

OUR CLEAR MISSION: **STOPPING NUTRIENT POLLUTION**

2023 SUSTAINABILITY OVERVIEW



Axius Water companies

TABLE OF CONTENTS

2023 SUSTAINABILITY IMPACT HIGHLIGHTS

- [3](#) Message from Our CEO
- [4](#) About Axius Water®
 - Addressing Global Water Challenges
 - Removing Harmful Nutrients Across the Water Cycle
 - Our Founding Partners and Businesses
 - Our Sustainable Solutions
 - Our People
- [9](#) Environmental Performance
 - Water Quality Management
 - GHG Emissions
- [11](#) Valuing Our People
 - Diversity
 - Employee Engagement
 - Safety Performance
- [14](#) Sustainability Oversight
- [15](#) Responsible Business Operations
 - Supplier Management
 - Risk Management
- [17](#) Growth Enablement
- [18](#) Community Engagement
- [19](#) Forward-Looking Statements/ Endnotes

<p style="text-align: center;">99.2 million kilograms of nutrients removed from water by customers using our products</p>	<p style="text-align: center;">1,058 MWh of renewable energy credits (RECs) purchased</p>	<p style="text-align: center;">22% increase in employee net promoter score (measuring engagement) from 2022</p>	<p style="text-align: center;">100% of total power consumed in North America is now renewable</p>
<p style="text-align: center;">Supplier Code of Conduct introduced companywide</p>	<p style="text-align: center;">First year of Sustainability Council completed</p>	<p style="text-align: center;">2 acquisitions added in one year</p>	<p style="text-align: center;">OSHA-compliant data collection adopted</p>
<p style="text-align: center;">Unified CRM and ERP systems implemented</p>	<p style="text-align: center;">37% of executives are diverse (female-identifying employees or non-Caucasian males)</p>	<p style="text-align: center;">32% reduction in Scope 1 and 2 emissions achieved due to REC offsets</p>	<p style="text-align: center;">0 incidents of regulatory noncompliance</p>

ABOUT THIS OVERVIEW This is Axius Water’s fourth annual overview of our platform’s sustainability performance, including environmental, social and governance (ESG) issues. The content and performance metrics were developed in part from the UN Sustainable Development Goals (UN SDG). In particular, Target 6.3 calls for improving water quality by reducing pollution and the proportion of untreated wastewater globally,

and the Sustainable Accounting Standards Board (SASB) Waste Management Industry Standard. This overview covers the reporting period for the fiscal year 2023 – January 1 to December 31. Unless otherwise noted, the metrics provided are as of December 31, 2023.

This overview highlights our performance in these areas and the benefits we have created for society, our investors and other

stakeholders. In the spirit of continuous improvement, we also expect to strengthen our overall sustainability strategy, approach and performance.

Cover Photo: The Chesapeake Bay teems with biodiversity. Three of Axius Water’s companies, EDI®, EOSi™, and Nexom®, have been working to bring this bay back to full health.

MESSAGE FROM OUR CEO

AS I LOOK BACK ON 2023, it's clear that when our team joins forces, we are indeed stronger together and more effective in stopping nutrient pollution. This is the story underscoring this Sustainability Overview.

This last year was an especially exciting period. For the first time in Axius Water's history, we completed two more acquisitions, Napier-Reid® and Triplepoint®, within a single 12-month period. With decades of problem-solving experience, Triplepoint and Napier-Reid have built strong relationships with both customers and now with other Axius Water businesses. With these two additions, we have brought together six businesses to assist end users in meaningfully impacting one of the world's most precious resources: our water supply. As we continually grow, our team of experts collectively offers an increased number of unique solutions to remove greater levels of nutrients.

To accomplish this purpose, Axius Water enables these businesses to achieve faster growth by supporting them with best-in-class resources, including tools, processes, systems and other growth initiatives that allow them to focus solely on the hard work of nutrient removal. Through their collaboration, these businesses evolve into larger, more resilient enterprises, better serve customers and positively impact even more communities in a more meaningful way, as well as benefit our broader society. When a new acquisition already excels in specific operations, our support helps them to build on their existing success even further.



Axius Water is united in a shared mission: stopping nutrient pollution and measurably improving the quality of treated water.

There is no one-size-fits-all when it comes to sustainability, or to nutrient removal. Different communities and customers have different needs, and every project is distinct. Our structure allows us to adapt our approach when called for.

Axius Water enables:

- Transferring knowledge between elite application experts
- Sharing resources
- Leveraging relationships
- Fostering innovation
- Identifying new business opportunities
- Expanding our presence into new regions

In many cases, these businesses offer complementary technologies that can be combined to deliver the most effective end-to-end solutions for wastewater-treatment facilities. The commercial teams can then offer integrated packages or bundles of solutions.

In other cases, it makes more sense to keep commercial teams discrete so that end users have a clear choice between robust technologies depending on their specific requirements.

Throughout this Sustainability Overview, we are pleased to highlight the major accomplishments and results we have achieved using this approach and uniting these six outstanding businesses.

As I look to the future, I'm incredibly excited about all the possibilities that lie ahead.

CHRIS MCINTIRE

Chief Executive Officer

ABOUT AXIUS WATER

6 CLEAN WATER AND SANITATION



Our mission to stop nutrient pollution directly aligns with United Nations Sustainable Development Goal (UN SDG) 6: Ensure access to water and sanitation for all. By deploying products

and services that enable our customers to reduce the level of nutrients in water and measurably improve the quality of treated water, sustainability is built into the very fabric of our company. Our mission inspires us to look beyond the bottom line and focus also on health and safety of our planet, people and communities.

A Year of Recognition

Axius Water is proud to be nominated by Global Water Intelligence (GWI) Magazine as one of four finalists for **2024 Water Technology Company of the Year** for contributions made in 2023.



UNITED IN NUTRIENT REMOVAL

1 BILLION
Pounds of Pollution
Removed

14,000+
Water Treatment
Projects

2,700+
Combined Years of
Employee Water
Industry Experience

300+
Axius Water Team
Members

Shortlisted for

Water Technology
Company of the Year



**GLOBAL WATER
AWARDS 2024**
Recognising Excellence

ADDRESSING GLOBAL WATER CHALLENGES

WHAT IS NUTRIENT POLLUTION?

