

2023 ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORT



GWA
Group Limited

MAKING LIFE BETTER THROUGH INNOVATION IN EVERYDAY WATER EXPERIENCES





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EXECUTIVE SUMMARY

FROM THE CHAIRMAN & MANAGING DIRECTOR

This report covers our Environmental, Social and Governance (ESG) initiatives and achievements during the financial year ending June 2023 (FY2023). While this is effectively our fifth report on sustainability, this year we have transitioned our report to an ESG Report, to underscore our commitment to improve in each ESG area.

ESG considerations exist across the production chain, from the design process right through to the installation of our products in customers' homes and businesses, and beyond.

Our operations require relationship-building and tight collaboration with stakeholders — including employees, suppliers, merchants, plumbers, customers and the community — to achieve positive ESG outcomes. We are proud to work with stakeholders to make high-performance water products that are built to last a lifetime.

Throughout this report, you will read about our journey to further integrate ESG considerations into our production chain.

In terms of environmental impact, we are dedicated to building durable products that accompany individuals through all stages of their lives. By prioritising product lifecycle, longevity and durability, we contribute to reducing waste. As a water products company, we understand the need to treat water as the precious resource that it is. Historically, today, and in the future, water reduction during product use has been the cornerstone of innovation in our products. This need is set to grow in importance as water becomes an even scarcer resource.

Like many organisations, we recognise the need to mature our climate-related disclosures. We are developing an adaptive approach with the expectation that each year we will further develop our data sets to increase reporting; and we are committed to increasing transparency and accountability in addressing climate related risks and opportunities.

We have developed and refreshed comprehensive social strategies focused on four key pillars: Talent Development, Safety & Wellbeing, Diversity & Inclusion, and Community Partnerships.

We look to nurture and develop our employees, to ensure a safe and supportive work environment, and to foster an inclusive workplace culture that celebrates diversity. Moreover, we seek to continue to engage with our communities to strategically address social inequality and provide for basic needs, and to partner with universities to enable innovation that serves the community. These strategies highlight our commitment inside and outside of GWA, consistent with our commitment to making life better for all our stakeholders.



Darryl D McDonough
Chairman



Urs B Meyerhans
Managing Director

Governance is a top priority at GWA. We are in the process of enhancing ESG data quality and reporting processes to ensure accuracy and transparency and to increase the maturity of our ESG reporting. Our reporting on ESG metrics and impacts to the Board and Executive Leadership Team enable us to track our progress, identify areas for improvement, and showcase our commitment to stakeholders. In addition, ESG considerations have been built into relevant decision-making processes in the business.

This report highlights our ongoing efforts to integrate sustainability and responsible practices into our operations. Through our innovative products, ongoing focus on reducing our environmental impact, comprehensive social strategies and robust governance practices, we are driving positive change and striving for a sustainable future.

We are proud of our achievements thus far and remain committed to continuous improvement, guided by our vision of delivering lasting value to our customers, employees, communities and the environment.

Darryl D McDonough
Chairman

Urs B Meyerhans
Managing Director

26 September 2023

ABOUT GWA

GWA is a leading innovator, designer, importer and supplier of product solutions, services and intelligent technology focused on the delivery of sustainable water solutions for bathrooms, kitchens, and laundries.

We own and distribute market-leading brands and state of the art product solutions across our ranges of sanitaryware, tapware, showers, basins, baths, kitchen sinks, laundry tubs, bathroom and kitchen accessories and valves. We are expanding the use of intelligent bathroom system in our products by incorporating Internet of Things (IoT) smart water management solutions.

GWA operates and has sale and distribution facilities across its primary markets of Australia, New Zealand, and the United Kingdom. We are highly respected within the building industry for innovation, water efficiency and safety, product reliability and quality, technical expertise, and superior service. We maintain quality and cost-efficient long-term supply agreements with selected, exclusive manufacturing partners across Asia and Europe. GWA has a senior management team experienced in design, research and development, brand building, customer engagement, and supply and distribution.

OUR BRANDS

Caroma Australia's bathroom brand

At Caroma, we believe bathrooms are more than just functional spaces — they're integral parts of our daily lives. For over 80 years, we have dedicated ourselves to creating purpose-built products and solutions that are designed for living and quality made for life. As leaders in the industry, we put people at the heart of everything we do. The Caroma team is committed to developing inspiring and innovating products for all needs, using our knowledge and expertise to ensure every detail enhances the way we all live. With a heritage of delivering innovation in bathroom solutions, Caroma is known for its combination of function, form and design aesthetics to ensure enjoyable and reliable product experiences.

Methven Creating amazing water experiences

At Methven we are all about making water amazing. Creating amazing water experiences is what we do every day at Methven and have done since 1886. Methven is renowned for beautifully designed, award-winning showers, taps and valves. Over the years we have learned to harness the power of water to cleanse, calm, refresh and invigorate. And it is this expertise- combined with our passion for design and innovation — that fuels our ongoing mission to create amazing water experiences.

Other brands

CLARK — Since 1941, Clark has worked tirelessly to make Australian kitchens, bathrooms and laundries more appealing and practical. The Australian in-house design team have designed and engineered a range of products right here in Australia that are thoughtfully simple and refreshingly smart, no matter how tight the budget.

DORF — For over 70 years Dorf has been a staple solution in tapware installed across Australia, known for strong aesthetics in products spanning bathroom, kitchen and laundries.

DEVA — With a heritage of over 30 years supplying taps and showers to the UK market, Deva has developed a reputation for providing excellent levels of service and customer care by delivering products of the highest quality at the right price.

ESG HIGHLIGHTS FY2023

OUR BRANDS



METHVEN

CLARK



dorf

NEFA
BY METHVEN

FLEXISPRAY

Communities

\$432,711

DONATED SINCE 2013

Continuing partnership with the Smith Family, supporting disadvantaged students in drought affected regional and remote areas

RECONCILIATION WORKING GROUP

founded and Reconciliation Action Plan submitted

Our People

517

Employees (incl casual and fixed-term employees)

41%

Female workforce participation rate, aligned with our targets

WORKER INSIGHTS

introduced for improved health and safety reporting and pro-actively prevent workplace incidents

12 hrs

Average total formal training hours per employee

2 LTI

Incidents: arising from two minor injuries in New Zealand

Environment

↓ 45%

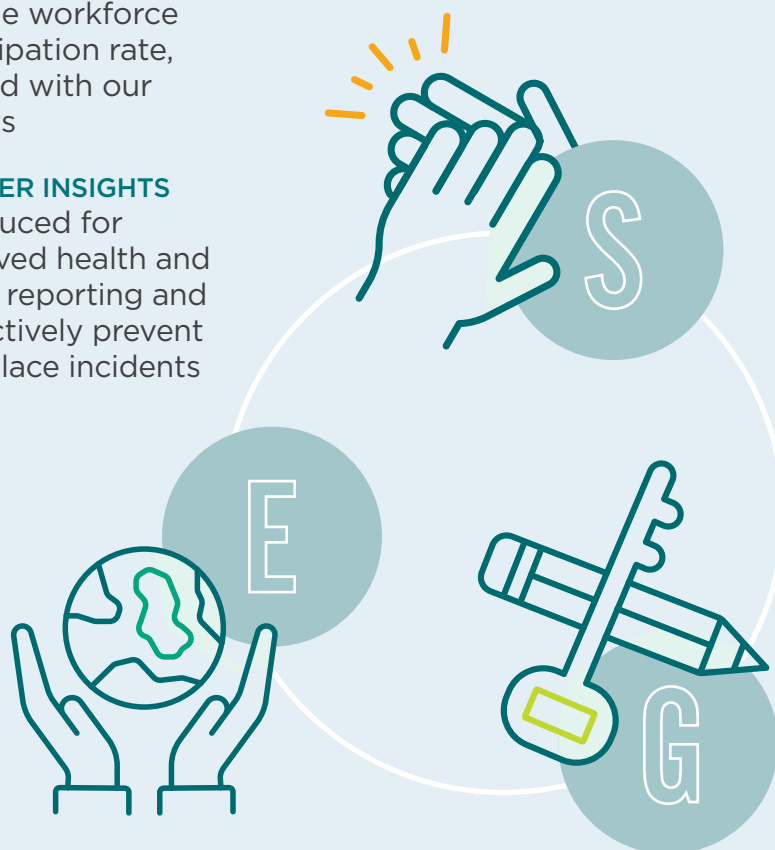
Reduction in waste generation in FY2023, compared with prior 12 month reporting period

480,967 kWh

Total solar power generation from solar power systems at our sites in Prestons, NSW and Pinkenba, QLD

5.82 ML

Potable water consumed across GWA's controlled facilities, a 12.5% reduction in FY2023 compared with prior 12 month reporting period



≈ 326,000

Plastic blister packs have been saved from production and use

Ongoing signatory to the **AUSTRALIAN PACKAGING COVENANT ORGANISATION'S** (APCO) goals, with a goal of removing single use plastics by 2025

Governance

43%

Female participation rate on Board of non-executive directors

SUPPLY CHAIN SURVEYS commenced for environmental impact

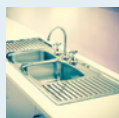
OUR HISTORY OF WATER SOLUTIONS



1980

World's First Dual Flush Toilet

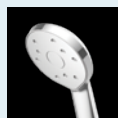
In 1980, Caroma developed the first Dual Flush toilet which saved approximately 32,000 litres of water per household annually through the introduction of full/half flush technology which allowed homeowners and businesses to have the option of an 11L (full) or 5.5L (half) flush.



1986

Australia's First Single Piece Sink

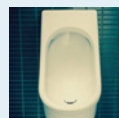
During the 1980s, Clark was the first in Australia to successfully launch Monobloc sinks made from a single piece of stainless steel.



