



# Environmental, Social and Governance Report 2020

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



# Environmental, Social and Governance Report 2020

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 2020, 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.

## **Jeremy Ben-David, Founder and Group CEO Waterlogic**

For almost 30 years now we have looked to achieve the very best way of hydrating people without causing harm to human health or damage to the environment. As the plight of the planet and the health of its global population has reached tipping point, I am proud to say that Waterlogic's imaginative and resourceful people have continued to rise to the challenge for the greater good. In 2020 we continued to pioneer new ways of ensuring that we uphold our promise of safe, sustainable water for everyone, delivered in the most responsible and ethical way.

We believe that every individual and every business has a duty to reduce the negative impact humans are having on the natural world and on society in any way we can. Acting responsibly and with integrity is very important to us. We thrive as a business because we seek better ways to do business; ways that are better for the people we interact with every day and better for the planet too. We start with our internal approach by continually driving and changing our own behaviours, and by helping our customers, suppliers and partners to change theirs.

The Waterlogic Code of Conduct is issued to all our businesses, partners and suppliers to ensure

they follow the highest standards of ethically sound behaviour. It reflects our beliefs and values, and covers a wide range of compliance and ethical issues setting out how we do business and what we expect from our partners and suppliers.

We support our customers in achieving their environmental goals by giving them the high-quality sustainable choice they, and our planet, deserve. Waterlogic contributed to the removal of 23.8 billion plastic bottles through our mains-fed dispensers, and despite these challenging times, we saw some large customers taking up Waterlogic solutions to eradicate single-use plastic bottles and cups from their workplaces.

In addition, we actively seek ways to reduce the environmental impact of our goods and services across our supply chain. In 2020 by refurbishing 21,624 dispensers and meeting 15% of global demand through stock held, we took 27,846 dispensers out of production negating the associated carbon-emitting supply chains. We also opened our new European Central Distribution Centre to serve as a single hub improving the efficiency of our supply chain operations in Europe.



**"We thrive as a business because we seek better ways to do business; ways that are better for the people we interact with and better for the planet too."**

In response to the pandemic, we welcomed some significant developments in 2020. We proved the efficacy of our patented Firewall® UVC purification technology against COVID-19 to guarantee peace of mind for the millions of users that drink Waterlogic water every day. We also launched Firewall capability in our integrated Billi tap and Purezza hospitality solutions for the first time, ensuring maximum protection across our customer base. Our hygiene value proposition was further advanced through the launch of contactless foot pedals and essential consumables and accessories to help our customers provide safe hydration for their workforce. And we continue to support our customers with practical advice and guidance on getting safely back to work.

Our China factory was the first to be hit in January by the coronavirus outbreak and the plant was shut for several months with staff forced home and production halted. We took great comfort in the fact that our operations in China got back to normal quickly as a result of the truly inspiring efforts of the Chinese team, with everyone back at their jobs and the heart of Waterlogic beating once more.

Waterlogic is an international organisation with sites across the world and new businesses acquired regularly. Our sites moved to a skeleton resource to enable us to still 'do business' around the world. In the majority of countries we remained open for business with many staff on furlough-equivalent schemes across the Group with the goal of safeguarding jobs. The health, safety and well-

being of our people remains our absolute priority, and we fast-tracked a number of initiatives to support employees during these unprecedented times. Our most notable achievement in 2020 was working to spot people struggling with mental health issues and supporting them in finding help.

There have been many moments of extreme pride in the Waterlogic resolve and spirit. We have all had to adapt to the situation, including those of our workforce on the frontline keeping our services running for many critical industries. A team of technicians from Waterlogic UK installed 35 Firewall dispensers free of charge in London's new 4,000-bed Nightingale Emergency Hospital and Waterlogic Spain made sure that volunteers were safely hydrated during long shifts keeping the most needy fed.

Across the world communities came together and employees took it upon themselves to give back by volunteering in food banks and delivering medicines and supplies to the most vulnerable. It helped us to remember that we are not alone and that the kindness of human compassion prevails at times of suffering.

Many of our businesses used lockdown to engage employees in activities to help ease the burden of isolation and uncertainty. For instance, nearly 1,200 employees participated in remote technology and sales training. We also enhanced and established new communication platforms and extra curricula activities to keep people informed, engaged and to give them a voice.

We continued our commitment towards equality, inclusion and diversity with programmes dedicated to building a better future for women in the workplace, harmonising pay, and supporting opportunities for young people and people with disabilities.

At the beginning of 2020 we couldn't have foreseen the events that have unfolded but I am extremely proud of how our employees, investors, suppliers, partners and customers have adapted, pulled together and made the best of very difficult circumstances.

This illustrates our resilience and ability to bounce back. We are a robust company with dedicated and experienced people, very solid foundations, a strong balance sheet and committed shareholders. We have done our utmost to come through the crisis in good shape whilst upholding the environmental and social values that are dear to us.

As we move forward into 2021, we look forward to building on the foundations we have established towards a better future for everyone.

I wish you good health,



"We have done our utmost to come through the crisis in good shape whilst upholding the environmental and social values that are dear to us."

# Waterlogic at-a-glance



Nearly 30 years  
of experience



1.4 million  
dispensers worldwide  
with 50 million users



40%  
dispensers on full-service  
rental contracts



Serving customers  
in over 65 countries



100%  
wholly owned  
R&D and manufacturing



Diverse workforce  
of 3,000 employees



200,000  
businesses from  
diverse customer base



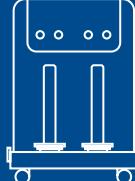
\$400 million  
revenue (2020)

## 3 core brands, 4 sustainably focused product categories



**waterlogic®**

Next generation mains-fed freestanding and countertop dispensers



**PUREZZA™**

Premium high-volume table water solution for hospitality sector



**Billi™**  
by Waterlogic

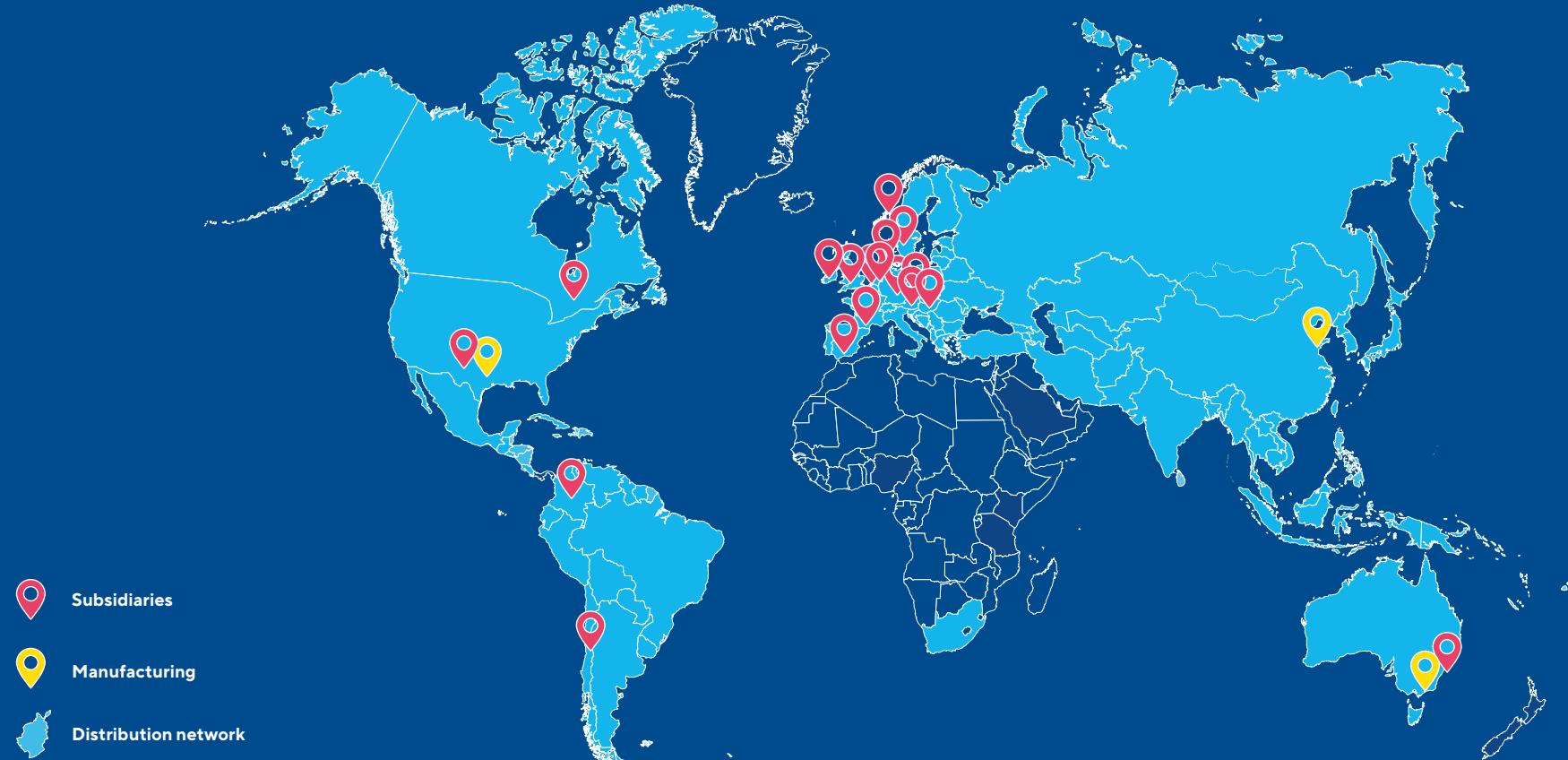
Integrated dispensers for corporate and hospitality environments



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**

## Waterlogic around the world



# 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 18 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 65 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 nearly 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 wellbeing 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.

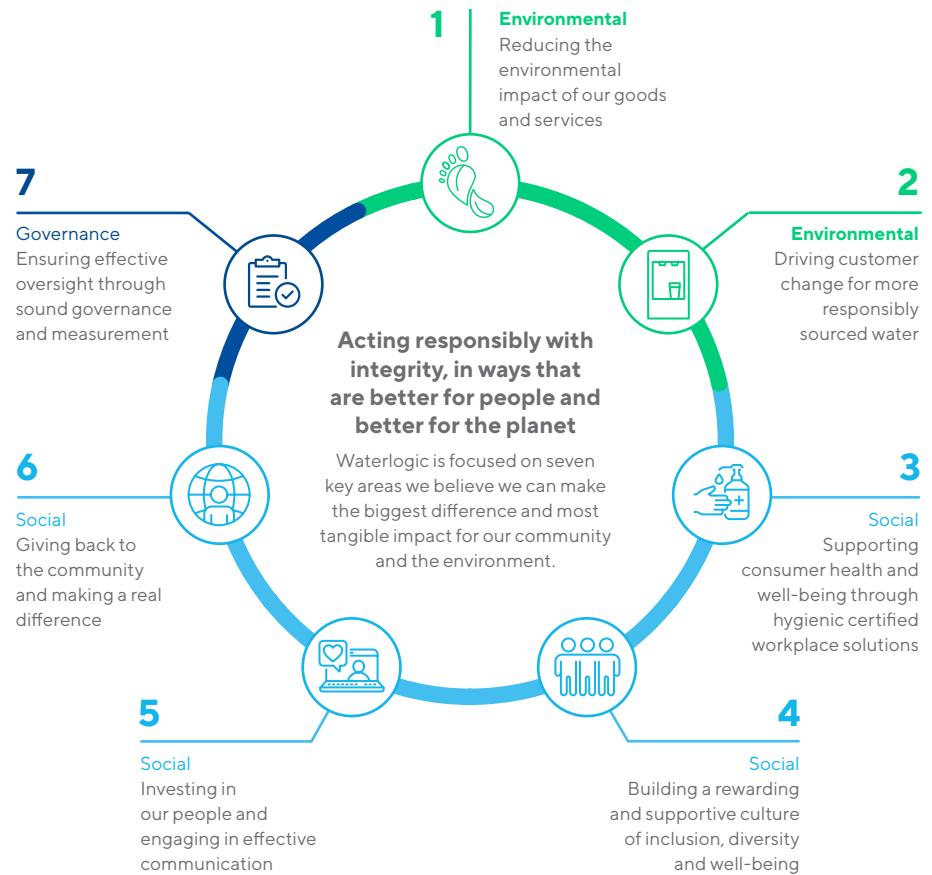
## **'Acting responsibly with integrity, in ways that are better for people and better for the planet'**

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

By demonstrating our commitment to ESG we aim to align our business values, purpose and strategy with the needs of all our stakeholders, whilst embedding responsible and ethical principles into everything we do for a sustainable future.