Nutrients in streams, rivers and other water bodies can be extremely damaging as they may lead to harmful algal blooms that pollute waterways.

Two primary sources of nutrient pollution are nitrogen and phosphorus. Nitrogen and

phosphorus occur naturally in the environment, with nitrogen being the most abundant element in the air we breathe. According to the EPA, when present in water bodies at normal, balanced levels, these nutrients “support the growth of algae and aquatic plants, which provide food

and habitat for fish, shellfish and smaller organisms that live in water.”

However, excessive levels of nitrogen and phosphorus can enter water bodies from fertilizers that farmers use to treat crops, as well as municipal and industrial wastewater treatment facilities, which deteriorates water

quality. When this happens, algae can grow rapidly, reducing or even eliminating the oxygen supply in the water and reducing exposure to sunlight. This leads to habitat damage, loss of aquatic life, drinking water contaminated with toxins and bacterial growth and negative impacts on human health.

MUNICIPAL AND INDUSTRIAL wastewater treatment facilities are on the front lines in reducing the nutrient pollution degrading much of the world’s fresh water. Axius Water enables these facilities to meet existing and new regulatory limits around nutrient pollution to reduce the impact on water bodies.

Watershed Health

Waterways around the world are threatened by pollutants, including nutrients. The U.S. Environmental Protection Agency (EPA) has named nutrient pollution “one of America’s most widespread, costly and challenging environmental problems,” with 98% of Great Lakes shoreline miles, 78% of estuary square miles, 70% of lake acres and 55% of rivers classified as impaired.¹

Globally, nutrient pollution has significantly

contributed to more than 700 dead zones – areas of the ocean that can no longer support marine life because of reduced oxygen. Communities around water bodies with dead zones suffer significant economic losses related to negative impacts on tourism and recreation, commercial fishing, property values and human health. There are also increased costs for drinking water treatment, mitigation efforts and environmental restoration.

Aging Infrastructure

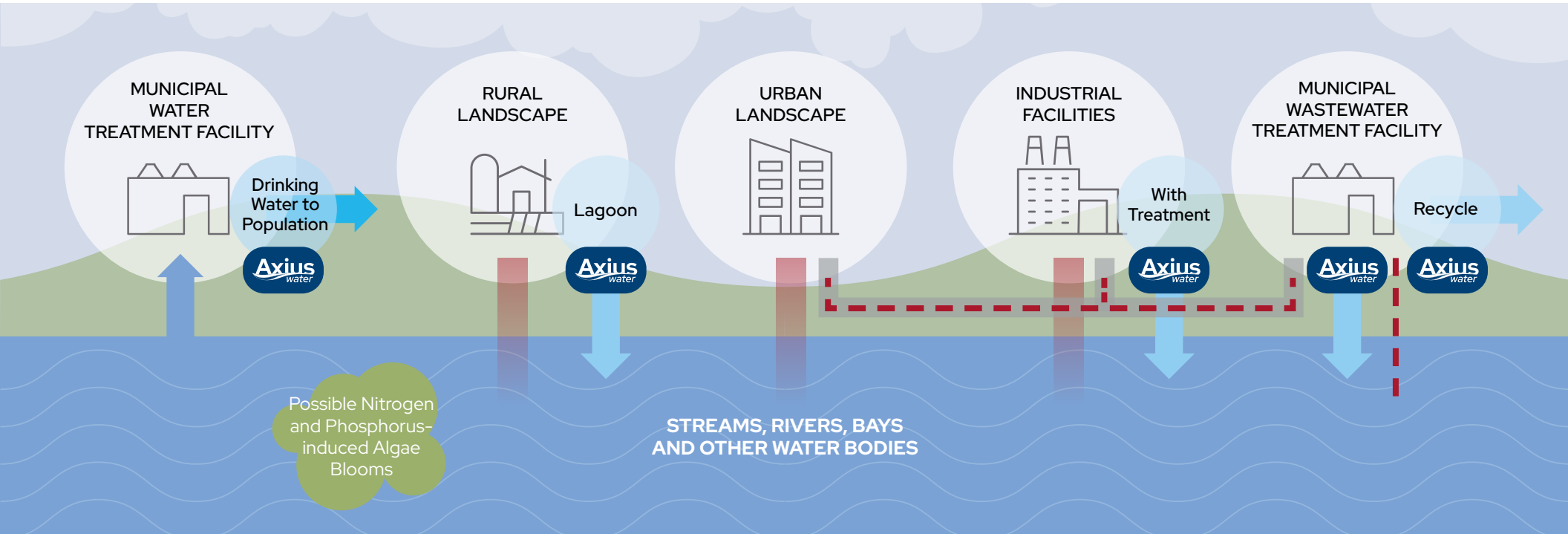
When operating efficiently and equipped with advanced processes to lower nutrients, wastewater treatment facilities can help improve the health of water bodies. However, many municipal wastewater treatment facilities, especially those in older urban areas, are well over 100 years old. Overburdened through urban growth, deteriorating due to lack of

maintenance and based on outdated treatment methods, many of these facilities operate inefficiently and are unable to achieve regulatory limits. Even when funds for updating are available, landlocked facilities face space constraints and need to do more with less space. The U.S. and Canadian governments have recognized this as a major crisis, prompting billions of dollars in investments to fund critical updates to water and wastewater infrastructure.

Rising Regulation

Across North America, the U.K. and elsewhere, regulatory authorities are implementing increasingly stringent pollution limits to protect and preserve waterways. As regulations on pollution tighten, treatment facilities face costly upgrades to maintain compliance.

REMOVING HARMFUL NUTRIENTS ACROSS THE WATER CYCLE



Axius Water Solutions

■ Drinking Water

■ Untreated runoff

■ Treated Effluent

■ Sewer Water

■ Stormwater

Note: This simplified illustration does not fully reflect all sources of water pollution and treatment in the complex hydrologic cycle.

OUR FOUNDING PARTNERS AND OUR BUSINESSES

Our Founding Partners

KKR is a leading global investment firm that offers alternative asset management. Axis Water is a portfolio company in KKR's Global Impact Fund, which invests exclusively in companies that significantly benefit society through their products or services.

