American Water Works

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
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FINAL
Submitted 09/16/2025, 09:29 am

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:
☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:
☑ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:
☑ Publicly traded organization

(1.3.3) Description of organization

American Water is the largest regulated water and wastewater utility company in the United States. With a history dating back to 1886, We Keep Life Flowing by providing safe, clean, reliable and affordable drinking water and wastewater services to more than 14 million people with regulated operations in 14 states and on 18 military installations. American Water's 6,700 talented professionals leverage their significant expertise and the Company's national size and scale to achieve excellent outcomes for the benefit of customers, employees, investors and other stakeholders. The Company conducts almost all its business through regulated utilities that provide water and wastewater services, collectively presented as the "Regulated Business." This primary business involves the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service and sale for resale customers. The operations of the Company's Regulated Businesses are generally subject to regulation by public utility commissions (PUCs) in the states in which they operate, with the primary responsibility of the PUCs being the promotion of the overall public interest by balancing the interest of customers and utility investors. Specific authority might differ from state to state, but in most states, PUCs review and approve rates charged to customers, accounting treatments, long-term financing programs and cost of capital, operation and maintenance expenses, capital expenditures, taxes, affiliated transactions and relationships, reorganizations, mergers and acquisitions, and dispositions, along with imposing certain penalties or granting certain incentives. American Water tracks greenhouse gas (GHG) emissions related to its Regulated Business; responses in this report apply accordingly. In addition, the Company operates other regulated-like businesses that provide complementary water and wastewater services to municipalities and the U.S. government on military installations that own their utility systems. Energy and emissions data related to those businesses are outside the scope of this report. The Company maintains an industry-leading research and development ("R&D") program that is designed to enhance

its services, support its compliance activities, improve service quality and operational effectiveness, and provide environmental leadership. For more than four decades from its inception, American Water's R&D program has evolved into an industry-leading effort and has achieved numerous advancements in the science of drinking water, wastewater, and desalination. The Company continues to leverage its expertise and collaborates with the EPA and state agencies to help establish effective environmental, health and safety, and water quality standards and regulations. This relationship includes sharing of the Company's research, such as its treatment and distribution system optimization research and its national water quality monitoring data. The Company's engagement with the EPA provides it with early insight into emerging regulatory issues and initiatives, thereby allowing the Company to anticipate and to accommodate its future compliance requirements. The Company also frequently engages with the Centers for Disease Control and Prevention, other state environmental agencies, and national and international water research foundations. The Company believes that continued R&D activities are critical for providing safe, clean, reliable and affordable services, as well as maintaining its leadership position in the industry, which provides the Company with a competitive advantage as it seeks business and operational growth.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/31/2024	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

4296000000

(1.5) Provide details on your reporting boundary.

(1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

Select from:
☑ No

(1.5.2) How does your reporting boundary differ to that used in your financial statement?

As stated in its Annual Report on Form 10-K (Annual Report), the Company conducts the majority of its business (approximately 92% of total operating revenue) through regulated utilities that provide water and wastewater services, collectively presented as one reportable segment, referred to as the "Regulated Businesses." The Company also operates other businesses that provide water and wastewater services to the U.S. government on military installations, as well as municipalities. Individually, these other businesses do not meet the criteria of a reportable segment in accordance with generally accepted accounting principles in the United States ("GAAP") and are collectively presented throughout the Annual Report within "Other," which is consistent with how management assesses the results of these businesses. While the Annual Report provides financial performance data for both the Regulated Businesses and Other, the Company's GHG reporting boundary only includes the Regulated Businesses. The annual revenue figure cited above in response to question 1.4.1 is the operating revenue for the Regulated Businesses for 2024.
[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

US0304201033

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

030420103

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

AWK

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ United States of America

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	Select from: ☑ No, this is confidential data	*American Water maintains geolocation for its facilities within internal systems, but does not disclose this information in the aggregate.*

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

American Water collects information from suppliers and customers from various sources to gain visibility into its upstream and downstream value chains. American Water's supplied goods, services, capital goods, wholesale purchased water, and fuel and energy related activities are gathered from its contracts, purchase orders, and invoices. For some specific capital goods, the upstream transportation for our Tier 1 suppliers is available for our mapping process. Prequalification surveys, third party questionnaires, assessments, and our supplier relationship management and supplier diversity programs provide additional insights not only for our Tier 1 suppliers but also for several Tier 2. Through American Water's customer connections, we have information for our downstream value chain mapping process for our Tier 1 customers.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Value chain stages covered in mapping
	Select from: ☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain	*Select all that apply* ☑ Direct operations ☑ Upstream value chain

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

American Water tracks, monitors, and studies extreme weather events on an on-going basis and routinely takes action in this area to provide safe, reliable, and consistent water and wastewater services to our customers. In addition, we are also active in conservation activities with our customers, with an eye on the potential impact related changes in water supply and usage will have on our operations. We commit to invest approximately $3.3 billion in 2025 for infrastructure improvements and growth from acquisitions.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

American Water plans to invest between $15.5 billion and $16 billion over the next 5 years (2025-2029) in capital investments for infrastructure improvements within our regulated systems. In our disclosed 10-year plan (2025-2034), we project nearly 70% of the Company's regulated system investment is dedicated to infrastructure renewal, 10% is allocated to resiliency, and the balance is invested in water quality, operational efficiency, system expansion, and other categories. American Water reviews and updates, as needed, its System Master (Comprehensive) Plans for our water and wastewater systems at approximately 5-year intervals and undertakes various other specific engineering studies and inspections.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

50

(2.1.4) How this time horizon is linked to strategic and/or financial planning

As part of the Comprehensive Planning work, American Water develops System Master Plans for its water and wastewater systems that include an assessment of longer term climate-related impacts such as drought and flooding recurrence intervals, increasing storm intensity and related grid power outages, and the impact of heat/cold weather patterns on critical assets and water use. Where significant impact from climate-related droughts, flooding, sea level rise or natural disasters drive major capital improvement upgrade projects, the risks will be evaluated on a longer time period such as 25-50 years. The Company plans to invest between $36 billion and $37 billion over the next 10 years (2025-2034) for infrastructure improvements and replacements within its Regulated Businesses.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

Other

☑ Desk-based research

☑ Internal company methods

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought
☑ Tornado
☑ Wildfires
☑ Cold wave/frost
☑ Cyclones, hurricanes, typhoons
☑ Heavy precipitation (rain, hail, snow/ice)
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Water stress
☑ Sea level rise
☑ Temperature variability
☑ Water quality at a basin/catchment level
☑ Precipitation or hydrological variability
☑ Increased severity of extreme weather events
☑ Water availability at a basin/catchment level
☑ Changing temperature (air, freshwater, marine water)
☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

☑ Changes to national legislation

Market

☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior

Reputation

☑ Impact on human health

Technology

☑ Other technology, please specify :Treatment for contaminants of emerging concern

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

Understanding, tracking and responding to the enterprise and local impacts of climate-related risks and opportunities are critical to implementing targeted adaptation and mitigation plans that will bolster climate resiliency, efficient operations, and GHG emissions reductions. The Company has an Enterprise Risk Management (ERM) process which includes an Asset Risk Assessment and Management process focused on the Company's assessment and tracking of the highest potential risks. The asset risk register is compiled at an individual state level and rolled up into a corporate view. State asset risk registers are used to manage actions to mitigate potential risks to service and environmental compliance. Mitigation of potential asset risks is through the Capital Improvement Program and refinements to emergency response and business continuity plans. Our Board of Directors' Safety, Environmental, Technology and Operations (SETO) Committee receives, reviews and discusses with executive management quarterly briefings on risks from natural hazards, such as drought and loss of supply due to extreme weather events and natural disasters. The SETO Committee monitors and reviews operational risk exposure, mitigation strategies and processes for assessing business continuity risks, including asset hardening, resiliency and contingency plans. Our management team and its ERM Committee raise risks to the Audit, Finance and Risk Committee and the Board. Substantive financial risk is defined as anything $50 million or more. Such risk is elevated to the ERM Committee and managed using a heat map that defines risk by financial consequence and event likelihood. Three categories of substantive financial consequence are (1-Manageable) less than $50 million, (2-Major) $50 million - $100 million, and (3-Critical) greater than $100 million. Climate-related risks are evaluated as stand-alone risks, such as drought impacts on water supplies, and as cross cutting risks where non-climate-related risks, such as aging infrastructure, in combination with climate-related risks, such as flooding or increase threat of power outages, may amplify overall risk likelihood. Cross cutting risks may drive capital project investment decisions especially for facilities that have an expected service life of 25 or more years.

Row 2

(2.2.2.1) Environmental issue

Select all that apply
☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Enterprise Risk Management

☑ Internal company methods

Other

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought
☑ Tornado
☑ Wildfires
☑ Cold wave/frost
☑ Cyclones, hurricanes, typhoons
☑ Heavy precipitation (rain, hail, snow/ice)
☑ Flood (coastal, fluvial, pluvial, ground water)
☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Water stress
☑ Sea level rise
☑ Groundwater depletion
☑ Declining water quality
☑ Temperature variability
☑ Increased levels of environmental pollutants in freshwater bodies
☑ Water quality at a basin/catchment level
☑ Precipitation or hydrological variability
☑ Increased severity of extreme weather events
☑ Water availability at a basin/catchment level
☑ Changing temperature (air, freshwater, marine water)

Policy

☑ Changes to national legislation

Market

☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior

Reputation

☑ Impact on human health

Technology

☑ Other technology, please specify :Treatment for contaminants of emerging concern

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Understanding, tracking and responding to the enterprise and local impacts of climate-related risks and opportunities are critical to implementing targeted adaptation and mitigation plans that will bolster climate resiliency, efficient operations, and GHG emissions reductions. The Company has an Enterprise Risk Management (ERM) process which includes an Asset Risk Assessment and Management process focused on the Company's assessment and tracking of the highest potential risks. The asset risk register is compiled at an individual state level and rolled up into a corporate view. State asset risk registers are used to manage actions to mitigate potential risks to service and environmental compliance. Mitigation of potential asset risks is through the Capital Improvement Program and refinements to emergency response and business continuity plans. Our Board of Directors' Safety, Environmental, Technology and Operations (SETO) Committee receives, reviews and discusses with executive management quarterly briefings on risks from natural hazards, such as drought and loss of supply due to extreme weather events and natural disasters. The SETO Committee monitors and reviews operational risk exposure, mitigation strategies and processes for assessing business continuity risks, including asset hardening, resiliency and contingency plans. Our management team and its ERM Committee raise risks to the Audit, Finance and Risk Committee and the Board. Substantive financial risk is defined as anything $50 million or more. Such risk is elevated to the ERM Committee and managed using a heat map that defines risk by financial consequence and event likelihood. Three categories of substantive financial consequence are (1-Manageable) less than $50 million, (2-Major) $50 million - $100 million, and (3-Critical) greater than $100 million. Climate-related risks are evaluated as stand-alone risks, such as drought impacts on water supplies, and as cross cutting risks where non-climate-related risks, such as aging infrastructure, in combination with climate-related risks, such as flooding or increase threat of power outages, may amplify overall risk likelihood. Cross cutting risks may drive capital project investment decisions especially for facilities that have an expected service life of 25 or more years.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

As an industry-leader in providing safe, clean, affordable and reliable water and wastewater services, we seek to maintain the infrastructure needed to provide those services. By making prudent investments that support water and wastewater infrastructure reliability and resiliency, American Water contributes to the economic security and viability of the communities in which we operate. We consider the condition, performance, and criticality of existing infrastructure when prioritizing capital investments, with the goal of investing in infrastructure that represents the highest risk if it were to fail. We seek to provide all customers across our footprint with safe and reliable water and wastewater infrastructure. American Water strives to balance infrastructure needs with water and wastewater affordability by consistently making infrastructure investments that will reduce significant risks and increase benefits to our customers. Our comprehensive planning process is a long-term, risk-based approach that evaluates the capacity, condition and performance of our water and wastewater systems. We conduct numerous comprehensive planning studies (CPS) and asset management plans annually, and we evaluate systems on a rotating basis by priority, resulting in a targeted capital improvement plan for each system.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas important for biodiversity

☑ Areas of limited water availability, flooding, and/or poor quality of water

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

American Water's Comprehensive Planning Study process assesses water availability, flooding potential and quality of natural waters for our water systems and the performance of wastewater treatment plants and the quality of receiving streams for our wastewater systems. American Water utilizes the USEPA tools such as the EnviroAtlas, to assess select Ecosystems and Biodiversity topics such as groundwater recharge, water use, wetlands and the ecological integrity of watersheds. We use NOAA and FEMA mapping to identify and assess flooding potential. In addition, we work with state environmental regulators during the permit renewal processes for water supply withdrawals and wastewater treatment plant effluent discharges. We measure water withdrawals on daily, monthly and annual basis for our water systems.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Capital expenditures

(2.4.3) Change to indicator

Select from:

☑ Absolute increase

(2.4.5) Absolute increase/ decrease figure

50000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Substantive financial risk is defined as a potential cost to the business of $50 million or more. Such risk is elevated to the Enterprise Risk Management Committee and managed using a heat map that defines risk by financial consequence and event likelihood. Three categories of substantive financial consequence are (1-Manageable) 0 – < $50 million, (2-Major) $50 – $100 million, and (3-Critical) >$100 million. Climate-related risks are evaluated as stand-alone, such as drought impacts on water supplies, and as cross cutting risks, defined as where non-climate-related risks, such as aging infrastructure, in combination with climate-related risks, such as flooding or increase threat of power outages, may amplify overall risk likelihood. Cross cutting risks may drive capital project investment decisions especially for facilities that have an expected service life of 25 or more years.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

American Water's Asset Investment Strategy provides guidance related to the prioritization of investment within its capital program. This strategy outlines criteria for identifying and prioritizing projects to improve operational efficiency and resiliency. These criteria support the identification of opportunity projects during the comprehensive planning study process. In the future, American Water may refine this process through the development of an Opportunity Matrix. This will improve consistency of opportunity documentation and prioritization with the process for risk identification and prioritization.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Maintaining water quality is necessary for the health and safety of our customers and communities and is the foundation of our business. American Water is subject to federal and state regulations governing the protection of the environment, health and safety and the provision of water and wastewater services, including those under the Safe Drinking Water Act, the Reduction of Lead in Drinking Water Act, the Clean Water Act, the Clean Air Act and other laws. We maintain an environmental program that includes responsible business practices focused on compliance with environmental laws and regulations and the effective use of natural resources. Our R&D program includes in-house scientific and engineering experts who routinely interact with and maintain constructive relationships with external governmental, industry and environmental groups, including the U.S. EPA, CDC, American Water Works Association (AWWA), the American Public Health Association and the Water Environment Federation. Water contaminants of emerging concern include numerous substances such as PFAS, microplastics, cyanotoxins, taste and odor causing compounds, pesticides, pharmaceuticals, personal care products, and industrial chemicals, as well as certain naturally occurring microbes such as bacteria, viruses and parasites that have been detected in drinking water supplies. To help protect our customers and the public, we research the effects of contaminants on water supplies, increase public awareness of emerging contaminants and leverage innovative technology to effectively manage water quality. We perform millions of water quality tests a year to monitor and control microbial, chemical and radiological contaminants. Upstream pollution sources such

as industrial discharges, chemical spills, urban storm water runoff and algal blooms can increase the risk of contamination, which can affect public health and the environment. We regularly test water samples across our footprint and use sensors to monitor our source waters for changes in water quality. We partner with local entities, including river basin commissions and community groups, to help protect watersheds. Our partnerships and other engagements with local stakeholders can help provide early warnings of impacts to water supplies, including contamination. At the national level, we collaborate with several organizations that work to promote water supply resilience through legislation, industry collaboration and research.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:
☑ Other synthetic organic compounds

(2.5.1.2) Description of water pollutant and potential impacts

Per- and Polyfluoroalkyl Substances (PFAS) According to the US EPA, PFAS are widely used, long lasting chemicals, components of which break down very slowly over time. Because of their widespread use and their persistence in the environment, many PFAS are found in the blood of people and animals all over the world and are present at low levels in a variety of food products and in the environment. PFAS are found in water, air, fish, and soil at locations across the nation and the globe. Scientific studies have shown that exposure to some PFAS in the environment may be linked to harmful health effects in humans and animals.

