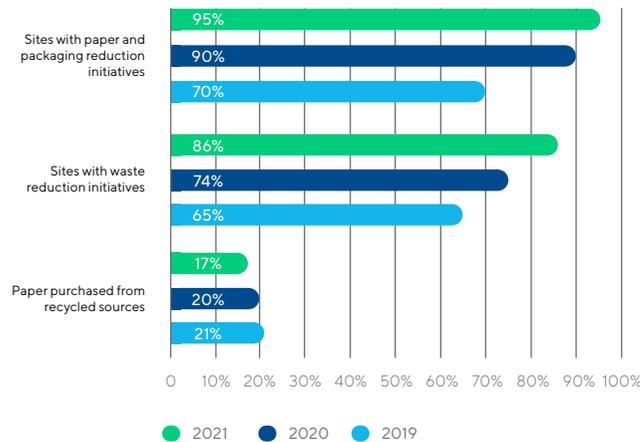


## Advocating sustainable packaging and confronting waste

### Other paper and packaging reduction initiatives

Managing resource efficiencies across the business continues to be a focus for us. 95% of our businesses now have paper and packaging reduction initiatives actively in place, an increase of 5% from 2021, and 25% from 2019. The purchasing of recycled paper took a slight downturn in 2021, which will be addressed in 2022.

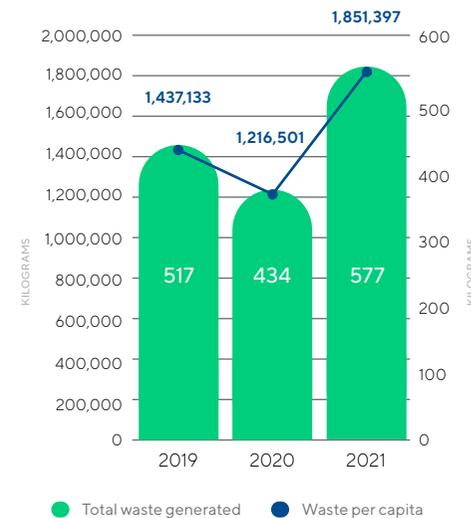
The majority of our businesses have made the switch from paper to e-billing and cloud-based technologies to reduce paper usage, and we continue to roll out hand-held devices for technicians to record servicing information which was previously paper-based. This convenient technology also provides more efficient field service route planning to limit the emissions from unnecessary road miles.



### Other waste reduction and recycling initiatives

2020 saw a significant reduction in waste due in part to the closing of offices during the height of the pandemic. With more offices being staffed together with the acquisition of a significant number of businesses, we saw an increase in the total volume of waste generated in 2021.

We continue to encourage waste reduction throughout the business which is represented by a 12% increase in sites with a waste reduction initiative in place. Recycling bins are installed for food waste, paper, card and plastic. Our head office introduced a new 'recycling centre' to make disposing of waste correctly as easy as possible with clear labelling



and dedicated waste bins. Many of our businesses issue employees with reusable water bottles to limit the use of disposable cups, and compostable paper cups have been introduced which can be disposed of along with food waste.

In the China factory, print cartridges are refilled for as long as possible before replacing. Our Benelux office introduced an initiative to ensure all 'electronic waste' from customers such as UV lamps, as well as general plastic and cardboard waste, is disposed of and recycled appropriately through 'WeCycle', a European-wide specialist in this area.

### Sustainable serve ware alternatives in Benelux and the U.S.

All single-use plastic and paper cups were removed when Benelux relocated to new offices in 2019, with employees issued a reusable drinks bottle made from sugar cane as an alternative. Crockery is provided for hot drinks such and glasses for cold drinks. This change is estimated to have saved approximately 48,000 plastic cups each year.

The U.S. business replaced plastic serve ware in breakout rooms at the end of 2020 with tree-free, plastic-free alternatives across all U.S. offices. The sustainable range of plates, bowls, cups and cutlery use materials such as wheat, clay, corn and bagasse, making the items 100% tree-free and biodegradable, with no harmful chemicals such as chlorine, Bisphenol A and petroleum. By their 599 employees just replacing two plastic items a day, the U.S. hope to save 318,688 plastic serve ware items entering landfill each year.



**Tackling site carbon management, consumption and waste**

**Continuing to invest in a more environmentally-friendly bottling plant**

We tackle carbon management and waste in the production of all our hydration solutions to ensure optimum sustainability and efficiency. Waterlogic's Fillongley Spring Water is a leading water cooler bottler of naturally sourced water in the UK and until 2019, had relied on a bottling plant installed in 2001. In order to benefit from carbon efficiency and a reduction in water wastage, we installed a new state-of-the-art bottling plant which continues to reap environmental benefits today.

The original bottle washer used 2 litres of water on average for each bottle, washing 1,200 bottles per hour. The upgraded bottle washing machine uses recycled water to wash the bottles, doing it faster at 2,000 bottles per hour and more efficiently. Compared to the old plant, in 2021 only 1.32 litres of water per bottle were used, saving a staggering 1.5 million litres of water. The new gas boilers that warm the water for washing use 0.07 kw less energy per bottle, saving 154,000 kilowatts of energy.

We continue to look for opportunities to operate in the most sustainable way. All light fittings have been updated to LED and we are investing in over 800 solar panels in 2022 with the aim of reducing grid electricity usage by 80%.

Environmental savings linked to machine refurbishment, bottle reuse and recycling also play a significant role in helping preserve the earth's raw materials and mitigating waste. Bottles are reused for up to 50 trips and recycled at the end of their life. In 2021, 2,606,098 polycarbonate

bottles were processed through the Fillongley plant. We recycled 70,525 bottles (2.7%) and caps, representing 87.83 tonnes of plastic back in the supply chain. In addition, we refurbished 16,776 bottled water coolers in 2021, with plans to grow our machine refurbishment capabilities in 2022.

**Consumption, recycling and refurbishing in 2021**



**1.5 million**  
litres of water saved



**154,000 kw**  
of energy saved per annum



**87.83 tonnes**  
plastic recycled from bottle and caps



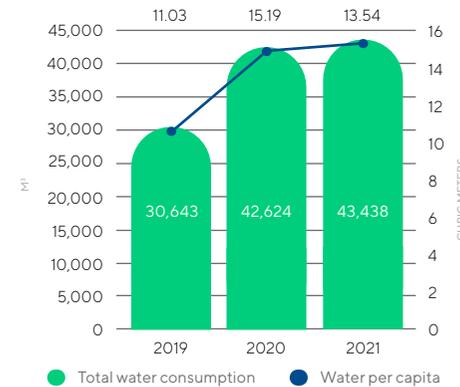
**16,776**  
bottled water coolers refurbished globally



**Other water efficiency initiatives**

Whilst total water consumption increased slightly during 2021, water use per capita has improved from 15.19 m<sup>3</sup> in 2020 to 13.54 m<sup>3</sup> in 2021. 82% of our businesses have active water efficiency initiatives, an increase of 26% on 2020. These include installing water efficient appliances in bathrooms such as water-saving toilet flush systems.

In the manufacturing of our mains-fed dispensers, water used is recycled in a closed-loop system that monitors water consumption and limits waste throughout the process.



## Tackling site carbon management, consumption and waste

### China plant moves to modern, energy-efficient premises

Waterlogic's manufacturing headquarters in China relocated to new modern premises in mid-2021, consisting of one building across six floors and covering 27,000sqm (290,000 square feet). Featuring three fully automated production lines, an R&D centre of excellence, a Water Sciences Centre, testing laboratories, and offices, the new site is an upgrade of facilities, physical space, and boasts enhanced environmental and social benefits.

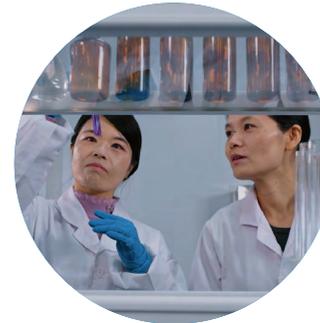
The fabric of the building itself complies with local environmental regulations and boasts the highest standards of double-glazing and thermal insulation to control heat transmission and air tightness, and so reduce energy consumption. Inside the building, we made a significant investment to create a state-of-the-art infrastructure to comply with the use of eco-friendly materials, making the space energy efficient and kind to workers and the environment.

We will continue to invest in green solutions to balance our impact on the environment, and plans for the installation of solar panels are underway with the intention that the factory will become energy positive.

### Other energy-efficiency initiatives

The number of sites with energy efficiency initiatives increased by 36% in 2021 to 86% of sites. Across our businesses we use energy-efficient appliances including our own water dispensers to serve the hydration needs of our workforce. We encourage employees to shut down computers each night, turn off lights, air conditioning and heaters before leaving a room, and to activate timers to automatically switch off in the evenings and weekends.

We also continue to expand upon the installation of LED and motion sensor lighting and encourage the purchase of renewable sources, with Waterlogic's UK head office and the Waterlogic Germany office certified for using renewable source energy. The China factory, UK bottling plant and the Netherlands office are also planning to install solar solutions. If implemented, the Netherlands office could help save around 75,000 kWh of energy, equivalent to using 75 microwaves for an hour.



**Streamlined supply chain with less inventory and more product refurbishment**

**Transforming European operations boasts low environmental impact**

We launched a major supply chain transformation initiative during 2020 to outsource and re-design the Waterlogic European logistics network. Opened in March 2021 and fully operational two months later, the European Central Distribution Centre (ECDC) is responsible for simplifying and streamlining the flow of goods from our manufacturing hubs in China and Australia in partnership with global logistics specialists, Mainfreight. Located in Born, the Netherlands, the ECDC handles a wide range of supply chain services including the intake of deliveries from port to customer, and a fully stocked warehouse which can more sustainably supply markets at short notice and guarantee quality of service for our customers.

The ECDC serves as one single supply chain hub, receiving containers from China and Australia, seamlessly distributing stock to 14 local hubs across Europe, with over 30 customers also collecting. Previously, shipments from our manufacturing plants travelled thousands of miles by sea and road to 10 European distribution centres, and then on to 44 domestic satellite hubs for delivery to our technicians and end customers.

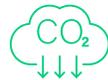
As a result of streamlining inventory and centralising distribution through the ECDC, we shipped 104 40ft containers in 2021 versus an equivalent 115 containers via the previous local market network. This represents a 9.6% reduction compared to our previous model of shipping directly from China to each domestic market, and a combined 34.8 tCO<sub>2</sub>e saving.



**104**  
containers shipped in 2021



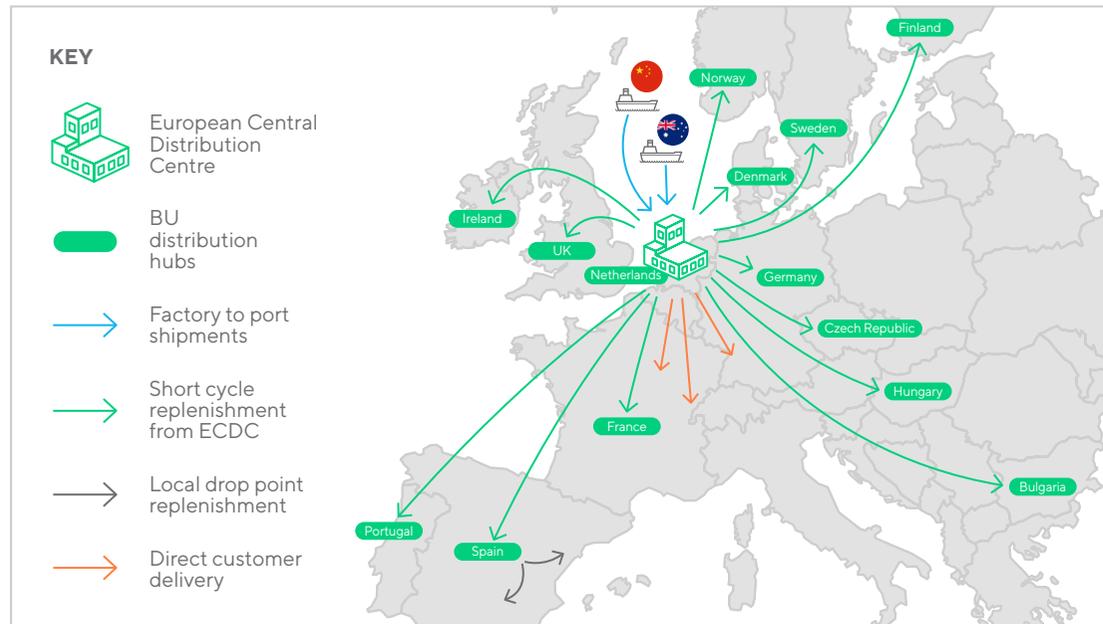
**9.6%**  
reduction compared to previous model



**34.8 tCO<sub>2</sub>**  
equivalent saving



**ECDC distribution and replenishment journey**



## Streamlined supply chain with less inventory and more product refurbishment

### Capitalising on green warehousing and logistics efficiencies

The Born warehouse is BREEAM certified, which is the world's leading sustainability assessment method for projects, infrastructures and buildings. Its 58.43% rating classifies the Born facility as "very good" for energy consumption, waste reduction, employee welfare and comfort. As a result of decreasing its CO<sub>2</sub> levels by 35% since 2010, Mainfreight has also been awarded 3 stars by the government-run National Lean & Green programme and is actively working towards achieving 4 stars, making it the highest ranking logistics company in the Netherlands.

Mainfreight's commitment to achieving a low environmental impact allows the ECDC to leverage its best-in-class warehouse and logistics efficiency in day-to-day operations. This includes:

- Moving capacity from road to more sustainable rail and coastal shipping, with the use of barges to transport containers from port to warehouse.
- Using Euro 6 lorries and vans to reduce tailpipe pollutants, with plans to introduce electric vans in 2022.
- Helping to reduce vehicle emissions through GPS route planning, off-peak distribution, efficient driver training and vehicle maintenance guidance.
- Converting dock-side gas and diesel-powered forklifts to electric, and replacing forklifts with manual pallet trucks where practical.
- Using solar energy as the majority power source for the warehouse, which holds a Green Electricity certificate.

In addition, our business units return the wooden pallets the ECDC uses to distribute product to market in order to reuse them as many times as possible.

### Inventory reduction and product simplification

The ECDC is the main vehicle for improving inventory efficiency; only shipping what we need, when we need it. In addition, by simplifying product complexity and reducing the number of SKUs there is less variety of product being manufactured, stored and transported, resulting in a more efficient and smaller environmental footprint.

This approach saw us rationalise SKU complexity from 120 parts to just 24 by phasing out obsolete dispensers and reducing the diversity of product range available in countries served by the ECDC. Although the volume of dispensers increased in 2021 in parallel with demand, the production of dispensers was limited to a smaller number of part variants. This resulted in 2,174 dispensers being removed from the supply chain, representing a 385.8 tCO<sub>2</sub>e equivalent saving on freight and components.

Newly embedded statistical demand forecasting tools and a weekly planning and management process provides transparency across all markets, allowing for centralised control of inventory to maintain streamlined ordering throughout Europe.

### Spares bulk ordered to maximise distribution efficiency

Spare parts were historically ordered and delivered by requirement, shipped from the China factory direct to the customer. Recognising the inefficiency of this model, in 2021 we redesigned the process to bulk order spare parts and deliver to the ECDC to distribute locally. This one-time fulfilment of spare parts from China significantly reduces the emissions associated with single-serve distribution.

### The impact of streamlining the supply chain in 2021



96  
parts discontinued



2,174  
dispensers removed  
from the supply chain



376.1 tCO<sub>2</sub>e  
saved on components



9.7 tCO<sub>2</sub>e  
saved on freight

That's a total of  
**385.8 tCO<sub>2</sub>e**  
saved on freight and components

**Streamlined supply chain with less inventory and more product refurbishment**

**Refurbishment goals met with ambitious volumes targeted for 2022**

Environmental savings linked to refurbishment play an important part in meeting green targets, helping to preserve the earth’s raw materials and saving components going to waste or being destroyed through carbon emitting processes. Each one of our point-of-use dispensers has a carbon value of 173kg CO<sub>2</sub>e relating to the components it uses.

In 2021, we continued our focus on increasing dispenser refurbishment to reduce the strain on production, leverage the associated environmental benefits, and to meet the needs of customers’ own environmental agendas. We exceeded our goal by 350 dispensers to refurbish 27,350 dispensers globally in 2021, an uplift of 26% on 2020. In 2022, we expect to drive a 39% increase on refurbishment volumes to 38,000.

The U.S. refurbished 10,500 of the 27,350 mains-fed dispensers against a target of 6,300 in 2021. The U.S. factory is further advanced in its refurbishment programme compared to other regions due to the facility being custom-built to include a Refurbishment Centre of Excellence at its inception in May 2020. Its large, industrialised area includes a conveyor belt system and jet washing station, and the centre’s proximity to production enables the team to leverage manufacturing knowledge and access resources, technical documentation and advanced testing equipment. The U.S. targets 1,000 refurbishments per month and provides the best-practice model for establishing additional centres.

The factory in Australia has a small, dedicated area for refurbishment, with the ability to undertake up to 130 refurbishments per month across the mains-fed dispenser and integrated tap product range.

To facilitate the ambitious growth of our refurbishment target, we plan to establish refurbishment centres in Europe and further expand capabilities in the UK for both refurbishment and repair of bottled water coolers (BWC) and mains-fed dispensers. 16,776 of the total 17,587 BWC refurbished globally in 2021 was carried out in the UK, one of our biggest bottled water cooler markets.

We also plan to extend refurbishment to other product lines to include coffee and ice-making machines. Once these centres are up-and-running, it’s expected that the ECDC will accept the good-as-new refurbished units to redistribute. Driving more repair of dispensers in field rather than replacing them also continued to be a focus in 2021. For those dispensers that reach their end of life and cannot be refurbished, we re-use components. Components that cannot be reused, can be recycled.

**Best practice training will monitor quality, reduce waste and drive efficiency**

A programme to harmonise repair and refurbishment practises across the organisation will be rolled out in 2022 to reduce the unnecessary replacement of new units and movement of goods, and increase quality control on repairs and refurbishments to ensure right first-time fixes.



**173kg CO<sub>2</sub>e**

The carbon value of one dispenser relating to the components it uses



**27,350**

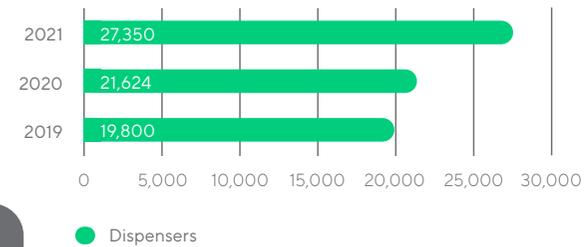
mains-fed dispensers refurbished globally in 2021



**26%**

increase on 2020 with 39% increase targeted for 2022

**Year-on-year growth of dispenser refurbishment**



● Dispensers

Read more in the [Governance section](#) >>

## Field service programme removes emissions and waste from the supply chain

In 2021, we rolled out our field service enhancement programme to further remove emissions and waste from our global supply chain. The programme has been delivered across our field service teams who service and maintain our machines in field around the world to:

- Reduce miles and emissions by implementing better technician route optimisation tools and planning scheduled maintenance visits to group co-located services in one trip.
- Consume less material by improving our 'right first-time' fix success rate to limit waste and reduce the emissions associated with manufacturing and transporting replacement materials.
- Reduce unnecessary call-outs to customers limiting road miles and emissions.

In order to report a more 'normal state' year-on-year comparison of the enhancement programme's effect, we compared the least COVID-impacted months of January, February, September and November in 2020 to the same months in 2021, and annualised the results. 'Touches per machine' - installation, servicing, fixing and removal - fell from 0.184 a month in 2020 to 0.179 in 2021, and call-out rates per 1,000 machines reduced from 35.7 in 2020 to 34.5 in 2021. The reduction in touches equates to 34,983 less visits globally throughout the year, including 8,396 fewer call-outs. A saving of 8,396 call-outs per year means 92,400 fewer miles travelled, worth 22.3 tCO<sub>2</sub>e based on an average of 11 miles per visit and 150g per kilometre.

We are targeting a further call-out rate fall for 2022 from 34.5 to 32.5, which represents around 16,000 fewer callouts per year, and 176,000 fewer miles. This includes an initiative to reduce the 15% of failed installations where a water or electricity supply is not present, the office is closed, or the customer changes their mind, plus return visits to rectify faults post-installation. Our business unit in Germany has seen some success in increasing the first time install rate to 94% by calling the customer ahead to check availability and site details.

To contribute towards achieving high first-time fix rates, in 2022 we will optimise inventory carried aboard our vans to ensure technicians have what they need but that they are not carrying surplus stock. This will reduce the unnecessary use of consumables and limit vehicle weight, which both have a positive impact on emissions.

Deployment of route optimisation tools in key markets, including hand-held devices for technicians, reduced miles per stop and the associated emissions in 2021. Distance travelled per task saw an 8% reduction in miles per stop in the U.S. and a 20% reduction in Australia, in part due to these countries increasingly utilising route optimisation. Whilst the UK saw a 31% increase due to route planning remaining fully manual, the net impact of these three major markets is a saving of 129,000 miles, worth 19.4 tCO<sub>2</sub>e. Furthermore, a 7.5% growth in the USA machine-base has improved density which is an important factor in driving down miles per task, whereas the UK base has remained flat.

A key focus for 2022 is the deployment of route optimisation tools across many more markets, including the UK, France and Hungary, where we expect to see a 5-10% reduction in miles per stop.

### The impact of call-out reductions and route optimisation



34,983

less site visits



8,396

fewer call-outs



22.3 tCO<sub>2</sub>e

saved on call-outs (92,400 miles)



19.4 tCO<sub>2</sub>e

saved on route optimisation (129,000 miles) UK, Australia and U.S.

### The 'Waterlogic Way of Operating' best practice guidelines

To help drive efficiency, certainty and quality across the supply chain, we are developing best practice 'Waterlogic Way of Operating' guidelines which we expect to make available to our business units early in the second half of 2022.

Read more in the Governance section [»](#)

**Employees make positive environmental contributions**

**Employees challenge themselves to become a #NetZeroHero**

Finding ways to be more sustainable is a shared passion across our business and our people. We are always looking for opportunities to make real, effective and long-lasting change, and to encourage our employees to do the same.

