American Water ESG Data Summary

Disclosure for 2021-2023

April 2024

AMERICAN WATER

WE KEEP LIFE FLOWING®

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Environmental

Environmental

Goals	Base Year Actuals	2023 Performance
Emissions		
<u>Short Term</u> Reduce absolute scope 1 and scope 2 greenhouse gas emissions by more than 40% by 2025 from a 2007 baseline	853,676 *Metric Tons CO2e* *(Rounded)*	37.4% Reduction 534,770 *Metric Tons CO2e* *(Rounded)*
<u>Medium-term</u> Reduce absolute scope 1 and 2 emissions by 50% by 2035 from a 2020 baseline [1] *Science-based and Paris Agreement Aligned*	546,630 *Metric Tons CO2e* *(Rounded)*	2.2% Reduction 534,770 *Metric Tons CO2e* *(Rounded)*
<u>Long-term</u> Achieve net zero absolute scope 1 and 2 emissions by 2050 *Science-based and Paris Agreement Aligned*	*Not Applicable*	534,770 *Metric Tons CO2e* *(Rounded)*
Water Use & Efficiency		
By 2035, save 15% in water delivered per customer compared to a 2014/2015 average baseline [2]	141,394 *Gal/Customer/Year*	6.6% Reduction 132,117 *Gal/Customer*
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.	65.6% *URI Score*	6.1% Improvement 69.6% *URI Score*

[1] American Water tracks emissions data for this M&A activity. Medium-term baseline will be re-adjusted once a 5% materiality threshold is reached, in alignment with guidance from the Science-Based Target initiative.

[2] Total Water delivered per customer per year. Baseline is the 2014/2015 average delivery per customer. New York American Water was divested on January 1, 2022 and is excluded from baseline and tracking. This metric was developed to capture the trend and progress in supply side (water loss management) and demand side (customer conservation) water efficiency in the entire regulated American Water footprint. This metric may fluctuate from year to year based upon weather impacts to consumption and main breaks or even economic drivers. The trend of declining water sales per customer and American Water's continued efforts focused on reducing water loss in our distribution system support our confidence in meeting the long-term water efficiency goal.

Environmental

Disclosure	2021	2022	2023
Infrastructure			
Surface Water Systems *Approximate Number*	80	80	80
Ground Water Systems *Approximate Number*	480	490	540
Wastewater Treatment Plants *Approximate Number*	160	175	175
Transmission, Distribution and Collection Mains *Approximate Miles*	52,500	53,500	53,700
Length of water mains *Kilometers, Rounded*	78,900	79,600	80,200
Length of sewer pipe *Kilometers, Rounded*	5,500	5,900	6,200
Water Main Replacement Rate [1] *Years*	159	136	146
Rolling 3-Year Average [1] *Years*	142	140	147
Water Main Replacement Rate [1] *Percent*	0.63%	0.71%	0.68%
Rolling 3-Year Average [1] *Percent*	0.71%	0.71%	0.68%
Water Main Breaks Per Mile *Miles*	0.22	0.23	0.20
Lead & Galvanized Service Lines Replaced [2] *Number, Rounded*	5,600	8,500	16,900
Non-Revenue Water Losses [3] *Percent*	22%	24%	22%
Non-Revenue Water Losses [3] *Thousand Gallons*	97,330,172	101,916,621	91,174,423
Non-Revenue Water Losses [3] *Thousand Cubic Meters*	368,435	385,796	345,132

[1] Our Water Main Replacement Rate can fluctuate annually based on a number of factors including timing of installation and allocation of spend based on overall capital priorities or material availability.

[2] Lead and Galvanized Service Lines Replaced were lower in 2021 and 2022 due to reduced access to customers' homes, and other factors related to COVID-19.

[3] Non-Revenue Water losses represent leakage (real losses) and "apparent losses" (meter inaccuracies, theft, etc.) as well as "unbilled authorized consumption" (intentional water main flushing to maintain water quality standards, firefighting, etc.).

Environmental

Disclosure	2021	2022	2023
Water			
Total water delivered, by type *Thousand Cubic Meters*	1,282,554	1,245,260	1,249,053
Residential *Thousand Cubic Meters*	657,314	613,634	609,152
Commercial *Thousand Cubic Meters*	293,279	293,850	296,791
Industrial *Thousand Cubic Meters*	135,283	141,063	137,804
All Other Customers *Thousand Cubic Meters*	196,679	196,713	205,306
Average Volume of Water Treated Per Day *Cubic Meters Per Day*	4,523,000	4,470,000	4,368,000
Wastewater			
Average volume of wastewater treated per day, by type *Estimated Cubic Meters Per Day*	-	287,000	Not Available at Time of Publishing
Sanitary Sewer *Estimated Cubic Meters Per Day*	-	165,000	Not Available at Time of Publishing
Stormwater *Estimated Cubic Meters Per Day*	-	0	Not Available at Time of Publishing
Combined Sewer *Estimated Cubic Meters Per Day*	-	122,000	Not Available at Time of Publishing
End-Use Efficiency			
Percentage of water utility revenues from rate structures that are designed to promote conservation and revenue resilience [1]	20% [2]	17%	19%

[1] This disclosure is calculated using revenue from inclining block states (CA), combined with Revenue Stabilization states (CA and IL).

[2] Figures include New York American Water, which was divested on January 1, 2022 and not included in the 2022 or 2023 figures.

Environmental

Disclosure	2021	2022	2023
Resilience			
Total Water Withdrawal from All Areas [1] *Megaliters*	1,652,000	1,631,000	1,594,000
Total Water Withdrawal from All Areas [1] *Cubic meters*	1,652,000,000	1,631,000,000	1,594,000,000
Total Water Withdrawal from All Areas [1] *Gallons in Millions*	436,144	430,990	421,139
Groundwater *Estimated Percent*	26%	24%	22%
Surface Water *Estimated Percent*	67%	69%	71%
Ocean Water *Estimated Percent*	0%	0%	0%
Recycled Water *Estimated Percent*	0%	0%	0%
Water Purchased from 3rd Party *Estimated Percent*	7%	7%	7%
Other Sources *Estimated Percent*	0%	0%	0%
Fresh Water Sourced in Regions with High or Extremely High Baseline Water Stress [2] *Percent, Rounded*	-	3%	3%
Fresh Water Sourced in Regions with High or Extremely High Baseline Water Stress [3] *Thousand Cubic Meters*	-	53,416	49,862
Fresh Water Sourced in Regions with High or Extremely High Baseline Water Stress [3] *Percent Purchased from Third Party, Rounded*	-	57%	57%
Wastewater treatment capacity in 100-year flood zones *Cubic Meters Per Day*	120,804	125,728	239,460 [4]

[1] System Delivery by point of entry is being used for “withdrawals.”