(2.5.1.3) Value chain stage

Select all that apply
☑ Direct operations
☑ Upstream value chain
☑ Downstream value chain

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

American Water takes the quality of its water very seriously and meets or surpasses all state and federal water quality standards, including for PFAS. We agree with the EPA that public health is paramount and, as always, will comply with all Federal and state standards regarding PFAS. American Water has extensive experience in designing and installing treatment for groundwater and surface water, including treatment for PFAS that allows us to meet all standards.

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Lead in Drinking Water The Safe Drinking Water Act requires the US EPA to determine the level of contaminants in drinking water at which no adverse health effects are likely to occur with an adequate margin of safety. The EPA has set the maximum contaminant level goal for lead in drinking water at zero because lead is a toxic metal that can be harmful to human health even at low exposure levels. Lead is a toxic metal that is persistent in the environment and can accumulate in the body over time. The accumulation of lead can affect almost every organ and system in the human body. The Reduction of Lead in Drinking Water Act covers the use and introduction into commerce of lead pipes, plumbing fittings for fixtures, solder and flux. While these advances have made an impact in reducing lead exposure in drinking water, legacy lead plumbing materials, primarily in building plumbing, still remain in many communities.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

American Water works diligently with local communities, customers and organizations to reduce the potential health risks of lead exposure from drinking water. The U.S. EPA recommends replacing the entire lead service lines at one time regardless of whether lead is found on the Company or customer portion of the service line and we align our approach with this recommendation. Additionally, we collaborate with national public health, water utility, environmental, labor, consumer, housing and governmental organizations through the Lead Service Line (LSL) Replacement Collaborative to accelerate the full removal of lead pipes that deliver drinking water to American homes. In 2024, American Water replaced nearly 17,000 lead/galvanized service lines across our footprint, nearly doubling replacement efforts year over year. Annually, we invest hundreds of millions of dollars in upgrading our water systems to support our continued provision of safe and reliable water service to our customers.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.3) Please explain

We are committed to excellent water quality and maintaining our history of complying with, in many cases, achieving results beyond minimum standards required by applicable laws and regulations. Microplastics are one of the water contaminants of emerging concern, but they are not currently regulated under the Safe Drinking Water Act. American Water is subject to federal and state regulations governing the protection of the environment, health and safety and the provision of water and wastewater services, including those under the Safe Drinking Water Act, the Reduction of Lead in Drinking Water Act, the Clean Water Act, the Clean Air Act and other laws. The Company maintains an environmental program that includes responsible business practices focused on compliance with environmental laws and

regulations and the effective use of natural resources. Our research and development program includes in-house scientific and engineering experts who routinely interact with and maintain constructive relationships with external governmental, industry and environmental groups, including the U.S. EPA, CDC, American Water Works Association (AWWA), the American Public Health Association and the Water Environment Federation.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical
☑ Increased severity of extreme weather events

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ United States of America

(3.1.1.9) Organization-specific description of risk

Severe weather and natural hazard events can impact direct operations and have the potential to cause service interruptions, reduced service levels and damage to operating assets. Climate variability predictions from NOAAs US Climate Resilience Toolkit, if realized, will increase the likelihood of an operational impact and may require additional investments to further enhance resiliency. Potential challenges to our water and wastewater utilities are being monitored and assessed during our Comprehensive Planning process including: Changing precipitation patterns in a majority of service areas in midwest, mid-Atlantic and southeast states and CA., sea level rise impacting service areas in Atlantic and Pacific coastal areas (NJ, VA, CA), and increasing heat waves and extreme freezing events in a majority of service areas in midwest, mid-Atlantic, southeast, and CA. The associated impacts to direct operations from these challenges may vary by region and include the following: More frequent voluntary or mandatory water use restrictions to manage available water supplies during extreme heat waves, increased duration of droughts could diminish the quality of raw water in surface water supplies resulting in increased treatment costs, extended disruptions of the power grid which may disrupt water or wastewater service and require increased use of standby generators, and high intensity precipitation events may negatively impact our source waters.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

☑ The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

In 2024, we invested $2.8 billion in the Regulated Businesses, for infrastructure improvements and replacements. Infrastructure investments can include treatment plants, storage tanks and other critical facilities and assets. The Company continues to invest significantly in resiliency projects to address the impacts of climate and weather variability by hardening its assets.

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Severe weather conditions, climate variability, or natural disasters have the potential to damage American Water equipment and facilities, which could adversely affect our financial condition and operations. Climate-related risks may impact American Water's financial position through direct costs (e.g., site flooding) or indirect costs (e.g., asset hardening). Regardless of the nature of the impact, climate-related financial impacts may influence capital investment strategy, planning, and allocation.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

2800000000

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

0

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

330000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

330000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

1600000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

1600000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

3700000000

(3.1.1.25) Explanation of financial effect figure

The Company expects to invest approximately $3.3 billion in the Regulated Businesses for infrastructure improvements and growth from acquisitions in 2025. According to our 10 year plan covering the years 2025-2034, we estimate that approximately 10% of that capital investment will be dedicated to increasing the resiliency of our assets. For the short-term, we estimate approximately $330 million will be allocated to resiliency-related infrastructure improvements. The Company expects to invest between $15.5 billion to $16 billion over the next five years (2025-2029) for infrastructure improvements and replacements. If we apply the same estimate of 10% dedicated to increasing the resiliency of our assets, we expect to allocate up to approximately $1.6 billion over the next 5 years (2025-2029). The Company expects to invest between $36 billion to $37 billion over the next ten years (2025-2034) for infrastructure improvements and replacements. If we apply the same estimate of 10% dedicated to increasing the resiliency of our assets, we expect to allocate up to approximately $3.7 billion over the next 10 years (2025-2034).

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Capital Program Planning

(3.1.1.27) Cost of response to risk

3700000000

(3.1.1.28) Explanation of cost calculation

*American Water expects to invest $36 billion to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 10% of this capital investment will be allocated for resiliency, including the mitigation of physical climate risks. It is expected that up to approximately $3.7 billion ($37 billion * 10%) will be allocated to resiliency over the next 10 years (2025-2034).*

(3.1.1.29) Description of response

This response only includes estimated resiliency investments, which include investments to mitigate physical climate risks. The Company's capital investment in treatment plants, storage tanks and other critical facilities and assets is expected to increase, further seeking to address infrastructure renewal, resiliency, water quality, operational efficiency, technology and innovation, and emerging regulatory compliance needs. The Company continues to invest significantly in resiliency projects to address the impacts of climate and weather variability by hardening its assets. Examples of recent resiliency projects include the replacement of an intake station at a water treatment plant in St. Louis County, Missouri; improvements to a raw water main in Luzerne County, Pennsylvania; and completion of an elevated water storage tank in Hopewell, Virginia. These and other resiliency projects aim to mitigate impacts from future flood events, improve reliability of our critical assets, and reduce energy costs to pump water by increasing water storage capacity.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify :Various river basins - we operate in 14 states.

(3.1.1.9) Organization-specific description of risk

Our operations and the quality of water we supply are subject to extensive and increasingly stringent environmental, water quality and health and safety laws and regulations, including with respect to contaminants of emerging concern, compliance with which could impact both our operating costs and capital expenditures, and violations of which could subject us to substantial liabilities and costs, as well as damage to our reputation. These requirements include, among others, CERCLA, the Clean Water Act, the Safe Drinking Water Act, the LCR (as amended), and each of their implementing rules and regulations, as well as other federal and state requirements. PUCs and environmental regulators set conditions and standards for the water and wastewater services we deliver. We are also required to obtain various environmental permits from regulatory agencies for our operations. If the water or wastewater services we provide to our customers do not comply with regulatory standards, or otherwise violate environmental laws, regulations or permits, or other health and safety and water quality regulations, we could incur substantial fines, penalties or other sanctions or costs, as well as damage to our reputation, as a result of governmental proceedings and private litigation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased compliance costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

We incur substantial operating and capital costs on an ongoing basis to comply with environmental, water quality and health and safety laws and regulations. These laws and regulations and their enforcement, have become more stringent over time, and new or stricter requirements, such as the final EPA drinking water regulations for PFAS, the LCRR and the recently implemented LCRI, are expected to increase our costs. For example, the designation of PFOA and PFOS as hazardous substances under CERCLA may impact our ability to dispose of material used to treat impacted systems and may increase our costs as a result. Although we may seek to recover ongoing compliance costs in our Regulated Businesses through customer rates, and certain jurisdictions in which our Regulated Businesses operate have passed laws authorizing recovery of such costs, there can be no guarantee that the various other regulatory PUCs or similar regulatory bodies that govern our Regulated Businesses would approve rate increases that would enable us to recover such costs or that such costs will not materially and adversely affect our financial condition, results of operations, cash flows and liquidity. We may also incur liabilities if, under environmental laws and regulations, we are required to investigate and clean up environmental contamination, including potential releases of certain hazardous chemicals, which are used in our treatment processes, or at off-site locations where we have disposed of residual waste or caused an adverse environmental impact. The discovery of previously unknown conditions, or the imposition of cleanup obligations in the future, including those obligations related to the disposal of PFAS residuals and other waste, could result in significant costs and could adversely affect our financial condition, results of operations, cash flows and liquidity. Such remediation costs may not be covered by insurance and may make it difficult for us to secure insurance at acceptable rates in the future.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

0

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

50000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

50000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

1000000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

1000000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

2960000000

(3.1.1.25) Explanation of financial effect figure

The Company estimates an investment of approximately $1 billion of capital expenditures to install additional PFAS treatment facilities in order to comply with EPA regulations by April 2029. Additionally, the Company estimates that it will incur annual operating expenses of up to approximately $50 million related to testing and treatment, with the majority of the operating expenses beginning near the April 2029 compliance deadline. The actual level of capital investment and expenses may differ from these estimates and will be dependent upon market dynamics upon implementation of solutions to comply with the NPDWR for PFAS. American Water expects to invest between $15.5 billion to $16 billion over the next five years (2025-2029), and between $36 billion to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 8% of the expected capital investment for infrastructure improvements in its Regulated Businesses over the next ten years (2025-2034) will be allocated water quality, which includes capital expenditures related to PFAS.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Installation of additional PFAS treatment facilities and testing and treatment improvements

(3.1.1.27) Cost of response to risk

2960000000

(3.1.1.28) Explanation of cost calculation

*American Water expects to invest $36 billion to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 8% of this capital investment will be allocated to water quality, which includes capital expenditures related to PFAS. It is expected that up to approximately $2.96 billion ($37 billion * 8%) will be allocated to water quality over the next 10 years (2025-2034).*

(3.1.1.29) Description of response

This response only includes estimated costs for PFAS as currently regulated by the EPA. The actual level of capital investment and expenses may differ from these estimates and will be dependent upon market dynamics upon implementation of solutions to comply with the NPDWR for PFAS.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ CAPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

3700000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ 100%

(3.1.2.6) Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue

280000000

(3.1.2.7) Explanation of financial figures

*American Water expects to invest $36 billion to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 10% of this capital investment will be allocated for resiliency, including the mitigation of physical climate risks. Based on these forward-looking estimates, it is assumed that approximately $3.7 billion ($37 billion * 10%) will be allocated to resiliency over the next 10 years (2025-2034). Approximately $280 million in capital investment was allocated to resiliency in 2024. The $280 million figure is based on the total capital investment in the Regulated Businesses for infrastructure improvements in 2024 ($2.8 billion) and a resiliency allocation of 10%. This response only includes estimated resiliency investments, which include investments to mitigate physical climate risks. Costs related to climate transition risks are summarized below in the response to question 3.6.2.*

Water

(3.1.2.1) Financial metric

Select from:

☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

50000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ 100%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

American Water expects to invest $36 billion to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 8% of this capital investment will be allocated to water quality, which includes capital expenditures related to PFAS. Additionally, the Company estimates that it will incur annual operating expenses of up to approximately $50 million related to testing and treatment, with the majority of the operating expenses beginning near the April 2029 compliance deadline. The actual level of capital investment and expenses may differ from these estimates and will be dependent upon market dynamics upon implementation of solutions to comply with the NPDWR for PFAS.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

United States of America

☑ Other, please specify :Our Regulated Businesses operate in 14 states and across multiple river basins.

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

☑ Downstream value chain

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

790

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 100%

(3.2.11) Please explain

In 2024, our Regulated Businesses operated 790 water and wastewater treatment plants and served 3.5 million active customers across the U.S. In reference to the water-risk mentioned in 3.1.1, American Water does not currently disclose specific locations where we plan to invest for PFAS-related improvements. Water-related risks have the potential to affect any of the communities we serve and we will continue assess and prioritize projects to support the health and safety of our customers.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

(3.3.1) Water-related regulatory violations

Select from:

☑ Yes

(3.3.2) Fines, enforcement orders, and/or other penalties

Select all that apply

☑ Enforcement orders or other penalties

☑ Fines, but none that are considered as significant

(3.3.3) Comment

We are committed to excellent water quality and maintaining our history of complying with, in many cases, achieving results beyond minimum standards required by applicable laws and regulations. As part of our 2024 Annual Performance Plan, which provides for at-risk cash compensation to our employees, we included annual targets and performance measures for drinking water program compliance and drinking water quality. Performance is measured by tracking the overall number of drinking water notices of violation, or NOVs, received by the Company. NOVs are imposed when a water system fails to meet the standards set by the Safe Drinking Water Act. Drinking water quality performance counts the number of NOVs for maximum contaminant level (MCL) exceedances received by the Company in

accordance with internally established procedures. Both metrics may exclude NOVs related to newly acquired systems and associated with third-party violations, among others.
[Fixed row]

(3.3.1) Provide the total number and financial value of all water-related fines.

(3.3.1.1) Total number of fines

0

(3.3.1.2) Total value of fines

0

(3.3.1.3) % of total facilities/operations associated

0

(3.3.1.4) Number of fines compared to previous reporting year

Select from:
☑ About the same

(3.3.1.5) Comment

The Clean Water Act regulates discharges from drinking water and wastewater treatment facilities into lakes, rivers, streams and groundwater. The EPA and implementing states set maximum discharge limits for wastewater effluents and overflows. Discharges that exceed the limits specified can lead to the imposition of fines and penalties, and persistent non-compliance could lead to significant fines and penalties and other compliance costs. From time to time, discharge violations occur at the Company's facilities, some of which result in fines. We entered 0 under Total number of fines, Total value of fines and % of total facilities/operations associated because the impact was financially immaterial. In our 2024 10-K filing, we stated that the Company does not expect any such violations or fines to have a material impact on its results of operations or financial condition.
[Fixed row]

(3.3.2) Provide details for all significant fines, enforcement orders and/or other penalties for water-related regulatory violations in the reporting year, and your plans for resolving them.