# Our seven key focus areas



## Thirsty for change and hungry for action

The driving forces behind achieving our ESG purpose focus on our own contributions and helping other to achieve theirs.

These are:

- 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

Remembering these guiding principles every day helps us to 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.

# Our performance highlights in 2020

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.

2020 was a year like no other. Our goals for helping the transition to a sustainable low carbon economy were soon matched by our ambition to ensure that every workplace had the necessary solutions to provide a safe and hygienic environment for the benefit of its community.

In a year that tested us all to our limits, we're grateful and pleased to share that we have taken significant strides forward to fulfil our goals with the help and dedication of everyone working for and with Waterlogic.



## Here are just some of the contributions we made in 2020 towards our seven key areas of focus:

Reducing the environmental impact of our goods and services

**1,115 tCO2e**

saving in just freight and component parts as a result of meeting 15% of global demand through stock held

Driving customer change for more responsibly sourced water

**23.8bn**

single-use plastic bottles saved from going to landfill and polluting our oceans

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

**99.999%**

effective against COVID-19 proving Firewall® technology safeguards the health of millions of users

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

**10**

Mental Health First Aiders appointed to support employee mental well-being and provide access to professional help



Investing in our people and engaging in effective communication

**1,187**

employees attended workshops designed to increase knowledge and skills during furlough

Giving back to the community and making a real difference

**35**

dispensers installed free at NHS Nightingale Hospital London, providing COVID-secure water for patients and key workers

Ensuring effective oversight through sound governance and measurement

**95%**

sites with code of ethics ensuring the highest standards of ethics and integrity across the Group



# 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**

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

**Championing green  
travel initiatives to  
reduce emissions**

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

Waterlogic is working towards these Sustainable Development Goals:





## Greener thinking product design and manufacturing

We continue to pioneer the application of advanced technology in the design of our water dispensers. This is a big part of who we are and how we deliver the best quality water in the most sustainable way. We have worked hard since 2004 to develop an extensive range of drinking water dispensers using proprietary technologies and innovations from our own R&D and manufacturing base in China, and with the addition of facilities in the U.S. and Australia in more recent years.

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



We focus more and more 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. Stainless steel is 100% recyclable and up to 60% of the product 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.



Our products are highly certified and meet RoHS standards



 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



## Greener thinking product design and manufacturing

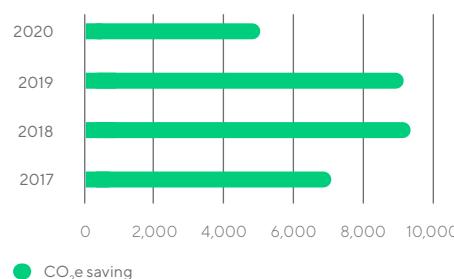
### Introducing environmentally-friendly refrigerant gas

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. In 2017 we made the switch to using the natural refrigerant gas R600a in our water dispenser compressors as an environmentally friendly refrigeration solution, five years ahead of the European ban on harmful refrigerant gases that comes into force in 2021.

Boasting excellent thermodynamic performance, R600a is non-toxic, has zero Ozone Depletion Potential (ODP) and very low Global Warming Potential (GWP), providing an excellent combination of cooling, energy efficiency and zero environmental damage. It now serves as a functional alternative for numerous chlorofluorocarbon (CFC) or hydrofluorocarbon (HFC) refrigerants such as R134a.

By the end of 2020, compared to using R134a, we reduced the CO<sub>2</sub> equivalent by 99.8% per dispenser, saving a total CO<sub>2</sub> equivalent of 30,881 tons.

#### R600a CO<sub>2</sub> saving 2017 – 2020



### Removing mercury lighting from our factory floors and Firewall technology

We almost exclusively use LED lighting in all our factories 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.

#### 90% LED lighting used in the China factory

TYPE	POWER	QUANTITY IN USE
LED	18W	1,140
LED	50W	15
LED	65W	93
LED	85W	13
Fluorescent	40W	136

### A 'clean' manufacturing operation

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. We are also on route to becoming ISO 14000 certified - a set of rules and standards created to help companies reduce industrial waste and environmental damage. Our U.S. factory will follow suit in 2022.

We are a 'clean' manufacturing operation, meaning that we do not pollute the environment through the production of our products. We recycle all the water we use so that we do not contaminate the water supply with effluent water used in the factory, and we monitor water consumption throughout the process. It's a closed loop operation. Clean water comes in, we use it in our processing, we filter it, purify it and it goes back into the system to be reused.

Neither do we vent toxic fumes into the environment. The factory's only identified emission is fumes from welding. Annual inspection of our welding fumes reveals measures far below environmental concern, yet we invested in a 15-metre high chimney.





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

### Inventory reduction and product simplification

In 2020, we significantly reduced the amount of dispensers being produced by meeting 15% of global demand through stock held. In addition, by simplifying product complexity and reducing the number of SKUs, less variety of product was requested; meaning less waste of raw materials and less emissions linked to manufacturing, storing and transportation.

This combined approach saw us taking 6,222 dispensers out of the supply chain by the end of 2020, resulting in 183,952 less sea and road kilometers travelled and a saving of 1,115 tons of CO<sub>2</sub>e relating to transportation from the factory and components used in the production of the dispensers.

### Impact of streamlined supply chain in 2020

**6,222**

dispensers removed from the supply chain

**15%**

global demand met through stock

**1,076 tCO<sub>2</sub>e**

saved not using components

**38 tCO<sub>2</sub>e**

saved in transportation



That's a total of

**1,115 tCO<sub>2</sub>e**

saved (components and freight)





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

### Increasing use of refurbished dispensers and parts

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. Savings linked to refurbishment also play an important part in meeting greener targets, helping to preserve the earth's raw materials and saving components going to waste or being destroyed through carbon emitting processes.

In 2020, we continued our focus on refurbishing more dispensers to reduce the strain on production, leverage the associated environmental benefits, and to meet the needs of customers' own environmental agendas. In 2019 we refurbished 19,800 dispensers. Whilst there was a reduction in the underlying volume of activity due to COVID, we still managed to refurbish 21,624 dispensers in 2020, an uplift of 9%, with 8,214 of those dispensers fulfilling new rental contracts. Driving more repair of dispensers in field rather than replacing them, was also a focus in 2020.

We're expecting to refurbish 27,000 units (+20%) in 2021, and plans are also under investigation to open a European Refurbishment Centre. 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.

We also aim to carry out sub component refurbishment for all removed parts during the refurbishment process. For example, if a front panel is replaced, the old panel is refurbished and re-used as a replacement part for future models. This helps to mitigate and reduce the need for new components which lowers our CO<sub>2</sub> footprint and reduces the volume of components needing to be recycled.



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

The carbon value of one dispenser relating to the components it uses is 173kg CO<sub>2</sub>e



**21,624**

dispensers were refurbished in 2020



**9%**

increase in 2020 with 20% increase targeted for 2021



### Centralised distribution boasts environmental benefits

The European Central Distribution Centre (ECDC) will serve as a single supply chain hub receiving a more streamlined flow of goods from our factories in China and Australia to ports and on to point-of-use. This will provide Waterlogic with a flexible, fully stocked warehouse which can supply markets at short notice and guarantee quality of service to our customers. The ECDC will be the main vehicle for improving inventory efficiency in Europe; only shipping what we need, when we need it.

The first supply of goods to our centralised distribution facility in Born, Netherlands arrived in mid-March 2021. In December 2020, Mainfreight was selected as our specialist logistics partner helping to optimise distribution across Europe.

Our freight will be barged from Rotterdam Port to the Born warehouse, saving 33,000 kilometers of road transportation and 4,310 kilograms of carbon emissions per annum.

Mainfreight actively seeks ways to leave the lightest possible imprint on the planet while continuously managing their ISO 14001 certified operations to build a sustainable logistics environment. The Born warehouse is BREEAM certified and Mainfreight is one of only 12 shippers and logistics companies in the Netherlands and Belgium that have been awarded 3 stars by the government-run National Lean & Green programme.



## Championing green travel initiatives to reduce emissions

As a result of the COVID pandemic, many sites across our global organisation have been closed or partially open, with many employees working from home. Over recent years we have actively reduced our business travel, and the pandemic has fast-tracked this with online meetings becoming the norm reducing the emissions associated with air, train and road travel, in addition to new initiatives limiting travel in the field for technicians and salespeople.

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

In 2020, the UK business took on two electric Nissan EV200 vehicles, with 10 more planned for 2021. We also proactively reduced the number of road miles travelled by our diesel fleet, saving 1,168 tons of carbon compared to 2019.

In the first quarter of 2020 we rerouted our customer journeys to condense the number of miles travelled, resulting in reduced fuel usage and lower carbon emission. The months that followed saw an even greater reduction in travel due to the COVID pandemic. We now call customers in advance making sure they are open, and we have experienced almost zero wasted journeys as a result.

**1,168**  
tCO<sub>2</sub>e saved in 2020

Tons of carbon used in commercial vehicles



● 2019 ● 2020

1 litre of diesel weighs 835 grams. Diesel consists 86.2% of carbon, or 720 grams of carbon per litre diesel. In order to combust this carbon to CO<sub>2</sub>, 1,920 grams of oxygen is needed. The sum is then 720 + 1,920 = 2,640 grams of CO<sub>2</sub>/litre diesel.

### 100% climate-neutral shipping

Waterlogic Germany shipped 19,252 parcels in 2020 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.

Many of the parcels we shipped were supplies for our technicians as well as fulfilling customer orders for accessories such as bottles and dispenser drip trays. We also made the switch from plastic bubble wrap to recycled shredded cartons as inlay-protection for the boxes we ship.



**19,252**  
parcels shipped

**100%**  
carbon-neutral  
delivery



## Championing green travel initiatives to reduce emissions

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

Our China factory employs local people to limit the carbon emissions associated with personal travel into the workplace. The nearer employees live to their place of work, the less impact is placed on the environment. In addition, the company provides eight buses to transport around 35 managers from Qingdao to and from the factory each day, potentially saving 35 individual modes of personal transport and representing just 8.6% equivalent carbon emission. We aim to extend this to all employees.



#### Saves 0.83 tCO<sub>2</sub>e

Saves 0.83 tCO<sub>2</sub>e a week  
representing just 14.4% of total car emissions

### 2021 field service initiative

To further remove emissions and waste from our supply chain, in 2021 we plan to roll out our field service enhancement programme. This programme will be delivered across our field service teams who service and maintain our 1.4 million 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. The aim in 2021 is to reduce second call-outs to decrease our carbon footprint and save 46 tons of CO<sub>2</sub>.



#### Save 46 tCO<sub>2</sub>e

2021 target on second call-outs

Source: Carbon Footprint Calculator

## Tackling site carbon management, consumption and waste

Waterlogic continues to proactively champion initiatives relating to saving energy, water efficiency, waste reduction and recycling, fundamentally altering the emissions and consumption of natural resources generated by our offices and buildings around the world. Whilst there has been a dramatic reduction in the use of resources due to the pandemic, we acquired additional businesses in 2020 expanding our footprint and therefore increasing our consumption in some areas compared to 2019.

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

From warehouse storage to enabling machines to be easily moved in bulk as well as keeping them protected, the China factory uses hundreds of pallets every year. Since 2017, we have purchased 320 recyclable plastic pallets to replace the wooden alternatives.

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 ending in 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.

Source: Research and Markets

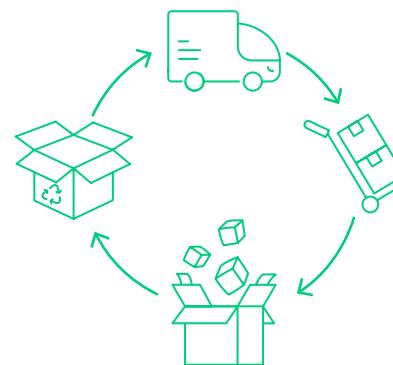
### Local factory suppliers and reusable packaging scheme

More than 500 companies supply our manufacturing facility in China. We receive a substantial amount of deliveries as well as waste packaging materials with every delivery. 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 them to reuse.

