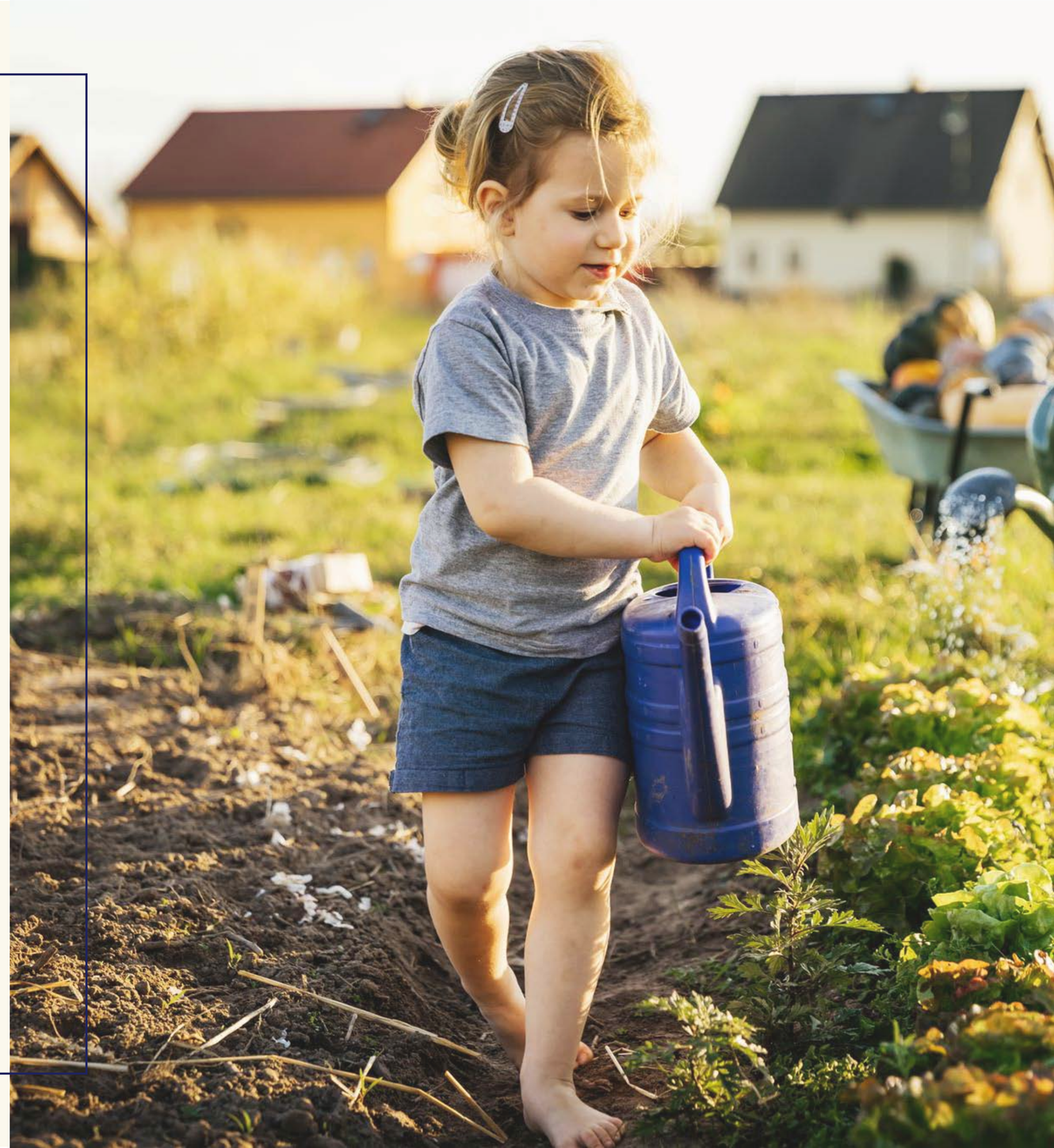
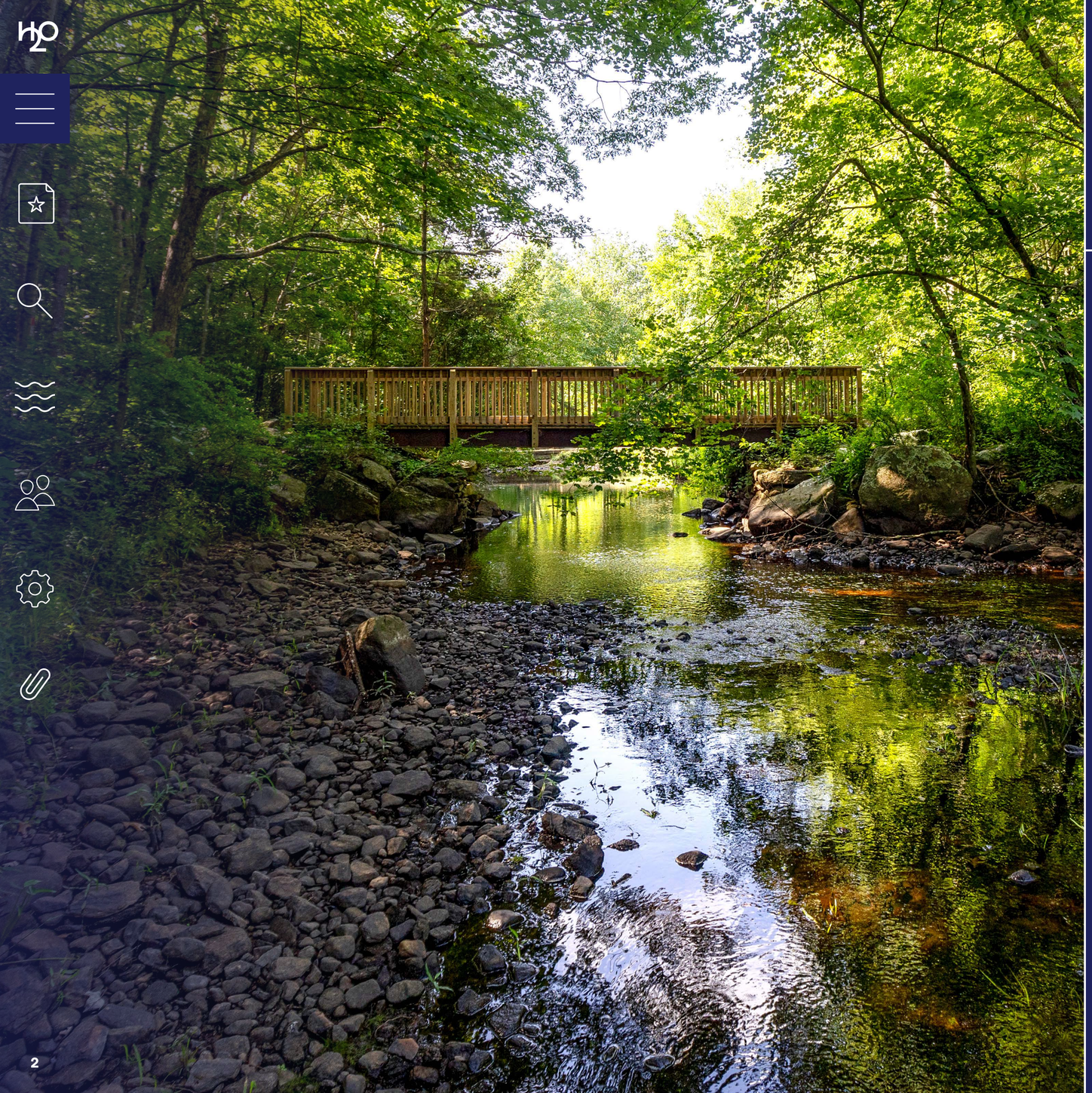
Sustainability Report 2024

H2O America





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A message from our CEO

As I step into the role of Chief Executive Officer at H2O America, I am keenly aware of the benchmark of excellence set for me by Eric W. Thornburg.

Eric, who has retired as our CEO and President in July, is a titan of the water industry, led this company with integrity and vision for eight years. During his four decades in the water profession, he has been a force for good in the communities we serve and beyond, and it has been a privilege to work alongside him as Chief Financial Officer and Treasurer.

A few weeks before my appointment was announced, H2O America (formerly SJW Group) was named by Newsweek in its 2025 list of America's Most Responsible Companies. This accolade reflects not only Eric's leadership but also the steadfast dedication of every team member across our four subsidiaries to integrate environmental and social practices into our daily work.

We recently unveiled our new H2O America name and brand. This new name reflects our evolution into one of the country's largest pure-play investor-owned water and wastewater utilities. We combine the scale, resources, and presence of a national company with deep local expertise, providing a strong foundation for continued reliable growth.