2004

Methven Satinjet® Shower

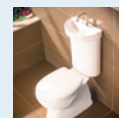
Unlike conventional showers, the award-winning Satinjet® uses unique twin-jet technology to create optimum water droplet size and pressure, with over 300,000 droplets per second.



2006

First WELS 6 Star Urinal

In 2006, the Caroma Cube 0.8L Smartflush® Urinal technology was the first to achieve the maximum 6 Star Water Efficiency Labelling Scheme (WELS) rating for water conservation, leveraging technology to maximise water efficiency by eliminating unnecessary false flushing.

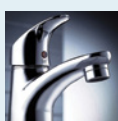


2009

First WELS 5 Star Toilet Suite

The Caroma Profile 5 toilet was Australia's first 5 Star toilet suite featuring a cistern with a dual-flush push button and spout combination. The design enables the same water to be used for two purposes, fresh water is first used for hand washing and then flows into the cistern to ultimately flush the toilet.

1980s



1985

Australia's First Single Lever Mixer Tap

Dorf was the first tap brand in Australia to introduce a single-lever mixer — Flickmixer. Still today, the name 'Flickmixer' is regularly used to refer to any mixer tap.

1990s

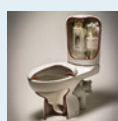


1993

First Reduced Flush Dual Flush Toilet 6L/3L

As a major step change to reduce global water usage, Caroma launches a range of 6L full/3L half flush toilet suites. Significantly reducing the traditional 11L (full)/5.5L (half) flush systems with matching reduced flush pan technology. The technology won the Australian Design Award together with the Powerhouse Museum Award.

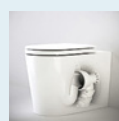
2000s



2005

Caroma Smartflush® Toilet

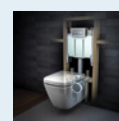
In 2005, Caroma's Smartflush® technology won the Australian International Design Award and Home Beautiful Product of the Year. Caroma Smartflush® reduces water consumption further to only 4.5L (full) or 3L (half) flush.



2009

Patented Orbital® Connector

Designed to overcome major issues around plumbing set-out connections, extending set-out up to a 50mm radius. A solution that solves common installation issues and saves time for plumbers; a flexibility welcomed by the plumbing community.

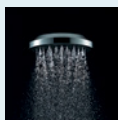


2009

Caroma Invisi Series II Toilet

In 2009, Caroma launched the Invisi Series II range and won the Australian International Design Award.

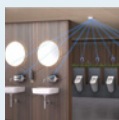
GWA has a history of delivering innovative and sustainable water solutions



2015

Methven Aurajet® Shower

The award-winning Aurajet® technology delivers a full-bodied spray with maximum body contact. Delivers a highly efficient shower with 20% more spray force and twice the amount of water contact on skin than a conventional Methven shower.



2018

Caroma Smart Command® Touchless Intelligent Bathroom System

In October 2018, Caroma announced the next evolution in sustainable water management with the launch of Caroma Smart Command®, a comprehensive touchless intelligent IoT solution for commercial bathrooms. In 2019 Caroma Smart Command® — won the Good Design Award Best in Class from Good Design Australia.



2019

Caroma Adjustable Flushpipe

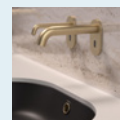
For behind the wall concealed toilet suites the pans require precise placement of the flush water inlet. Any variation from specified floor levels will require expensive rectification work to install the toilet pan. Caroma's new adjustable flushpipe allows plumbers to quickly realign the water inlet without visible damage to bathroom walls, saving on significant rectification costs and on-site time.



2021

Caroma GermGard®

Caroma GermGard® protection is a unique, proprietary antimicrobial formula that kills a minimum of 99.9% bacteria it comes into contact with, when applied to products. This technology not only helps prevent the spread of bacteria but also makes cleaning easier.



2022

Caroma Sensor Tapware Range

Introduced in both tap and soap dispenser configurations to provide a premium touchless handwashing experience in commercial and residential bathrooms for optimal hygiene, convenience and style. Caroma touchless activation technology is also designed to reduce accidental water waste.

2010s

2020s



2016

Caroma Cleanflush® Toilet

Caroma Cleanflush® uses patented rimless technology combining Caroma's unique flush and flow innovation to improve hygiene and cleaning effectiveness whilst still leveraging the lowest water per flush usage available. In 2016, Caroma won the Best in Class, Good Design Award for the Cleanflush® technology toilet range.



2018

Methven VJet® Shower

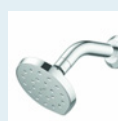
The award-winning Vjet® technology allows the user to activate a seamless spray transition — from a firm, invigorating shower spray, to a gentle, enveloping warmth and everything in between. Crafted from high grade stainless steel which is both stylish and durable.



2020

Caroma Smart Command® Intelligent Shower and Eco-Valve

Caroma Smart Command® launched two new products as part of its water solutions system. The Intelligent Shower's control mechanism, shower display and 'smart diversion of pre-warmed water' can reduce a building's water usage. The Eco-Valve can prevent major and minor leaks within a building and as such save water.



2021

Methven Kiri MK2 Low Flow Shower

Methven launched Kiri MK2 Low Flow Shower into the Australian market in 2021. With a WELS 5 star, 5.5L/min rating and the inclusion of award-winning Satinjet® technology, this product delivers superior performance and comfort whilst saving water and energy and supports the sustainability goals of commercial end of trip facilities.



2023

Caroma Smart Toilets

Designed in Australia to incorporate the latest smart technology for enhanced user experience, combined with Cleanflush rimless technology and GermGard antimicrobial protection for superior hygiene performance. These premium toilet suites feature an enviable aesthetic and a range of functionality to make everyday living more convenient.

ESG APPROACH

Our ESG approach and this report have been guided by an assessment of material ESG-related issues through engagement with internal stakeholders, an internal assessment of risks and opportunities, and consideration of the following frameworks:

- **Global Reporting Initiative (GRI) Standards; and**
- **Taskforce on Climate-related Financial Disclosures (TCFD).**

Moving forward, we are committed to further enhancing and expanding our efforts in the years to come. This includes continuous improvements on our disclosures and the processes to support these.

This report will outline our initiatives supporting broader value creation opportunities and managing risk. We will also highlight relevant metrics that demonstrate our performance and impact in FY2023.

We recognise that driving positive change and creating sustainable value require a holistic approach that encompasses all aspects of our business. Embedded within our organisational strategy, ESG principles serve as a foundation pillar, guiding our actions across our focus areas.

Plumbers are one of our most important stakeholders. Our approach to ESG guides our relationships with plumbers on topics such as circularity, efficiency, innovation, community and diversity. By actively involving plumbers in these discussions, we aim to foster collaborative solutions that drive positive social and environmental outcomes.

Innovation is at the core of our approach to addressing environmental and social challenges. We understand that transformative solutions require collaboration beyond our organisation. Therefore, we engage closely with stakeholders such as universities, industry groups and suppliers. By forging strong partnerships, we leverage collective expertise and resources, working together to drive sustainable change and tackle issues effectively.

Looking ahead, we are aware of proposed mandatory climate-related disclosures in the Australian context.

The International Financial Reporting Standards (IFRS) Foundation and the International Sustainability Standards Board (ISSB) recently released their long-awaited standard for Climate-related disclosures (IFRS S2). IFRS S2 expands on the structure of TCFD and its associated recommendations. We are on a journey towards reporting that will comply with climate-related disclosures as and when they become mandatory in Australia.

We are committed to advancing our ESG goals and working collaboratively towards a sustainable future.

STRATEGY ON A PAGE

MAKING LIFE BETTER THROUGH INNOVATION IN EVERYDAY WATER EXPERIENCES

STRATEGY

To be the trusted and integrated solutions partner in the delivery of sustainable water solutions for bathrooms, kitchens and laundries.

FOCUS

1

WIN THE PLUMBER

Connect, deepen and leverage plumbing industry relationships.

2

INNOVATE THROUGH DESIGN & PARTNERSHIPS

Leverage in-house capability and global partnerships to fast-track value creation and portfolio modernisation.

3

GROW OUR AFTER-MARKET OFFERINGS

Build a comprehensive after-market capability.

4

FOCUS ON STRATEGIC GROWTH OPPORTUNITIES

Disciplined and targeted investment in local and international markets.

FOUNDATION

CUSTOMER EXPERIENCE Integrated customer experience with structured brands and category portfolios.

DIGITAL Investment in digital opportunities to deliver a superior customer experience.

ENVIRONMENTAL, SOCIAL, GOVERNANCE A sustainable business that drives value and fuels growth.

ALIGNED ORGANISATION The right people in the right roles, focused on the right outcomes.

OUR CULTURAL PILLARS



We are one team.



We are customer focused.



We care for each other.

ESG ROADMAP

Our internal ESG Steering Committee has been working to develop a detailed ESG Roadmap that delivers on the ESG foundation of GWA's corporate strategy:

A sustainable business that drives value and fuels growth.

The Roadmap identifies actions to enable GWA to respond to ESG risks and opportunities and address ESG impacts over FY23 and beyond. The Roadmap was approved by the Board in March 2023.

In preparing the Roadmap, GWA adopted a balanced and thoughtful approach with a focus on impacts within GWA's control where GWA can make a meaningful difference in the short to medium term. At the same time, the Roadmap balances the expectations of a diverse range of stakeholders and the resources required for delivery. The ESG Roadmap will continue to evolve and be influenced by material ESG issues and a commitment to move towards framework-aligned disclosures.