Row 1

(3.3.2.1) Type of penalty

Select from:

☑ Other penalty type, please specify :Drinking water quality notices of violation

(3.3.2.2) Financial impact

0

(3.3.2.3) Country/Area & River basin

United States of America

☑ Unknown

(3.3.2.4) Type of incident

Select from:

☑ Other non-compliance with permits, standards, or regulations

(3.3.2.5) Description of penalty, incident, regulatory violation, significance, and resolution

We track and disclose the overall number of drinking water notices of violation, or NOVs, and the number of NOVs for maximum contaminant level (MCL) exceedances received by the Company. NOVs are imposed when a water system fails to meet the standards set by the Safe Drinking Water Act. In 2024, we reported 22 NOVs across our national footprint, the majority of which were Tier 3 violations for monitoring and reporting and are not considered to have a direct impact on human health. Please note that we entered 0 under Financial Impact because the impact was financially immaterial. In our 2024 10-K filing, we stated that the Company does not expect any such violations or fines to have a material impact on its results of operations or financial condition.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ No, and we do not anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resilience

☑ Increased resilience to impacts of climate change

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.8) Organization specific description

Maintaining a state of readiness throughout our systems is critical to addressing the challenges associated with climate variability impacts on our services. Climate variability remains a key input in our water usage models and mitigation strategies that we use to reliably serve communities. Our current 10-year capital plan 2025-2034) includes $36-$37 billion in investment into our regulated systems, with approximately 10% dedicated to increasing the resiliency of our assets. In addition to our intended resiliency capital investment, we have a goal to increase our water system resiliency to respond to more extreme events, measured as a 10% increase in our average Utility Resilience Index (URI) score by 2030 (from a 2020 weighted average baseline). The URI is part of the industry- recognized AWWA J100 standard and assesses a community's ability to absorb and cope with an incident and return to normal operations as quickly as possible. A utility's ability to meet minimum daily water demand is factored into the overall URI score. The goal includes scores on twelve different indicators, which include: Mutual Aid & Assistance, National Incident Management System, Emergency Response Plan, Ability to Meet Minimum Daily Demand or Treatment, Critical Parts and Equipment, Utility Bond Rating, Critical Staff Resilience, Emergency Power for Critical Operations, Business Continuity Plan, Unemployment, Median household Income, and Governmental Accounting Standards Board Assessment.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

American Water has built its business on the values of safety, trust, environmental leadership, teamwork, and high performance. We work with communities to provide solutions to water and wastewater challenges. Expanding emergency management strategies and business continuity plans will improve system resiliency against natural and/or malevolent threats such as extreme weather, cyber-attacks, supply chain disruptions and more, reducing the risk and duration of unplanned service disruptions and sustaining the revenues received from customer bills.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

0

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

0

(3.6.1.23) Explanation of financial effect figures

*American Water expects to invest $36 to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 10% of this capital investment will be allocated for resiliency. Based on these forward-looking estimates, it is assumed that approximately $3.7 billion ($37 billion * 10%) will be allocated to resiliency over the next 10 years (2025-2034). Approximately $280 million in capital investment was allocated to resiliency in*

2024. The $280 million figure is based on the total capital investment in the Regulated Businesses for infrastructure improvements in 2024 ($2.8 billion) and a resiliency allocation of 10%. This response only includes estimated resiliency investments, which include investments to mitigate physical climate risks. As stated in our 2024 10-K, many climate variability predictions present several potential challenges to water and wastewater utilities, including American Water, such as: • increased frequency and duration of droughts; • increased precipitation and flooding; • increased frequency and severity of storms and other weather events; • challenges associated with changes in temperature or increases in ocean levels; • potential degradation of water quality; • decreases in available water supply and changes in water usage patterns; • increases in the number, length and severity of disruptions in service; • increased costs to repair damaged facilities; or • increased costs to reduce risks associated with the increasing frequency and severity of natural events, including to improve the resiliency and reliability of our water and wastewater treatment and conveyance facilities and systems. Because of the uncertainty of weather volatility related to climate variability, we cannot predict its potential impact on our business, financial condition, results of operations, cash flows and liquidity. Although some or all potential expenditures and costs associated with the impact of climate variability and related laws and regulations on our Regulated Businesses could be recovered through rates, infrastructure replacement surcharges or other regulatory mechanisms, there can be no assurance that PUCs would authorize rate increases to enable us to recover such expenditures and costs, in whole or in part.

(3.6.1.24) Cost to realize opportunity

280000000

(3.6.1.25) Explanation of cost calculation

*American Water expects to invest $36 billion to $37 billion over the next 10 years (2025-2034) for infrastructure improvements in the Regulated Businesses. The Company estimates that 10% of this capital investment will be allocated for resiliency, including the mitigation of physical climate risks. Based on these forward-looking estimates, it is assumed that approximately $3.7 billion ($37 billion * 10%) will be allocated to resiliency over the next 10 years (2025-2034). Approximately $280 million in capital investment was allocated to resiliency in 2024. The $280 million figure is based on the total capital investment in the Regulated Businesses for infrastructure improvements in 2024 ($2.8 billion) and a resiliency allocation of 10%. This response only includes estimated resiliency investments, which include investments to mitigate physical climate risks.*

(3.6.1.26) Strategy to realize opportunity

AWWA's Utility Resilience Index (URI) helps to measure American Water's progress in improving system resiliency levels, in an evolving landscape. URI is a relative measure that represents the ability of the water utility and the community it serves to absorb and recover from the impact of a natural disaster. ■ Considers operational and financial capabilities ■ Outlines robust, emergency response and business continuity plans ■ Provides recommendations for investing in systems with 72-hour available capacity ■ Considers social vulnerability factors in the local community. The URI grades on a numeric scale from 0–100, with 60–70 identified as relatively resilient. In 2024, our weighted average score was 71.1, an 8.5% improvement from our baseline. To achieve the balance of the goal, American Water will focus on National Incident Management System training for key operational personnel, in addition to continued resiliency-related capital investment.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resilience

☑ Improved resilience to future regulatory changes

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Delaware River

(3.6.1.8) Organization specific description

In 2023, the City of Salem, New Jersey, sought to sell its water and wastewater systems, including treatment plants, through the Water Infrastructure Protection Act (WIPA) procurement method. This decision was driven by water quality violations, significant capital needs, aging infrastructure, and lack of funding. New Jersey American Water was selected as the winning bidder during a competitive bidding process. New Jersey American Water's bid included a total investment of $68 million, which included an $18 million purchase price and a commitment of $50 million in capital investments in the first ten years, while keeping rates stable for residents. New Jersey American Water's biggest priority was to address perfluorononanoic acid (PFNA), a type of PFAS, in the city's water system. Since taking ownership of the system in June 2024, New Jersey American Water has invested over $1 million into the Salem water system and $2.5 million in the wastewater system. We plan to invest an estimated $48.8 million into the systems in the first 5 years of ownership.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Our capital infrastructure investments can generate significant economic benefits to local and regional economies. These benefits occur directly through our initial spend on a capital project and indirectly through the broader economic effects of our resilient infrastructure. Our ongoing operational and capital expenditures help generate these economic impacts on an annual basis.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

3500000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

3500000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

48800000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

48800000

(3.6.1.23) Explanation of financial effect figures

In the first year since taking ownership of the Salem water and wastewater system in June 2024, New Jersey American Water invested $1 million into the water system and $2.5 million in the wastewater system. These investments included replacing poorly performing assets and rebuilding failed equipment to improve operating efficiency and reliability of the water treatment plant. The improved efficiency results in better optimization of groundwater withdrawals. New Jersey American Water plans to further invest nearly $48.8 million over the next five years (2025-2029) to further support upgrades, environmental compliance and enhance service reliability across the region.

(3.6.1.24) Cost to realize opportunity

48800000

(3.6.1.25) Explanation of cost calculation

New Jersey American Water plans to invest nearly $48.8 million over the next five years (2025-2029) to further support upgrades, environmental compliance and enhance service reliability across the region. The company broke ground on a new state-of-the-art PFAS removal system at the Salem Water Treatment Plant in May 2025, to be completed under an accelerated timeframe of 18-months.

(3.6.1.26) Strategy to realize opportunity

American Water's goal of consistent quality of service to our customers, in all of our service areas including Salem, NJ, despite climate challenges, is supported by a commitment to infrastructure investments and efficient use of natural resources.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resilience

☑ Improved resilience to future regulatory changes

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ United States of America

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify :Ohio River Basin

(3.6.1.8) Organization specific description

Pennsylvania American Water aqcuired the water system assets of East Dunkard Water Authority (EDWA) in April 2025. The newly acquired water system serves approximately 1,600 customer connections in Greene County. Prior to the acquisition, Pennsylvania American Water managed and operated the EDWA system as its receiver following a November 2023 Pennsylvania Public Utility Commission (PUC) emergency order and February 2024 Pennsylvania Commonwealth Court order.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

Our capital infrastructure investments can generate significant economic benefits to local and regional economies. These benefits occur directly through our initial spend on a capital project and indirectly through the broader economic effects of our resilient infrastructure. Our ongoing operational and capital expenditures help generate these economic impacts on an annual basis.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Our capital infrastructure investments can generate significant economic benefits to local and regional economies. These benefits occur directly through our initial spend on a capital project and indirectly through the broader economic effects of our resilient infrastructure. Our ongoing operational and capital expenditures help generate these economic impacts on an annual basis.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

2000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

2000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

16100000

(3.6.1.23) Explanation of financial effect figures

On February 24, 2025, one year after being appointed receiver of the troubled East Dunkard Water Authority (EDWA), Pennsylvania American Water announced a series of investments totaling $1.95 million that have enhanced the plant and restored customer confidence in the water system located south of Pittsburgh in Greene County. The system's drinking water quality and reliability have been out of regulatory compliance every year since 2014. "Like so many of the water systems we acquire across Pennsylvania, East Dunkard Water Authority was in rough shape and largely out of compliance with drinking water regulations," said Justin Ladner, president of Pennsylvania American Water. "In just one year as the receiver, our team has significantly improved water quality for customers. We take pride in these achievements, all aimed at providing residents with safe and reliable drinking water." Pennsylvania American Water assumed operations following a Commonwealth Court-ordered receivership placed on Feb. 8, 2024. This decision was prompted by numerous citations issued to EDWA by the Pennsylvania Department of Environmental Protection (PaDEP) during the previous two years for failing to have a certified operator and for violations leading to water treatment breakdowns. Between Jan. 1, 2023, and Feb. 8, 2024, PaDEP issued 76 Notices of Violation (NOV) to EDWA. Pennsylvania American Water has resolved all previous open violations, and overall water quality and reliability have significantly improved.

(3.6.1.24) Cost to realize opportunity

16100000

(3.6.1.25) Explanation of cost calculation

Over the next five years (2025-2029), Pennsylvania American Water plans to invest more than $16.1 million in EDWA system improvements. The improvements will include targeted main restorations and replacements, technology and control systems enhancements, and treatment plant upgrades. The company has a long and successful track record of providing solutions for water systems facing significant capital investment needs and making the necessary investments to meet current and future requirements. The expected investment follows nearly $2 million already invested by the company in its first year as the system's court-ordered receiver.

(3.6.1.26) Strategy to realize opportunity

As many water and wastewater systems across Pennsylvania face challenges stemming from aging infrastructure and growing water quality and environmental regulation, regional consolidation and receiverships, like the one seen with the East Dunkard Water Authority, have been identified as a viable solution. Pennsylvania American Water's scale as the commonwealth's largest water and wastewater company differentiates it from other service providers in terms of the types of solutions it is able to offer communities in need.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

325000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

American Water's path to meeting its medium-term emissions goal target (reduce absolute scope 1 and 2 emissions by 50% by 2035 from a 2020 baseline) includes approximately 220 million to 430 million in capital investment within its Regulated Businesses. The midpoint of this range ($325 million) was provided above for the amount of financial metric aligned with opportunities related to the Company's medium-term emissions goal. This capital investment will largely be allocated to activities that improve the Company's operational efficiency through the reduction in energy consumption and deployment/procurement of renewable energy.

Specifically, the Company expects to invest capital to increase its renewable energy footprint, improve water efficiency, pumping efficiency, fleet efficiency, and building efficiency. These activities are seen as opportunities for the Company to further its strategies and values, particularly Environmental Leadership. Investment in other categories such as renewal of aging infrastructure is also likely to mitigate climate risks, however, it is not quantified in this response.

Water

(3.6.2.1) Financial metric

Select from:

☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

50000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

American Water plans to invest $15.5 billion to $16 billion over the next 5 years (2025-2029) for infrastructure improvements and replacements in the Regulated Businesses. As part of this investment and noted in Opp2 in 3.6.1, New Jersey American Water plans to invest $50 million to upgrade the water and wastewater systems in Salem NJ over the next 5 years. This is an example of our dedication to safe drinking water, reliable and consistent service and system resiliency. [Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ No

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring the implementation of the business strategy

☑ Overseeing and guiding major capital expenditures

(4.1.2.7) Please explain

The Safety, Environmental, Technology, and Operations (SETO) Committee (a) reviews and monitors (i) significant environmental strategies, (ii) policy and planning issues of interest to the Company as determined by the Committee, including matters before environmental regulatory agencies, (iii) compliance with environmental laws and regulations, and (iv) environmental performance in regards to Company metrics; and (b) oversees programs and policies with respect to protecting the environment, including the Company's sustainable efforts with respect to water conservation, climate change, emerging contaminants and greenhouse emissions.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring compliance with corporate policies and/or commitments

(4.1.2.7) Please explain

The Safety, Environmental, Technology, and Operations (SETO) Committee (a) reviews and monitors (i) significant environmental strategies, (ii) policy and planning issues of interest to the Company as determined by the Committee, including matters before environmental regulatory agencies, (iii) compliance with environmental laws and regulations, and (iv) environmental performance in regards to Company metrics; and (b) oversees programs and policies with respect to protecting the environment, including the Company's sustainable efforts with respect to water conservation, climate change, emerging contaminants and greenhouse emissions.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring the implementation of the business strategy

☑ Overseeing and guiding major capital expenditures

(4.1.2.7) Please explain

The Safety, Environmental, Technology, and Operations (SETO) Committee (a) reviews and monitors (i) significant environmental strategies, (ii) policy and planning issues of interest to the Company as determined by the Committee, including matters before environmental regulatory agencies, (iii) compliance with environmental laws and regulations, and (iv) environmental performance in regards to Company metrics; and (b) oversees programs and policies with respect to protecting the environment, including the Company's sustainable efforts with respect to water conservation, climate change, emerging contaminants and greenhouse emissions. [Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Integrating knowledge of environmental issues into board nominating process

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Executive-level experience in a role focused on environmental issues

☑ Management-level experience in a role focused on environmental issues

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Integrating knowledge of environmental issues into board nominating process

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Executive-level experience in a role focused on environmental issues

☑ Management-level experience in a role focused on environmental issues

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The CEO has overall responsibility for, among other things, the development, assessment, and definition of the Company's overall business strategy, strategic priorities, and key projects. Integration of climate-related issues, and strategy to mitigate such risks into overarching Company plans is integral to the success of the business. Overall responsibility for climate-related and sustainability activities rests with the CEO as the principal executive officer of the Company.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

Strategy and financial planning

☑ Implementing the business strategy related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The CEO has overall responsibility for, among other things, the development, assessment, and definition of the Company's overall business strategy, strategic priorities, and key projects. Integration of climate-related issues, and strategy to mitigate such risks into overarching Company plans is integral to the success of the business. Overall responsibility for climate-related and sustainability activities rests with the CEO as the principal executive officer of the Company.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The CEO has overall responsibility for, among other things, the development, assessment, and definition of the Company's overall business strategy, strategic priorities, and key projects. Integration of climate-related issues, and strategy to mitigate such risks into overarching Company plans is integral to the success of the business. Overall responsibility for climate-related and sustainability activities rests with the CEO as the principal executive officer of the Company.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Operating Officer has overall responsibility for creating, planning, and integrating the strategic direction of the business including oversight of advancement of technology within operations to improve effectiveness. Climate-related responsibilities are assigned to this position because the COO is responsible for our operations meeting current/future capacity requirements and having the resiliency to withstand climate-related impacts. The COO reports directly to the President and CEO.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Operating Officer has overall responsibility for creating, planning, and integrating the strategic direction of the business including oversight of advancement of technology within operations to improve effectiveness. Climate-related responsibilities are assigned to this position because the COO is responsible for our operations meeting current/future capacity requirements and having the resiliency to withstand climate-related impacts. The COO reports directly to the President and CEO.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Operating Officer has overall responsibility for creating, planning, and integrating the strategic direction of the business including oversight of advancement of technology within operations to improve effectiveness. Climate-related responsibilities are assigned to this position because the COO is responsible for our operations meeting current/future capacity requirements and having the resiliency to withstand climate-related impacts. The COO reports directly to the President and CEO.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Operating Officer (COO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

American Water developed a sustainability management steering committee that reports to the Chief Operating Officer and is led by the Director of Sustainability. The committee is designed to foster sustainability governance, strategic planning, performance management and increased visibility of key goals and metrics disclosed through various channels.