But while we have a new name, our focus on operational excellence and sustainable value creation is unchanged. We remain committed to our disciplined, long-term capital plan for infrastructure investments that are critical to long-term reliability and public health. They also ensure we have the water supply and infrastructure to support our growing customer base and enhance our ability to adapt to changing climate conditions. We remain dedicated to our customers, employees, communities, shareholders, and the environment, serving them in a sustainable balance.

To that end, in 2024, we increased solar generation at our facilities by over 73%. We advanced on our 2030 goal to halve carbon emissions. And we increased investment in our distribution infrastructure while keeping affordability and service excellence at the forefront, including through the expansion of our Water Rate Assistance Program in Connecticut. Additionally, we improved our annual Customer Satisfaction Survey scores.

These were just some of the highlights from another year of solid progress. With an exceptional leadership team in place and Eric staying on as non-executive chair of the board, I couldn't be more excited about building on this momentum in 2025 and beyond. Together, we will keep working towards a sustainable future that delivers high-quality water and exceptional service to our customers as well as fair returns to our shareholders.

Andrew F. Walters

About Us

H2O America (Nasdaq: HTO) is a national investor-owned network of local water and wastewater utilities united by one purpose: delivering clean, high-quality water to the communities we call home. For H2O America, providing water is more than a responsibility – it's a privilege. Every connection we serve helps sustain what matters most: public health, vibrant neighborhoods, and a reliable future.

Across approximately 407,000 water and wastewater service connections, we invest in critical infrastructure to protect and strengthen water supply for generations to come. We stay actively engaged in our local communities while focusing on operational excellence and delivering sustainable, long-term value to our stockholders.

In 2024, we deepened our impact with the launch of the Force for Good Foundation, supporting nonprofit organizations that help our communities thrive. We are also committed environmental stewards – prioritizing water conservation, climate resilience, and the sustainable management of our natural resources.

Water is local – and so are our roots. Through our four regional water utilities, Connecticut Water, Maine Water, San Jose Water, and Texas Water, we proudly serve more than 1.6 million people across the country. Together, we keep our communities thriving.

Our Mission

We sustain life by delivering high-quality water and exceptional service while investing in the health and vitality of the communities we serve.

Our Vision

Thriving communities, built on reliable water and world-class service – today and for generations to come.

Our Values

Do it right.

We uphold the highest standards of integrity. We make the right choices, even when they're hard, and foster a culture of transparency and accountability with straight talk.

Do it together.

We believe in the power of partnership – because we're stronger together. We respect each other's expertise and collaborate with trust and teamwork to create better outcomes for all.

Do it with heart.

We serve with compassion, positivity, and purpose. By actively listening, delivering solutions, and making a lasting impact, we strive to be a force for good in our communities and beyond.

Assets

5,400+
Miles of pipe

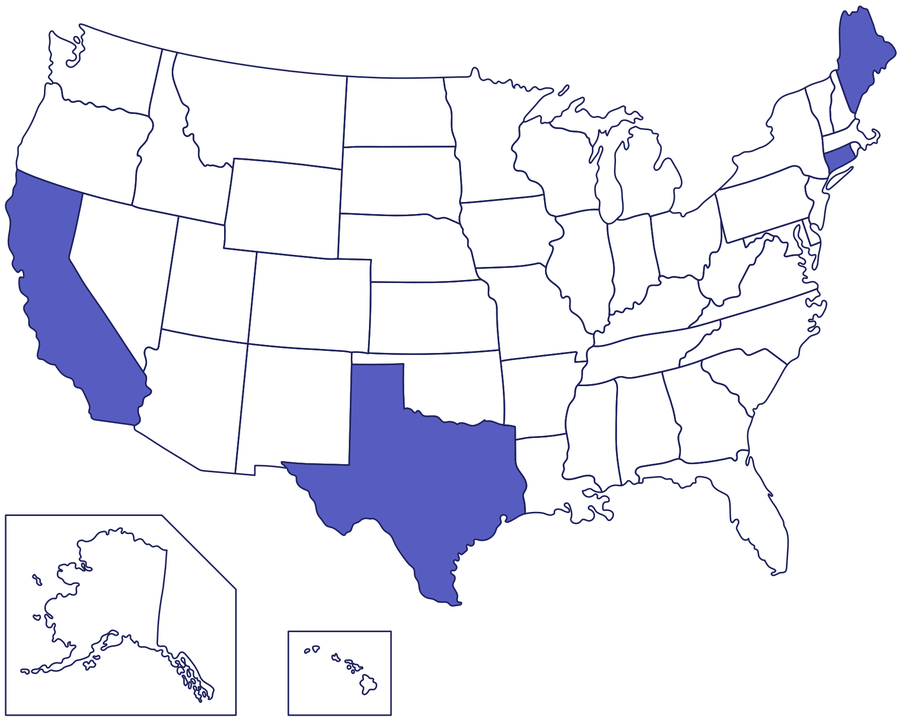
300+
Water storage facilities

39
Water treatment plants

160+
Pumping stations

400+
Wells

5
Wastewater facilities



ESG Strategy

Sustainability is at the core of our business. We are strongly committed to delivering high-quality water and excellent levels of service, while being a good steward of the environment and being a force for good in the communities we serve. As we are a provider of an essential resource, it's important that strong corporate governance standards are upheld across the country and risks that could impact our operations are appropriately managed.

2024 at a glance

Our Commitment to ESG

43%
Scopes 1 and 2 GHG reduction achieved from 2019 to 2024

56%
of Board of Directors are women

$400k
charitable donations

Our Organization

Operations in California, Connecticut, Maine, and Texas

~407,000
service connections

822
water professionals across four states

Serving
1.6 million people

Our Investments in 2024 for Current and Future Customers

$353M infrastructure investment

46 miles of pipeline replaced or installed

~$300M earmarked to address PFAS pollution in water supplies over four years

$27M investment in advanced metering infrastructure (AMI)

Completed the initial EPA required lead service line inventories for company and customer-owned service lines

Our Financial Highlights

81 years of dividend payments

57 years of dividend increases

▲10% increase in net utility plant

▲11% earnings per share increase

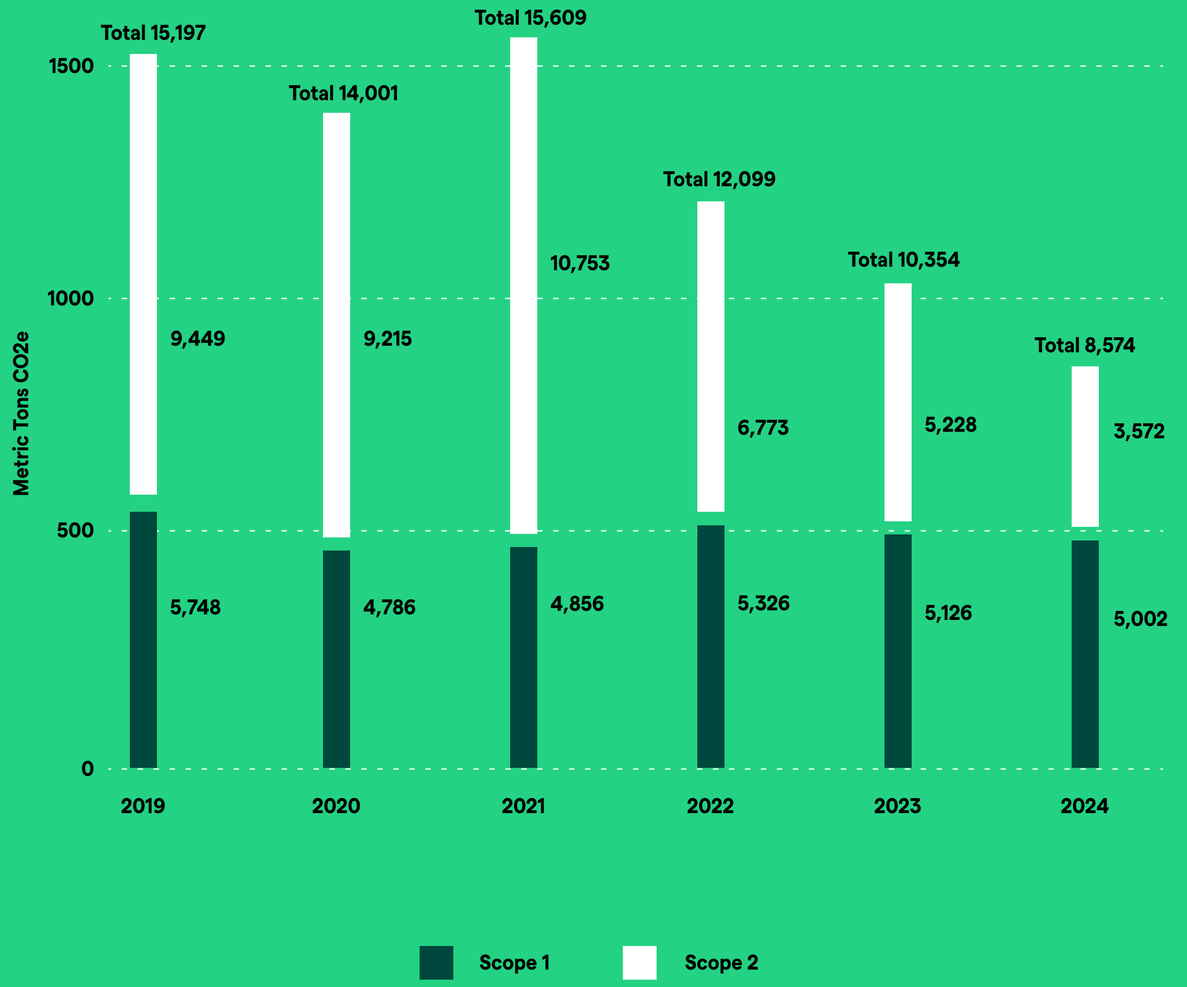
Environment

Reducing Our Greenhouse Gas Emissions

As climate change drives ever more unpredictable and extreme weather, we are dedicated to creating value for our stakeholders in a cost-effective manner that respects the planet.To learn more about our commitment to sustainability and responsible practices, please refer to our Environmental Policy.