Our #NetZeroHero challenge ran throughout November 2021 to coincide with the annual UN Climate Change Conference, COP26. Taking inspiration from COP26, the #NetZeroHero challenge invited our employees to take action against the climate emergency.

Employees were challenged to reduce their own environmental impact at home and in the workplace with options such as eating less meat and dairy, cutting back on car journeys, swapping shop bought lunches for homemade, filling up with reusable bottles and cups, and making their voices heard. Here are just a few of the fun and vitally important challenges that our employees undertook:



**Marketing's Meatless Mondays**

Recognising that reducing meat and dairy consumption is one of the biggest changes we can make to lessen our individual impact on climate change, members of the American marketing team committed to 'Meatless Mondays' – a pledge to not eat meat products every Monday throughout November. You can see them here enjoying a meatless meal at their local vegan restaurant.



**Waste foiled by crisp packet initiative**

The Waterlogic head office team introduced a new 'recycling centre' to make disposing of waste correctly as easy as possible with clear labelling and dedicated waste bins. They also set up a used crisp packet collection point to support 'The Crisp Packet Project'. The charity recycles foil-lined food wrappers into insulated blankets and sleeping bags for those in less fortunate living arrangements.



**Kelly-Anne's farmer's market**

Kelly-Anne home grows most of her own fruit, vegetables and sunflowers with some very successful results. Not only that, she has fresh milk delivered from the local dairy in re-usable glass bottles and collects organic milk directly from the local farm. By doing so, Kelly-Anne has reduced her consumption of hundreds of plastic items a year.



**Employees make positive environmental contributions**

**Waterlogic Germany take to their bikes to promote a cleaner climate**

Waterlogic Germany joined forces with other businesses, schools and members of the local community to cycle a total of 112,572 kilometres in 21 days as part of the Bietigheim-Bissingen cycling challenge. Thirteen employees from Waterlogic Germany took part in the challenge that began on the 1 July 2021, as one of 52 teams and a total of 524 participants cycling through the beautiful German countryside.

The theme of the challenge was ‘Cycling for a good climate’ to help reduce CO<sub>2</sub> emissions and promote a better quality of life. In total, it was reported that 17 tonnes of CO<sub>2</sub> were saved over the duration of the event.

Although much of the cycling took place in people’s spare time, several Waterlogic employees cycled to work instead of going by car, helping to make a positive impact on the environment. The Waterlogic Germany team accumulated a very impressive 1,935 kilometres and finished in 19th place.

**80% employees proud to work for an environmentally responsible company**

In recognition of Earth Day on 22nd April 2021, Waterlogic employees from across the globe were asked about their own environmental habits and opinions. As a business we are committed to reducing the impact we have on the planet by monitoring our own carbon footprint and investing time and resources in initiatives to be as environmentally friendly as possible.

The survey revealed that Waterlogic employees are concerned about the environment and endeavour to do what they can. 97% of the 55 respondents agreed or somewhat agreed they make a positive contribution towards the environment daily. 87% make a conscious effort to recycle both at home and at work, and 65% always use a reusable drinks bottle. However, 92% agreed or somewhat agreed they could do more to reduce their own carbon footprint, with just 5% only buying from brands who use sustainable business practices.

Waterlogic puts the environment at the forefront of its thinking, something respondents said they valued with 80% saying they were proud to work for a company that is environmentally responsible.



**87%**

make a conscious effort to recycle both at home and at work



**65%**

always use a reusable drinks bottle



**80%**

are proud to work for a company that is environmentally responsible

# Driving customer change for more responsibly sourced water

We are proud of our green credentials. We have gone out of our way to help our customers remove the reliance on single-use plastic, reduce water and energy consumption, eliminate emissions from unnecessary plastics manufacturing and transportation, and limit waste.

Care for the planet and its most precious resource runs through everything we do. We are continually working to reduce the negative impact we have on the natural world, as well as providing the tools for our customers to do the same.



## In this section:

Helping eradicate single-use plastic within businesses across the world

Bottle-filling refill stations cut plastic waste and provide on-the-go hydration

Greener consumables and accessories for every environment

Removing single-use bottles from the hospitality supply chain

Helping customers to tackle water waste

Integrated systems tap into significant energy savings

Putting our green credentials to the test

Oceansaver accolade recognises customers doing their bit

Waterlogic is working towards these Sustainable Development Goals:



## Helping eradicate single-use plastic within businesses across the world

In 2019, Waterlogic commissioned a survey of 500 UK workers across different businesses. Employees reported that they consumed 2.62 more single-use plastic bottles on an average work day prior to having access to a mains-connected water dispenser. Freestanding and countertop dispensers are a great way for businesses to conveniently offer their workers filtered, purified water whilst reducing the number of single-use plastic water bottles in the workplace.

At Waterlogic, we are committed to helping businesses eradicate plastic. The production and disposal of single-use plastic bottles continues to have a detrimental impact on our planet. Globally, one million plastic bottles are bought every minute with just 9% recycled. By 2050, it is estimated that our oceans will contain more plastic waste than fish, with 12 billion metric tons of plastic in landfills taking more than 400 years to degrade.

What's more, the life-cycle greenhouse gas emissions from plastic gives rise to nearly 1.8 billion metric tons of CO<sub>2</sub> a year; from petroleum extraction, manufacturing and transportation to incinerating and recycling. In fact, bottled water is 900 times more carbon intensive than drinking mains-fed water.

Sources: National Geographic; Euromonitor; World Economic Forum; University of California; Hydration in the Workplace  
Image source: Flickr.com

### Every year Waterlogic helps save billions of plastic bottles from landfill



**1,481,000**

Waterlogic dispensers globally



**2.62**

bottles saved per person every day (260 working days)



**25**

users per dispenser on average



That's a massive

**25.2 billion**

bottles saved every year

### Waterlogic helps remove single-use plastics at COP26 summit

As world leaders gathered in Glasgow in November 2021 for the COP26 summit to tackle global climate change, Waterlogic had its own small part to play. We installed almost 400 bottled water coolers throughout the Green Zone of the Scottish Event Campus helping to remove the reliance on single-use plastics for the 39,000 participants. Over 136,684 litres of water was supplied, saving an estimated total of 273,368 single-use plastic bottles being consumed over the course of the 13-day event.

Waterlogic UK also placed 15 Purezza P2 Firewall™ Bar - Classe dispensers into hotels and restaurants across Glasgow in preparation for the thousands of participants during the event, eliminating the reliance on the pre-packaged bottled water previously used by the venues.

### Up to 72% carbon footprint reduction

Waterlogic mains-fed dispensers are designed to provide a clear environmental benefit. The cost of transporting, storing and disposing of plastic water bottles is eliminated. Energy, fuel and water are all conserved. The net result is up to a 72% carbon footprint reduction compared with a bottled water cooler.

Source: Environmental Consultancy Sustain Report; tests performed on WL2000



## Helping eradicate single-use plastic within businesses across the world

### Hydration Showroom will support customers in making sustainable choices

A showroom of Waterlogic's complete hydration offering has been in development throughout 2021 and is on track to open its doors in early 2022. Located in Clerkenwell, London's design and creative district, the 'Hydration Showroom' will showcase Waterlogic, Billi and Purezza products, plus provide a space for meetings, networking and collaboration between sales teams, resellers, partners, and the local community.

Importantly, the showroom will support customers in making more sustainable choices when it comes to their workplace hydration requirements. Despite the increasing trend for businesses to focus on their online presence, being able to offer an immersive brand experience in person, alongside our digital

platforms, remains invaluable due to the breadth of solutions we offer and the complexity of our key technology.

By providing the opportunity to see and test the solutions in person, customers can gain a better understanding of the positive environmental impact choosing a Waterlogic freestanding or countertop dispenser, Billi integrated tap system, or Purezza hospitality solution can have on their business. From a hygiene and safety perspective, a chance to engage with and ask questions to highly knowledgeable showroom staff about our proprietary Firewall® technology, will also help to educate and inform customers on key product benefits.

Sustainability has been at the forefront of the showroom fit-out from the beginning. All of the furniture selected has been considered from an environmental perspective, paying particular attention to recycled content and the use of sustainably-sourced material:

- Many furniture pieces contain more than 40% of recycled material including the boardroom table and hot desks.
- The fabric used to create the booths is made from 100% post-consumer recycled polyester.
- Furniture is built from FSC® certified and other controlled wood exclusively sourced from forests that are responsibly managed and socially viable.
- Front displays have been created using boxes that were formed from reclaimed scaffolding boards and construction scrapes.

We deliberately sought environmentally-conscious companies who held ISO 14001 registration, which is the criteria for an environmental management system. ISO 9001 was also a consideration for quality, and ultimately, longevity of the selected products. Many suppliers also have rehoming or recycling schemes to ensure their products do not end up in landfill.



**Helping eradicate single-use plastic within businesses across the world**

**Providing our customers with the tools to meet the challenge**

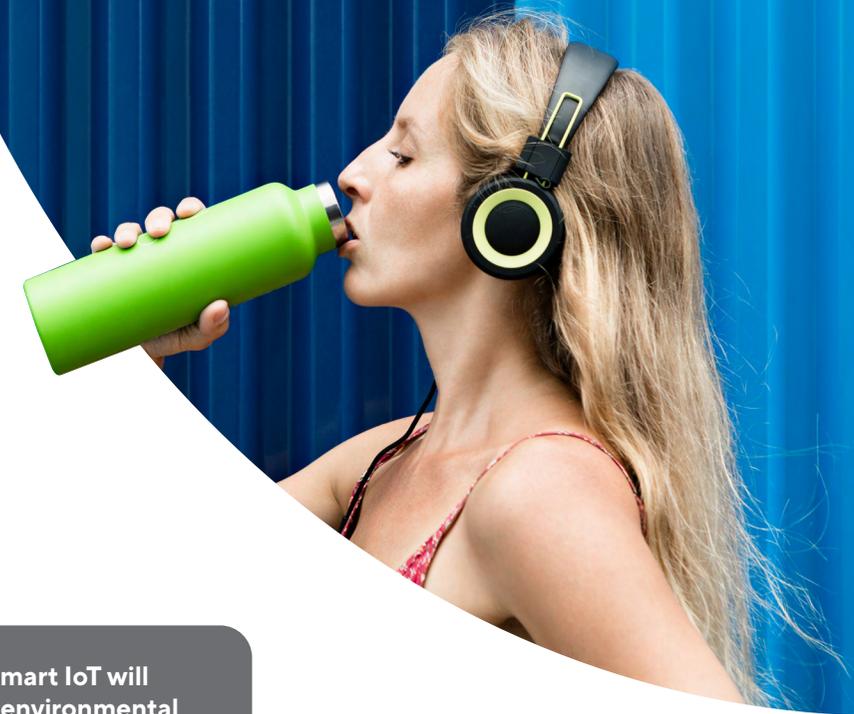
Every day, more and more of our customers look to be part of the solution that drives access to responsibly-sourced safe water, encouraging regular healthy hydration with employees and patrons, and reducing the reliance on single-use plastic bottled water. In recognition of this trend

and in anticipation of its upcoming evolution, Waterlogic has designed a platform that assembles a mix of complementary products and services allowing customers to support these goals.

Each strategic product or service can in its own right drive change. Customers can select one, multiple or the complete solution to meet their ESG needs, from bottle filling machines and consumables, to joining the Refill network, service contracts, and analytics.



\*Due to pilot in 2022



**Waterlogic Smart IoT will measure the environmental impact driven by customers**

Providing real time data on metrics including single-use bottles saved, CO<sub>2</sub> emissions reduced, and total energy consumption saved, as well as the general performance of the dispenser, the Smart IoT module will measure and deliver accurate ESG savings from using Waterlogic machines. An online dashboard will clearly display all relevant data that customers can easily download for their own ESG reporting purposes or share within the business. Smart IoT is set to be piloted in 2022, and will be able to be retrofitted to any Waterlogic freestanding or countertop dispenser, bottle filling station or Billi integrated tap.

Find out more about these sustainable products and services on the following pages.

**Bottle-filling refill stations cut plastic waste and provide on-the-go hydration**

**Continuing to work towards our 'Freefill' goal**

Launched in early 2020, Waterlogic's 'Freefill' initiative encourages organisations and individuals to switch from single-use plastic bottles to bottle filling stations to access free water refills in reusable bottles. The initiative aims to bring UK businesses of all sizes together to reach the goal of 100 million 'Freefills'. Engagement has been extremely positive with businesses embracing the ideology, wanting to contribute towards the number of 'Freefills' whilst simultaneously reducing their own carbon footprint.

Delivery company **DPD** was one of the founding members, contributing 1 million 'Freefills' by May 2021 from the Waterlogic bottle filling stations installed in their delivery depots. Alongside additional members **Boots the chemist**, **Co-op** and **Londis** supermarkets, and railway operator **Network Rail**, we collectively continue to work towards the 'Freefill' goal.



**1 million**

DPD 'Freefills' recorded by May 2021



**4,000+**

trees planted by WCD in partnership with Ecologi



**57**

MIW bottle filling stations installed across London

**Expanding our refill locations across the UK**

The acquisitions in 2021 of Water Coolers Direct (WCD) and MIW by Waterlogic UK helped to increase the number of refill points we provide for consumers. Bottle filling stations and drinking fountains located in busy public areas, football stadiums and education centres enable a significantly larger number of consumers to hydrate sustainably beyond just retail and delivery depot environments.

New bottle filling stations added to the range in 2021 have increased our flexibility to meet the needs of customers in multiple environments, for example within the hospitality industry and public areas. MIW has been working with Thames Water and the Greater London Assembly (GLA) since 2018 to help achieve their target of having 100 drinking fountains operational across London by July 2022. 57 fountains had been installed by the end of 2021, with an additional 66 of 93 fountains installed for Scottish Water.

WCD works in partnership with environmental organisation Ecologi to positively impact our planet. Ecologi, plant one tree for every piece of hydration equipment sold, reaching over 4,000 by the end of 2021.



**Reefill app to provide free public access**



Currently in development and set to be piloted in 2022, Waterlogic's Reefill app will connect consumers with a curated estate of high quality, biologically safe hydration points throughout the UK which are fully serviced by Waterlogic. Reefill will launch with approximately 2,000 Waterlogic hydration stations across the UK, to provide sufficient density and national coverage, before expanding to other Waterlogic markets globally. Businesses who sign up will help to meet their own ESG targets, providing a public good by offering high quality hydration free of charge.



**Greener consumables and accessories  
for every environment**

**Introducing the 100% plastic-free cup**

The introduction of a carefully selected range of eco-friendly cups and reusable stainless steel, BPA-free and glass bottles in 2020, has been complemented by the addition of a plastic-free cup in 2021. Our extended consumables range allows employers to create a greener workplace; reducing their reliance on single-use plastic and encouraging good hydration for their workforce, all whilst fulfilling their obligations to employees and to the planet.

We launched our first bio-plastic alternative to single-use plastic cups in 2019. The PLA-lined Planet cup is 100% biodegradable and industrially compostable. Paper cone cups were also given greater prominence during the COVID-19 pandemic as a recyclable, naturally biodegradable and home compostable single-use solution for customers.

In 2021, we further evolved our proposition to include our most environmentally friendly solution yet. The new cup contains zero plastic and is fully recyclable and home compostable, offering a significantly lower carbon footprint than any other cup in the market. We were the first to market this solution in our industry and we are committed to rolling it out across our organisation in 2022.

**Cup recycling scheme helps mitigate the use of plastic cups**

Where use of single-use plastic cups is unavoidable, the UK business offers a cup recycling scheme to ensure cups are disposed of responsibly, helping reduce the impact on the environment. We provide a recycling bin that holds up to 500 cups and recycling bags which are collected from customers' premises on a regular basis. Collections are managed alongside other activities to limit the associated travel emissions.

**The impact of customers making the switch**

**Wates Construction** used to be one of our largest plastic cup customers. The company moved to Planet cups in 2020, ordering 28,000 cups on average per month. They remain one of our largest cup customers in the UK – now fully converted to an environmentally-friendly solution and ordering 32,750 Planet cups per month.

In France, Waterlogic has migrated the majority of its consumable cup sales to 100% plastic-free paper cups as regulation evolves and customers become more educated and demanding of their purchasing choices. One customer alone, **a leading energy supplier**, ordered 6.6 million plastic-free cups in 2021.

Demand for paper cones increased significantly in 2021, with approximately 25 million sold globally compared to 1 million in 2020. Global contracts logistics company **GXO Logistics** used 108,333 paper cones on average each month in 2021.



**32,750**  
Planet cups a month



**108,333**  
paper cone cups a month



**6.6 million**  
plastic-free cups in 2021

**Online platform replaces single-serve and small-pack water**

The onset of the COVID-19 pandemic shifted many people's purchasing behaviour from the high street to online. Fears around contamination also changed behaviours, with consumers going back to single-use both at work and home. As a counter to this we launched an Amazon shop under our Kingshill brand, initially selling 15-litre packaged water to replace the consumption of single-serve and small-pack water.

We are expanding our product offering in 2022 to include more sustainable, pre-packaged water solutions. This includes using Tetra Pak® packaging for our 'On the Go' range coming in 2022. Tetra Pak® is 100% recyclable, environmentally friendly and Forest Stewardship Council certified. In addition, our 15-litre PET bottles will use 50% recycled PET as part of our commitment to reducing the use of virgin plastics.



## Greener consumables and accessories for every environment

### Chilly's bottles provide a premium reusable offering

The global reusable water bottle market size is expected to reach USD 11.51 billion by 2028, according to a report by Grand View Research, Inc. Government regulations and the growing demand for environmentally-friendly and easy-to-carry bottles is a major factor fuelling the market growth. Recognising what they need to do as part of the solution on climate change, many of our customers have already made the switch from single-use to refillable, offering their employees and patrons reusable bottles.

To address these needs, we extended our range of stainless steel, BPA-free and glass bottles in 2021 to partner with well-known reusable bottle and coffee cup supplier Chilly's. As well as being a robust and well-designed reusable bottle, the Chilly's Series 2 bottle features a BioCote® infused drinking collar offering antimicrobial protection to keep it fresh and clean, the same technology applied to many of our water dispensers.

This premium go-to-market solution will be launched in 2022 with the opportunity to support a wide range of customers in delivering sustainable healthy hydration in their workplaces and venues. The extensive consumption of single-use plastic water bottles in sports and communal areas of a hotel, for example, can be discouraged through the sale or free supply of reusables. Where Chilly's is a premium offer, other suitable solutions can provide the full spectrum of needs right across the establishment, outside of the restaurants where it is typically harder to control plastic use.

Source: Market Research

### Cruise liner to pilot reusable bottle initiative

A UK cruise liner company interested in completely eradicating single-use plastic bottles from its fleet, is piloting a scheme with Waterlogic in 2022. This will see the company taking an initial order of 3,000 Purezza glass bottles for its hospitality areas and 10,000 reusable sports bottles for its week-long cruises, each serving 3,000 guests.

Cruise liners often have difficulty off-loading single-use waste responsibly at port, with some ships known to dispose of their waste at sea. It is a pressing problem for cruise ships and the environment, solved by offering this simple and sustainable solution. By providing only reusable solutions, the company hopes to not only eliminate waste onboard but also limit the need for guests to buy bottled water when they go ashore. Should the scheme prove successful, it will be rolled out to several other ships.

### Flavoured water helps reduce plastic and pollution

Extending our efforts to reduce single-use plastic, we have partnered with Elkay Smartwell and Bevi in the U.S. and Calypso our owned brand via Escowa in the Nordics, to offer flavoured water to customers. This not only offers greater choice but replaces the need to purchase single-use juices and sodas which often contain high levels of sugar too. Global investment bank and UK business customer **Goldman Sachs** have used a Calypso flavoured water machine in their London HQ since 2019 and are set to install another one in 2022.



**Removing single-use bottles  
from the hospitality supply chain**

**Meeting our 30 million target  
year-on-year**

Waterlogic’s specialty hospitality brand Purezza Premium Water creates long-term environmental value through sustainable water dispensing solutions that enable hotels, restaurants and cafés to utilise their own locally-sourced water supply to offer to their customers. Purezza eliminates single-use glass and plastic bottles and significantly reduces transportation and logistics costs, helping reduce a venue’s negative impact on the environment.

By integrating sustainable practices, venues can reduce the amount of pre-packaged bottled water going to landfills. In cooperation with customers, Purezza helps remove around 30 million single-use bottles from the hospitality supply chain every year.

**PUREZZA™**  
PREMIUM WATER

**Joining the green revolution**

Thousands of restaurants, hotels and cafés have joined us in reducing their environmental footprint and eliminating single-use bottles in their venues.

At the end of 2021, we were officially contracted by Accor, the world’s largest hotel group with 55 brands, 5,341 hotels and 783,587 rooms, to supply Purezza and Waterlogic solutions in more than 60 of their 116 countries to support the healthy hydration needs of guests, while reducing the associated environmental impact.

We are extremely proud to have been selected by the highest profile and most respected international hotel group in the world in recognition of our sustainability philosophies and credentials. Responsible procurement plays an essential role in the implementation of Accor’s ‘Ethical and CSR Charter’ and their commitment to sustainable development formalised through the ‘Planet 21’ programme. By signing the Charter, we have agreed to comply with their principles, an essential component of a commercial relationship with Accor.

In addition, we have also been appointed as an endorsed supplier to approximately 3,000 non-Accor hospitality venues located mostly in France and Southern Europe, that are members of their “Astore” procurement platform.



**Range enhancements  
provide more eco-friendly  
alternatives to single-use  
bottled water**

The **P2 Firewall™ Bar – Stile Series** launched in 2021 to complete the Firewall-enabled countertop range. Using green R600a refrigerant gas, the Stile meets the needs of medium-sized restaurants and cafés as well as office canteens and private healthcare.

The **P2 Firewall™ Bar – Classe Series** is a high flow dispensing unit that can deliver microbiologically safe water using Waterlogic’s patented Firewall® UVC purification technology, saving up to 160 single-use bottles per hour.

The **Campione tap** offers a stylish, robust, bespoke dispenser capable of delivering the high level of performance required in demanding hospitality environments.

The **Petalosa bottle range** provides our customers with a bespoke reusable and sustainably manufactured serving bottle specifically designed to offer superior quality, elegant simplicity and hygienic functionality.