Water

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Operating Officer (COO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

American Water developed a sustainability management steering committee that reports to the Chief Operating Officer and is led by the Director of Sustainability. The committee is designed to foster sustainability governance, strategic planning, performance management and increased visibility of key goals and metrics disclosed through various channels.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Operating Officer (COO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

American Water developed a sustainability management steering committee that reports to the Chief Operating Officer and is led by the Director of Sustainability. The committee is designed to foster sustainability governance, strategic planning, performance management and increased visibility of key goals and metrics disclosed through various channels.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

The Company's medium- and long-term emissions goals have measurement periods out to 2035 and 2050, respectively, which are significantly longer in duration than the one-year measurement period for the Company's annual performance plan (APP), and the three-year measurement period for the Company's long-term performance plan.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

15

(4.5.3) Please explain

The monetary incentives linked to water are for C-suite only. There are no board-level incentives linked to water. The 15% number disclosed here represents the corporate performance factor percentage in the Company's APP allocated to the achievement of drinking water compliance (5%) and drinking water quality (10%) performance measures. The APP provides an opportunity for the C-suite to earn cash payouts tied to the satisfaction of annual corporate performance goals. [Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Other, please specify :Annual Performance Plan

(4.5.1.3) Performance metrics

Targets

☑ Achievement of environmental targets

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Our sustainability strategy includes environmental leadership; operational excellence; employee engagement; safety; an inclusive workforce; active community engagement; civic and charitable involvement; transparency; and good governance. We put safety above all as a trusted and reliable water and wastewater services provider committed to excellent customer service and strengthening the communities we serve. Performance in drinking water program compliance and drinking water quality notices of violation, or NOVs, is part of our APP, which provides for at-risk cash compensation to be paid to American Water employees, including those not part of the corporate executive team, upon the achievement of stated short-term annual business objectives. Our performance in drinking water program compliance is determined by counting the overall number of drinking water NOVs received by the Company in accordance with internally established procedures, which may exclude NOVs for newly acquired systems and third-party violations, among others. Our performance in drinking water quality NOVs is determined by counting the overall number of drinking water NOVs for maximum contaminant level exceedances received by the Company in accordance with internally established procedures, which may exclude NOVs related to newly acquired systems and associated third-party violations, among others.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

This short-term incentive supports our commitment to providing clean drinking water to our customers. Maintaining exceptional water quality is necessary for the health and safety of our customers and the communities we have the privilege to serve and is the foundation of our business.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

American Water's Environmental Policy serves as a guide to responsible management of natural resources within our footprint. The policy addresses compliance with environmental laws and regulations, environmental stewardship, efficient operations including energy use, as well as comprehensive planning and capital investment which includes reducing impacts on the environmental and strengthening resiliency related to climate change. We also highlight our commitment to sustainable water management, watershed protection, and water conservation. Our ability to deliver water to our customers in a safe and reliable manner depends, in part, on efforts to protect drinking water at the source. When planning and managing our water supplies, we consider the source's ability to meet the anticipated long-term needs of our customers. We identify and mitigate the impacts of potential future threats to our existing sources of supply through Risk and Resiliency Assessments (RRA's) that inform our operational approach and potential need for capital investment. Our goal is effective mitigation of potential risks and maintenance of sufficient, high-quality water supplies for our customers.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Environmental-Policy-06-2021-AW.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

American Water's Environmental Policy serves as a guide to responsible management of natural resources within our footprint. The policy addresses compliance with environmental laws and regulations, environmental stewardship, efficient operations including energy use, as well as comprehensive planning and capital investment which includes reducing impacts on the environmental and strengthening resiliency related to climate change. We also highlight our commitment to sustainable water management, watershed protection, and water conservation. Our ability to deliver water to our customers in a safe and reliable manner depends, in part, on efforts to protect drinking water at the source. When planning and managing our water supplies, we consider the source's ability to meet the anticipated long-term needs of our customers. We identify and mitigate the impacts of potential future threats to our existing sources of supply through Risk and Resiliency Assessments (RRA's) that inform our operational approach and potential need for capital investment. Our goal is effective mitigation of potential risks and maintenance of sufficient, high-quality water supplies for our customers.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Water-specific commitments

☑ Commitment to water stewardship and/or collective action

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, and we do not plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Environmental-Policy-06-2021-AW.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Other, please specify :American Water Works Association, Edison Electric Institute, and Water Research Foundation

(4.10.3) Describe your organization's role within each framework or initiative

American Water is a member of and engages with many organizations at the local, state and national level that promote environmental sustainability and advance safe, clean, reliable and affordable water and wastewater services for customers. In many instances, our employees take on leadership roles through serving on organizational committees and boards. As an example, our EVP, Chief Operating Officer serves on the Board of Directors for the Water Research Foundation and our Director, Sustainability is a member of the Edison Electric Institute Sustainability Sub-Committee.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

Greenhouse-Gas-Emissions-Goals-and-Profile.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

The American Water Works Company, Inc. Employee Federal Political Action Committee (PAC) is registered on the Federal Election Commission Register. The ID is: C00354548.

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Our goal as a regulated utility is to support laws and policies that enhance our ability to provide our customers with safe, clean, reliable and affordable high-quality water and wastewater services. We engage with every level of government to voice our support for effective policy that aligns with our business values. We also participate in several non-partisan partnerships to advocate for effective environmental, health and safety, and water quality standards and regulations at the local,

state and federal levels. We see ourselves as a key stakeholder for policy decisions that affect the water and wastewater utility industry. Our thought leadership can help inform the decisions of regulators and policy makers and potentially prevent ineffective or costly regulation as well as legislation that has little benefit to our customers and communities. We will continue working with regulators and other stakeholders to support responsible policies that enhance our ability to provide our customers with cost-effective water and wastewater solutions and that align with our business strategies. Our Board of Directors oversees the public policy activities and political contributions of American Water, through its Nominating/Corporate Governance Committee. Consistent with its purpose to take a leadership role in shaping American Water's corporate governance, the Nominating/Corporate Governance Committee annually reviews and assesses the effectiveness of our Political Contribution Policy, and reviews and makes recommendations to the Board as to proposed annual disclosures regarding political contributions, third-party payments and lobbying expenditures. In addition, we have an internal Federal Political Action Committee (PAC) Board of Directors. Our EVP of Communications and External Affairs has purview over our governmental relationships and our policy and advocacy engagements across our entire business and works with the Vice President, Chief Legislative and External Affairs Officer, our regulatory policy team and Presidents of our state utilities to oversee legislative and external affairs efforts. To provide consistency, our subject matter experts have been trained on conveying specific climate variability messaging related to their areas of expertise.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

New Jersey Assembly Bill No. 4791 - This bill establishes the "Resiliency and Environmental System Investment Charge Program" (RESIC), which creates a regulatory mechanism that enables water and wastewater utilities (utilities) to recover the costs of investment in certain non-revenue producing utility system components that enhance water and wastewater system resiliency, environmental compliance, safety, and public health. Legislation was signed by the Governor and became effective on 1/12/24.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change
☑ Water

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures
☑ Emissions – CO2

☑ Water availability

☑ Other environmental impacts and pressures, please specify :Water quality

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Sub-national

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ United States of America

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Ad-hoc meetings

☑ Other, please specify **:We engage with every level of government to voice our support for effective policy and provide support that aligns with our business values in all of the communities that we serve.**

☑ Regular meetings

☑ Discussion in public forums

☑ Submitting written proposals/inquiries

☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Many future climate predictions present potential challenges to water and wastewater utilities such as: increased frequency and duration of droughts; increased precipitation and flooding; increased frequency and severity of storms; challenges associated with changes in temperature or increases in ocean levels; potential degradation of water quality; decreases in available water supply and changes in water usage patterns; increases in the number, length and severity of disruptions in service; increased costs to repair damaged facilities; or increased costs to reduce risks associated with natural events, including to improve the resiliency and reliability of our water and wastewater treatment and conveyance facilities and systems. Weather and other natural events such as these may affect the condition or operability of our facilities, limiting or preventing us from delivering water or wastewater services to our customers, or requiring us to make substantial capital expenditures to repair any damage. Water and wastewater utility bills in place or cost recovery proceedings with respect to our Regulated Businesses may not provide reimbursement to us, in whole or in part, for any of these impacts. Where cost recovery is possible there is typically a delay, known as "regulatory lag," between the time our Regulated Businesses make a capital investment or incur an operating expense increase and the time when those costs are reflected in rates. Under New Jersey Legislature Bill 4791 establishing the "Resiliency and Environmental System Investment Charge Program" (RESIC), a utility may seek recovery through the implementation of a RESIC rate for any cost made related to the installation of new (or replacement of existing) distribution, production, treatment, or other plant or equipment to further resiliency, health, safety, or environmental protection for the utility's customers or employees, or the public. Alleviating the regulatory lag should better allow utilities to deploy resiliency-related capital more efficiently. We fully support this legislation and believe that it is aligned with relevant parts of the Paris Agreement, specifically certain elements noted in Article 7 (Adaptation) and Article 8 (Loss and Damage)

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Edison Electric Institute (EII)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

From EEI's 2025 Lobbying, Advocacy, and other Expenditure Disclosure: EEI's member companies are among the most regulated companies in the country, and EEI engages on their behalf with federal and state legislators, regulators, and other policymakers through lobbying, advocacy, and regulatory proceedings, with the goal of providing customers with the affordable, reliable, and resilient clean energy they need and expect. EEI also engages with a range of other industry stakeholders on issues related to grid reliability; cyber and physical security; mutual assistance and disaster response; finance and tax matters; and programs, services, and solutions for electricity customers. Industry association memberships allow American Water to share best practices, support constructive legislation and collaborate to provide high-quality services to customers. AW is an associate member of EEI. AW's funding for EEI is largely made through membership and technical conference attendance fees. The Company does not disclose and aggregated funding figure.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☑ Other trade association in North America, please specify :American Water Works Association

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

American Water and the American Water Works Association (AWWA) are aligned in their vision of providing water services to communities. At American Water, our goal as a regulated utility is to support laws and policies that enhance our ability to provide our customers with safe, clean, reliable and affordable high-quality water and wastewater services. We participate in several non-partisan partnerships, including AWWA, to advocate for effective environmental, health and safety, and water quality standards and regulations at the local, state and federal levels. AWWA recognizes that global climate change and inherent variability are having impacts on the hydrologic cycle, source water, and water demands that differ from statistical trends based on historical records, thus impacting the anticipated quantity, quality, and reliability of water supplies. Two principal goals for water utilities in addressing impacts due to climate change and inherent variability are: to assess risk and uncertainty; and to develop and take actions that improve resiliency and sustainability in utility management, facilities and water sources. Comprehensive planning efforts such as integrated water resources management, contingency and emergency preparedness, risk assessments, and energy management plans address a wide range of climate scenarios in preparation for, and response to, changing and variable climate conditions. Scenario planning should consider climate impacts on both water demand and supply quantity and quality as water demand can be impacted both by more frequent weather extremes and by future population migration trends that may be driven by climate change. (Full Statement: https://www.awwa.org/policy-statement/climate-change/#::textThe%20American%20Water%20Works%20Association) American Water does not disclose funding in the aggregate.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Risks & Opportunities

☑ Dependencies & Impacts

☑ Public policy engagement

☑ Water pollution indicators

(4.12.1.6) Page/section reference

Item 1: Business Item 1A: Risk Factors Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations

(4.12.1.7) Attach the relevant publication

63409120-157d-41c9-b0e6-c968fa9e58f2.pdf

(4.12.1.8) Comment

American Water also produces several voluntary disclosures, including an annual Sustainability Report and annual Sustainability Data Summary.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ More than once a year

Water

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ More than once a year
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Business division

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.0ºC - 3.4ºC

(5.1.1.7) Reference year

1990

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2040

☑ 2060

☑ 2080

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Impact of nature service delivery on consumer

Regulators, legal and policy regimes

☑ Methodologies and expectations for science-based targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Our Engineering Master Plan process assesses system and facility needs on at least a 15–20-year horizon with some studies extending a longer time. In a study of our Ocean City (NJ) sewer collection system, we utilized the USEPA Climate Explorer tool to assess the projected increase in precipitation between 2023 and 2100. This precipitation projection was then used to project changes to the inflow and infiltration (I&I) rates to the sewer system. While projections through 2100 provide a longer-term alignment with the life expectancy of newly built infrastructure, this analysis was incorporated into the base 20-year planning horizon. Situation: American Water performs Comprehensive Engineering Planning Studies with Risk and Resiliency assessments which incorporate climate related scenario analysis. Task: Use the USEPA Climate Explorer and CREAT tools to define climate model scenarios where applicable to identify and select facility upgrade projects. Action: American Water performed a Comprehensive Engineering Planning Study for its Ocean City, New Jersey sewer system and incorporated precipitation projections as part of the analysis of system and facility capacity. This coastal system was selected for assessment due to its critical operation and vulnerability to flooding. We examined temperature and precipitation increases projected under RCP 4.5 and RCP 8.5 Result: The study in New Jersey was used to develop a long-term plan for the facilities within the sewer system. Immediate and short-term improvements were identified, and a long-term strategy was developed. The Comprehensive Engineering Planning work identifies needed system improvements which drive financial planning and business strategy.