In 2024, we continued to make progress on our 2030 goal to reduce our Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 50% from a 2019 baseline.

Our Scope 1 and Scope 2 emissions dropped 17% from 2023 to 2024 and have declined by 43% since the 2019 baseline. Our third-party assurance partner, accredited by the ANSI National Accreditation Board under ISO 14066, has audited our previous emissions inventories at the limited assurance level. We will release audited 2024 results later this year.



In 2024, we continued to identify and implement operational efficiencies to minimize our energy consumption. Other key actions were as follows:

Switching to Renewable Energy

Our solar energy systems generated 2,062 megawatt hours of electricity during 2024. We also installed eight new solar-generation projects, including our first project in Texas, which is due to go online in 2025. Reducing our grid energy consumption not only lessens our carbon footprint but lowers operating expenses, benefiting both customers, shareholders, and our planet.

Additional solar projects are planned for 2025, including an array in Maine, which is expected to meet 100% of our Saco River Drinking Water Resource Center's energy needs. A project at our new warehouse facility in Texas is also underway.

Transitioning to Electric Vehicles

As of the end of 2024, H2O America has replaced 39 internal combustion engine (ICE) vehicles with electric vehicles (EVs). At San Jose Water Company, we have implemented a 10-year fleet electrification plan, developed by third-party experts, which sets a goal of full fleet electrification by 2032.

Using Cleaner Fuels

We continue to phase in biodiesel for stationary generator fuel where economically appropriate. We also reduced road vehicle gasoline use by 5% or approximately 17,205 gallons.

Additionally, we began work to install a battery energy storage system in California that will replace a diesel generator.

Investing in Battery Energy Storage

San Jose Water began work in 2024 to install our first battery energy storage system (BESS) at the Williams Station, which provides drinking water to around 45,000 water service connections.

The system, due to be fully installed in 2025, will replace an existing 650kW diesel-fueled generator. As well as reducing our carbon emissions and boosting our resilience, we estimate annual savings of $7,000 in avoided generator maintenance.

BESS technology is also included in the design of Texas Water's new warehouse, which is under construction. Backup power can be provided during grid outages without harmful emissions and lessen costly maintenance associated with large diesel generators. It also allows us to take advantage of favorable off-peak rates and supply power back to the grid during peak demand periods – helping to further offset power costs.

Climate Risk and Resilience

Wildfires, droughts, and other extreme weather events are becoming more intense and unpredictable due to climate change. We recognize the actual and potential impacts these conditions can have on watersheds and water supply infrastructure in the short and long term.

Climate risks, and other risks, are identified in our Connecticut and Maine operations through an Enterprise Risk Management program with plans to expand the program to the complete H2O America footprint in 2025 or 2026.

We are working proactively on multiple fronts to strengthen the resilience of our water sources, distribution networks, and emergency response measures. See page 11.

Non-GHG emissions

We monitor and disclose non-GHG air emissions, namely VOCs, SOx and NOx.

Using Water Wisely

Water is the foundation of life. We are committed to protecting this precious resource from source to tap and delivering reliable, high-quality water for all.

Our water-related strategies and performance are overseen by the board's Sustainability Committee which also receives quarterly updates on existing and potential water supply.

In 2024, we invested $353 million in maintaining and improving our water and wastewater infrastructure, an increase of 30% on the previous year. This investment supported our stakeholders in conserving water, helping to reduce both their environmental impact and their bills.

Water Sources

A total of 6% of H2O America's water is sourced from areas in High Baseline Water Stress zones, as identified through the World Resources Institute's (WRI) Aqueduct regional mapping tool.

Company	Groundwater	Surface Water	Other Sources
San Jose Water Company	40% from ~100 wells	50% imported from Sacramento-San Joaquin Delta, 10% local from Santa Cruz Mountains	2% recycled water
Connecticut Water Company	50% from 200+ wells	50% from 18 reservoirs	N/A
Maine Water Company	7% from 14 wells	93% from surface water (2% purchased, remainder from 7 sources)	N/A
Texas Water Company	45% from 40 wells	55% from 2 reservoirs	N/A

H2O America Total Water Consumed/ Produced in millions of gallons (MG)

	2024
Total Potable Water Consumed (MG)	45,078
Total Potable Water Produced (MG)	48,769
Surface Water (MG)	11,768
Groundwater (MG)	18,982
Purchased Water (Import) (MG)	18,019
Recycled Water (MG)	858
Reused Water (MG)	62

Delivering Water Efficiently

Preventing the water we produce being lost or unaccounted for before it reaches consumers is good for the environment and keeps costs lower for customers. That's why we have performance targets and proactive programs in place to limit this wastage, known as 'non-revenue water'.

8.4%

non-revenue water rate

In 2024, we were proud to achieve a non-revenue water rate of 8.4% across H2O America, outperforming our target of 14% as well as the 15% industry standard.

We achieved this mainly through infrastructure improvements, including advanced leak detection and the proactive replacement of 46 miles of water main.

Non-revenue water rates

	2024
San Jose Water	6%
Connecticut	13.9%
Maine Water	17.2%
Texas Water	12.06%

Advanced Leak Detection

Across our Group, we detected more than 1,050 leaks in 2024, saving nearly 950 million gallons of water.

We use acoustic technology to monitor our infrastructure, with detectors that attach to fire hydrants and use artificial intelligence to filter out the sound of normal usage from that of leaks. Utilizing the data, our leak detection teams can act early to fix problems. We have expanded the use of this technology in recent years at Connecticut Water and at San Jose Water, which has the largest number of acoustic leak detectors of any water utility in the U.S.

Rolling Out Smart Meters

In 2024, we invested more than $27 million in advanced metering infrastructure (AMI) that empowers both our teams and customers to use water more efficiently. Smart meters, as the technology is more commonly known, provide near real-time access to water usage data. It means we can proactively identify leaks and other opportunities to reduce wasted water while our customers can better control their consumption and, by extension, their bills.

Approximately 75% of our Texas Water customers already have AMI. Customers there receive automated notifications when usage is higher than normal or leaks are suspected.

During the year, San Jose Water installed more than 20,000 smart meters at the start of a three-year rollout that aims to cover all its customers by 2027. Once the AMI portal is live, customers here too will receive automated leak alerts via the method of their choice – text, email, or phone. Until then, we are notifying customers through other methods.

Connecticut Water and Maine Water are currently evaluating the use of AMI in their operations.

Promoting Responsible Water Usage through Rates

We intentionally structure our utility water rates to encourage customers to conserve water. All companies in H2O America use fixed and variable charges, with the variable portion naturally discouraging excess use. Additionally, three of our four jurisdictions apply inclining block or conservation rates, which increase per-gallon costs for non-essential water use, such as lawn watering. These pricing structures promote conservation, especially during periods of high demand.