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.



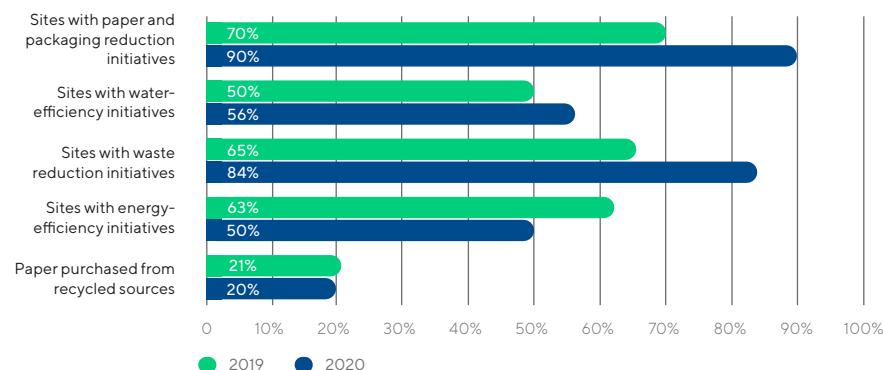
## Tackling site carbon management, consumption and waste

### Other paper and packaging reduction initiatives

90% of our businesses have paper and packaging reduction initiatives actively in place, an increase of 20% from 2019. The purchasing of recycled paper took a slight downturn in 2020 simply because offices were not operational for periods of time due to the pandemic. The majority of our businesses have made the switch from paper to e-billing and have installed scanners to facilitate electronically saved records where paper copies exist. When printing is necessary, we encourage double-sided printing to limit paper wastage and machine usage, and many offices use this as their default setting.

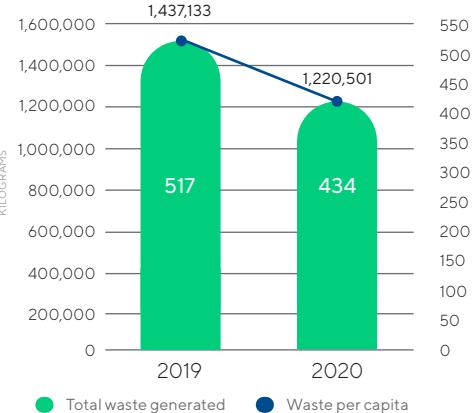
In addition:

- Our new U.S. headquarters in Dallas relies heavily on cloud-based technology to significantly reduce paper usage.
- The UK business has issued its technicians with hand-held devices for recording servicing information which was previously paper-based. This convenient technology also provides more efficient route planning to limit the emissions from unnecessary road miles.
- In France cardboard packaging is shredded to use as a filler in their own packing.



### Waste reduction and recycling initiatives

Recycling bins are installed for food waste, paper, card and plastic and ink cartridges. In the China factory, print cartridges are refilled for as long as possible before replacing. Many of our businesses issue employees with reusable water bottles to limit the use of disposable cups.



## Tackling site carbon management, consumption and waste

### Waterlogic invests in more environmentally-friendly bottling plant

We continue to invest in all our hydration solutions to ensure optimum sustainability and efficiency. Owned by Waterlogic, Fillongley Spring Water is the leading water cooler bottler of naturally sourced water in the UK and until recently had relied on a bottling plant installed in 2001. In order to benefit from carbon efficiency and a reduction in water wastage, we improved the Fillongley site starting in December 2018 and throughout 2019 with the installation of a new state-of-the-art bottling plant.

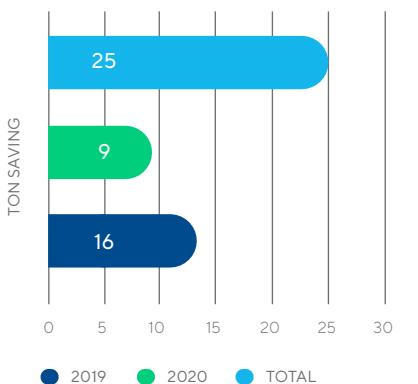
The original bottle washer used 2 litres of water on average for each bottle, washing 1,200 bottles per hour. The upgraded bottle washing machine uses recycled water to wash the bottles, doing it faster at 2,000 bottles per hour and more efficiently. Compared to the old plant, in 2020 only 1.32 litres of water per bottle were used, saving a staggering 1.5 million litres of water.

The new gas boilers used to warm the water for washing use 0.07 kw less energy per bottle, saving 154,000 kilowatts of energy in 2020.

### Impact of upgrade to bottling plant in 2020

-  **0.68 litres**  
of water saved per hour per bottle
-  **1.5 million**  
litres of water saved
-  **154,000 kw**  
of energy saved per hour per bottle

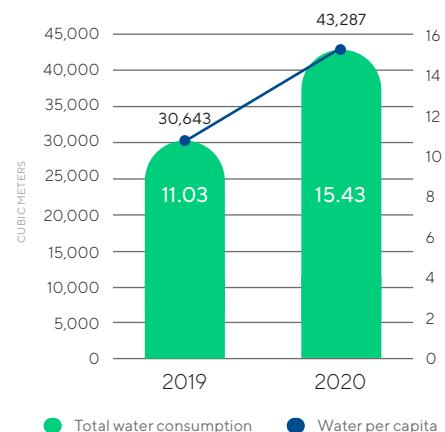
Total CO<sub>2</sub> savings in tons vs 2018 data



## Tackling site carbon management, consumption and waste

### Other water efficiency initiatives

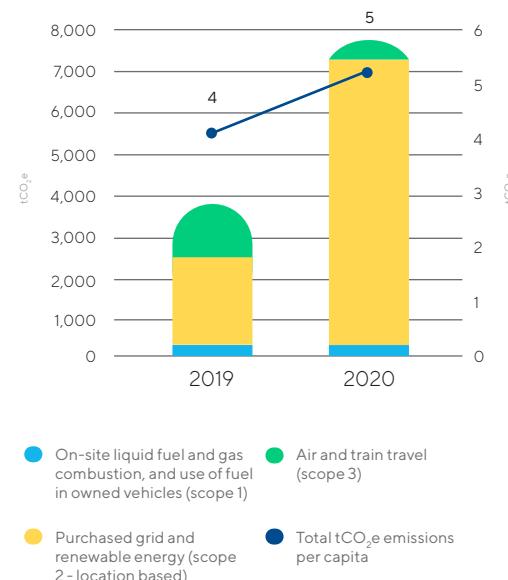
56% of our businesses have active water efficiency initiatives, an increase of 6% on 2019. These include installing water efficient appliances in bathrooms such as water-saving toilet flush systems. Water usage decreased across most businesses during 2020 yet figures are higher compared to 2019 by 12.6 cubic metres as a result of additional businesses acquired in Latin America.



### Energy-efficiency initiatives

Across our sites we use energy-efficient appliances including our own water dispensers to serve the hydration needs of our workforce. We continue to expand upon the installation of LED and motion sensor lighting across our sites. We encourage employees to turn off lights, air conditioning and heaters before leaving a room, and to activate timers to automatically switch off in the evenings and weekends.

Waterlogic's carbon management has been steadily reducing year on year. The sharp increase of 129,206 kwh grid energy purchased in 2020 is as a result of acquiring businesses in Latin America.



### Aqua Cure moves to modern building

Our UK Aqua Cure business moved to a modern insulated space in 2020 meeting the latest building and environmental standards addressing air leakage, installing LED lighting throughout the offices and warehouse, reducing ongoing maintenance costs and energy usage. Air ventilation using heat recovery is also installed in the production and office spaces to enhance employee welfare and reduce energy usage. The production environment uses natural light and an automated filter filling process, leading to a cleaner and safer environment.



# 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 and provide on-the-go hydration**

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

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

**Greener consumables and accessories for the workplace**

**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.

### Every hour Waterlogic helps save millions of plastic bottles from landfill



**1,400,000**

Waterlogic dispensers  
globally



**2.62**

bottles saved  
per person every day



**25**

users per dispenser  
on average



That's a massive

**23.8 billion**

bottles saved every year

**x900**

Bottled water is 900 times  
more carbon intensive than  
drinking mains-fed water

**1 million**

bottles are bought  
every minute with  
just 9% recycled

**By 2050**

our oceans will contain  
more plastic waste  
than fish



### 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

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



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

### The impact of the 'Freefill' initiative in 2020



**488,295**

plastic bottles saved



**615,012**

bottles refilled at the train station



**55,252**

bottles refilled in supermarkets



**13**

Wellness Centres with Rehydration Stations

**100 million**

"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.

As a founder member, delivery company **DPD** contributed 488,295 'Freefills' in 2020 from the Waterlogic bottle filling stations installed in their delivery depots. Other prominent bottle filling station customers include **Boots** the chemist, **Co-op** and **Londis** mini supermarkets

and **Network Rail**, the company responsible for the UK's railway network.

**Boots** has installed machines in 13 of their Wellness Centres throughout the UK, some of which are being used as vaccination centres for COVID-19. These stores provide customers with a holistic well-being and shopping experience with a 'rehydration station' located next to healthy snacks and drinks. Customers can refill their own bottle or buy a reusable one in-store.

**Co-op** and **Londis** helped save 55,252 single-use plastic bottles in 2020. **Network Rail** has installed bottle filling solutions in several stations including London Euston. Despite the significant decrease in passenger footfall in 2020 due to the pandemic, Euston recorded 615,012 'Freefills'.



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

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. By the end of 2020, in cooperation with customers, Purezza helped remove around 60 million single-use bottles from the hospitality supply chain and is leading the movement to remove an additional 30 million single-use bottles year-on-year.

### 60 million

single-use bottles saved from  
the hospitality supply chain

### 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.

The **Four Seasons Hotel Miami** switched to Purezza with the objective of significantly reducing the hotel's reliance on single-use water bottles. In 2020, the solution offered a substantial, direct impact to their carbon footprint with the hotel reporting that they removed almost 275,000 single-use plastic bottles.



**275,000**

single-use plastic  
bottles removed



**22,770,000**

grams of CO<sub>2</sub> saved



**107,133**

gallons of water  
saved

Sources: Solgaard; NPR.

**PUREZZA™**

PREMIUM WATER



**FOUR SEASONS**



**Kimpton Clocktower Hotel** in Manchester, UK, part of the global Intercontinental Hotel Group, also switched to Purezza.

*"Before we used this system, we bought in 750ml bottles of mineral water and then we had to regularly order this, take deliveries and store the bottles."*

*"Now we don't have to worry about waste and the disposal of the empty glass bottles which is also a cost saving. Corporate clients like to see venues that think about the environment and this is an easy way to demonstrate commitment as all guests will see and come into contact with the hotel's own bottles of branded water."*

Andrew Craggs, Director of Conference,  
Banqueting & Special Events, Kimpton  
Clocktower Hotel

KIMPTON  
**CLOCKTOWER**  
HOTEL



## 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.

### It doesn't have to be water down the drain

**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)

### New 2020 Purezza products enhance eco-friendly hospitality range

We have extended the range of Purezza water dispensing solutions to provide venues with even more eco-friendly alternatives to single-use bottled water helping to reduce waste, cost and carbon footprint.

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**, specifically designed to be paired with our P1 Fonte range of dispensers, offers a stylish, robust, bespoke dispenser capable of delivering the high level of performance required in demanding hospitality environments.



The **Petalosa bottle range** allows us for the first time to offer our customers a bespoke reusable serving bottle specifically designed to offer superior quality, elegant simplicity and hygienic functionality.



Source: Nisbets





## Greener consumables and accessories for the workplace

Our 2019 'Hydration in the workplace' survey reported that 72% of workers feel there is more their employer could do to reduce single-use plastic at work. That's why in 2020 we introduced a carefully selected range of eco-friendly cups and reusable stainless steel, BPA-free and glass bottles. The 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.

### Introducing 100% biodegradable and compostable cups

In 2019 we introduced Planet cups to the range, which use cutting-edge bio-plastic technology to offer an eco-friendly, reusable alternative to single-use plastic. The PLA cups are lined with a resin made from corn starch which is a renewable, carbon neutral source and 100% biodegradable and compostable.