XPV WATER PARTNERS manages investment capital from the world's top institutional investors and focuses on funding emerging water-related companies to help them rapidly expand, achieve their strategic goals and make a difference in water. XPV is committed to building partnerships that contribute to growing people, sustainable businesses, prosperous communities and a better planet for everyone.

Our Businesses

Each year, Axis Water expands globally as we add to our technology portfolio that focuses on nutrient removal. In 2023, Axis Water added two new companies: Napier-Reid and Triplepoint. We enable cleaner water through each piece of our technology portfolio.

ATAC Solutions™ – Leading U.K. wastewater design and process equipment contractor specializing in capital, hire, and turnkey applications. **ATAC's Tier 1 status enables solutions from other Axis Water companies to be available to the largest U.K. utilities.**

EDI (Environmental Dynamics International) – Global wastewater solutions provider with advanced aeration design, equipment, and aftermarket services since 1975. **EDI provides energy-efficient aeration for Axis Water companies as well as other wastewater treatment providers, and replacement parts for end users all over the world.**

EOSi – Experts in biological nutrient removal solutions, premium non-hazardous carbon sources and advanced process control. **EOSi's deep knowledge of the chemistry around biological nutrient removal allows end users to optimize nutrient removal using existing process assets.**

Nexom – Proven filtration, biological and lagoon-based wastewater solutions to reduce key nutrients that contribute to pollution. **Nexom provides deep application expertise to consulting engineers that have unique customer challenges around process design flows, loads, and footprint.**

Triplepoint – Preserving small-town lagoon systems by engineering solutions that allow them to meet modern effluent standards. **Triplepoint supplements equipment with on-line tools that train, educate, and support operators.**

Napier-Reid – Engineered water and wastewater systems with 3,000+ installations in 40+ countries since 1950. **Napier-Reid's products add breadth to Nexom's depth of applications expertise, and experience delivering to consultants focused on mining and other challenging environments.**

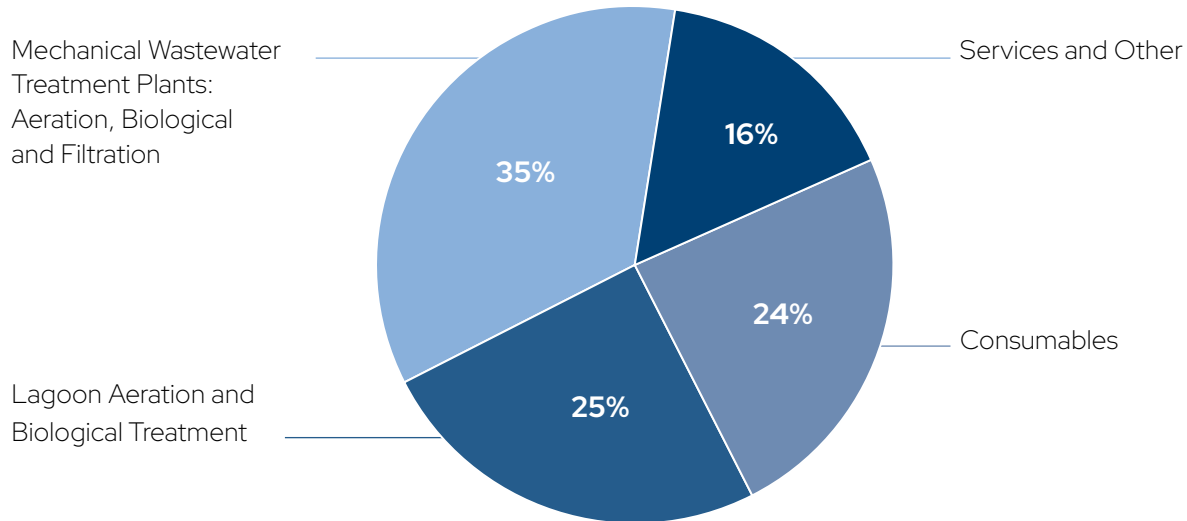
OUR SUSTAINABLE SOLUTIONS

OUR DIVERSE PORTFOLIO of technologies helps end users accomplish these objectives:

- Remove nutrients in accordance with local regulations
- Enable drinking and process water treatment
- Reduce greenhouse gas emissions (GHGs)
- Decrease immediate energy demands while controlling future energy consumption
- Minimize operational footprint
- Lower cost of ownership and simplify maintenance

We define **sustainability** as the ability to maintain or support water treatment processes for the long term, while positively impacting the water supply and broader environment, site economics or the demands placed on facility operators.

OUR TECHNOLOGY PORTFOLIO



OUR PEOPLE

ACROSS OUR BUSINESSES, our team comprises:

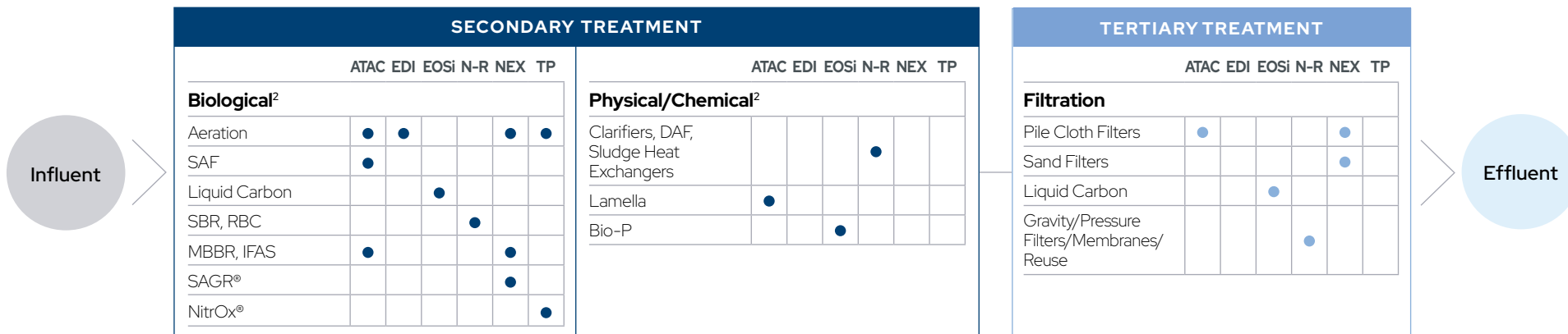
- **Process experts** who draw upon a combined 2,751 years of experience and deep application knowledge in the water treatment industry to help customers achieve cleaner, healthier water in communities around the world while meeting rigorous regulations, aligning with unique requirements and advancing demands for sustainability. These experts devise specialized, innovative, research-based solutions for solving complex, highly technical challenges. Among our team members are Ph.D.s who specialize in niche topics.
- **Functional experts** who we depend on daily to secure our supply chain, perform work safely and to the highest quality standards and meet other key performance indicators impacting sustainability.