(5.1.1.11) Rationale for choice of scenario

American Water has standardized on the USEPA Climate Explorer and CREAT tools for our scenario planning. USEPA tools use the Applied Climate Information System (ACIS) developed, maintained, and operated by the NOAA Regional Climate Centers (RCCs). ACIS manages the complex flow of climate information from data collectors to end users and includes an integrated metadata system for data on a national, regional, and local level. The USEPA tools are part of the USEPA US Climate Resilience Toolkit intended to improve the ability of communities and businesses to understand and manage climate-related risks and opportunities, while helping to make communities more resilient to extreme events.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Business division

(5.1.1.5) Risk types considered in scenario

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☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.0ºC - 3.4ºC

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(5.1.1.8) Timeframes covered

Select all that apply

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☑ 2060

☑ 2080

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(5.1.1.9) Driving forces in scenario

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☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Impact of nature service delivery on consumer

Regulators, legal and policy regimes

☑ Methodologies and expectations for science-based targets

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☑ Granularity of available data (from aggregated to local)

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☑ On asset values, on the corporate

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data collectors to end users and includes an integrated metadata system for data on a national, regional, and local level. The USEPA tools are part of the USEPA US Climate Resilience Toolkit intended to improve the ability of communities and businesses to understand and manage climate-related risks and opportunities, while helping to make communities more resilient to extreme events.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Resilience of business model and strategy

(5.1.2.2) Coverage of analysis

Select from:

☑ Business division

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

American Water performs Comprehensive Engineering Planning Studies with Risk and Resiliency assessments which incorporate climate related scenario analysis. We use the USEPA Climate Explorer and CREAT tools to define climate model scenarios where applicable to identify and select facility upgrade projects. Through the examination of temperature and precipitation increases projected under RCP 4.5 and RCP 8.5, we can assess the potential impact to water and wastewater facilities. The engineering studies develop long-term plans for the facilities including immediate and short-term improvements, and a long-term strategy. The Comprehensive Engineering Planning work identifies needed system improvements which drive financial planning and business strategy.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Resilience of business model and strategy

(5.1.2.2) Coverage of analysis

Select from:

☑ Business division

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

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[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ No and we do not plan to develop a climate transition plan within the next two years

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

☑ Not an immediate strategic priority

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

In 2022, American Water announced two new GHG emissions targets. In the medium-term, American Water commits to reduce absolute scope 1 and scope 2 emissions by 50% by 2035 from a 2020 baseline. Meeting this target will be critical for American Water to achieve its long-term target of net zero scope 1 and scope 2 emissions by 2050. American Water has taken initial steps in the development of a climate transition plan. Additionally, no standardized guidance or procedure has

been published for the water and wastewater utility industry. The Company estimates the expected capital investment for infrastructure improvements in its Regulated Businesses over the next ten years, covering 2025-2034, will be allocated to the following purposes: infrastructure renewal 68%, resiliency 10%, water quality, including capital expenditures for the EPA proposed regulations on PFAS 8%, operational efficiency, technology and innovation 6%, system expansion 5%, other 3%. It is anticipated that a portion of the resiliency allocation will target the mitigation of climate-related risks. Additionally, when AW's medium and long-term emissions goals were established in 2022 it was determined that approximately $150 to $300 million in capital investment would be needed to meet the medium-term (2035) target. This capital investment will largely be focused on renewable energy, water use and efficiency, pumping and operational efficiency, and fleet and building efficiency. Given the majority of American Water's Scope 1 and Scope 2 emissions footprint is made up of Scope 2 emissions, the path towards successfully meeting AW's emissions goals assumes States' renewable portfolio standards will be achieved and power providers will fulfill stated carbon transition plans.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:
☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply
☑ Products and services
☑ Upstream/downstream value chain
☑ Investment in R&D
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The Company studies service quality through customer surveys and internal operating metrics including impacts from extreme weather events such as loss of electric grid power and standby generator usage.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The Company studies water use trends and plans system upgrades accordingly. Water use may increase, decrease or remain steady depending on community growth, plumbing efficiency trends and climatic trends.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The Company maintains an industry-leading research and development ("R&D") program that is designed to enhance its services, support its compliance activities, improve service quality and operational effectiveness, and provide environmental leadership. For more than four decades from its inception, American Water's R&D program has evolved into an industry-leading effort and has achieved numerous advancements in the science of drinking water, wastewater, and desalination. Through laboratory and industry resources and the team's expertise, efforts are focused on contaminants of emerging concern, including but not limited to PFAS, Legionella, cyanotoxin-forming algal blooms, a variety of pathogens (for example, Cryptosporidium, Giardia, viruses, and various bacteria), microbial indicators and disinfection byproducts. The Company continues to leverage its expertise and collaborates with the EPA and state agencies to help establish effective environmental, health and safety, and water quality standards and regulations. This relationship includes sharing of the Company's research, such as its treatment and distribution system optimization research and its national water quality monitoring data. The Company's engagement with the EPA provides it with early insight into emerging regulatory issues and initiatives, thereby allowing the Company to anticipate and to accommodate its future compliance requirements. The Company also frequently engages with the Centers for Disease Control and Prevention, other state environmental agencies, and national and international water research foundations. The Company believes that continued R&D activities are critical for providing safe, clean, reliable and affordable services, as well as maintaining its leadership position in the industry, which provides the Company with a competitive advantage as it seeks business and operational growth.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The Company estimates the expected capital investment for infrastructure improvements in its Regulated Businesses over the next ten years, covering 2025-2034, will be allocated to the following purposes: infrastructure renewal 68%, resiliency 10%, water quality, including capital expenditures for the EPA proposed regulations on PFAS 8%, operational efficiency, technology and innovation 6%, system expansion 5%, other 3%. It is anticipated that a portion of the resiliency allocation will target the mitigation of climate-related risks. Additionally, when AW's medium and long-term emissions goals were established in 2022 it was determined that approximately $150 to $300 million in capital investment would be needed to meet the medium-term (2035) target. This capital investment will largely be focused on renewable energy, water use and efficiency, pumping and operational efficiency, and fleet and building efficiency. Given the majority of American Water's Scope 1 and Scope 2 emissions footprint is made up of Scope 2 emissions, the path towards successfully meeting AW's emissions goals assumes States' renewable portfolio standards will be achieved and power providers will fulfill stated carbon transition plans.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Direct costs

☑ Capital expenditures

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Climate-related risks and opportunities are integrated into American Water's capital program management through several pathways. The comprehensive engineering planning study (CPS) process identifies significant risks and opportunities related to AW's water and wastewater systems including those related to climate. As an output of the CPS process, these risks and opportunities may result in project recommendations that may be encompassed within the capital program management process. Climate-related risks and opportunities may also be identified through AW's risk and resiliency assessments (RRAs). We use the guidance provided by the American Water Works Association (AWWA) J100 standard to take an "all hazards" approach to identifying and mapping the key risks across our business. This approach incorporates risk scenarios into our assessments, such as extreme weather and climate variability, source water contamination, and malevolent threats. RRAs then inform our operational approach and potential need for capital investment. At the Board of Directors level, the Board's Safety, Environmental, Technology, and Operations (SETO) Committee reviews and monitors significant environmental strategies; policy and planning issues of interest to the Company, including matters before environmental regulatory agencies; compliance with environmental laws and regulations; and environmental performance in regards to Company metrics. The SETO Committee also oversees programs and policies with respect to protecting the environment, including the Company's sustainability efforts with respect to water conservation, climate variability and greenhouse gas emissions and reviews management's processes for assessing business continuity risks and developing related contingency planning, including preparedness for restoration of service and back-up for key facilities and supply sources, and back-up plans for critical operating infrastructure and systems. In addition, in 2022, the Board of Directors, in its oversight role, reviewed the Company's newly established medium- and long-term scope 1 and scope 2 GHG emissions reductions goals and limited scope 3 disclosure.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, and we do not plan to in the next two years

[Fixed row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

22

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

0

(5.9.3) Water-related OPEX (+/- % change)

8.6

(5.9.5) Please explain

The Company conducts the significant majority of its business through regulated utilities that provide water and wastewater services, referred to as the "Regulated Businesses." The data below summarizes CAPEX and OPEX related to Regulated Businesses. In years ending 2023 and 2024, American water invested approximately $2.7 billion and $3.3 billion, respectively. This represents an approximate 22% increase. American Water expects to invest $3.3 billion in its Regulated Businesses in 2025 on par with year end 2024 investment. American Water total operating expenses for the years ending 2023 and 2024 were $2.73 billion and $2.966 billion, respectively. The year-over-year OPEX change being an increase of approximately 8.6%.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:

☑ No, and we do not plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:

☑ Not an immediate strategic priority

(5.10.4) Explain why your organization does not price environmental externalities

While we have not assigned a monetary value to our emissions, we do consider environmental issues in risk assessment and decision making processes. As stated in our response to question (2.2.2), understanding, tracking and responding to the enterprise and local impacts of climate-related risks and opportunities are critical to implementing targeted adaptation and mitigation plans that will bolster climate resiliency, efficient operations, and GHG emissions reductions.
[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	*Select from:* ☑ No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years
Water	*Select from:* ☑ No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Business risk mitigation

☑ Procurement spend

☑ Strategic status of suppliers

☑ Vulnerability of suppliers

☑ Other, please specify :In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

In addition to the course of our regular, ongoing engagements with our suppliers, our Supply Chain group prioritizes quarterly conversations with key suppliers where we engage on relevant business topics, which include: joint innovation, greenhouse gas reduction goals and plans, and climate related business continuity plans. In 2024, this engagement effort spans 18% of our annual supplier spend. In addition, our RFP template includes questions about the supplier environmental program and the responses are collected by the purchasing team for evaluation. The suppliers are not required to submit responses to the environmental questions nor are they penalized for a non-response during the evaluation process, but it is helpful information for our organization to track.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Business risk mitigation
☑ Procurement spend
☑ Strategic status of suppliers
☑ Vulnerability of suppliers
☑ Other, please specify :In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

(5.11.2.4) Please explain

In addition to the course of our regular, ongoing engagements with our suppliers, our Supply Chain group prioritizes quarterly conversations with key suppliers where we engage on relevant business topics, which include: joint innovation, greenhouse gas reduction goals and plans, and climate related business continuity plans. In 2024, this engagement effort spans 18% of our annual supplier spend. In addition, our RFP template includes questions about the supplier environmental program and the responses are collected by the purchasing team for evaluation. The suppliers are not required to submit responses to the environmental questions nor are they penalized for a non-response during the evaluation process, but it is helpful information for our organization to track.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:
☑ No, and we do not plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.3) Comment

Our RFP template includes questions about the supplier environmental program and the responses are collected by the purchasing team for evaluation. The suppliers are not required to submit responses to the environmental questions nor are they penalized for a non-response during the evaluation process.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ No, and we do not plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.3) Comment

Our RFP template includes questions about the supplier environmental program and the responses are collected by the purchasing team for evaluation. The suppliers are not required to submit responses to the environmental questions nor are they penalized for a non-response during the evaluation process.
[Fixed row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

Information collection

☑ Other information collection activity, please specify :Climate change and weather-related risk and impacts to our capital program (timely procurement of pipes, valves, etc.)

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 1-25%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In addition to the course of our regular, ongoing engagements with our suppliers, our Supply Chain group prioritizes quarterly conversations with key suppliers where we engage on relevant business topics, which include: joint innovation, greenhouse gas reduction goals and plans, and climate related business continuity plans. In 2024, this engagement effort spans 18% of our annual supplier spend.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Waste and resource reduction and improved end-of-life management

(5.11.7.3) Type and details of engagement

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

☑ Collaborate with suppliers to develop reuse infrastructure and reuse models

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In addition to the course of our regular, ongoing engagements with our suppliers, our Supply Chain group prioritizes quarterly conversations with key suppliers where we engage on relevant business topics, which include: joint innovation, greenhouse gas reduction goals and plans, and climate related business continuity plans. In 2024, this engagement effort spans 18% of our annual supplier spend. American Water is also working with major suppliers in the area of PFAS treatment to reduce the amount of materials used by water plants to eliminate the chemicals from drinking water. This process allows for the reuse of the filtering materials, which will reduce the need for manufacturing, mining, and disposal. In addition, the spent material can also be used in other industrial applications at the of its useful life.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ No, this engagement is unrelated to meeting an environmental requirement

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 51-75%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

During 2024, our Investor Relations team, together with key executives and management, engaged with approximately 250 investors. In addition, our Corporate Secretary and Investor Relations teams jointly led a shareholder outreach program focused on corporate governance, executive compensation, sustainability, customer affordability, environmental stewardship, shareholder disclosure and related topics. Through this outreach program, now in its eleventh consecutive year and held both during and after proxy season, shareholders who beneficially owned, in the aggregate, approximately 52 percent of our common stock, as well as leading proxy advisory firms, were contacted. The purpose of this outreach program is to better identify and understand the relevant topics that were most important

to our shareholders. Through these sessions, we: discussed topics of interest to our shareholders; solicited shareholder viewpoints; conveyed our views on those topics; and gained a better understanding of areas of mutual consensus.

(5.11.9.6) Effect of engagement and measures of success

We received overall positive feedback regarding, among other things: our corporate governance framework, our Board composition, our proxy statement disclosures, our compensation practices, our annual sustainability report, our commitment to sustainability and customer affordability, including political contribution and lobbying governance and related disclosures. Also, shareholders expressed appreciation for our willingness to seek their views, and more importantly, the desire to establish an ongoing dialogue with them. Shareholders also encouraged us to continue to make voluntary disclosures, including by providing summaries of our key initiatives that will help them better understand our policies, procedures and how we run the business. The input and insight gleaned from our shareholder outreach program is shared with management and our Board. We intend to continue to engage regularly with shareholders and proxy advisory firms to solicit their input, and we give careful consideration to the feedback we receive. We also use this outreach to consider meaningful avenues to respond to appropriate suggestions for further enhancement to our corporate governance standards and practices.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 51-75%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

During 2024, our Investor Relations team, together with key executives and management, engaged with approximately 250 investors. In addition, our Corporate Secretary and Investor Relations teams jointly led a shareholder outreach program focused on corporate governance, executive compensation, sustainability, customer affordability, environmental stewardship, shareholder disclosure and related topics. Through this outreach program, now in its eleventh consecutive year and held both during and after proxy season, shareholders who beneficially owned, in the aggregate, approximately 52 percent of our common stock, as well as leading proxy advisory firms, were contacted. The purpose of this outreach program is to better identify and understand the relevant topics that were most important to our shareholders. Through these sessions, we: discussed topics of interest to our shareholders; solicited shareholder viewpoints; conveyed our views on those topics; and gained a better understanding of areas of mutual consensus.

(5.11.9.6) Effect of engagement and measures of success

We received overall positive feedback regarding, among other things: our corporate governance framework, our Board composition, our proxy statement disclosures, our compensation practices, our annual sustainability report, our commitment to sustainability and customer affordability, including political contribution and lobbying governance and related disclosures. Also, shareholders expressed appreciation for our willingness to seek their views, and more importantly, the desire to establish an ongoing dialogue with them. Shareholders also encouraged us to continue to make voluntary disclosures, including by providing summaries of our key initiatives that will help them better understand our policies, procedures and how we run the business. The input and insight gleaned from our shareholder outreach program is shared with management and our Board. We intend to continue to engage regularly with shareholders and proxy advisory firms to solicit their input, and we give careful consideration to the feedback we receive. We also use this outreach to consider meaningful avenues to respond to appropriate suggestions for further enhancement to our corporate governance standards and practices.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

As a water and wastewater utility, we understand our role as stewards of the most precious natural resource: water. Customers receive important water-related messaging on a consistent basis, typically around 30 times throughout the year. Communications are delivered through monthly customer bills, either electronically or via standard mail. Additionally, approximately 47% of our customers have opted into receiving additional information via email (12-16 emails per year). Campaign topics include water quality, the effects of aging infrastructure, and climate variability's impact on water supply. Additionally, once a year, each customer directly receives messaging regarding their local water quality through their annual Consumer Confidence Reports (CCR). American Water provides its customers with an Annual Water Quality Report, also referred to as a Consumer Confidence Report (CCR). CCRs let consumers know what contaminants, if any, were detected in their drinking water as well as related potential health effects. CCRs also include details about where your water comes from and how it is treated. Additionally, they educate customers on what it takes to deliver safe drinking water and highlight the need to protect drinking water sources. We are committed to delivering high quality drinking water service. To that end, we remain vigilant in meeting the challenges of source water protection, water conservation, environmental compliance, sustainability and community education while continuing to serve the needs of all our water users

(5.11.9.6) Effect of engagement and measures of success

To guide our customer experience strategy, we set and evaluate overall customer satisfaction goals each year and disclose our performance against them in our Proxy Statement and other reporting. For 2024, we tied 15% of our cash incentive compensation to our performance in customer experience.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Regulators

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

☑ Engage with stakeholders to advocate for policy or regulatory change

☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

As a thought-leader in water research, we work closely with the EPA, state Departments of Environmental Protection, regulatory agencies and other organizations to collaborate on research that informs effective standards, legislation, and regulations for our industry. We focus primarily on policies relevant to water quality, infrastructure, health and safety, liability protections and environmental stewardship. We work to support solutions to water and wastewater challenges for our industry, customers and communities, such as customer affordability and infrastructure safety and resilience. We tailor our engagement strategy depending on the geographic location, operational challenges and regulatory and legislative landscape of each state where we operate. American Water engages directly with policymakers in a variety of ways, including legislative sessions and face to face meetings, educational meetings, conferences and political action committee events. We continuously engage on water and wastewater policies that will benefit our business, our customers and our communities.