**Helping customers  
to tackle water waste**

**Breakthrough filtration technology consumes less water**

Launched in 2021, our tank-less direct flow Reverse Osmosis (RO) system has been designed to offer the highest level of filtration and Firewall® purification available, whilst keeping water waste to an absolute minimum. Due to the multi-level filtration required to rid heavily polluted water of contaminants and dissolved particles, traditional RO systems generate a significant amount of water waste during the filtration process. Based on average water conditions, new systems will typically waste water at a rate of 3 litres for every 1 litre of drinking water produced, to 25 litres of waste water depending on the type, quality and age of the system, and the level of incoming water contamination.

Waterlogic's RO purified water to wastewater ratio is as low as 3:2 (60%:40%), with no detriment to its dispensing performance of between 1 and 1.2 litres per minute. This means it takes 1.5 litres of water to produce 1 litre of RO purified drinking water based on average water conditions, reducing wastewater by up to 75%. In cases of extremely poor incoming water, the ratio could increase to 5:5 in order to obtain the optimum levels of purification.

Although results may vary based on incoming water quality and age of the membrane, our direct flow system provides significantly improved water waste ratios, whilst offering the very highest level of safely filtered and purified water. This breakthrough filtration technology has been launched and made available for the popular WL2 Firewall® dispenser, and can also be installed in most Waterlogic freestanding dispensers.



**1.5 litres**  
of wastewater for every  
1 litre of drinking water



**75%**  
water saving compared to  
traditional RO systems

Based on new RO membrane average incoming water conditions

**Purezza putting an end to water washing waste**

A considerable amount of water is wasted through hand washing glasses. In recognition of this, Purezza supplies the hospitality trade with commercial dishwasher trays to encourage customers to use dishwashers rather than washing by hand. A standard dishwasher uses 13 litres of water per load compared to the 122 litres of water needed to wash by hand. Even if a customer only loads their machine once a day, every day for a year, they could save around 40,000 litres of water in comparison to washing by hand.



**122 litres**  
per load water wasted  
handwashing



**13 litres**  
per load water used  
in a dishwasher



That's

**40,000 litres**

of water saved every year (based on  
one load a day, every day)

Source: Nisbets

**Integrated systems tap  
into significant energy savings**

Waterlogic’s Billi integrated tap range is designed with the environment in mind, helping to meet UK Green Building Council objectives. The Billi brand is synonymous with innovation and provides boiling, chilled and sparkling drinking water systems offering unique power consumption advantages.

Billi products harness thermodynamic heat-exchange technology to recover waste heat energy. The waste heat generated by the chilled water cooling cycle is harvested to pre-heat water entering the hot water tank. This design provides a massive CO<sub>2</sub> energy saving compared to conventional boiling and chilled units. Billi still leads the market for commercial boiling taps today by using this technology.

In addition:

- High performance polyethylene insulation holds water temperature and saves energy.
- Stand-by mode conserves power during selected non-use periods.
- Billi Quadra units are cooled by water rather than air, keeping under-counter temperatures stable without the need for ventilation or a draw on office air conditioning.
- New all-in-one under-the-counter unit reduces power consumption by running boiling, chilled and sparkling functions from one box.
- Existing range of units have been recently converted to natural refrigerant gas R290a.
- Individual parts are recyclable and bear globally recognised codes.

In the UK we have attained ISO14001 certification, in addition to the globally recognised Gold Global Green Tag certification. This means we continuously examine our systems and procedures to develop and improve upon them.

**The Billi energy-efficiency advantage**



Compared to bottled water, Billi saves 53,838 w/hr energy and **44.1kg CO<sub>2</sub>e**



Compared to boiling a kettle, Billi saves 2,753 w/hr energy and **2.26kg CO<sub>2</sub>e**

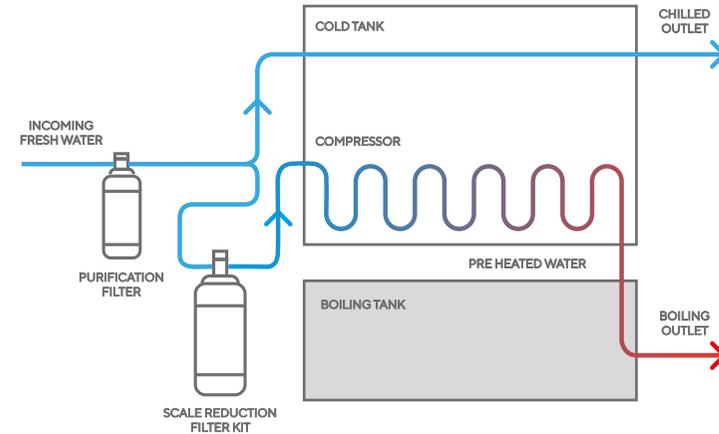


Compared to a conventional boiling and chilled tap, Billi saves 362 w/hr energy and **0.3kg CO<sub>2</sub>e**

Based on 40+ users a day  
Source: Billi energy use calculator



**How our heat-exchange technology works**



**Putting our green credentials to the test**

**Prestigious Green Key eco-label partnership for Purezza**

Purezza's supply agreement with eco-label certifier Green Key International promotes sustainable water supply chains in the hospitality industry using filtered tap water solutions and reducing the use of single-use bottles. This prestigious eco-label is the leading standard for excellence in the field of environmental responsibility and sustainable operation within the tourism industry. It represents a commitment by businesses that their premises adhere to the strict criteria set by the Foundation for Environmental Education.

Green Key are a global organisation and currently have 3,200 sites across 65 countries registered. They are the preferred eco-label certification for many international hotel groups, most notably for Radisson worldwide.

Our partnership with Green Key means we are better placed to drive change for a more sustainable future for the hospitality industry with an organisation that so passionately shares our vision.



**Green Product Award**

**Purezza *Petalosa* bottle achieves top 10 in Green Product Awards**

Purezza's innovative and stylish branded water bottle, *Petalosa*, was a short-listed finalist in the Green Product Awards (GPA) 2021. From 1,461 entries across 51 countries, *Petalosa* finished in the top 10 of the consumer goods category and top 100 in the product category.

The Green Product Awards showcase sustainable and innovative products and services by providing a platform for established companies and start-ups to network and promote their unique achievements. To be recognised by the GPA is a noteworthy achievement and will help create significant exposure for the bottle, further enhancing the sustainability credentials of the Purezza brand.

The bottle is a masterpiece of engineering and design, fusing elegant simplicity with functional superiority to assist in improving cleanability and refill speed as well as helping remove single-use bottles from the hospitality supply chain.



**Purezza Classe is finalist at Zenith Global Water Drinks Awards**

Purezza's P2 Firewall™ Bar - Classe Series water dispenser was chosen as a finalist at the Zenith Global Water Drinks Awards 2021 in the category of 'Best CSR Initiative'. The Classe Series dispenser was the highest placing water dispenser with all other finalists being consumable products.

Zenith Global are a world leading food and drinks consultancy offering commercial, operational, technical and transaction services to over 1,000 clients including Coca Cola, PepsiCo and Nestle. Their annual Water Drinks Awards are designed to celebrate excellence and innovation across every category of the packaged water industry.

As a nominated finalist, it provides great global exposure for the Purezza brand in recognition of our socially and environmentally responsible approach, helping our customers to remove 30 million single-use bottles from the hospitality supply chain each year.



Putting our green credentials to the test

Coffee service meets strict Swan eco-label standards for another year

Waterlogic Norway was awarded Swan eco-label certification in 2019 for its coffee service. Swan certification, one of the most well-known ecolabels in the Scandinavian region, promotes products and services that put the environment and sustainability at the heart of everything they do. It covers everything from the manufacturing of the coffee machines; at least 95% of all vehicles used for transport must comply with the Euro 5 standard; sustainably and responsibly sourced coffee beans; and the production of reusable consumables.

Few companies satisfy the stringent criteria, which changes from year to year to ensure continual investment in practices that have a positive impact on the planet. In 2021 we expanded the Swan service with new coffee machines and ingredients, and a key focus for 2022 is to fulfil new contracts and upgrade existing customers to the Swan-certified coffee service, helping our customers reach their own environmental targets.



Kaffetjeneste 2100 0002



Trusted GreenTag label certifies Billi integrated dispenser range

We are proud to be GreenTag certified, one of the world's most trusted and widely recognised ecolabels. GreenTag independently assures that our Billi integrated dispensers are fitness tested and certified under leading certification programmes that use the world's best scientific methods.

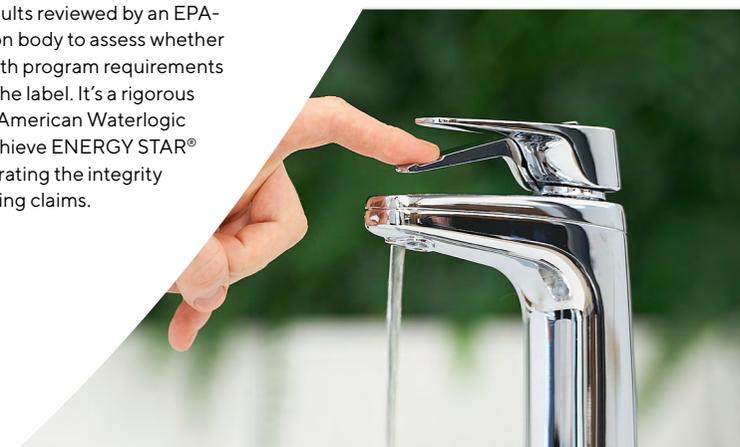
It has earned the reputation and trust of thousands of buyers, hundreds of companies, and numerous green building councils, certification bodies and governments around the world.

Every Billi integrated dispenser is designed with the environment in mind to meet ecologically sustainable development guidelines. By carefully selecting each component for every unit, Billi achieves a very low carbon footprint. Individual parts are recyclable and bear globally recognised codes.

ENERGY STAR® proves integrity behind energy-saving claims

ENERGY STAR® is the simple choice for energy efficiency, making it easy for consumers and businesses to purchase products that save them money and protect the environment. Products must achieve high levels of energy efficiency set by the U.S. Environmental Protection Agency (EPA) in order to meet the criteria. The EPA ensures each product that earns the label is independently certified to deliver the efficiency performance and savings that consumers expect.

Testing must be conducted through a recognised laboratory and test results reviewed by an EPA-recognised certification body to assess whether a product conforms with program requirements and is eligible to earn the label. It's a rigorous process, but all North American Waterlogic dispensers that can achieve ENERGY STAR® are certified, demonstrating the integrity behind our energy saving claims.



## Oceansaver accolade recognises customers doing their bit

Waterlogic’s Oceansaver accolade acknowledges and celebrates customers who are taking the necessary steps to actively reduce plastics in their workplace, helping to keep our oceans clean. In its inaugural year, we recognised three customers in 2020 for their outstanding commitment to saving our oceans: Goldman Sachs (UK), Interserve (UK), and Hollywood private hospital (Australia). 2021 saw us continue to roll out the accolade globally to recognise these customers ‘doing their bit’:



### DPD, UK

Since 2020, leading parcel group DPD has provided its 22,000 employees with reusable metal bottles and installed Waterlogic bottle filling stations at its 87 UK depots, ensuring that the bottles can be easily refilled. DPD estimates this has helped save over 1 million plastic bottles, corresponding to over 82.8 tonnes of plastic. Based on its employees filling up on average twice a day, five days a week, DPD estimate that 3.75 million plastic bottles of water will no longer be needed. In addition, DPD’s Hub vending machines, which typically dispense 100,000 plastic bottles of water a year, now only provide cans. Looking forward, the company aims to reach a recycling goal of 80% by 2025, with zero to landfill and the complete removal of single-use plastics. It is also well on track to meet its target of reducing its CO<sub>2</sub> per parcel by 30% by the same year.



### Iberostar, Spain

Iberostar Group is a 100% family-owned multinational Spanish company, dedicated for over 60 years to tourism and has a portfolio of over one hundred 4 and 5-star hotels in 16 countries. They have been Waterlogic customers since 2017, with approximately 500 dispensers installed across their sites to date. In 2018, Iberostar launched its ‘Wave of Change’ movement to protect the oceans and lead responsible tourism. Wave of Change consists of three pillars – moving beyond plastic and towards a circular economy, promoting the responsible consumption of seafood, and improving coastal health. In 2019, Iberostar became the first hotel chain to be free of single-use plastic in rooms, eliminating over 420 tonnes of plastic annually and in 2020 became single-use plastic-free across its operations.



### Four Seasons Hotel, Miami, USA

The Four Seasons Hotel Miami switched to a more sustainable water solution with the objective of significantly reducing the hotel’s reliance on single-use water bottles. This crucial step resulted in a direct impact on their carbon footprint with the hotel reporting they had removed almost 275,000 single-use plastic bottles per year. Staff at the hotel worked together to re-evaluate the provision of thousands of pre-filled water bottles used across the site, resulting in the investment of two bottle filling stations for the housekeeping team, as well as installing stations in the restaurant and pool area. This switch not only eliminated single-use plastic bottles but has helped Four Seasons Miami save 22,770,000 grams of CO<sub>2</sub> and 107,133 gallons of water.

# SOCIAL

# Supporting consumer health and well-being through hygienic certified workplace solutions

We have always taken the provision of safe drinking water seriously. Access to potable water in the workplace is a right; it's vital for human health and well-being. Helping consumers access good quality hydration whilst achieving the highest standards of hygiene has remained a key focus for Waterlogic in 2021. We have continued to build upon our a range of solutions to provide unrivalled purity and security to guarantee total peace of mind for our consumers across the world.



Putting our technology to the test in the fight on hygiene

Peace of mind hygiene with Firewall® across the range

Purezza *Petalosa* bottle unveils peace of mind cleanliness

Infrared offers customers hygienic contactless dispensing

Mineralised water supports the body's daily magnesium requirement

Hygiene solutions supporting a safer working environment

Taking a hygiene-first approach across our value chain

Expanding WELL-compliant range to help customers achieve certification

Waterlogic is working towards these Sustainable Development Goals:



**Putting our technology to the test in the fight on hygiene**

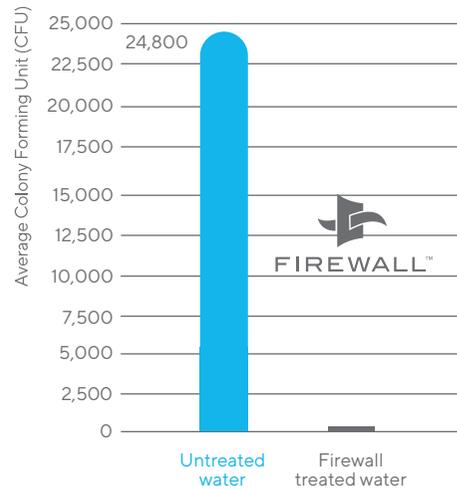
**Firewall® UVC purification technology proves 99.999% effective against COVID-19**

Waterlogic’s patented Firewall technology has long been recognised for its ability to purify water up to 99.9999% bacteria and virus-free. In fact, it was already the world’s most highly certified purification technology. To enable us to continue to provide reassurance and confidence during the COVID-19 pandemic, Firewall was rigorously tested against the human form of COVID-19 by a team of microbiologists from the University of Arizona led by Dr. Gerba.

First, the untreated water in the reservoir was tested to ensure it was not contaminated or contained any traces of the disinfectant chlorine. Having chlorine present would have compromised the test, as chlorine is known to kill pathogens contained in water. Then the laboratory carried out tests on two Firewall units, each with one dose of the COVID strain spiked into the water of between 186,000 to 310,000 colonies. Extremely high doses of the COVID pathogen were used to stress test Firewall’s capabilities. To provide context, international government water bodies permit up to 100 non-pathogenic colonies per millilitre of drinking water but zero pathogenic content.

The tests conducted by the microbiologists from the Water & Energy Sustainable Technology (WEST) Center at the University prove that Firewall is 99.999% effective in eliminating COVID-19 right through to the dispensing nozzle.

**Firewall stress-tested against extremely high doses of the COVID pathogen**



**“I have tested the Waterlogic Firewall machine and can confirm it removes COVID-19.”**

Dr. Charles P. Gerba, Water & Energy Sustainable Technology (WEST) Center, University of Arizona

 **Read Dr. Gerba’s test report**

**The impact of Firewall testing**

The results provide scientific proof and peace of mind for people who rely on Waterlogic dispensers to provide safe and hygienic access to great-tasting drinking water.



**99.999%**  
effective against the human form of COVID-19



**1<sup>st</sup> in world**  
scientifically proven COVID-secure water purification technology



**50 million**  
Peace of mind for millions of consumers around the world



**Putting our technology to the test in the fight on hygiene**

**No other purification technology features these standards of certification together**

Recognising the importance of providing outstanding, reliable and unrivalled product performance and hygiene to customers, our dispensers have been designed, manufactured, tested and certified to strict quality standards. This means our customers can have confidence that our Firewall technology claims are sincere and backed by science.

Waterlogic is committed to investing in achieving unparalleled levels of certification to ensure our products are safe and meet the highest standards of public health, safety and environmental quality to provide assurance for our consumers. Firewall is the only purification system that features IAPMO R&T to NSF/ANSI 55 Class A and NSF P231 Protocol for Microbiological Water Purifiers standards of certification together, plus the technology is also certified to US EPA Guide Standard, NSF/ANSI 372 for lead free compliance and CSA B483.1. Products that go through the NSF International certification programme must withstand rigorous testing to evaluate the performance and integrity of the product.

The key difference compared with other UVC technology is how Firewall purifies all the way through to the nozzle. Firewall obliterates germs just before the water reaches the glass and acts as a barrier to prevent bacteria and viruses from getting into the system, preventing retro-contamination.

Firewall is designed for fast and comprehensive purification on demand. Its distinctive double-helix spiral allows water to flow from top to bottom and back, exposing the water to UVC radiation for longer

than conventional UV solutions. The mirrored housing also amplifies the strength of the light for thorough germicidal action.

**BioCote® product preservation\* technology keeps dispensers fresh and clean**

Exclusive to Waterlogic, BioCote® built-in product preservation\* technology prevents the growth of odour and stain-causing microbes, such as bacteria and mould, around the dispensing area and filter, keeping the key dispenser's surfaces fresh and clean. Unlike other antimicrobial additives, BioCote® is not a coating that wears off, it is infused during the manufacturing process to provide continuous and long-lasting surface protection that doesn't wear off or wash away.

BioCote® is the only antimicrobial additive provider in the world to be certified by HACCP International, meaning BioCote® can be manufactured into products that come into direct contact with food and drinking water.

\*Exclusive to Waterlogic in the water dispenser market. BioCote® silver ion technology protects surfaces from odour- and stain-causing microbes. BioCote® does not protect users or others against bacteria, viruses, germs or other disease causing organisms. This technology is not a substitute for good cleaning practices.



**Peace of mind hygiene with Firewall® across the range**

**The synergy of Reverse Osmosis and Firewall offers unbeatable protection**

Our Reverse Osmosis (RO) dispensers have always offered the highest level of filtration available, ideal for when the water source is questionable or known to be highly polluted, for example, red boiler alerts. In 2021, we combined our direct flow RO filtration system with Firewall UVC purification to guarantee our consumers the safest and most highly purified drinking water on the market.

The new tank-less direct flow RO system combined with Firewall UVC technology addresses the Achilles heel of traditional RO dispensers, whereby the water can be exposed to microbial contamination once it has been treated by RO and stored in the tank ready for dispensing. Pathogens and any other potentially harmful microorganisms that might be present in the water pipes after the RO treatment, are safely deactivated by Firewall at the point of dispense.

All 55 tests conducted over a period of 11 months reported zero bacteria counts. The testing data proves that the synergy of our new direct flow RO and Firewall UVC purification technologies can provide unbeatable protection against viruses and bacteria, making water provision safer than ever for consumers.



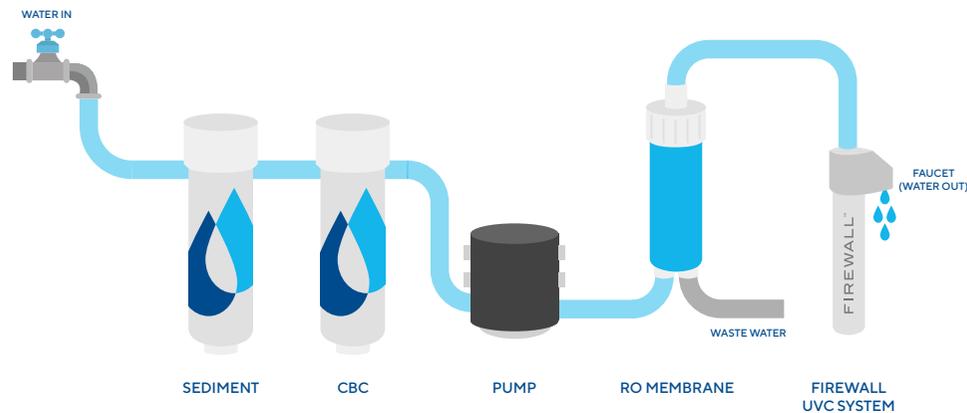
Reverse Osmosis removes water contaminants



Firewall UVC purification neutralises microorganisms



0 bacteria count recorded in 55 tests over 11-month period



**Peace of mind hygiene with Firewall® across the range**

**COVID-secure tapware and hospitality countertop solutions continue to grow**

We continue to enhance our range of products with COVID-secure Firewall technology to ensure as many people as possible benefit from microbiologically safe water, particularly in demanding commercial, hospitality and healthcare settings where stringent hygiene and safety are essential.

In 2020, Waterlogic's Purezza Premium Water brand launched its first hospitality solution to offer high flow dispensing using Firewall UVC purification technology. The **P2 Firewall® Bar - Classe Series** is also the only water dispensing machine in the hospitality sector to be HACCP certified globally, confirming its ability to support the integrity and safety of food as demanded by industry expectations, legislation and GFSI (Global Food Safety Initiative) endorsed standards.

Following in its footsteps, the **P2 Firewall® Bar - Stile Series** was launched in 2021 to complete the Firewall-enabled countertop range. The Stile has been engineered to provide a smaller footprint and dispensing capacity than its Classe counterpart, and is positioned as a mid-range offering to meet the needs of medium-sized restaurants and cafés as well as office canteens and private healthcare. Both dispensers are made of easy to clean stainless steel materials with shielded nozzles to provide extra hygiene protection whilst dispensing.

Launched in 2020, the **Billi Firewall® Tower dispenser** was our first integrated under-counter tap dispenser to offer Firewall® technology with infrared sensors, providing contactless access to highly purified water. Currently in development, the **WL Firewall Tap 4.0** will act as a premium tap version of the Classe and Stile for hospitality and high-end commercial applications, but with under-counter functionality.