Even though Planet cups cost double their single-use counterparts, in 2020 our UK business saw sales of Planet cups almost double from 8% in 2019 to 15% in 2020. We expect to increase this to 20% of our overall cups sales in 2021, and we are planning further innovation in the cup space to offer even more environmentally friendly solutions.

### The impact of just one customer making the switch

**Wates Construction** used to be one of our largest single-use cup customers. The company moved 100% to Planet cups in 2020, ordering 28,000 cups per month despite the increased costs.

 **28,000**  
planet cups per month

 **336,000**  
single-use plastic cups  
a year saved from landfill

 Plastic cups need  
to be reused up to  
**36 times**  
to compare with paper

Source: Huhtamaki



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

Where use of single-use plastic cups is unavoidable, the UK business now 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.

Uptake of our cup recycling scheme in the UK as a percentage of cup usage increased by 33% in 2020 from 2019. As part of our sustainability objectives in 2021, we are aiming to continue to increase usage of the cup recycling scheme around the world to mitigate the use of single-use plastics.

Uptake of cup recycling  
scheme increased by  
**33% in 2020**

 2020 saw UK sales of  
Planet cups almost double.  
We expect to increase  
this to 20% in 2021.



Source: Hydration in the Workplace.

## Putting our green credentials to the test

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

In 2020, Purezza signed a supply agreement with eco-label certifier Green Key International with the aim of promoting 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.

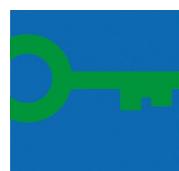
Green Key are a global organisation and currently have 3,200 sites registered with the Green Key eco-label, of which approximately 70% are in the hotel sector. They are the preferred eco-label certification for many international hotel groups, most notably for Radisson worldwide.

Our partnership with Green Key is an important and significant development for Purezza. To partner with an organisation that so passionately shares our vision of sustainability means we are better placed to drive change for a more sustainable future for the hospitality industry.

### Purezza Petalosa bottle shortlisted for the Green Product Award

At the end of 2020 we submitted the Petalosa bottle range for the 2021 Green Product Award and we have been short-listed, with winners to be announced in April 2021.

The Green Product Award showcases sustainable and innovative products and services by providing a platform for established companies and start-ups to network and promote their unique achievements. To win such an award will help create significant exposure for our bottle, further enhancing the sustainability credentials of our Purezza brand.



## Putting our green credentials to the test

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

The Swan eco-label 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.

The certification was awarded in 2019 and maintained in 2020 for the coffee service provided by Waterlogic Norway. It covers everything from the manufacturing of the coffee machines themselves; delivering the coffee to customers, which needs to be 70% fulfilled by electric-only vehicles; the coffee beans, which should be sustainably and responsibly sourced; and the production of reusable consumables.

Very few companies satisfy the stringent criteria that Swan set, which changes from year to year to ensure businesses continue to invest in new practices that have a positive impact on the planet. A key focus for 2021 is to upgrade existing Scandinavian customers to the Swan-certified coffee service, helping our customers reach their own environmental targets.

### 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 eco-labels. 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.



## 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. Initiated in 2020, we awarded three customers for their outstanding commitment to saving our oceans and we continue to roll out the accolade globally to recognise customers 'doing their bit'.



### Goldman Sachs, UK

Global investment bank Goldman Sachs has been a Waterlogic customer since 2019 and they have five freestanding dispensers installed in their London headquarters. As part of their Environmental Policy Framework, they reduced their single-use plastic consumption by 85% in 2019 and are on track to eliminate it entirely by 2025. Additionally, there is a strong commitment to eliminating paper cups across the London campus, and they have encouraged employees to bring a reusable bottle or mug to work. Goldman Sachs are set to eliminate 38 tonnes of waste per year.



### Hollywood private hospital, Australia

The Hollywood private hospital is part of Ramsay Health Care, one of Australia's biggest private hospital providers. They currently have 81 Waterlogic dispensers in use on site. Ramsay Health Care undertook a global refresh of its sustainability strategy using "Caring for our planet" as a central pillar to forge ahead with environmental improvements. Launching on World Environment Day in June 2020, by the end of the year Ramsay Australia had saved 24 million plastic items from landfill which included 380,000 individual bottles (over 10,000kg of waste) from single-use plastic bottles and a 100% changeover from plastic cutlery, plates, bowls and straws.



### Interserve, UK

Facilities management company Interserve, a customer of over 10 years, supports energy supplier E-on across 22 sites where there are over 100 Waterlogic freestanding water dispensers. Together they removed 1.3 million single-use plastic cups, replacing them with Waterlogic's 100% biodegradable Planet cups.

A photograph of three diverse professionals—two women and one man—sitting around a table in an office or cafeteria setting. They are engaged in a discussion, with papers and writing utensils on the table. The word "SOCIAL" is overlaid in large white capital letters across the center of the image.

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 wellbeing. Helping consumers access good quality hydration whilst achieving heightened safety in the workplace to reduce the spread of germs was a key focus for Waterlogic in 2020. With the advent of COVID-19, we developed a range of solutions to provide unrivalled purity and security to guarantee consumer peace of mind.

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

**Firewall® purification comes to Waterlogic's hospitality and tapware solutions**

**Petalosa bottle unveils peace of mind cleanliness**

**Foot pedals offer customers hygienic contactless dispensing**

**Essential consumables and accessories for a hygienic workplace**

**Waterlogic helps customers get 'back to work safely' during COVID-19**

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

**WELL programme helps drive customer hydration for employee welfare**

Waterlogic is working towards these Sustainable Development Goals:



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

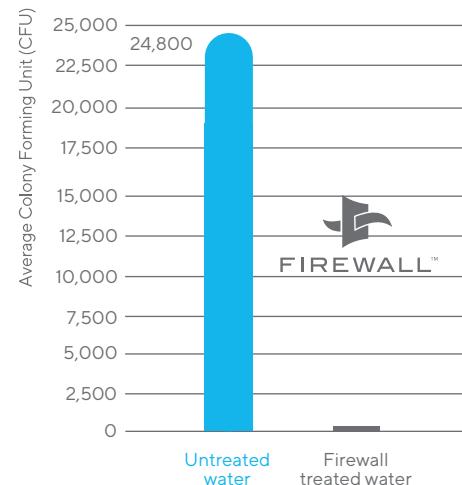
### Firewall® UVC purification technology proves 99.999% effective against COVID-19

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](#)

### Impact of COVID-19 testing in 2020

The results provided 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 water dispenser features all 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 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 certified by IAPMO R&T to NSF/ANSI 55 Class A, NSF P231 Protocol for Microbiological Water Purifiers, 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.



\*Filters only



### Supporting our NHS heroes

Ensuring safe access to purified fresh water for patients and staff, Waterlogic UK provided WL2 Firewall® dispensers free of charge to the newly created NHS Nightingale Emergency Hospital in London. Waterlogic engineers, recognised as keyworkers themselves, installed 35 dispensers into the single purpose hospital unit, which was created to accommodate 4,000 COVID-19 patients and as many as 16,000 staff.

### Thirsty work for Spain's food relief chefs

Volunteer chefs in Spain also enjoyed a free supply of fresh Waterlogic water. As part of World Central Kitchen relief efforts, the volunteer chefs prepared and packaged up to 10,000 meals a day for those most effected by the crisis. Our dispensers kept a fresh, clean supply of water readily available to hydrate the volunteers.



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

### The powerful combination of Firewall and BioCote®

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.

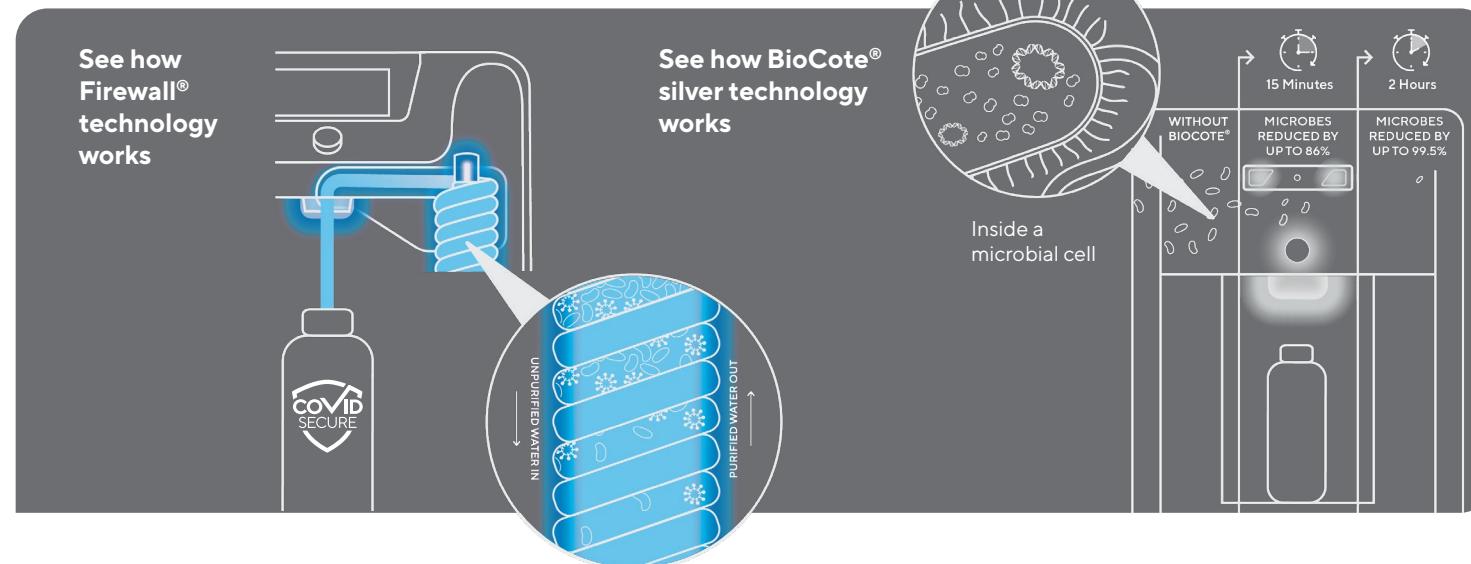
The mirrored housing also amplifies the strength of the light for thorough germicidal action.

Exclusive to Waterlogic, **BioCote®** built-in antimicrobial protection prevents the growth of odour and stain-causing bacteria and mould around the dispensing area and filter, keeping the dispenser fresher and cleaner for longer.

BioCote® uses silver ion technology to irreversibly damage microbial cells that can be present on surfaces, stopping microbes from reproducing. BioCote® reduces up to 99.5% of bacteria within 2 hours, as well as protecting the dispensers from mould. 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 hygienic protection which lasts for the product lifespan.

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 category for commercial use mains-fed drinking water dispensers and solutions. BioCote® technology does not protect users or others against disease causing bacteria, germs, viruses or other harmful organisms. This technology is not a substitute for good hygiene and/or cleaning practices. BioCote® has not been tested or proven effective against SARS-CoV-2.

## Firewall® purification comes to Waterlogic's hospitality and tapware solutions

We continue to enhance our range of products with COVID-secure Firewall technology to ensure as many people as possible benefitted from microbiologically safe water, particularly in hospitality and healthcare settings. In these environments where stringent hygiene requirements are demanded, providing security when it comes to hygiene and quality of water are increasingly essential and highly regarded requirements.

The release of **Purezza's P2 Firewall™ Bar – Classe Series** in 2020 marked the first HoReCa solution to offer high flow dispensing using Waterlogic's patented Firewall UVC purification technology. The P2 Firewall™ Bar – Classe Series is also the only water dispensing machine 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.

We also launched the **Billi Firewall Tower** in Australia, our first integrated under-counter dispenser with Firewall technology. Being trialled in a number of facilities including Ramsey Healthcare, the Billi Firewall Tower benefits from infrared hands-free functionality together with Firewall purification technology.

### Peace of mind hygiene with Firewall technology



1st

hospitality solution to offer COVID security



1st

integrated under-counter solution to offer COVID security

### Coming in 2021

In 2021, Waterlogic's Purezza Premium Water brand will launch the 'Stile' water dispenser with Firewall technology. The Stile will partner in the same range with the P2 Classe machines, but will be targeted at the smaller restaurant and café market where a smaller machine footprint is required.

