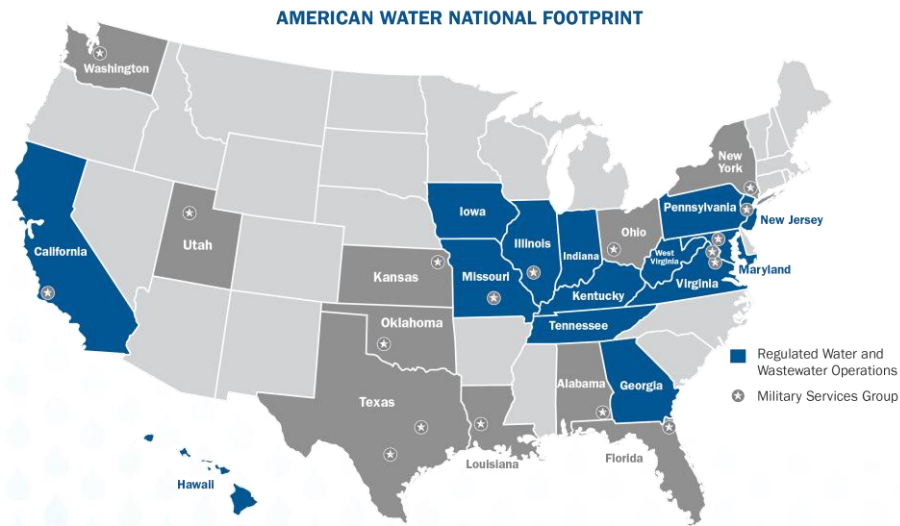


Greenhouse Gas Emissions Goals

As the nation’s largest water and wastewater utility provider, American Water is proud to provide water and wastewater services to more than 14 million people with regulatory operations in 14 states and on 18 military installations.

- Delivering a reliable supply of clean, safe, affordable and reliable water service to our customers and treating their wastewater is fundamental to our business.
- We are committed to limiting our impact on the environment and supporting the sustainability of a key resource to strengthen the 1,700 communities we serve.



Scope 1 and Scope 2 Emissions Goals ¹

	Base Year Actuals	2025 Performance
<p>Medium-term Reduce absolute scope 1 and 2 emissions by 50% by 2035 from a 2020 baseline ² <i>Science-based and Paris Agreement Aligned</i></p>	546,630 <i>Metric Tons CO₂e (Rounded)</i>	8.8% Reduction 498,625 <i>Metric Tons CO₂e (Rounded)</i>
<p>Long-term Achieve net zero absolute scope 1 and 2 emissions by 2050 ² <i>Science-based and Paris Agreement Aligned</i></p>	<i>Not Applicable</i>	498,625 <i>Metric Tons CO₂e (Rounded)</i>

¹ In 2024, American Water achieved its short-term emissions reduction goal of reducing scope 1 and scope 2 greenhouse gas emissions by more than 40% from its 2007 baseline.

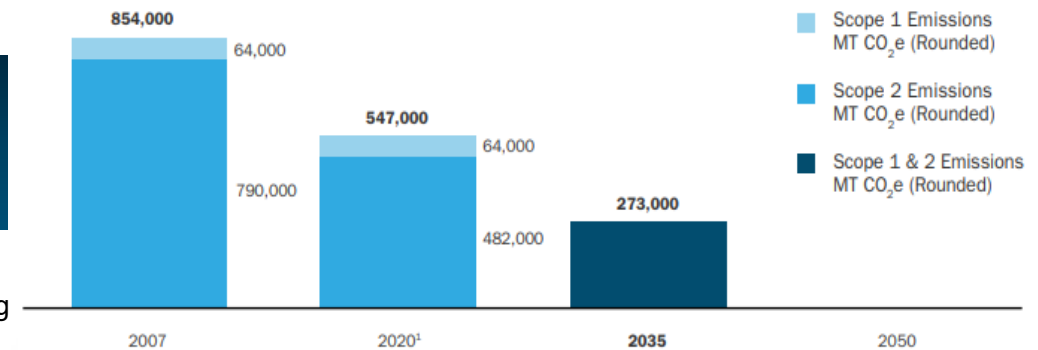
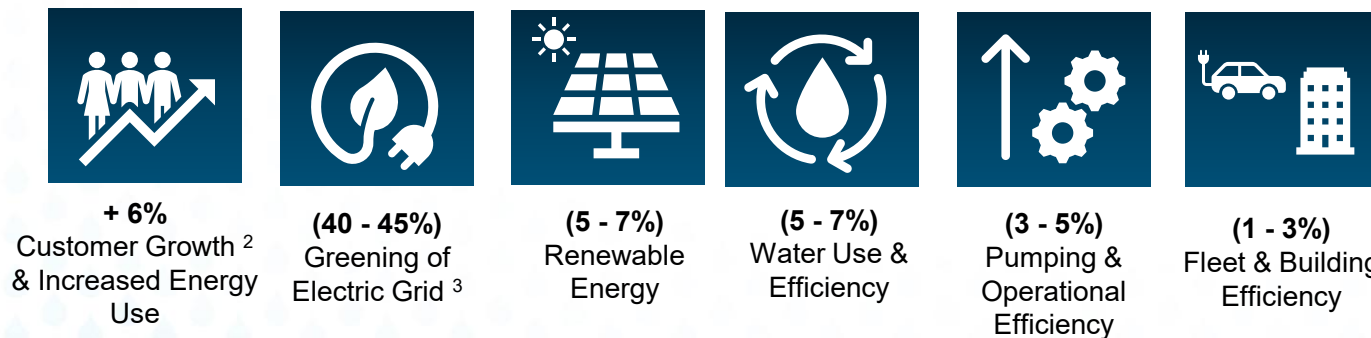
² Assumes States’ renewable portfolio standards will be achieved and power providers will fulfill stated carbon transition plans