[2] Water stressed areas include: New Jersey American Water system points of entry within Critical Areas 1 and 2; Monterey, California (active conservation program in accordance with California best management practices); and Joplin, Missouri (reservoir supply needed for drought).

[3] Water stress calculation methodology was modified in YE 2022 reporting to align with SASB standards.

[4] 2023 increase is primarily due to the acquisition of the York wastewater treatment plant.

Environmental

Disclosure	2021	2022	2023
Energy			
Total Energy Consumption Within the Organization *Gigajoules, Rounded*	5,050,737	5,070,656	5,081,579
Consumption from Purchased Electricity *Gigajoules, Rounded*	3,812,937	3,876,034	3,783,823
Fuel Consumption from Non-Renewable Sources *Gigajoules, Rounded*	1,219,899	1,163,207	1,221,263
Consumption from Renewable Sources [1] *Gigajoules, Rounded*	4,242	19,477	66,323
Consumption from Self-Generated Renewable Energy [1] *Gigajoules, Rounded*	13,659	11,938	10,170
Energy Consumption Supplied from Grid Electricity *Percentage*	75.5%	76.4%	74.5%
Energy Consumption Supplied from Fuel *Percentage*	24.2%	22.9%	24.0%
Energy Consumption Supplied from Renewable Energy[1] *Percentage*	0.4%	0.6%	1.5%
Energy Intensity *Megawatt-Hour/Total Billed Water Sale, Rounded*	4	4	4
Total Energy Consumption Outside the Organization *Gigajoules, Rounded*	3,730,140	3,855,132	3,854,210

[1] Updated disclosures. 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.

Environmental

Disclosure	2021	2022	2023
Emissions			
Scope 1 GHG Emissions (Independently Assured [1]) *Metric Tons CO2e*	73,457	69,721	74,877 [2]
Carbon Dioxide *Metric Tons CO2e*	71,791	68,045	72,921
Methane *Metric Tons CO2e*	103	98	113
Nitrous Oxide *Metric Tons CO2e*	279	228	425
Scope 2 GHG Emissions (Independently Assured [1]) [3] *Location-Based* *Metric Tons CO2e*	460,907	487,770	459,896
Carbon Dioxide *Metric Tons CO2e*	458,183	484,732	457,170
Methane *Metric Tons CO2e*	1,161	1,274	1,166
Nitrous Oxide *Metric Tons CO2e*	1,563	1,764	1,561
Scope 1 and Scope 2 Emissions Intensity [4] *Metric Tons CO2e/Total Billed Water Sale (Mgal)*	1.58	1.69	2.00
Scope 3 GHG Emissions [5] *Metric Tons CO2e, Rounded*	506,000	594,000	649,000
Category 1: Purchased goods & services *Metric Tons CO2e, Rounded*	101,000	63,000	113,000
Category 2: Capital goods *Metric Tons CO2e, Rounded*	245,000	370,000	370,000
Category 3: Fuel & energy-related activities *Metric Tons CO2e, Rounded*	160,000	161,000	159,000
Category 6: Business Travel *Metric Tons CO2e, Rounded*	<1%	<1%	<1%

[1] Our 2021 and 2022 Scope 1 and Scope 2 greenhouse gas emissions have been independently assured by ERM CVS in accordance with the International Standard for Assurance Engagements ISAE 3000 (Revised). Please see full assurance report for more details.

[2] The change in Scope 1 greenhouse gas emissions is driven by an increase in natural gas usage within our Pennsylvania and New Jersey operations.

[3] The change in greenhouse gas emissions is primarily due to United States Environmental Protection Agency (EPA) Emissions & Generation Resource Integrated Database (eGRID) emission rates.

[4] 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.

[5] We procure from roughly 4,500 companies, in which the majority of suppliers are private construction, chemical, and material companies. As our spend increases to address the critical investment needed for our country's aging infrastructure and to meet water and wastewater quality requirements, 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 robust acquisition program and to achieve our existing Scope 1 and Scope 2 reduction goals.

Environmental

Key Documents
CDP – Climate Change
Environmental Policy
GHG Emissions Goals & Profile
Utility Resiliency Index One Pager
Water Use & Efficiency One Pager

Independent Limited Assurance Statement – Greenhouse Gas Emissions

Independent Limited Assurance Report to American Water Works Company, Inc.

ERM Certification and Verification Services Inc. ("ERM CVS") was engaged by American Water Works Company, Inc ("American Water") to provide limited assurance in relation to the 2020, 2021 and 2022 information set out below and presented in American Water's Sustainability Report 2021-2022 (the "Report").

Engagement summary	
Scope of our assurance engagement	Whether the data for the following selected disclosures listed below are fairly presented in the Report, in all material respects, in accordance with the reporting criteria. • Total Scope 1 GHG emissions [metric tons CO2e] • Total Scope 2 GHG emissions (location-based) [metric tons CO2e] Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report
Reporting period	• 1 January 2020 – 31 December 2020 • 1 January 2021 – 31 December 2021 • 1 January 2022 – 31 December 2022
Reporting criteria	• American Water's internal reporting criteria and definitions. • WBCSD/WRI GHG Protocol (2004, as updated January 2015) for the Scope 1 and 2 GHG emissions.
Assurance standard	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information 'issued by the International Auditing and Standards Board. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
Assurance level	Limited assurance.
Respective responsibilities	American Water is responsible for preparing the Report and for the collection and presentation of the information within it. ERM CVS' responsibility is to provide conclusions to American Water on the agreed scope based on our engagement terms with American Water, the assurance activities performed and exercising our professional judgement.