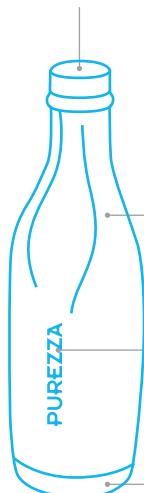


## Purezza Petalosa bottle unveils peace of mind cleanliness

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.



## Foot pedals offer customers hygienic contactless dispensing

The current climate has generated a strong demand for contactless product interaction to enable the safe use of potential high-touch machines such as water dispensers. In early 2020, we introduced foot pedals to provide both new and existing customers with a safe and hygienic hands-free method of dispensing water from our machines for those who choose to add this functionality as part of their COVID-secure workplace protocols.

Our fast-paced R&D team reacted to customer need, and quick market entry was delivered with the 'electronic brain' of the pedals developed entirely in-house. The pedals can be retrofitted to all existing Waterlogic freestanding and countertop dispensers, ensuring our customers can benefit from hands-free dispensing without having to upgrade their dispensers.

Our flagship WL7 Firewall® dispenser has two pedals. The first allows users to select the water type they require, and the second pedal dispenses the water. All other dispensers have up to five pedals available depending on the number of water options. We also created attractive tent cards and stickers that can be placed on or around the dispenser to help promote use of the pedals in the workplace and encourage social distancing.

## Thousands of people benefit from safe hydration

From May to the end of 2020, 60,000 pedals were supplied globally to both our direct businesses and distribution partners, ensuring thousands of people got the hydration they need without concern for the potential spread of germs.

The hands-free solution has been well received with an immediate order placed for 450 pedals by Bupa Spain for their private hospitals located across the country. Within a few weeks of launch, we had also received significant orders from our Latin American distributors due to the significant impact of COVID-19 in the region.

**60,000**  
pedals supplied globally

### Looking ahead

Our R&D team in China are testing prototype dispensers with infra-red technology to facilitate contactless dispensing without the need for foot pedals and it will be introduced in the second half of 2021.



## Essential consumables and accessories for a hygienic workplace

In response to the COVID-19 pandemic, we have taken the responsibility to act as an end-to end supplier of the full hydration experience to guarantee that hygiene plays an essential part of everyday working life for our customers.

During 2020, we increased our range of hygiene-related accessories and consumables to ensure our customers, many of which are essential services with key workers, have everything they need to safely hydrate their workforce. The range includes disposable paper cones, dispenser sanitisation products, hand sanitiser stations and personal protective equipment.

### A range of practical hygiene solutions

Due to their conical shape, **paper cones** help to reduce the risk of spreading germs 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 a hygienic as well as eco-friendly alternative to other single-use cups.

Aqua Dosa **disinfectant surface wipes** were added alongside the spray variety, based on the same Byotrol active ingredient offering 99.99% protection against bacteria and viruses for up to 24 hours.

Innovative freestanding **hand sanitisation stations** use the most advanced sensors to automatically detect hands for contactless and thorough protection.

### Safe, contact free and regular delivery

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

Many of our businesses across the globe experienced a huge spike in demand for hygiene products, with the UK business going from negligible sales in 2019 to over £120,000 worth of hygiene-related products in 2020 for customers such as Barclays and O2, and in Germany, where demand for hygiene consumables more than doubled.



New subscription service to keep customers fully stocked



Responsibly and safely handled from production to delivery



## Waterlogic helps customers get 'back to work safely' during COVID-19

As part of our 'back to work safely' initiative we created informative restart guides and handy point-of-dispense materials to help our customers navigate enhanced hygiene protocols and safely integrate use of dispensers within the new COVID guidelines.

Initially distributed in May 2020, the 'Dispenser restart and usage' guides detail best practice for customers getting Waterlogic and Purezza machines safely back in use after a period of disuse and enhancing day-to-day hygiene protocols to secure the health and safety of their staff, customers and users.

In addition, we produced the 'Water dispensers in the workplace' paper offering practical insights and measures to help authorities and organisations set the necessary protocols to reduce the risks of using water dispensers in the workplace and keep employees safely hydrated. This paper was made available to the wider industry and associations, demonstrating Waterlogic's role as a leader in the water dispensing industry.

We also developed dedicated collateral to reinforce messaging relating to best practices for hygiene and safe water access when using Waterlogic and Purezza dispensers. Designed with the emphasis on the user's responsibility for keeping their dispenser as clean as possible as well as encouraging social distancing, the pack of material contains machine stickers, tent cards and floor stickers.

Supported by practical help and guidance from our responsive customer experience teams, the guides and range of handy point-of-dispense reminders were well received by customers.



[Read the Water dispensers  
in the workplace paper](#)

### Customer trust scores highly for Waterlogic

Trustpilot is the leading global review platform enabling consumers to rate businesses according to their experience. Trustpilot takes all the reviews to determine an average rating out of 5 stars. Despite the difficult year, Waterlogic has achieved an increase on its UK site resulting in a 4.6 rating which is considered 'Excellent'.

Waterlogic UK



4.6



## Taking a hygiene-first approach across our supply chain

We maintain safe and hygienic practices throughout our supply 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.

### The highest health and safety manufacturing protocols

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.

Following the outset of the COVID-19 pandemic and the government enforced closure of the China factory, we worked hard to comply with every protocol regarding the use of personal protective equipment, access to sanitisation points and temperature checks for everyone entering the factory. Only once we passed the very strict inspection from the Chinese Health Authority, were we allowed to re-open.

### Changing our human approach to sales

Waterlogic's global marketplace has been impacted by the pandemic to lesser or greater extents, with certain sectors trading as normal or directly benefiting from the new conditions. Regardless of individual market circumstances, many businesses have been reluctant or unable to hold face-to-face sales meetings. To counteract this, we now offer both a 'safe' in-person meeting as well as a remote online service to accommodate the needs of every business. This is facilitated through the use of technology such as Microsoft Teams, Google Hangout and Zoom.

### Technician hygiene protocols and service frequency

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 now offer customers the opportunity to opt for more regular servicing throughout the year as part of their enhanced hygiene regimen and COVID-secure workplace protocols.



## WELL programme helps drive customer hydration for employee welfare

Our Billi business became a cornerstone member of the International WELL Building Institute programme in November 2019, and first in the 'drinking water systems' category globally. The International WELL Building Institute (IWBI) programme is leading the global movement to transform buildings and communities in ways that help people thrive.

Administered by the International WELL Building Institute (IWBI), the WELL Building Standard provides best practices in design and construction with evidence-based health and wellness interventions.

To satisfy the WELL certification criteria, strategies and technologies that look to improve the nutrition, hydration, fitness, mood, sleep, comfort and performance of occupants are analysed and assessed. This can include everything from the quality of air inside a building, the number of chemicals used in the paint on the walls, to how far you must walk to access a water dispenser.

Billi's focus on providing a great-tasting hydration solution for customers in the most energy-efficient way, allows buildings and community projects that choose a Billi solution to gain 'points', contributing to boost their overall project scoring under the WELL Building Standard requirements towards certification achievement.



### Helping customers achieve WELL certification

There were a significant number of WELL certified projects in 2020 featuring Billi drinking water and washroom systems helping buildings and businesses achieve a milestone certification level. These include Wilkahn Forum (Gold), CBRE Sydney (Gold), Barangaroo Towers (Platinum for their washroom system) and Charter Hall Perth (Silver).

**We continue to support more customers in creating workplaces where people can thrive, including:**

- Developing the 'WELL Hydration' drinking water pack to encourage people to drink more water and at a greater frequency by using custom branded alarms and water bottles (considered a points-scoring innovation by IWBI).
- Teams from Australia, New Zealand and the UK meeting regularly to discuss the best way to deliver and improve our products and services to WELL projects.
- Developing a unified hydration platform incorporating the Billi, Waterlogic and Purezza product proposition.
- Helping customers and prospects familiarise themselves with the overall products' specifications, performance targets, certification and adherence steps required for achieving the Standard compliance within the water category.



# 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 during COVID**

**Encouraging gender equality and building a better future for women in the workplace**

**Investing in youth apprenticeships and internships**

**Sustainable employment for people with disabilities**

**Recognising employees that go the extra mile**



Waterlogic is working towards these Sustainable Development Goals:



## Supporting employee mental health and well-being

### Mental ill health in the workplace



**1 in 5**

take a day off due to stress



**90%**

of these people cited a different reason for their absence



**72 million**

working days are lost due to mental ill health



**£34.9 billion**

each year mental ill health is responsible for



**x2**

the rate of people with a long-term mental health condition lose their jobs every year

Source: MHFA England



We are facing extraordinary times. Now more than ever before, we understand the part mental health plays when it comes to living our best lives possible. Supporting good mental health became a priority for us in 2020 and we launched a number of initiatives offering kindness and self-help, as well as encouraging people to seek professional help when they need it.

### Mental Health First Aiders appointed to support employees

In 2020, ten UK-based Waterlogic employees were appointed Mental Health First Aiders (MHFA) following on from training they had received from MHFA England in 2019. All employees in the UK and Ireland have been shown how to reach out to someone subtly and confidentially with any personal concerns or issues. Although not professionals, the MHFA are available to listen, be empathetic, provide comfort and compassion, and point people to professional help if needed.

*"The support that the MHFA have provided me during the exceptionally challenging personal circumstances that I went through during the middle of the pandemic was fantastic. It was non-judgemental, kind and supportive and helped guide me to the appropriate resources that I needed."*

The MHFA group hold monthly meetings to share ideas that inform initiatives to raise awareness around the business. Additionally, during 2020

we launched the 'Wellbeing commitment' to outline the company's commitment to mental health and share documents that provide the guidance, contacts and resources available to support well-being in the workplace. We also introduced a referral programme to access occupational health services as well as providing entitlement to company sick pay across all UK roles.

In 2021 we plan to increase the number of Mental Health First Aiders to include more diversity so that we have Mental Health First Aiders who represent all kinds of people, plus a buddy system to support those colleagues who need us most. We are also running working from home and return to work surveys to gauge the well-being of the workforce, and plan to apply for the Investors in People (IIP) accreditation for well-being.



### Our Mental Health First Aiders have been trained to help in the following ways:

- Spot the early signs of a mental health issue, be approachable, empathetic and non-judgemental.
- Feel confident in their abilities to support colleagues and provide initial help to someone who is experiencing a mental health issue.
- Support a colleague to protect their health and well-being by listening and promoting resources that are available where properly trained professionals can help and support.
- Understand and negate the stigma that surrounds mental health.

## Supporting employee mental health and well-being

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

The '**In This Together**' programme in Australia provides employees with online access to an eight-part series of self-help modules plus weekly practical tips to support mental health and well-being. The modules cover topics such as breathing, staying connected and keeping routines, and includes a mental health assessment to help employees take steps to improving their mental well-being.

Each module was emailed to employees as it was released with a direct link to the current module as well as previous modules. We also ran a session with all managers to help encourage adoption.

Information and tips 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.

Since launching in April to the end of 2020, the programme home page has received over 500 visits, and the eight modules received 958 views from the 280 employees with individual access to them.

Similarly in the UK, an online '**Wellness Area**' launched in September 2020 provides employees with access to articles, plans, advice and tips on leading a positive, healthy lifestyle, as well as contacts for our Mental Health First Aiders and professional services. A weekly 'Friday Thoughts' email supports employee well-being with new content each week, as well as encouraging engagement with the Wellness Area.

### Perkpal and the Employee Assistance Programme

We can sometimes find it easier to talk to a stranger than to colleagues, friends and relatives. In support of our workplace mental health programme, in August 2020 we introduced an Employee Assistance Programme (EAP) accessed through Perkpal, the online employee benefits and perks platform. EAP offers help and advice on a range of subjects including emotional well-being, and can be accessed free of charge, 24 hours a day, every day.

#### **The Employee Assistance Programme provides access to advice and helplines on:**

- Stress
- Structured telephone counselling
- Tax advice
- Eldercare
- Childcare
- Medical information
- Legal advice (excluding employment law)

#### **In addition, online tools provide:**

- Emotional support
- Personal coaching
- Health topics

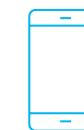
Employees based in the UK and Ireland were automatically enrolled in the scheme and nearly 500 verified their accounts to take advantage of the employee benefits platform. Perkpal also includes discounts at retailers, restaurants, gym memberships and days out.