ESG REPORTING

In line with the ESG Roadmap, GWA has taken steps to implement the following initiatives to mature its governance policies, processes and practices to improve trust and confidence in ESG reporting with stakeholders:

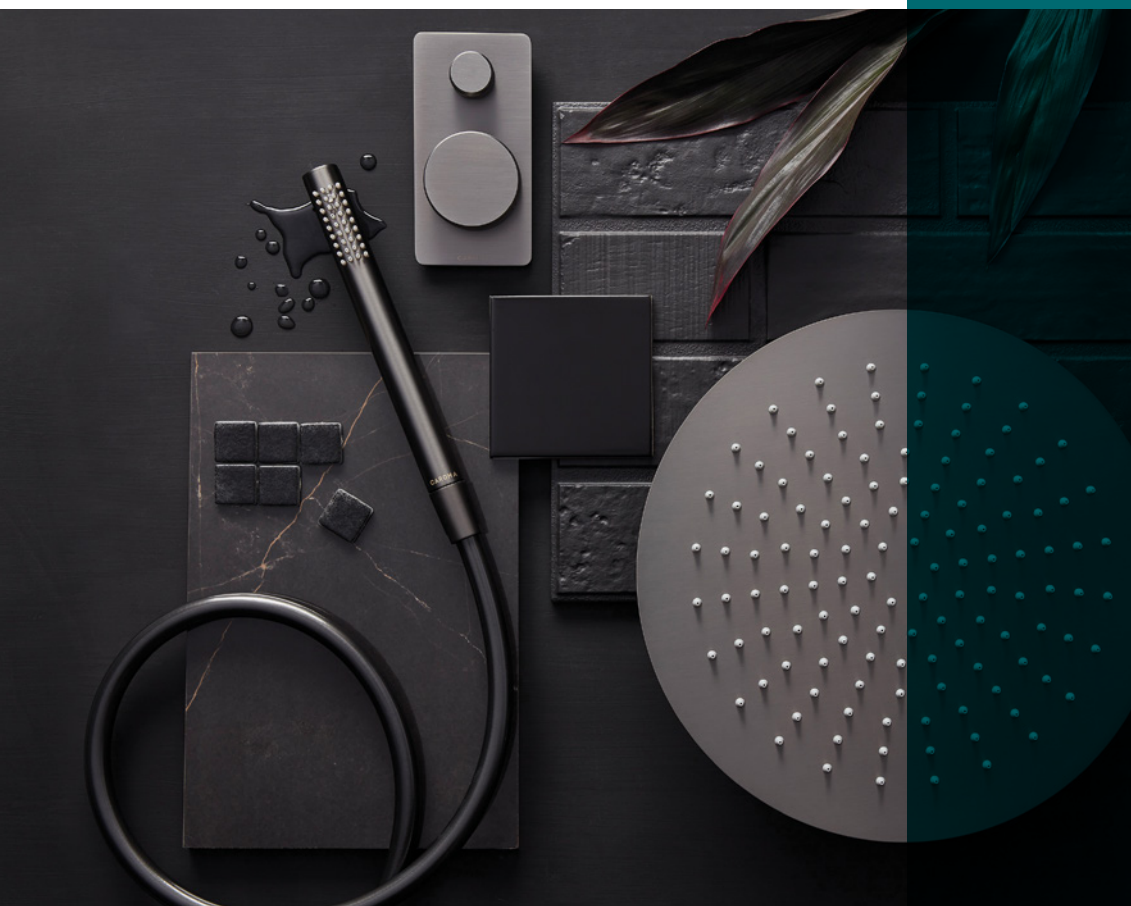
External reporting

Board and Executive oversight

Risk Register

Internal processes

1. **External reporting** — this report has been prepared around the E, S and G pillars, with steps taken to begin to align the report with the TCFD and GRI frameworks and a continuing process of enhancing ESG data quality to guide our climate-related strategy, risk management, reporting and targets.
2. **Board and Executive oversight** — There are regular Board and Executive reporting processes on ESG metrics and impacts, with steps to continue to enhance data quality to ensure accuracy and transparency, allowing the Board and Executive to track GWA's progress on initiatives, identify areas for improvement, and showcase our ESG commitment to stakeholders.
3. **Risk Register** — The ESG Steering Committee has developed a risk and opportunities register for presentation to the Board's Audit and Risk Committee.
4. **Internal processes** — Certain business protocols and tools used within the business, such as GWA business case templates, incorporate ESG considerations.



ENVIRONMENT



WATER

At GWA, we are at the forefront of the development of innovative and water efficient products, systems and technologies.

As a pioneer in the development of water saving products and systems in the built environment, GWA recognises the importance of using water efficiently across our own business and supply chain. As a water products company, we understand the need to treat water as a precious resource. Water reduction during product use has been core to the way we have approached innovation opportunities in the past. Our commitment to water reduction is even more important today as water becomes scarcer.

The use of water across GWA's operations is detailed in the following sections.

Reducing GWA's operational water usage

As GWA sources the majority of products and packaging from supply partners, operational water use within GWA's controlled facilities is limited. Total consumption of potable water across our controlled facilities in FY23 was 5.82 ML, representing a reduction of 12.5% compared with FY22.

GWA continues to implement water saving measures across our operations to reduce usage with the following as examples of key initiatives implemented in earlier reporting periods.

Rainwater is used in GWA's Experience and Distribution Centre at Avondale, NZ. The water is then recycled through a treatment plant which in FY23 produced 235 thousand litres of recycled water. The site has produced 13.8 million litres of recycled water since the installation of the treatment plant in 2016.

Rainwater tanks are installed at GWA's Distribution Centres at Pinkenba, QLD and Welshpool, WA to provide water for the gardens and fire systems.

GWA's Australian sites have installed the Caroma Smart Command® intelligent and touch-free water management solution enabling the monitoring and control of water usage, and improved hygiene at these sites.

At the Caroma Innovation and Distribution Centre at Prestons NSW, GWA has installed five 10,000 litre and one 25,000 litre rainwater tanks. Recycled water is used for irrigation and toilet flushing. The site has been awarded a 5 Star Green Star Rating which represents excellence in sustainable design and construction.

Reducing water consumption by customers through product innovation

GWA has a proud and rich history of contributing to reductions in potable water consumption by our product users through product innovation and design that refines water efficiency. Some of the past innovations we have contributed to include deploying smart product technology such as dual flush toilets, low flow spray technology and the Caroma Smart Command Eco Valve. The dual flush toilet and spray technology allows superior bathroom experiences while using less water; and the Eco Valve technology leverages flow data to detect pipe leaks and shut off water supply, thereby reducing the volume of water leaks and minimising property damage. See page 6 for further information on GWA's historical achievements in delivering innovative and sustainable water solutions.



Reducing the Use of Plastic and Cardboard in Packaging

CASE STUDY

GWA: Waste

GWA is making steady progress in its mission to eliminate single-use plastics from packaging. With the implementation of the “Sustainable Packaging Guidelines” and alignment to the Australian Packaging Covenant Organisation’s (APCO) goals, GWA is working towards this goal by 2025.

In this reporting period, GWA achieved significant savings in single use plastic by redesigning the configuration of product packaging. In the 12-month period, approximately 326,000 blister packs have been saved from production and use. This equates to a reduction of 407 kilograms of PET plastic.

In the same period, significant investments have been made in reducing cardboard volume, resulting in more than 300 kilograms of cardboard being saved and avoiding the need to ship two 40 foot Full Container Loads. This particular achievement also translates to an annual reduction of approximately 2 tonnes of CO₂ emissions.

These efforts highlight the company’s ongoing commitment to sustainability and its contribution towards minimising environmental impact.

RESEARCH TEST RIGS

Two state of the art research test rigs have been developed at the Caroma Innovation and Distribution Centre at Prestons, NSW. The rigs are used as working research laboratories where actual operating system conditions can be replicated for both commercial buildings and residential applications, enabling new plumbing technologies and systems to be explored and validated. The rigs comprise:

- Commercial test rig with varying building and bathroom product layouts connected to clear drainline pipework over four levels where the influence of new plumbing technologies and systems in buildings can be evaluated; and
- Domestic test rig over 60 metres in length with four clear drainline configurations where the influence of new plumbing technologies and systems in domestic long run applications can be evaluated.

These rigs provide a unique advanced capability for GWA to produce the next generation of sustainable water solutions.

WASTE

One of GWA’s sustainability objectives is to provide leading edge products and systems that make life better through sustainable waste solutions for the built environment.

GWA is committed to product lifecycle longevity and durability. We are focused on reducing waste through durable and flexible products that are easily upgradable to meet individuals needs throughout all lifecycle stages.

We optimise products, processes and systems to minimise waste within our operations and investigate where we can redirect the use of any waste streams to close the waste loop. We also work closely with our supply partners to do the same.



Recycled Packaging

In FY23, GWA continued to be a member of the Australian Packaging Covenant Organisation (APCO), which outlines how governments and businesses share the responsibility for managing the environmental impacts of packaging. As a signatory to the APCO, GWA is committed to the recyclability of our packaging and reducing the impacts of packaging within our supply chain, to meet the 2025 APCO targets.

In FY23, GWA's controlled facilities produced a total of approximately 283 tonnes of solid waste (comprising general waste, cardboard, low-density polyethylene and wood). This represents an almost 45% reduction in waste, compared with FY22. General waste is the material that corresponds to the highest proportion of waste being generated. GWA is currently researching ways to minimise or recycle this waste stream.

| METRIC | UNIT | FY21 | FY22 | FY23 |
|--|--------|------|------|------|
| Total weight of general waste generated | tonnes | 521 | 513 | 283 |
| Total weight to landfill | tonnes | 324 | 320 | 146 |
| Total weight diverted from landfill and recycled | tonnes | 196 | 193 | 137 |

Waste diverted from disposal

Diverting waste from landfill is an important initiative for GWA. In addition to packaging waste diverted from landfill, in FY23 we also diverted more than 105,000 pieces of obsolete products from landfill to be recirculated into the economy. This is equivalent to 230 tonnes of waste.