(5.11.9.6) Effect of engagement and measures of success

Our goal as a regulated utility is to support laws and policies that enhance our ability to provide our customers with safe, clean, reliable and affordable high-quality water and wastewater services. We engage with every level of government to voice our support for effective policies that align with our business values. We also participate in several non-partisan partnerships to advocate for effective environmental, health and safety, and water quality standards and regulations at the local, state and federal levels. We see ourselves as a key stakeholder for policy decisions that affect the water and wastewater utility industry. Our thought leadership can help inform the decisions of regulators and policymakers and potentially prevent ineffective or costly regulation. We will continue working with regulators and other stakeholders to support responsible policies that enhance our ability to provide our customers with cost-effective water and wastewater solutions and that align with our business strategies.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

As a water and wastewater utility, we understand our role as stewards of the most precious natural resource: water. Customers receive important water-related messaging on a consistent basis, typically around 30 times throughout the year. Communications are delivered through monthly customer bills, either electronically or via standard mail. Additionally, approximately 47% of our customers have opted into receiving additional information via email (12-16 emails per year). Campaign topics include water quality, water conservation, the effects of aging infrastructure, and climate variability's impact on water supply. We are committed to delivering high quality drinking water service. To that end, we remain vigilant in meeting the challenges of source water protection, water conservation, environmental compliance, sustainability and community education while continuing to serve the needs of all our water users.

(5.11.9.6) Effect of engagement and measures of success

To guide our customer experience strategy, we set and evaluate overall customer satisfaction goals each year and disclose our performance against them in our Proxy Statement and other reporting. For 2024, we tied 15% of our cash incentive compensation to our performance in customer experience.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

As stated in the response to question 1.5, the Company conducts the majority of its business (approximately 92% of total operating revenue) through regulated utilities that provide water and wastewater services, collectively presented as one reportable segment, referred to as the "Regulated Businesses." The Company also operates other businesses that provide water and wastewater services to the U.S. government on military installations, as well as municipalities. Individually, these other businesses do not meet the criteria of a reportable segment in accordance with generally accepted accounting principles in the United States ("GAAP") and are collectively presented throughout the Annual Report on Form 10-K within "Other," which is consistent with how management assesses the results of these businesses. While the Annual Report provides financial performance data for both the "Regulated Businesses" and "Other", the Company's GHG reporting boundary only includes the "Regulated Businesses".

Water

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

As stated in the response to question 1.5, the Company conducts the majority of its business (approximately 92% of total operating revenue) through regulated utilities that provide water and wastewater services, collectively presented as one reportable segment, referred to as the "Regulated Businesses." The Company also operates other businesses that provide water and wastewater services to the U.S. government on military installations, as well as municipalities. Individually, these other businesses do not meet the criteria of a reportable segment in accordance with generally accepted accounting principles in the United States ("GAAP") and are

collectively presented throughout the Annual Report on Form 10-K within "Other," which is consistent with how management assesses the results of these businesses. While the Annual Report provides financial performance data for both the "Regulated Businesses" and "Other", the Company's water related disclosures generally refer to only the "Regulated Businesses".
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply
☑ Yes, an acquisition

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

American Water closed on 13 acquisitions of various regulated water and wastewater systems in 2024.

(7.1.1.3) Details of structural change(s), including completion dates

These acquisitions, totaling approximately 70,000 customer connections, occurred at various timeframes throughout the year within 6 states within the current American Water footprint.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

Acquisitions of water and wastewater systems within the states we operate expand the footprint within those states and includes the addition of facilities.
[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ No, because the impact does not meet our significance threshold

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

American Water's short-term emissions goal is a true absolute target agnostic of factors that may warrant base year emissions calculations such as acquisitions and divestitures. AW has preliminarily set a 5% threshold when factoring impacts of acquisitions and divestitures related to its medium-term emissions goal. The cumulative net impact of the acquired and divested systems from the base year (2020) of our medium-term goal (targeting 2035) remains within the 5% threshold.

(7.1.3.4) Past years' recalculation

Select from:

☑ No
[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure	*American Water intends to investigate how to capture and incorporate electricity supplier emission factors into future reporting.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ Yes

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

Refrigerant

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

☑ Scope 1

(7.4.1.3) Relevance of Scope 1 emissions from this source

Select from:

☑ Emissions are not relevant

(7.4.1.8) Estimated percentage of total Scope 1+2 emissions this excluded source represents

2

(7.4.1.10) Explain why this source is excluded

The most recent estimate of emissions from refrigerant used for cooling of facilities is approximately 2% of our total emissions. This was based on a conservative estimate of air-conditioned floor area and the associated operating losses. This value is excluded from our Scope 1 emissions reporting due to immateriality as the contribution of this specific emissions source falls well below our materiality threshold of +/- 5%.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

The calculation is based on an estimate of the square feet of air-conditioned space across the American Water footprint. Using American Water's headquarters (220,000 SF) as the basis, estimated additional areas included 11 administrative buildings across our regulated business (including our Central Lab) at 1/3 the size, 80 surface water treatment plants at 1/4 of the size, and 50 miscellaneous areas at 1 percent of the size. The total air-conditioned area of approximately 10.9 million SF was then converted to annual HFC losses (MT CO2e) using available conversion factors.
[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2007

(7.5.2) Base year emissions (metric tons CO2e)

63977

(7.5.3) Methodological details

For the measurement of GHG emissions in 2007 (short-term, absolute goal base year) American Water used Financial Control approach to account for GHG emissions from American Water facilities. American Water included only those facilities located in the United States for which there was full financial control of the assets. This included most American Water's production facilities and corporate, state, and local offices. AW accounted for emissions from leased assets in accordance with the Design Principles; that is, emissions from assets leased via finance or capital leases were included, whereas emission from assets leased via operating leases were not included. Carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons were tracked. AW did not track sulfur hexafluoride and perfluorocarbons as neither compound was used, found, or emitted from AW's operations. Stationary direct emissions (Scope 1) sources included boilers, furnaces, space heaters, hot water heaters, backup electrical generators, and fossil fuel powered pumps. Mobile direct emissions (Scope 1) sources included fleet vehicles and forklifts. Process/fugitive emissions were included to account for leakage of sludge gas from anaerobic digesters. Indirect emissions (Scope 2) sources included electricity consumption. The emission factors used in the Inventory are either Climate Leaders default values from the Stationary Sources Guidance or values calculated using accepted Climate Leaders formulae in the Stationary Sources Guidance. The factors have the CO2 equivalent emission factors for CH4 and N2O added to the CO2 emission factor to generate a total CO2e emission factor for fossil fuel consumption. The emissions factors used in the Inventory for imported electricity emission factors are the eGRID 2006 Subregion Emissions Factors for the given American Water District. The factors have been calculated to include the CO2 equivalent emission factors for CH4 and N2O.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2007

(7.5.2) Base year emissions (metric tons CO2e)

789699

(7.5.3) Methodological details

For the measurement of GHG emissions in 2007 (short-term, absolute goal base year) American Water used Financial Control approach to account for GHG emissions from American Water facilities. American Water included only those facilities located in the United States for which there was full financial control of the assets. This included most American Water's production facilities and corporate, state, and local offices. AW accounted for emissions from leased assets in

accordance with the Design Principles; that is, emissions from assets leased via finance or capital leases were included, whereas emission from assets leased via operating leases were not included. Carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons were tracked. AW did not track sulfur hexafluoride and perfluorocarbons as neither compound was used, found, or emitted from AW's operations. Stationary direct emissions (Scope 1) sources included boilers, furnaces, space heaters, hot water heaters, backup electrical generators, and fossil fuel powered pumps. Mobile direct emissions (Scope 1) sources included fleet vehicles and forklifts. Process/fugitive emissions were included to account for leakage of sludge gas from anaerobic digesters. Indirect emissions (Scope 2) sources included electricity consumption. The emission factors used in the Inventory are either Climate Leaders default values from the Stationary Sources Guidance or values calculated using accepted Climate Leaders formulae in the Stationary Sources Guidance. The factors have the CO2 equivalent emission factors for CH4 and N2O added to the CO2 emission factor to generate a total CO2e emission factor for fossil fuel consumption. The emissions factors used in the Inventory for imported electricity emission factors are the eGRID 2006 Subregion Emissions Factors for the given American Water District. The factors have been calculated to include the CO2 equivalent emission factors for CH4 and N2O.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

101000

(7.5.3) Methodological details

Annual spend for our goods and services are separated into categories and emissions were calculated based on the industry category emissions average and the spend level.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

245000

(7.5.3) Methodological details

Annual spend for our goods and services are separated into categories and emissions were calculated based on the industry category emissions average and the spend level.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

160000

(7.5.3) Methodological details

Annual spend for our goods and services are separated into categories and emissions were calculated based on the industry category emissions average and the spend level.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

199

(7.5.3) Methodological details

Annual spend for our goods and services are separated into categories and emissions were calculated based on the industry category emissions average and the spend level.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

69363

(7.6.3) Methodological details

In addition to our reporting boundary, we exclude the following items from our emissions calculations: refrigerant losses at operations from HVAC units and emissions from wastewater operations.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

430362

(7.7.4) Methodological details

In addition to our reporting boundary, we exclude the following items from our emissions calculations: refrigerant losses at operations from HVAC units and emissions from wastewater operations. We do not track or disclose market-based emissions.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

130803

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We follow GHG Protocol guidance for using the Spend-based method to estimate emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary emission factors.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

469318

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We follow GHG Protocol guidance for using the Average spend-based method which involves estimating emissions for goods by collecting data on the economic value of goods purchased and multiplying it by relevant secondary emission factors.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

157503

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

(7.8.5) Please explain

We follow GHG Protocol guidance for using the Fuel-based method which involves determining the amount of fuel consumed and applying the appropriate emission factor for that fuel.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

American Water has developed an engagement program that starts with the suppliers with which we have the highest spend (as that increases our ability to leverage the suppliers' practices). This specifically targets suppliers that represent the top 50% of our sourceable spend. This activity supports American Water's ongoing efforts to develop a climate-related supplier engagement strategy, which may include calculation of Scope 3 emissions for upstream transportation and distribution.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

American Water has developed an engagement program that starts with the suppliers with which we have the highest spend (as that increases our ability to leverage the suppliers' practices). This specifically targets suppliers that represent the top 50% of our sourceable spend. This activity supports American Water's ongoing efforts to develop a climate-related supplier engagement strategy, which may include calculation of Scope 3 emissions for waste generated in operations.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

325

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We follow GHG Protocol guidance for using the Spend-based method, which involves determining the amount of money spent on each mode of business travel transport and applying secondary (EEIO) emission factors.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

American Water continues to evaluate the materiality of Scope 3 emissions related to employee commuting.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We have no upstream leased assets and therefore GHG emissions associated with this category for American Water are zero (0 MT CO2e).

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

American Water has developed an engagement program that starts with the suppliers with which we have the highest spend (as that increases our ability to leverage the suppliers' practices). This specifically targets suppliers that represent the top 50% of our sourceable spend. This activity supports American Water's ongoing efforts to develop a climate-related supplier engagement strategy, which may include calculation of Scope 3 emissions for downstream transportation and distribution.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant to the water/wastewater industry as we sell no products outside of water/wastewater services. As there are no sold products, emissions resulting from the processing of sold products that may be attributed to this category are zero (0 MT CO2e).

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant to the water/wastewater industry as we sell no products outside of water/wastewater services. As there are no sold products, emissions resulting from the use of sold products that may be attributed to this category are zero (0 MT CO2e).

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not relevant to the water/wastewater industry as we sell no products outside of water/wastewater services. As there are no sold product, emissions resulting from the end of life treatment of sold products that may be attributed to this category are zero (0 MT CO2e).

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

American Water continues to evaluate the materiality of Scope 3 emissions related to employee commuting.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We have no franchises and therefore GHG emissions relevant to this category for American Water are zero (0 MT CO2e).

Investments

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We have no investments in this area and therefore GHG emission relevant to this category for American Water are zero (0 MT CO2e).
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ No third-party verification or assurance

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Biennial process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

ERM CVS Assurance Report for American Water 2025 CDP Questionnaire.pdf

(7.9.1.5) Page/section reference

Entire document

(7.9.1.6) Relevant standard

Select from:
☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Biennial process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

ERM CVS Assurance Report for American Water 2025 CDP Questionnaire.pdf

(7.9.2.6) Page/ section reference

Entire document

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water increased the amount of renewable energy it consumed YoY by about 42,900 Gigajoules. While American Water has consumed renewable energy, the company has not retained the Solar Renewable Energy Certificates (SRECS) necessary for the solar consumption to count towards American Water's GHG emissions reductions which is why the related values in this response are 0.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

415

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.1

(7.10.1.4) Please explain calculation

*As explained in 7.55.2, American Water has implemented initiatives that resulted in a total annual estimated reduction of 415 metric tons in 2024. Last year's Scope 1 and 2 emissions were 499,725 MT CO2e so these activities resulted in a 0.1% decrease of Scope 1 and 2 emissions (415/534,773)*100=~0.1% This refers to changes in emissions that have occurred because of proactive emissions reduction initiatives or activities where GHG emissions savings have been estimated. For example, those listed in question 7.55.2.*

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not divest any systems from its Regulated Businesses in 2024.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water closed on 13 acquisitions of various regulated water and wastewater systems in 2024. These acquisitions, totaling approximately 70,000 customer connections, occurred at various timeframes throughout the year within 6 states within the current American Water footprint.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not change its physical operating conditions in 2024.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not change its physical operating conditions in 2024.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not change its physical operating conditions in 2024.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not change its physical operating conditions in 2024.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not change its physical operating conditions in 2024.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

34633

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

6.5

(7.10.1.4) Please explain calculation

*American Water's Scope 1 & 2 emissions for the reporting year were 499,725 MT CO2e. This equates to a year-over-year decrease of 35,048 MT CO2e (534,773-499,725). In addition to the reductions experienced through our emission reduction activities described above and in 7.55.2, American Water decreased its emissions by another 34,633 MT CO2e (35,048–415), which when compared to last year's total Scope 1 & 2 emissions of 534,773 MT CO2e represents approximately 6.5% of its overall GHG emissions as (34,633/534,773) * 100 = ~6.5% This reduction was due to resiliency efforts, conservation, and infrastructure improvements.*

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

American Water did not change its physical operating conditions in 2024.
[Fixed row]

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

67546

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

114

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

223

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	*69363*	*430362*	*0*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By activity

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationary Combustion*	*34134*
Row 2	*Mobile Sources*	*33749*
Row 3	*Refrigerant - Fleet*	*1480*

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By activity

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)
Row 1	*Electricity Usage*	*430362*

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

69363

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

430362

(7.22.4) Please explain

American Water's Consolidated Accounting Group, as defined by CDP, encompasses its Regulated Businesses whose greenhouse gas emissions data are reported within this CDP response.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

American Water has not included any Scope 1 and Scope 2 greenhouse gas emissions data for entities outside the Consolidated Accounting Group within this CDP response.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ No

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 5% but less than or equal to 10%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

313525

(7.30.1.4) Total (renewable + non-renewable) MWh

313525.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

1103915

(7.30.1.4) Total (renewable + non-renewable) MWh

1103915.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.4) Total (renewable + non-renewable) MWh

0.00

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

1417440

(7.30.1.4) Total (renewable + non-renewable) MWh

1417440.00
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water did not consume any sustainable biomass in 2024.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water did not consume any sustainable biomass in 2024.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water did not consume any other renewable fuels in 2024.

