

2020

SUSTAINABILITY REPORT



evoqua
WATER TECHNOLOGIES

TRANSFORMING WATER
ENRICHING LIFE

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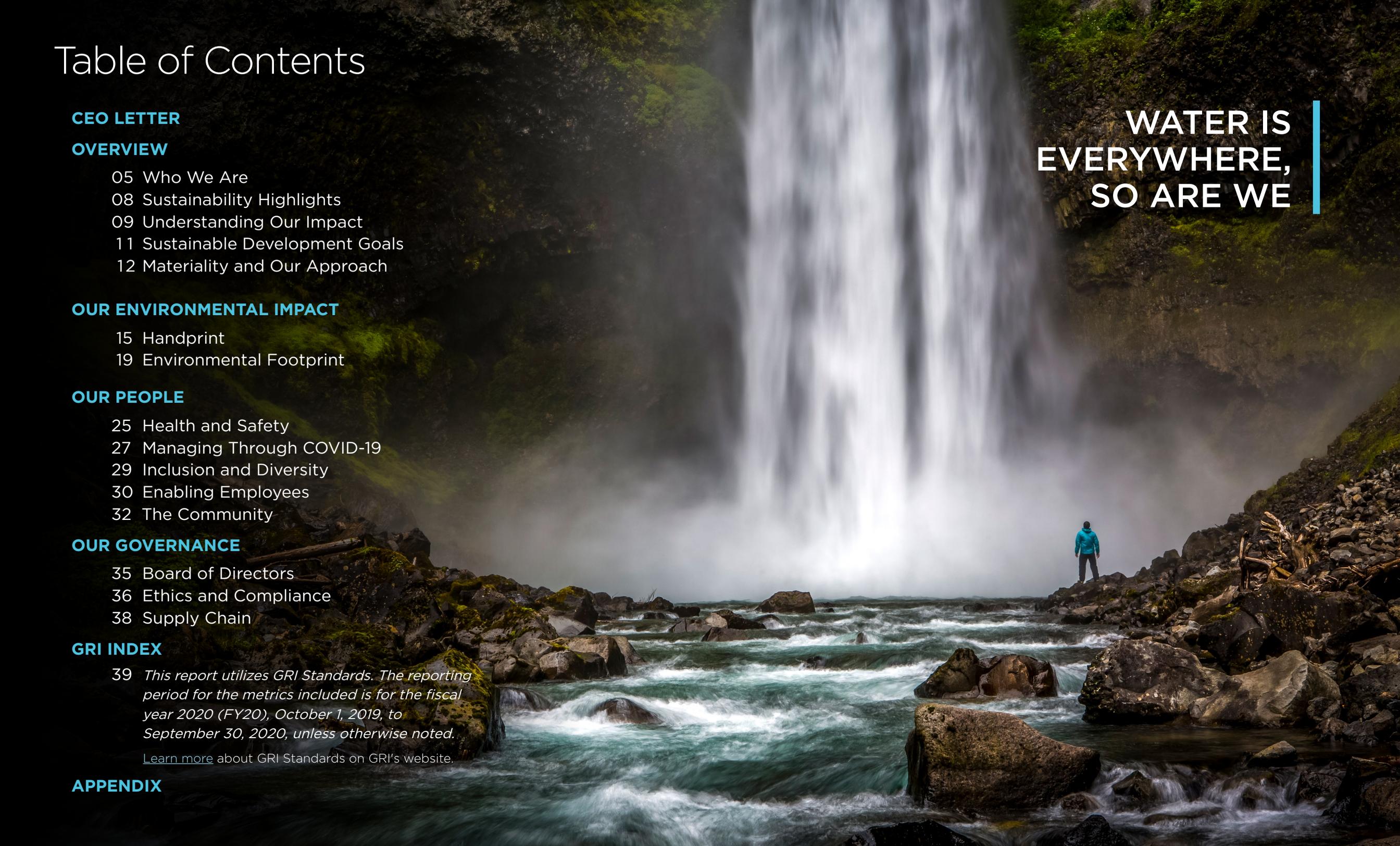
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- 39 *This report utilizes GRI Standards. The reporting period for the metrics included is for the fiscal year 2020 (FY20), October 1, 2019, to September 30, 2020, unless otherwise noted.*

[Learn more](#) about GRI Standards on GRI's website.

APPENDIX

**WATER IS
EVERYWHERE,
SO ARE WE**



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This past year has brought about the unprecedented challenges of a global pandemic and unveiled the long-standing inequity within our society. Significant challenges such as these provide the opportunity for reflection, growth, and action.

A Message From Our CEO

This past year has brought about the unprecedented challenges of a global pandemic and unveiled the long-standing inequity within our society. Significant challenges such as these provide the opportunity for reflection, growth, and action.

At Evoqua Water Technologies, we have managed through the pandemic alongside our employees and our customers. We have worked to ensure safe working conditions while maintaining continuity of water supplies for our customers. As an essential business, we work every day, through the solutions and services that we provide to our customers, which we refer to as our Handprint, to build a more resilient and sustainable water system. Our team helps communities and industry solve challenges caused by climate change and build safe and healthy water systems. We appreciate the opportunity to serve our customers each day by Transforming Water. Enriching Life.®

We continue to make progress on our internal sustainability journey, which we call our Footprint. Sustainable is one of our core values. We are measuring our environmental impact, and we are working toward setting our goals and defining our improvements for the future. We

continue to examine our inclusion and diversity strategy to bring more value to our organization. Our Board of Directors is attuned to the value and opportunities created by diversity and actively considers racial, ethnic and gender diversity in our selection of director candidates. The most recent additions to our Board are two independent directors who increase the racial, ethnic and gender diversity of our Board membership.

Evoqua is dedicated to developing and delivering sustainable solutions that help customers and communities protect the world’s most valuable resource — water. Our sustainability strategy underlays the foundation for the road ahead, and we will continue to evolve our strategy as our impact on a sustainable future continues to expand.

Sincerely,

RON C. KEATING
 PRESIDENT, CHIEF EXECUTIVE OFFICER,
 MEMBER OF THE BOARD OF DIRECTORS



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At a Glance

Evoqua is a leading provider of mission-critical water and wastewater treatment solutions, offering a broad portfolio of products, services, and expertise to support industrial, municipal, and recreational customers who value water.

Evoqua has worked to protect water, the environment, and its employees for more than 100 years, earning a reputation for quality, safety, and reliability around the world. Evoqua is headquartered in Pittsburgh, Pennsylvania. The company operates in more than 160 locations across ten countries, including 13 manufacturing facilities, seven research and development facilities and 92 service branches, across the United States, Canada, the United Kingdom, the

Netherlands, Germany, Australia, China, Singapore, India, and Korea.* Serving more than 38,000 customers and 200,000 installations worldwide, our employees are united by a common purpose: **Transforming Water. Enriching Life.**[®]

We are a small-mid cap company with \$1.43 billion in revenue in FY20. For more information on our financials, reference our [2020 Annual Report](#) or Form 10-K for the year ended September 30, 2020, filed with the Securities and Exchange Commission (SEC) on November 20, 2020, which is available on our [website](#), along with our other periodic reports.


~4,020
Team Members*


10
Countries*


200K
Installations


160
Locations*


\$1.43B
FY20 Revenue

* Data reflects as of September 30, 2020

Our Commitment

OUR PURPOSE

Transforming Water. Enriching Life.®

OUR VISION

The world's first choice for water solutions.

OUR VALUES:

Integrity

Do what's right

Customers

The foundation of our success

Performance

Deliver on our promises

Sustainable

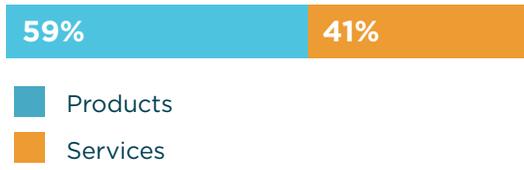
Our commitment to today and tomorrow

- We transform water for our customers, communities and the planet
- We embrace inclusion and diversity as a primary catalyst for innovation
- We are stewards of environmental health through our actions and conduct



Creating Value for Our Stakeholders

FY20 REVENUE BY TYPE



FY20 REVENUE BY SEGMENT



REVENUE

Dollars in millions

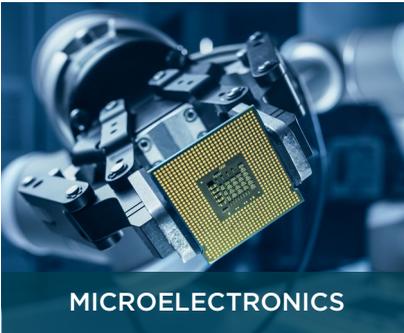
2020	\$1,429.5
2019	\$1,444.4
2018	\$1,339.5

ADJUSTED EBITDA*

Dollars in millions

2020	\$239.6
2019	\$235.0
2018	\$216.9

Markets We Serve



* Adjusted EBITDA is a non-GAAP financial measure. For a reconciliation to net income, the most directly comparable GAAP financial measure, please see the Appendix attached to this report.

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2020 Year in Review



Reduced waste sent to landfills by **11%**¹ compared to FY19

Our **Board of Directors** oversees sustainability



Total number of accidents decreased by **30%** compared to FY19²

This is the equivalent of removing **333** passenger vehicles off the road for one year³

Reduced emissions of CO₂ from fossil fuel use by **1,541** metric tons compared to FY19¹

Evoqua is identified on the **SDG-2000** list

Identified by the [World Benchmarking Alliance](#) as one of the 2,000 global companies with the greatest potential to influence a more sustainable future as envisioned by the Sustainable Development Goals

¹ Calculated using data from Evoqua's key facilities and fleet which encompass over 90% of our internal environmental impact based on management estimates.