ENVIRONMENTAL PERFORMANCE

WE ACHIEVE OUR GREATEST environmental impact by innovating and deploying products and services that **stop excessive nutrients** in wastewater effluent from entering waterways. United around our nutrient removal mission, the below illustration shows Axius Water's nutrient removal solutions in wastewater treatment.

AXIUS WATER NUTRIENT REMOVAL SOLUTIONS



Axius Water works to protect communities with treatment solutions that enable clean water. Nutrient removal impacts the ability to produce safe drinking and process water. Each piece of our technology portfolio from page 8 can be tracked to its impact on nutrient removal:

- Mechanical wastewater treatment plants (WWTPs) have the largest impact on kilograms of nutrients removed due to flows roughly 50 to 2,500 times the flow of lagoons.
- Consumables drive efficiencies in nutrient removal, and are often used by the largest mechanical plants where impact is high.
- Lagoons treat wastewater for small communities at very low flows, resulting in lower contribution to kilograms removed due to the low volumes treated. Page 18 outlines why it is critical to assist these rural communities.
- Services include opportunities to perform work to keep our customers' processes functioning, or to provide processes for treating drinking water.

AXIUS WATER TECHNOLOGY PORTFOLIO

	ATAC	EDI	EOSi	N-R	NEX	TP
Mechanical WWTPs: Aeration, Biological and Filtration	●	●		●	●	
Lagoon Aeration and Biological Treatment					●	●
Consumables			●			
Services and Other	●	●		●		

NUTRIENTS REMOVED

2020-2023 = **352.6**
MILLION KGs

KEY:

N-R: Napier-Reid
NEX: Nexom
TP: Triplepoint

All abbreviations and trademarked names are detailed in the Endnotes (page 19).

ENVIRONMENTAL PERFORMANCE (CONTINUED)

GHG Emissions

As responsible members of the communities in which we operate, we work to minimize the impact of our own operations. Mindful of the importance that our stakeholders place on climate impact, we strive to reduce GHG emissions associated with our operations.

Over the last few years, our efforts have centered on managing Scope 1 emissions (resulting from owned or controlled sources) and Scope 2 emissions (associated with purchased electricity from all sites). The majority of our Scope 1 and 2 emissions results from vehicles powered by fuel or diesel and electricity use across our sites.

In 2023, our newly implemented Climate Committee (see page 14 for more information on the Sustainability Council and subcommittees) was tasked with a few critical objectives:

1. Studying GHG emissions data from the last few years to identify opportunities for mitigation.

In 2023, Scope 1 emissions increased by 12.9%, largely attributed to the expansion of our organizational footprint, including more office space and more project sites around the globe. However, the purchase of 1,058 MWh of Renewable Energy Credits (RECs) made 100% of our electricity in North America renewable and helped to offset this increase by decreasing combined Scope 1 and 2 emissions by 32% and nearly eliminating Scope 2 emissions. In 2024, we plan to purchase U.K.-equivalent RECs or adjust the power purchase agreement for ATAC, our U.K.-based company, so these electricity purchases are designated as renewable as well.

2. Enhancing the comprehensiveness and accuracy of our reporting on Scope 3 emissions over the next few years so that we can generate baseline data

Helping Customers Reduce GHG Emissions

Made from biogenic materials, MicroC[®] supplemental carbon removes carbon dioxide (CO₂) from the atmosphere and can reduce customer Scope 1 emissions up to 80% compared to methanol.

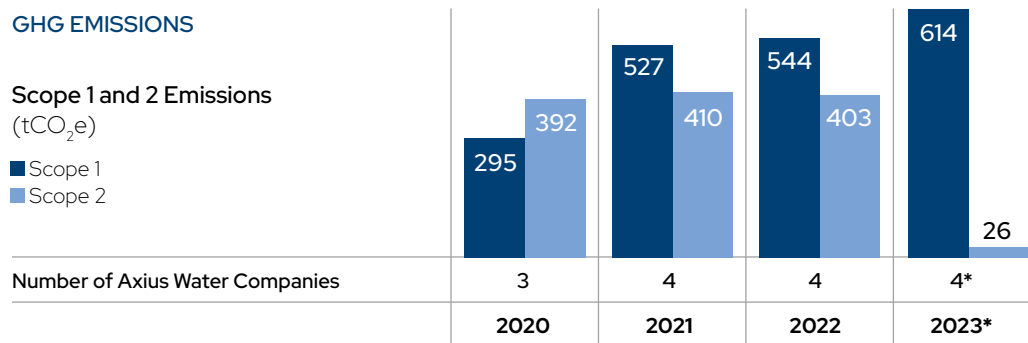
in 2025. (Scope 3 refers to emissions derived from our value chain, such as purchased goods and services, capital goods and waste.) We are actively tracking categories 11 and 12, which cover the use of our products after we sell them to customers and the eventual disposal of our products by customers.

3. Leveraging this data to create a decarbonization roadmap that will set hard targets for reducing GHG emissions and guide us forward into the future. We announced our official companywide plan of action on Earth Day 2024. The goals of this roadmap will be discussed in next year's Sustainability Overview.

GHG EMISSIONS

Scope 1 and 2 Emissions
(tCO₂e)

■ Scope 1
■ Scope 2



* As shown on the table, Scope 1 and 2 emissions data for 2023 does not include Napier-Reid and Triplepoint, as these businesses were not owned for the entire reporting period.

VALUING OUR PEOPLE

AT AXIUS WATER, nothing is more important than our people. These talented professionals interface with our customers and carry out our mission every day in a knowledgeable, safe, and environmentally conscious way. We strive to create a welcoming, as well as a safe and inclusive, workplace to attract and retain them.