Coal

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water did not consume any coal in 2024.

Oil

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

137628

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water consumed a total of 137,628 MWh between Gasoline, Diesel, Fuel Oil 2, B5, and Ethanol 100 in 2024.

Gas

(7.30.7.1) Heating value

Select from:
☑ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

175897

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water consumed a total of 175,987 MWh between Natural Gas and Propane in 2024.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water did not consume any other non-renewable fuels in 2023

Total fuel

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

313525

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

American Water consumed a total of 313,525 MWh in 2024. Data for fuel types consumed shown above (Gasoline, Diesel, Fuel Oil 2, B5, Ethanol 100, Natural Gas, and Propane) are reported above within this response.
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

3815

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

3815

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

1103915

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1103915.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000116

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

499725

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

4296000000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

15

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

☑ Change in revenue

(7.45.9) Please explain

The 2024 intensity figure decreased 15% from 2023 due mainly to increased revenues and decreased emissions.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.1.4) Target ambition

Select from:

☑ Well-below 2°C aligned

(7.53.1.5) Date target was set

10/31/2022

(7.53.1.6) Target coverage

Select from:

☑ Business activity

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.1.11) End date of base year

12/31/2020

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

64429

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

482201

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

546630.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2035

(7.53.1.55) Targeted reduction from base year (%)

50

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

273315.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

69363

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

430362

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

499725.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

17.16

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

The Company's Regulated Business involves the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service, and sale for resale customers. Additionally, the Company provides water and wastewater services to municipalities and the U.S. government on military installations that own their utility systems. American Water tracks greenhouse gas (GHG) emissions related to its Regulated Business.

(7.53.1.83) Target objective

Our mission to provide safe, clean, reliable and affordable water and wastewater services to our customers and communities aligns with and reinforces our commitment to environmental, social and governance principles. Our sustainability commitments are based on our deep experience and expertise of how our operations impact the environment and society.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

American Water has committed to reducing our Scope 1 and Scope 2 GHG emissions by 50% from our base year of 2020 by 2035. Achievement of our medium- and long-term emissions goals are dependent on achievement of states' renewable portfolio standards and power providers will fulfill their stated carbon transition plans.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:
☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:
☑ No, but we are reporting another target that is science-based

(7.53.1.5) Date target was set

01/01/2017

(7.53.1.6) Target coverage

Select from:
☑ Business activity

(7.53.1.7) Greenhouse gases covered by target

Select all that apply
☑ Carbon dioxide (CO2)
☑ Methane (CH4)
☑ Nitrous oxide (N2O)
☑ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1
☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:
☑ Location-based

(7.53.1.11) End date of base year

12/31/2007

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

63977

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

789669

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

853646.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2025

(7.53.1.55) Targeted reduction from base year (%)

40

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

512187.600

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

69363

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

430362

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

499725.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

103.65

(7.53.1.80) Target status in reporting year

Select from:

☑ Achieved

(7.53.1.82) Explain target coverage and identify any exclusions

The Company's Regulated Business involves the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service, and sale for resale customers. Additionally, the Company provides water and wastewater services to municipalities and the U.S. government on military installations that own their utility systems. American Water tracks greenhouse gas (GHG) emissions related to its Regulated Business.

(7.53.1.83) Target objective

Our mission to provide safe, clean, reliable and affordable water and wastewater services to our customers and communities aligns with and reinforces our commitment to environmental, social and governance principles. Our sustainability commitments are based on our deep experience and expertise of how our operations impact the environment and society.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

(7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

As described throughout this submission, American Water has implemented initiatives designed to achieve reductions in our GHG emissions.
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.2) Date target was set

01/01/2021

(7.54.2.3) Target coverage

Select from:

☑ Business activity

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Intensity

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Resource consumption or efficiency

☑ Other resource consumption or efficiency, please specify :System delivery

(7.54.2.6) Target denominator (intensity targets only)

Select from:

☑ Other, please specify :Unit customer

(7.54.2.7) End date of base year

12/31/2015

(7.54.2.8) Figure or percentage in base year

0

(7.54.2.9) End date of target

12/31/2035

(7.54.2.10) Figure or percentage at end of date of target

15

(7.54.2.11) Figure or percentage in reporting year

6.4

(7.54.2.12) % of target achieved relative to base year

42.6666666667

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

No

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ Other, please specify :Increased Water Efficiency

(7.54.2.18) Please explain target coverage and identify any exclusions

American Water is committed to meeting customers' water needs while simultaneously saving 15 percent in water delivered per customer, by 2035, compared to a 2015 baseline. This target applies to drinking water customers across the Regulated Businesses segment.

(7.54.2.19) Target objective

This target was developed to capture the trend and progress in supply side (water loss management) and demand side (customer conservation) water efficiency.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

As of year-end 2024, American Water has accomplished a 6.4 percent reduction in water delivered per customer. In the future, expanding best practices from existing efficiency programs, utilization of innovative technologies like AMI and leak detection, leveraging the transparency that is gained through these programs to identify and eliminate sources of water loss faster, and benefitting from national trends of decreasing residential water use related to fixtures and appliances will continue to drive progress. By investing capital to improve system performance, water loss can be reduced, while minimizing customer rate impacts.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

10/31/2022

(7.54.3.3) Target Coverage

Select from:
☑ Business activity

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

(7.54.3.5) End date of target for achieving net zero

12/31/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Hydrofluorocarbons (HFCs)

(7.54.3.10) Explain target coverage and identify any exclusions

The Company's Regulated Businesses involve the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service and sale for resale customers. Additionally, the Company provides water and wastewater services to municipalities and the U.S. government on military installations that own their utility systems. American Water tracks greenhouse gas (GHG) emissions related to its Regulated Businesses.

(7.54.3.11) Target objective

Reduce emissions through improved operational efficiency and the strategic procurement and deployment of renewable energy.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

American Water calculates emissions relevant to its net-zero goal on an annual basis. American Water's Scope 1 and Scope 2 GHG emissions data has been independently assured by ERM Certification and Verification Services Incorporated (ERM CVS) in accordance with the International Standard for Assurance Engagements ISAE 3000 (Revised). Achievement of our medium- and long-term emissions goals are dependent on achievement of states' renewable portfolio standards and power providers will fulfill their stated carbon transition plans.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	*0*	*`Numeric input*
To be implemented	*6*	*226410*
Implementation commenced	*0*	*0*
Implemented	*17*	*415*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Machine/equipment replacement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

295

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

134000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

21847600

(7.55.2.7) Payback period

Select from:

☑ >25 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ >30 years

(7.55.2.9) Comment

In 2024, American Water completed approximately $3.3 billion in regulated system investments across many capital projects. These investments include pump and generator replacements or refurbishments, water and sewer main replacement, construction of new water storage tanks, and water efficiency programs. Aged generators are replaced with more efficient units. Water main replacement results in improved hydraulic efficiency and reduced leakage. Replacement of sewer mains reduces stormwater inflow and infiltration thereby reducing treatment volume. The construction of new water storage tanks reduces peak hourly pump volume. The investment required, estimated GHG emission savings, and estimated annual monetary savings listed above are based on 10 pump projects, five source of supply/treatment projects, and one building system improvement project. These values are likely to be higher than noted when including all projects. Investment required is based on calendar year 2024 investment only. Note that this may underrepresent investment related multiyear projects that were completed in 2024. Annual monetary savings is based solely on estimated electricity usage reduction at present rate ($/kWh) and does not include other potential operational savings.

United States Environmental Protection Agency EPA eGRID emission factors were used to convert estimated energy reduction to CO2e reduction. The 295 MT is included in the 415 MT CO2e avoided through implemented projects.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Other, please specify :Water use and efficiency

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

120

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

236000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

1303000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

Pennsylvania American Water made recent water loss management investments within its Norristown & Mechanicsburg Water Systems. It has invested approximately $625,000 in leak logger technology in its Norristown system and $678,000 in its Mechanicsburg system, adding over 850 leak loggers to help cover more than 900 miles of water main. A leak logger is a device used for detecting and locating water leaks by monitoring and documenting the characteristic sounds of leaks in the water distribution system. Through these investments, we were able to locate 30% more water main breaks in 2024, resulting in a 150.8 million gallon reduction of non-revenue water in Norristown and 104.8 million gallon reduction in non-revenue water in Mechanicsburg, for a total of ~250 million gallons of water saved. These reductions resulted in savings of approx. $168,000 in Norristown and savings of approx. $68,000 in Mechanicsburg in production costs since 2024. We also used capital funding to replace 3.62 miles of water main in Norristown and 2.60 miles of water main in the Mechanicsburg system as a result of this program. Technology improvements have reduced the amount of labor required to survey the distribution systems, which are now surveyed nightly. Acoustic leak monitoring equipment has a life cycle of approximately 10 years. The program requires annual investment to maintain the existing equipment and expand the program footprint. The 120 MT savings is reflected in the 415 MT total in 7.55.1.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:
☑ Internal incentives/recognition programs

(7.55.3.2) Comment

All non-union American Water employees must complete an annual performance review, consisting of a goals section with specific performance measures as well as a section where they describe how they demonstrated American Water's values during the review period. One of these five core values is "Environmental Leadership." One approach employees can use to demonstrate their Environmental Leadership is by describing how they participated in a variety of efforts that

contribute to the management of climate variability. The employee's combined performance measures aligned to our goals as well as the overall values performance rating can impact a non-union employee's Annual Performance Plan (APP) pay-out. The APP is designed to compensate all employees, from executive leadership to our front-line represented employees, for achieving annual business objectives by providing an opportunity to earn performance-based cash compensation tied to the performance against stated business goals.

Row 2

(7.55.3.1) Method

Select from:

☑ Internal finance mechanisms

(7.55.3.2) Comment

Upgrades to newer equipment and facilities provide an opportunity to improve efficiency in energy use and drive emissions reductions. Aged pipelines are often replaced with larger diameter pipes, improving hydraulic capacity of the piping grid and reducing energy loss due to friction within the pipe. New pumps, motors, building systems, and mechanical equipment are generally more efficient and the new design is better suited for current and future operating conditions.

Row 3

(7.55.3.1) Method

Select from:

☑ Internal finance mechanisms

(7.55.3.2) Comment

Capital projects that target reducing emissions (e.g., solar installations, etc.) and those that can leverage state or federal incentive programs are considered as they align with American Water's value of Environmental Leadership. Electrical supply agreements and net metering rules are evaluated during project scope development.
[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☑ Yes, I will provide data through the CDP questionnaire

(7.73.1) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

100

(7.73.2) Complete the following table for the goods/services for which you want to provide data.

Row 1

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Water and wastewater services

(7.73.2.3) Description of good/ service

The Company's primary business involves the ownership of utilities that provide water and wastewater services to residential, commercial, industrial, public authority, fire service and sale for resale customers. The Company's utilities operate in 14 states in the United States, with 3.5 million active customers in its water and wastewater networks. Services provided by the Company's utilities are subject to regulation by multiple state utility commissions or other entities engaged in utility regulation, collectively referred to as public utility commissions ("PUCs"). Federal, state and local governments also regulate environmental, health and safety, and water quality and water accountability matters.

(7.73.2.4) Type of product

Select from:

☑ Final

(7.73.2.5) Unique product identifier

Water

(7.73.2.6) Total emissions in kg CO2e per unit

1.49

(7.73.2.9) Explanation of change

In 2024, our Scope 1 and Scope 2 Emissions Intensity was 1.49 Metric Tons CO2e/Total Billed Water Sale (Mgal).

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

☑ Other, please specify :Our Emissions Intensity Ratio is calculated based on MT CO2e/Total Billed Water Sale (Mgal). The ratio includes Scope 1 and Scope 2 emissions within American Water's regulated operations.

[Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ No

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:
☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

American Water's regulated drinking water systems withdraw water for treatment and distribution to customers. Sources of supply include surface water, ground water, and purchased water. Water withdrawal volumes are generally measured using metering equipment at the treatment plant influent or at the point of interconnection if purchasing water from an interconnected system.

(9.2.4) Please explain

American Water uses System Delivery to report water withdrawal volumes.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

American Water's regulated drinking water systems withdraw water for treatment and distribution to customers. Sources of supply include surface water, ground water, and purchased water. Water withdrawal volumes are generally measured using metering equipment at the treatment plant influent or at the point of interconnection if purchasing water from an interconnected system.

(9.2.4) Please explain

American Water uses System Delivery to report water withdrawal volumes.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

American Water's regulated drinking water systems withdraw water for treatment and distribution to customers. Sources of supply include surface water, ground water, and purchased water. Source water quality is measured for both compliance and to inform plant process operations.

(9.2.4) Please explain

American Water uses System Delivery to report water withdrawal volumes.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

The discharge of plant effluent from American Water's wastewater treatment facilities fall within the EPA's National Pollutant Discharge Elimination System Program (NPDES). Additionally, some of American Water's drinking water facilities have point discharges that are subject to the NPDES program requirements. The NPDES program authorizes point source discharges of pollutants to waters of the United States. NPDES permits generally include flow reporting requirements.

(9.2.4) Please explain

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

(9.2.4) Please explain

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

(9.2.4) Please explain

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

(9.2.4) Please explain

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

(9.2.4) Please explain

Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:
☑ Not monitored

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

Water consumption is tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

(9.2.4) Please explain

Water consumption is tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water recycled/reuse is tracked at the facility level in line with permitting requirements.

(9.2.4) Please explain

Water recycled/reuse is tracked at the facility level in line with permitting requirements.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Safety is a core value at American Water. We conduct regular reviews to examine our performance and compliance on various health and safety topics, and our health and safety team manages compliance with health and safety policies, procedures, laws, and regulations.