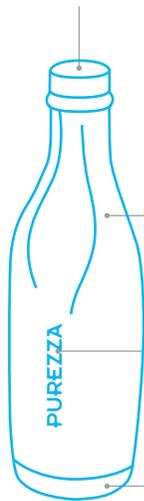


**Purezza *Petalosa* bottle unveils peace of mind cleanliness**

The launch of our new *Petalosa* bottle range in October 2020 was one of the most significant projects in the history of our Purezza brand. For the first time, it allowed us to offer our hospitality customers a bespoke, reusable serving bottle specifically designed by us with the highest regard for hygiene and safety at its creation.

A masterpiece of engineering and design, the *Petalosa* bottle fuses elegant simplicity with functional superiority to assist in improving cleanability and speed of refill. These are important factors in a busy hospitality environment that relies on meeting the highest hygiene protocols for the safety of its staff and customers.

50% wider mouth allows more water in



**The beauty of *Petalosa***

- Its 50% wider mouth means the bottle can accept a greater inflow of water during the washing process, enabling water to thoroughly pass over all the inner surfaces of the bottle, washing away particles.
- The gentle curve of the bottle’s shoulder allows for more effective washing in areas where many bottles harbour dirt and particles difficult to reach in the cleaning process.
- The inside base of the bottle is curved to make it easier to reach and clean too.
- The bottles are printed, not etched. Etching disrupts the surface and allows for germs to accumulate on the outside of the bottle, which can be easily transferred between users.
- The bottle is weighted at the base for increased stability.

Gentle curves allow more effective washing

Printing provides no place for germs to hide

Weighted base prevents accidental knocking



## Infrared offers customers hygienic contactless dispensing

The COVID pandemic generated a strong demand for contactless product interaction to enable the safe and hygienic use of high-touch, communal facilities such as water dispensers. In early 2020, our China R&D team quickly reacted to customer needs, developing foot pedals to facilitate hands-free dispensing. The foot pedals were well received with immediate orders placed by Bupa Spain for their private hospitals located across the country, and from our Latin American distributors due to the significant impact of COVID-19 in the region.

In 2021, we developed and launched our own autonomous infrared (IR) technology. The IR module complements the foot pedal solution and is offered as an alternative based on customer preference. Designed to work with the majority of new and existing Waterlogic dispensers, the IR module offers consumers additional peace of mind, allowing them to access water more hygienically due to the distance dispense functionality. Just by hovering a hand over the IR module on top of the dispenser, the user can select their preferred water option and dispense their drink without ever touching the machine.

Available for Waterlogic's core range of mains-fed dispensers as well as the Classe series of hospitality solutions, the modules provide added reassurance in support of COVID-secure protocols, particularly vital for hospitality environments.



**Mineralised water supports the body's daily magnesium requirement**

Magnesium is an important macromineral, playing an essential role in over 300 enzyme reactions in the human body. This vital mineral stimulates the cardiovascular system and mental capacity and is important for our muscle condition. Magnesium boosts the immune system and plays a central part in our nervous system too, helping to alleviate stress, improve sleep quality, boost energy levels and general mood.

A sufficient supply of magnesium also helps against tiredness and exhaustion, and supports the maintenance of the physical functions, such as the ability to concentrate. Despite this, a recent study in America found that up to 75% of the adult population has a magnesium deficiency<sup>1</sup>.

In late 2021, we offered customers in the UK and Denmark the opportunity to enjoy the health benefit of magnesium mineralised water through our mains-fed dispensers. The mineralising filter improves drinking water quality by reducing heavy metals such as lead and copper and addresses odour and taste-disturbing substances like chlorine. Importantly, it enriches the water with magnesium, maintaining balanced mineral content at an almost neutral pH value. The patented ion exchanger exchanges calcium for magnesium and hydrogen ions. Magnesium carbonate is many times more soluble than calcium carbonate, and at the same time the pH value is reduced to a value of approximately 6.5. The presence of magnesium also allows for tea and coffee to develop a fuller aroma and rounder taste.

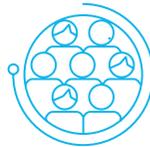
In 2022, we aim to offer more consumers the opportunity to enjoy safely purified water with the added health benefits of magnesium to address the growing demand whilst reducing the consumption of 'functional water' through single-use plastic bottles.

**Magnesium, the vital mineral**



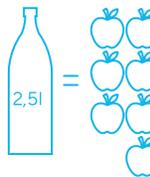
**300mg**

The body needs approximately 300mg of magnesium every day<sup>2</sup>



**75%**

of population has a magnesium deficiency<sup>1</sup>



**65mg**

magnesium in every 2.5 litres of mineralised water

Based on average water hardness of 304 ppm

Sources: <sup>1</sup>United States Department of Agriculture Agricultural Research Service; <sup>2</sup>German Society for Nutrition



## Hygiene solutions supporting a safer working environment

### Air purifiers combat airborne viruses, bacteria and allergens

Our goal is to support our customers in enhancing employee well-being and safety in the workplace. We increased our range of hygiene-related products in 2021 to ensure customers have everything they need as they remain vigilant about maintaining a safe and hygienic environment. Alongside hand sanitising stations, hygiene consumables and accessories, we added air purification solutions to the range, designed to improve air quality in demanding work environments.

Research, evidence and recommendations by the UK Health and Safety Executive (HSE) and World Health Organization (WHO) surrounding the airborne transmission of COVID-19 and how to mitigate its impact in the workplace, led to the launch of our air purification products in November 2021. Whilst adequate ventilation remains a key factor in combatting the spread of COVID-19 and other viruses, air purification can be used in circumstances where this is not possible or where enhanced purification is required.

The **MedicAir Air Purifier** uses medical-grade purification technology which purifies the air by over 99.9% from viruses including COVID-19, surrogates H1N1 and MS2, bacteria, allergens and other undesirable contaminants. The anti-bacterial coated HEPA-13 filter has a 6.7m<sup>2</sup> surface area and filters out 99.95% of all particles down to 0.3 microns, whilst an activated carbon layer removes harmful VOCs and odours. A 24W UVC bulb then targets viruses and other microscopic contaminants.

### Contactless hand sanitising stations maintain consistent supply

The pandemic highlighted the importance of hand hygiene in the workplace where many employees use shared facilities on a day-to-day basis. Global supply chain issues with pre-packaged hand sanitising gels meant supply was often inconsistent resulting in a regular shortage of the product, risking the spread of viruses. In March 2021, the UK and Ireland business agreed a partnership with global healthcare brand **INEOS Hygienics** to add their contactless hand sanitising stations to its product offering.

The hospital-grade dispensers feature ethanol-based sanitiser, produced to WHO guidelines, which kills 99.9% of viruses and bacteria. INEOS Hygienics' range of dispensers are used by the Mercedes-AMG Petronas F1 Team, and for Tottenham Hotspur's state-of-the-art London stadium and Enfield training ground, alongside other notable businesses across a range of industries.



### A range of practical hygiene consumables and accessories

Essential consumables and accessories help prevent the spread of germs in the workplace, including:

- **Paper cones** help to reduce the risk of spreading germs due to their conical shape as they need to be thrown away immediately after use. It is also believed that germs survive for significantly shorter periods of time on paper than on plastics, making these consumables as hygienic as well as eco-friendly alternative to other single-use cups.
- **Aqua Dosa** disinfectant surface wipes and spray used to sanitise equipment use a Byotrol active ingredient offering 99.99% protection against bacteria and viruses for up to 24 hours.

The introduction of a convenient and cost-effective subscription service in 2020 backed by contactless delivery guarantees our customers never run out of these essential products to keep their workforce protected.

**Taking a hygiene-first approach across our value chain**

**The highest health and safety protocols ensuring customer peace of mind**

We maintain safe and hygienic practices throughout our value chain. From the production line, packing and shipping to sales, contactless delivery, installation and servicing, we take every possible precaution and we make sure that our suppliers do the same.

Waterlogic has always followed strict hygiene standards and stringent food handling measures in our factories and warehouses. We ensure the safe handling of our products during production through to contactless delivery. Our responsibly handled products are manufactured and distributed in a process audited for hygiene, compliant with the following certifications: ISO9001, ISO140001, OHSAS18001:2007, HACCP, BSCI; contactless delivery.

Technicians who visit customer premises to deliver bottles, install or service dispensers follow strict hygiene protocols that include maintaining a safe distance from others; applying hand sanitiser before and after every site visit; wearing disposable mask and gloves throughout the visit; and using sanitiser to disinfect bottles and dispensers. Regular on-site maintenance of our dispensers ensures they are safely performing at their best. This typically includes a twice-yearly visit to sanitise and descale the dispenser and replace parts. We also offer customers the opportunity to opt for more regular servicing throughout the year as part of an enhanced hygiene regimen.

Waterlogic’s global marketplace has been impacted by the pandemic to lesser or greater extents. Regardless of individual market circumstances, many businesses that were reluctant or unable to hold face-to-face sales meetings, are now inviting personal contact once more. We offer both a ‘safe’ in-person meeting as well as a remote online service to accommodate the needs of every business, facilitated through the use of technology such as Microsoft Teams.



**Taking a hygiene-first approach across our value chain**

**Helping customers get back to work safely**

Supported by practical help and guidance from our responsive customer experience teams, as part of our ‘back to work safely’ initiative we created informative customer restart and usage guides. First distributed in 2020, the guides detail best practice for customers getting Waterlogic and Purezza machines safely back in use after a period of disuse, as well as advice on enhancing day-to-day hygiene protocols to secure the health and safety of their staff, customers and users.

Customers also have access to collateral dedicated to reinforcing the hygiene message around the dispenser, designed with the emphasis on the user’s responsibility for keeping their dispenser clean as well as encouraging hand hygiene and social distancing.

**Customer trust scores highly for Waterlogic**

Trustpilot is the leading global review platform enabling consumers to give feedback to businesses about their buying and service experience. The TrustScore is the overall measurement of reviewer satisfaction, based on all the reviews a business receives on Trustpilot. The TrustScore for our USA, Australia, France, and UK markets saw a positive uplift in 2021. The overall average increased by 22% from 3.6 to 4.4 out of 5, reaching an ‘Excellent’ or ‘Great’ Star label.

Enabling our customers to share their experiences improves transparency, helps build relationships and enhances trust between us. We work with review feedback to help us learn and improve so that we always strive to deliver outstanding customer service.



**Expanding WELL-compliant range to help customers achieve building certification**

Waterlogic’s focus on providing hydration solutions that offer COVID-secure purified water, premium filtration and safe contactless dispense while reducing the need for single-use plastic, allows buildings and community projects that choose Waterlogic’s mains-fed dispensers to gain ‘points’ towards achieving WELL certification.

To become WELL certified is a significant accolade for any modern workspace and everything from the quality of air inside a building, the number of chemicals used in the paint on the walls or how far you must walk to access a water dispenser is assessed in order to qualify.

WELL is among the worldwide leading certification programmes that industry experts refer to for their projects, aimed at advancing health and well-being in commercial and institutional buildings globally, and the standard that Waterlogic plans to align with globally.

Our patented Firewall® purification technology and advanced filtration means our products meet the requirements laid out in sections WO4 and WO5<sup>1</sup>: *Provide access to drinking water without unpleasant taste, odour, and appearance. And maintain and display consistent high quality of drinking water.*

Our Billi Australia business became a cornerstone member of the International WELL Building Institute (IWBI) in November 2019, and first in the ‘drinking water systems’ category globally. 2021 saw us expand the offer to incorporate Waterlogic mains-fed dispensers to the list of recommended WELL-compliant products, with a view to offering more ways in 2022 for existing and prospective customers to satisfy the criteria required for WELL certification.

<sup>1</sup>WELL certification: WELL v2 - Q4 2021

The continued challenges of the COVID-19 pandemic throughout 2021 have meant a refocussing of priorities for many customers. The goal is for increased activity in 2022 as more businesses return to pre-pandemic scenarios, placing Waterlogic in a strong position to assist those customers pursuing WELL certification through our hydration solutions.



# Building a rewarding and supportive culture of inclusion, diversity and well-being

The real fuel and energy behind Waterlogic’s growth and success comes from our people. Our people don’t just work for Waterlogic, they are Waterlogic. They’re what make our company great. We care about our employees’ health and well-being and we care about creating a vibrant and rewarding working environment that allows them to thrive. We practise an employee-focused culture where everyone is valued as an individual, has equal access to opportunities and is rewarded for their contributions to others and to the business.



Supporting employee mental health and well-being

Employee health and safety at work and home

Embracing a fair, inclusive and diverse culture

Harmonising remuneration and creating equal opportunities in the workplace

Closing the gender pay gap to create a fairer future for women

Investing in youth programmes and apprenticeships

Sustainable employment for people with disabilities

Recognising, celebrating and rewarding our employees

Waterlogic is working towards these Sustainable Development Goals:



## Supporting employee mental health and well-being

### Expanding Mental Health First Aid team offers a lifeline for employees

Supporting good mental health remains a firm focus for Waterlogic, and we continue to expand and launch new initiatives offering kindness and self-help, as well as encouraging people to seek professional help when they need it.

Ten UK-based employees were appointed Mental Health First Aiders (MHFA) in 2020 following training from social enterprise company, MHFA England. We now have 23 MHFA-trained first aiders able to recognise colleagues who are not themselves, and reach out subtly and confidentially to support with any personal concerns or issues. Their role is to listen, offer comfort and compassion, and encourage professional help if needed, all in a non-judgemental way.

Training continues to provide our MHFAs with the skills they need for specialised situations as well as to refresh and reinforce core knowledge. During 2021, MHFAs learned how to spot and support mental health in home-working situations, and in 2022, we plan to participate in MHFA England's resilience training to help individuals understand how to navigate their way through significant life challenges and events.

The team holds monthly meetings to share ideas on how to make mental health matters and services more accessible to employees, as well as to support each other. In October 2021, 'MHFA Buddies' was established to provide partners for first aiders on the road. MHFAs are able to rely on their 'buddies' for access to resources if needed, as well as having someone to share difficult and troubling issues with.

### Plans to increase MHFA support in 2022 include:

- Supporting the **'Time to Talk, Time to Change'** nationwide initiative and **Mental Health Awareness Week** to encourage employees to talk openly with friends, family and colleagues about their mental well-being.
- Introducing a regular drop-in **Menopause Café** to allow open and honest conversations about menopause-related issues.
- Encouraging participation in local voluntary organisations such as **'Sports in Mind'** which offers free sports and physical activities to people suffering with mental health issues.
- Launching **The Violence at Home Signal for Help** to provide remote-working employees a discreet and safe way to communicate with colleagues that they are in an unsafe environment.
- Establishing a **dedicated online resource space** where employees can freely access a range of materials and organisations that can help with issues they may be facing.

### Mental ill health in the workplace



**1 in 6**

working-age adults have symptoms associated with mental ill health



**1 in 5**

people take a day off due to stress



**90%**

of these people cite a different reason for their absence



**72 million**

working days per year are lost due to mental ill health



**602,000**

cases of work-related stress, depression or anxiety were reported in 2018/19

Source: MHFA England



### Resilience workshops support home-workers

The UK team ran six online resilience workshops in 2021 to support home workers and provide them with the skills and information for challenging situations. Employees from all areas of the business joined the courses including technicians and drivers. Line managers also attended to help them recognise employees in difficulty and offer guidance on how to support them, with one manager saying, "After the workshops I was able to recognise and spot the signs in one of my employees and do something about it." Access to the resilience programme will continue to be offered in 2022 on the employee intranet. Technicians are also encouraged to visit service centres each week to ensure lines of communication between managers and other employees remain open, combating the possible feelings of isolation when working alone.

## Supporting employee mental health and well-being

### Helping employees take charge of their own well-being

We place great importance on the care of our employees' mental health and well-being, and strive to create an environment that offers help and support both directly and indirectly. By providing staff with access to a range of materials, we continue to create opportunities that allow our employees to take charge of their own mental health, as well as support the well-being of their peers.

Employees in the UK and Ireland have access to the **Waterlogic GB Wellness Area**. This is an online well-being resource containing blogs, articles, plans for exercising, diet and career, plus advice and tips on leading a positive, healthy lifestyle, and access to our Mental Health First Aiders (MHFA). Through a MHFA contact form, employees can select support based on their preference for male or female contact, and either a colleague in their office or someone remote from their place of work. For field service employees, stickers with contact numbers and QR codes are placed in clearly visible areas around service centres and on vehicle visors, making access to support as easy as possible.

In Australia, the **'In this together'** programme continues through its second year to provide employees with practical tips and regular assessments to support well-being, as well as online access to self-help modules. The eight-part series of modules covers topics such as breathing, staying connected, and keeping routines, aimed at improving mental well-being. By the end of 2021, the eight modules had received 1,005 views from the 280 employees who have access to the programme.

The information and tips provided in the 'In this together' programme were collated from the Australian Government National Health Commission and leading mental health organisations MindSpot, Lifeline, HeadSpace and Beyond Blue.

Waterlogic Australia also encourage their employees to support each other with the **'R U OK?'** charity campaign. The harm prevention charity compels people to stay connected and have conversations that can help others through difficult times. Employees in Australia are regularly reminded of the charity's work and offered tips on how to approach fellow colleagues and engage in a conversation that could truly support someone in need.

### Bringing my 'whole-self' to work campaign

The UK team participated in the MHFA England 'whole-self' campaign which encourages employees to bring their 'whole self' to work and not feel the need to leave parts of their identity, such as ethnic background, sexuality, disability or health, at home.

The campaign recognises the need for people's identity to be acknowledged and respected in the workplace, which in turn supports individuals' mental wellbeing. It also supports the notion that at times personal lives can have an impact on work life.



## Supporting employee mental health and well-being

### The Employee Assistance Programme with all the perks of Perkpal

Recognising that the pressures of day-to-day life can be challenging at times, a number of Waterlogic businesses provide an Employee Assistance Programme (EAP) giving employees access to a range of emotional and well-being support services. Employees in the UK and Ireland access their EAP through the online benefits platform, Perkpal.

The EAP offers practical help and guidance on a range of medical, finance, legal and well-being subjects for employees and their family members. The services are run by independent and confidential third parties through a freephone service that can be accessed 24 hours a day, 7 days a week.

#### The range of EAP well-being resources include:

- CBT self-help modules and factsheets by a leading counselling supervisor for help on dealing with a range of issues.
- 4-week self-help programmes to support lifestyle changes such as weight loss, poor sleep or changing unhealthy habits.
- Mini health checks to provide information on a number of common concerns ranging from stress to diet.
- Health calendar that targets key areas such as heart disease or dementia.
- Webinars on areas of mental health well-being including resilience and stress management.
- Articles dedicated to physical and emotional health and ways to deal with anxiety and stress.

Perkpal also provides a health and well-being centre where users can access online mindfulness courses plus a host of articles, guides and tips on topics such as ways to boost energy, organisation, sleep and stress management. In addition, Perkpal offers a wide range of benefits and discounts with over 1,500 retailers, 3,000 gyms and 10,000 restaurants, and for days out.

849 UK employees are Perkpal users with over half (482) having verified their accounts since it was launched. Over a ten months period in 2021, the site was visited 5,048 times, with the most active month of November seeing 673 visits. To date, users have made GBP 1,742 worth of savings.



### EAP supports specialist grief counselling in the U.S.

The Waterlogic U.S. head office used their EAP to deliver face-to-face grief counselling in 2021 following the sad loss of a colleague. The sessions were free to everyone and provided confidential support to employees affected by grief. Those employees unable to attend head office sessions could access counselling services and three free-of-charge counselling sessions, as well as guidance on other services available.

The U.S. EAP is available to all employees in the region and provides a range of advice on matters such as personal finances and well-being, as well as practical support on things like local childcare provision. Employees are introduced to the EAP when they join the business, and they are regularly reminded of its value, recognising that personal circumstances can change during the course of their employment.

*"I found the grief counselor extremely helpful. She was able to encourage me to get into therapy which I have done since, and it has helped me tremendously to process grief and tragedy in my life."*

## Supporting employee mental health and well-being

### Schemes help employees stay in control of their financial well-being

In 2021, Waterlogic USA partnered with the PNC Bank to offer employees a comprehensive range of free banking solutions, support services and incentives. Focused on employee financial well-being, the scheme helps employees feel in control of their finances and provides guidance on achieving long-term financial stability.

Employees can open a PNC bank account with a US\$ 300 incentive as well as access a range of benefits such as financial counselling, advice on improving credit ratings, guidance on how to reduce debt, and setting saving targets. A PNC representative periodically visits the U.S. offices explaining the benefits available and offering financial wellness advice. To date, 13 employees have enrolled in the PNC banking rewards partnership and over a quarter of all U.S. employees are taking advantage of the financial wellness and achievement centre.

Launching in the UK and Ireland in 2022, employees will benefit from HSBC workshops with finance professionals as well as free and confidential 30-minute one-to-one sessions on a range of personal finance topics such as mortgages, debt management and credit ratings. Employees can access the one-to-one sessions as frequently as required for the whole journey of their 'financial fix'.

### Promoting teamwork and wellness through the 'Waterlogic World of Sports'

Call centre leaders from the U.S. head office created the 'Waterlogic World of Sports' from a shared vision to bring employees together through sport. Finding a new and innovative way to promote a healthy lifestyle as well as foster greater inter-departmental collaboration whilst enjoying sporting activities, offered the perfect solution.

The first basketball event was held in 2021 with 72 participants either playing, spectating or cheerleading. Mixed teams from different departments and job functions were encouraged, and five team captains formed the 'Waterlogic World of Sports Founders Committee' whose role it was to motivate and encourage people to participate and spread the word.

The Waterlogic World of Sports will continue in 2022 with a new head office sporting event each quarter and other branches and regions encouraged to join in.

Offering another opportunity to collaborate with colleagues through fitness and sports both in and out of the workplace, all U.S. employees have the opportunity to join the **Active and Fit programme**. The scheme offers employees a heavily discounted monthly membership to any gym within the Active and Fit network across the country, even when they are travelling.

### The impact of our mental health initiatives in 2021



23

Mental Health First Aiders support UK employees



72

U.S. employees participate in the Waterlogic World of Sports



482

UK employees sign up for EAP access and employee benefits



1,005

Views for Australian 'In this together' self-help modules



## Employee health and safety at work and home

### St John's Ambulance courses train first aiders

We continue to encourage and upskill our teams beyond their working responsibilities with employees based at our HQ and UK offices being first aid trained following the successful completion of courses run by St. John's Ambulance.