ENERGY AND EMISSIONS

GWA is conscious of the energy usage and greenhouse gas (GHG) emissions of our operations. We have put in place proactive initiatives to establish our Scope 1 and Scope 2 emissions baselines program and then manage and mitigate emissions.

Energy

As a designer, importer and distributor of bathroom and kitchen fixtures, GWA's energy consumption across our controlled facilities and operations is limited to five offices, three experience centres and six distribution centres. GWA continues to actively identify energy efficiency and renewable energy opportunities throughout our business operations. In recent years, we installed a 250kW solar panel system at our distribution centre at Prestons, NSW as well as a 100kW solar panel system at our Pinkenba Distribution Centre, QLD, in addition to moving to green electricity (refer to Case Study — "Extending Solar Power Use").

Within our supply network, we partner with like-minded companies. As an example, one of our supply partners based in Europe has made investments to reduce reliance on fossil fuel energy sources. In FY23, approximately 75% of their electricity needs were generated from solar panels (refer to Case Study — "Empowering Sustainable Manufacturing"), and they have also successfully implemented a number of other energy efficiency initiatives to reduce their total energy consumption.

In FY23 we diverted more than 105,000 pieces of obsolete products from landfill to be recirculated into the economy, equivalent to 230 tonnes of waste.



Extending Solar
Power Use

CASE STUDY

GWA

GWA Group continues to reduce reliance on fossil fuels where possible.

The 250kW solar panel system installed at our distribution centre at Prestons, NSW generated 336,355 kWh of solar power. The 100 kW solar panel system installed at our Pinkenba Distribution Centre, QLD generated 144,612 kWh of solar power.

This solar power generation brings positive environmental benefits, and a reduction in operational carbon emissions. Through this initiative, GWA Group has been able to avoid the generation of approximately 351 tonnes of CO₂ emissions.

CASE STUDY

Empowering Sustainable Manufacturing*

Supply Chain Partner

One of GWA's key vitreous china suppliers located in Europe has made significant progress in their commitment to reducing their carbon footprint. They have implemented a range of innovative measures that showcase the company's dedication to sustainability.

These include:

- The installation of solar panels on the roofs of factories. This eco-friendly initiative has enabled the company to generate a substantial portion of electricity to cover approximately 75% of their electricity usage. This naturally results in a reduction of carbon emissions. This initiative has also enabled self-sufficiency in heating operational water loops.

- Installation of the latest technology clean energy and efficient burners for their kilns. The burners are designed to optimise combustion and reduce natural gas consumption per product by approximately 20%.
- In a shift to reduce reliance on fossil fuels and transition towards cleaner energy sources, they are preparing to adopt a natural gas/hydrogen mix (70% gas/30% hydrogen) firing process. This mix ensures optimal energy efficiency whilst producing minimal carbon emissions in operation.
- By enlarging natural lighting windows and installing a new lighting system in production halls, they have reduced 140,000kWh/year usage of artificial and energy intensive lighting, reducing carbon emissions.

* The identity of the supply partner has been deliberately withheld given the confidentiality of GWA's supply arrangements.

GREENHOUSE GAS (GHG) EMISSIONS

GWA voluntarily reports GHG emissions and energy use.

Although not required to report our GHG emissions under the Federal Government's *National Greenhouse and Energy Reporting (NGER) Scheme* or the *Safeguard Mechanism* because GHG emissions from our controlled facilities are under the relevant thresholds, GWA voluntarily reports GHG emissions and energy use as detailed in reports available on GWA's website available at www.gwagroup.com.au, under Social Responsibility.

We continue to map our GHG emissions sources, with a focus on our direct and indirect GHG emissions (Scopes 1 and 2).

While we are working with our supply partners to assess and explore opportunities to reduce GHG emissions across our supply chain, our reporting is focused on areas within our direct control. Therefore, Scope 3 GHG emissions are not currently included in our reports, although we are investigating the most appropriate approach to calculate and report on these emissions in the future.

Direct (Scope 1) and Indirect (Scope 2) GHG emissions

For the period ending 30 June 2023, the total gross direct (Scope 1) GHG emissions from GWA's controlled facilities were approximately 351 tonnes of carbon dioxide equivalent (CO₂e). As for total gross indirect emissions (Scope 2), the figure was 1,277 tonnes.

Table of total Scopes 1 & 2 FY23 by country:

| GROSS DIRECT (SCOPE 1) GHG EMISSIONS | | | |
|--|--------------------------|-------|-------|
| | UNIT | FY22 | FY23 |
| Australia | Tonnes CO ₂ e | 151 | 236 |
| China | Tonnes CO ₂ e | 0* | 0* |
| New Zealand | Tonnes CO ₂ e | 66 | 66 |
| United Kingdom | Tonnes CO ₂ e | 20 | 49 |
| Total | Tonnes CO ₂ e | 237 | 351 |
| GROSS INDIRECT (SCOPE 2) GHG EMISSIONS | | | |
| Australia | Tonnes CO ₂ e | 1,248 | 1,238 |
| China | Tonnes CO ₂ e | 0* | 0* |
| New Zealand | Tonnes CO ₂ e | 58 | 35 |
| United Kingdom | Tonnes CO ₂ e | 7 | 4 |
| Total | Tonnes CO ₂ e | 1,313 | 1,277 |

* GWA licences 2 desk spaces in China as part of a shared office. The licence fee is inclusive of all costs, and as such we do not have visibility or material control over energy use or GHG emissions. The majority of GWA's China based staff work from the premises of our key supply partners.

As Scope 1 emissions can be directly influenced by GWA, we have been proactive in pursuing initiatives to decrease these emissions where possible. For Scope 1, over the last 2 years we have been progressively reducing our use of petrol and diesel combustion engine fleet vehicles, with the rollout of an hybrid-electric vehicle fleet (refer to Case Study – "Increasing Commercial Hybrid Fleet Use").

In regards to Scope 2, we are working on being proactive about bringing down electricity energy consumption, and its related emissions, at our facilities. This is highlighted in the "Extending Solar Power Use" Case Study. This solar generation allows us to rely less heavily on the electricity grid, with its higher emissions footprint. Moreover, since portions of our design processes can be more energy intensive than others, we have implemented guidelines to run energy intensive machinery during peak solar energy generation hours, generating less CO₂e emissions in the process.

Increasing Commercial Hybrid Fleet Use

CASE STUDY



GWA

As noted in last year's Sustainability Report, we are working with our incumbent Fleet Manager to transition our vehicle fleet to lower emissions models. In GWA's Australian operations, which comprised a fleet of 49 vehicles in FY23, GWA has doubled the number of hybrid vehicles, taking use of hybrid vehicles to 53% of the total fleet. GWA will look to improve in this area as vehicle supply constraints ease.

PRODUCT STEWARDSHIP AND SUSTAINABLE SOURCING

We take our product stewardship seriously. Our products are predominantly made by manufacturing supply partners under strict design specifications, which include the selection of materials used.

While many of the materials used are a legacy of the industry, such as vitreous china or metals, we recognise our responsibility in minimising the environmental footprint of our products and are working with partners to reduce impacts.

To this end we consider:

- Production materials and whether a recycled or lower impact alternative is reasonably available; and
- The material and use of packaging for transportation and distribution of our products.

We discuss these in more detail below.

Sustainable Materials

Historically, there has been little innovation in the materials used in the types of products sold by GWA. Traditional materials such as vitreous china, brass, stainless steel and polypropylene have proven durable and therefore, mature supply chains have been built around manufacturing with such materials. However, with greater focus on the use of finite resources as an input to production, and the associated emissions and water consumption in production processes, GWA is actively working across its value chain to increase the use of recyclable, recycled and lower impact materials in its products.

Sustainable Products

Some of these initiatives to date have been detailed in the following case studies within the Environment section of this report.

GWA

- Reducing the Use of Plastic and Cardboard in Packaging
- Extending Solar Power Use
- Increasing Commercial Hybrid Fleet Use

SUPPLY PARTNERS

- Empowering Sustainable Manufacturing

GHG EMISSIONS REDUCTION

Looking forward, GWA has developed a proposed environmental roadmap to address areas of environmental concern.

Some targets worth highlighting are:

FY23

Commissioned a detailed carbon inventory following the GHG protocol

Carbon Neutrality for GWA's UK operations, Scope 1 and 2, achieved through carbon offsetting

FY24

Commission Emissions Reduction Plan

Proposal to establish carbon targets for Scope 1 and 2 emissions

Begin to implement Scope 1 and 2 emission reduction opportunities

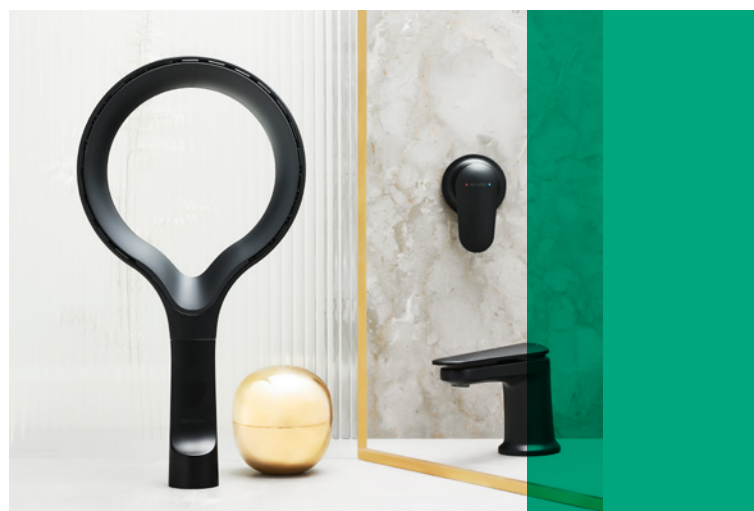
FY25

Continue to implement Scope 1 and 2 emissions reduction opportunities

FY30

Ongoing review and consideration of Supply Partners' emissions targets and goals

Continue to implement reduction opportunities (all Scopes)





OUR FOCUS AREAS

GWA is committed to creating a positive and lasting impact on society. GWA's purpose is about making life better through innovation in everyday water experiences. We are focused on making life better for all our stakeholders.