Science-Based Goals for Scope 1 and 2 GHG Emissions Reductions - *Aligned with Paris Agreement*

Medium-term: By 2035, reduce absolute Scope 1 and 2 emissions by 50% (2020 baseline^{1, 2})
Long-term: Achieve Net Zero Scope 1 and 2 emissions by 2050

- Medium- and long-term goals are science-based and aligned with the Paris Agreement
- Complements existing short-term target of reducing absolute Scope 1 and 2 emissions by 40% by 2025 (2007 baseline)
- **Our focus: invest to improve sustainability while prioritizing customer affordability and resiliency**

American Water's Path to GHG Emissions Reduction in 2035



¹ Scope 1 and scope 2 rounded emissions were updated in July 2023
² Includes organic growth; annual adjustments to baseline will occur to incorporate growth through acquisitions
³ Assumes States' renewable portfolio standards will be achieved and power providers will fulfill stated carbon transition plans

Appendix

Approach to Scope 3 Emissions

Committed to Annual Disclosure of Categories 1, 2, 3, and 6

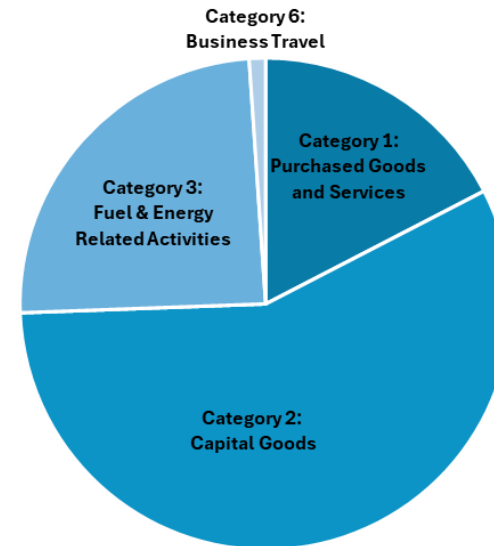
Our mission of providing clean, safe, affordable and reliable water to customers, and scaling our business across necessary capital investment and acquisitions influence Scope 3 emissions

Scope 3 Emissions Drivers

- As our spend increases to address the critical investment needed for our country's aging infrastructure, we anticipate that Scope 3 emissions attributable to purchased and capital goods and services will also rise
- Scope 3 emissions will also increase as we continue to execute upon our acquisition program, as many of the systems we purchase have been underfunded and require significant investment

Supplier Landscape, Engagement and Focus on Affordability

- We procure from roughly 4,500 companies, of which the majority are private construction, chemical, and materials companies
- Increasing emphasis with key suppliers on reducing emissions factors while balancing affordability for our customers



Scope 3 Disclosures

[Sustainability Data Summary](#)

Scope 3 Category Study | Relevance to American Water

- Category 1: Purchased Goods and Services
- Category 2: Capital Goods
- Category 3: Fuel & Energy Related Activities
- Category 4: Upstream Transportation and Distribution
- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 7: Employee Commuting
- Category 8: Upstream Leased Assets
- Category 9: Downstream Transportation and Distribution
- Category 10: Processing of Sold Products
- Category 11: Use of Sold Products
- Category 12: End of Life Treatment of Sold Products
- Category 13: Downstream of Leased Assets
- Category 14: Franchises
- Category 15: Investments

In 2022 we worked with an independent third party to assist the Company in evaluating and calculating our material value chain categories according to size, influence, peer analysis, and other considerations.

LEGEND

- Relevant, Calculated
- Relevant, Not Material
- Not Relevant