It is a legal requirement in the UK to have at least one qualified first aider on site each day when 25 or more staff are present, and we have taken the necessary steps to ensure there is an appropriate number of first aiders to always fulfil this requirement. The safety of our employees whilst at work is of paramount importance and something we take very seriously.

The course consists of three full days of training at a convenient St. John's Ambulance location. It covers everything from basic wound dressing, burn injuries and choking, to unconsciousness, cardiac arrests, applying CPR and training in the use of a defibrillator.

In total, 31 employees based in HQ and UK sites successfully completed the course in 2021, earning a certificate valid for three years and valuable skills to help in a first aid emergency.



### Supporting employees to work from home

Throughout the pandemic, we have supported employees working from home by providing office equipment such as chairs, docking stations and monitors to ensure they have a comfortable set-up. DSE surveys completed in 2020 enabled us to understand the challenges faced by our home workers. This information assisted with the preparation of our back-to-work remobilisation plan to ensure those in most need were prioritised to return to the office.

In 2021, we introduced Atlas, a new online training platform. Atlas provides compulsory health and safety training for all staff based in the UK, as well as offering a variety of supportive training modules to suit new ways of working. It can be easy to fall into unhealthy habits when isolated from a traditional office environment. The Effective Homeworking and Wellbeing and the DSE Display Equipment courses provide tips on managing a work-life balance and setting up a suitable workspace at home. These include using the right equipment, maintaining good posture, working in a bright, ventilated space to maintain good physical and mental health, as well as sticking to a schedule and taking regular breaks to help maintain a positive work-life balance.

Since its launch, 97 employees have registered with the Atlas platform. There are six courses to be completed including Fire Safety Awareness, COVID-19 protocols and DSE, and a total of 266 courses have been passed to date.



### H&S audits deliver action plan for continual improvement

In 2021, we completed an enterprise-wide Health & Safety audit of our business units to identify areas for improvement and ensure that we continually raise health and safety standards across the organisation to safeguard our employees and visitors. The results of the assessments were compiled to report recommended actions as the priority for further focus.

Read more in the  
Governance section

## Employee health and safety at work and home

### COVID-19 hygiene protocols for the workplace

Safeguarding the health and well-being of all our employees has always been important, but never so critical than during the pandemic. Employees were encouraged to work from home at the earliest opportunity. Those employees with authentic reasons to continue to work from our premises are provided with personal protective equipment and guidance to enable them to operate with the highest regard for their own safety and the safety of those around them.

Across Waterlogic, as our businesses navigate local directives in different geographies, people have returned to the workplace in 2021 with clear guidance relating to social distancing and hygiene to reduce the risk of COVID-19 infection. We continue to assess risk and meet local government guidelines and directives to provide a safe working environment for all staff and visitors to our premises.

Many measures to establish 'COVID-secure' workplaces that were introduced in 2020 remain in place. These include:

- Reconfiguring the workplace layout to allow for social distancing with screens and barriers installed where necessary and one-way systems on staircases, corridors and in open plan areas.
- Work pattern planning and desk allocation to limit capacity within offices.
- Limiting occupancy in enclosed spaces such as lifts, washrooms and meeting rooms.
- Installing foot pedals and infrared on water dispensers for hands-free access to drinking water, and providing single-serve tea, coffee, condiments, cups and utensils, plus bins for waste.
- Installing contactless temperature check stations at entrances and sanitisation stations throughout buildings, and providing a supply of disposable masks and gloves.
- Enhancing office cleaning and sanitisation

regimens, particularly for high-risk contact areas.

- Providing all field-based employees with the necessary personal protective equipment and sanitisation products and protocols.
- Clearly communicating guidelines to all employees and placing signage in all applicable areas to reinforce compliance.

As the global vaccination programme rolled out in 2021, restrictions began to ease in offices with communal spaces such as kitchens and lunch areas re-opened. Routine testing also became available with the provision of rapid flow tests. The continued following of the guidelines resulted in no employees reporting catching COVID-19 as a result of their presence in our head office.

### Working together again

The opportunity to return to the workplace allows for face-to-face collaboration, team building and enhanced interaction with colleagues, limiting potential feelings of isolation and loneliness. The return has been a phased approach in order to limit office capacity and maintain social distancing, with employees initially maintaining a mix of home and office working.

We continue to also provide emotional support for our employees working from home, especially those living alone. Video conference quizzes provide social interaction. A simple task as having to look presentable on camera helps maintain routines that were commonplace before COVID-19 and means any signs of emotional distress can be spotted early. Mental health support continues to be available, and a flexible approach to hybrid working remains in place to help employees juggle work and family life.

## Embracing a fair, inclusive and diverse culture

### The Diversity working group establishes to identify and action improvements

Our vision is to create a working environment that embraces a fair, inclusive and diverse culture across the organisation. In 2021, we concentrated our efforts in the UK and Ireland where we increased our focus across the employee journey on elements of our Employee Value Proposition (EVP) including recruitment, structure and talent development to provide opportunity for succession and personal growth.

We also increased diversity awareness across the business through the formation of a proactive working group to inform and implement diversity and inclusion initiatives. These have included a gender pay equality programme, creating opportunities for young people, and proactively recruiting from within ethnic minority groups as well as local communities.

The Diversity working group facilitates a two-way communication and consultation platform to exchange ideas and discuss issues and opportunities relating to attracting, retaining and educating on aspects of diversity. This working group of volunteers from within the business helps to identify improvements related to how we attract, engage and create inclusivity of our people across minority groups including ethnicity, disability and LGBT+, in order to inform policy and process improvements. Working group members will be formally trained in 2022 with an undertaking to facilitate the successful onboarding of new members through an inhouse train the trainer programme.

As a result of the suggestions from the working group, we have already made adjustments to our ethnicity and diversity monitoring in our UK payroll

system, to include aligning the language with the UK government census. We are also investigating the use of Microsoft Teams functionality to transcribe during conference calls in consideration of people who are hard of hearing. In addition, we have made improvements to be more openly inclusive on the careers section of the UK website.

Looking forward, we have agreed our key diversity and inclusion priorities. In 2022 we will be building an action plan aligned behind desired outcomes to continue to deliver positive change in this area.

### Key UK 2022 diversity and inclusion priorities

- Provide hiring managers with tools, guidance and training to attract increasing diversity across all roles, with particular focus on females in field-based positions.
- Introduce training for managers to increase awareness of considerations to reduce the complexity of the interview process for people with learning disabilities.
- Use of succession planning to identify gender and ethnic talent to improve diversity across our middle and senior management.
- Develop gender reporting to include grade to illustrate gender distribution across the grades.
- Introduce talent management mentoring schemes and encourage external networking for women in leadership.
- Look at how we can make our buildings more accessible for people with disabilities.



## Harmonising remuneration and creating equal opportunities in the workplace

### Pay and benefit harmonisation ensures equal pay of equal value

In August 2020, our UK and Ireland business initiated a programme bringing pay and benefit parity to hundreds of employees across the region. Following substantial growth through acquisition over recent years and the accumulation of different remuneration structures as a result, we recognised a need to implement a fair and consistent approach to pay and benefits for all existing and future employees.

By the beginning of 2021, the 'Harmonisation' programme had ensured equal pay and benefits of equal value for 720 people in the UK and Ireland, representing 100% of contracts in the region.

The programme allows us to have real clarity and agility around areas of concern. We are able to focus on these areas in isolation and progress people through the pay banding structure to offer fair remuneration and support retention. For example, engineers in Southeast England were moved through pay banding to improve retention from 13% to 2.23%.

Extensive work has also been undertaken over the last couple of years to address pay gaps between men and women across the UK business, with a 9.3% improvement in the mean pay differential reported since 2019 (14.7% male/female difference in 2019 versus 5.4% difference in 2021). During 2021 we made further progress with family friendly policies and introduced enhanced maternity and paternity pay across the UK and Ireland.

In addition, we extended our company sick pay at the start of the pandemic to provide additional

financial support to our employees. By waiving the 2-year waiting period, all UK and Ireland employees have equal entitlement to sick pay, preventing unnecessary hardship during the pandemic. 144 people took advantage of the initiative, with a combined 568 days of sick pay covered in March 2020 alone.

The introduction of the pay and benefits matrix in 2021 provides an important framework to create fairness and transparency, and establishes the go-forward approach for newly acquired companies to ensure we consistently manage pay and benefit parity across the region as the business continues to grow and transition.

"From a people attraction and retention perspective, I feel we have sustained headcount well due to our 'guaranteed earning' benchmarking and our succession planning, which has further supported our diversity and inclusion focus by enabling us to ensure all layers of the department are provided with a fair, consistent approach to their personal growth and career paths here at Waterlogic."

Department manager



**Closing the gender pay gap to create a fairer future for women**

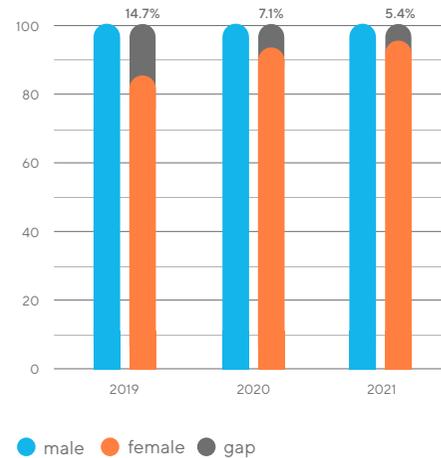
Actions taken throughout 2021 as a result of the launch of the Harmonisation programme in the UK and Ireland, have been able to positively influence our progress towards achieving gender pay equality. The introduction of pay grades, benchmarking and a reward matrix has enabled us to identify gaps, allowing the right pay and benefits to be aligned to the role regardless of gender. In 2020, we were able to improve the male/female pay gap by 50% to a 7.1% differential. In 2021 we further closed the gap to 5.4% median despite the impact of the pandemic which forced us to furlough employees leaving mostly the field roles active, which are predominately male.

We have addressed pay disparity across three of our four quartile pay bands in the UK and Ireland. In both the lower-middle and upper-middle quartiles, women earned higher hourly rates than their male counterparts in 2021. In the lower quartile, female pay per hour improved to a 14 pence differential from 30 pence reported in our 2019-2020 Gender Pay Gap Report. The UK and Ireland now has more women in the higher quartile as a direct result of putting the pay and benefits matrix in place. Females most recently account for 75% of all new appointments within senior management.

Further developments have been evident in the mean pay differentials between men and women. Whilst male employees saw a 0.32% increase in pay, the mean pay rate for female employees increased by 6% compared to figures reported in the UK's 2019-2020 Gender Pay Gap Report.

Across the group of Waterlogic businesses, our female to male ratio remains stable at 31/69%, with 26% of females occupying managerial positions and two women as members of the Executive Management Team. 86% of sites across the organisation have a diversity policy in place, an 8% reduction compared to 2020, accounting for companies we acquired in 2021 where no policy existed. We continue to ensure that we support a culture of inclusivity across the organisation to include newly acquired businesses, that maintains focus and allows us to build on our achievements.

**% UK gender pay gap improvement**



**75%**  
new senior management appointments in UK are female



**26%**  
females occupy managerial positions across the Group



**86%**  
sites have a diversity policy across the Group



## Investing in youth programmes and apprenticeships

### Kickstart programme creates job placements for talented youth

Kickstart is a UK government scheme that helps employers create new job placements for 16 to 24 year olds who are at risk of long term unemployment. Waterlogic UK and Ireland applied for the Kickstart Scheme in 2020 and filled 15 placements in 2021.

Waterlogic's programme provides young people in the local community who have been unemployed for a period of time with the workplace skills they need, including soft-skills training and workshops such as CV writing, interview techniques and communication skills.

The applicants are assigned to a role for six months. Roles are chosen that allow the youngsters to convert into an apprenticeship upon successful completion with the potential for a permanent role. In 2021, two kickstarters transitioned into permanent communications executive and customer service roles. Water Coolers Direct, a standalone business part of the Waterlogic family, has also invested in the Kickstart programme offering 15 placements in 2021. They have seen great success in placing nine kickstarters into permanent roles.

Even if a role is not available at the end of the six-month programme, the young people still leave the business with soft-skills and six month's-worth of work experience to help kickstart their career. We also continue to welcome internships across the global business, and many interns have successfully progressed to permanent roles.

### Impact of UK youth programmes and apprenticeships



30

Kickstart placements opened



11

young people transitioned into permanent roles



5

apprentices in a number of schemes



GBP 70,487

invested in apprenticeship programme

**KICKSTART**  
**SCHEME**

"I would recommend Kickstart. I would have ended up working in a shop environment and I wanted progression to build a career rather than just a job."

Charlie Cleaver



## Investing in youth programmes and apprenticeships

### Apprenticeship scheme offers career-defining opportunities

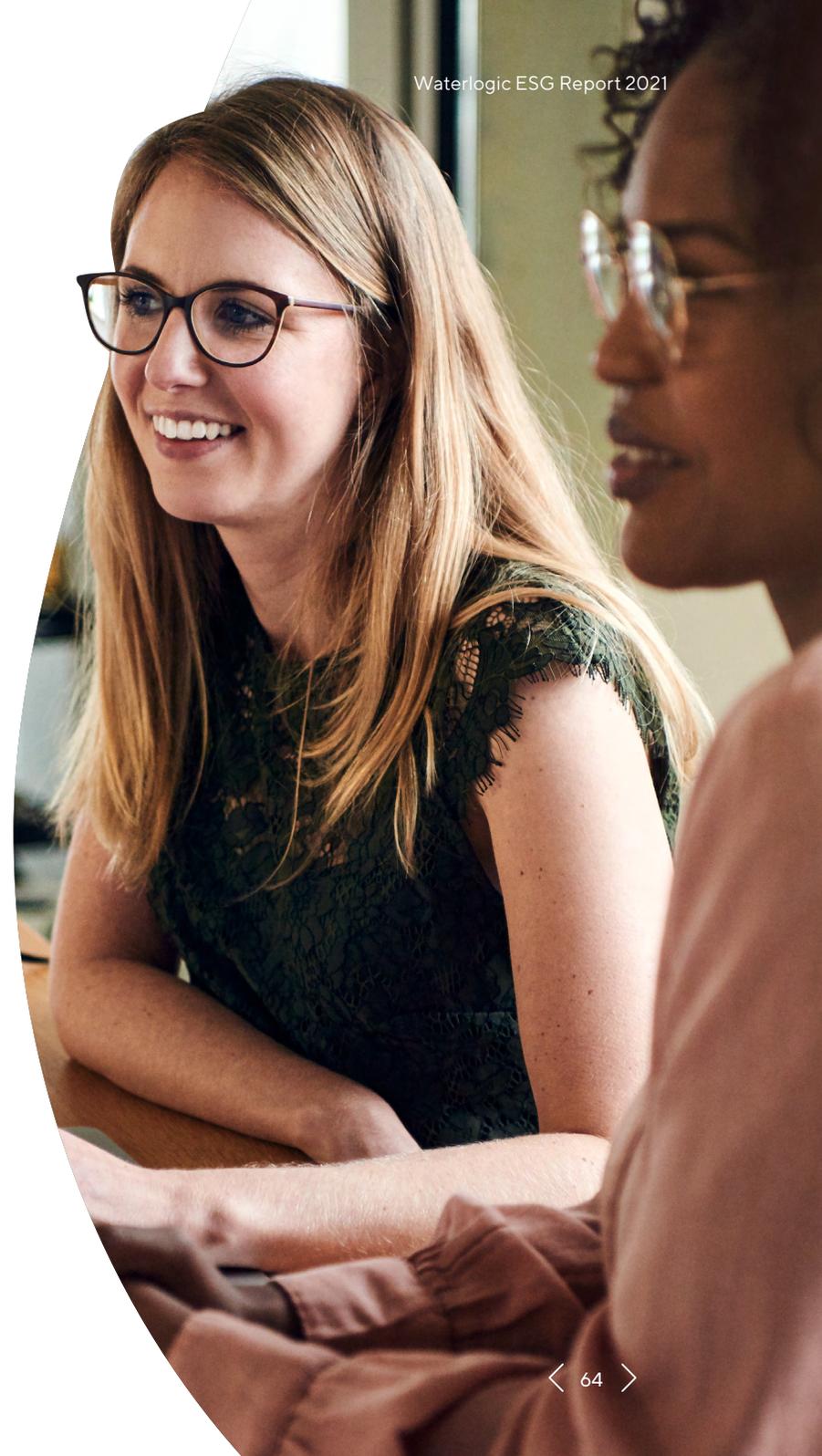
The UK and Ireland business continues to also open up apprenticeship opportunities, welcoming people direct from secondary and tertiary education, and from working environments within and outside of the business. The scheme, which typically lasts 2-3 years, enables us to attract a diverse mix of candidates to roles who do not necessarily have all the skills required or who would not otherwise have considered certain careers, but can grow into the job with the right support.

In 2021, we invested GBP 70,487 into the programme, with five apprentices in a number of schemes across a range of apprenticeship levels. These courses supported a variety of roles, including payroll, operations management, finance and IT. The IT team successfully placed their first female apprentice starting on the first line helpdesk. The programme fast-tracked her development and she was appointed to the end user team, the first female to occupy this role. In 2022, we will be investing approximately GBP 21,000 each month for our current cohort from an available fund of GBP 138,087.

Apprenticeship funding for 2022 will also be used to offer employees the opportunity to earn an MBA and a number of other vocational qualifications, as well as join a mini-graduate programme. The finance programme planned for 2022 will encourage employees to experience other roles within the business giving them the opportunity to develop new skills and see where they are best suited and most fulfilled.

"[The apprenticeship] has given me the confidence to develop my role further, the capacity to see the job through from start to finish effectively and I have engaged well with the whole process of payroll, the knowledge and expertise, and I continue to grow with the role."

Samantha Dhillon



## Sustainable employment for people with disabilities

ANRH employs 1,400 people with disabilities across France, specialised and trained in fault diagnosis, repair and reconditioning of several major brands of small household appliances including DeLonghi, Kenwood and Nespresso. Their Etampes site is the largest Nespresso machine repair and refurbishment centre in the world, and home to three employees dedicated to refurbishing 100 Waterlogic dispensers every month.

Founded in 1954 and recognised as a public utility in 1968, ANRH has provided access to sustainable employment and professional integration to thousands of people with disabilities. Trained by Waterlogic, our ANRH employees work on a dual production line to refurbish our WL2000, WL2 Firewall® and WL4 Firewall® dispensers. This includes painting the external plastic and metal parts of the machine to recondition the dispensers, making them as good as new and giving them a second life.

This environmentally friendly and socially responsible initiative allows us to refurbish up to 1,200 dispensers every year in an environment that welcomes diversity, supports adapted training and the creation of rewarding jobs for people with disabilities.



Images courtesy of ANRH.

### People with disabilities twice as likely to be out of work

In industrialised countries between 50% and 70% of people with disabilities of working age are unemployed, whereas in developing countries the figure is between 80% and 90%.

In most developed countries the official unemployment rate for people with disabilities of working age is at least twice that for those who have no disability.

Source: United Nations Department of Economic and Social Affairs Disability



## Recognising, celebrating and rewarding our employees

### Celebrating our 'stars' through reward and recognition

Waterlogic views the importance of a reward culture highly and we recognise that it can help boost workplace morale by encouraging employee engagement and motivating performance, as well as strengthening bonds and collaboration between colleagues.

The **Stars Awards** is a company-wide employee reward and recognition programme that celebrates the efforts, talent and approach to work of employees who demonstrate excellent attitude and productivity within their roles. Employees are encouraged to nominate colleagues from any function, department or country.

The Stars Awards programme is currently established in 16 of Waterlogic's businesses and will be expanded in 2022 to include a further three businesses within the Group. Despite the disruption caused by the pandemic, by the end of 2021 the programme had received almost 700 nominations with quarterly and annual winners awarded prizes.

The programme is being re-launched in 2022 with a fresh theme and an acknowledgement that whilst our place of work may have differed over time, the attitude, commitment and dedication of our people has not. The theme aims to encourage an increase in participation to pre-COVID levels.

#### And the winner is...

New for 2021, the UK and Ireland business launched the **Waterlogic Oscars**, an event to award employees for their work over the course of the year. There were 80 nominations and six winners, with 300 people tuning in for the virtual ceremony.

### Hydration Champion Awards

The U.S. and Canada businesses introduced the **Hydration Champion Awards** in 2021 following feedback from their annual employee survey, which indicated the desire for leadership recognition alongside the peer-to-peer recognition that the Stars Awards offer. 80% of survey respondents said they would be incentivised by the potential to be a leader-nominated 'Hydration Champion'. Each quarter managers, directors and vice presidents are asked for their frontline and departmental worker nominations based on two criteria:

1. The employee meets the pertinent KPI's within their department
2. The employee demonstrates exceptional leadership skills within their department regardless of whether they are in a leadership role

An award ceremony is held each quarter with Hydration Champions recognised and rewarded alongside the Stars Awards winner during a presentation from the U.S. and Canada CEOs. Where strong leadership skills are identified in winners, often those individuals are approached for internal promotions to leader and managerial roles when they become available.

### Long service celebrated and rewarded

In 2020, the UK business introduced **Long Service Awards** as part of their harmonisation programme to improve retention and support employee engagement. The awards recognise employees who have been with the organisation for five, 10, 15, 20 and 25 years respectively, and offer an incremental reward structure through the Employee Assistance Programme, PerkPal.

Long Service Awards were issued to 79 people across the UK business in 2021, with the field operations

department accounting for the most longest serving people (21), three of them celebrating 20 years. One employee in Ireland celebrated 25 years in service, and just over 65% of employees achieved the five-year mark.

The 10 and 15 Years Club also celebrates and rewards long service for those employees in Waterlogic China who have been with the company for 10 and 15 years.

"I really enjoy my job and the challenges that come along with it, plus I get to meet people from all walks of life which means that no two days are ever the same."

Darren Lofthouse, UK Service Technician, celebrates 15 years



### UK and Ireland Long Service Awards



# Investing in our people and engaging in effective communication

Employee training, remuneration parity and good communication have been essential tools for Waterlogic in achieving productivity and maintaining strong trusting working relationships with our employees.

This has been particularly important since the COVID-19 outbreak forced many people temporarily out of work or working remotely. We have invested time and energy into delivering clear lines of communication and ways to engage, and we remain committed to contributing toward a future our employees deserve.