Diversity

Because of our belief that a diverse workforce creates a stronger and more dynamic company, Axius Water welcomes and supports employees of all backgrounds, experiences and perspectives.

To affirm and prioritize this commitment, we have taken the following actions:

- Instituted a formal, companywide diversity policy, which has introduced consistency in our approach to this topic throughout the organization.
- Established a Diversity Committee, comprising human resources professionals from each Axius Water company, as well as any employees who volunteer their time. This committee discusses and implements initiatives to enhance diversity across the company. (See [page 14](#) for more

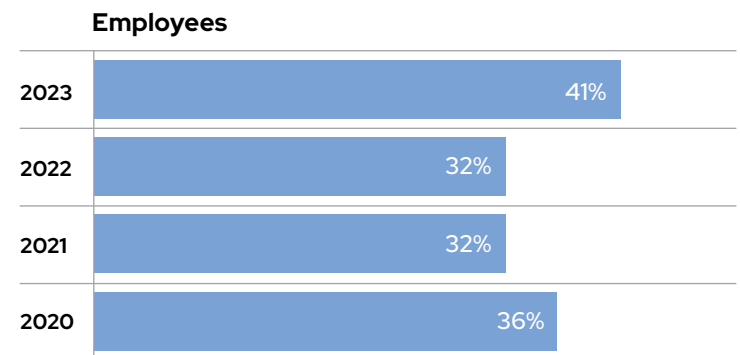
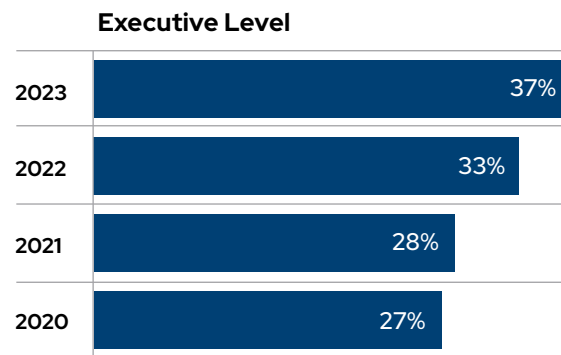
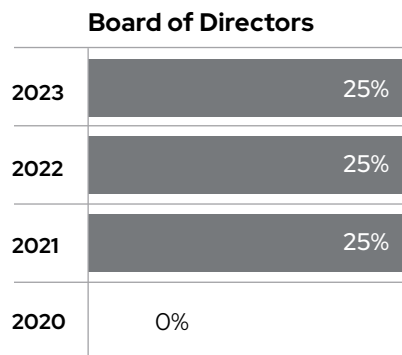
information on the Sustainability Council and subcommittees.)

- Developed e-learning modules for annual refresher courses, which are administered by a third-party educational service, to assist in identifying unintentional bias.

To promote equal opportunity during the recruitment and hiring process, Axius Water engages in outreach efforts to women, minorities and other historically underrepresented groups in our industry to foster a diverse applicant pool. We prohibit discrimination of any type.

DIVERSITY AT AXIUS WATER

(Female-Identifying Employees and Non-Caucasian Males)



EMPLOYEE ENGAGEMENT

FOR THE SECOND CONSECUTIVE YEAR, Axius Water measured employee engagement and satisfaction to better understand issues that potentially exist among our workforce, identify trends and inform the development of future engagement-enhancing strategies. During the fourth quarter of 2023, each company—with the exception of Triplepoint, which joined our platform late in the year—disseminated the online employee Net Promoter Score (eNPS) survey to the global employee population.

To calculate the eNPS, the survey prompted employees to answer two simple questions about their workplace. The first question asked employees how likely they are to recommend

Axius Water
eNPS scores rose

22%

from 2022 to 2023.

their company as a place to work on a scale of one to 10, and the second question asked them to elaborate on the reasons behind their rating. From this information, employees are classified into three categories (promoters, neutrals or

detractors). Then an overall score is generated illustrating the difference between the percentage of employees who are promoters versus the percentage who are detractors.

Leadership at each business, including members of the Diversity Committee, will follow up on the eNPS survey results by taking the top two detractor categories and compiling data, driving internal conversations and reporting back to applicable functional groups to prepare plans of action for 2024.



Napier-Reid joined
Axius Water early in 2023.
At the end of the first year,
promoters were

30%

higher
than detractors.

SAFETY PERFORMANCE

OUR RESPONSIBILITY IS TO ENABLE our valued employees to return to their families and loved ones every day in the same safe and healthy condition in which they arrived at work. At Axius Water and each of our businesses, we don't believe there is any acceptable maximum number of safety incidents annually – we strive for zero safety incidents.

To strengthen the oversight of our safety program, we created the Workforce Health and Safety Committee (see [page 14](#) for more information about the Sustainability Council and sub-committees). Membership includes safety professionals at each company, as well as any other employees who choose to volunteer, to standardize safety

policies and programs, establish best practices and carry out health and safety initiatives.

Under the guidance of the Workforce Health and Safety Committee, Axius Water has transitioned to tracking our total recordable incident rate (TRIR) as defined by the U.S. Occupational Safety and Health Administration (OSHA), on a 12-month rolling average. This action enhances our compliance with OSHA standards and will assist us in uncovering trends in our safety performance. We have also deployed a new data-collection process, and in 2023 we began using the unified ERP system to set safety targets and track compliance.

2023 SAFETY DATA

Recordable Injuries	Axius Water TRIR	Industry TRIR
7	2.23	3.1

Total Recordable Incident Rate (TRIR) for the manufacturing sector is 3.1, according to the U.S. Bureau of Labor Statistics.

We are not pleased with our safety performance this year. However, this has inspired and pushed us to take significant steps toward improvement. Going forward, our goal is to introduce more actions such as safety audits and refreshers that mitigate against incidents so that we can strive for a TRIR of 0.