² Accidents are represented as Occupational Safety and Health Administration defined recordable accidents.

³ As per [EPA's greenhouse gas equivalencies calculator](#)

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Building a Sustainable Future

WE DEFINE OUR SUSTAINABILITY IMPACT THROUGH:

HANDPRINT



Enabling our customers to become more sustainable through our solutions and service offerings.

FOOTPRINT



Evoqua's responsibility to become more sustainable in our internal operations.



Throughout this report, you will see examples and highlights of our Handprint and our Footprint in action.



The Challenges of Water

Water scarcity, health and wellness, and climate change are growing concerns around the world. In combination with urbanization and population growth, our available water resources are under stress. With such immense challenges, it can seem overwhelming. But at Evoqua, these are issues we work to solve daily by providing water treatment solutions to communities, companies, and organizations worldwide to build a more sustainable water system. We continue to recognize that water is a fundamental human right.

Evoqua is dedicated to developing and delivering sustainable solutions that help customers and communities protect the world's most valuable resource — water. With sustainability as a core value, we believe a sustainable future for all is possible today.



CLEAN WATER AND SANITATION

According to the United Nations, water is the core element through which people are going to feel the impacts of climate change.¹ We are proud to solve for a broad range of water treatment challenges that enable customers to build resilient water systems today.

¹ [Read more](#) about water and climate change from the United Nations. Use of the SDG logos or icons does not imply the endorsement of the United Nations. Learn more at <https://www.un.org/sustainabledevelopment/>.

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Evoqua transforms approximately **100 billion gallons** of water every day with our products and services.

This is over 4.5 times the amount of water flowing over Niagara Falls every single day.

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Building a Sustainable Future

As the world moves toward a more circular and sustainable economy, we are well-positioned to help our customers achieve their sustainability goals. Our broad portfolio of innovative products and services are aligned with the Sustainable Development Goals (SDGs) and help our customers solve their most complex water and wastewater treatment challenges. This allows us to help our customers address global challenges they may face and creates a more sustainable future.



CLEAN WATER AND SANITATION

While SDG 6 is where Evoqua has the most significant impact, we also help our customers meet other SDGs, including SDG 3, 7, 9, 12, and 13.



HEALTH & WELLNESS

We provide products and services to support disinfection and sanitization, which are critical to maintaining safe operations in hospitals, laboratories, aquatics, and food processing by removing common and emerging contaminants.



RENEWABLE ENERGY FROM WASTEWATER

Our anaerobic digestion technology installations produce enough renewable energy to meet the electricity needs for the equivalent of **5,000 American homes** per day.¹



Our Water One® service platform is enabling us to deliver more efficient clean water to our customers. Building a more digitally connected water system will continue to enable sustainability for our customers and our own operations.

SNEHAL DESAI
EXECUTIVE VICE PRESIDENT,
CHIEF GROWTH OFFICER



SMART WATER

Our award-winning Water One® service provides customers with reliable water quality and quantity when they need it through a digitally enabled, proactive service model. Based on our estimates, this service, which includes remote monitoring of systems, has enabled us to reduce the number of miles driven by our service technicians to customer sites by over **100,000 miles**, which equates to a reduction of approximately **80 metric tons of CO₂ emissions**, and reduced the volume of chemicals used in our resin regeneration process by approximately **58,000 pounds**, as compared to FY17.²



CIRCULAR ECONOMY

Evoqua reactivated **14,994 tons** of granular activated carbon and regenerated **51,929 tons** of resin. Through our carbon reactivation and resin regeneration services, we can reuse these materials and prevent over **65,000 tons** from going to landfills.



CLIMATE MITIGATION

With one of the largest fleets of temporary and rapid response mobile units in North America, Evoqua can provide clean water when and where it is needed most. Internally, we are also working to manage our impact. In FY20 we reduced our emissions of CO₂ from fossil fuel use by **1,541 metric tons** as compared to FY19.³

¹ Evoqua Water Technologies' anaerobic wastewater treatment systems produce approximately 540,000 m³ per day of biogas at installations around the world. This is utilized to produce an estimated 2,000,000 kWh of heat and 170,000 kWh of electricity every day. This estimate is based on average home electricity usage provided by the U.S. Energy Information Administration.
² These calculations are based on our review of data relating to just over 1,000 customers for the period from 2017 to 2020. We estimate that the digitally enabled remote monitoring service Water One® SD has allowed us to reduce the number of service trips to these customers during this period by 12%. This means less downtime and fewer disruptions for our customers. Based on the average time spent on a service trip and the average distance from our branches to these customer sites, we estimate that the reduction in service trips has resulted in approximately 6,300 fewer hours of time spent by our service technicians on service trips.
³ Calculated using data from Evoqua's key facilities and fleet which encompass over 90% of our internal environmental impact based on management estimates.
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Materiality Assessment

Following the completion of our first materiality assessment in 2019, we heard that stakeholders believe that our actions can have a significant impact on making the world more sustainable.

KEY FINDINGS FROM OUR MATERIALITY ASSESSMENT:

OPPORTUNITY IDENTIFIED

ACTION TAKEN



Stakeholders see the opportunity to build a more sustainable water ecosystem as a key material topic.



We developed an internal team to drive innovation and community impact.



Stakeholders believe we have a responsibility to reduce our negative environmental impact and improve our positive social impact.



We developed an internal team to drive impact across Environmental, Social, and Governance (ESG) factors.

The findings led us to two frames of reference for defining our sustainability impact:

HANDPRINT



Enabling our customers to become more sustainable through our solutions and service offerings.

FOOTPRINT



Evoqua's responsibility to become more sustainable in our internal operations.



Our Path Forward

Throughout this report, you will see our progress this past year toward our goals. As an outcome of our materiality assessment, we developed our sustainability strategy, which was adopted by our company in late FY20. Our goals in the coming year are to continue our progress and enhance our disclosure going forward.

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Sustainability Governance at Evoqua

LEADING THE WAY

- Board of Directors have oversight of ESG and our company-wide sustainability initiative.
- Members of our Executive Leadership Team sponsor our sustainability program.
- Sustainability Steering Team is comprised of key stakeholders representing Operations, Human Resources, Investor Relations, and Business Segments.



Our Environmental Impact



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Evoqua Water Sustainability Award

Our third annual Evoqua Water Sustainability Award Winner for 2020 was Bush Brothers and Company.

Other finalists for the 2020 award include Bellefonte Borough Authority Treatment Plant and Austin Energy. [Learn more about the winner and finalists.](#)

Bush Brothers and Company, America’s largest manufacturer of prepared beans, has been recognized for demonstrating multiple noteworthy improvements in its water sustainability efforts. The family-owned business has been operating in Chestnut Hill, Tennessee, for more than 110 years and consistently aims to reduce its impact on the community. When the local community faced water scarcity and drought concerns, Bush Brothers and Company took action to reduce their facility’s strain on limited water resources through a two-phase water reuse project.

Bush Brothers and Company’s facility biologically treats wastewater generated from bean rehydration and cleaning, batching of sauces, and plant

sanitation operations. The treatment system utilizes multiple Evoqua dissolved air flotation units, and the water reuse system uses Evoqua’s reverse osmosis units for utility applications. The treatment system incorporates numerous sustainability benefits, including waste bean solids captured and used for cattle feed, biogas utilization for boiler fuel, land irrigation of treated water to replenish the water table, and reuse of treated water for non-food contact utility applications. The technologies and processes implemented at Bush Brothers and Company are an excellent example of the ways in which water-intensive industries can maximize reuse and minimize environmental footprint.

[Read](#) the Bush Brothers and Company case study.
[Read](#) how Bush Brothers and Company leveraged Evoqua’s ADI-BVF® reactor to convert process wastewater into electricity.



The award recognizes excellence in water stewardship, including organizations using new or existing technologies in innovative and sustainable ways, and have made significant strides in water efficiency. Each year, this recognition is awarded on World Water Day.

“ Bush Brothers and Company is proud to be selected by Evoqua for an award that recognizes the devotion that our people put toward creating a sustainable business, reducing our impact on the environment and improving our community.

AL WILLIAMS
BUSH BROTHERS AND COMPANY
PRESIDENT & CEO

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Market Impact

Making Markets More Sustainable

TAKING THE HEAT OUT OF DATA CENTERS

In 2020, we have had even more reliance on being digitally connected. At Evoqua, we help data centers, who enable worldwide connectivity, solve their sustainability goals. By combining our Vortisand® cross-flow microsand filter and ETS-UV™ disinfection generator, in their cooling water systems, we can reduce water waste up to 40%, reduce chemical/biocide use by up to 75%, increase energy efficiency up to 10%, and decrease maintenance costs up to 50%. When our OSEC® On-Site Hypochlorite generation systems are used for disinfection, stable chemicals can be generated on-site and on-demand, rather than transported, saving emissions from fewer vehicle trips.

[Learn more](#) about data center solutions.