Educating Young Water Users

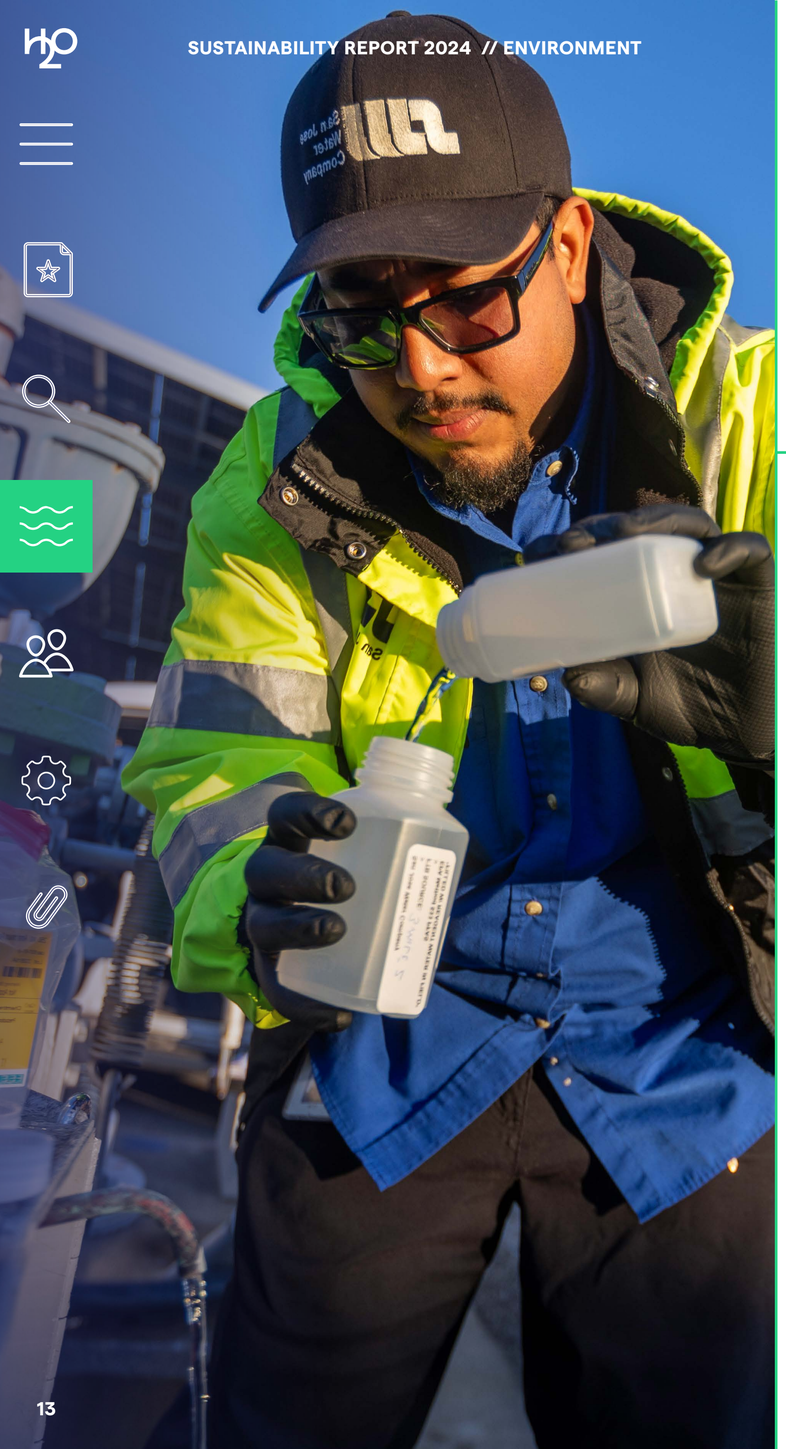
More than 1,000 children across Maine and Connecticut learned about water conservation and more through our Water Drop Watchers program in 2024.

Developed in alignment with third-grade science curriculums, the one-hour session is taught by our employee volunteers in classrooms and communities across the two states. It includes hands-on activities to learn where water is found on earth, how much of the earth's surface is covered in water, the water cycle, freshwater availability, average water use, and ways to conserve water.

Supporting Water-wise Customers

Other ways we made water conservation easier for our customers in 2024 included providing:

- Dye tabs for locating toilet leaks
- Complimentary conservation kits
- Discounted rain barrels, and
- Programs and informational materials about indoor and outdoor water conservation tips, native landscaping and xeriscaping



Safeguarding Water Quality and Safety

H2O America is committed to keeping high-quality water flowing for our customers. We work to meet, or be better than, all federal and state water quality standards and adapt as scientific advances identify new health impacts and/or emerging contaminants.

We understand that water is a resource shared by the wider community, including natural ecosystems. By putting environmental stewardship at the core of our mission to deliver high-quality water, we aim to help preserve this life-sustaining force for all.

Water Quality Performance and Governance

Hundreds of times every day, we test water quality at all our water sources and key locations in our distribution and treatment networks.

This work incorporates our adherence to the testing protocols mandated for water utilities by the Federal government, state governments, and environmental and public health regulators. In 2024, H2O America conducted 73,613 compliance samples for water quality testing on more than 120 parameters, from pH and naturally occurring minerals to microbiological, chemical, and radiological contaminants.

Each subsidiary's water quality team tracks metrics on monthly dashboards and reports to the Chief Operating Officer, who updates the board quarterly via the CEO. In 2024, we took organizational steps to centralize knowledge and procedures, allowing our water quality teams to work more effectively with, and learn from, each other across the country.

Customers and other stakeholders can review our performance, including testing results, through our annual water quality reports.

Annual Water Quality Reports

San Jose Water

Connecticut Water

Maine Water

Texas Water

2024 Water Quality Notice of Violation of Drinking Water Standards

San Jose Water	0
Connecticut	0
Maine Water	0
Texas Water	0

Addressing Emerging Contaminants

Per- and polyfluoroalkyl substances (PFAS) have become pervasive contaminants in the environment. H2O America is prepared to comply with the U.S. Environment Protection Agency's (EPA) enforceable new drinking water standards for six of these synthetic chemicals, which are used in applications such as water-repellent textiles and firefighting foam.

Many of our systems were already engaging in voluntary PFAS testing before the EPA announced the Maximum Contaminant Levels (MCLs) in October 2024.

We expect to invest around $300 million in capital funds to comply with the standards at all systems within the EPA's compliance deadline of 2029.

San Jose Water and Connecticut Water are joint plaintiffs in a lawsuit against major manufacturers regarding PFAS pollution. See page 22.

Identifying and Replacing Lead Service Lines

H2O America subsidiaries have published full inventories of all the materials used in their distribution systems, including service lines made of lead, in compliance with the EPA's Revised Lead and Copper Rule.

To view the inventories:

San Jose Water

Connecticut Water

Texas Water

Maine Water

Protecting Water Quality at Source

H2O America owns and maintains more than 12,000 acres of watershed land around our surface water sources. As well as continuously monitoring water quality in the area, we actively work to protect and restore local wildlife and the ecosystems it depends on for the benefit of water quality and the community as a whole.

In 2024, for example:

- Connecticut Water purchased an additional 125 acres of watershed land for environmental and water quality protection.
- San Jose Water helped to create wildlife crossings for animals such as mountain lion, deer, bobcat and species-of-special concern, the California Newt. As part of a multi-partner project on the 6,000+ acres it has set aside for nature conservation.

Maine Water continued its 10-year-long partnership with the Coastal Mountains Land Trust. They enacted a conservation easement of 29 acres in its Mirror Lake and Grazzy Pond watershed. This brings to 1,500 acres the total amount of preserved open space that the two organizations have already protected. Balancing our water supply needs with responsible land stewardship not only upholds our environmental values but helps maintain the quality of our source water and keeps our water treatment costs down.

Wastewater Treatment

H2O America operates wastewater treatment plants in Texas and Connecticut.

In Texas, three of the four systems are localized wastewater treatment plants serving only very nearby, designated areas. The Vintage Oaks Wastewater Treatment Plant in New Braunfels serves a planned community of more than 400 homes.

In Connecticut, the Heritage Village Wastewater Treatment Plant serves about 3,000 customers through a large condominium community in Southbury along with several small commercial entities and the State of Connecticut's Southbury Training School.

Building Sustainable and Resilient Water Supplies

Water is a finite resource, and utilities like ours have a responsibility to manage it sustainably as the risks and impacts of climate change intensify. Across H2O America, we are investing in initiatives to bolster resilience so that we can maintain safe and reliable water supplies today and for future generations.

Recycling and Reusing Water

In 2024, we began design work on a project for 1.66 miles of water main for recycled water in California to enable us to maximize the availability of water for irrigation, especially during drought periods.

The $11 million project, expected to be completed in 2025, has the potential to serve outdoor uses for six customers, including a golf course, schools, and parks. Together, these customers are expected to use more than 71.6 million gallons of recycled water for outdoor uses each year. Our aim is to achieve:

- A drought-proof supply of recycled water not subject to cutbacks or rationing
- Reduced greenhouse gas emissions and energy for water transmission because recycled water is also a local water supply
- Reduced discharge of wastewater effluent to the San Francisco Bay, and
- Conservation of potable water supplies for the highest and best use

Emergency Preparedness and Response

The recent wildfires in Southern California underscore the vital role water utilities can play in mitigating risks and strengthening community resilience.

San Jose Water has partnered with the Santa Clara County Firesafe Council to deploy a network of sensors on its watershed land. These use AI to detect wildfires quickly and accurately, even in remote areas, meaning we can help prevent wildfires taking hold. In 2024, San Jose Water also completed grant-funded wildfire mitigation treatments on roughly 300 acres of watershed land.

Though unplanned interruption of water service is exceedingly rare, every minute counts when this does happen. We have a critical event management platform in place across the Group to notify customers in the event of water-related emergencies, disruption, or conservation measures. Additionally, we maintain an extensive list of public officials and community contacts to notify.