2023 SAFETY PROGRAM ENHANCEMENTS

- Shifted from quarterly to monthly safety meetings to discuss recent incidents and their root causes. These meetings support proactive prevention, collaboration and knowledge sharing of important and timely safety topics.
- Conducted Daily Toolbox Talks in which personnel review their list of required safety tools for the work day along with the necessary safety precautions.
- Completed 1,353 internal safety audits, with a future goal of a minimum of eight safety audits per month at each company that has manufacturing or field crews. For businesses with office-based employees only, six safety audits per year is the minimum.
- Completed 424 refresher safety training courses, with a future goal of eight refresher courses per month at each company with manufacturing or field crews. For businesses with office-based employees only, six safety audits per year is the minimum.
- Hosted our first Global Stop and Think Event. This was an important opportunity for our CEO and general managers in each company to reiterate our commitment to safety. Following these messages, each business conducted breakout sessions by location to discuss relevant safety topics.
- Continued promoting our third party-managed anonymous hotline for employees to report concerns about unsafe working conditions.
- Hired a safety training officer beginning in 2024 to consult with our companies and further drive consistent safety practices.

SUSTAINABILITY OVERSIGHT

ONE OF OUR KEY COLLABORATIVE INITIATIVES in 2023 was the creation of the Axius Water Sustainability Council.

Axius Water established this overarching Sustainability Council to reinforce that sustainability is at the forefront of everything we do. Additionally, the Council brings more voices and direct oversight to this imperative, benefits from the vast reservoir

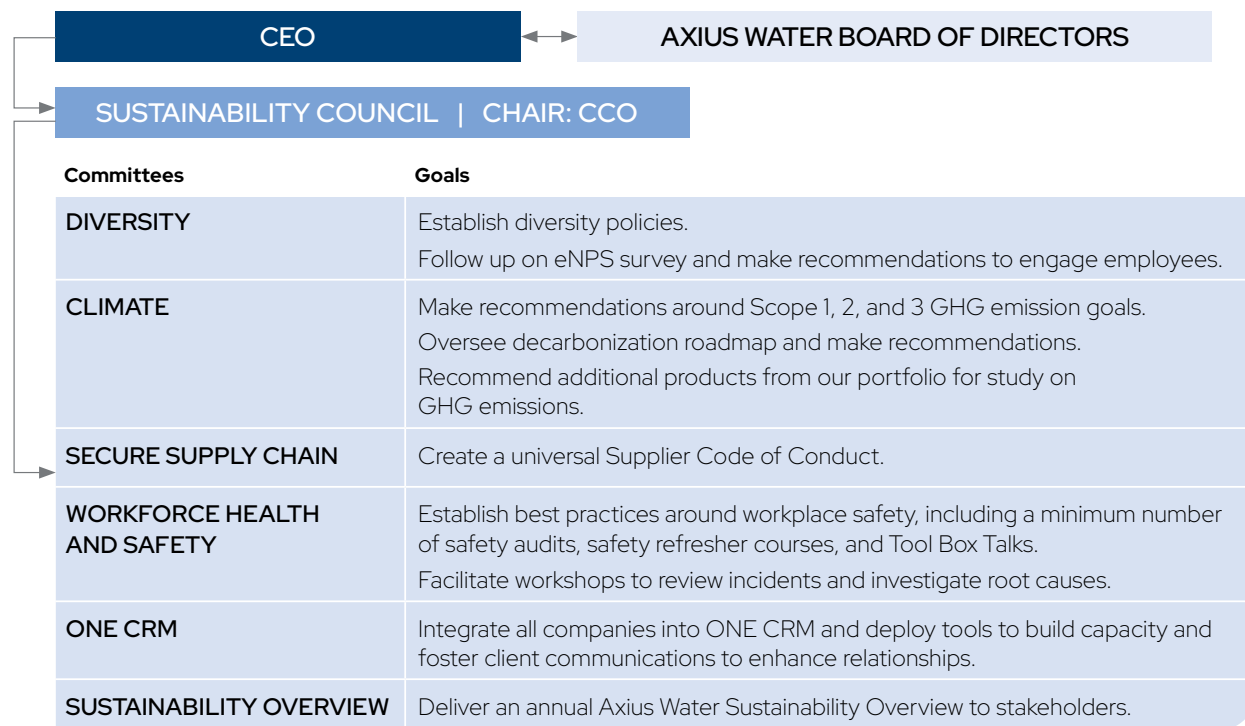
of knowledge that exists within our businesses, aggregates the investments required to support these ever-strengthening goals and enhances collaboration across the company in coordinating and managing sustainability initiatives. 2023, the first full year of operation for the Sustainability Council and its committees, was successful in that each committee addressed all its responsibilities and met all goals.

Responsibility for setting goals, reporting data and measuring progress related to our sustainability performance is required by the Axius Water Board that governs the company and rests with the chief executive officer (CEO). The Board also requires quarterly updates and annual goal-setting on sustainability topics.

The chief commercial officer (CCO) serves as the chair of the Sustainability Council. According to the Sustainability Council’s by-laws, there are six committees: Diversity Committee, Climate Committee, Secure Supply Chain Committee, Workforce Health and Safety Committee, ONE CRM Committee and Sustainability Overview Committee. Members of each committee are required to include volunteers and dedicated functional experts from each of our companies, brought together to share knowledge and tackle the many challenges of sustainability. This structure gives employees opportunities to learn more about topics they are passionate about and allows them to take the initiative in prioritizing and setting goals.

As new sustainability topics emerge, additional committees may be added. In 2024, we plan to add an R&D committee that will evaluate any potential gaps between existing technologies and customer needs, assess our products' ability to keep pace with changing regulations and identify necessary product improvements. Martin Hildebrand, recently appointed as Axius Water’s chief technology officer (CTO), will lead this work and assist in guiding this new committee.

SUSTAINABILITY COUNCIL OVERVIEW



RESPONSIBLE BUSINESS OPERATIONS

SUPPLIER MANAGEMENT

IN 2023, AXIUS WATER took key steps to improve oversight of our suppliers. We established the Secure Supply Chain Committee (see [page 14](#) for more information about our Sustainability Council and subcommittees), with members across all companies. Over the last year, the main deliverable for this committee was to create a universal Supplier Code of Conduct. This document establishes our minimum standards and expectations over how suppliers should operate

and incorporate sustainability into their own practices. Throughout 2024, we will distribute the Code to our top suppliers according to spend.