### The impact of our mental health initiatives in 2020



10

Mental Health First Aiders appointed in 2020 to support UK employees



230

UK employees visit Wellness Area for advice and tips on leading a positive, healthy lifestyle



500

UK employees sign-up for EAP access to advice and helplines



958

Australian employees view In This Together self-help modules



## Employee health and safety during COVID

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 were provided with equipment and guidance to enable them to operate with the highest regard for their own safety and the safety of those around them.

### COVID-19 hygiene protocols for the workplace

Across Waterlogic, as our businesses navigate local directives and changing circumstances, people have returned to the workplace with clear guidance relating to social distancing and hygiene protocols to reduce the risk of COVID-19 infection. Across the company, 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.

#### Measures to establish 'COVID-secure' workplaces include:

- Reconfiguring 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.

- Closing or limiting access to shared facilities and equipment such as kitchens, social areas, printers and photocopiers.
- Installing foot pedals 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.

Total office closure was limited to a few non-operational offices where people were asked to work from home, following the recommended approach from government. Our operational sites with 'key worker' status typically retained a skeleton team throughout.

At the lowest point in April/May 2020, our field staff were at 40% of normal working capacity, driven by a combination of reduced access and job volumes, and the need for our own staff to self-isolate in response to the pandemic.

### Helping employees work from home

Throughout the pandemic, we have supported employees working from home by providing equipment such as chairs and monitors to ensure they have a comfortable set-up. We also ran surveys to understand the challenges faced by our home workers. This information informed our back-to-work plan to ensure those in most need were prioritised to return to the office.

In 2021, we are introducing Atlas, a new online training platform. Atlas will provide a one-stop shop for all compulsory health and safety training for UK staff as well as offer 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 and 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.

#### Nearly half of employees work from home at the first peak of the pandemic

In April 2020, 46.6% of UK people in employment did some of their work from home, with the vast majority (86.0%) of these homeworkers stating that this was because of the COVID-19 pandemic.

Source: Office for National Statistics



## Encouraging gender equality and building a better future for women in the workplace

The findings from our 2018/2019 gender pay gap report helped inform our Harmonisation project to standardise the terms and conditions for all employees across the UK region by introducing pay grades. This ensured that we were able to positively address the gender pay gap across all grades in our business. Our 2019/2020 report saw a 50% improvement in the gap between male and female salaries, reducing the gap from 14.7% difference to 7.1% with actions continuing to be taken to ensure equal renumeration. Three new leadership roles in 2020 were taken up by woman: Head of Finance, Head of HR and Head of Customer Support.

Waterlogic Australia supports employees with family or caring responsibilities including flexible working hours, compressed working weeks, time-in-lieu, telecommuting, part-time work, job sharing, carer's leave, purchased and unpaid leave, and provides breastfeeding facilities in all sites. There is also a sex-based harassment and discrimination policy including a fully documented grievance procedure and training for managers.

The business completes a yearly gender equality report through the Australian Government run Workplace Gender Equality Agency. The 2019-20 report notes that of 332 employees, 37.95% are women and 62.05% are male. We have a formal policy for ensuring gender equality in the workplace, and an equal 50% split of managerial promotions were awarded to men and women in 2020.

Across the group of Waterlogic businesses, 94% of sites have a diversity policy and we continue to be highly diverse and inclusive. Our female to male ratio across the Group is 32/68%, with 27% females occupying managerial positions.



**UK +50%**

gender pay gap improvement  
14.7% to 7.1% male/female



**Australia 50/50%**

male/female managerial  
promotions



**27% females**

occupy managerial  
positions across the Group



**94%**

of sites have a diversity policy

### Another 100 years to achieve gender equality?

According to the Global Gender Gap Report 2020, it will take another 100 years to achieve gender equality based on the current rate of progress. The COVID-19 pandemic and economic crisis have set us further back with women representing 39% of the global workforce yet accounting for 54% of job losses as of May 2020.

Sources World Economic Forum, Global Gender Gap Report 2020; Harvard Business Review, Don't Let the Pandemic Set Back Gender Equality



## Investing in youth apprenticeships and internships

### The impact of COVID-19 on youth employment

Since the start of the pandemic there has been a large increase in UK unemployment and a large fall in employment for young people aged 16 to 24.



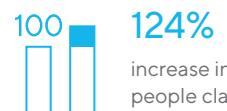
youth unemployment rate, increased from 12.1%



fall in the number of young people in employment



more young people have become economically inactive



increase in number of young people claiming unemployment related benefits



jobs held by young people were furloughed at some point between March and the end of July 2020

Figures are based on comparing November 2020–January 2021 with the pre-pandemic quarter of January–March 2020.

Source: House of Commons Library

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 applied for the Kickstart Scheme in 2020 and has opened up 20 placements for 2021.

Waterlogic's programme will provide 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.

They will be assigned to a role for 6 months. Roles have been chosen that allow the youngsters to convert into an apprenticeship upon successful completion with the potential for a permanent role. Even if a role is not available at the end of the 6-month programme, they still leave the business with soft-skills and 6 month's-worth of 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.

### KICKSTART SCHEME



## 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 two 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 employees that go the extra mile

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.

### Time to shine for employees across the world

The **Stars Awards** are 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 based on these criteria:

- Striving for excellence in all they do.
- Going the 'extra mile' to get the job done.
- Making an outstanding contribution to a project.
- Providing exceptional customer service.
- Demonstrating fantastic team working and collaboration.
- Displaying a consistent positive attitude that creates a good environment.
- Finding ways to resolve a challenging situation.

"I love my job and the people I work with, so I was honoured to be selected for a Stars Yearly Award and really appreciated the recognition."

Joe Matilszki, Service Technician

The Stars Award programme was expanded in 2019 to include a further six businesses within the group and it now boasts company-wide participation. By the end of 2019 the programme had received 1,120 nominations with quarterly and annual winners awarded prizes, and one outstanding member of staff who assisted in a road traffic accident while on duty being awarded the overall Waterlogic Star.

#### Number of nominations

Participation in 2020 was impacted by the COVID pandemic as we paused the progress, but we managed to pick up pace towards the end of the year to near average levels.



### Long service celebrated and rewarded

The '**10 and 15 Years Club**' celebrates and rewards long service for those employees in Waterlogic China who have been with the company for over 10 years. Waterlogic China is made up of 270 people, 67 of which have been with us for 10 or more years, forming 24.8% of the total China workforce. This is quite remarkable in any international company, but more so in one that specialises in manufacturing and R&D where typically staff turnover rates are relatively high. The retention rate in Waterlogic China is around 1% annually.

Long service awards have also been initiated in the UK during 2020 as part of the Harmonisation project to improve retention and support employee engagement. Employees are now recognised after 5 years up to 20 years of service.



# Investing in our people and engaging in effective communication

Employee training, renumeration 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 as a result of the pandemic**

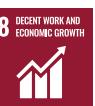
**Effective communication and engagement in the workplace**

**Giving the people a voice**

**Harmonising pay and benefits to ensure parity**

**Measuring and improving employee satisfaction**

Waterlogic is working towards these Sustainable Development Goals:



## Training and nurturing talent as a result of the pandemic

Originally introduced in April 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 were later enhanced as part of the Waterlogic Way of Selling training programme delivered to sales teams to help navigate the changed commercial landscape.

Alongside this programme, we delivered several bite-size training courses across the wider business. These ranged from time management, product awareness, customer service to technical systems training. The sessions were open to all employees including those temporarily out of the business. They were also recorded so that people could access the training at their leisure.



7

technology, profiling  
and selling courses



45

minute online sessions



1,187

attendees from around  
the world

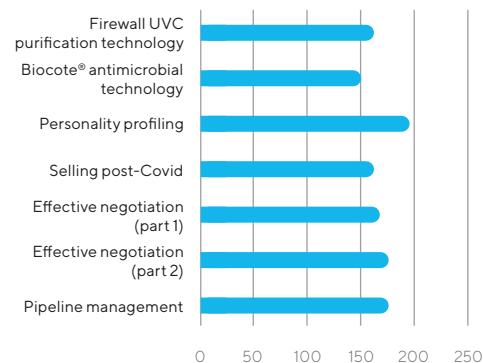
### Impact Training sparks engagement during lockdown

Covering specific topics around technology and sales, the Impact Training workshops ran for four weeks and were open to all, giving working and furloughed employees around the business the opportunity to learn things they had perhaps previously not been exposed to. It was also a useful exercise in offering employees a chance to refresh skills and knowledge, as well as providing the welcome opportunity for people to come together during a time when many were isolated at home.

Held online, sessions were delivered around our Firewall® and BioCote® technologies, personality profiling, sales negotiation skills, sales pipeline management and selling post-Covid. With the sales teams being unable to prospect and sell during lockdown, this time was utilised to retrain them on key subjects relating to selling.

Each workshop was 45 minutes long and held twice on an assigned day, giving people flexibility to attend at a time that suited them best. Participation exceeded expectations, with between 40 -100 people from all corners of the world on each call, and 1,187 attendees in total.

### Impact Training workshop attendance



*"I liked the personality profiling a lot. It was fun to do, and I discovered what 'colours' I have. I have been in sales for 25 years and have had a lot of training but this one was new to me! Most important is how to see the colours of the customer that sits in front of you and how to anticipate his/her behaviour."*

Tjorven Vandevyvere,  
Key Account Manager,  
Belgium

## Training and nurturing talent as a result of the pandemic

### Empowering salespeople to succeed in a changed landscape

Responding to the Coronavirus pandemic and the new reality the world was dealing with, the Waterlogic Way of Selling (WWOS) training programme was quickly adapted to train salespeople with the skills they needed to empower them with confidence to navigate the new reality of national lockdowns and remote selling.

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 and Sales Performance Leadership. Account Management and Enterprise Selling are scheduled for release in 2021.

With many customers closed for business throughout 2020, 'restart sessions' were designed in readiness for global markets reopening. Beginning in August and running through until October, a WWOS sales engine restart guide was deployed into each market with supporting workshops providing guidance on how to restart sales operations and develop sales skills in the 'new normal' commercial market.

The number of attendees ranged from between 40 to 100 per workshop and geographically covered Australia, Belgium, Netherlands, USA,

Canada, United Kingdom, Norway, Sweden, Denmark, Hungary, and Ireland. Each was given an operational delivery deck and handbook to download, giving them key information to refer to whenever required.

*"I am really impressed by the speed with which the Group helped us to develop and deliver 100% virtual sales workshops for our sales teams during the COVID crisis. We really see that it has improved our current sales approach and given our sales a much-needed motivation boost during this difficult period."*

Christine Peeters, Commercial Manager, Belgium

*"Remote Selling provided structure and strategy with our online presentations for a sales team that formerly sold exclusively in-person. In short, this adaptation provided previously unavailable selling opportunities."*

Barrett Bugg, National Account Executive, USA

*"The workshops were a perfect way to further enhance WWOS training as well as alter mindsets on how to approach prospects in a post-Covid world."*

Chris McPherson, Region Manager, Key Accounts, USA

### Workshops covered a range of useful 'restart' subjects

- Re-engaging the sales pipeline
- Remote and in-person safe selling
- Enhanced prospecting – pandemic specific
- Enhanced sales process (inbound lead & outbound) – pandemic specific
- Existing customer hygiene enhancement up and cross-sell



## Effective communication and engagement in the workplace

By the time most of the world was in some form of lockdown by April 2020, Waterlogic had been forced to take some extreme actions to secure the future of the business, which included temporarily closing offices, sending people home to work and furloughing others. During the period of grave uncertainty which followed, we put in place a number of communication channels to ensure that all working and furloughed staff were kept informed and had the opportunity to ask questions and raise concerns.

Line managers closely monitored the well-being of their direct reports through calls and surveys, and business leaders held all-hands video calls to share business performance, market insights and news about remobilising staff and making offices COVID-secure. We established many ways to help lead our people through the storm and retain close contact.

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

2020 saw the launch of Pure Stream digital, Waterlogic's intranet-style platform for communicating with employees across the globe. Previously produced as a quarterly PDF newsletter, Pure Stream digital contributes to a more streamlined and efficient way of sharing news with employees across the world in real time, helping to bring people together, particularly important during the pandemic.