SOLUTION:
Vortisand® cross-flow microsand filter
ETS-UV™ disinfection generator

WATER	Reduces water waste by up to 40%
CHEMICAL/BIOCIDE	Reduces chemical/biocide use by up to 75%
ENERGY	Increases energy efficiency by up to 10%
COST	Decreases maintenance costs up to 50%

In comparison to other media filters



Case Study

Maintaining Safe Drinking Water

LARGEST PILOT PROGRAM TO REMOVE EMERGING CONTAMINANTS

PFAS and other emerging contaminants continue to drive complexity in water treatment and present an ongoing threat to our water supply's quality and safety. Removal of these contaminants is a mission-critical competency of Evoqua. In 2020, we supported the largest pilot in the U.S. to date to identify a treatment remedy for removing PFAS from groundwater. The water district installed 30 liquid phase media adsorption vessel systems, using two different media types, to treat up to 86 million gallons of water a day. The new system provides clean, safe, and healthy drinking water to 2.5 million water district customers in Southern California.

[Learn more](#) about the project.

SOLUTION:
Granulated activated carbon vessels
Total of 30 systems

WATER	Treats up to 86M gallons per day
IMPACT	2.5M Water district customers

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Case Study

Water Reuse to Meet Community and Company Needs

MAKING HYDROGEN PRODUCTION MORE GREEN

Air Products, located outside of Los Angeles, California, produces pure hydrogen for a variety of customers, including zero-emission hydrogen fuel cell vehicles. When the community faced local water scarcity issues, Air Products stepped up to reduce its impact through water reuse with an Evoqua reverse osmosis system.

[Learn more](#) about the project.
[Learn more](#) about our RO systems.

SOLUTION:

Reverse osmosis (RO) systems
Nanofiltration systems

WATER

Saves up to **75M** gallons per year



Case Study

Creating a More Circular Water System

SOLVING FOR MULTI-DIMENSIONAL SUSTAINABILITY NEEDS IN A WATER TREATMENT SYSTEM

In Boise, Idaho, we helped a potato processor solve its energy, water treatment, waste, and strict environmental regulations through an anaerobic digestion system. We designed and built a 17 million gallon ADI-BVF® reactor for one plant. Another low-rate anaerobic BVF® reactor and aeration tank for a second plant location allowed the plant to achieve approximately 86% chemical oxygen demand rate of removal. One of the facilities has taken advantage of the biogas created from the anaerobic treatment to fuel a process boiler, helping to displace natural gas and operating expenses while creating a more circular system.

[Learn more](#) about the project.

SOLUTION:

ADI-BVF® reactor and aeration tank

REGULATIONS

Treats effluent to meet suspended solids concentrations

RENEWABLE ENERGY

Biogas is used to fuel process boiler

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Keeping the Water On for Critical Infrastructure Through the COVID-19 Pandemic

SUPPORTING IN-HOME DISINFECTION

Force of Nature® (FON), a small appliance company, increased its production of EPA registered disinfectant system by almost tenfold due to the unprecedented demand created by the COVID-19 crisis. This system converts salt, water, and vinegar into hypochlorous acid, utilizing titanium mesh anodes coated with platinum metal oxide and titanium mesh uncoated cathodes, produced by Evoqua's Magneto anodes division. These systems have

helped thousands of households easily and inexpensively produce an effective EPA registered disinfectant without leaving their homes or worrying about running out. Evoqua has been proud to work with FON for over eight years, since the initial concept stage, and delivered almost one year's production of electrodes for these systems in just four weeks.

[Learn more](#) about Force of Nature on their website.

SUPPORTING DISINFECTION PRODUCERS

Demand for disinfectant products has never been higher and Virox® Technologies Inc. in Ontario, Canada was working overtime to serve their customers. The company's proprietary accelerated hydrogen peroxide formulation (AHP) is environmentally friendly, safe to use on a variety of products and surfaces,

and highly effective against COVID-19 and other viruses. Virox Technologies has been a customer of Evoqua for over 16 years. We provide water treatment equipment and services to support AHP production, and are proud to work together in the fight against COVID-19.

[Learn more](#) about our customers who are going above and beyond in the fight against COVID-19.

ENSURING HIGH INTEGRITY COVID-19 TESTS

In the middle of a global pandemic, the need for testing couldn't be greater. Evoqua was proud to partner with a vial-fill facility to provide pure water for COVID-19 tests. Consistent high-purity water is a main ingredient in each of the test vials which helps maintain the integrity of

the biological sample. With two weeks to design the system, and four weeks to have the reverse osmosis, UV sterilizer, deionizer, and more on-site, we met the needs of delivering pure water for one million COVID-19 test kits per day.

[Learn more](#) about the project.



Force of Nature system that converts salt, water, and vinegar into disinfectant.

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Our Internal Environmental Impact

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Every day we help our customers reduce their environmental impact with our products and services. We also work internally to ensure we are operating responsibly to lessen our impact on the environment. Our CEO-endorsed [EHS and Sustainability Policy](#) (EHS&S), highlights our corporate commitment to sustainability. Through our company-wide Environmental Management System (EMS), we work to protect our operating environment. We are committed to monitoring and reporting our performance against the goals and KPIs set forth in our EMS. Our goal is to continue to consult with our stakeholders and expand our disclosure relating to our environmental performance in our sustainability report.

All of our locations are governed by an EMS, and our larger facilities, including Tewksbury, MA, and Holland, MI, Caldicot, UK, and

Singapore, are ISO 14001 certified. Our EMS has internal objectives, targets, and deadlines with a monitoring program and assigned roles for various employees. We track our EMS performance records internally, conduct internal audits regularly, and external audits periodically. We provide employee training on our EMS at the corporate level, with more robust training at certified sites. We have an EMS awareness program for contractors and visitors, which is communicated through site literature. As outlined in our company EHS&S policy, we aim for 100% compliance with all environmental regulations and permits. If environmental concerns from our operations arise, we will take prompt corrective action to work with our stakeholders to resolve them. We have an internal and external communications process in place for environmental management issues.



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Impact Highlights



In line with Evoqua's fourth core value, **Sustainable**, we are committed to reducing waste generation, water usage, and CO₂ emissions.

Less than
20%
of our waste is landfilled, and in FY20, 11% less waste was sent to landfills compared to FY19.*

We reuse over
50%
of the water withdrawn at our facilities.*

Reduced emissions of CO₂ from fossil fuel use by

1,541 metric tons compared to FY19.*

This is equivalent to removing 333 passenger vehicles off the road for one year (per EPA's greenhouse gas equivalencies calculator).



* Calculated using data from Evoqua's key facilities and fleet which encompass over 90% of our internal environmental impact based on management estimates.

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Impact Highlights

Avoided
14,994

tons of reactivated carbon from entering landfills.

51,929

tons of resin was regenerated in FY20.

Evoqua continues to remove metals from customer aqueous solutions, averaging a

7%

year-over-year increase in metal removal since FY14.

Our Roseville, MN location removes dissolved heavy metals from a variety of rinse water and wastewater streams for our [WWIX customer](#) so they are safely managed and recycled. Removing these heavy metals makes the water safe for our customer processes. Our team allows the media and metals to be reused whenever possible.

METALS REMOVED

Fiscal Year	Cadmium	Cobalt	Chrome	Copper	Lead	Magnesium	Nickel	Tin	Zinc	Total lbs
2014	203	895	43,595	53,006	386	4,677	23,288	6,815	72,950	205,813
2015	420	901	44,690	65,387	382	2,446	27,430	9,047	75,202	225,904
2016	459	1,099	44,722	70,763	395	1,374	28,752	8,633	72,051	228,247
2017	406	7,706	42,442	67,166	335	1,219	25,721	6,701	70,130	221,826
2018	364	11,172	41,327	63,088	304	1,094	24,584	9,305	73,973	225,211
2019	341	11,341	38,010	84,670	1,074	1,382	26,068	6,124	100,952	269,961
2020	714	17,291	27,136	94,666	1,412	9,817	33,749	5,501	108,572	298,858



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Highlights From Our Operations

CHEMICAL RECIPE OPTIMIZATION FOR RESIN REGENERATION

Resin regeneration is already a circular concept, and we are now making it even more efficient.

In late FY19, we redesigned our light industry resin regeneration composition to see if we could reduce the processes chemical consumption. Throughout FY20,

we implemented a change in the process, which allows us to **cut our chemical usage, on average, by 10%**. This provides year-over-year cost savings while maintaining a high-quality product for our customers and will enable us to be more efficient in our resource consumption.



INNOVATION IN BEST PRACTICES

Resin is a type of media used to remove contaminants from water. Regeneration plants 'clean' ion exchange resin by processing it in large pressure vessels using chemicals and water. After regeneration, the resin is removed from the vessels and put into service bottles sent to our customers' facilities. Since this process can be water and time-intensive, our team designed a new station to more efficiently complete this process and reuse water from our service tanks. In FY19, our Indianapolis, IN, resin regeneration plant piloted the first mix bed automated fill station.

The automated fill station can fill, pressure and flow check, and quality test the mix bed resin tanks using sensors, actuators,

and a programmable logic controller. Water reuse plumbing was also incorporated into the system to increase efficiency. In FY20, this system was rolled out to two additional Evoqua facilities.

The system allows for more than **80% of the clean deionized water to be reclaimed for reuse** during our regeneration process. The system saves time and improves employee health and safety since the process requires less interaction and tank movement.

In FY21, we will expand the new stations to two additional Evoqua facilities. We are also designing a separate bed resin automated fill station, which will be introduced at four Evoqua regeneration facilities.



Automated resin fill station pilot in our Indianapolis, IN facility.

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A Roadmap For Our Fleet

Evoqua's fleet accounts for approximately 30% of our scope 1 and 2 emissions. We have developed a three-year road map for reducing the environmental impact of our fleet.

IN FY21 WE PLAN TO:

Improve dashboards to better monitor and enhance driver behavior to improve idle time, fuel usage, and driver safety.