At the heart of our approach are our three cultural pillars: "We Are One Team", "We Are Customer Focused" and "We Care for Each Other".

Our cultural pillars also serve as guiding principles that shape our social initiatives, enabling us to foster a sense of unity within GWA, to prioritise our customers' needs, and cultivate a supportive and inclusive environment for our people.

Aligned with these cultural pillars, we have established four social focus areas based on the outcomes from our internal engagement process that drive the social elements of our ESG Approach.

Talent Development is the first focus area. It reflects our dedication to empowering and engaging our people by providing ongoing learning opportunities and support, career growth pathways, and skills development programs. We recognise that investing in our employees' professional growth not only enhances their individual potential but also strengthens our collective ability to drive positive and sustainable change.

Diversity & Inclusion forms our second focus area and represents our unwavering commitment to fostering a diverse, equitable, and inclusive workplace. We firmly believe that diversity sparks innovation, enriches perspectives, and drives business success. Through the foundation of our Diversity and Inclusion Committee and Charter, and diversity training, we strive to create an environment where every individual feels valued, respected, and empowered to bring their authentic selves to work.

Our third focus area, Safety and Wellbeing, encapsulates our dedication to providing a safe and nurturing environment for our employees. We prioritise the physical, mental, and emotional wellbeing of our workforce through comprehensive safety protocols, wellness programs, and employee assistance initiatives. By fostering a culture that values and supports the holistic wellbeing of our employees, we aim to create a workplace where everyone can thrive and flourish.

Our fourth focus area, Community Partnerships, underscores our belief in the power of collaboration to enable positive impact. By forging strategic alliances with community organisations and not for profit organisations, we actively contribute to the well-being of the communities we serve. Through impactful initiatives such as volunteering and fundraising we aim to make a tangible difference in addressing local challenges and improving quality of life for our stakeholders, customers and communities.

We also look for opportunities to connect these priorities. For example, providing a physically and psychologically safe work environment is important to retain and develop talent. When considering talent attraction, we look for opportunities to enhance diversity and inclusion.

Each of these four focus areas is discussed in further detail in the next section of this Report.

Our cultural pillars also serve as guiding principles that shape our social initiatives, enabling us to foster a sense of unity.



Cultural Pillars

CASE STUDY

Our Cultural Pillars are deeply engrained with our teams and represent GWA's values. Our people are personally and passionately connected to our 3 Cultural Pillars — 'We are One Team', 'We are Customer Focused' and 'We Care for Each Other'. During our Leadership conference in October 2022, we engaged our senior leadership team to assess our success against these pillars and we used the feedback to update our definition of 'what good looks like' for each pillar.

Performance against our pillars is assessed during formal performance reviews. Each team member is encouraged to engage in meaningful conversations with their manager during their performance review and as part of this process, our people engage in discussion with their manager regarding their contribution to bringing our values to life. These conversations provide an opportunity for open and constructive dialogue, fostering a deeper understanding of each team member's alignment with our values and their valuable contributions to the company.

We take pride in our employee-driven and coordinated monthly peer recognition program, specifically designed to acknowledge outstanding performance in line with our three cultural pillars. Each month, we recognise and celebrate team members who have demonstrated exceptional results aligned with these pillars. This program not only recognises individual achievements but also serves as a means to embed our pillars into our everyday processes and programs. By doing so, we foster a successful alignment and shared understanding of our core values, reinforcing what we stand for as a business and creating a strong sense of purpose among our team members.

CULTURAL PILLARS

We are one team

- I act consistent with our shared **purpose**
- I take **accountability** for doing what I say I will do
- I respect our past and **collaborate** in shaping a better tomorrow

We are customer focused

- I deliver easy, valued and engaging **customer experiences**
- I match my priorities to those of our **internal and external customers**
- I make decisions and take actions that are **commercially responsible**

We care for each other

- I put **safety and wellbeing** at the heart of everything I do
- I seek and embrace open and honest **feedback**
- I care for others, the **community** and the **environment** through my everyday actions

OUR PEOPLE

Our people are our most important asset, and we are committed to ensuring that our people are set up to succeed. Our focus for FY2023 was on Talent Development, Diversity & Inclusion and Safety & Wellbeing.



Talent Development

Diversity and Inclusion

Safety and Wellbeing

TALENT DEVELOPMENT: Growing a leading organisation

At GWA, we attract, develop and progress talent through the organisation to support sustainable business performance. We build strong leadership competence to drive engagement, commitment and results.

At GWA we know that having the right people, in the right roles with the right skills today and for tomorrow is how we deliver quality products and sustainable business performance. It's also about ensuring that our employees are engaged and feel their contribution is valued.

Talent development has been a key priority for GWA during this past year. Our Talent Development Program is embedded across the business and centred on three key initiatives within the talent development journey:

- Leadership;
- Talent & Succession Management; and
- Attraction.

Leadership

A key building block for our Talent Development Program is leadership. We are committed to enhancing leadership competence at all levels of our organisation. In FY23 over 50 frontline and emerging leaders completed our Situational Leadership and Self Leadership Programs.

In response to the evolving needs of our organisation, two distinct leadership development programs have been designed for FY24 and are in progress to address the unique requirements of each leadership level and top talent within the organisation.

The Senior Leader level program ensures that senior leadership team members and high-potential individuals possess the capabilities to navigate complex challenges, drive organisational growth, and inspire teams to achieve exceptional outcomes.

The Frontline Leader program focuses on empowering and equipping direct reports to the Senior Leadership Team (SLT), with the necessary skills and competencies to excel in their roles. By providing targeted training and support, the Frontline Leader level program aims to cultivate a strong pipeline of capable leaders who can drive operational excellence and deliver results.

Talent and succession management

Another key focus of our talent development strategy is on the next leaders of our organisation. As a water products innovation leader, we pride ourselves on being at the cutting-edge of our market and know that we will only continue to hold this advantage by setting up our future leaders to be successful.

To target the skills and knowledge necessary for our leaders of tomorrow, we define career paths and deepen succession management for key leadership roles.

We actively leverage cross-departmental project opportunities. These initiatives provide our employees with valuable experiences that broaden their skill sets and foster cross-functional expertise. At any given time, we have approximately 10%-15% of our workforce dedicating part of their day to cross-functional project teams as part of their development and aligned to GWA's strategic priorities.

Career and Competency framework

In response to engagement survey feedback in 2022, a Career and Competency framework for each function was developed to facilitate conversations and provide visible opportunities for progression. This includes:

- A Career Map by function showcasing the numerous ways in which progression through and across functions can occur;
- A Competency framework showcasing the level of proficiency required by level;
- An Assessment tool to identify skill gaps and focus areas; and
- A User Guide with a library of On-the-Job opportunities to bridge development needs.

The career conversation and competency assessment forms part of the performance review process for FY24.

As part of our commitment to sustainability and personal growth, we prioritise Individual Development Plans (IDP) as a key aspect of each individual employee. We recognise that empowering our employees to enhance their skills and knowledge is essential for driving positive change and achieving our sustainability goals. Through IDP, we provide targeted learning opportunities and resources tailored to each employee's growth plan and interests.

Employee training is another vital aspect of our organisational development, aiming to enhance the knowledge, skills, and competencies of our workforce. Training at GWA takes various forms, including workshops, seminars, online courses, and on-the-job coaching depending on each individual's requirements.

12 HOURS

Average total formal training hours per employee in FY23.

100%

Salaried employees (non-EBA) that receive regular performance reviews.

Attraction

At GWA we are committed to attracting passionate individuals.

To ensure we attract the best people to deliver on this mission, we have focused on highlighting the unique aspects of our company culture, values, and employee benefits. Our commitments to ESG initiatives and reporting are also essential parts of attracting talent, especially with younger generations that have shown increased engagement in relation to these initiatives¹.

The Culture Council Framework, which is discussed in more detail in the section 'Engaging with and recognising our People', lays out the Culture Council as a key ambassador in promoting our employee value proposition internally and externally. The main KPI we are using to measure employee attraction is New Employee Hires, by reference to the age ranges identified in the table below. We are focusing on how our EVP affects each of these age groups and will adjust our strategy and KPI tracking as required.

| AGE RANGE | <30 | 30-50 | >50 |
|-------------------------|-----|-------|-----|
| New Employee Hires FY23 | 15% | 69% | 15% |
| New Employee Hires FY22 | 25% | 61% | 14% |

Engaging with and recognising our people

At GWA we are committed to ensuring that our people are engaged in our organisation and in contributing to our purpose of making everyday water experiences extraordinary. We know that culture cannot be built solely from the Executive level, it needs to be nurtured at every level of the organisation.

Our employee-led Culture Council is in place to promote GWA as a great place to work. Comprised of around 24 dedicated volunteers from our staff, this group takes the lead in identifying and implementing initiatives and activities that promote connection and a sense of belonging across all our sites.

The key purpose of the Culture Council is to increase engagement within our organisation. Specifically, this means the Culture Council is working to help create engagement opportunities across the employment journey, from those beginning the recruitment process, all the way to our longest tenured team members. Members of the Culture Council play an important role as GWA brand ambassadors to communicate about GWA internally and externally.