Pure Stream has been instrumental in sharing information and materials relating to the COVID pandemic as well as sharing good news stories and inspirational activities from across our global workforce. 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.

Pure Stream digital went live in September 2020 and received over 12,000 visits by the end of 2020 from 929 unique visitors, which is approximately a third of all employees. The most popular articles have attracted between 400-500 views. A news digest is emailed once a fortnight direct to employee inboxes to make sure they keep up-to-date, and contributions from all employees are welcomed to ensure every aspect of the business is featured and celebrated.

We will continue to develop Pure Stream to enhance its contribution to communicating and engaging with employees around the world, including encouraging participation in global social initiatives and challenges.



## Effective communication and engagement in the workplace

### Introducing new communication channels



**35-40%**

of recipients engage with Friday Thoughts



**Around 160**

unique users visit HydraNet every day



**At least 30**

people join in with Teams Tavern weekly



**Around 50%**

of recipients engage with business communication

### Encouraging a sense of community and togetherness

The UK business introduced and enhanced a number of communication channels and initiatives in 2020 to inform, engage and support employees through challenging times. These ranged from structured business communications such as the 'Waterlogic Times' or an 'Update with Greg' from the UK Managing Director which focuses on business performance and news, to the more informal 'Friday Thoughts' and our weekly social at the 'Waterlogic Tavern' on a Friday afternoon.

'**Friday Thoughts**' is delivered by email every Friday tackling health and wellbeing 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', our 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 various areas of 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. Launched in April 2020, the initiative encourages social interaction which was felt particularly important to support people feeling isolated working from home or furloughed. Plans to enhance the popular entertainment programme in 2021 include book, gardening and fitness clubs.

Updates from each directorate are delivered by email to all employees on a weekly basis. Each issue of the '**Waterlogic Times**' is authored by a director and contains a number of articles from their functional area varying from business updates, 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.

Monthly business updates are also delivered to include an article from the Managing Director and business update conference calls, which have an audience of between 150-200 employees. The average open rate of business communication is around 50% and is now supported with text messaging prompts to increase awareness.



## Giving the people a voice

At the start of 2020, the UK business elected employees to engage in a communication forum. The objective of the 'People Forum' is to provide a voice and develop a two-way communication and consultation platform, particularly useful in exchanging ideas and discussing issues relating to change projects within the business. The forum members are now engaged on key initiatives and have their own projects to inform policy and process improvements.

Twenty area representatives have been elected from across the UK business and meet every quarter, hosted by a company director. These spokespeople are responsible for representing the interests of their geographic areas to both elicit feedback on business initiatives from the workforce and to act as a sounding board for issues and opportunities to be heard at a senior management level.

Aside from facilitating the exchange of ideas and consultation on issues, as these delegates have become more confident and familiar with the role and how they can positively influence and help bring about change, they have found a place in supporting the wellbeing of the workforce. In fact, two representatives have gone on to become Mental Health First Aiders.

The People Forum ensures that people from different jobs and positions are informed and have the opportunity to help shape initiatives to ensure best fit with the workforce.

### Leader initiatives and working groups

A Leadership Forum is being introduced in 2021 to bring leaders from around the UK business together. Management will share business objectives and initiatives to enable leaders to drive adoption and engagement within their teams. Succession planning will be one of the first agenda items to be brought to the forum.

Other 2021 initiatives include establishing an Ethnic and Diversity working group to identify improvements on how we engage and embrace our people from ethnic, disabled, LGBT and other minority groups, and inform our policy making.



## Harmonising pay and benefits to ensure parity

At the start of 2020, we prepared our UK business for a company-wide consultation on harmonisation of terms and conditions. Due to the pandemic, the start of the consultation was delayed, however as this was seen by all parties an important part of our wellbeing initiative, consultation began in August 2020.

The objective was to implement a fair and consistent approach to pay and benefits structure across the UK and Ireland business and its 700 employees. As Waterlogic has acquired many businesses over time, there were a variety of renumeration structures in place; employees protected under the Transfer of Undertakings (Protection of Employment) regulations (TUPE) tended to be paid below market rate but with healthy commissions, and different managers set different terms and rates of pay as people were recruited or promoted.

Company sick pay was one of the focus areas to address. In many cases, it was the line manager's discretion as to the length of time employees were able to benefit from company sick pay, with others only contracted to receive Statutory Sick Pay receiving far less financial support. Company sick pay doesn't ordinarily commence until 2 years' service, but the UK business elected to waive the waiting period during the pandemic to ensure that every one of its employees was entitled to the same benefit to support during difficult times.

The Harmonisation programme ensures equal pay and benefits for work of equal value, and by the end of 2020, 85% of contracts had been harmonised. It is an ongoing activity with Ireland to incorporate including additional employees following the acquisition of Tipperary Water.

## Establishing a fair and consistent approach



700

people in programme



85%

contracts harmonised



2-year

sick pay waiting period waived

## Competency framework

In connection with the Harmonisation project, in 2020 the UK business defined a core set of competencies linked to our business values and strategic objectives to help set and measure performance, and facilitate career progression. The framework also supports the recruitment and performance management processes; designed to allow all employees the opportunity to grow and develop their core skills whilst providing a consistent benchmark when measuring the performance of our people.

Launching in 2021, the competency framework will help manage and develop employee performance in a structured, consistent way that eliminates subjectivity and puts in place well-defined benchmarks for measurement and development, and keeps employees fulfilled and engaged.



## Measuring and improving employee satisfaction

Employee satisfaction is important to Waterlogic, and we are committed to achieving the highest levels, helping employees to thrive in all areas of their working lives. As part of our ongoing employee engagement strategy, we conducted a Best Companies survey in October 2019 delivered to 727 UK employees, achieving a response rate of 55% (402 respondents).

Our objective was to understand how people honestly feel about their workplace, jobs and teams, and discover opportunities for improvement to in turn build and enhance strong cultural foundations and employee satisfaction throughout the business.

### Just points off a 'one to watch'

Waterlogic scored a very encouraging 587.9, just over 12 marks from achieving the 'one to watch' accreditation, defined as 'a special status awarded to organisations where workplace engagement shows promising signs for the future' and 'reflects an organisation who shows good levels of workplace engagement'.

The employee engagement survey provided a very real and in-depth snapshot of employees' concerns and attitudes within their roles, teams and the company as a whole. Clear opportunities presented themselves as areas of improvement as well as celebrating areas of high employee engagement.

The greatest area for improvement identified in the 2019 survey was wellbeing. In 2020, we put in

place a number of mental health initiatives to help address this, including appointing trained Mental Health First Aiders and providing access to self-help material and professional organisations. The survey has been used to help inform the people business plan and has been the topic for discussion with our People Forum in the UK.

We were due to repeat the survey in 2020, but due to the pandemic this has been deferred to 2021.

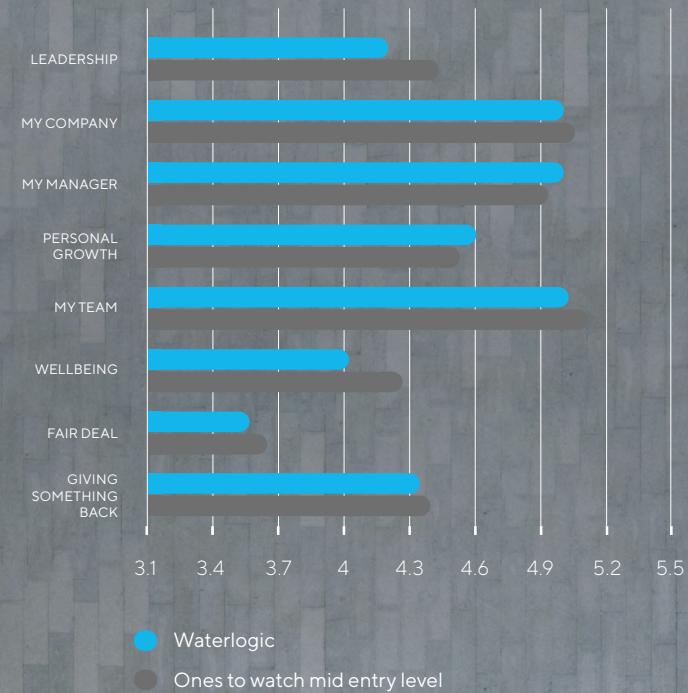
### How Best Companies works

Best Companies delivers four main components in its measurement and accreditation process; the employee survey, analysis of results, action using insights, plus the accreditation and listing in The Sunday Times if successful in achieving a top score.

The methodology of the survey evaluation is based on eight main criteria identified as the most important for workplace engagement. A total of 70 questions are asked with respondents providing the majority of answers on a 1-10 scale of 'stressed' to 'calm' and 'bored' to 'enthusiastic'.

Employers are scored from 0-1,000. When a score of over 600 or more is achieved, one of four accreditations is earned starting at 'one to watch' and extending to a '3 stars' rating.

**The percentage marks Waterlogic needed to achieve a 'one to watch' accreditation**



# Giving back to the community and making a real difference

There is no doubt that 2020 has 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.



Keeping the water flowing for frontline workers

Local initiatives supporting communities all over the world

Waterlogic is working towards these Sustainable Development Goals:



## Keeping the water flowing for frontline workers

### Supporting our NHS heroes in the UK

In April 2020, Waterlogic UK provided WL2 Firewall dispensers free of charge to the newly created **NHS Nightingale** Emergency Hospital in London. Waterlogic engineers installed 35 dispensers into the single purpose hospital unit, which was created to accommodate 4,000 COVID-19 patients and as many as 16,000 staff, ensuring access to purified fresh water for patients and staff.

Staff from Waterlogic UK and Ireland also showed their personal support for the NHS by taking part in the Gymshark and NHS 'Sweaty Selfie' challenge; an initiative that donated £5 to the **Birmingham Women's and Children's NHS Foundation Trust** for every social media post featuring the hashtags #NHSweatySelfie #Gymshark.

Staff at our Fillongley water bottling plant spell out their appreciation for the NHS.

### Keeping Tennessee store workers safely hydrated

Our Waterlogic technicians around the world work hard to ensure our customers receive fresh and hygienic water to keep their workforces safely hydrated. The people of middle Tennessee had suffered considerably with a significant tornado followed by the COVID-19 pandemic. With the heat of the summer months also upon them, our service technicians from Nashville were just two of our many heroes keeping the water flowing for frontline workers during the pandemic.

### Thirsty work for Spain's food relief chefs

Volunteer chefs in Spain enjoyed a free supply of fresh Waterlogic water thanks to our team in Spain. As part of **World Central Kitchen** relief efforts, the volunteer chefs prepared and packaged up to 10,000 meals a day for those most effected by the crisis. Our dispensers kept a fresh, clean supply of water readily available to hydrate the volunteers.



## Local initiatives supporting communities all over the world

### The ripples of Waterlogic fundraising provides vital sanitation in Kenya

In 2019, a group of Waterlogic employees experienced first-hand what life is like in a rural community in Kenya when they visited primary and secondary schools supported by charity **Dig Deep**.

Dig Deep's aim is to provide clean, accessible water to areas where it's needed most. The focus of their work is in the south west of Kenya, where currently 8 out of 10 people lack access to clean water and sanitation. They work closely with local government and residents to build taps and toilets, ensuring that water and sanitation services are maintained for the long term and provide vital hygiene training to the next generation. Work particularly important since the onset of the pandemic.

Waterlogic's fundraising activities including a 100km Thames Path Challenge plus a matched company contribution, raised £7,500 for Dig Deep's work in Kenya. During 2020, Dig Deep put

the funds Waterlogic raised at the end of 2019 including spare change foreign currency collected in 2020, towards helping every single household in the wider Kapsiongo community build their own toilet and place to wash their hands. This means that the children from the school and their 7,000 family members are able to protect themselves against COVID-19.

### Helping a 7,000-strong community protect themselves against COVID-19

"I'm very pleased to report that the ripples of Waterlogic's fundraising continue to have a positive impact in and around Kapsiongo Primary School."

Ben Skelton, CEO Dig Deep



Waterlogic employees open new facilities for Kapsiongo Primary School.