Our conclusion
Based on our activities, as described overleaf, nothing has come to our attention to indicate that the data and information for the disclosures listed under 'Scope' above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Independent Limited Assurance Statement – Greenhouse Gas Emissions

Our assurance activities

A multi-disciplinary team of sustainability and assurance specialists performed a range of assurance procedures which varied across the disclosures covered by our assurance engagement, as follows:

- Assessing the appropriateness of the reporting criteria for the selected information.
- Interviews with management representatives responsible for managing the selected information.
- Interviews with relevant staff to understand and evaluate the relevant management systems and processes (including internal review processes) used for collecting and reporting the selected disclosures.
- An in-person HQ visit (Camden, NJ) to conduct interviews with relevant staff to understand and evaluate the relevant management systems and processes (including internal review processes) used for collecting and reporting the selected disclosures.
- Virtual site visits to American Water facilities (Canal Road, NJ; Raritan Millstone, NJ; and Central Plant, MO) to review source data and local reporting systems and controls.
- A review at corporate level of a sample of qualitative and quantitative evidence supporting the reported information.
- An analytical review of the year end data submitted by all locations included in the consolidated 2020, 2021, and 2022 group data for the selected disclosures which included testing the completeness and mathematical accuracy of data.
- Interviews with American Water's third-party utilities data management team to ensure completeness and accuracy.
- Assessing conversion and emission factors and assumptions used.
- Reviewing the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of Parts A & B of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to American Water in any respect.

Beth Wyke
Head of Corporate Assurance Services
Malvern, PA

24 July 2023

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Social

Social

Goals	2023 Target Performance	2023 Actual Performance
Customer		
Customer Satisfaction		
A quarterly survey is conducted by a third-party firm of random regulated water and wastewater customers, and the results are aggregated and weighted for each individual state.	Second Quartile	Second Quartile
Safety [1]		
OSHA Recordable Incident Rate (ORIR)		
A measure of injuries and illnesses requiring treatment beyond first aid for every 200,000 hours worked.	0.62	0.86
Days Away, Restricted, or Transferred (DART) Rate		
A measure of the number of OSHA defined recordable injuries that resulted in days away from work, work restrictions, or job duty/position transfers in the calendar year per 100 employees.	0.30	0.52
Water Quality		
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, which may exclude NOVs for newly acquired systems and third-party violations, among others.	6	9
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, which may exclude NOVs related to newly acquired systems and associated with third-party violations, among others.	2	0
Inclusion, Diversity & Equity (People)		
Female Representation		
This people metric is determined by dividing the number of employees who self-identify as female by the total employee headcount.	25.0%	24.1%
Racial/Ethnic Diversity Representation		
This people metric is determined by dividing the number of employees who self-identify as a member of a diverse racial or ethnic group by the total employee headcount.	21.0%	20.2%

[1] For 2023, the Company had an ORIR injury rate of 0.86, which reflects a 4% increase in injuries compared to 2022, taking into account a 1% increase in labor hours compared to 2022. The DART injuries increased, primarily due to an increase in strain, sprain and tear injuries, which the Company has focused on addressing through safety action plans tailored to these types of injuries.

Social

Disclosure	2021	2022	2023
Customers [1]			
Total Customers Served *Number, Rounded*	3,530,000	3,449,000	3,486,000
Residential Customers Served *Number, Rounded*	3,217,000	3,140,000	3,172,000
Water Services *Number, Rounded*	2,972,000	2,870,000	2,893,000
Wastewater Services *Number, Rounded*	245,000	270,000	279,000
Commercial Customers Served *Number, Rounded*	240,000	236,000	239,000
Water Services *Number, Rounded*	225,000	219,000	221,000
Wastewater Services *Number, Rounded*	15,000	17,000	18,000
Industrial Customers Served *Number, Rounded*	4,000	4,000	4,000
Water Services *Number, Rounded*	4,000	4,000	4,000
Wastewater Services *Number, Rounded*	-	-	-
All Other Customers Served [2] *Number, Rounded*	69,000	69,000	71,000
Water Services *Number, Rounded*	68,000	68,000	70,000
Wastewater Services *Number, Rounded*	1,000	1,000	1,000

[1] Figures reflect the divestitures of Homeowner Services Group in 2021 and New York American Water in 2022.

[2] Includes fire service, public authorities and other utilities and community water and wastewater systems under bulk contracts. Bulk contracts, which are accounted for as a single customer in the figures above, generally result in service to multiple customers.

Social

Disclosure	2021	2022	2023
Water Compliance [1]			
Drinking Water Notices of Violation: Overall *Number*	11	18	22
Tier 1 – Acute [2] *Number*	1	2	1
Tier 2 – Non-Acute [3] *Number*	2	1	0
Tier 3 – Monitoring & Reporting [4] *Number*	4	9	14
Other [5] *Number*	4	6	7

[1] Figures include all water and wastewater systems owned by American Water subsidiaries, including newly acquired assets that may require improvements.

[2] Tier 1 violations are defined, according to U.S. 40 CFR 141.201, as those violations of the National Primary Drinking Water Regulations (NPDWR) that require public notice and have significant potential to have serious adverse effects on human health as a result of short-term exposure.

[3] Tier 2 violations are defined, according to U.S. 40 CFR 141.201, as all other violations of the NPDWR that require public notice and have potential to have serious adverse effects on human health.

[4] Tier 3 violations are defined according to U.S. 40 CFR 141.201 as those violations of the NPDWR not included in Tier 1 and Tier 2 that require public notice but are not considered to have a direct impact on human health (e.g., failing to collect a required sample, failing to report sample results on time).

[5] Other Drinking Water violations are defined as those violations that do not meet the definitions of Tier 1, Tier 2, or Tier 3.