In 2024, we unveiled our fully self-contained mobile Emergency Water Distribution Unit that will distribute drinking water quickly to our Californian customers in the event of outages or water quality issues.

Our People

Our People

We are a mission-driven company that strives to be an employer of choice in the communities we serve.

Much energy has been dedicated to fostering a “one H2O America” culture, where we implement national standards that recognize and respect the differences in how our subsidiaries must operate. We’re proud to have strong partnerships and collaboration across our leadership teams, which makes achieving alignment much easier.

Making H2O America a positive, engaging and safe place to work, where people are fairly compensated and given access to professional opportunities, is a priority at the highest level. To ensure this remains the case, human capital metrics such as employee satisfaction (which directly impacts customer satisfaction) and our total recordable incident rate (TRIR) are tied to executive compensation decisions.

Talent Acquisition, Engagement, and Retention

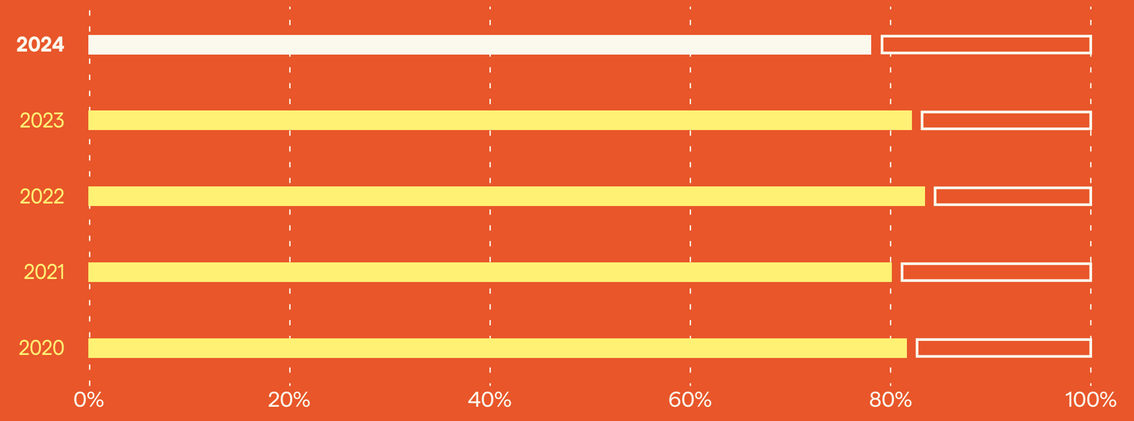
Over the last two years, the caliber of talent at H2O America has increased significantly as we have welcomed a number of new leaders from large utilities organizations. Their expertise has helped to further professionalize our operations. To help us find new talent at all levels, we regularly work with local trade schools and veterans associations, and attend careers fairs.

All employees take part in biannual performance reviews and have access to internal training and development resources. Many employees are part of identified “job families” which include clear paths for advancement as employees’ skills increase.

To support mentoring across H2O America, we created tools and templates to help employees find relevant opportunities. All employees at VP level and above are mentored by board members. Outside of this, we run a number of leadership development programs to ensure we have a strong pipeline of future managers across the Group.

Every year, we conduct an anonymous mid-year and year-end employee satisfaction and engagement survey. It is distributed by an independent survey administrator and focuses on three to four key themes to produce targeted, actionable insights.

Employee Satisfaction and Engagement Survey Results



Labor Relations

Our Freedom of Association policy outlines the principles and working methods we follow to ensure our people's right to unionize and to collective bargaining is protected and respected.

Approximately 28% of the H2O America workforce is unionized, through two unions representing San Jose Water employees. Both the Utility Workers Union of America, AFL-CIO, local 259 and the Operating Engineers Local Union No. 3 of the International Union of Operating Engineers entered into three-year agreements with San Jose Water through a vote of their memberships in 2022. The new contracts are in effect from January 1, 2023 – December 31, 2025.

A Fair and Inclusive Workplace

Embracing and empowering people with a variety of lived experiences remains an integral principle of H2O America, and all subsidiaries remain entirely committed to offering equal opportunities to all.

Our employee-led Respect and Belonging Council continued to meet monthly in 2024, and we hosted monthly microlearning opportunities on various Respect in the Workplace topics. Our Employee Assistance Program (EAP) is available to all employees. To raise awareness of important wellbeing topics, we host monthly mental health webinars and share resources via email.

Employee demographics information is available in the appendix.

Health and Safety

Protecting our employees' health and wellbeing is a top priority across H2O America. Our Group-wide health and safety policy covers all employees and contractors, and our program is managed by our Environmental Health and Safety (EHS) Team, which reports up to the executive-level EHS Council. Each state also has a local EHS manager, and all participate in a monthly safety summit.

We regularly review identified near misses and subsequently adjust safety guidance to ensure as many incidents as possible are prevented. To further professionalize our EHS management approach, work continued to prepare to implement an ISO 14001-compliant health and safety system.

To foster a culture of workplace safety, every internal meeting begins with a safety discussion. Employees receive regular health and safety training and are covered by dedicated protocols, including those relating to lone workers and electrical safety. Executive compensation is also linked to our safety performance, ensuring efforts to reduce safety incidents are driven by our leaders.

This data includes all part- and full-time employees of H2O America but does not include contractors.

Our workplace violence prevention program is mature in some areas of the business. A key focus for 2025 will be to ensure it is rolled out or further embedded across the enterprise.

29
Recordable Incidents

1,523,652
Exposure Hours

3.8
Total Recordable Incident Rate

17
Near Misses Reported

2.4
Days Away, Restricted or Transfered (DART)

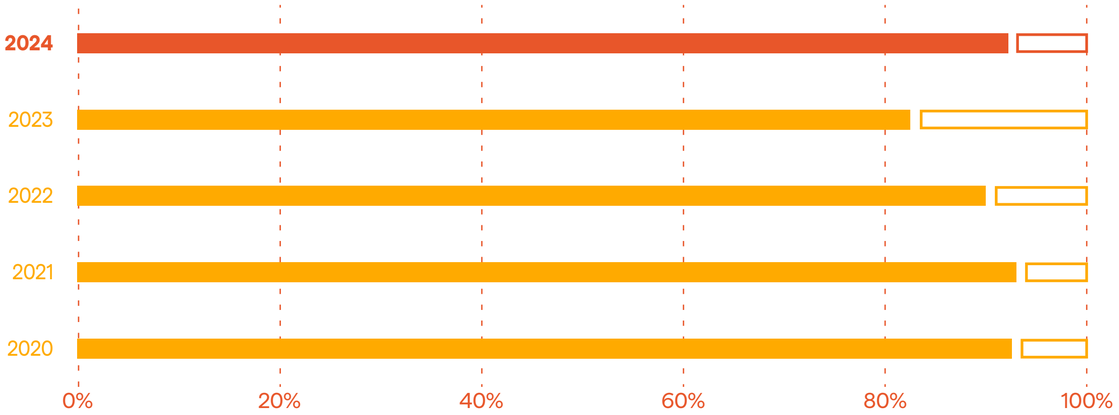
Our Commitment to Customers

It is vital that we maintain clear channels to communicate with customers, particularly at times of disruption. Everbridge, our outbound communication system, allows us to notify customers of emergencies, such as supply contamination events, or supply disruptions in their area.

We also make a concerted effort to maintain two-way communication with customers throughout the year to ensure our services consistently meet expectations. Customers are surveyed by a third-party research firm annually, and results are tracked and acted upon. Executive compensation is tied to customer satisfaction achievement.

In 2024, H2O America's Customer Satisfaction was 85.2%.

Customer Satisfaction Survey Results



Any customer complaints are handled by each subsidiary's customer service team. Customers can escalate complaints to a company review officer at the subsidiary or file them with the Public Utilities Commission or Attorney General in their state. We track customer complaints on live dashboards and report data quarterly to the board.

Our local subsidiaries engage with customers through multiple other channels, including:

- Customer webinars on water quality, infrastructure investment and other topics
- Customer Advisory Councils and Water System Advisory Councils
- In-person open house events at our treatment and other facilities
- Neighborhood or municipal meetings regarding particular projects
- Community engagement activities at other public events

Managing Community Engagement

Oversight for community relations at Group level is handled by an executive body that reports to the board quarterly. Its role is to work with each subsidiary to carry out our strategic plan and help manage community and regulatory affairs concerns. Community engagement goals are identified as part of the board's annual strategic planning process and progress against those goals is tracked through the year.

Ensuring Affordable Access to Water

H2O America recognizes that access to clean water for drinking and sanitation is a human right via our Human Right to Water Policy, which is consistent with United Nations Resolution 64/292.

Water should also be affordable. We use a number of metrics to calculate water affordability, including the percentage of median household income (MHI) of the

average household's annual bill and the number of hours at minimum wage (HM) it would take to pay the average bill. They are analyzed by our Affordability Committee, which meets quarterly and reports to the board.