Training and nurturing talent in the workplace

Investing in opportunities for well-structured employee growth

Effective engagement between people and management

Effective communication and engagement in the workplace

Measuring and improving employee satisfaction

Waterlogic is working towards these Sustainable Development Goals:



## Training and nurturing talent in the workplace

### Developing our emerging and young leaders

Developing, nurturing and training talent is a fundamental part of our success and we are always finding new ways to foster the skills of our people. The Emerging Leaders and Business Leaders programme was created in the U.S. and Canada to provide training and development opportunities for employees who demonstrate clear leadership qualities in their existing roles and a commitment to developing those skills further.

The **Emerging Leaders programme** is designed for frontline employees who are not yet in leadership roles but have been recognised as having strong leadership characteristics and potential. Eight to twelve employees from the region are invited to the programme held twice a year covering a range of topics including:

- Different leadership styles
- What it means to be a leader
- Employee relations
- How to navigate challenging situations
- The next steps to becoming a leader

The programme has become a fundamental element of the HR training programme and is now a mandatory requirement for all employees before they become leaders, managers or supervisors.

In addition, the **Business Leaders programme** provides training for those already in a managerial and leadership role who may have recently joined from another organisation or moved into a leadership position. The course is designed to coach young leaders through the next phase of their career whilst ensuring they in turn support their own employees through a variety of leadership functions such as:

- Running performance review plans with their staff
- Creating effective annual reviews
- Assisting their staff in progression within their role
- Helping set objectives

During 2021, 24 employees were trained through the Emerging Leaders and Business Leaders programmes, with 15 employees from the Emerging Leaders course going on to take leadership roles within the business.

### The impact of the programme in 2021



**24**  
employees trained through the programme



**15**  
employees promoted to leadership roles



**618**  
hours of leadership training delivered

*“The class was amazing, and it shows how invested the company is in our leadership growth. The instructors were great, and I thank them for taking the time to help strengthen our skills.”*

### Employees trained to support workforce roll-out of new ERP system

During 2020 and 2021, the UK and Ireland business placed eight people on secondment to support the development of our Enterprise Resource Planning System (ERP). These people have been instrumental in informing and developing the software tool that will manage and integrate core business processes from cradle to grave, including commerce, finance, supply chain and operations.

The new system will be launched across the region in 2022, resulting in a significant software change for the UK and Ireland workforce. To minimise disruption, ease adoption and support employees with the changeover, a further 68 people have been selected to create a team of champions and super users. They will be involved in User Acceptance Testing and Situational Impact Testing, developing the skills and knowledge of the system themselves to become trainers in preparation for roll out in 2022. Further financial investment will support the external delivery of the Train the Trainer programme to facilitate ongoing in-house training relating to the roll-out.

## Training and nurturing talent in the workplace

### Onboarding talent through the Waterlogic University

Launched in the U.S. in the second half of 2021, the Waterlogic University was designed for new starters following the opening of the Dallas headquarters and factory. Previously, departments and functions had been geographically split over several states and locations which made collaboration challenging.

The goal of the Waterlogic University is to introduce those joining the business to our history and standards of customer care before detailing each of the different functions and departments within the business. Also offered to existing employees annually, each attendee leaves the training with a greater understanding of how inter-departmental functions work, and how their own role fits within the business and impacts other departments and employees.

The training is designed to be fun, engaging and interactive, and typically takes nine hours to complete over the course of two days. It is usually delivered in a face-to-face setting or remotely for those in locations further afield or where social distancing measures restrict physical interaction.

Each employee takes a one-hour re-cap session 60 days following the Waterlogic University training, where they have the opportunity to delve into certain areas of the business before taking a short quiz to gauge their understanding and retention of information.

Since the Waterlogic University was launched, retention of new employees has increased by 79% based on the six months prior to launch compared to the first six months completed, with 208 new hires having gone through the training programme. In total 553 employees have attended the Waterlogic University.

Attendees of the Waterlogic University say the training helps them understand their role better and its place in the business, as well as providing them with a platform to ask questions. It helps HR build relationships with the new starters so that employees feel engaged and valued within the business from the outset, in turn improving the retention of new starters.



**79%**  
increase in employee retention



**208**  
new hires have completed the programme



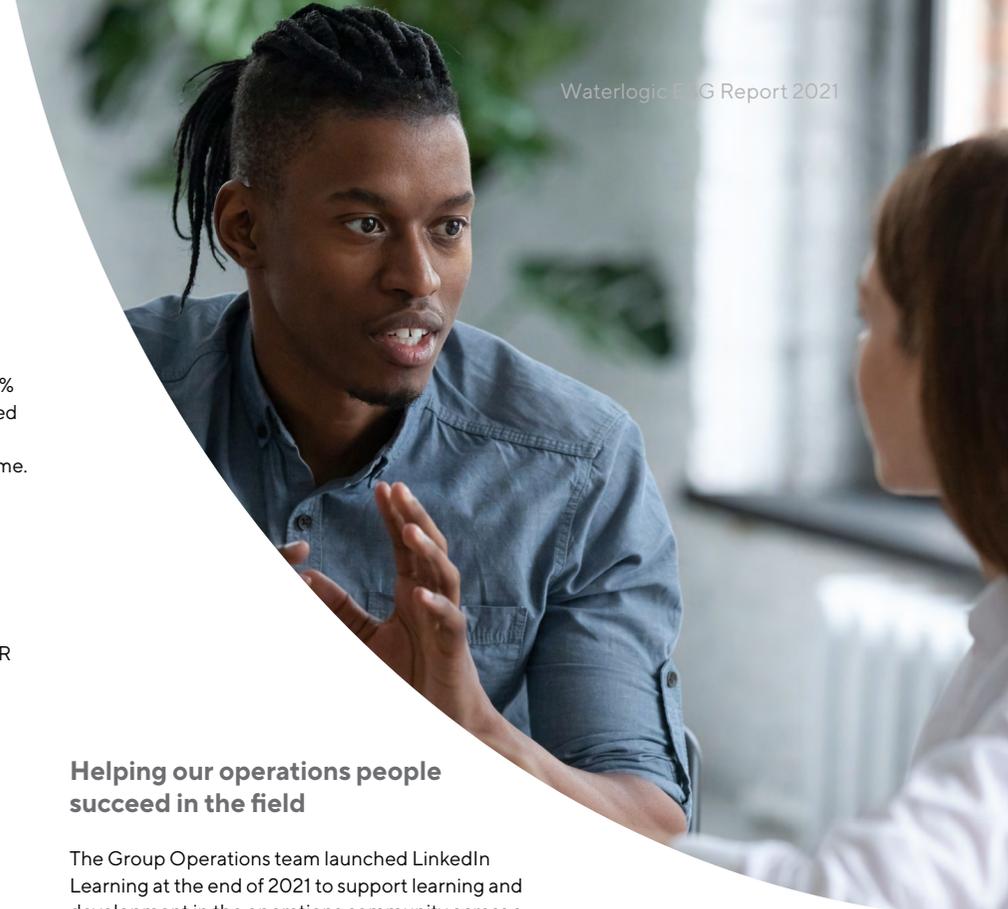
**533**  
total employees attended Waterlogic University

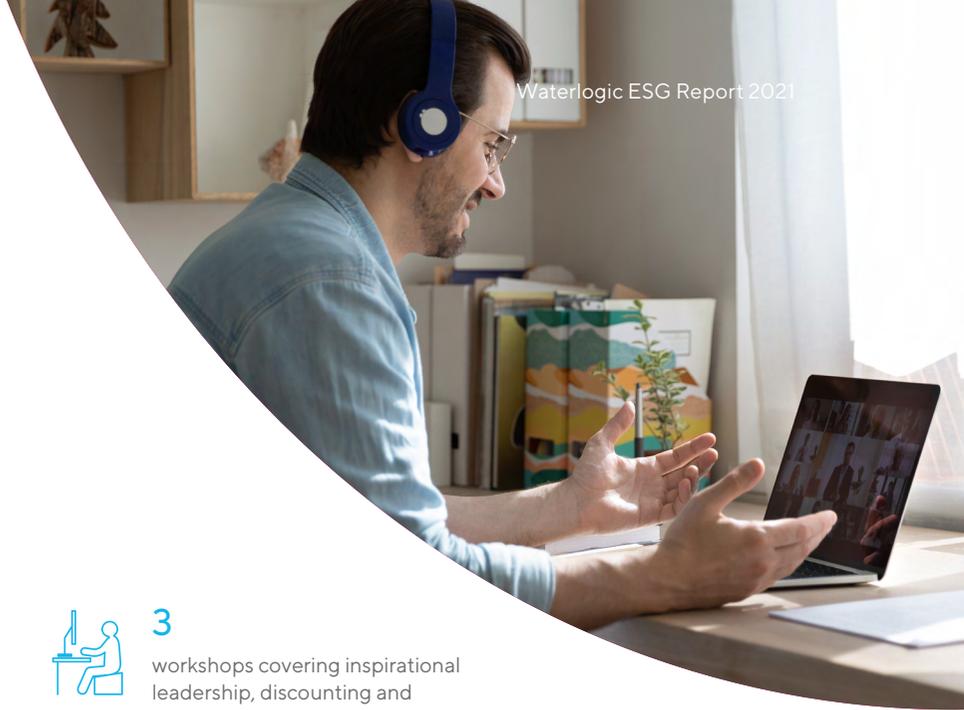
**"Amazing training! I love the process and am excited to be with this company!"**

### Helping our operations people succeed in the field

The Group Operations team launched LinkedIn Learning at the end of 2021 to support learning and development in the operations community across a broad spectrum of topics. The community was split in order to analyse and verify learning paths and fulfil knowledge gaps across the team. The training resource is open to approximately 125 operations, technical, supply chain and refurbishment leads, with the intention of making it available to more employees and establishing a Waterlogic Academy going forward.

2021 also saw further development of the Field Operations Skills Matrix and additional skills training in relation to multi-functional tap installation. Equipment introduced in 2021 resulted in 2,657 training hours, a 10.5% increase on 2020.





## Training and nurturing talent in the workplace

### Empowering salespeople to succeed in a changed landscape

When the COVID-19 pandemic hit at the beginning of 2020, our Waterlogic Way of Selling (WWOS) sales training programme was quickly adapted to train salespeople with the skills they needed to empower them to navigate the new reality of national lockdowns and remote selling with confidence.

Created entirely inhouse and independently accredited by the Institute of Training and Occupational Learning (ITOL), the WWOS programme was first launched in 2018. The bespoke and comprehensive sales training suite focuses on Waterlogic’s key sales functions:

- Field Sales Prospecting
- Field Sales Process
- Inbound Lead Selling
- Sales Performance Leadership
- Account Management
- Enterprise Selling

As we moved through 2020 and countries began to ‘open up’, a sales engine restart guide was deployed into each market with supporting workshops providing guidance on how to successfully restart sales operations and develop sales skills in the ‘new normal’ commercial market. The guide continued to be of value throughout 2021 and is still of relevance for 2022 as we adapt to the permanent changes resulting from the pandemic.

A Q1 restart plan was created and distributed in late 2020 with the aim of ensuring the first three months of 2021 were productive from a sales perspective, setting up a successful year overall as a result.

### Impact training enhances knowledge and improves sales skills

Originally introduced in 2020 to help Waterlogic employees remain engaged with the business during furlough, the Impact Training workshops have since become a fully-fledged sales training programme. Designed to empower our employees to increase their knowledge and improve skills, the workshops are now a permanent fixture of the WWOS training programme delivered to sales teams to help navigate the continually changing commercial landscape.

In 2021, three main workshops took place and covered topics of inspirational leadership, selling premium products without discounting, and how to leverage health, hygiene and sustainability to win the sale. Over 250 employees attended in total, including a large number of sales and managing directors from nearly all our international business units.

Each workshop ran for approximately 90 minutes with a morning or afternoon session to accommodate employees in different time zones. Workshops tailored to individual countries also took place throughout 2021. The Impact Training workshops will continue in 2022 and, in addition to the English language versions, will be delivered in Spanish to cater for employees based in our growing Latin American markets.



3

workshops covering inspirational leadership, discounting and winning the sale



90

minute online sessions to accommodate time zones



250

attendees from around the world

### WWOS goes ‘Bitesize’

Launched in August 2021 and distributed to approximately 250 employees in various sales functions across the globe, Waterlogic Way of Selling Bitesize is a series of weekly emails packed full of practical and transferable selling advice. Topics covered include sales leadership, ways to sell differently, the power of persistence, and the ‘10 deadly sins of selling’. The programme is designed to provide direct, on-the-go learning in digestible topics advising on best practises and improving performance across all sales functions.



## Investing in opportunities for well-structured employee growth

### Competency framework supports personal and career development

During 2021, the UK and Ireland business designed and launched its competency framework, designed to create a more defined and measurable way to link individual performance to business goals and support career growth. By having a core set of competencies aligned across the organisation, we have defined the skills, judgement and attributes that people need to perform their role effectively along with a structure with which to measure and evaluate. The new approach eliminates subjectivity and puts in place well-defined benchmarks for measurement, allowing all employees the opportunity to grow and develop their core skills in order to support and enhance opportunities for progression.

The competency framework is centred around three Core Clusters: people, performance and strategic, each with three core competencies and four levels of achievement. Linked to business values and strategic objectives, the competencies support the recruitment, personal progression and performance management processes, designed to empower people through self-assessment and provide line managers with tools to measure behaviours and technical competence.

The framework and evaluation form enables line managers to provide objective feedback and direction on specific areas for employee improvement. This clearly demonstrates how employees can progress their career with Waterlogic, taking them through the skills required to achieve career progression with the tools to help them get there.

Work has begun with the sales team and will progress to other functional areas of the UK and Ireland business throughout 2022.

### The 3-step process



#### Self-assessment

Employee rates their approach, actions and knowledge against the competencies



#### Line manager assessment

Manager assesses employee against the competencies and discusses in 1-2-1



#### Set objectives & identify opportunities

Manager and employee jointly agree actions and development objectives



## Effective engagement between people and management

### The People Forum channels the voice of the workforce

Since the establishment in the UK of the 'People Forum' in 2020, the two-way consultation platform has seen great success in establishing open communication between employees and leaders relating to change management, key business initiatives and business updates. The People Forum is made up of 18 elected area representatives. Together, they are responsible for representing the idea, feedback and interests of people from across the business in different functions and positions, to ensure employees have the opportunity to help shape initiatives that have an impact on them.

The People Forum acts as a sounding board for employees to raise issues and share opportunities with the aim of positively influencing senior management decisions. The area representatives meet on Teams or in person every quarter in service centres around the UK, hosted by a department or company director, to share insights, ask questions and agree actions.

### The People Forum was instrumental in establishing these initiatives in 2021:

- A two-way communication platform enabling employees to seek answers to questions relating to significant change projects. Manned inboxes provide personalised responses, and consolidated answers are published as FAQs on the intranet.
- Advising on sustainability initiatives.

- The Diversity Forum was created to exchange ideas and discuss opportunities to engage and embrace people from ethnic, disabled and LGBT+ groups, in order to inform policy and process improvements.

Further development of our engagement initiatives in 2021 saw the establishment of the Leadership Forum. Leaders from around the UK and Ireland are brought together to share key business initiatives, performance and financial updates to help drive employee and company performance. The forums have proven to be a fundamentally valuable platform for connecting people across the business and continuing to lead positive change.



**Effective communication and engagement in the workplace**

**'Pure Stream' brings people around the world together in real time**

First launched in September 2020, Pure Stream digital, Waterlogic's intranet-style platform for communicating with employees across the globe, has gone from strength to strength in 2021. What was once a quarterly PDF newsletter is now firmly established as the go-to place for all Waterlogic news as it happens across the business.

Pure Stream has been instrumental in continuing to share information and materials relating to the ongoing COVID pandemic, as well as creating awareness and encouraging participation in global social initiatives and challenges related to the environment, mental health and gender equality. The platform hosts rich media content such as videos and infographics, and offers employee interaction with the ability to like and comment on news and articles.

In 2021 there were a total of 20,331 visits to the site averaging over 1,600 visits per month. Six to ten new articles are published each month and a news digest is emailed each week direct to employee inboxes to make sure they keep up-to date. Contributions from all employees are welcomed to ensure every aspect of the business is featured and celebrated.

We continue to develop Pure Stream to enhance its contribution to communicating and engaging with employees around the world, utilising new features and keeping content fresh, relevant and informative.



**6+**  
new articles a month



**1,600+**  
visits per month



**20,331**  
visits to the site in 2021

**Managing change through communication**

In December 2021, Waterlogic announced its agreement to combine with leading global consumer water solutions and services provider, Culligan. Pure Stream has played and will continue to play an important role in communicating updates as we proceed through the integration planning process and the combination of our two companies. Two-way channels of communication will also be opened across the global employee-base in 2022, to include an 'Ask Waterlogic' inbox and regular pulse surveys to engage employees, identify emerging questions, concerns and opportunities.



## Effective communication and engagement in the workplace

### Encouraging a sense of community and togetherness

The UK and Ireland business has continued introducing and enhancing a number of communication channels and initiatives in 2021 to inform, engage and support employees. Many began life in 2020 due to the pandemic, with the intention of keeping people connected to the business due to fragmented working structures as a result of furlough and home working. The established initiatives have grown in popularity and relevance, and approximately 30 television screens have been installed in all UK and Ireland sites to display company news, product updates, mental health first aider information and details of campaign and cultural awareness days.

'**Friday Thoughts**' is delivered by email each month tackling topics around managing finances, looking after your mental health, keeping fit, and healthy eating, as well as celebrating big events and religious festivals. Content is hosted on the 'HydraNet', an intranet platform redesigned in 2020 to be used as the go-to employee resource and communication tool.

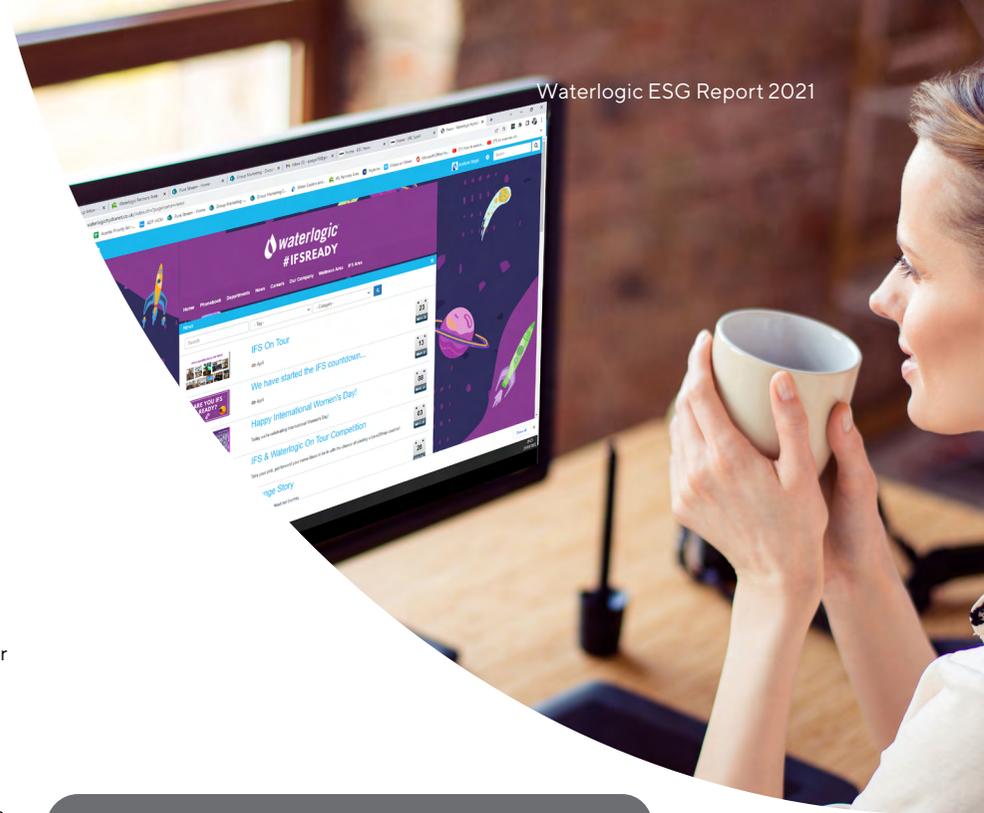
Every Friday at 4.30pm '**Teams Tavern**' connects people from around the business with live music and playlists, quizzes, and chat rooms. This enables them to enjoy the company of others or simply have a little fun at the end of the week. Between 25 and 50 people attend.

The '**Waterlogic Times**' delivers updates from each directorate by email to all employees on a weekly basis. Each issue is authored by a director and contains a number of articles from their functional area varying from business news, new initiatives, and projects, to product launches and technology updates. It provides everyone in the company an opportunity to gain more insight into other areas of the business, and receives an average of 300 views per month.

On a quarterly basis, '**A word from Greg**' is a popular emailed business update from the UK Managing Director receiving around 350 regular views. In addition, monthly business updates are delivered to include an article from the Managing Director plus business update conference calls have an audience of between 150-200 employees. Business communications receive an average open rate of around 50%, supported by text messaging prompts to increase awareness, particularly beneficial for field operations staff.

Introduced in 2021, the '**Movers and Shakers**' newsletter features videos of new starters or those who have changed roles within Waterlogic, giving them a chance to introduce themselves to new colleagues or share news of their promotion, and is regularly viewed by 300 employees.

'**Lunch and Learn**' sessions were introduced in 2021 on a range of topics such as learning about new cultures, wellness and exercise. A new weekly **football club** attracts around 15 regular players, and the monthly **book club** has nine active members.



### Coming in 2022

We will be introducing **Yama**, a social communication forum designed to host community groups for discussions and collaboration, such as sharing ideas, tips and advice on a range of health and well-being topics, as well as interests and hobbies. The platform can also be used as a collaborative work tool for those in the field to share knowledge.

'**Town halls on the road**' aims to take the news and communications directly to the people in a more personal and accessible way. The roadshow will visit each service centre across the country to collaborate with people face-to-face on a range of business and social initiatives. This will prove an invaluable lifeline for those employees who do not frequently access their emails and online platforms.

## Measuring and improving employee satisfaction

Employee satisfaction and well-being remains highly important to Waterlogic, and we are continually taking steps to ensure our employees feel valued, respected and engaged in all areas of their working life. As part of our employee engagement strategy, we regularly undertake satisfaction surveys around the organisation to understand how employees genuinely feel about their workplace, jobs, teams and environments. In 2021, the U.S. business ran their annual employee pulse survey of 532 employees gaining a record response rate of 83.3% (443 respondents).