(9.2.4) Please explain

While we do not track performance against a specific target for WASH services, we are subject to the laws and regulations under the U.S. Occupational Safety and Health Act. American Water's respect for human rights, the environment, treating all workers with dignity and respect, and it sets forth our expectations for all of our business partners to do the same. Our Supplier Code of Conduct states that suppliers shall provide employees with safe and healthy working conditions. At a

minimum, employees must have potable drinking water, clean restrooms, adequate ventilation, appropriately lit workstations, fire exits, essential safety equipment, an emergency first aid kit, access to emergency medical care, adequate safety training, and proper protective equipment.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

1620000

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:
☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:
☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

American Water's withdrawal volumes for years 2020 through 2024 have been within +/- 2% of the five year average despite customer count variances from acquisitions and divestitures, and organic growth in existing systems given its growing capital investment and focus on efficient operations.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:
☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

50700

(9.2.4.3) Comparison with previous reporting year

Select from:
☑ About the same

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.4.5) Five-year forecast

Select from:
☑ About the same

(9.2.4.6) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

3.13

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

American Water's withdrawal volumes from regions with high or extremely high baseline water stress (as defined by the WRI Aqueduct tool) for years 2022 through 2024 have been within +/- 4% of the three year average despite customer growth count variances from acquisitions and divestitures, and organic growth in existing systems given its growing capital investment and focus on efficient operations.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

1134000

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.7.5) Please explain

Total water withdrawals from fresh surface water sources were approximately 1,134,000 megaliters for year ending 2024, as compared to approximately 1,131,740 for year ending 2023.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Relevant but volume unknown

(9.2.7.5) Please explain

The Monterey Water Supply Project includes the construction of a desalination plant, to be owned by California American Water (Cal Am), and the construction of wells that would supply water to the desalination plant. The Water Supply Project is intended, among other things, to fulfill obligations of Cal Am to eliminate unauthorized diversions from the Carmel River as required under orders of the California State Water Resources Control Board. Subject to the impact or resolution of related litigation, construction of the desalination plant is expected to begin in 2025 and the desalination plant is estimated to be in-service by the end of 2027. Please see the Company's 2024 10-K filing with the SEC for additional disclosure.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

372600

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.7.5) Please explain

Total water withdrawals from ground water sources were approximately 372,600 megaliters for year ending 2024, as compared to approximately 350,680 for year ending 2023.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

Third party sources

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

113400

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.7.5) Please explain

Total water purchased from third party sources were approximately 113,400 megaliters for year ending 2024, as compared to approximately 111,580 for year ending 2023.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

	Relevance	Please explain
Fresh surface water	*Select from:* ☑ Relevant but volume unknown	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*

	Relevance	Please explain
Brackish surface water/seawater	*Select from:* ☑ Relevant but volume unknown	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*
Groundwater	*Select from:* ☑ Relevant but volume unknown	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*
Third-party destinations	*Select from:* ☑ Relevant but volume unknown	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*

[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Please explain
Tertiary treatment	*Select from:* ☑ Relevant	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*
Secondary treatment	*Select from:* ☑ Relevant	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*
Primary treatment only	*Select from:* ☑ Not relevant	*Rich text input [must be under 2000 characters]*
Discharge to the natural environment without treatment	*Select from:* ☑ Not relevant	*Rich text input [must be under 2000 characters]*

	Relevance of treatment level to discharge	Please explain
Discharge to a third party without treatment	*Select from:* ☑ Relevant	*Water discharges are tracked at the facility level in line with permitting requirements and not available for public disclosure in the aggregate.*
Other	*Select from:* ☑ Not relevant	*Rich text input [must be under 2000 characters]*

[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

790

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 100%

(9.3.4) Please explain

As of year end 2024, American Water owns and operates approximately 80 surface water treatment plants, 520 groundwater treatment plants, and 190 wastewater treatment plants.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years

[Fixed row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

While American Water does not pursue third party verification of water withdrawals, services provided by the company are subject to regulation by multiple state utility commissions or other entities engaged in utility regulation. Federal, state and local governments also regulate environmental and water accountability matters. The company maintains an environmental program that includes responsible business practices focused on compliance with environmental laws and regulations and the effective use of natural resources, recognizing that drinking water standards have generally, over time, increased in number and become increasingly more stringent.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.

Water consumption – total volume

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

American Water does not pursue third party verification of water withdrawals.
[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:
☑ We do not have this data and have no intentions to collect it

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

(9.5.1) Revenue (currency)

4296000000

(9.5.2) Total water withdrawal efficiency

2651.85

(9.5.3) Anticipated forward trend

Our withdrawal volumes for years 2020-2024 have been within +/- 2% of the five year avg despite customer growth count variances from through acquisitions and divestitures, and organic growth in existing systems given its growing capital investment, focus on efficient operations, and national trends towards more water-efficient appliances. Efficiency trends will fluctuate as revenues increase and water withdrawals change in line with growth activities.
[Fixed row]

(9.12) Provide any available water intensity values for your organization's products or services.

Row 1

(9.12.1) Product name

Water

(9.12.2) Water intensity value

0.38

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

Operating revenues for the Regulated Businesses segment

(9.12.5) Comment

We calculated water intensity by using our total water withdrawals (or system delivery by point of entry) divided by our operating revenues for the Regulated Businesses segment. 1,620,000,000 cubic meters / $4,296,000,000 = 0.38
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:

☑ No

(9.13.2) Comment

American Water considers its product as drinking water and treated wastewater. Drinking water is regulated by federal and state water quality standards. Treated wastewater from our wastewater treatment plants complies with applicable National Pollutant Discharge Elimination System requirements.
[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
	Select from: ☑ No, and we do not plan to address this within the next two years	*Select from:* ☑ Important but not an immediate business priority	*American Water is a water and wastewater utility company, whose products are water and wastewater services.*

[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1.1) Target set in this category

Select from:
☑ Yes

Water withdrawals

(9.15.1.1) Target set in this category

Select from:
☑ Yes

Water, Sanitation, and Hygiene (WASH) services

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

Safety is a core value at American Water. While we do not have a specific target for WASH services, we are subject to the laws and regulations under the U.S. Occupational Safety and Health Act. American Water's respect for human rights, the environment, treating all workers with dignity and respect, and it sets forth our expectations for all of our business partners to do the same. Our Supplier Code of Conduct states that suppliers shall provide employees with safe and healthy working conditions. At a minimum, employees must have potable drinking water, clean restrooms, adequate ventilation, appropriately lit workstations, fire exits, essential safety equipment, an emergency first aid kit, access to emergency medical care, adequate safety training, and proper protective equipment.

Other

(9.15.1.1) Target set in this category

Select from:

☑ Yes

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Other

☑ Other, please specify :Drinking Water Program Compliance This metric is determined by counting the overall number of drinking water notices of violation, or NOVs, received by the Company in accordance with internally established procedures.

(9.15.2.4) Date target was set

01/01/2024

(9.15.2.5) End date of base year

12/31/2024

(9.15.2.6) Base year figure

0

(9.15.2.7) End date of target year

12/31/2024

(9.15.2.8) Target year figure

6

(9.15.2.9) Reporting year figure

8

(9.15.2.10) Target status in reporting year

Select from:

☑ Expired

(9.15.2.11) % of target achieved relative to base year

133

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Performance governed by internally established procedures, which may exclude NOVs for newly acquired systems and third-party violations, among others.

(9.15.2.16) Further details of target

Target is included in at-risk Annual Performance Plan (APP) compensation for employees.

Row 2

(9.15.2.1) Target reference number

Select from:

☑ Target 2

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Other

☑ Other, please specify :Drinking Water Quality. This metric is determined by counting the overall number of drinking water NOVs for maximum contaminant level exceedances received by the Company in accordance with internally established procedures.

(9.15.2.4) Date target was set

01/01/2024

(9.15.2.5) End date of base year

12/31/2024

(9.15.2.6) Base year figure

0

(9.15.2.7) End date of target year

12/31/2024

(9.15.2.8) Target year figure

2

(9.15.2.9) Reporting year figure

2

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Performance governed by internally established procedures, which may exclude NOVs for newly acquired systems and third-party violations, among others.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

Although the U.S. government, state governments and environmental and public health regulators set and enforce industry standards for water utilities, we often achieve results beyond minimum requirements to earn our customers' trust and provide high-quality water. Each year, we perform millions of water quality tests to monitor and control microbial, chemical and radiological contaminants. Our teams conduct extensive research to enhance our understanding of emerging contaminants and their impact on water supplies. Our performance demonstrates our expertise; the drinking water that we deliver to our customers routinely meets or exceeds established standards.

(9.15.2.16) Further details of target

Target is included in at-risk Annual Performance Plan (APP) compensation for employees.

Row 3

(9.15.2.1) Target reference number

Select from:

☑ Target 3

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water use efficiency

☑ Other water use efficiency, please specify :Reduction in amount of water delivered per customer

(9.15.2.4) Date target was set

02/01/2021

(9.15.2.5) End date of base year

12/31/2015

(9.15.2.6) Base year figure

141394

(9.15.2.7) End date of target year

12/31/2035

(9.15.2.8) Target year figure

120185

(9.15.2.9) Reporting year figure

132400

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

42

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

American Water's Water Use and Efficiency goal applies to its Regulated Businesses only. Baseline is the 2014/2015 average delivery per customer. New York American Water was excluded from baseline and tracking anticipating divestiture.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

Innovation and technology - leak detection, smart irrigation, advanced metering, real-time insights into customer water usage data Continue / expand current water efficiency programs - water loss management, customer education, end user efficiency programs Continue to promote national trends in end use water efficiency - support industry development of and incentives for more efficiency water fixtures and appliances, support customer replacement of older and less efficient appliances

(9.15.2.16) Further details of target

Delivering water efficiently benefits our business, our customers, the environment and the communities we serve. By increasing water efficiency through focused productivity optimization in water treatment and delivery to customers, we can realize benefits, such as reduced operating costs and energy consumption. Our customers benefit from water efficiency through cost savings, and we can protect the environment by preserving freshwater supplies and reducing our GHG emissions. In our operations, the greatest opportunities to increase efficiency include minimizing water loss through prevention of leaks and breaks and maintaining infrastructure. We also work with our customers through education, tools and technology to empower individuals to make their water use more efficient and sustainable.

Row 4

(9.15.2.1) Target reference number

Select from:

☑ Target 4

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Other

☑ Other, please specify :Water Supply Resilience. By 2030, increase water system resiliency to respond to more extreme events by increasing Utility Resilience Index (URI) weighted average by 10% from 2020 baseline.

(9.15.2.4) Date target was set

02/01/2021

(9.15.2.5) End date of base year

12/31/2020

(9.15.2.6) Base year figure

65.6

(9.15.2.7) End date of target year

12/31/2030

(9.15.2.8) Target year figure

72.2

(9.15.2.9) Reporting year figure

71.1

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

83

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

American Water's resiliency goal applies to its Regulated Businesses that serve more than 3,000 customers only.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

The target includes twelve weighted indicators which include: Emergency Response Plan, National Incident Management System (NIMS), Mutual Aid & Assistance, Emergency Power for Critical Operations, Ability to Meet Minimum Daily Demand (water) or treatment (wastewater), Critical Parts and Equipment, Critical Staff Resilience, Business Continuity Plan, Utility Bond Rating, Governmental Accounting Standards Board Assessment, Unemployment, and Median Household Income. American Water expects that continued NIMS training for key employees will support goal achievement.

(9.15.2.16) Further details of target

American Water has a goal to increase our water system resiliency to respond to more extreme events, measured as a 10% increase in our average Utility Resilience Index (URI) score by 2030 (from a 2020 weighted average baseline). The URI is part of the industry- recognized American Water Works Association (AWWA) J100 standard and assesses a community's ability to absorb and cope with an incident and return to normal operations as quickly as possible. A utility's ability to meet minimum daily water demand is factored into the overall URI score. AWWA's Utility Resilience Index (URI) will help keep track of our progress in improving system resiliency levels, in an evolving landscape. URI is a relative measure that represents the ability of the water utility and the community it serves to absorb and recover from the impact of a natural disaster.
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Land/water management

☑ Species management

☑ Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ State and benefit indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Data not available

(11.4.2) Comment

Data on proximity to this type of area is not currently disclosed.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Data not available

(11.4.2) Comment

Data on proximity to this type of area is not currently disclosed.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Data not available

(11.4.2) Comment

Data on proximity to this type of area is not currently disclosed.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ Data not available

(11.4.2) Comment

Data on proximity to this type of area is not currently disclosed.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ Data not available

(11.4.2) Comment

Data on proximity to this type of area is not currently disclosed.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Biodiversity considerations are integrated into company operations to help protect local ecosystems in the communities we serve, while delivering safe, clean, reliable, and affordable water and wastewater services.
[Fixed row]

(11.4.1) Provide details of your organization's activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply
☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:
☑ United States of America

(11.4.1.5) Name of the area important for biodiversity

Biodiversity considerations are integrated into company operations to help protect local ecosystems in the communities we serve, while delivering safe, clean, reliable, and affordable water and wastewater services.

(11.4.1.6) Proximity

Select from:
☑ Data not available

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

Capital Planning: We utilize the U.S. EPA's rating of waterways (good, impaired, unknown) to understand the ecosystems where we operate and identify the condition of aquatic life, drinking water, fish and shellfish consumption and recreation. Our engineering processes assess impacts to wildlife and plant species when considering infrastructure, such as water intakes, dams, and other critical assets. Water Use & Efficiency: Managing customer demand and reducing leakage preserves water supplies over the long-term, which supports local habitats of wildlife and native plant species. Where we have a water diversion permit to take water from a stream, river, lake, or other drinking water supply source, the state regulatory agency considers the health of the water body in the permitting process and we adhere to those requirements. Wastewater Treatment: Our operating policies guide us to effectively manage effluent quality, which helps protect local ecosystems within the communities we serve through discharging clean water back to the receiving stream. The American Water Charitable Foundation's Water and Environment Grant Program provides funding for eligible projects that improve, restore or protect watersheds, surface water and groundwater supplies in our local communities.

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Scheduling

☑ Restoration

☑ Site selection

☑ Project design

☑ Physical controls

☑ Abatement controls

☑ Operational controls

(11.4.1.11) Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

American Water strives to conduct business in a safe manner that drives regulatory compliance, protects public health, and promotes environmental stewardship, all in support of American Water's value of environmental leadership. We are committed to compliance with relevant environmental laws, regulations and standards, sustaining the environment through responsible business practices that promote environmental stewardship and effective use of natural resources. Biodiversity considerations are integrated into company operations to help protect local ecosystems in the communities we serve, while delivering clean, safe, affordable and reliable water and wastewater services. ■ Capital Planning: We utilize the EPA rating of waterways (good, impaired, unknown) to understand the ecosystems where we operate and identify the condition of aquatic life, drinking water, fish and shellfish consumption and recreation. Our engineering processes assess impacts to wildlife and plant species when considering infrastructure, such as water intakes, dams, and other critical assets. ■ Water Use & Efficiency: Managing customer demand and reducing leakage preserves water supplies over the long-term, which supports local habitats of wildlife and native plant species. Where we have a water diversion permit to take water from a stream, river, lake, or other drinking water supply source, the state regulatory agency considers the health of the water body in

the permitting process and we adhere to those requirements. ■ Wastewater Treatment: Our operating policies guide us to effectively manage effluent quality, which helps protect local ecosystems within the communities we serve through discharging clean water back to the receiving stream. ■ The American Water Charitable Foundation's Water and Environment Grant Program: AWCF provides funding for eligible projects that improve, restore or protect watersheds, surface water and groundwater supplies in our local communities.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Other data point in module 7, please specify :Total Energy

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

In addition to American Water's Scope 1 and Scope 2 GHG emissions data, Total Energy Consumption data for 2024 has been independently assured by ERM Certification and Verification Services Incorporated (ERM CVS) in accordance with the International Standard for Assurance Engagements ISAE 3000 (Revised).
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

EVP & Chief Operating Officer

(13.3.2) Corresponding job category

Select from:

☑ Chief Operating Officer (COO)

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

☑ No