In California and Connecticut, we operate low-income tariff assistance programs, which delivered support to 26,000 financially vulnerable customers in 2024. To broaden its reach, Connecticut Water partners with Operation Fuel, which helps customers in financial difficulty access utilities assistance programs. Its goal is to make it easier for customers who find it hard to pay their water bills to access financial assistance, as an extension of the existing Help 2 Our Customers program.

In 2024, our largest subsidiaries, San Jose Water and Connecticut Water, began partnering with Promise Pay, which now offers California and Connecticut customers the ability to set up their own flexible payment plans.

More information about rates is available in the appendix.

Supporting our Communities

We remain committed to investing in and supporting our communities.

Each state maintains local ownership and oversight of its community support programs that reflect the needs, cultural priorities, and employee interests of the service area.

In 2024, we supported over 80 local nonprofits and spent over $400,000 in grants and donations at Group level. Additionally, we established The Force for Good Foundation, which will serve as a hub for future community support.

Local employees also take part in their own charitable work, such as volunteering for watershed cleanups, community giving drives, Habitat for Humanity, and other services. Employee-led giving drives include the Maine Coats for Kids program, which donated over 150 coats through employee donations to children throughout the state. Additionally, employees organized fundraisers for Operation Fuel, toy drives, food drives, and veteran home drives in Connecticut. In California, donations continued to be made through the employee-led H2O America Employees Community Fund, Inc.

Community organizations benefited from financial support through H2O America's charitable giving efforts. In Connecticut, these included local fire departments, food pantries and schools. Maine's food pantries also received support, while in California, beneficiaries included the Guadalupe River Park Conservancy, City Lights Theater Company, and the Happy Hollow Park and Zoo. Local schools in Texas were also among the recipients.

Outside of philanthropic work, we prioritize consistently engaging with our customers. Our Customer Advisory Councils offer a diverse pool of customers a forum to discuss concerns with H2O America experts. Councils are organized at the subsidiary level and meet twice-yearly in California and quarterly in Connecticut. They will meet quarterly in Texas in 2025.

Representatives to the councils are appointed by their local municipal leadership and include at least one representative from each of the company's service communities.

Governance

Corporate Governance

As a utilities business that provides an essential resource to millions of customers, it is vital that our governance framework supports our subsidiaries to operate to consistently high standards and meet regulatory requirements.

Eight of our nine board members are independent and all are highly engaged, with many bringing years of experience from time on similar public or utility organizations' boards. We are proud to have organically achieved a majority female representation on our board without representation quotas. Diversity of thought and lived experience will always be important to H2O America and something we will always seek to foster.

We have the following board committees:

- Nominating and governance
- Audit, which oversees internal audit matters and other key concerns like cybersecurity
- Sustainability
- Executive compensation, which uses human capital metrics such as employee satisfaction and safety performance as well as customer satisfaction, water quality and water conservation metrics, to inform executive compensation decisions
- Finance

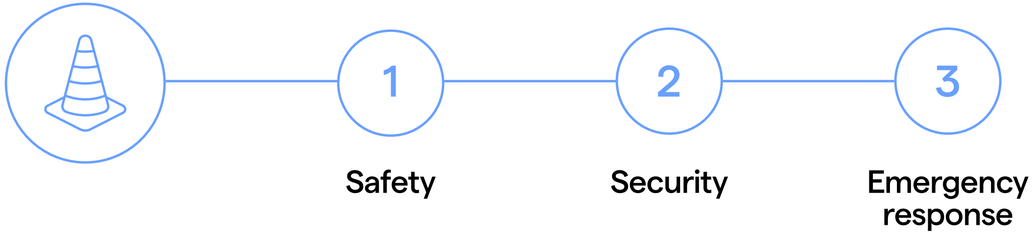
Our board committees guide our organization to act in the most ethical, responsible way. They meet at least quarterly and report into the board.

Risk Management

Leaders across H2O America have a strong understanding of risk management and it is an integral part of their roles. Some regions already had a mature program in place but, as part of our work to standardize key governance functions, it was important to replicate this nationwide.

To bring more structure and rigor to risk management, we launched our Group enterprise risk management program in 2023 and conducted our first risk assessment in 2024, which identified our top risks and opportunities for improvement. We will focus on building out a team in 2025 that reports to the sustainability committee to drive this process forward.

Our Environmental Health and Safety Council, which all four subsidiary presidents sit on, sets key plans for business continuity and stakeholder safety. It has three subcommittees:



Holding manufacturers accountable for PFAS pollution

San Jose Water and Connecticut Water are joint plaintiffs in an ongoing lawsuit against major manufacturers regarding the presence of PFAS (per- and polyfluoroalkyl substances) pollution in water supplies. Water utilities will be increasingly responsible for removal of PFAS from drinking water supplies as science and regulations advance. Holding the manufacturers accountable allows us to mitigate the financial impacts to customers of the expected $300 million in PFAS treatment we will take on in the next four years to meet those regulations.

Supply Chain Management

Our Vendor Code of Conduct outlines what we expect from all suppliers, who play a critical role in helping us deliver a consistent standard of service.

Business Ethics

As a company, we are steadfast in our commitment to ethical and responsible behavior. We believe it is in the best interests of our five key building blocks – our communities, customers, employees, local environments, and shareholders – to outline and uphold clear expectations. They are outlined within a suite of policies, which act as the foundation of our governance approach and tell our people and partners how we expect them to act. They include:

- Code of Conduct, which includes a Whistleblower Policy
- Vendor Code of Conduct
- Corporate Governance Policies
- Environmental Policy
- Health & Safety Policy
- Human Right to Water Policy
- Human Rights Policy

If any employee, or other stakeholder, witnesses something they believe violates our ethical expectations, they can contact our free ethics hotline or report the incident anonymously via our compliance portal.

Employees are trained on the Code of Conduct annually and complete an attestation of compliance with the code.

Engaging in the Political Process

We seek to build and steward constructive relationships with elected officials and government staff, intending to meaningfully impact policies and regulations that affect local water utilities, natural resources, and our customers.

We follow disclosure requirements and rules around political contributions and lobbying expenditures in every state where we operate. Government affairs programs, which are conducted at state level, comply with state campaign contribution and election laws.

Political Donations

Each state has its own disclosure requirements around political contributions and lobbying expenditures. We strive to comply with both the spirit and the letter of the laws as required and act ethically, as outlined in our Code of Conduct.

- California: The political contributions of San Jose Water are public information.
- Maine: While legally permitted to make political contributions, Maine Water has chosen not to and did not make any contributions in 2024.
- Connecticut and Texas: Neither state permits political contributions under state law.

Lobbying

- Connecticut Water, San Jose Water and Texas Water Company retain state lobbyists. Maine Water is permitted to retain lobbyists by law but has chosen not to do so in 2024.
- All subsidiary utilities are paying members of state and national water industry trade associations that may engage in lobbying on state and national drinking water issues and regulations. In addition, subsidiary utilities belong to state and local business associations that may engage in lobbying to affect business regulations.

Cybersecurity and Data Privacy

Our Vice President and Information Security Officer is responsible for oversight of data privacy and cybersecurity matters, including reporting to the board's audit committee on a quarterly basis and to the executive leadership team on a monthly basis. Each subsidiary has a dedicated cybersecurity policy that aligns with the CIS Controls Framework.

In 2024, we onboarded a dedicated data privacy lead to strengthen oversight and ensure customer data remains as secure as possible. We continued to conduct an annual internal third-party penetration test and bi-monthly penetration tests and began rolling out CISA's Cybershield software to collect more data around potential and actual threats.

In the event of a data breach or cyberattack, our incident response plan (IRP) will be enacted. Minor events are escalated to our national cybersecurity team and any impacted employees at the subsidiary level, while major events are brought to the attention of the audit committee. The IRP asks that we assess how material any incidents are to determine if the incident must be reported to the SEC, FBI, EPA, CISA (Cybersecurity and Infrastructure Security Agency) or Department of Homeland Security, with established local and national lines of reporting. We reported no material breaches in 2024.

We maintain compliance with applicable state-level privacy acts, which are the Connecticut Data Privacy Act and California Consumer Privacy Act, California Privacy Rights Act, and the Texas Data Privacy and Security Act. There were 0 privacy requests in Connecticut and 17 privacy requests in California and 1 privacy request in Texas in 2024.