Social

Disclosure	2021	2022	2023
Customer Satisfaction			
Residential Customer Survey Satisfaction Rating [1] *Rating (Quartile)*	Second Quartile	Second Quartile	Second Quartile
Service			
Total Unplanned Service Disruptions Per 100 Miles *Number*	23.9	24.0	20.3
Unplanned service disruptions – Under 4 Hours *Number*	7,342	7,670	6,503
Customers affected *Number*	129,629	121,578	104,125
Customers affected *Percent, Rounded*	3.7%	3.5%	3.0%
Unplanned service disruptions – 4-12 hours *Number*	4,173	4,053	3,462
Customers affected *Number*	136,735	167,146	122,989
Customers affected *Percent, Rounded*	3.9%	4.8%	3.5%
Unplanned service disruptions – 12+ hours *Number*	185	156	131
Customers affected *Number*	7,161	21,588	10,987
Customers affected *Percent, Rounded*	0.2%	0.6%	0.3%

[1] We measure performance on Customer Experience through our performance on the J.D. Power U.S. Water Utility Residential Customer Satisfaction Study. The study measures the satisfaction of residential water customers of the 92 largest water utilities in the U.S, and considers eight factors to score companies on a 1,000-point scale: information provided; quality and reliability; level of trust; ease of doing business; monthly total cost; people; resolving problems or complaints; and digital channels. In 2020, American Water changed the target and calculation to utilize J.D. Power syndicated Customer Satisfaction Quarterly Survey of regulated water and wastewater customers, and the results are aggregated and weighted for each individual state. Our current target includes achieving “second quartile” in overall satisfaction with each of the eight regional segments.

Social

Disclosure	2021	2022	2023
Affordability			
Average Monthly Water Bill for Residential Customers *Dollar*	$54.30	$56.60	$61.98 [1]
Average Monthly Water Bill for Residential Customers as Percentage of Median Household Income (MHI) *Percent*	0.74%	0.75%	0.78% [1]
Average Retail Water Rate for Residential Customers *Dollar Per Thousand Gallons*	$12.66	$13.42	$15.11 [1]
Average Retail Water Rate for Commercial Customers *Dollar Per Thousand Gallons*	$9.23	$9.70	$11.27 [1]
Average Retail Water Rate for Industrial Customers *Dollar Per Thousand Gallons*	$3.91	$4.12	$4.83 [1]
Average Monthly Wastewater Bill for Residential Customers *Dollar*	$52.30	$56.30	$69.55 [1]
Average Monthly Wastewater Bill for Residential Customers as Percentage of MHI *Percent*	0.69%	0.74%	0.86% [1]
States with Low Income Programs *Number*	12	12	12
Residential customer water disconnections for non-payment *Number*	155,043	170,853	156,884
Percentage reconnected within 30 days	71%	72%	71%
American Water Charitable Foundation			
Total Giving *Dollar*	$2,122,000	$3,160,000	$4,013,000
American Water Charitable Foundation Grants [2] *Dollar*	$1,148,000	$2,259,000	$3,065,000
American Water Charitable Foundation Employee Volunteer & Matching Gift Program [3] *Dollar*	$540,000	$462,000	$517,000
American Water Employee Donations *Dollar*	$433,000	$439,000	$431,000

[1] Increases approved by state regulators, driven by the replacement of aging infrastructure.

[2] Includes all grants awarded to communities served by American Water.

[3] Includes donations reported by employees in order to obtain match.

Social

Disclosure	2021	2022	2023
Supply Chain Management			
Total Supply Chain Spend *Dollar in Billions, Rounded*	$2.0	$2.7	$3.0
Supplier Count *Number*	4,089	4,450	4,589
United States Based Suppliers *Percent*	> 99.9%	> 99.9%	> 99.9%
Total Spend with Certified Diverse Suppliers: Tier 1 and Tier 2 [1] *Dollar, Rounded*	$416,000,000	$604,000,000	$670,000,000
Total Spend with Certified Diverse Suppliers: Tier 1 and Tier 2 [1] *Percent, Rounded*	19.3%	22.3%	22.2%
Women-Owned *Dollar, Rounded*	$229,000,000	$332,000,000	$406,000,000
Women-Owned *Percent, Rounded*	10.6%	12.3%	13.5%
Minority-Owned *Dollar, Rounded*	$101,000,000	$132,000,000	$125,000,000
Minority-Owned *Percent, Rounded*	4.7%	4.9%	4.2%
Veteran-Owned *Dollar, Rounded*	$49,000,000	$80,000,000	$95,000,000
Veteran-Owned *Percent, Rounded*	2.3%	3.0%	3.1%
Other *Dollar, Rounded*	$37,000,000	$60,000,000	$44,000,000
Other *Percent, Rounded*	1.7%	2.2%	1.4%

[1] Includes women-owned, minority-owned, veteran-owned and other disadvantaged suppliers.

Social

Disclosure	2021	2022	2023
Occupational Health & Safety - Employees			
Fatalities *Number*	0	0	0
Fatalities *Rate*	0	0	0
Fatalities as a Result of Work-Related Ill-Health *Number*	0	0	0
DART [1] *Rate*	0.54	0.37	0.52
ORIR [2] *Rate*	0.97	0.85	0.86
Total Time Worked *Hours*	13,239,163	12,279,738	12,387,836
Main Types of Work-Related Injury *Description*	Strain/sprain/tear	Strain/sprain/tear	Strain/sprain/tear
Cases of Work-Related Ill-Health *Number*	0	0	0
Main Types of Work-Related Ill-Health *Description*	No Ill Health	No Ill Health	No Ill Health
Safety Training Completed *Hours*	120,078	117,320	137,566

[1] DART injury rate measures the number of OSHA defined recordable injuries that resulted in days away from work, work restrictions, or job duty/position transfers in the calendar year per 100 employees.

[2] ORIR is a measure of injuries and illnesses requiring treatment beyond first aid for every 200,000 hours worked.

Social

Disclosure	2021	2022	2023
Occupational Health & Safety – Non-Employees			
Fatalities *Number*	0	0	0
Fatalities *Rate*	0	0	0
Fatalities as a Result of Work-Related Ill-Health *Number*	0	0	0
DART [1] *Rate*	0.44	0.15	0.37
ORIR [2] *Rate*	0.94	0.41	0.77
Occupational Health & Safety (OHS) Management System			
Workers Covered by the OHS Management system *Percent*	100%	100%	100%
Employees *Percent*	100%	100%	100%
Non-Employees *Percent*	100%	100%	100%
Near Miss Reporting [3]			
Near Miss Reporting *Number, Rounded*	11,700	14,000	18,600
Corrective Actions Taken within 30 Days *Percent*	97%	96%	97%

[1] DART injury rate measures the number of OSHA defined recordable injuries that resulted in days away from work, work restrictions, or job duty/position transfers in the calendar year per 100 employees.