Other key Council objectives are to:

- Be the voice of team members — advocate and lobby.
- Assist with rollout of wellness initiatives and other company initiatives.
- Help drive communication of companywide activities that assist with increasing employee engagement.
- Be an onboarding buddy to welcome and support a successful experience for new team members.

¹ <https://www.deloitte.com/global/en/issues/work/content/genzmillennialsurvey.html>

The Culture Council also serves as an advisory body to management, providing valuable insights on matters that impact the business. By actively seeking and incorporating feedback from our teams, the Culture Council serves as a vital conduit for maintaining a pulse on employee sentiment.

These are the five Culture Council focus areas that support our pillars of Leadership, Talent & Succession and Attraction.



GWA CULTURE COUNCIL

Helping make GWA
a Great Place to Work

FY23 MAKING LIFE BETTER AWARDS IN NUMBERS

286 nominations
submitted



Nominations by pillar

136 WE ARE
ONE TEAM

102 WE ARE CUSTOMER
FOCUSED

48 WE CARE FOR
EACH OTHER



Nominations by function

67 CS & CUSTOMER
CARE

55 SALES

45 LOGISTICS &
OPERATIONS

33 MARKETING

31 FINANCE

28 TRANSFORMATION
& TECHNOLOGY

15 SUPPLY &
INNOVATION

8 PEOPLE &
PERFORMANCE

4 ADMIN



Nominations by country

204 AU

47 NZ

34 UK



Nominations by month

| | | |
|------------------|------------------|------------------|
| JUL 4 | AUG 41 | SEP 17 |
| OCT 28 | NOV 31 | DEC 20 |
| JAN 9 | FEB 22 | MAR 19 |
| APR 21 | MAY 50 | JUN 24 |

Making Life Better Awards

In order to promote peer recognition, the Culture Council has developed a nomination program to highlight team members that are consistently going above and beyond to add positively to our culture.

Each month, employees are encouraged to nominate a team member who exemplifies exceptional behaviours aligned with the values expressed through our Cultural Pillars. Winners in each category of our Cultural Pillars are celebrated during our monthly business update, providing a well-deserved platform for recognition. This peer recognition program plays a critical role in fostering team connections, boosting engagement, and amplifying our commitment to a supportive and values-driven work environment.

This program is complemented by our annual CEO awards, which specifically acknowledge outstanding performance in Customer Service, Sales, and Safety. Together, these recognition initiatives create a culture of appreciation, motivating our employees to consistently strive for excellence while reinforcing the importance of our core values.

DIVERSITY AND INCLUSION: Fostering an inclusive culture

At GWA, we are committed to fostering an inclusive culture where people feel safe, respected, valued, and supported to perform at their best. We are committed to creating a workplace free of discrimination and that embraces the benefits that diversity brings.

In the last year, we have been focused on developing our diversity and inclusion strategy, supported by strong governance and support processes. We have made significant strides in fostering diversity and inclusion by developing a robust framework supported by a Diversity and Inclusion Charter and Steering Committee.

Diversity and Inclusion charter

The Diversity and Inclusion charter serves as a guiding document that outlines GWA's commitment to principles relating to diversity and inclusion, and sets clear expectations from directors and all employees. It reflects our belief that diversity and inclusion are essential for innovation, creativity, and overall business success.

Diversity and Inclusion Committee

To strengthen our commitment to diversity and inclusion, the dedicated Diversity and Inclusion Committee comprises representatives from our business. This committee convenes on a monthly basis and is entrusted with the vital responsibility of supporting the development, implementation, and periodic evaluation of our Diversity and Inclusion strategy and initiatives.

The initiatives led by our Diversity and Inclusion Committee encompass a wide range of activities. They include organising diversity awareness and training programs, implementing inclusive recruitment and promotion practices, establishing sponsorship programs, and creating employee resource groups that provide support and networking opportunities for underrepresented communities. These initiatives aim to address biases, remove barriers, and ensure equitable opportunities for all employees to thrive and reach their full potential.

In order to shape our Diversity and Inclusion strategy, we conducted Listen & Learn workshops across our sites and actively engaged with approximately 10% of our employee base through discovery sessions. These interactions were invaluable in gathering insights and perspectives which in turn informed our areas of focus.

Diversity and Inclusion strategy

GWA's Diversity and Inclusion strategy places a strong emphasis on fostering engagement and promoting inclusion. Among our key areas of focus is the prioritisation of gender engagement, and we implement targeted initiatives aimed at creating equal opportunities for women and addressing unconscious biases through educational initiatives and robust governance practices. Some of the programs deployed this year include Unconscious Bias training, Courageous Conversations training and Resilience workshops.

Gender diversity will remain a key area of focus in the next year and we propose to deliver initiatives which address the importance of embracing a broader range of perspectives and experiences. By fostering diversity in various dimensions, we aim to create a more inclusive and innovative environment that values the contributions of all individuals.

Gender diversity

In FY23, the female participation rate for GWA's workforce was maintained at a steady level of approximately 40% across the group, as well as at the level of the executive leadership team. This highlights our commitment to fostering gender diversity and creating opportunities for women to advance within the organisation.

| | 30 JUNE 2023 | 30 JUNE 2022 |
|------------------------------|--------------|--------------|
| FEMALE REPRESENTATION | | |
| Board of Non-Exec Directors | 43% | 33% |
| Executive Leadership Team | 38% | 38% |
| Senior/Other Managers | 37% | 39% |
| Total Management | 37% | 39% |
| Total Non-Management | 42% | 43% |
| Overall Total | 41% | 42% |



Reporting to the Workplace Gender Equality Agency

As a company with more than 100 employees, we are required to report to the Workplace Gender Equality Agency. The Workplace Gender Equality Report (WGER) can be found on GWA's website at www.gwagroup.com.au under People & Employment, and covers social topics such as:

- **Workplace overview:** Policies and strategies and governing bodies;
- **Action on gender equality:** Gender pay gaps, employer action on pay equity and employee consultation;
- **Flexible work:** Policy and formal strategy;
- **Employee Support:** Paid parental leave, support for carers, sex-based harassment and discrimination and family or domestic violence; and
- **Board diversity.**

As part of our yearly engagement survey there is a large focus on Diversity and Inclusion. While we have strong scores in this area, we continue to set internal targets to increase our engagement score for two key statements: "I feel a sense of belonging at GWA Group" and "My business actively supports gender diversity and inclusion initiatives". We are on track to attain those goals within FY2024.



Gender
Pay Parity

CASE
STUDY

We have implemented robust policies and practices to proactively tackle gender pay gaps within our organisation. As part of our annual remuneration review, we conduct gender pay parity reviews, where we thoroughly examine our job families through a gender lens. In doing so, we identify disparities and allocate a designated pool of funds to address them.

In comparison to the gender pay gap measure provided by the Workplace Gender Equality Agency (WGEA), our Australian operations have a female to male average remuneration gap of 12.47%, which is lower than the national average gender pay gap of 22.8% published by WGEA.

These comparisons demonstrate our commitment and successful outcomes to fostering gender pay parity, and we continuously strive to narrow the pay gaps further, ensuring fairness and equity throughout our workforce.

| | 2023 | 2022 | 2021 |
|---------------------------------|--------|--------|--------|
| Female to male remuneration gap | 12.47% | 16.49% | 18.09% |

SAFETY AND WELLBEING: Looking after our people

GWA is committed to providing a safe working environment and maintaining a positive and proactive safety and wellbeing culture. Our “we care for each other” cultural pillar anchors our commitment to the safety and wellbeing of each person at GWA.

As shown in the table below, we continue to maintain strong performance in our lead and lag indicators. In this last year, our emphasis has been on improving the consistency and quality of insight reporting, discussed below.

This year we have also continued to maintain our ISO 45001 certification that specifies the requirements for an occupational health & safety management system.

Worker insight reporting

Recognising the inherent challenges posed by traditional lagging safety metrics, in FY2023 we introduced a new measure to complement existing measures, aligned with the Due Diligence Council’s Due Diligence Index — Safety (DDI-S) Worker Insights and Worker Insight Frequency Rate, as a leading measure of safety performance.

Reporting on Workers Insights encourages team members to report a broad range of observations such as incidents, hazards, accidents and near misses. We prioritise these reports and discuss them during our monthly CEO business update, tracking our progress and acknowledging our accomplishments. We strongly encourage all employees to report any observations they come across, and we have witnessed an increase in reporting as a result.

| METRIC | RESULT IN FY23 | RESULT IN FY22 | COMMENT |
|--|----------------|----------------|---|
| Lead Indicators | | | |
| Worker Insights | 1391 | - | Replaced Recorded Safety Event as per FY2022 report |
| Worker Insight Freq Rate (Per Million Hours) | 1402 | - | |
| Hazards Closed # | 505 | 169 | |
| Hazards Closed % | 96% | 86% | |
| Actions Closed # | 461 | 380 | |
| Actions Closed % | 94% | 88% | |
| Site Inspections Completed # | 518 | 561 | Revising inspection framework and schedule in FY24 |
| Site Inspections Completed % | 87% | 94% | |
| Lag Indicators | | | |
| LTI | 2 | 2 | |
| LTIFR | 2.0 | 1.9 | There were two minor injuries in the New Zealand business |
| MTI | 2 | Nil | |
| MTIFR | 2.0 | Nil | |
| TI | 4 | 2 | |
| TIFR | 4.0 | 1.9 | |

Wellbeing Strategy

GWA is committed to the wellbeing of our people. Mental health and psychosocial risk are increasingly important for organisations, driven by factors such as the forced isolation of the pandemic and the difficulty of disconnecting in modern society. We've put in place practical steps to create connection for our employees such as "Moments that Matter" and "Glue Days".