Research innovative technology to reduce idle time.

Pilot hybrids as a mid-sized vehicle option.

Create a locally deployed idle reduction program for managers to coach drivers.

Add idle shutdowns to our new fleet.





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Safety at Our Core

Our Environmental Health and Safety (EHS) team closely monitors our program and internal goals through:

- Monthly performance reviews at the executive level
- Ongoing review of each recordable accident by CEO and leadership team
- Quarterly operation reviews and Board of Director reports
- Daily interactions with operation leaders
- Routine reviews of key performance indicators
- Regular facility audits to verify compliance

Evoqua values EHS as an organizational responsibility that is integral to our success. The safety of our employees, and anyone who visits our facilities, is our top priority. Each year, Evoqua renews our commitment to safety with our [EHS and Sustainability Policy](#), signed by our CEO. It states, "We will provide our solutions, products, and services in a safe, environmentally sound and socially responsible manner."

Corporate EHS has oversight of all facilities with the majority of locations having their own EHS committees responsible for investigating and reviewing accidents and communicating safety issues. All divisions host monthly calls to review any safety issues. Our operating guidelines and procedures are relevant for our industry.



We implemented new interactive driver assessments and assigned specific training modules for employees to enhance driver safety, including special driver safety reminders.



Our EHS Program

Our EHS program focuses on work environments where each employee is enabled, empowered, and embraces personal accountability for protecting their health and safety, as well as that of their co-workers. Every employee is encouraged to:

- Perform a safe performance self-assessment when they begin work.
- Follow standard work instructions for the job they are performing.
- **STOP WORK** when they have a concern or see the potential for injury.

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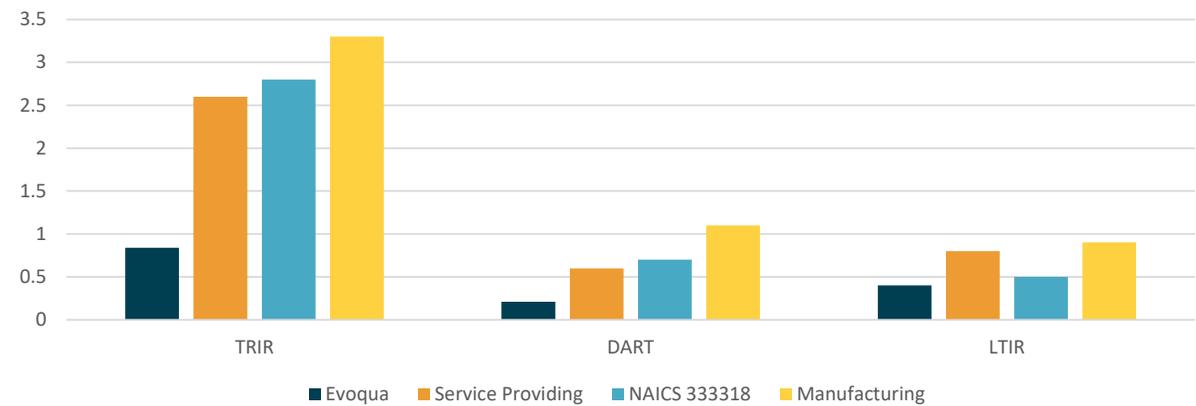
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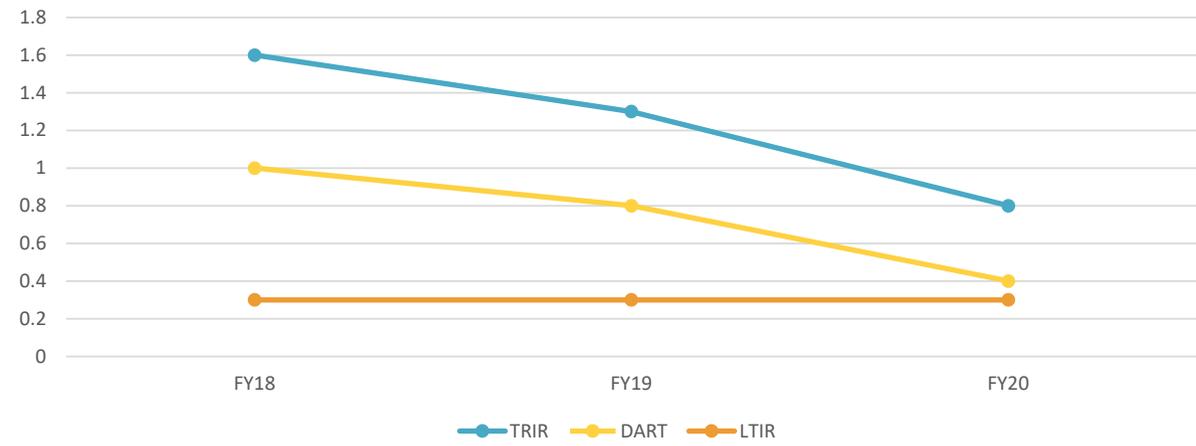
Safety by the Numbers

From FY19 to FY20, total accidents decreased by 30%.* Our goal is that every employee leaves work the way they came, and the decrease in accidents reflects our commitment to continual improvement and ensuring workplace safety.

2020 COMPARISON OF EVOQUA INCIDENT RATES WITH INDUSTRY AVERAGES



YEAR-OVER-YEAR COMPARISON OF SAFETY KPIS



* Accidents are represented as OSHA defined recordable accidents.



The enhancements to our safety program and reinforcing that safety is a top priority for each employee, has improved overall safety metrics for the organization.

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Protecting and Supporting Employees Through COVID-19

As an essential provider of services required for the public’s health and well-being, we have remained committed to providing safe, clean, reliable water solutions to our customers’ operations during the pandemic. **Transforming Water. Enriching Life.®** has never been more critical as we provide essential services to hospitals, laboratories, government agencies, and pharmaceutical manufacturers.

From the beginning of the pandemic, our decisions and actions have focused on protecting employees’ health, safety, and well-

being, improving liquidity, and ensuring that our customers and communities are supported while maintaining business continuity. Evoqua has been flexible with supporting remote work throughout the pandemic. Approximately **50% of our employees** have been productively working remotely since March 2020. We have taken numerous measures to preserve our workforce, strengthen employee engagement, and lead employees through the “new normal.” To date, we have successfully avoided furloughs and layoffs due to COVID-19.



Below are some of the actions we have taken to protect the health, safety, and well-being of Evoqua employees:

Established taskforce and appointed facility site leaders for daily management of protocols, cases, reporting, and communications, in accordance with Centers for Disease Control (CDC) and local regulations.	Provided enhanced personal protective equipment, sanitizers, and disinfectants to all employees.	Instituted remote working arrangements, where practical, and provided additional tools and technology to support remote operations.	Conducted surveys to measure how employees were dealing with COVID-19 related issues, including safety, well-being, support, and connection with others.	Introduced #EvoquaProud campaign to highlight employees and customers going above and beyond during this unprecedented time.
Engaged medical management services to advise on infection control procedures and ensured employees had access to resources to support overall wellness.	Limited non-essential travel and in-person meetings.	Launched regular communication with employees through a dedicated intranet portal, town halls, and email updates to provide timely access to COVID-19 resources.	Deployed internal workshare program, matching employees who had extra work capacity to areas of the business needing additional support.	Provided flexible paid time off (PTO) to help manage through the pandemic.

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Protecting and Supporting Employees Through COVID-19

EMPLOYEE FEEDBACK SURVEY

The survey was conducted in June 2020, to measure how employees were dealing with COVID-19 related issues, including safety, well-being, support, and connection with others. Highlights include:

- Overall response rate of 80%
- Employees were either satisfied or very satisfied within the topics covered
- 23% neutral rating, indicating opportunity to shift future scores positively



#EVOQUAPROUD CAMPAIGN

We implemented our #EvoquaProud program to recognize employees for their great work through the pandemic. Taking employee feedback into consideration, we also enhanced our onboarding process for integrating team members into our organization. Due to these and other programs, we reduced first year turnover and improved overall employee retention.



Workshare Program

Our internal workshare program matched **53 employees** during the pandemic, ensuring business continuity and enabling employee development through skill-building.

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Inclusion and Diversity

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At Evoqua, we believe inclusion enables diversity to thrive. In FY20, we created an Inclusion and Diversity (I&D) strategy and reviewed it with multiple internal stakeholders. Our strategy focuses on creating a sense of belonging where we promote inclusion and spark opportunities. This focus on inclusion is what will help ensure positive outcomes are achieved.

Upon reviewing the percentage of employees that fall into diverse groups, we will be focusing our FY21 diversity program on gender, U.S. minorities, and military veterans. We have put actions in place to continuously strive for greater inclusion in

our organization. A significant portion of our effort is consciously determining who we bring into the organization and how we do so. With that, we understand that the best way to increase our employee diversity rates is by focusing on our recruiting practices.

We have zero-tolerance for any type of discrimination or harassment across our global organization. We always embrace inclusion and demand equal and fair treatment for all employees regardless of status. This year, additional anti-discrimination training was added to our Manager Academy program.

In FY21, we intend to institute the following initiatives to improve our diversity:

- Complement our current referral program with a diversity-focused program
- Ensure diversity is represented on interview panels when hiring senior leadership roles
- Implement a supplier diversity initiative
- Embed inclusion and diversity principles into new learning programs
- Adapt our view on flexible scheduling



CURRENT STATUS OVERVIEW:

- Women represent 20% of our organization’s population, which has remained consistent over the past three years. On average, women account for 20% of our new hires annually. Women make up 25% of our senior leadership.
- U.S. minorities comprise 24% of Evoqua’s U.S. workforce. Year-over-year we have increased the percentage of U.S. minorities in Evoqua’s U.S. workforce.
- Veterans constitute 6% of our U.S. employee population.