[2] ORIR is a measure of injuries and illnesses requiring treatment beyond first aid for every 200,000 hours worked.

[3] American Water defines a Near Miss as an unsafe event or condition that did not result in injury, illness, or damage, but could have if conditions, position and timing were different, or if the activity or condition were allowed to continue.

Social

Disclosure	2021	2022	2023
Talent Attraction, Engagement & Retention			
Employees [1] *Number as of December 31*	6,441	6,521	6,485
Union-represented *Percent, Rounded*	47%	47%	47%
Full Time Employees [1] *Number*	6,427	6,521	6,454
Female *Number*	1,542	1,570	1,544
Male *Number*	4,885	4,951	4,910
Part Time Employees [1] *Number*	21	34	31
Female *Number*	9	16	17
Male *Number*	12	18	14
Temporary Employees [1] *Number*	14	19	5
Female *Number*	8	9	2
Male *Number*	6	10	3

[1] Figures reflect the divestitures of Homeowner Services Group in 2021 and New York American Water in 2022.

Social

Disclosure	2021	2022	2023
Talent Attraction, Engagement & Retention			
Total Employee Hires *Number*	892	866	720
Under 30 *Number*	302	319	258
30-50 *Number*	443	449	379
50+ *Number*	147	98	83
Female *Number*	355	270	241
Male *Number*	537	596	479
Total Employee Hires [1] *Percent, Rounded*	14%	13%	11%
Under 30 *Percent, Rounded*	34%	37%	36%
30-50 *Percent, Rounded*	50%	52%	53%
50+ *Percent, Rounded*	16%	11%	11%
Female *Percent, Rounded*	40%	31%	34%
Male *Percent, Rounded*	60%	69%	66%

[1] We calculate our employee hire percentage, including our age and gender breakdowns, using the following formula: Hire Percentage = (# of hires during the reporting period)/(Total number of employees during the reporting period).

Social

Disclosure	2021	2022	2023
Talent Attraction, Engagement & Retention			
New Hire/Rehire: Overall Diversity [1] *Percent, Rounded*	62%	55%	58%
Disability *Percent, Rounded*	6%	5%	7%
Female *Percent, Rounded*	40%	31%	34%
Military/Veteran *Percent, Rounded*	5%	6%	8%
Military Spouse *Percent, Rounded*	<1%	<1%	1%
LGBTQ+ *Percent, Rounded*	5%	4%	4%
Ethnicity/Race *Percent, Rounded*	37%	29%	33%
Transfers/Promotions Candidates: Overall Diversity [1] *Percent, Rounded*	58%	46%	48%
Disability *Percent, Rounded*	3%	4%	4%
Female *Percent, Rounded*	39%	26%	30%
Military/Veteran *Percent, Rounded*	6%	8%	6%
Military Spouse *Percent, Rounded*	<1%	<1%	<1%
LGBTQ+ *Percent, Rounded*	2%	1%	3%
Ethnicity/Race *Percent, Rounded*	26%	20%	21%
Job Requisitions with Diverse Candidate Pool [1] *Percent, Rounded*	86%	83%	85%
Open Positions Filled by Internal Candidates *Percent, Rounded*	33%	32%	34%

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data.

Social

Disclosure	2021	2022	2023
Talent Attraction, Engagement & Retention			
Total Employee Turnover [1] *Number*	920	801	759
Voluntary: Non-Retirement *Number*	508	439	408
Voluntary: Retirement *Number*	205	177	143
Involuntary *Number*	207	185	208
Under 30 *Number*	200	145	156
30-50 *Number*	337	345	337
50+ *Number*	383	311	266
White *Number*	545	528	492
Black/African American *Number*	200	123	138
American Indian/Alaskan Native *Number*	6	2	2
Asian *Number*	31	39	27
Hispanic/Latino *Number*	52	49	40
Native Hawaiian/Other Pacific Islanders *Number*	2	2	1
Two or More Races *Number*	26	13	17
Unidentified *Number*	58	45	42
Female *Number*	346	253	251
LGBTQ+ *Number*	21	21	25
Disability *Number*	47	26	39

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data. Figures reflect the divestitures of Homeowner Services Group in 2021 and New York American Water in 2022.

Social

Disclosure	2021	2022	2023
Talent Attraction, Engagement & Retention			
Total Employee Turnover [1] *Percent, Rounded*	13%	12%	12%
Voluntary: Non-Retirement *Percent, Rounded*	55%	55%	54%
Voluntary: Retirement *Percent, Rounded*	22%	22%	19%
Involuntary *Number*	23%	23%	27%
Under 30 *Percent, Rounded*	22%	18%	21%
30-50 *Percent, Rounded*	37%	43%	44%
50+ *Percent, Rounded*	41%	39%	35%
White *Percent, Rounded*	59%	66%	65%
Black/African American *Percent, Rounded*	22%	15%	18%
American Indian/Alaskan Native *Percent, Rounded*	1%	<1%	<1%
Asian *Percent, Rounded*	3%	5%	4%
Hispanic/Latino *Percent, Rounded*	6%	6%	5%
Native Hawaiian/Other Pacific Islanders *Percent, Rounded*	<1%	<1%	<1%
Two or More Races *Percent, Rounded*	3%	2%	2%
Unidentified *Percent, Rounded*	6%	6%	6%
Female *Percent, Rounded*	38%	32%	33%
LGBTQ+ *Percent, Rounded*	2%	3%	3%
Disability *Percent, Rounded*	5%	3%	5%

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data. Figures reflect the divestitures of Homeowner Services Group in 2021 and New York American Water in 2022.