In FY2023 we undertook a Psychosocial Risk Assessment facilitated by a third party. This exercise allowed us to better understand the psychosocial risks experienced by our staff, the effectiveness of our current controls, and opportunities to improve and reduce risk. The effectiveness of our Primary, Secondary and Tertiary control measures were considered and no residual high risks were identified.

Mental health and wellbeing programs and initiatives include:

Appointment of Mental Health First Aid Officers (MHFAO): The role of the MHFAO is to offer immediate help, support, and guidance to our colleagues until professional help can be accessed.

Employee Assistance Program (EAP): Our EAP is a confidential and voluntary support service to assist employees in managing personal or work-related challenges that may affect their well-being and performance.

In addition to these programs, we delivered Resilience Workshops where participants learnt techniques for stress management, coping with adversity, and maintaining a healthy work-life balance.

GWA MOMENTS THAT MATTER



Interviewing candidates (first interview)
Workshops
Induction
Coaching
Project planning and review
Recognition events
Goal setting
Welcomes and farewells
Functional team
Town Halls

Team meetings
1:1s
On boarding
Online training
Just in time feedback



Should be face-to-face

Prefer to be face-to-face

Hybrid of virtual and face-to-face

Works well anywhere

Works best virtually

Company-wide events - Monthly Business Updates
Team Glue Days/Site Glue Days
Team building activities
Strategy days
Leadership and select Sales and Functional training
Performance discussions
Site based inductions
Customer and Supplier reviews
Mid-year and annual reviews
Interviewing candidates (final interview)



CEO Roadshows
Company-wide updates

Focused/deep work
Cross functional project work
Company-wide web-based training



Hybrid Ways of Working
and “Moments that Matter”

CASE STUDY

As part of our wider strategy to attract and retain talent, promote employee wellbeing and increase inclusivity, we have continued to iterate and adjust our Hybrid Ways of Working approach with a focus on “Moments that Matter”.

The “Moments that Matter” approach ensures that our team members derive the greatest value from the varied interactions that hybrid working facilitates and ensures we engage in a way that enhances teamwork, collaboration and connection when in the office. Our approach looks to remain flexible, while creating individual and team bonds through “Moments that Matter”.

We currently have a practice of 3 days in office and 2 days from home. The days in the office are flexible week on week, and driven by our “Moments that Matter” approach which informs how we are required to show up. The success of our approach is contingent on ensuring we maintain a high level of connection and engagement, and deliver results. Each function has a designated Glue Day each week where we all come together in office to connect and collaborate.

In January 2023 we introduced a companywide Glue Day (ie in-office day) to coincide with our monthly business update and we take the opportunity on these days to celebrate achievements and milestones. This approach creates opportunity to connect with peers and colleagues cross-functionally and supports collaboration and innovation.

We have continued to iterate and adjust our Hybrid Ways of Working approach with a focus on “Moments that Matter”.

COMMUNITIES MAKING LIFE BETTER

At GWA, we are committed to making life better for all our stakeholders.

We are a global company with operations in Australia, New Zealand, the United Kingdom and China. By actively engaging with local communities we foster mutual understanding, trust and collaboration. Through transparent communication, partnerships, and meaningful initiatives, we aim to create shared value, address community concerns, and align our operations with the needs and aspirations of the people we impact.

COMMUNITY PARTNERSHIPS

GWA's community partnerships are enabled through two main groups: non-governmental organisations (NGOs) and universities.

While our community partnerships involve a large focus on education, each arrives at the issue from a different perspective. On one side, partnerships with NGOs look to support disadvantaged groups. We also engage in broader community initiatives that are focused on environmental and social health. On the other side, our partnerships with universities focus on innovation in product development and measurement of the environmental impact of our products.

We have developed a comprehensive strategy to consolidate our various partnerships through the establishment of the GWA Community Fund. By aligning and centralising our partnerships, we aim to maximise the impact of our support for local communities. This strategic approach allows us to streamline our efforts, build stronger relationships with community organisations, and ensure that our resources are effectively utilised to address the most pressing needs.

The Smith Family

In Australia, our most established partnership is with The Smith Family. Since 2013, we have donated more than \$432,711 to disadvantaged students in drought affected regional and remote areas. This year, we continued our annual sponsorship of The Smith Family by providing financial support to 60 school-aged students (57 primary school students and 3 tertiary students). Our sponsorship of \$49,341 goes towards school essentials, personal support from a Learning for Life Coordinator, and access to vital learning and mentoring programs to help disadvantaged students get the most from their education. In connection with this initiative, team members from across locations also participated this year in the electronic Christmas card writing for our Learning for Life families. Over 100 e-cards for children supported by the Learning for Life program were personally written by our team members.

Reconciliation Working Group

We have established a Reconciliation Working Group (RWG), which comprises employees from across our Australian business and is sponsored by a member of our executive leadership team, the Group General Manager for Marketing. The RWG will play a vital role in fostering understanding, respect and education on this important topic. The primary focus of the RWG is to develop and implement initiatives that promote appreciation, cultural awareness, and collaboration opportunities.

The RWG and GWA's leadership see potential in aligning community involvement with indigenous people, as well as attracting diverse talent. This is why our Reconciliation Working Group is closely tied to our Talent Development and Community Partnership focus areas.

Reconciliation Action Plan (RAP)

The RWG has developed GWA's first Reflect Reconciliation Action Plan (RAP) which has been submitted to Reconciliation Australia for endorsement.

The GWA RAP outlines specific actions and targets for advancing reconciliation within the organisation. The RWG will work closely with community leaders and external stakeholders to ensure the organisation's practices align with the principles of reconciliation. Through their efforts, the RWG strives to create a workplace environment that respects and celebrates Indigenous cultures, contributes to closing the gap, and builds positive relationships with Indigenous communities.



CASE STUDIES

We engage in broader community initiatives that are focused on environmental and social health.

New Zealand Community Partnerships and Support

Sustainable Coastlines, Beach Clean Up, Child Cancer

In New Zealand, we remained committed to our sponsorship of Sustainable Coastlines by donating NZ\$15,000. Additionally, we proudly contributed NZ\$7,000 towards our first-ever The Beach Clean Up initiative in 2022. In addition, as part of our ongoing support for the Caroma Accredited Research Council (CARC), an advisory group managed by GWA, funds were donated to benefit Child Cancer.

Australian Community Partnerships and Support

Sydney Finance Team — Harbour Clean-up

Our employees are eligible to a paid day per-annum to volunteer for a chosen charity. In February 2023, members of our finance team chose to support the Harbour Care team from Lane Cove Council and volunteered in a Sydney Harbour care clean up initiative focused on cleaning our coastal waterways. Common items that were collected and removed included pots, tyres, single use plastic bottles and bags.

Sydney — Breast Cancer Awareness

In October 2022, our teams came together to support the Culture Council's Pink Ribbon Day initiative for Breast Cancer Awareness Month. Teams showed up to work in their best pink outfits and came together to raise awareness of breast and gynaecological cancers — including the signs, symptoms, importance of early diagnosis and ways to support the research and prevention of these cancers. Funds raised by our employees were company matched.

University Innovation Partnerships

GWA has historically worked alongside academics at leading universities to drive innovation in specific product offerings, tapping into research capabilities. These partnerships provide a platform for collaborative innovation, enabling GWA to stay at the forefront of technological advancements and develop practical solutions that address the evolving market needs.

Through university partnerships, we foster a dynamic ecosystem of academic and industry collaboration, facilitating the exchange of ideas and leveraging research findings. This enables us to access diverse perspectives, harness the latest scientific insights, and translate them into practical applications that benefit our customers and the community more broadly.

The primary objective is to create functional and user-friendly products that promote convenience, hygiene, and accessibility.



CUSTOMER SAFETY AND WELLBEING

Universal Design Concept

Our holistic product design initiative focuses on the design and manufacturing of GWA's products and solutions to cater to individuals of all ages. The program aims to provide solutions for various age groups and mobility levels. The primary objective is to create functional and user-friendly products that promote convenience, hygiene, and accessibility.

This program also links back to the environmental section of this report, as it integrates environmental impact reduction through circularity and modularity of products. It promotes the use of standardised parts to simplify installation and allow retrofit application to minimise the need of a renovation and the resources required to perform them.

The program encompasses a diverse range of product lines, with specific emphasis on designing these products to meet the specific needs of each life stage. With this principle in mind, we have commenced initiatives for two main age groups.



i) Youth

The Junior range incorporates ergonomically designed child-sized toilets that facilitate potty training and promote independence for young children. Our goal is to widen this range to complete bathroom fixtures for home, school and commercial applications to encourage young children to stay hydrated and maintain personal hygiene.

ii) Ageing and people with limited mobility

Our Care and Assistive Living product ranges cater for the needs of ageing individuals and people with limited mobility, both in residential, commercial and institutional applications. The range features special height toilets, armrests and backrests, assistive showers and accessories designed with non-slip surfaces, grab bars, and tapware with special handles for ease of reach and colour for visibility to accommodate wheelchair users or individuals with mobility and visual challenges.

In order to cater to low mobility and ageing consumers, we continue to promote aesthetics and user-centred design to ensure that our products are fit for purpose for various living environments, through universal design concepts. To this end, during the design process for certain products, our designers and engineers use an ageing suit which mimics the body of an elderly person, therefore giving insights into how products feels and how support products and solutions can be optimised.

By considering the diverse needs of individuals, this program aims to apply a holistic approach to water product design, ensuring performance, functionality, and inclusivity for people of all ages and with special needs.

Product Safety

Water products play a pivotal role in providing a vital resource to society. At GWA, we recognise that clean and safe water is essential for the well-being of individuals and communities. Accordingly, we are committed to ensuring that our products meet the highest standards of quality and safety.