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Employee Health and Wellness

WELL-BEING

During times of disruption and change, employees need to know that they have their employer’s support. We understand that the COVID-19 pandemic created difficult living and work situations, impeded physical and emotional health and has caused financial insecurity. As a company, we have provided resources to employees to support them during this time. We reviewed our Employee Assistance

Program (EAP) to ensure the proper tools and information are accessible when employees need them. We have partnered with our financial services partner to provide education on managing retirement and savings plans during turbulent times. Additionally, we arranged for employees to have access to complimentary fitness apps to exercise anytime, anywhere.

EMPLOYEE BENEFITS

We continue to look for opportunities to differentiate the programs and benefits that we provide employees. As a benefit to our full-time, salaried employees, we offer flexible self-managed time off, enabling employees to take the time they need when they need it. We also have a leave of absence policy for expecting parents.

Evoqua’s Employee Stock Purchase Program (ESPP). Global employees can participate with no minimum requirements, in countries where the plan is available.

U.S. employees classified as regular salaried or hourly (working a minimum of 20 hours per week) can participate in medical and pharmacy benefits, as well as our 401(k) plan. Global employees are offered competitive healthcare and retirement programs.

All U.S. employees, who have been with Evoqua for a minimum of one year (working 20 hours or more per week) are eligible to participate in



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Learning and Development

At Evoqua, we believe there is no one-size-fits-all approach to development and that most learning happens in the workplace. Through our programs such as Leading at Evoqua, internships, apprenticeships, co-op, and Leadership Development Program, employees and emerging talent learn new skills and gain experience they can leverage throughout their careers.

New in FY20, the Learning and Development Team took a more specialized approach to learning. Employees were assigned online curriculum from our

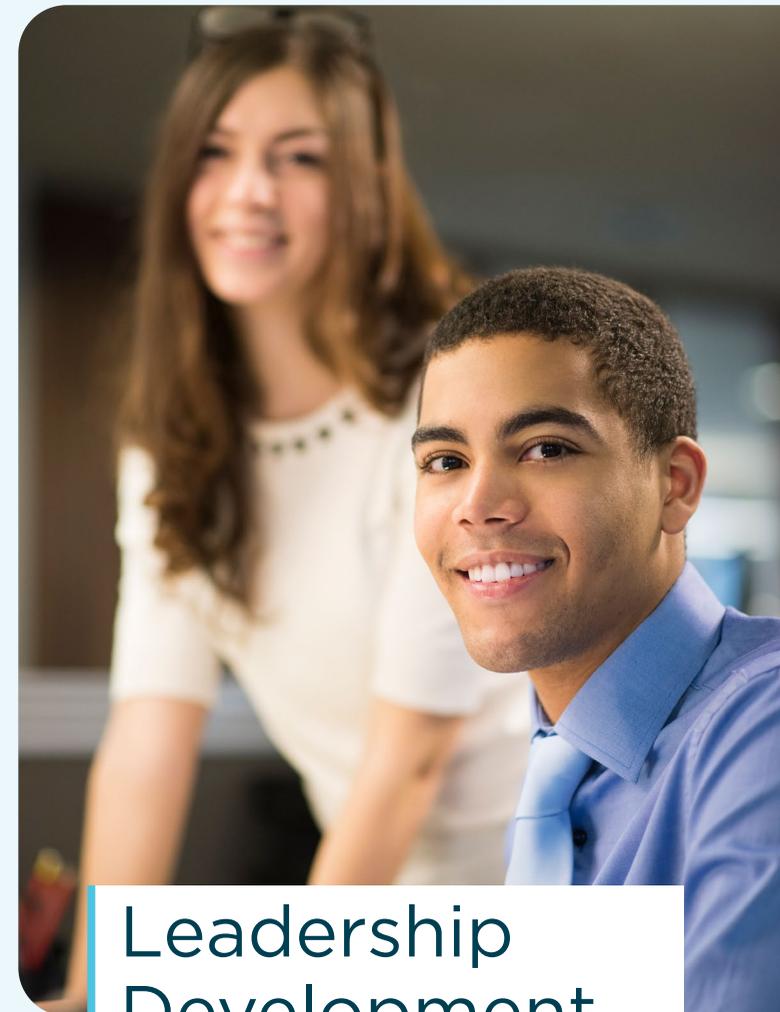
centralized learning platform that was most relevant to them. This improved the completion rates of our learning programs and ensured meaningful assignments reached each employee.

Throughout FY20, we continued to host opportunities to recruit emerging talent to our team. We hosted **46 internship, apprenticeship and co-op opportunities** that supported projects to drive the success of our organization. These individuals gained exposure in operations, sustainability, and sales.

PARTNERSHIPS FOR LEARNING

Evoqua partnered with the Pittsburgh Allegheny Conference’s Virtual Pittsburgh Passport program to lead a workshop on the Sustainability of Water. This opportunity enables us to engage talent in the Pittsburgh area and provides visibility to Evoqua’s purpose, culture, and values to the local community.

[Watch](#) the presentation on demand.



Leadership Development Program

As a catalyst for future diverse leaders, our Leadership Development Program (LDP) was established to attract and mentor emerging talent early in their careers and build upon our organization’s capabilities. In FY20, 56% of LDP candidates were women and 25% identified as U.S. minorities who brought new ideas, perspectives, and value to the organization.

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Supporting Our Communities

When we give back to our local communities, we are energized by the passion and dedication we see in our partners and employees. As an organization, we direct our corporate giving towards education, science, social,

and humanitarian efforts, particularly those that satisfy our corporate objective to meet the needs for safe and clean water and sanitation. In this past year, response to COVID-19 was quickly recognized as an area of need.

#EVOQUAPROUD GIVEBACK PROGRAM

To raise funds for local communities impacted by COVID-19, we initiated an internal fundraising campaign by selling #EvoquaProud branded gear. The proceeds were donated to non-profits such as Feeding America, Water-4-Nations in Haiti, Mind in the United Kingdom, and Nature NB in Canada. These efforts helped provide access to out-of-school programs, meals for 12,660 families in need, and supplied 4,500 families impacted by COVID-19 with hygiene kits.



SUPPORTING LOCAL FOOD BANKS

In April 2020, national television caught glimpses of the lines of cars wrapped around Pittsburgh food banks as families sought support to put food on the table as the economic effects of COVID-19 hit home. Pittsburgh employees banded together to donate thousands of dollars to support these local food banks and community members in need.



Helping in the Sprint for Masks

Our wastewater treatment team based in Derby, United Kingdom donated a 3-D printer to assist a small local enterprise in creating 900 face masks for healthcare workers on the front lines of COVID-19.

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Water Education

As part of Evoqua’s World Water Day program, and before COVID-19 required us to cancel in-person events, Evoqua employees visited local schools to educate students on water sustainability and technology. Employees from Colorado Springs, CO headed to local schools to educate students about water use and sustainability, while Schaumburg, IL employees visited grade schools to conduct experiments and demonstrations on water chemistry and technology solutions.



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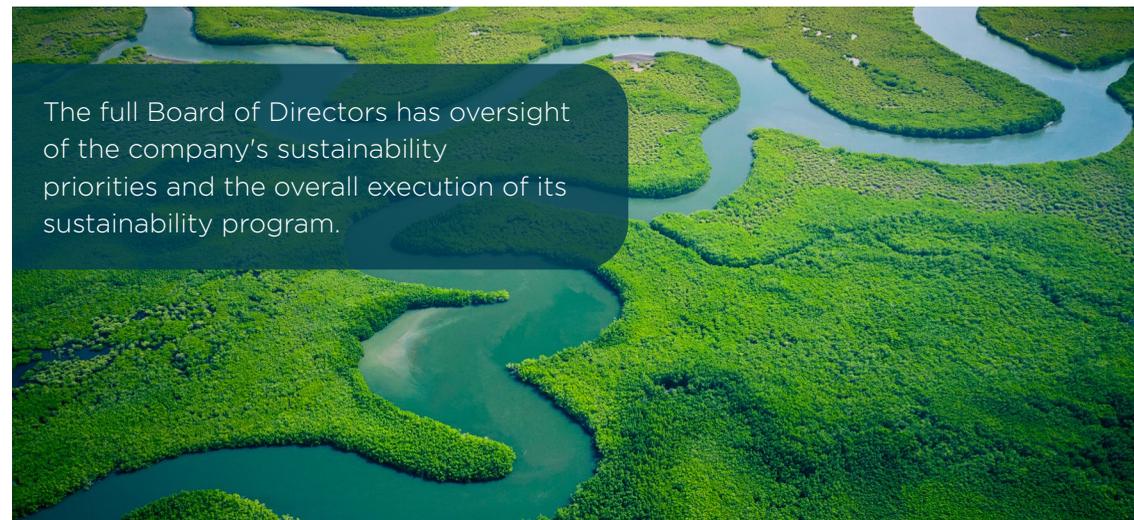
Our Board of Directors

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Since our IPO in 2017, our [Board of Directors](#) has added three new independent Directors, and 70% of our Board is independent according to our [Corporate Governance Guidelines](#) and NYSE corporate governance standards. Our ten-member Board is chaired by an independent Director, and 100% of the committee members are independent. Only three of our directors lack independence – our CEO and two Directors who are affiliated with our former private equity sponsor, AEA Investors LP.