Social

Disclosure	2021	2022	2023
Talent Attraction, Engagement & Retention			
Non-Union Employees Receiving Regular Performance and Career Development Reviews: Overall	100%	100%	100%
Female *Percent, Rounded*	100%	100%	100%
Male *Percent, Rounded*	100%	100%	100%
Executive Management [1] *Percent, Rounded*	100%	100%	100%
Leader [1] *Percent, Rounded*	100%	100%	100%
Other [1] *Percent, Rounded*	100%	100%	100%
Talent Attraction, Engagement & Retention			
Average Hours of Training Undertaken by Employees *Number, Rounded*	51	46	48
Female *Number, Rounded*	52	48	48
Male *Number, Rounded*	50	45	47
Executive [1] *Number, Rounded*	44	29	32
Leader [1] *Number, Rounded*	64	56	54
Other [1] *Number, Rounded*	48	44	47

[1] In 2022, we re-classified our Human Capital Management System in alignment with Equal Opportunity Commission guidelines, which drove variances between Executive, Leader, and Other average training hours.

Executive: We define Executive as the Chief Executive Officer and one level of direct reports.

Leader: We define Leader to reflect any employee with a direct report.

Other: We define Other as the remaining employee population.

Social

Disclosure	2021	2022	2023
Inclusion, Diversity & Equity [1]			
Overall Employee Diversity [2] *Percent*	42.8%	43.6%	44.0%
Female *Percent*	24.1%	24.1%	24.1%
Male *Percent*	75.9%	75.9%	75.9%
Racial/Ethnic *Percent, Rounded*	19.8%	20.0%	20.2%
White *Percent, Rounded*	76%	76%	75%
No Racial/Ethnic Minority Self-ID *Percent, Rounded*	4%	4%	5%
LGBTQ+ Employees *Percent, Rounded*	1%	2%	2%
Military Spouse Employees *Percent, Rounded,*	<1%	<1%	<1%
Veteran Employees *Percent, Rounded*	6%	7%	7%
Disabled Employees *Percent, Rounded*	2%	3%	4%

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data.

[2] Figures reflect the divestitures of Homeowner Services Group in 2021 and New York American Water in 2022.

Social

Disclosure	2021	2022	2023
Inclusion, Diversity & Equity			
Overall Diversity: Board [1] *Percent, Rounded*	64%	64%	70%
Inclusion, Diversity & Equity			
Gender Diversity: Board [1]			
Female *Percent, Rounded*	45%	55%	60%
Inclusion, Diversity & Equity			
Racial/Ethnic Diversity: Board [1]			
White *Percent, Rounded*	82%	91%	90%
Black/African American *Percent, Rounded*	18%	9%	10%
American Indian/Alaska Native *Percent, Rounded*	0%	0%	0%
Asian *Percent, Rounded*	0%	0%	0%
Native Hawaiian/Other Pacific Islanders *Percent, Rounded*	0%	0%	0%
Hispanic/Latino *Percent, Rounded*	0%	0%	0%
Two or More Races *Percent, Rounded*	0%	0%	0%
Unidentified *Percent, Rounded*	0%	0%	0%

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data and are determined as of December 31 for each fiscal year indicated.

Social

Disclosure	2021	2022	2023
Inclusion, Diversity & Equity [1]			
Gender Diversity: Executive Employees [2]			
Female *Percent, Rounded*	57%	67%	63%
Inclusion, Diversity & Equity [1]			
Racial/Ethnic Diversity: Executive Employees [2]			
White *Percent, Rounded*	100%	83%	75%
Black/African American *Percent, Rounded*	0%	0%	12.5%
American Indian/Alaska Native *Percent, Rounded*	0%	0%	0%
Asian *Percent, Rounded*	0%	0%	0%
Native Hawaiian/Other Pacific Islanders *Percent, Rounded*	0%	0%	0%
Hispanic/Latino *Percent, Rounded*	0%	17%	12.5%
Two or More Races *Percent, Rounded*	0%	0%	0%
Unidentified *Percent, Rounded*	0%	0%	0%

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data.

[2] We define Executive as the Chief Executive Officer and one level of direct reports.

Social

Disclosure	2021	2022	2023
Inclusion, Diversity & Equity [1]			
Gender Diversity: Leader Employees [2]			
Female *Percent, Rounded*	26%	27%	28%
Inclusion, Diversity & Equity [1]			
Racial/Ethnic Diversity by Career Level: Leader [2]			
White *Percent, Rounded*	82%	82%	82%
Black/African American *Percent, Rounded*	7%	6%	6%
American Indian/Alaska Native *Percent, Rounded*	<1%	<1%	<1%
Asian *Percent, Rounded*	3%	3%	2%
Native Hawaiian/Other Pacific Islanders *Percent, Rounded*	0%	<1%	<1%
Hispanic/Latino *Percent, Rounded*	4%	4%	4%
Two or More Races *Percent, Rounded*	<1%	1%	1%
Unidentified *Percent, Rounded*	4%	4%	4%

[1] All diversity metrics (female gender, race, ethnicity, disabled, military/veteran, military spouse, and LGBTQ+) are based on voluntary self-identification data.

[2] We define Leader to reflect any employee with a direct report.

Social

Disclosure 2021

EEO-1 Data [1]

JOB CATEGORIES	HISPANIC OR LATINO		NON-HISPANIC OR LATINO												
			MALE						FEMALE						
	Male	Female	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	Overall Totals
Executive/Sr. Officials & Managers	3	1	79	4	0	1	0	1	26	4	0	0	0	1	120
First/Mid Officials & Managers	31	15	749	52	1	30	3	10	281	47	0	20	2	2	1243
Professionals	33	29	442	45	0	66	0	8	327	98	2	40	0	5	1095
Technicians	10	2	124	10	1	3	1	1	29	9	0	3	0	1	194
Sales Workers	2	7	14	11	0	0	0	0	17	29	1	0	0	0	81
Administrative Support	23	45	192	32	1	6	0	2	453	208	1	8	3	13	987
Craft Workers	113	3	1350	121	8	9	5	16	56	3	0	1	0	0	1685
Operatives	94	5	1191	136	1	5	4	19	51	10	0	1	0	1	1518
Laborers & Helpers	12	1	97	24	0	2	2	1	2	1	0	0	0	0	142
Service Workers	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2
Total	321	108	4240	435	12	122	15	58	1242	409	4	73	5	23	7067
Previous Report Total	293	104	4184	427	10	118	13	51	1208	386	2	76	4	23	6899

[1] Data reflects corrections made after the official EEO-1 filing. More information on EEO-1 Report at https://www.eeoc.gov/data/eeo-data-collections. U.S. Census Bureau information available at https://www.census.gov/.