We prioritise the use of materials and manufacturing processes to meet our stringent quality requirements, and this is backed by rigorous internal and third-party testing protocols. In this way, we ensure that our products deliver safe and reliable performance, providing peace of mind to our customers.

One specific example of our dedication to water safety is our proactive approach in complying with the new Australian Standard requirement for lead-free tapware. Ahead of the compulsory industry changeover in 2026, GWA have commenced the transition process for particular products. This proactive stance reflects our commitment to supporting industry change to an updated standard that promotes best practice in healthcare requirements.

By adopting responsible design and manufacturing practices, and continually improving our product offerings, we prioritise the health and wellbeing of our customers.





GWA recognises that effective governance and risk management processes help ensure the business is more likely to achieve its business objectives, while protecting and promoting the interests of GWA's stakeholders.

GOVERNANCE STRUCTURES

Board of Directors

GWA's Board has been engaged in the consideration of ESG risks and opportunities. Our Board principles are regularly reviewed to ensure they remain relevant to GWA's current context. You can read more about each of our Board principles, and GWA's Corporate Governance policies and procedures, on our website at www.gwagroup.com.au under Corporate Governance.

ESG Governance

Overall responsibility for aligning ESG issues with the overall objectives, purpose and strategy of the business rests with the Board. The Board is updated on ESG performance on a regular basis with a set number of specific metrics that have been identified as priorities for GWA.

GWA has established an ESG Steering Committee from the ELT to oversee the progress and execution of GWA's ESG program. The ESG Steering Committee was created in FY2023. It is supported by various other committees and working groups to achieve its purpose and objectives.

The ESG Steering Committee comprises the following individuals who have been delegated functional responsibilities for each of the pillars:

| | |
|---|---------------------------|
| Ernie Lagis, Company Secretary & General Counsel | Executive sponsor for ESG |
| Caroline Sunaryo, Group General Manager — Supply Chain & Innovation | Environmental sponsor |
| Patricia Oliver, Group General Manager — People & Performance | Social sponsor |
| Calin Scott, CFO | Governance sponsor |

The composition of our Board of non-executive directors is 43% female. In the last year, and as part of the Board renewal process, we had three new directors join the Board and two resign, which has lowered our median Board tenure. We believe this fresh perspective and increased diversity has helped strengthen our governance structures. We are prioritising hiring for greater diversity in future Board appointments, whilst ensuring the appropriate mix of skills and experience to be an effective Board.

43%

Percentage of female representation on the Board of non-executive directors

Board Composition

| BOARD OF DIRECTORS DEMOGRAPHICS | 2023 | 2022 |
|---|------|------|
| Percentage of female representation on the Board of non-executive directors | 43% | 33% |
| Percentage of independent Board members | 75% | 71% |

Risk Management

GWA's risk management processes include defining the risk oversight responsibilities of the Board and the responsibilities of management, ensuring risks are identified and effectively managed.

GWA has comprehensive risk management policies and practices across the company, for both financial and non-financial risks. The Board conducts quarterly reviews of the enterprise risk register to ensure that it continues to be sound.

Whilst ultimate responsibility for risk management rests with the Board, the Board has established the Audit and Risk Committee to oversee GWA's risk management framework and bring dedicated focus to risk oversight, risk management and GWA's internal controls.

The Audit and Risk Committee reports to the Board on risk management and internal control matters in accordance with its main responsibilities as outlined in the Audit and Risk Committee Charter. All Board members attend Audit and Risk Committee meetings.

In addition, GWA has an internal audit function that provides reports to the Audit and Risk Committee. The internal audit function brings a systematic, disciplined approach to evaluating and continually improving the effectiveness of GWA's risk management and internal control processes.

CORPORATE GOVERNANCE FRAMEWORK

Compliance with legislation and governance standards

GWA will continue to maintain its high governance standards by complying with all laws and the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition), attending to all periodic reporting as required by the ASX Listing Rules and laws generally, and maintaining objective oversight through activities such as the internal audit program.

Further details on GWA's corporate governance and risk management processes can be found in our Corporate Governance Statement on GWA's website at www.gwagroup.com.au under Corporate Governance.

Tax Transparency

GWA's corporate governance framework, encompassing taxation as a vital component, plays a pivotal role in upholding exemplary standards of corporate responsibility while nurturing a culture that prioritises ethical behaviour, integrity, and respect. These fundamental principles serve as a compass for the company's adherence to tax compliance, reporting, and payment obligations.

GWA's approach to engaging with the Australian Taxation Authority (ATO) revolves around two key principles: strict compliance with tax legislation and fostering open and transparent dialogue.



By adhering to tax laws, GWA ensures its operations are in line with legal requirements. Simultaneously, the company maintains an environment of honest communication, facilitating an efficient and collaborative process for addressing tax-related issues with the ATO.

For this reason, we continue to be signatories of the Board of Taxation's Voluntary Tax Transparency Code since 2017.

You can find our public tax transparency reports here: <https://www.gwagroup.com.au/tax-transparency>.

| SUMMARY OF KEY TAXES | FY ENDING 30 JUNE 2022 \$'000 | FY ENDING 30 JUNE 2021 \$'000 |
|-------------------------------|----------------------------------|----------------------------------|
| Corporate income tax | 15,115 | 15,948 |
| Net GST | 25,901 | 25,225 |
| Payroll taxes (including FBT) | 2,834 | 2,621 |

Our tax strategy states the following:

- Does not shift and/or accumulate profits in low or zero-tax jurisdictions;
- Does not use the secrecy rules of jurisdictions to hide assets or income;
- Pays tax where the underlying economic activity occurs;
- Manages tax affairs in a pro-active manner that seeks to maximise shareholder value, while operating in accordance with the law.

SOCIAL AND ENVIRONMENTAL IMPACT OF OUR SUPPLY CHAINS

As a responsible company, we recognise that how we interact with the social and environmental impact of our supply chain is an essential governance issue in today's world. We believe that effective governance is the cornerstone of responsible business practice, and we are dedicated to complying with all regulations and promoting transparency throughout our supply chain.

We work proactively with supply chain partners to make clear our commitments to compliance with regulations and our expectations of them to do same in upholding environmental standards and human rights.

The strength and reliability of our supply chain is based on long term relationship building that has taken years in the making. Due to this reality, we do not frequently switch suppliers. We see this as a key element of our supply chain strategy, which allows us to collaborate more effectively with one of our most important stakeholders.



Supplier Environmental Assessment

GWA engages with suppliers to understand sustainability initiatives in their energy consumption, operational waste and water streams.

In FY2023, we conducted an environmental supplier survey to have a better understanding of our suppliers' environmental impact and initiatives. We received a 93% response rate by direct spend. Some of the key highlights from this endeavour are shown in the adjacent column.

We will continue to work with our supplier's to understand their sustainability targets and goals, and to gain a better understanding of how we can assist to reduce their environmental impacts.

Modern Slavery

Modern Slavery reporting is a building block to how we view social impact in our supply chain. We have implemented a comprehensive modern slavery response strategy that includes robust due diligence measures, supply chain transparency initiatives, and regular audits to cross check that operations and supply chains remain free from forced labour or exploitation. We actively collaborate with stakeholders, engage suppliers in dialogue, and support initiatives aimed at eradicating modern slavery, working towards a world where human rights are respected throughout our industry.

We have undertaken an analysis of GWA's operations and supply chains to identify potential risks of modern slavery and believe the overall risk level to be low given the scope and location of our operations, the maturity of our supply partner relationships and the diligence applied to identify and manage risks in the business.

GWA has been reporting on modern slavery since 2019. We publish a separate report on an annual basis towards the end of each calendar year. This provides detailed analysis of our supply chain. For this reason, this report will not go into detail on this specific topic. A link to the latest reports can be found here: <https://www.gwagroup.com.au/social-responsibility/modern-slavery>.

ENVIRONMENTAL SUPPLIER SURVEY HIGHLIGHTS

88%

Investing in sustainability and efficiency initiative

79%

Recycling program in place

>70%

Has or planned investing in an Environmental Management System

>70%

Using recycled packaging

63%

Tracking usage and consumption of energy and waste



GRI STANDARDS

This year, specific standards of the Global Reporting Index (GRI) have supported GWA to structure and select the metrics that are enunciated in this report.

The following table helps stakeholders navigate the report as per the relevant GRI standards and disclosures that have been considered for certain sections.



| STANDARD | ESG | SECTIONS |
|--|----------------|---|
| GRI 207 – Tax | G | Tax Transparency |
| GRI 301 – Materials | E | Materials |
| GRI 302 – Energy | E | Energy and Emissions |
| GRI 303 – Water and Effluent | E | Water and Effluents |
| GRI 305 – Emissions | E | Energy and Emissions |
| GRI 306 – Waste | E | Waste |
| GRI 308 – Supplier Environmental Assessment | G | Social and Environmental Impact of our Supply Chain |
| GRI 401 – Employment | S | Talent Development: Growing a leading organisation |
| GRI 403 – Occupational Health & Safety | S | Employee Safety and Wellbeing |
| GRI 404 – Training & Education | S | Talent Development: Growing a leading organisation |
| GRI 405 – Diversity & Equal Opportunity | S&G | Diversity and Inclusion: Fostering an inclusive culture |
| GRI 407 – Freedom of Association and Collective Bargaining | G | Social & Environmental Impact of our Supply Chain |
| GRI 408 – Child Labor | G | Modern Slavery |
| GRI 409 – Forced or Compulsory Labor | G | Modern Slavery |
| GRI 413 – Local Communities | S | COMMUNITIES – Making life better |
| GRI 414 – Supplier Social Assessment | G | Social & Environmental Impact of our Supply Chain |
| GRI 416 – Customer Health and Safety | S | Customer Safety & Wellbeing |



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