### Engagement rates reach a record high

The survey is run every year to both engage people and develop the culture within the business by exploring what is important to employees.

Employees felt the 2020 survey had yielded such positive changes within the business that they were eager to share their ideas and feedback, as demonstrated by a 14% increase on the response rate for 2021 from 69% the previous year. Employees commented that they felt genuinely listened to, their feedback was valued, and there has been clear improvement in certain areas across the business.

The 2021 survey assessed employee attitudes related to overall satisfaction and desire to develop within the business, and achieved an overall score of 74.3% where questions were answered favourably as 'strongly agree' or 'agree', an improvement on the 73.5% score achieved in 2020.

81% stated the organisation was a good place to work, up from 76.8% in 2020, 77.7% felt that overall they are satisfied working for the organisation, an increase of 4% from the previous year, and 77.4% felt they gain a sense of personal accomplishment from their work.

Particularly high scores were also recorded where employees rated their relationships with supervisors:

- 85.3% feel comfortable sharing their opinions with their supervisor
- 84.7% say their supervisor cares about them as a person
- 84.7% feel they can count on the support of their supervisors
- 84.2% trust their direct supervisor

By understanding how our employees feel we can introduce new schemes and support structures that our people truly value and will benefit them in all areas of their working lives. The survey goes a long way to supporting the ethos of the organisation and helps to develop trust and assurance that views and opinions are not only listened to but acted upon.



**84.7%**  
say their supervisor cares about them as a person



**81%**  
would recommend Waterlogic as a good place to work



**77.7%**  
are satisfied working at Waterlogic



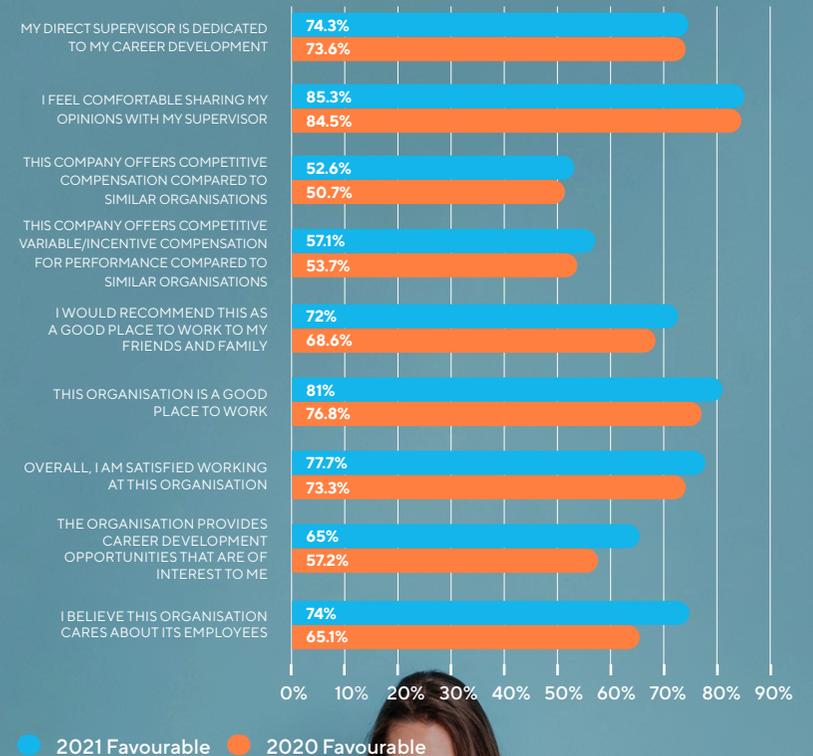
**77.4%**  
gain a sense of personal accomplishment from their work



**74.3%**

overall favourable rating ('strongly agree' or 'agree')

### Favourable variance between 2020 and 2021



0% 10% 20% 30% 40% 50% 60% 70% 80% 90%

● 2021 Favourable ● 2020 Favourable



# Giving back to the community and making a real difference

There is no doubt the last couple of years have been a testing and challenging time for us all. However, in the midst of adversity have emerged some moments of pride for Waterlogic, as the generous community spirit of our employees continued to make a real difference to those in need around the world.



Local initiatives supporting communities all over the world

Programmes building relationships and driving action in the community

Waterlogic is working towards these Sustainable Development Goals:



## Local initiatives supporting communities all over the world

### Waterlogic continues to Dig Deep for Kenyan communities

Waterlogic continues to support Dig Deep, the charity that provides clean, accessible water to rural areas in southwest Kenya where currently 8 out of 10 people lack access to clean water and basic sanitation. Dig Deep's mission is to unlock opportunity for Kenya's poorest residents by ensuring they have access to clean water and good hygiene. By doing so they prevent diseases, remove barriers to learning, and allow people to lift themselves out of poverty.

Waterlogic Germany recognised the opportunity to raise funds for Dig Deep by running their annual customer survey. For every participant of the customer satisfaction survey, Waterlogic Germany donated 5 euros to Dig Deep. A total of 691 customers completed the survey with the overall donation total increased to 5,000 euros. The charity used the funds to provide much needed personal protective equipment and hand sanitisers in response to the COVID-19 pandemic, to protect local Kenyan emergency staff in health centres, hospitals and police stations. The donation provided a total of 102 handwashing points, 888 hand sanitisers and over 6,000 reusable masks.

"As a result of Waterlogic's support, people are better protected from the spread of COVID-19 and other deadly viruses. Thank you so much for making this possible."

Justus Tanui, Head of Programmes, Dig Deep

As part of Dig Deep's virtual fundraising events, one Waterlogic family took on the '**Kilometres for Kenya**' challenge walking 108 km in one month, and raising over GBP300. Other Waterlogic employees joined in, walking over 230 km and raising a combined total of over GBP440 between them. Waterlogic's Trading team also donated their Fantasy Football winnings to Dig Deep.



**Local initiatives supporting communities all over the world**

**Weekly and seasonal initiatives raise donations for food banks**

The U.S. head office found a unique and fun way to give back to their local community throughout 2020 and 2021 by hosting a regular ‘jeans day’. Employees were able to wear jeans or more casual clothing each Friday to work in return for a donation of two canned or tinned food items for the local food bank collection. 100 employees participated with an estimated 10,000 canned food items donated in 2021 to local communities.

In the lead up to Christmas 2021, Waterlogic UK and Ireland invited its employees to donate non-perishable food items for local food banks. A total of 10 collections were gathered and distributed to food banks up and down the UK to help those in most need enjoy Christmas.

“Being able to support a charity close to my heart means such a lot. And to know the business is open to helping their people’s charities is refreshing and truly appreciated.”

**Waterlogic UK spreads festive cheer**

During the festive period, our UK and Ireland business ran several fundraising events including a raffle which raised £1,500 for **Make-A-Wish** and a number of other employee-selected charities such as **Parkinson UK, Birmingham Children’s Hospital** and **Asthma UK**.

In 2022, Waterlogic UK and Ireland will continue its charitable and fundraising agenda which has been aligned to their well-being programmes. Alongside fundraising for the Make-A-Wish foundation, additional charities will be chosen following employee consultation. There will be opportunities to support the chosen charities on employee volunteer days, as well as a number of events that will be held throughout the year.

**Keeping the water flowing for Afghan refugees**

Following the crisis that emerged in Afghanistan in 2021, Waterlogic UK and Ireland installed four bottled water coolers in a London Bridge hotel owned by the Accor Group. The hotel provided temporary living accommodation for Afghan refugees who arrived in the UK in September 2021. The four dispensers were installed within days, and a total of 220 19-litre bottles were supplied providing 4,180 litres of fresh drinking water.



**Local initiatives supporting communities all over the world**

**Celebrating 10 years with Make-A-Wish Foundation UK**

The UK and Ireland business continues to proudly support the Make-A-Wish Foundation, the charity that aims to grant magical wishes for children and young adults fighting life-threatening conditions.

2022 marks the tenth anniversary of Waterlogic's partnership with the charity and a total donation value of GBP 497,000 raised during that time. Waterlogic's Make-A-Wish Foundation Customer Loyalty Scheme donates 2p for every water bottle sold and GBP 1 for every new water dispenser rental.

*"As one of our long-standing partners, Waterlogic GB Ltd have raised an incredible £497,000 since our partnership launched in 2013. Your ongoing support has helped to grant 199 life-changing wishes for children with critical illnesses. Thank you for supporting Make-A-Wish UK, without your support we wouldn't be able to light up the darkness for children with critical illnesses, your support and donations help these children feel like children again, so thank you."*

Georgina Fuoco, Corporate Partnerships Manager, Make-A-Wish® UK

**The impact of our support over the years**



**10 years**  
of partnership with Make-A-Wish



**GBP 497,000**  
raised in 10 years



**GBP 27,000**  
raised in 2021



**199**  
life-changing wishes granted

**Making Sophia's chocolate wish come true**

Sophia was diagnosed with heart failure at just 10 weeks old, and needed a heart transplant if she was to survive. Eventually, a good match became available. During her treatment, a nurse offered Sophia a pot of chocolate custard as a reward for enduring yet another painful procedure. It was easy for Sophia to eat, and tasted fantastic.



When Sophia was asked what her wish might be, she opted for chocolate to include a chocolate model that was the same size as 'Molly Dolly' – her favourite soft toy who accompanied her in and out of surgery. Our Wish Granter got to work, and Sophia received the chocolate she wished for and a trip to Hotel Chocolat in London to build her own chocolate house.

*"I had lots and lots of chocolate on my wish day. I felt like a princess having a chocolate feast! I always feel so happy when I eat chocolate because it just melts in my mouth like magic!"*

Sophia



**Programmes building relationships and driving action in the community**

**Company-supported volunteering helps employees make valuable contributions in the community**

During the COVID pandemic the UK and Ireland business encouraged furloughed employees to volunteer in their local communities to alleviate the feeling of isolation and support their mental well-being. The initiative was so popular that in 2021 the 'Volunteer Day' programme was introduced allowing each UK employee one day per year to volunteer with a community-based project or charity of their choice.

Employees are encouraged to use their day to offer their time and services to a cause that means something to them or to give back within their local community, either individually or as a team. Volunteering as part of a team also promotes collaboration between departments and team members, and provides the opportunity for team-building experiences. In 2022, as part of the diversity agenda, the newly formed Diversity working group will volunteer for the day as a team, working for a jointly selected cause.

**The impact of the 'Volunteer Day'**

A customer relationship manager chose to spend his volunteering day at a local food bank where he worked with a group of volunteers packing 20 food parcels for in people in need.

*"(The day was) a huge reality check for me, and I am 100% returning in my own time."*

A service centre manager used her volunteering day to help a friend run a coffee morning at a local sheltered accommodation. Making hot drinks, serving cakes and running the raffle, she helped raise a total of GBP 503 for MacMillan Care.



**Around 10%**

of UK employees took part in 2021



**727**

volunteer days will be supported in 2022



## Programmes building relationships and driving action in the community

### Developing relationships through a Reconciliation Action Plan

At the beginning of 2021, Australia’s leadership team sought guidance and consultation on taking appropriate steps to develop a formal Reconciliation Action Plan (RAP) for Waterlogic Australia. A RAP uses a holistic approach to create meaningful relationships, enhance respect, and promote sustainable opportunities for Aboriginal and Torres Strait Islander Australians. The primary goal being to take good intentions and develop them into real actions.

Following guidelines from Reconciliation Australia’s RAP framework, Waterlogic Australia has begun its journey with the Reflect commitment. Committing to the Reflect RAP means for the next 12 months work will include scoping and developing relationships with Aboriginal and Torres Strait Islander stakeholders, deciding on a vision for reconciliation and exploring the possible sphere of influence.

#### From the start of the journey, Waterlogic Australia has reached several key milestones which include:

- Establishing a RAP working group to work through ideas from inception to implementation.
- Engaging with organisations and service providers that work with Aboriginal and Torres Strait Islander people to bring about social outcomes and increased engagement.
- Beginning discussions for joint partnership opportunities that will lead to employment and/or increased opportunities for Aboriginal and Torres Strait Islander people.

- Forming plans to undertake several community art projects that will story-tell the significance of water in Aboriginal and Torres Strait Islander communities.
- Commissioning its first community art project depicting the business and people interacting with water and the community across the land. Finished artworks are to be displayed in all sites nationwide.

### ‘The Flow of Creation’

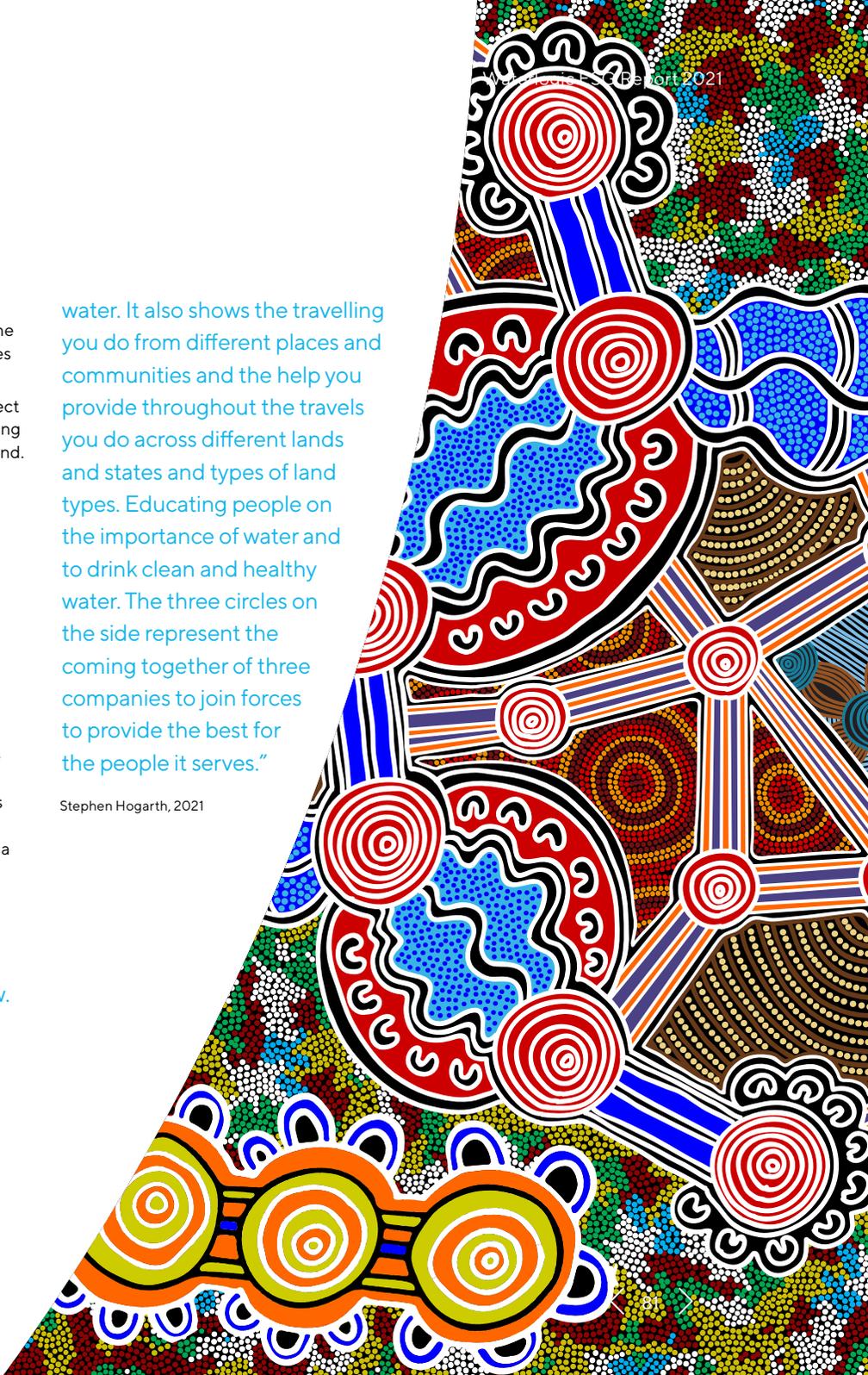
As seen opposite. Take a look at the inside back cover for the full artwork.

Stephen is an Aboriginal contemporary artist. A descendant from the Kamilaroi nation between South-West Queensland and Southern Queensland. Growing up in different places, Stephen learnt his artform from the elders where he lived at the time. His art means a lot to him and his culture. He has won many awards and has a great eye and reputation for fine detailed art. Stephen was given the Aboriginal name Baayama by an elder meaning Warrior Creator.

“Water is the source of life, it’s one of the most important elements for sustaining life that we currently know. It shows water coming in from the outer reaches, being filtered by the rivers and systems and then used within communities, homes and workplaces into healthier drinking

water. It also shows the travelling you do from different places and communities and the help you provide throughout the travels you do across different lands and states and types of land types. Educating people on the importance of water and to drink clean and healthy water. The three circles on the side represent the coming together of three companies to join forces to provide the best for the people it serves.”

Stephen Hogarth, 2021



# GOVERNANCE

# Ensuring effective oversight through sound corporate governance and measurement

The operational and ultimate responsibility for the commitment to our ESG principles lies with Waterlogic's Executive Management Team (EMT). The EMT govern and annually monitor and review compliance to company policies and relevant legislation to meet new business areas to ensure the Group continues to comply and identify areas in need of improvement.

## In this section:

Driving strategy, implementation and metrics

Demonstrating environmental compliance

Demonstrating the highest standards of ethics and integrity

Demonstrating health and safety compliance

Demonstrating supply chain resilience



Waterlogic is working towards these Sustainable Development Goals:



**Driving strategy,  
implementation and metrics**

At Group level, in order to maximise our social responsibility, we guide and direct all our business units to adhere to various Group policies and processes, adapted to meet any local legal requirements.

These include:

- Code of Conduct
- Group Travel and Expenses policy
- Modern Slavery policy
- Whistleblowing process
- Gender Pay Gap review, analysis and reporting (Waterlogic GB only)
- GDPR guidelines and policies
- Anti-bribery and Corruption policy

In respect of broader employee support, we have in place a range of human resource specific policies for our businesses that are kept under constant review and updated as required. They are communicated to all employees through the use of intranets, third-party consultants or similar.

The Group Legal department has the responsibility of keeping all governance issues under review and in the last few years has worked to ensure accurate and timely implementation of GDPR, an updated and detailed Code of Conduct, extended Whistleblowing policy, and associated employee training platforms for effective implementation.

GDPR guidelines and policies were drawn up in collaboration with external consultants and a comprehensive set of materials distributed throughout the Group in May 2018. Updated marketing and general compliance guidance is due

to be issued to all business units by the end of the first half of 2022, including updated materials to ensure continued compliance.

As part of preparations for BREXIT, Group Legal also identified those areas within our business requiring change to ensure compliance with the European Union (Withdrawal) Act 2018. In summary these are data protection and B2B marketing, changes to CE marking, personnel, IP matters, and new import and export requirements. No material issues have been identified and compliance, where required, is on track.

The ownership structure of the Waterlogic Group imposes an internal positive and negative covenants regime, under a formal Investment Agreement, as amended from time to time at the direction of the Group’s institutional investors, where negative covenants require strict observance, likewise the Group’s internal Delegation of Authority. Group Legal is responsible for ensuring strict adherence to the requirements of these internal controls. This also extends to compliance with the Group Remuneration Committee’s guidance.

Governance metrics	2020	2021
Sites monitoring compliance with policies and procedures	72%	95%
Sites disclosing environmental performance to the Board	72%	91%
The company has a corporate governance policy	Yes	Yes
Number of Board of Directors members	4	4
Number of Executive Committee members	8	8

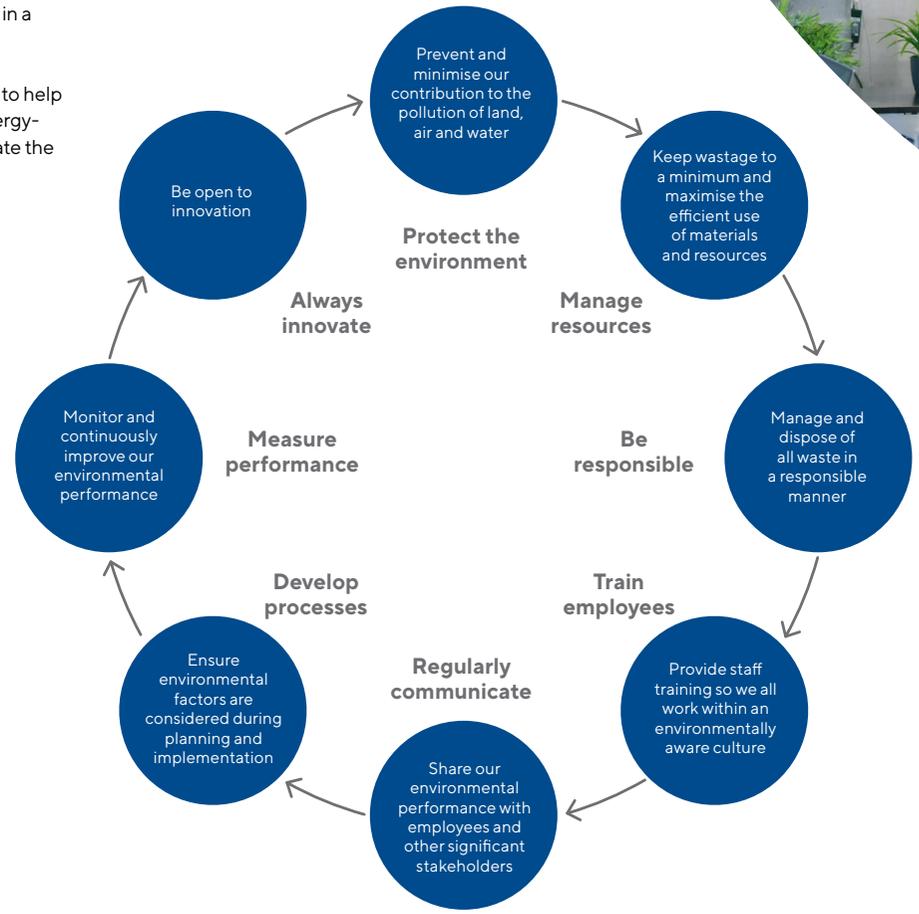


## Demonstrating environmental compliance

Waterlogic accepts that the world faces immense resource depletion and pollution, and we recognise the need for truly sustainable leadership. All our businesses are whole-heartedly committed to reducing our contribution to climate change in a responsible and sustainable way.