Social

EEO-1 Data

JOB CATEGORIES	HISPANIC OR LATINO		NON-HISPANIC OR LATINO												Overall Totals
			MALE						FEMALE						
	Male	Female	White	Black or African American	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaskan Native	Two or More Races	White	Black or African American	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaskan Native	Two or More Races	
Executive/Sr. Officials & Managers	1	1	12	0	0	0	0	0	9	0	0	0	0	0	23
First/Mid Officials & Managers	26	8	521	26	21	1	0	9	203	19	9	1	1	3	848
Professionals	34	17	417	47	55	1	1	4	289	56	33	1	0	3	958
Technicians	8	4	114	13	3	1	1	1	33	8	3	0	0	1	190
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support Workers	19	36	128	27	1	0	0	2	428	185	7	0	4	15	852
Craft Workers	133	5	1628	143	15	8	7	22	64	4	1	0	0	0	2030
Operatives	88	9	1137	137	2	3	4	13	85	15	1	0	0	1	1495
Laborers & Helpers	9	1	82	23	1	0	0	1	5	0	0	0	0	0	122
Service Workers	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1
Total	318	81	4039	416	98	14	13	52	1116	288	54	2	5	23	6519
2021 Report Totals*	321	108	4240	435	122	12	15	58	1242	409	73	4	5	23	7067

* Please note that the 2021 employee counts displayed are as of 11/01/2021 and reflect data corrections made after the official EEO-1 filing. The EEOC was notified in a letter dated 10/11/2022. Please note that the 2022 employee counts reflect the divestiture of the Homeowner Services business in late 2021, which is the primary driver in the variances between 2022 and 2021 amounts reported in several employee categories.

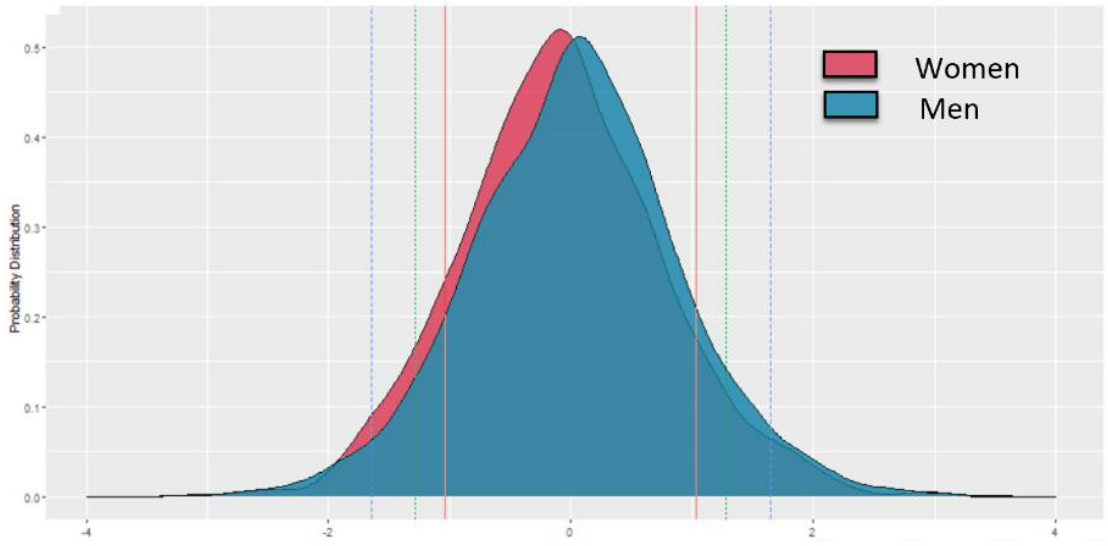
More information on the EEO-1 reports can be found at https://www.eeoc.gov/data/eeo-data-collections. . U.S. Census Bureau information available at https://census.gov.

Pay Equity Analysis

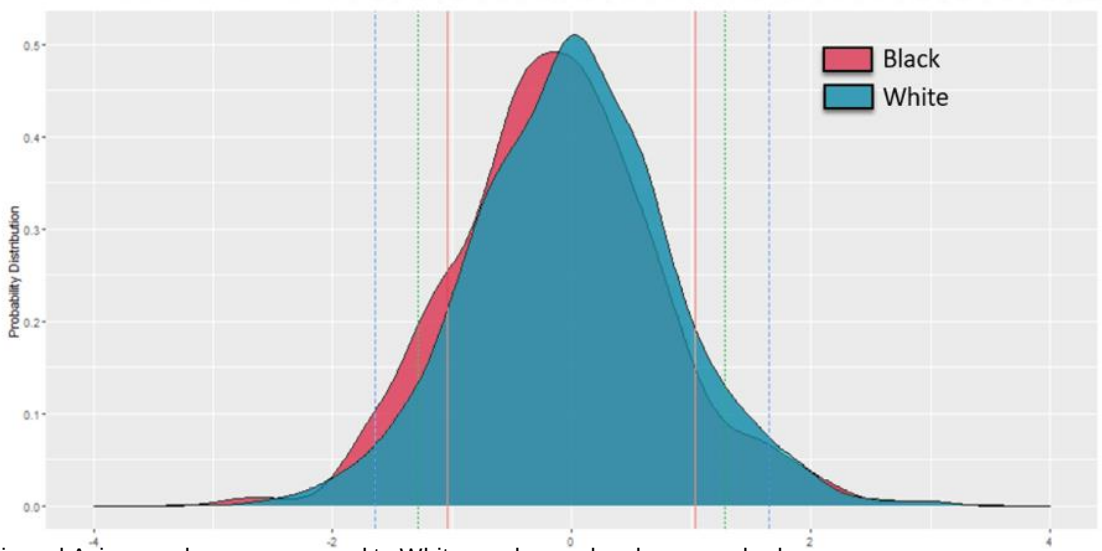
The below charts demonstrate the results of our most-recent pay equity review, completed by an independent, third-party consultant.