## Local initiatives supporting communities all over the world

### Employees support Australian mental health charity

To recognise the end of 2020 with appropriate year-end celebrations, Waterlogic Australia assigned each staff member a AUS\$70 voucher to buy refreshments to help celebrate in team virtual events from the comfort of their own homes. Many employees opted to donate their vouchers to a mental health charity in support of the work the company has been doing for mental health in the workplace. An amount of AUS\$1,610 was donated by employees with the business committed to matching the donations dollar for dollar. A total of AUS\$3,220 was donated to **Beyond Blue**, a charity that provides information and support to help Australians achieve their best possible mental health, whatever their age and wherever they live.

### Helping to rise from the ashes in Australia

In the wake of the devastating Australian bushfires, Waterlogic Australia donated 100% of the first monthly rental fee from all new Waterlogic and Purezza dispensers signed in January 2020. The Waterlogic proceeds were donated to the **Australian Red Cross Disaster Relief and Recovery fund** to support humanitarian aid on the ground across all affected states. Waterlogic offices also held morning/afternoon teas in early January 2020 with gold coin donations going to the Red Cross. The Purezza proceeds were donated to the **Foodbank Bushfire Emergency Relief Appeal** to help distribute food and water to bushfire-hit communities.



## Local initiatives supporting communities all over the world

### Waterlogic UK spreads festive cheer to many

In the run up to Christmas, service centres collected non-perishable items to donate to local centres who provide food for those most in need. Hundreds of items were collected by staff across 15 sites and donated to local food banks, with some employees generously donating entire food shops and others even pledging to donate regularly throughout the year.

In other fundraising activities, almost £1,000 was raised to support homeless, child and family support charities **The Good Shepherd Wolverhampton, Ronald McDonald House, LAPS** (Looking After Parents and Siblings) and **Save the Children**.

### Proud partners of the Make-A-Wish Foundation UK

The **Make-A-Wish Foundation** UK grants magical wishes to children and young people fighting life-threatening conditions. Waterlogic's Make-A-Wish Foundation Customer Loyalty Scheme raised £300,000 by the end of 2020 by donating 2p for every water bottle sold to customers and £1 for every new water dispenser rental.



## Local initiatives supporting communities all over the world

### UK community volunteering initiative takes root

During the 2020 pandemic, the UK business actively encouraged its furloughed employees to volunteer in their local communities to give them a purpose and help to relieve the feeling of isolation. It also gave the business the opportunity to keep in touch with employees and monitor their mental wellbeing.

Some employees opted to help people unable to get out by delivering essential food and medicines through organised volunteering groups, or for their neighbours and families. Others collected items for the NHS including toiletries and material being used to make gowns and scrubs.



The initiative was so successful that Waterlogic UK has initiated a 'Volunteer Day' programme starting in 2021. Every UK employee is given one day per year to be included in a community-based project of their choosing. We aim to use the platform to encourage team building activities in small cross-functional groups like a beach clean or manning a food bank.



**638 days**

of volunteering a year  
will be supported by  
the UK business in 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 2021
- 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 responsibility to keep 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.

A 10-step plan continues to ensure adherence with the guidelines and policies, creating an audit trail that is proactively managed to confirm the strictest compliance.

As part of preparations for BREXIT, Group Legal has 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	2019	2020
Sites monitoring compliance with policies and procedures	63%	72%
Sites disclosing environmental performance to the Board	78%	75%
The company has a corporate governance policy	Yes	Yes
Number of Board of Directors members	4	4
Number of Executive Committee members	7	7



## 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.

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



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.



## Demonstrating environmental compliance

### Putting environmental compliance into practice

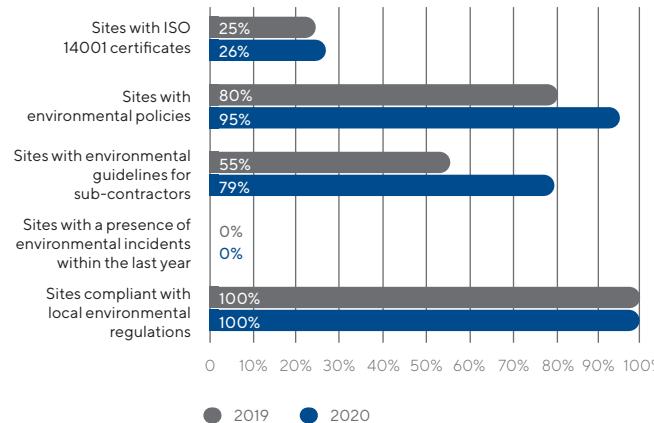
Waterlogic continues to be highly acquisition focused, and we expanded the business in 2020 with new market entry into Chile plus acquisitions in Colombia, USA, Canada, Australia, UK, Republic of Ireland, Sweden and Hungary. As part of our M&A due diligence process, all target companies are scrutinised prior to acquisition to establish that they observe environmental regulations in their geographic area.

In 2020, sites with environmental policies increased by 15% to land just 5% short of a full house. Sites with environmental guidelines for sub-contractors also increased to 79% 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. We are also on route to becoming **ISO 14000** certified - a set of rules and standards created to help companies reduce industrial waste and environmental damage. Our U.S. factory will follow suit in 2022.

Waterlogic sites with ISO 14001 certificates continue to rise to 26% 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.

### Site compliance in 2020



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.

### Just a few of our green certifications, awards and partnerships



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

## 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 2020, we saw a 23% uplift in sites with an anti-corruption procedure or policy internally and 8% uplift where there are supplier procedures or policies in place. The 1% drop in sites with an approved procedure reflects acquisitions made in 2020 where the Code had not yet been made available. We maintained 95% of sites with a code of ethics.

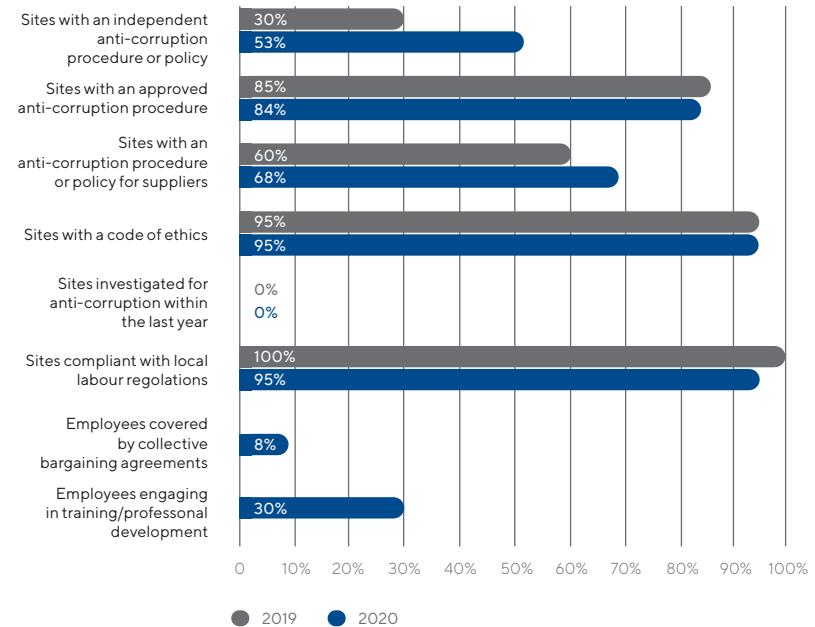
### The Code of Conduct contains detailed guidance on:

- 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.

### Site compliancy in 2020



## 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 will resume during 2021 to 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.



## Demonstrating health and safety compliance

A global COVID Contingency Plan was put into place in March 2020 and continued throughout the year. 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 have 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 through the pandemic period in all markets, closely following government guidance and legislation.

The new U.S. and Aqua Cure UK facilities have had a positive benefit for employees. These new sites allow for collaboration and engagement across the functional teams with shared welfare areas and improved interaction. In addition, space allows for better deployment of COVID-secure workplace regulations and health and safety initiatives.



### H&S professionals in the workplace

A new contract was signed in 2020 with leading health and safety consultant services Citation, who have appointed a Waterlogic dedicated H&S Officer for the UK headquarters. Employees continue to work from home as a result of the COVID pandemic, but DSE assessments have been carried out to ensure they are working in suitable conditions and, where necessary, additional equipment has been provided. Work continues on an abridged Global H&S policy for the Group with third-party consultant, Manago, and this will be rolled out globally with a compliance assessment during 2021. The U.S. business has also appointed a new H&S Manager and a new health and safety programme has been initiated.

Our China manufacturing facility employs a H&S Officer and Internal Auditor to ensure that the highest possible health and safety standards are consistently achieved. The 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.

In addition, we have appointed members of staff who have undergone fire warden and health and safety training to play a key role in safeguarding workers across all our sites, particularly in an emergency situation.



## Demonstrating health and safety compliance

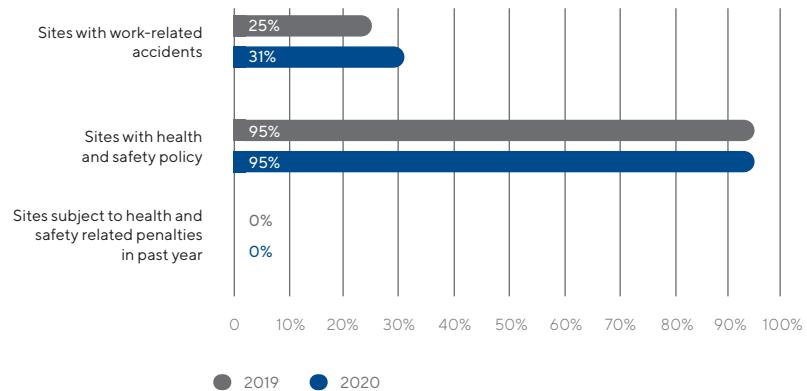
### Gas escape monitoring and alarm systems

LPG and R600a gases are combustible and potentially harmful to humans. With this in mind, the China factory is fitted with ventilation plus electronic monitoring and alarm systems. As gas is heavier than air and sinks to the ground, alarms at floor level pick up first signs of a gas leak and raise the alert. This system is not required by law, but we are committed to investing in the very best technology and infrastructure to safeguard the health and safety of our employees.



### Incidents, policies and penalties

There was a 6% increase in work related accidents in the Group. However, no serious work-related issues were reported, and no sites were subject to health and safety related penalties in 2020. 95% of the company have health and safety policies in place, with work continuing to bring 100% conformity.



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



## Demonstrating supply chain resilience

2020 was a challenging year for the end-to-end management of the global supply chain. In February, COVID-19 impacted supply from the main Waterlogic factory in China, with an enforced closure and wider component supply disruptions continuing through Q1. Although the pandemic crippled many manufacturing operations, we managed to re-open the factory within 4 weeks, following a very strict inspection by the Chinese Health Authority to ensure we complied with every COVID protocol. The speed of this recovery was largely due to our well-established component supply chain and procedures to minimise supply chain disruption relating to politically or economically motivated situations, as well as natural disasters.

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 further 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 in the future.

Our supply chain resilience was further tested in Q2 2020, when a fire at a key supplier's factory created a significant interruption to the supply of plastics for the majority of our point-of-use water dispensers. Again, as a result of our clear contingency processes and close supplier relationships, we were able to restore plastics production output within four weeks, with minimal interruption to the overall machine production schedule.

### New controls over inventory and supply

During 2020, and partly in response to the COVID-19 pandemic, new processes and structures were implemented to give global visibility and control over inventory and supply. Routine monthly reporting of all freestanding and countertop inventory is now in place, with detailed regional demand and supply discussions and planning forums. These allow the sharing and pooling of inventory under a single point of control, which not only increases efficiency, but also significantly improves the underlying resilience of the global supply chain.

The holding of global inventory reduced by 15% (\$6.9m) between March and December 2020 following more cohesive demand and supply planning with best practice targeting and reduction in Days Inventory Outstanding.

Strategic plans are now in place to transform future supply chain capability, including a European Central Distribution Centre, statistical demand forecasting tools and SKU simplification across the product portfolio.

We also ensure that we deal responsibly, openly and fairly with suppliers by ensuring that we pay on time and not expecting any discounts that would have a detrimental effect on their business.

### The Waterlogic Way of Operating

2020 was also a foundational year for the development of the Waterlogic Way of Operating (WWoO), which aims to create and rollout a global best practice operating model across all parts of the company. The WWoO strategy has been created in collaboration with the global operations community and a new set of global operations KPIs have been implemented, and are now part of the routine performance review cycle for all business units.





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

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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