The Board of Directors has the following standing committees: Audit Committee, Compensation Committee, and

Nominating and Corporate Governance Committee. Our Directors are engaged, and the average attendance rate for meetings of the full Board and Audit Committee was 100%. The Compensation Committee’s and Nominating and Corporate Governance Committee’s average attendance meeting rates were 97% and 95%, respectively. Non-management Directors hold executive sessions without members of Evoqua management present following most Board meetings. To continually improve our performance, the Board and each standing Committee conducts an annual self-evaluation. For additional information, please see our [2021 Proxy Statement](#).



The full Board of Directors has oversight of the company’s sustainability priorities and the overall execution of its sustainability program.

BOARD DIVERSITY

Forty percent of our Board members self-identify as diverse in terms of race, ethnicity, or gender. Our Board actively considers racial, ethnic, and gender diversity when recruiting potential Director candidates. Since October 2018, our Corporate Governance Guidelines have stated that diverse candidates, including women and minorities, must be included in each pool of candidates when selecting a new Director, otherwise known as the “Rooney Rule.”

50% BOARD DIVERSITY

RACE, ETHNICITY, GENDER, AND NATIONALITY



AGE

59.5 years average age



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Ethics and Compliance

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The Nominating and Corporate Governance Committee has responsibility for application of our Code of Ethics and Business Conduct standards to company executives. The Audit Committee has oversight responsibility of the Ethics and Compliance function, and they are the Committee to which the Global Ethics and Compliance Program reports on a regular basis.

ANTI-CORRUPTION POLICY

Evoqua has a comprehensive anti-bribery/anti-corruption program that includes policies prohibiting bribes, both governmental and commercial; training on anti-corruption policies and procedures; due diligence on all third-party intermediaries, with continuous monitoring of high-risk third parties; strict requirements around gifts, travel, and entertainment of government officials; and internal auditing of anti-corruption program

We have a [Code of Ethics and Business Conduct](#) available on our website that contains many of our policies. All employees are required to certify compliance with the Code of Conduct annually. We had no instances of bribery or corruption in FY20. We have outlined a few policies in this report that are of specific interest to those with ESG in mind.

policies, procedures, and controls. To prevent corruption, our management team receives periodic, targeted anti-corruption training. In FY20, we instituted mandatory, targeted anti-corruption training for all new Finance, Sales, Procurement, and Legal employees. For more details on our robust anti-corruption and related policies, please see our publicly available [Code of Ethics and Business Conduct](#).



No profit is or ever will be worth compromising the safety of our employees or the integrity of our company.

RON C. KEATING

PRESIDENT, CHIEF EXECUTIVE OFFICER, MEMBER OF THE BOARD OF DIRECTORS

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Whistleblower Program and Policy

Evoqua is committed to conducting business in an ethical and legal manner. This is underlined by the principle that no profit is ever worth compromising employee safety or the company’s integrity. Evoqua’s Compliance Helpline is managed by a third party and is available twenty-four hours a day, seven days a week.

Our [Employee Concern Policy](#) ensures that anyone using the Compliance Helpline can report anonymously without fear of retaliation. Employee concerns are taken seriously, and the company is committed to investigating and responding to every report. The purpose of the Employee Concern Policy is to encourage employees to raise concerns internally for

CONFLICTS OF INTEREST

Our Conflicts of Interest Policy applies to all employees globally. Conflicts between personal interests and the company’s interests can introduce ethical and legal challenges that jeopardize the reputation and integrity of the

BUSINESS PARTNER CODE OF CONDUCT

Our [Business Partner Code of Conduct](#) applies to representatives, agents, distributors, and other channel partners, ensuring that any persons or entities acting on behalf of Evoqua are held to the same high standards as our Code of Ethics and Business Conduct. In FY20, we updated our Business Partner Code

investigation and resolution, provide avenues for employees to raise concerns, and assure employees that they will be protected from retaliation. Our independently run Helpline is available for all internal and external parties in six languages. The availability of the Helpline is proactively communicated to employees through our electronic employee newsletter, website, intranet, printed materials at all Evoqua facilities, as well as regular communication throughout the year, including Town Hall meetings. The Helpline and Ethics and Compliance team are available to help employees by providing guidance on compliance-related topics or any other concerns that could impact the company’s integrity.

company and its employees. Clear guidance on identifying, disclosing, analyzing, and mitigating actual or potential conflicts builds trust and reinforces a culture of integrity.

to reflect the current business, ethics, and compliance risks, including modeling the Code after the Responsible Business Alliance (RBA) Code of Conduct. All business partners are required to certify the Business Partner Code at onboarding and at the time of contract renewal, if applicable.



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Supply Chain

We maintain a cost-effective, diversified procurement program through strong relationships with strategic suppliers across critical inputs. Our supply chain's top acquired materials include metal, calcium nitrate, membranes, and ion exchange resin. We seek sources of supply from multiple suppliers and often from various geographies. We believe that our supply chain is well-positioned to remain stable.

We have a comprehensive, legally binding [Supplier Code of Conduct](#) for our suppliers that ensure we are partnering with businesses that share our mandate to respect international human and environmental rights and good business ethics. The procedures we have in place help us manage compliance-related issues associated with our vendors and business partners. We provide training to our employees on our monitoring program to vet and monitor our customers and suppliers.

We are dedicated to ensuring we respect human rights throughout our supply chain. We do this through our

[Supplier Code of Conduct](#), [Code of Ethics and Business Conduct](#), [Modern Slavery Statement](#), and [Conflict Minerals Policy](#).

We question our suppliers to ensure that they limit negative environmental impacts in their operations during our Supplier Code of Conduct and supplier onboarding process and require certification through a declaration in the Supplier Code prior to engagement. To assure that we engage only suppliers who follow fundamentally compliant and ethical business practices and share our commitment to these principles, we have a two-phased process in our Supply Chain Protocol. This includes an initial assessment that each supplier must complete and our supplier questionnaire, which is evaluated to determine if we will use their products, followed by a second assurance phase, our Compliance Requirement Auditing processes. We also monitor our suppliers and customers for major compliance incidents. We systematically monitor our suppliers for major environmental controversies.



Supplier Focus in FY21

For FY21, inclusion and diversity within the supply chain will be a priority, specifically understanding the make-up of our current supply chain and increasing awareness of the need for diversity. In support of Evoqua's core value of supporting the customer and ensuring supply chain continuity, we will also focus on our supply chain robustness. Identification of supply chain risks and facilitating alternative options is the prime objective. In FY21, we will integrate additional sustainability best practices into our supply chain management.



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DISCLOSURE	OUR RESPONSE
Organizational Profile	
102-1 Name of the organization	Evoqua Water Technologies Corp.
102-2 Activities, brands, products, and services	Evoqua Water Technologies is a leading provider of mission-critical water treatment solutions, offering services, systems, and technologies to support our customers' full water lifecycle needs. With over 200,000 installations worldwide, we hold leading positions in the industrial, commercial, and municipal water treatment markets in North America. We offer a comprehensive portfolio of differentiated proprietary technology solutions sold under a number of market-leading and well-established brands to our global customer base. For a deeper look into our products and brands please visit our website or our Form - 10K , page 3.
102-3 Location of headquarters	Pittsburgh, Pennsylvania, USA.
102-4 Location of operations	As of September 30, 2020, we operate 160 locations located in the United States, Canada, the United Kingdom, the Netherlands, Germany, Australia, China, Singapore, India and Korea, including 13 manufacturing facilities, seven research and development facilities and 92 service branches.
102-5 Ownership and legal form	Evoqua Water Technologies Corp. is a Delaware corporation and is publicly traded on the New York Stock Exchange under the ticker symbol "AQUA." Evoqua Water Technologies Corp. is a holding company and operations are conducted through its domestic and international subsidiaries.
102-6 Markets served	Evoqua is present in North America, Europe and Asia Pacific serving customers across industrial, municipal, and commercial markets. The specific markets we serve can be found on page 7 of this report.
102-7 Scale of the organization	Total number of employees: ~4,020 as of year-end, September 30, 2020. FY20 revenue: \$1.43 billion For more information, please see our Annual Report , pages 52-148.
102-8 Information on employees and other workers	Information on employees and other workers was compiled based on available employee data. As of September 30, 2020, we had approximately 4,020 employees. Of these employees, approximately 57% were full-time salaried staff and the remaining employees consisted of a mix of full-time and part-time hourly workers. Approximately 77% of our employees work in our U.S. operations and approximately 23% work in foreign operations. Women represent 20% of our current full-time population and US minorities make up 24% of our workforce, which we have seen an increase in year-over-year. For more information on our employees and other workers please see our Proxy Statement , page 64 or Annual Report , pages 15-16.