Business Resiliency and Supply Chain Continuity

Our Secure Supply Chain Committee is also instrumental in contributing to operational resilience by ensuring delivery of critical materials and

solutions despite market disruptions. Compared to 2022 when our businesses operated mainly in a defensive posture due to severe material shortages, in 2023 we shifted to more proactive supply tactics. Bolstered by continuous business growth and favorable market trends, we negotiated better volume pricing from suppliers, which lowered costs for customers. As an example, we saved end users \$1 million on plastic parts alone.

SUPPLIER VETTING PROCESS

We continue to confirm that our suppliers align with our values and are in legal compliance. As part of our vetting process, we distribute a standard, companywide supplier questionnaire. Sustainability considerations are included in the process, and evidence is sought of such aspects, including:

- Proof of insurance
- ISO certification
- Membership and/or accreditation in professional trade organizations
- Anti-slavery policy
- Environmental policies

- Environmental impact assessment
- Health and safety policy
- Safety performance and incident history
- Health and safety personnel contact information
- Pollution prevention plans
- Environmental manager contact information
- Training

Members of the Secure Supply Chain Committee are collaborating with members of the Climate Committee to add specific questions about decarbonization targets to

the supplier questionnaire. These questions will help us to better gauge prospective suppliers' commitment to emissions reduction and minimization of environmental impact.

Each supplier is thoroughly vetted and, as needed, we conduct site visits as part of the approval process.

Once suppliers are approved, we meet with our top suppliers – representing 80% of our supplier spend – quarterly to discuss market trends, pricing outlooks, potential efficiencies and opportunities for cost savings.



RISK MANAGEMENT

SENIOR LEADERS ACROSS our companies take various actions to identify, assess and manage sustainability and other risks and opportunities.

Leadership

Axius Water has been successful in attracting and retaining the right leaders to guide the company forward.

In 2023, we hired Matt Martin, General Manager for EDI, who has 13 years of direct industry experience. Matt has been instrumental in recruiting top talent to EDI, preserving the legacy that has been the essence of “aeration for life” and combining it with the good manufacturing practices learned from his robust industry experience.

Also in 2023, Anousch Mathew, Nexom General Manager, P. Eng., MBA, was tasked with applying his expertise in operational proficiency to guide the talented team at Napier-Reid, thereby bringing these two businesses closer as they begin to execute significant projects together.

This mixture of talent, leadership and respect for brand heritage is core to our success.

At the Axius Water level and among business-level leadership, **we have more than a century of combined experience in the water industry.**

Delegation of Authority

To further mitigate risk and enable sustainable business practices that empower our leaders, a companywide Delegation of Authority (DoA) has been in place since 2022 to enable fast decision-making for day-to-day operations. When exceptional cases arise, thresholds have been established at which senior-level review and approval are essential to protect businesses from accepting an excessive level of risk.

DoA is reviewed annually to ensure proper review levels are in place and that appropriate levels of corporate insurance and strategic planning are reviewed.

Data Security

Cybersecurity and data protection are among the most significant risks for companies today, especially for small- to medium-size businesses that often lack information technology (IT) support. To centralize and streamline data security efforts for all companies, the companywide IT team is responsible for data protection, integrity and reporting. Audits are performed routinely by Axius Water’s third-party cybersecurity insurance provider. We use resilient, cloud-based systems that are at much lower risk of cyberactivity and undergo periodic cybersecurity assessments.

A current major initiative is focusing on data privacy. All our companies are fully compliant with the General Data Protection Regulation (GDPR). Now, wherever possible within regions, we are standardizing our policies and practices across our companies and introducing new tools that are GDPR compliant, including our CRM, marketing automation and prospecting tools. These tools and practices prevent unauthorized collection of information on website visitors and protect the storage of this information, including clients’ financial information and credit card payments, as well as employee data that is stored in our systems.

GROWTH ENABLEMENT

COMPARED TO THE AVERAGE industry compounded annual growth rate (CAGR) of 6.7%, our newly acquired companies double or triple in size within their first two years with Axius Water—and then continue to experience much more pronounced rates of growth than their industry peers.⁴ This is owed to several growth-enabling initiatives in place to nurture their success.

100-Day Onboarding Process

Each newly acquired business undergoes an onboarding period to introduce and acclimate their organization to the resources available on our platform while preserving the culture that makes each business unique and successful. Rather than recommending disruptive changes solely for the sake of change, we instead collaborate closely with business leaders to identify improvements to organizational structure, processes and procedures to enhance sustainability and scalability.

Business Performance Reviews

All senior company leaders meet to review performance on a weekly and monthly schedule to discuss operations and progress toward common goals and key performance indicators (KPIs) around revenue and growth. These sessions provide a valuable forum for deep conversations, idea generation and knowledge sharing among experts within these businesses, many with decades of experience in the water treatment industry. Had these businesses remained as standalone

enterprises, collaborative opportunities like this would not exist. Additionally, each business engages in annual strategic planning and budgeting.

Consolidated Finance and Enterprise Resource Planning (ERP) System

In 2023, all businesses had access to our consolidated financial reporting system, thus ensuring compliance with uniform financial reporting standards and regular updates. A suitable ERP system for each business provides improved, real-time insight into financials, inventory, orders, production and scheduling data that enables leaders to make informed decisions as the business grows.

Contact Relationship Management (CRM) System

In 2023, we also introduced a unified CRM system to replace the disparate solutions used previously and to promote alignment across the organization while eliminating silos. As appropriate, our teams have seamless visibility into which businesses may be working with the same customer for the same project. Our application experts can create “project communities” to collaborate during the engineering development phase, build single cohesive proposals, conduct intercompany order fulfillment, and share notes and critical deadlines for specific actioning. Leveraging this unified CRM system allows one business to include the products and service capabilities of other businesses in developing relationships with customers, while giving customers a simplified, more efficient

TWO-YEAR TOP-LINE GROWTH

ATAC	133%
------	------

ONE-YEAR TOP-LINE GROWTH

Napier-Reid	162%
-------------	------

experience. This factor had a major impact on Napier-Reid’s growth in its first year as an Axius Water business.

Additionally, the unified CRM system includes digital marketing automation tools that offer greater visibility into customer engagement activities for a more coordinated communication strategy with customers.