American Water is committed to using these results to continue to improve our employment practices and provide education and data to our people leaders to support pay decisions made across the company every day, as we continue to make progress towards our goal of 100% pay equity across all employee groups.

Women and Men, Non-Union



Black and White, Non-Union [1]



[1] Pay parity for Hispanic and Asian employees compared to White employees has been reached.

Social

Key Documents
American Water Benefits
American Water Charitable Foundation Overview
Equal Employment Opportunity Statement
Inclusion, Diversity & Equity
Pay Equity and Internal Labor Market Analysis

Governance

Governance

Disclosure	2021	2022	2023
Board of Directors			
Board Directors *Number*	11	11	10 [1]
Average Director Tenure *Number of Years, Rounded*	7	7	7
Average Board Meeting Attendance [2] *Percent*	94.8%	94.9% [3]	96.1%
Political Contributions			
Political Contributions *Dollars, Rounded*	$4,343,200	$4,867,200	Not Available At Time of Publishing
Direct political contributions by American Water or a subsidiary (comprised only of corporate contributions to a subsidiary PAC) *Dollars, Rounded*	$82,100	$59,100	Not Available At Time of Publishing
Political contributions by the Employee Federal PAC or a state subsidiary or line of business PAC *Dollars, Rounded*	$393,500	$467,100	Not Available At Time of Publishing
Payments to trade associations and tax-exempt organizations over $50,000, where the entity has stated that a portion of the payment was used for a non-deductible political or lobbying purpose *Dollars, Rounded*	$2,467,600	$2,741,000	Not Available At Time of Publishing
Lobbying Expenditures *Dollars, Rounded*	$1,400,000	$1,600,000	Not Available At Time of Publishing

[1] The number of directors and average director tenure are determined as of December 31 for each fiscal year indicated. In accordance with our Restated Certificate of Incorporation and Amended and Restated Bylaws, the number of directors is fixed from time to time by the Board. On February 14, 2024, the size of the Board was reduced from 10 to nine after the resignation of Admiral James G. Stavridis from the Board effective February 12, 2024, and nine persons have been named as director nominees for election at the 2024 annual meeting.

[2] Average attendance during the calendar year for all Board members at the combined number of Board meetings and meetings of the Board committees on which such director served.

[3] For fiscal year 2022, overall attendance was reported rather than average attendance.

Governance

Disclosure

March 26, 2024

Board of Directors Nominee Qualifications, Experience & Diversity Matrix [1]

	Jeffrey N. Edwards	Martha Clark Goss	M. Susan Hardwick	Kimberly J. Harris	Laurie P. Havanec	Julia L. Johnson	Patricia L. Kampling	Karl F. Kurz (Board Chair)	Michael L. Marberry
American Water Strategic Priorities									
Customer Experience	Managerial Knowledge	Managerial Knowledge	Technical Expertise	Technical Expertise	Working Knowledge	Technical Expertise	Technical Expertise	Technical Expertise	Working Knowledge
Safety	Working Knowledge	Working Knowledge	Technical Expertise	Technical Expertise	Technical Expertise	Working Knowledge	Technical Expertise	Managerial Knowledge	Managerial Knowledge
Human Capital Management	Managerial Knowledge	Managerial Knowledge	Technical Expertise	Technical Expertise	Technical Expertise	Managerial Knowledge	Technical Expertise	Working Knowledge	Managerial Knowledge
Operational Excellence	Technical Expertise	Technical Expertise	Technical Expertise	Technical Expertise	Working Knowledge	Working Knowledge	Technical Expertise	Technical Expertise	Technical Expertise
Customer Growth and Acquisitions	Technical Expertise	Working Knowledge	Technical Expertise	Managerial Knowledge	Working Knowledge	Managerial Knowledge	Managerial Knowledge	Technical Expertise	Technical Expertise
Additional Key Skills									
Regulated Industry	Technical Expertise	Technical Expertise	Technical Expertise	Technical Expertise	Working Knowledge	Technical Expertise	Technical Expertise	Technical Expertise	Working Knowledge
C-Suite	Technical Expertise	Technical Expertise	Technical Expertise	Technical Expertise	Technical Expertise	Working Knowledge	Technical Expertise	Technical Expertise	Technical Expertise
Governance/Risk Management	Technical Expertise	Technical Expertise	Technical Expertise	Technical Expertise	Technical Expertise	Managerial Knowledge	Technical Expertise	Managerial Knowledge	Technical Expertise
Financial	Technical Expertise	Technical Expertise	Technical Expertise	Managerial Knowledge	Working Knowledge	Technical Expertise	Technical Expertise	Managerial Knowledge	Managerial Knowledge
Legal	Managerial Knowledge	Working Knowledge	Managerial Knowledge	Technical Expertise	Working Knowledge	Technical Expertise	Managerial Knowledge	Working Knowledge	Working Knowledge
Sustainability/Climate	Working Knowledge	Technical Expertise	Managerial Knowledge	Technical Expertise	Technical Expertise	Working Knowledge	Technical Expertise	Working Knowledge	Managerial Knowledge
Technology and Cybersecurity	Working Knowledge	Working Knowledge	Managerial Knowledge	Working Knowledge	Technical Expertise	Technical Expertise	Working Knowledge	Technical Expertise	Managerial Knowledge
Representation									
Female		Representation	Representation	Representation	Representation	Representation	Representation		
Military/Veteran									
Ethnically/Racially Diverse						Representation			
Disability			Representation						

Technical Expertise Managerial Knowledge Working Knowledge Representation

[1] Skills and diversity (gender, ethnic/racial diversity, disabled, and military/veteran) are based on voluntary, self-identification data.

Governance

Key Documents
Anti-Corruption and Anti-Bribery Policy
Audit, Finance and Risk Committee Charter
Code of Ethics
Executive Development and Compensation Committee Charter
Nominating/Corporate Governance Committee Charter
Political Contribution Policy
Safety, Environmental, Technology and Operations Committee Charter
Supplier Code of Conduct