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102-9 Supply chain	<p>We maintain a cost-effective and diversified procurement program focused on supply chain continuity and customer fulfillment, utilizing strong relationships with strategic suppliers across key commodities. The top materials in our supply chain include chemicals, membranes, resin, metal fabrications, carbon, and electrical components. The procurement strategy within the project environment is focused on ensuring our ability to meet individual customer needs, with particular focus on more complex installation projects. We seek to in-source products that align with our existing manufacturing core competencies and that enable us to provide our customers with the highest level of value. Our diversified supply base spans across multiple suppliers and geographies, which we believe enables us to be cost-effective and responsive while also embracing our sustainability objectives.</p>
102-10 Significant changes to the organization and its supply chain	<p>Below are relevant changes to our organization within FY20:</p> <p>On October 1, 2019, we acquired a 60% investment position in San Diego-based Frontier Water Systems, LLC (Frontier). We have entered into an agreement to purchase the remaining 40% interest in Frontier on or prior to March 30, 2024. Frontier is a pioneer in the development of patented, engineered equipment packages for high-rate treatment and removal of selenium, nitrate, and other metals from complex water systems. Frontier is part of our Integrated Solutions and Services segment and broadens the portfolio of solutions that we offer to our customers through that segment.</p> <p>On December 31, 2019, we completed the sale of the Memcor low pressure membrane product line, including the product lines global workforce, its manufacturing site in Windsor, Australia, and associated operations and intellectual property, to DuPont de Nemours, Inc. (DuPont). Following the closing of the transaction, we no longer service the large municipal install base of Memcor products, which consists primarily of municipal drinking water and wastewater treatment facilities. We continue to sell Memcor products, which we purchase from DuPont for our industrial customer in our Integrated Solutions and Services segment.</p> <p>On September 3, 2020, we acquired the assets of privately held Aquapure Technologies of Cincinnati (Aquapure), a Hamilton, Ohio based water service and equipment company. Aquapure serves the commercial and light industrial markets and provides customers with a variety of water treatment products and services, including deionization, reverse osmosis, softeners, and filtration systems. We expect this acquisition to strengthen our service capabilities in Cincinnati, Ohio, and the surrounding region.</p> <p>In response to the challenges created by the COVID-19 pandemic in the fiscal year, we have prioritized protecting the safety of our employees and stakeholders, taking actions to ensure the resiliency of our business, and managing the business for liquidity. Our business has been considered essential under federal and local standards, and, to date, we have maintained business continuity at our critical service branches and manufacturing facilities. We have taken measures to protect our employees, including implementation of remote working practices where possible and managing our supply chain to ensure that necessary personal protective equipment is available to our personnel.</p>

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continued 102-10 Significant changes to the organization and its supply chain	We have also taken certain cost reduction actions, some of which are temporary in nature, such as reduction of marketing and travel activity as well as deferment of headcount additions to preserve liquidity and reallocated existing resources to maintain productivity levels where feasible. Given the evolving nature of this unprecedented pandemic, the ultimate impact on our operations cannot be reasonably estimated at this time. For more information on the changes to our supply chain please see our Form - 10K , pages 6-7 and 13.
102-11 Precautionary Principle or approach	Each year, Evoqua renews its commitment to safety with our EHS and Sustainability Policy, which is signed by our CEO. It states we will provide our solutions, products, and services in a safe, environmentally sound, and socially responsible manner. For more information on our commitment to safety, please see our EHS & Sustainability Policy .
102-12 External initiatives	N/A as of the end of FY20.
102-13 Membership of associations	Evoqua works with numerous local and global associations to participate in broad discussions on water issues and solutions. Our membership associations include: Association for the Advancement of Medical Instrumentation (AAMI), Water & Wastewater Equipment Manufacturers Association (WWEMA), Chartered Institution of Water and Environmental Management/Water UK, British Water Membership, China British Business Council (CBBC), The Water Council, International UV Association, Water Environment Federation (WEF), American Water Works Association (AWWA), WaterReuse, Global Water Intelligence (GWI), U.S. Water Alliance, Singapore Business Federation (SBF), Pool Water Treatment Advisory Group (PWTAG), CEOs for Sustainability, and The Center for Sustainable Business (CSB) at the University of Pittsburgh.
Strategy	
102-14 Statement from senior decision-maker	See page 3 for a message from Evoqua’s President and Chief Executive Officer, Ron C. Keating.
Ethics and Integrity	
102-16 Values, principles, standards, and norms of behavior	Our vision “to be the world’s first choice for water solutions” and our values of “integrity, customers, sustainable, and performance” foster a corporate culture that is focused on establishing a workforce that is enabled, empowered, accountable, and responsible which creates a highly entrepreneurial and dynamic work environment. Our purpose is “Transforming Water. Enriching Life.®” See page 6 of this report or page V of our Proxy Statement .
Governance	
102-18 Governance structure	Our Board of Directors, the highest governance body at Evoqua, provides oversight, strategic direction, and counsel to management regarding the business, affairs and long-term interests of our company and our stockholders. Our Board is led by an independent chairperson. In addition, our Chief Executive Officer’s membership on, and collaboration with, the Board allows him to gauge whether management is providing adequate information for the Board to understand the interrelationship of our various business and financial risks. Our CEO is available to the Board to address any questions from other directors regarding executive management’s ability to identify and mitigate risks and weigh them against potential rewards.

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<p>continued</p> <p>102-18 Governance structure</p>	<p>Our Board maintains three standing committees, each comprised solely of independent, nonemployee members of the Board:</p> <p>The Audit Committee has oversight of the annual appointment and independence of our auditors, as well as the scope of audit and non-audit assignments and related fees; the results of the annual audit; accounting principles used in financial reporting; internal auditing procedures; the adequacy of our internal control procedures; related party transactions; and investigations into matters related to audit functions.</p> <p>The Compensation Committee reviews and approves matters involving executive compensation, makes recommendations to the Board regarding setting of director compensation, authorizes equity and other incentive arrangements, and approves employment agreements and other employment-related arrangements for executive officers.</p> <p>The Nominating and Corporate Governance Committee assists our Board in identifying individuals qualified to become Board members, makes recommendations for nominees for committees and develops, recommends to the Board, and reviews our corporate governance principles.</p> <p>Our full Board is engaged in risk oversight both directly and through these standing committees. Our executive officers, also referred to as our “Executive Leadership Team,” include our President and Chief Executive Officer; Chief Financial Officer and Treasurer, President of the Integrated Solutions and Services Segment; President of the Applied Product Technologies Segment; Chief Growth Officer; General Counsel and Corporate Secretary; Chief Administrative Officer; and Chief Human Resources Officer. The Executive Leadership Team have principal authority and responsibility with respect to the day-to-day management and priorities of all aspects of Evoqua’s operations and programs.</p>
<p>102-20 Executive-level responsibility for economic, environmental, and social topics</p>	<p>In its oversight role, the full Board acts as a sounding board to the Executive Leadership Team in defining the sustainability priorities of Evoqua and the overall execution of its sustainability program. Evoqua has formed the Sustainability Steering Team, overseen by our Chief Executive Officer and other members of our Executive Leadership Team, to focus on five areas: social factors, corporate governance, internal environmental footprint, corporate social responsibility, and innovation. Under the leadership of the Sustainability Steering Team, we have begun executing environmental and social initiatives under our sustainability program via workgroups that are designed to help our customers improve their sustainability performance for water, energy and waste; lessen the environmental impact of our internal operations; help our employees, supply chain partners and communities thrive; and improve the communities in which we work. For more information, please visit page 13 of this report or our Proxy Statement, page 23.</p>

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<p>102-22 Composition of the highest governance body and its committees</p>	<p>The Board of Directors, consisting of ten members, is the highest governance body at Evoqua. Our Board has affirmatively determined that seven of the ten members of our Board are independent directors as defined by the Company’s Corporate Governance Guidelines and the corporate governance standards of the New York Stock Exchange (NYSE). Ron C. Keating, our President and Chief Executive Officer, is not independent because of his position as an executive officer; and Brian R. Hoesterey and Vinay Kumar are not independent because of their affiliation with our AEA Investors LP. As of November 1, 2020, each of the Audit, Compensation, and Nominating and Corporate Governance Committees of our Board are composed entirely of directors of who meet the definitions of independence required by our Corporate Governance Guidelines and the NYSE corporate governance standards.</p> <p>Our longest tenured directors joined our Board in 2014. Since 2018, three new directors have joined our Board. Forty percent of our Board members self-identify as diverse, in terms of race, ethnicity or gender. Additionally, one Board member is a national of, and lives and works in, the United Kingdom. Our Board members range in age from 42 to 73; the average age on our Board is 59.5. In its oversight role, the full Board acts as a sounding board for the management of economic, environmental, and social topics. For more information on individual Board members please visit our Proxy Statement, pages 10-17 or evoqua.com/leadership.</p>
<p>102-23 Chair of the highest governance body</p>	<p>We currently separate the roles of Chief Executive Officer and Chairman of the Board. These positions are currently held by Ron C. Keating, as our Chief Executive Officer, and Martin J. Lamb, an independent director, as Chairman of our Board. The Chairman of the Board provides guidance to the Chief Executive Officer, chairs Board meetings, sets the agendas for meetings of our Board and provides information to the members of our Board in advance of such meetings. As a result of this Board leadership structure, our Chief Executive Officer is able to focus on developing and implementing our company’s business strategies and objectives, and the Chairman is able to provide independent oversight of our company and serve as an independent liaison between our management and the members of our Board. For more information, please visit our Proxy Statement, page 21.</p>