Additional Tools and Resources

- A comprehensive business insurance package that includes umbrella liability and cybersecurity insurance.
- An in-house legal and contract administrator, plus a long-established relationship with an outside counsel firm.
- A centralized treasury function and credit facility to secure competitive interest rates and available credit, as well as the ability to fund short-term cash flow needs internally.

COMMUNITY ENGAGEMENT

How we are helping small, rural communities stop nutrient pollution

The EPA and Axius Water share this mission: to improve public health and clean waterway protections for small, rural communities that rely on lagoon wastewater treatment.

Approximately 46 million people, or 14% of the U.S. population, live in small, rural communities that rely on low-cost, low-flow wastewater treatment—primarily lagoon systems.⁵ These communities often are among the lowest-income populations in the U.S.

Of 4,657 discharging lagoons, 2,619 release excessive nutrients into waterways, putting these



vulnerable communities at risk. The majority of these lagoons are concentrated in areas where colder temperatures can impede nutrient removal. Many lagoon systems are also aging and have not been upgraded with equipment that allows them to meet or exceed current or future regulations. Not many cost-effective options exist that make it feasible for smaller communities to own or operate this critical infrastructure.⁵

In recognition of the fact that lagoons play a critical role in wastewater treatment, the EPA has created the Lagoon Task Force to spread awareness of lagoon systems and advance nutrient-removal technologies. Axius Water and our companies are proud to collaborate with the EPA in promoting better understanding of lagoons. Recently, representatives from Nexom participated in lectures for the Lagoon Task Force to share their extensive R&D on lagoon processes, along with success stories from many product implementations for lagoons that have benefited indigenous First Nations communities in Canada.

Improving wastewater treatment for underserved communities is an increasingly important part of our portfolio. In 2023, we added Triplepoint, a company that helps underserved communities upgrade their lagoon systems while enabling reduced maintenance and energy cost savings. Triplepoint sells solutions that rid lagoons of

“Small towns are the heart of America. If we can help them have lagoon systems that can be operated at a lower cost and with less maintenance, we’re helping to maintain the viability of these communities.”

Patrick Hill, Co-Founder, Triplepoint

unwanted nutrients—all of which can be retrofitted into an existing lagoon without taking the system offline to promote ease of maintenance.

To address the lack of information about lagoon systems that persists, Triplepoint’s Lagooniversity™ is an online training platform that:

- Delivers a comprehensive Lagoon Master Class, a 12- to 15-module certification program covering every aspect of lagoon systems from design to operation, to engineers and lagoon operators in need of professional development hours and continuing education units.
- Provides a deeper understanding of lagoon systems and processes, enabling more effective water management.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this presentation contains “forward-looking information” about Axius Water (“the Company”).

Except for statements of historical fact, the information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) the expected development of the Company’s business, projects, and joint ventures; (iii) execution of the Company’s vision and growth strategy, including with respect to future M&A activity and global growth; (iv) completion of the Company’s projects that are currently underway, in development or otherwise under consideration; and (v) renewal of the Company’s current customer, supplier, and other material agreements. Forward-looking statements are provided to allow potential investors the opportunity to understand management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

These statements are not guarantees of future performance, and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual

results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

ENDNOTES

Endnote 1, Page 5: https://www.epa.gov/sites/default/files/2017-12/documents/305brtc_finalowow_08302017.pdf

Endnote 2, Page 9:

SAF – Submerged Aerated Filter

SBR – Sequencing Batch Reactor

RBC – Rotating Biological Contactor

MBBR – Moving Bed Biofilm Reactor

IFAS – Integrated Fixed Film Activated Sludge

SAGR is a proprietary process owned by Nexom that uses a gravel substrate to optimize the conditions for removing nutrients from a lagoon in order to meet current and future regulations

NitrOx is a proprietary process owned by Triplepoint that upgrades an existing lagoon to meet a total nitrogen or nitrate requirement

DAF – Dissolved Air Flotation

Bio-P – Biological Phosphorus Elimination

Endnote 3, Page 9: 2020 Sustainability Overview was re-issued June 2024 to correct a reporting error.

Endnote 4, Page 17: The compounded annual growth rate for utility wastewater treatment over the next 5 years is 6.7% (Thales Consulting Report).

Endnote 5, Page 18: <https://www.ers.usda.gov/webdocs/publications/102576/eib-230.pdf>
https://www.epa.gov/system/files/documents/2022-10/Lagoon%20Action_Plan_FINAL.pdf

TRADEMARKS

Trademarks of Axius Water and its companies:

Axius Water® and design are registered trademarks in the U.S. (pending), U.K. and E.U.

ATAC™ and **ATAC Solutions**™ are pending registered trademarks in the U.K.

EDI® is a registered trademark in the U.S., U.K., E.U., India and China.

EDI design is registered in the U.S., India and China.

Environmental Dynamics International® is a registered trademark in the U.S. and India.

EOSi™ and **Environmental Operating Solutions**™ are pending registered trademarks in the U.S.

MicroC® is an EOSi registered trademark in the U.S.

Napier-Reid® is a registered trademark in the U.S. and Canada.

Nexom® and design (pending) are registered trademarks in the U.S. and Canada.

SAGR® and design are Nexom registered trademarks in the U.S. and Canada.


Triplepoint® and design (pending) are registered trademarks in the U.S.

NitrOx® is a Triplepoint registered trademark in the U.S.

Lagooniversity™ is a Triplepoint pending registered trademark in the U.S.

Axius Water

53 Portside Drive
Pocasset, MA 02559
United States
axiuswater.com

 [/company/axius-water/](https://www.linkedin.com/company/axius-water/)

COMPANY HEADQUARTERS

ATAC Solutions Ltd.

Unit A9, LOC8 Business Park
Ashford Road, Hollingbourne,
Maidstone
ME17 1WR
United Kingdom

EDI (Environmental Dynamics International)

5601 Paris Road
Columbia, MO 65202
United States

EOSi (Environmental Operating Solutions, Inc.)

53 Portside Drive
Pocasset, MA 02559
United States

Napier-Reid

95 Mary Street
Aurora, ON
Canada L4G 1G3

Nexom

5 Burks Way
Winnipeg, MB
Canada R5T 0C9

Triplepoint

6586 S. Kenton Street
Centennial, CO 80111
United States

© 2025 Axius Water, Inc. 1/25 Rev. A