Appendix

SASB Sustainability Disclosure Topics & Metrics 2024

Table 1. Sustainability Disclosure Topics & Metrics

Code	Metric	2024
	Energy Management	
IF-WU-130a.1	Total energy consumed	251049.6 Gigajoules (GJ)
	Percentage grid electricity	33%
	Percentage renewable	67%
	Distribution Network Efficiency	
IF-WU-140a.1	Water main replacement rate	0.81%
IF-WU-140a.2	Volume of non-revenue real water losses	3,712 MG
	Effluent Quality Management	
IF-WU-140b.1	Number of incidents of non-compliance associated with water effluent quality permits, standards and regulations	SJW Group does not disclose this data. We will consider disclosing it in the future.
IF-WU-140b.2	Discussion of strategies to manage effluents of emerging concern	SJW Group does not disclose this data. We will consider disclosing it in the future.
	Water Affordability & Access	
IF-WU-240a.1	Average retail water rate for residential customers	See customer data in addendum.
	Average retail water rate for commercial customers	SJW Group does not disclose this data. We will consider disclosing it in the future.
	Average retail water rate for industrial customers	SJW Group does not disclose this data. We will consider disclosing it in the future.
IF-WU-240a.3	Number of residential water disconnections for nonpayment	See customer data in addendum.
	Percentage reconnected within 30 days	SJW Group does not disclose this data. We will consider disclosing it in the future.
IF-WU-240a.4	Discussion of impact of external factors on customer affordability of water, including the economic conditions of the service territory.	See page 19
	Drinking Water Quality	
IF-WU-250a.1	Number of incidents of non-compliance associated with drinking water quality standards and regulations	0 incidents
IF-WU-250a.2	Discussion of strategies to manage drinking water contaminants of emerging concern	See page 14

End-Use Efficiency		
IF-WU-420a.1	Percentage of water utility revenue from rate structures designed to promote conservation and revenue resilience	SJW Group does not disclose this data. We will consider disclosing it in the future.
IF-WU-420a.2	Customer water savings from efficiency measures, by market	SJW Group does not disclose this data. We will consider disclosing it in the future.
Water Supply Resilience		
IF-WU-440a.1	Total water sourced from regions with High or Extremely High Baseline Water Stress; percentage purchased from a third party	6% of H2O America's water is sourced from areas in Medium-High Baseline Water Stress according to the World Resources Institute Aqueduct Water Risk Atlas; 0% of this water is purchased from a third party.
IF-WU-440a.2	Volume of recycled water delivered to customers	857.84 MG of recycled water was delivered to customers in 2024
IF-WU-440a.3	Discussion of strategies to manage risks associated with the quality and availability of water resources	**See pages 10-12.**
Network Resiliency & Impacts of Climate Change		
IF-WU-450a.1	Wastewater treatment capacity located in 100-year flood zones	Two wastewater treatment plants located in 100-year flood zones.
IF-WU-450a.2	Number of sanitary sewer overflows	3
	Volume of sanitary sewer overflows	14,300 gallons
	Percentage of volume recovered	0
IF-WU-450a.3	Number of unplanned service disruptions	704
	Customers affected by service disruptions by duration category	SJW Group does not disclose this data. We will consider disclosing it in the future.
IF-WU-450a.4	Description of efforts to identify and manage risks and opportunities related to the impact of climate change on distribution and wastewater infrastructure	SJW Group does not disclose this data. We will consider disclosing it in the future.

Table 2. Activity Metrics

Code	Metric	2024
IF-WU-000.A	Number of residential customers served	See addendum.
	Number of commercial customers served	See addendum.
	Number of industrial customers served	See addendum.
IF-WU-000.B	Total water sourced, percentage by source type	See page 10
IF-WU-000.C	Total water delivered to residential customers	26,179.97 MG
	Total water delivered to commercial customers	14,377.14 MG
	Total water delivered to industrial customers	392.72 MG
	Total water delivered to all other customers	3,426.74 MG
IF-WU-000.D	Average volume of wastewater treated by day by (1) sanitary sewer, (2) stormwater, and (3) combined sewer	.5806 million gallons/day of sanitary sewer treatment. The company does not have operations in stormwater or combined sewer.
IF-WU-000.E	Length of water mains	5,669.7 miles
	Length of sewer pipe	201.77 miles

Employee Data

Race

American Indian or Alaska Native	Asian	Black or African American	Native Hawaiian or Other Pacific Islander	Two or More Races (Not Hispanic or Latino)	White	Other or Not Disclosed	Total
4	82	27	10	24	482	192	821

Ethnicity

Hispanic or Latino	Not Hispanic or Latino	Other or Did Not Disclose	Total
167	629	25	821

Gender

Male	Female	Other or Did Not Disclose	Percentage of women in management roles	Total
553	243	25	29%	821

Customer Data

Water

Operating Company	Residential	Commercial	Industrial	Total Water Customers (Includes any customer class not listed here.)	Non Payment Disconnections	Average Residential Daily Usage (GA)	Average Monthly Residential Bill	Essential Residential Daily Usage (GA)	Essential Average Monthly Residential Bill
Texas Water	28,100	719	5	28,939	2,286	199	$77.78	160	$70.98
Maine Water	29,223	3,076	61	33,778	657	121	$37.68	100	$36.19
San Jose Water	200,877	20,619	49	223,679	2,132	245	$124.22	147	$93.87
Connecticut Water	92,660	7,152	480	108,149	1,107	154	$67.44	132	$60.59
H2O America	**350,860**	**31,566**	**595**	**394,545**	**6,182**				

Sewer

Operating Company	Residential	Commercial	Industrial	Total Sewer Customers (Includes any customer class not listed here.)
Texas Water	1062	38	0	1102
Connecticut Water	3,037	113	0	3,152
H2O America	**4,099**	**151**	**0**	**4,254**

Wastewater Data

Inspections and Maintenance	
Connecticut Water	Approximately 20% of the collection system is "jetted" (cleaned) each year. 1-5% is inepsected by camera each year. Known hot spots are jetted at least once per quarter.
Texas Water	Inspections on problematic areas in reaction to a back-up occurs roughly twice each month. The company plans to expand inspection frequency on all sewer lines in the future.
Modernization of Infrastructure	
Connecticut Water	The Heritage Village Wastewater Treatment Plant underwent an upgrade in 2013. Over the next several years, the company has planned a mulit-million dollar upgrade to the collection system by removing two pump stations and upgrading a third
Prevention of Sewer Flooding	
Connecticut Water	The company engages in several customer campaigns on what not to flush which have included treatment plant tours, newsletter placements, toilet stickers and engagement with the homeowners association covering over 2,000 of the wastewater customers. In addition, the company's inspections and maintenance program also acts as a flooding prevention mechanism.
Texas Water	The Company's wastewater treatment plants have been designed, or undergone rehabilitation, to include redundancies in the treatment process geared toward flood prevention. This includes the use of equalization tanks, specialized units within a wastewater treatment facility designed to balance flows and loads. The Company also has a wastewater outreach program for customers on how to prevent clogs.
Sewage Sludge Disposal	
Connecticut Water	100% of the sludge from the Heritage Village Wastewater Treatment plant is incinerated. There is no agricultural or land application use, which is prohibited in Connecticut. Heritage Village Wastewater Treatment Plant is a 5-stage Bardon-Pho process plant. As such, nitrogen and phosphorus are removed. Sewer customers represent just under 3% of Connecticut Water's total business.
Texas Water	Texas Water currently disposes of sewer sludge in a local landfill but is exploring different options for disposal in the future. There is no agricultural or land application use. The Company does not engage in phoshorus recovery. Sewer customers represent approximately 10% of Texas Water's total business.
Quality of Treated Wastewater	
Connecticut Water	Heritage Village Wastewater Treatment Plant removal rates are as follows: BOD Removal, 98 to 99% TSS Removal, 98t to 99% Nitrogen Removal 85 To 95% Phosphorous Removal 75 to 85%
Texas Water	Average removals from the multiple TWC plants: BOD – 99.3% TSS – 97% CBOD – 99.4% No samples conducted for Phosphorous or Nitrogen.