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102-24 Nominating and selecting the highest governance body	The Nominating and Corporate Governance Committee assists our Board in identifying individuals qualified to become Board members, makes recommendations for nominees for committees and develops, recommends to the Board, and reviews our corporate governance principles. A majority of the members of our Board are required to be independent. The Nominating and Corporate Governance Committee monitors the composition of our Board and its committees, identifies and evaluates potential director candidates, and makes recommendations to the full Board on these matters. The Nominating and Corporate Governance Committee considers the company's strategy, business, and structure as well as input from our CEO on strategic priorities when developing a search for a director candidate. Additionally, under our Corporate Governance Guidelines, diverse candidates, including women and minorities, must be included in each pool of candidates from which we select new director candidates. Director candidate searches are conducted by a reputable, third party leadership consulting firm engaged by our Board. Potential candidates are evaluated by the Nominating and Corporate Governance Committee, giving consideration to the types of qualifications, qualities, skills and other expertise we seek in all our directors, the needs of our Board, and other factors bearing on the candidate's effectiveness as a contributor to our Board.
102-25 Conflicts of interest	Please see our Proxy Statement , pages 23 and 75.
102-26 Role of highest governance body in setting purpose, values and strategy	Please see our Proxy Statement , page 23.
102-27 Collective knowledge of highest governance body	Please see our Proxy Statement , page 23 and our Corporate Governance Guidelines , page 2.
102-28 Evaluating the highest governance body's performance	Our Board and each of its Committees conduct an annual performance self-evaluation under the framework established by the Nominating and Corporate Governance Committee. Each member of our Board completes a written questionnaire covering various aspects of Board performance; similarly, each member of the Audit, Compensation, and Nominating and Corporate Governance Committees completes a written questionnaire soliciting feedback on the effectiveness of that Committee. Responses to the questionnaires are collected on an anonymous basis, and then compiled and summarized into a report by a third party. Each Committee and the full Board separately discusses the results of its performance evaluation in conjunction with the organizational meeting of our Board which is held following our Annual Meeting of Stockholders. For more information, please visit our Corporate Governance Guidelines or our Proxy Statement , page 24.
102-29 Identifying and managing economic, environmental, and social impacts	Please see our Proxy Statement , page 23.
102-30 Effectiveness of risk management processes	Please see our Proxy Statement , page 22-23.

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Stakeholder Engagement	
102-40 List of stakeholder groups	Our key stakeholders are customers, investors, employees, and community members.
102-41 Collective bargaining agreements	None of our facilities in the United States or Canada are covered by collective bargaining agreements. As is common in Germany and the Netherlands, our employee populations there are represented by works councils. We are not involved in any material disputes with our employees and believe that relations with our employees and, to the extent applicable, with our works councils, are good.
102-42 Identifying and selecting stakeholders	Through our materiality assessment in 2019 we identified our key stakeholders and had the opportunity to create goals that fit their needs in accordance with our mission and values.
102-43 Approach to stakeholder engagement	Our employee engagement efforts include our weekly company-wide newsletter and frequent all employee town hall meetings, through which we aim to keep our employees well-informed and to increase transparency, and employee engagement surveys through which we incorporate critical employee feedback into our culture, operations and strategic plans. Another employee engagement effort is our LIVE WELL programming, geared to promote worker health and well-being. Additionally, we conducted a materiality assessment in 2019, engaging a wide range of stakeholders, and we continue to undertake purposeful stakeholder engagement through our investor relations practices, our collaboration with our Board of Directors, customer questionnaires, focus groups and other activities. Our Compliance Helpline is available to all employees to report a concern. The Helpline is staffed by a third party and is available 24/7. Reports to the Helpline and submissions via the phone and internet may be made anonymously.
102-44 Key topics and concerns raised	The topics disclosed in this report are material for our company and stakeholders. Page 2 contains an index.
Reporting Practice	
102-45 Entities included in the consolidated financial statements	All entities of Evoqua are included in this sustainability report and our financial statements. We note in this sustainability report where certain information and data are only for certain aspects of the business. Please see our publicly available Annual Report and 10K for more details on financial information.
102-46 Defining report content and topic Boundaries	This report is based on the topics raised from our materiality assessment in 2019. The issues disclosed in this report are material for our company and stakeholders. The information included is reported on a global scale unless stated. We aim to increase our disclosure in the future.
102-48 Restatements of information	No restatements of information.
102-49 Changes in reporting	In FY21 we are baselining our data to expand our reporting in upcoming years.

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Reporting Practice	
102-50 Reporting period	Fiscal Year 2020 (FY20) October 1, 2019-September 30, 2020
102-51 Date of most recent report	April 2019
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	If you would like to engage with us, please email sustainability@evoqua.com .
102-54 Claims of reporting in accordance with the GRI Standards	This report references the GRI Standards.
102-55 GRI content index	Pages 39 through page 49 serve as our GRI index.
102-56 External assurance	This report is not externally assured.
Material Topic	
103-1 Explanation of the material topic and its boundary	Our EHS program is global.
103-2 The management approach and its components	Found on page 25 of this report.
103-3 Evaluation of the management approach	Found on page 25 of this report.
403-1 Occupational health and safety management system	Evoqua's EHS management system aligns with the basic elements of the ISO 14001:2015, and OHSAS 18001:2007. The multi-tiered governance and oversight structure of our global EHS program is designed to facilitate flow of communication throughout our entire organization regarding safety priorities, data trends and other critical matters. Our corporate EHS team closely monitors our program through monthly performance reviews at the executive level; our Chief Executive Officer and other leadership review every recordable accident; quarterly Operations Review meetings and Board of Director reports; daily interactions with operations' leaders; routine reviews of key performance indicators; and regular facility audits to verify compliance. Our EHS management system covers all Evoqua employees. Our scope includes the major product and service categories associated with the primary functions of manufacturing water and wastewater treatment solutions at multiple locations and distributing the product to industrial, municipal, and commercial customers worldwide. Contractors, service providers, and visitors should be made aware of and conform to the EHS MS when engaged at work at Evoqua controlled facilities.
403-2 Hazard identification, risk assessment, and incident investigation	Through our Incident Report & Investigation Program, which includes executive oversight, we have established reporting procedures for work-related injuries and significant non-injury losses that are focused on: 1) Ensuring prompt medical care for injured employees, 2) Providing for accurate and timely reporting of incidents within the organization and to governmental agencies (as required), and 3) Providing management with the tools to determine the root causes of incidents, implement corrective and preventive actions to prevent their recurrence, and share this knowledge throughout Evoqua.

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403-3 Occupational health services	We maintain an EHS program focused on work environments where each employee is enabled, empowered, and embraces personal accountability for protecting their health and safety, as well as that of their co-workers. Every employee is empowered to: 1) Perform a Safe Performance Self-Assessment when they begin work, 2) Follow Standard Work Instructions for the job they are performing, and 3) STOP WORK when they have a concern or see the potential for injury. Information and resources can be found for workers on the Evoqua intranet site.
403-4 Worker participation, consultation, and communication on occupational health and safety	<p>We pride ourselves on our ability to communicate our EHS management system with integrity and transparency to our employees. Details on the system are communicated via the Evoqua intranet site as well as through targeted programs and trainings. The majority of our sites have EHS committees that are responsible for investigating and reviewing accidents and communicating safety issues. All of our divisions hold monthly calls to review safety issues. Our operating guidelines and procedures are relevant for our industry.</p> <p>In the United States and Canada, we rely upon our Daily Tiered Accountability Boards (TABs), Start of Shift Meetings, and Tool Box Talks, for employees to receive safety information and raise safety concerns. In EMEA, we rely upon our works councils, which consists of a network of people including HR, employee representatives, and operations management to address employee health and well-being. The manufacturing locations also utilize TABs. In APAC, we rely upon Safety Committees which are comprised of employees and management. Ultimately, employees have the ability to raise concerns through the Compliance Helpline.</p>
403-5 Worker training on occupational health and safety	We have implemented targeted programs to ensure employees receive initial training, followed by refresher training regularly. We also cover and reinforce hazard awareness for slips, trips and falls; strains and sprains; and body parts in the line of fire in our employee safety orientation, routine in-person and online safety training, safety alerts and messages, monthly safety calls, and our company-wide newsletters.
403-6 Promotion of worker health	The wellness of our employees is extremely important at Evoqua. We recognize that our employee's good health and well-being not only allows them to out-perform in the workplace, but also to live a happy and rewarding life. We offer full health benefits, matching 401k, and an Employee Assistance Program. Beyond the traditional benefits, we think holistically about wellness. The mission of our LIVE WELL program is to create a work environment where employees have the tools, resources, and support system that will motivate and empower individuals to take responsibility for their health and live a healthier lifestyle. LIVE WELL's pillars include: Move More, Eat Better, Be Safer, and Be Mindful. For more information on how we promote worker wellness please visit page 30 of this report.

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403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>To prevent occupational health and safety impacts, Evoqua relies upon our EHS applications. This is how we identify and track EHS issues to closure. These applications include employee observations, safety challenges in which hazards are identified and tracked to closure, reporting of safety incidents which leads to investigations and correctives which are also tracked to closure.</p> <p>Further information on our approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to our operations, products or services, our business relationships, and the related hazards and risks can be found in our EHS policy on page 25 of this report.</p>
403-8 Workers covered by an occupational health and safety management system	All employees
403-9 Work-related injuries	Found on page 26 of this report.



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ADJUSTED EBITDA RECONCILIATIONS

<i>(\$ in millions)</i>	FY2020	FY2019	FY2018
Net income (loss)	\$114.4	\$(8.5)	\$7.9
Income tax provision	7.4	9.6	1.4
Interest expense	46.6	58.6	57.5
Operating profit	\$168.4	\$59.7	\$66.8
Depreciation and amortization	107.3	98.2	85.9
EBITDA	\$275.7	\$157.9	\$152.7
Restructuring and related business transaction costs	17.4	24.2	34.4
Share-based compensation	10.5	20.0	15.8
Sponsor fees	-	-	0.3
Transaction costs	1.9	11.6	7.6
Other (gains), losses and expenses	(65.9)	21.3	6.1
Adjusted EBITDA	\$239.6	\$235.0	\$216.9



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