As well as managing our own impact, we aim to help our customers improve theirs by offering energy-efficient drinking water solutions that eliminate the need for single-use plastic bottles.

We comply with all relevant environmental legislation and approved codes of practice seeking to:



## Demonstrating environmental compliance

### Putting environmental compliance into practice

Waterlogic continues to be highly acquisition focused, and we expanded the business in 2021 with new market entry into Bulgaria, Finland, Portugal, Puerto Rico and New Zealand, plus acquisitions right across our established global footprint. As part of our M&A due diligence process, all target companies are scrutinised prior to acquisition to establish that they observe environmental regulations in their geographic area. 100% of our sites are compliant with local environmental regulations.

In 2021, sites with environmental policies decreased marginally to 92% due to acquiring new businesses. Work continues to ensure that the Group’s environmental policy is adopted in all new geographies. Sites with environmental guidelines for sub-contractors increased to 95% from 74% in 2020, achieving a substantial increase from 55% in 2019.

Manufacturing quite rightly comes under a lot of environmental scrutiny. Our factory in China is inspected by the Local Environment Agency and we have all the necessary certificates proving compliance. The factory is ISO 9001 certified, and we are also on route to becoming ISO 14001 and ISO 45001 certified – a set of rules and standards created to help companies reduce industrial waste and environmental damage.

Waterlogic sites with ISO 14001 certificates continue to rise to 27% of the company. ISO 14001 is the international standard we used for designing and implementing our environmental management systems (EMS) containing the policies, processes, plans, practices and records that define the rules governing how our company interacts with the environment. There were no environmental incidences during 2021.

Notwithstanding the complexity of dealing with the large geographic spread of the Waterlogic Group and regularly integrating newly acquired businesses, the Executive Management Team continues to demonstrate and drive robust environmental compliance standards across the group ensuring the company reduces its environmental impact by:

- Cutting transport emissions wherever possible and using facilities such as video conferencing for meetings.
- Ensuring all lights and equipment are switched off when not required.
- Purchasing electricity from renewable sources.
- Ensuring that water is used efficiently.
- Printing in black and white and double-sided where possible.
- Recycling all waste including shredding of all business documentation.
- Sourcing recycled materials wherever possible.
- Working with likeminded suppliers.

### UK meets packaging waste legislation

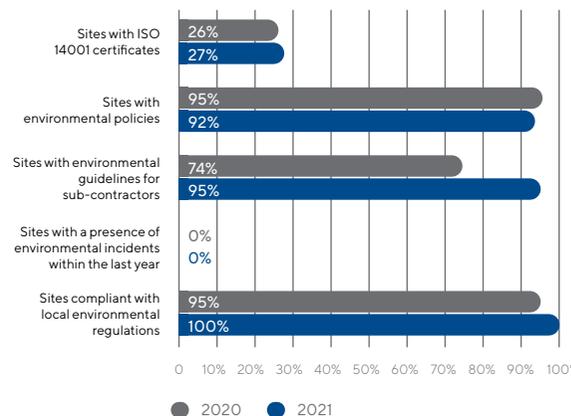
As a legal requirement of the Producer Responsibilities Obligations (Packaging Waste) Regulations, every eligible business in the UK and Ireland that produces or uses packaging must take responsibility for the environmental impact of its packaging waste and contribute towards the cost of recycling and recovery. The aim of the Packaging Waste Regulations is to limit the amount of packaging going to landfill.

Our UK and Ireland business accounts for all packaging used to send machines to market, from the wrapping of an individual unit, the packing with other units in a box, to the pallets themselves and the shrink wrapping that holds it all together.

We continue to ensure compliance across the region, and we support acquired businesses to meet the legal requirements as part of the larger Waterlogic family. These businesses previously fell under the GBP 2 million turnover or 50 tonnes of waste threshold for legislation.

See the Environmental section for more on how we’re making and driving change

Site compliance in 2021



### Sustainable Finance Disclosure Regulation

The EU Sustainable Finance Disclosure Regulation (SFDR) is a set of EU rules which aim to make the sustainability profile of funds more comparable and better understood by end-investors. The regulation focuses on pre-defined metrics for assessing the ESG outcomes of the investment process, with much more emphasis placed on disclosure and increased transparency around sustainability claims. As a portfolio company, we have been working with our investors to ensure compliance for 2022 reporting.

## Demonstrating the highest standards of ethics and integrity

Waterlogic is a fast-growing international organisation with sites across the world and new businesses acquired regularly, plus an expanding network of partners and suppliers. Waterlogic's Code of Conduct reflects our beliefs and values, and covers a range of compliance and ethical issues setting out how we do business. The Code of Conduct is issued to all our businesses, partners and suppliers to ensure they follow the highest standards of ethically sound behaviour both in regard to the quality of service provided and the way they operate.

### Ensuring compliance across the Group

Principles and policies set out in the Code of Conduct are intended to complement more detailed group and local policies, where these already exist, and to provide a framework for development of detailed policies in the future, particularly as we onboard newly acquired businesses.

In 2021, we saw a 24% uplift in sites with an independent anti-corruption procedure or policy and a 12% uplift in sites with an approved anti-corruption procedure or policy. 95% of sites now have an anti-corruption procedure or policy for suppliers in place. All sites have a code of ethics.

### The Code of Conduct contains detailed guidance on:

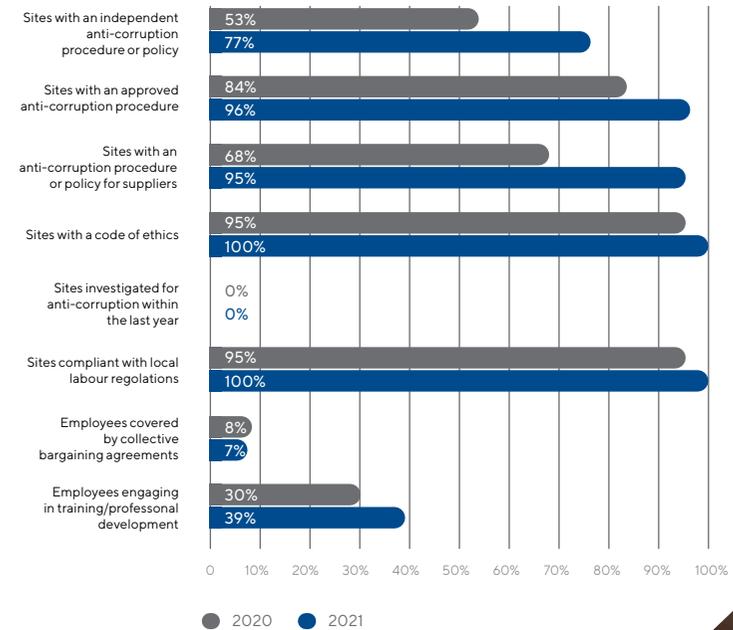
- Conflicts of interest
- Corruption/bribery
- Money laundering
- Competition and anti-trust laws
- Confidentiality
- Business records and reporting
- Company assets
- Data protection
- Equal opportunities
- Health and safety
- Environment
- Political activity
- Supply chain and slavery

Waterlogic depends on every employee to act professionally, responsibly and in accordance with the standards set out in the Code of Conduct. Appropriate training and briefings are provided to help employees understand what the Code means for them so they can apply the principles and policies in all the decisions they make.

We encourage our staff to report any illegal or unethical conduct and our **whistleblowing** procedure is carefully designed to permit employees to make disclosures without fear of retaliation. All reports are fully investigated and appropriate remedial action taken as necessary.

All sites are compliant with local labour regulations, and the number of employees covered by collective bargaining agreements has decreased from 8% to 7%.

### Site compliance in 2021



## Demonstrating the highest standards of ethics and integrity

### Securing supplier adherence to our values and ethics

We have a strong commitment to ensuring that our suppliers are aware of our high ethical standards and we update them on our applicable Code of Conduct and core requirements to be observed, including healthy, safe and compliant working conditions for their employees. As part of the vetting and auditing process, potential and existing suppliers are made aware of our values and our requirement that they abide by these principles and values.

Our **Modern slavery and human trafficking statement** is published in accordance with the Modern Slavery Act 2015 and it sets out the actions we have taken to consider all potential modern slavery and human trafficking risks related to our business and supply chains.

As part of our initiative to identify and mitigate risk arising as a result of slavery and human trafficking, we conducted detailed audits in 2017 of our key suppliers in all our major countries of operation, including China. Our audit questionnaires covered key issues on applicable codes, practices and policies in place to identify and combat any risks of modern slavery and human trafficking within supplier organisations. We repeat this process at regular intervals to maintain and improve open communications with our suppliers on this area of risk.

Our critical and high value suppliers have been working with Waterlogic for over 15 years in most cases, and new potential suppliers are vetted and audited by the supply and quality teams. Audit reports of potential suppliers and existing suppliers include not only technical and engineering observations, but also the supplier's corporate responsibility.

Our **Anti-bribery policy** makes it clear that we operate a zero-tolerance policy towards fraudulent, dishonest or deceptive behaviour and condemns corruption in all its forms. As part of supplying Waterlogic with any services or components, the owners and CEOs of the entire supply chain must sign the Waterlogic Anti-bribery and Corruption contract. This contract remains in force for the entire supply contract period and is controlled and monitored by our legal counsel in China, together with the supply chain team. Any suspected cases of infringement are reported directly to our legal representation in China. In addition, every year we issue ethics and anti-bribery letters for all suppliers to sign.

Other procedures such as performing due diligence and periodic reviews on agents, consultants and other third-party intermediaries include:

- Routine commercial and technical visits post-pandemic with quarterly reviews of major partners.
- Regular update meetings held with sales directors to review regional performance of distributors to ensure no issues exist in relation to unethical behaviour or sanctioned territories.
- Reviewing terms and conditions and contracts with consultants to ensure appropriate anti-bribery provisions are in place.

### Sexual harassment and discrimination training

All U.S. employees attend annual sexual harassment prevention courses which enforce the discrimination guidelines outlined in the employee handbook. Training is administered for all new hires through self-paced courses, plus all employees receive yearly instructor-led training face-to-face or through online sessions. The training is designed to help employees understand what could be interpreted in a negative way, and offer guidance to any employee who feels they have been a recipient of sexual harassment or discrimination.

Targeted training is provided to all managers giving them advice on how to navigate the compliance and escalation procedure, and how to offer support to employees who have experienced sexual harassment and discrimination in the workplace. The sexual harassment and discrimination training will be introduced to Canada in 2022.

## Demonstrating health and safety compliance

### H&S assessments deliver action plan for continual improvement

A third-party consultant, Manago, was appointed to roll-out an enterprise-wide health and safety audit of our business units in 2021 alongside an abridged H&S policy for the Group.

A comprehensive questionnaire was used to facilitate an in-depth review with each business unit to discuss current health and safety processes, identify areas for improvement, and ensure we continually raise health and safety standards across the organisation to safeguard our employees and visitors.

#### H&S areas covered in the assessment include:

- Hazardous substances and surveillance requirements
- Emergency response and major incident procedure
- Fire prevention and risk management
- First Aid
- Risk assessments
- PPE
- Health and safety awareness and training
- Field operations, fleet drivers etc. - procedures and method statements
- Manual handling

The results of the assessments were compiled to report recommended actions as the priority for further focus, including an action sheet for each individual business unit detailing the areas that needed to be addressed.

To ensure that the required continuous improvement steps are taken, regular reviews are conducted with each business unit to discuss monthly check sheet findings and any other

areas of health and safety requiring attention. The outcomes of these meetings are reported to the Executive Management Team, as part of our commitment to proactively address and continually govern our health and safety compliance across the organisation.

Further audits are being carried out in 2022 to cover additional topics such as information, induction, instruction, training and young persons, mental health and well-being, noise at work, driving at work policy, lone working policy, maternity policy, and to bring our manufacturing sites and all newly acquired businesses into the programme.

### Ensuring the highest H&S standards in our factories

Our U.S. and China manufacturing sites employ their own H&S professionals to ensure that the highest possible health and safety standards are consistently achieved. The China H&S Officer conducts internal safety audits at least once a month to expose and mitigate potential fire hazards and other health and safety issues. All activities are thoroughly and carefully documented. The Internal Auditor ensures we are compliant with our standard procedures as well as co-ordinating any required actions reported by the Chinese government-led H&S Committee, following their own regular independent audits.

We are committed to investing in the very best technology and infrastructure to safeguard the health and safety of our employees, even if it is not required by law. An example of this is our gas escape monitoring and alarm system. LPG and R600a gases are combustible and potentially harmful to humans. The China factory is fitted with ventilation plus electronic monitoring and alarm systems to pick up the first signs of a gas leak and raise the alert.

### Benelux prevention officer ensures safe working environment

In September 2021, the Benelux Service Manager took on the additional responsibility of Prevention Officer to oversee all health and safety policies and procedures in their local offices and warehouse. Numerous improvements have been implemented following a risk assessment to ensure a safe working environment for all Benelux employees. These include:

- Service technicians to always wear personal protective equipment on site visits.
- Safe racks installed in the warehouses and stacking of products given greater consideration.
- Floor markings in warehouses advising where appropriate safety clothing and shoes must be worn.
- Lifting tools introduced to help lift heavy equipment safely and prevent injuries.
- Underlining of no mobile phone usage whilst driving.
- Clean desk policy in the offices to avoid clutter and mess which can become hazards.
- No items left on top of cupboards or on the floor to help prevent accidents.
- Accident and near-accident reporting to record situations and avoid future incidents.

The Prevention Officer is present at quarterly Board meetings to report on achievements and agree further health and safety improvements to be addressed.



## Demonstrating health and safety compliance

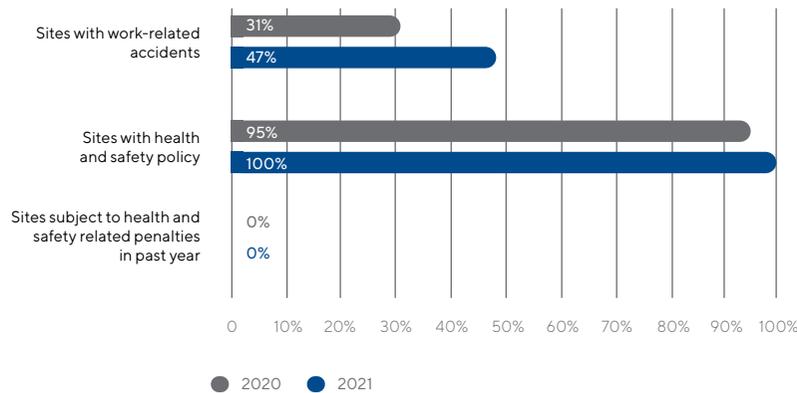
### Incidents, policies and penalties

We recorded a 16% increase in work related accidents in 2021, concerning sprains, slips, trips and falls. The increase can in part be explained by the 24% upturn in field jobs undertaken in 2021 at 1,040,000 compared to 840,000 field jobs in 2020.

No serious work-related issues were reported, but measures to mitigate these accidents are being addressed as part of the health and safety audits. No sites were subject to health and safety related penalties in 2021. The company has reached 100% compliance with health and safety policies across the organisation from 95% conformity in 2020.

### Continued focus on COVID contingency planning

A global COVID Contingency Plan was put into place in March 2020 and continued throughout 2021. Office layouts were reworked and designated COVID-secure with temperature gauges, social distancing signage, disposable masks and gloves, antibacterial sprays and wipes, and hands-free water dispensers to protect against cross-infection. As lockdowns and stay at home advice has ended, offices have typically re-introduced staff on a rotational, part-time basis to limit occupancy and create social bubbles to reduce infection risk. These measures and controls will continue to be applied as necessary, closely following local government guidance and legislation.



See the Social section for more on how we're protecting our employees and customers



## Demonstrating supply chain resilience

### Transformation of supply chain capability controls inventory and distribution

We significantly increased efficiency and improved the underlying resilience of the global supply chain in 2021. This was accomplished by fulfilling strategic plans to transform European supply chain capability, as well as rationalise SKU complexity and increase product refurbishment across our global operations

The re-design and outsourcing of our European logistics network was realised with the opening of the European Central Distribution Centre (ECDC) in May 2021. The ECDC is the main vehicle for improving inventory efficiency in Europe; streamlining the flow of goods from our manufacturing hubs in China and Australia in partnership with global logistics specialists, Mainfreight.

Located in Born, the Netherlands, the ECDC serves as a single supply chain hub receiving containers from China and Australia and seamlessly distributing stock to 14 local hubs across Europe. Previously, shipments from our manufacturing plants travelled thousands of miles by sea and road to 10 European distribution centres, and then on to 44 domestic satellite hubs for delivery to our technicians and end customers.

Newly embedded statistical demand forecasting tools and a weekly planning and management process provides rigor and transparency, allowing for centralised control and supply of inventory to maintain streamlined ordering through the ECDC, and across all markets.

In addition, we phased out obsolete dispensers and reduced the diversity of product range available in countries served by the ECDC, reducing the number of SKUs from 120 parts to just 24. This approach saw us remove 2,174 dispensers from the supply chain in 2021. Furthermore, production and supply efficiencies were met through the refurbishment programme to facilitate additional capacity as demand for product continues its upward trajectory. We increased dispenser refurbishment by 26% to refurbish 27,350 dispensers globally in 2021.

A programme to harmonise repair and refurbishment practises across the organisation will be rolled out in 2022 in order to drive continuous improvement in quality control and reduce scrappage, resulting in a leaner supply model. This will prompt a significant change in how we operate locally with the aim of reducing the unnecessary replacement of new units and movement of goods, and increasing quality control on repairs and refurbishments to ensure right first-time fixes. A dispenser that cannot be fixed in field will go to a refurbishment centre where a strict set of globally-consistent triage rules will help determine whether the unit is repairable, the parts are salvageable, or the dispenser needs to be recycled. In 2022, we expect to drive a 40% increase on refurbishment volumes globally.

A great deal of work has been carried out by the Waterlogic Operations team to ensure that supply chain management procedures are understood and adhered to by suppliers and business units alike. This is reflected in the increase of sites with supply chain risk management procedures increasing to 91% from 47% in 2020.

### Introducing the 'Waterlogic Way of Operating' best practice guidelines

Whilst we focused on building operational controls and foundations across our business in 2021, 2022 will see our business units develop their analytical capabilities to better design targeted improvement activities to drive efficiency, certainty and quality across the supply chain. To help achieve this, we are developing best practice 'Waterlogic Way of Operating' guidelines.

Work is well underway with van management processes, managing maintenance schedules efficiently, planning best practice, recruitment approaches, and workload forecasting models forming the first phase of documentation. The majority of the key documentation is expected to be made available to our business units early in the second half of 2022, with around 30 individual documents, processes and tools being created. This will provide the platform to move the focus in 2023 and beyond into areas of innovation in customer and employee experience.



## Demonstrating supply chain resilience

### Net Promoter Scores provide invaluable customer insights

2021 saw the launch of the Waterlogic Way of Retention (WWoR), a cross-functional, global framework for measuring, analysing, managing and improving our retention performance. Through the second half of the year, the framework has been rolled out across most of the key markets and with the support of Group, our businesses are now initiating their programmes of work. The framework is split into seven modules covering engagement and ownership, churn propensity analysis, measurement and governance, pipeline management, M&A transition, relationship and transactional Net Promoter Scores, and retention marketing.

Gathering transactional Net Promoter Scores (NPS) has proven a particular early highlight with the roll-out of a single global platform progressing well through the second half of 2021. We are live in the USA, Spain, Canada and Australia with NPS surveys being sent to customers after installation, repair and maintenance visits. The Nordics, UK, Ireland, France, Czech Republic and Hungary are all planned to go live in early 2022.

The surveys are proving an invaluable source of insight for our businesses, highlighting individual customers who either feel let down by our service or have experienced great service by frontline

technicians, whilst identifying broader trends to allow more structural improvements. All scores of 0-6 generate a 'red alert' and we contact those customers directly to solve the issues they have.

The combined score from our live markets is a healthy +33 with installation visits delivering an NPS of +60. But most valuable is the 350 comments we have received as a source of immediate feedback.

In addition, the Relationship NPS, which also forms part of the customer satisfaction survey, is deployed at key stages during the lifetime of the customer journey. The retention marketing process is supported by a Marketing Automation Platform (MAP) which came into effect in the second half of 2021, and currently supports the USA, Australia, Germany and UK with plans for global deployment. This process will further support the future harmonisation of both the Relationship and Transactional NPS responses, ensuring customer engagement is effective, appropriate and timely.

We look forward to continuing to build a comprehensive picture of our customer experience as a result of the operational efficiencies and improvements we have and will continue to deliver.



## Demonstrating supply chain resilience

### China factory-move limits disruption and accommodates increased supply as demand grows

In September 2020, the Chinese Government ordered that Waterlogic must move from the Qingdao premises that the factory had occupied since 2004. A deadline of six months was given to vacate which resulted in a significant amount of work in short order to find a suitable location.

We took the opportunity to find a larger, more modern premises, and we made a considerable investment to create a state-of-the-art future-proofed facility. Major internal work was completed in around six weeks as production at the original site was halted. It took just three weeks to move everything and everyone into place, and production commenced at the end of June 2021 with disruption to the supply chain kept to an absolute minimum.

The new location consists of one building across six floors and covers 27,000sqm (290,000 square feet). The cutting-edge infrastructure and generous space allows for a 50% increase in production capacity, meaning the factory is able to meet future supply growth demands.

In addition to the resilience of the manufacturing operation in China, our manufacturing footprint in the USA and Australia also serves to significantly mitigate risk. We continue to invest in the U.S. facility and expand local component sourcing to reinforce this resilience and to provide international supply capability should China be unable to operate for any reason again in the future.





'The Flow of Creation'  
Stephen Hogarth, 2021

## Better thinking, better water, better for you, better for the planet™

At Waterlogic, everything starts with the way we think about water. Behind every drop of Waterlogic water are years of knowledge, innovation and experience to deliver purified, great-tasting water in the safest and most sustainable way.

And because we design, manufacture, distribute, install and service our own water dispensers, you can enjoy unparalleled product quality including a range of consumables and accessories, and highly responsive Total Care service that is second-to-none.

For more information contact:

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