GHG Inventory

Data	Measurement	2024	2023	2022	2021	2020	2019
Customers							
Total Customers Connections	Number	394,545	392,200	400,800	398,000	393,000	389,000
Emissions							
GHG Emissions by Scope							
Total GHG emissions (Scopes 1 and 2)	Metric tonnes of CO2e	8,574	10,355	12,099	15,609	14,000	15,197
H2O America Direct GHG emissions (Scope 1)	**Metric tonnes of CO2e**	**5,002**	**5,126**	**5,326**	**4,856**	**4,786**	**5,748**
Connecticut Water	Metric tonnes of CO2e	2,167	2,377	2,223	2,246	2,400	2,574
Maine Water	Metric tonnes of CO2e	921	1,000	962	796	755	838
San Jose Water	Metric tonnes of CO2e	1,164	1,240	1,235	1,055	966	1,252
Texas Water Company	Metric tonnes of CO2e	750	509	906	760	664	1,083
H2O America Indirect GHG emissions (Scope 2)	**Metric tonnes of CO2e**	**3,572**	**5,228**	**6,773**	**10,753**	**9,215**	**9,449**
Connecticut Water	Metric tonnes of CO2e	1,268	2,998	3,451	3,980	3,804	4,342
Maine Water	Metric tonnes of CO2e	111	257	436	113	120	115
San Jose Water	Metric tonnes of CO2e	677	1,371	2,317	2,443	2,403	1,718
Texas Water Company	Metric tonnes of CO2e	1,516	602	569	4,216	2,887	3,275
Other indirect GHG emissions (Scope 3)	**Metric tonnes of CO2e**	**9,468**	**9,062**	**5,817**	**4,604**	**4,456**	**4,008**
Total Biogenic Emissions	Metric tonnes of CO2e	956	839				
Total GHG emissions (Anthropogenic)	Metric tonnes of CO2e	18,044	19,417	17,916	20,213	18,456	19,205
GHG emission intensity							
Total GHG Scope 1 & 2 emissions by customer	Metric tonnes of CO2e	0.021	0.026	0.03	0.039	0.036	0.039
Target							
Science-based emissions reduction target for 2030	Metric tonnes of CO2e	7,598	7,598	7,598	7,598	7,598	–
GHG science-based target progress	% reduction compared to baseline	43.58%	31.90%	20.40%	-2.70%	7.90%	–

Data	Measurement	2024	2023	2022	2021	2020	2019
Criteria Pollutants							
Total VOCs	**lbs**	**486**	**870**	**1,349**	**418**	**–**	**–**
Connecticut Water	lbs	250	192	391	101	–	–
Maine Water	lbs	93	151	155	95	–	–
San Jose Water	lbs	88	354	492	56	–	–
Texas Water Company	lbs	55	174	311	166	–	–
Total SOx	**lbs**	**406**	**387**	**507**	**550**	**–**	**–**
Connecticut Water	lbs	280	272	242	387	–	–
Maine Water	lbs	23	25	34	25	–	–
San Jose Water	lbs	31	31	148	101	–	–
Texas Water Company	lbs	72	60	83	38	–	–
Total NOx	**lbs**	**4,929**	**12,310**	**13,925**	**12,871**	**–**	**–**
Connecticut Water	lbs	2,651	2,227	3,980	2,869	–	–
Maine Water	lbs	1,250	1,734	1,876	1,494	–	–
San Jose Water	lbs	258	4,634	1,106	1,114	–	–
Texas Water Company	lbs	770	3,715	6,964	7,393	–	–
Energy							
Total direct and indirect energy consumed within organization	Megawatt hours	94,965	84,968	97,327	98,697	94,177	84,406
Fuel Consumption							
Total direct energy consumed	Megawatt hours	23,026	23,289	25,651	23,467	24,119	26,774
Diesel	Megawatt hours	2,875	1,584	2,877	3,218	2,726	4,614
Gasoline	Megawatt hours	11,425	12,445	13,172	10,768	11,583	11,663
Biofuels (renewable diesel, biodiesel, ethanol)	Megawatt hours	3,085	3,160	3,144	2,885	3,023	2,181
Natural gas	Megawatt hours	2,244	2,198	2,399	1,976	2,090	3,637
Other fuels (propane and fuel oil)	Megawatt hours	3,397	3,903	4,059	4,620	4,695	4,678

Data	Measurement	2024	2023	2022	2021	2020	2019
Electricity Consumption							
Total indirect energy consumed	**Megawatt hours**	**71,939**	**61,679**	**71,676**	**75,230**	**70,058**	**57,632**
Total indirect renewable electricity consumed	**Megawatt hours**	**48,079**	**34,167**	**23,926**	**32,155**	**29,108**	**21,960**
Connecticut Water	Megawatt hours	12,708	5,179	6,105	6,876	7,060	4,323
Maine Water	Megawatt hours	4,075	3,235	3,064	3,719	3,832	3,928
San Jose Water	Megawatt hours	19,324	15,510	14,758	21,561	18,215	13,709
Texas Water Company	Megawatt hours	11,971	10,243	-	-	-	0
Total indirect non-renewable electricity consumed	**Megawatt hours**	**23,859**	**27,512**	**47,750**	**43,074**	**40,950**	**35,672**
Connecticut Water	Megawatt hours	5,212	12,289	13,715	11,015	11,520	11,398
Maine Water	Megawatt hours	455	1,049	1,752	468	496	394
San Jose Water	Megawatt hours	14,322	12,458	20,361	21,304	22,098	16,131
Texas Water Company	Megawatt hours	3,868	1,715	11,921	10,287	6,837	7,749
Waste							
Hazardous Waste							
Total hazardous waste generated	**Metric tonnes**	**63**	**35**	**35**	**128**	**188**	**24**
Total non-hazardous waste disposed	**Metric tonnes**	**5,898**	**5,708**	**9,618**	**1,027**	**425**	**251**
Landfill	**Metric tonnes**	**5,627**	**5,504**	**9,199**	**836**	**413**	**242**
	%	95.4%	96%	96%	81%	97%	96%
Connecticut Water	Metric tonnes	9.5	6	1,588	253	218	218
Maine Water	Metric tonnes	50	45	42	38	-	-
San Jose Water	Metric tonnes	5,469	5,297	7,480	266	182	22
Texas Water Company	Metric tonnes	97	156	89	279	12	1
Combusted	**Metric tonnes**	**15.6**	**-**	**-**	**18**	**6**	**8**
	%	0.10%	0%	0%	2%	2%	3%
Connecticut Water	Metric tonnes	15.26	-	-	-	-	-
Maine Water	Metric tonnes		-	-	18	6	8
San Jose Water	Metric tonnes	0.34	-	-	-	0.07	0.02
Texas Water Company	Metric tonnes		-	-	-	-	-
Recycled	**Metric tonnes**	**270.52**	**204**	**419**	**174**	**6**	**2**
	%	4.5%	4%	4%	17%	1%	1%
Connecticut Water	Metric tonnes	13.90	1	236	113	-	-
Maine Water	Metric tonnes	55.00	50	17	11	-	-
San Jose Water	Metric tonnes	192.62	150	159	49	6	2
Texas Water Company	Metric tonnes	9.00	4	7	-	-	-

Data	Measurement	2024	2023	2022	2021	2020	2019
Water							
Water Consumption and Production							
Total water consumed (potable + recycled)	**MG**	**45,937**	**43,223**	**44,543**	**47,760**	**49,813**	**45,589**
Connecticut Water	MG	7,305	7,200	7,553	7,353	7,846	6,425
Maine Water	MG	2,731	2,482	2,866	2,753	2,744	2,707
San Jose Water	MG	33,486	31,386	32,274	35,615	37,323	35,210
Texas Water Company	MG	2,415	2,155	1,851	2,039	1,900	1,247
Total potable water consumed	**MG**	**45,078**	**42,404**	**43,682**	**46,912**	**49,015**	**44,857**
Connecticut Water	MG	7,305	7,200	7,553	7,353	7,846	6,425
Maine Water	MG	2,731	2,482	2,866	2,753	2,744	2,707
San Jose Water	MG	32,628	30,567	31,412	34,767	36,525	34,478
Texas Water Company	MG	2,414	2,155	1,851	2,039	1,900	1,247
Total potable water produced	**MG**	**48,769**	**46,988**	**49,124**	**54,622**	**57,457**	**52,458**
Surface water	**MG**	**11,768**	**11,735**	**8,934**	**10,291**	**10,970**	**14,430**
Connecticut Water	MG	4,031	4,158	4,058	4,249	4,229	4,131
Maine Water	MG	3,007	2,263	2669	3,052	3,138	3,020
San Jose Water	MG	3,272	4,099	1,926	448	1,275	5,333
Texas Water Company	MG	1,458	1,215	2,731	2,542	2,328	1,946
Groundwater	**MG**	**18,982**	**15,828**	**20,070**	**23,240**	**23,570**	**15,328**
Connecticut Water	MG	3,265	3,890	4,299	4,148	4,637	3,302
Maine Water	MG	213	211	220	214	189	275
San Jose Water	MG	14,426	10,799	14,203	17,429	17,360	10,693
Texas Water Company	MG	1,078	928	1,348	1,449	1,384	1,058
Purchased water (Import)	**MG**	**18,019**	**19,425**	**20,119**	**21,091**	**22,917**	**22,699**
Connecticut Water	MG	658	461	516	488	515	482
Maine Water	MG	76	70	76	61	69	65
San Jose Water	MG	16,881	18,482	18,180	19,093	20,949	21,094
Texas Water Company	MG	404	412	1,348	1,449	1,384	1,058

Data	Measurement	2024	2023	2022	2021	2020	2019
Water Recycling and Reuse							
Recycled water							
San Jose Water	MG	858	818	861	848	798	732
Texas Water Company	MG	0.63					
% recycled of total water delivered							
San Jose Water	%	2.5%	2.5%	2.9%	2.4%	2.1%	2.1%
Texas Water Company	%	0.02%					
Reused water (wastewater discharge)							
Texas Water Company	MG	62	31	42	98	84	84
% reused (wastewater discharge)							
Texas Water Company	%	2.6%	1.4%	2.3%	4.8%	4.4%	6.7%