



Unlocking the Potential of Science by Solving Problems That Matter

2022 Environmental, Social, and Governance Report



Waters™



Table of Contents

3 [About Us](#)

- 4** About Waters
- 5** A Message From Our CEO

6 [ESG at Waters](#)

- 7** A Fresh Perspective
- 7** ESG Strategy
- 8** Environmental Impact
- 9** Social Impact
- 11** Governance

13 [Solving Problems That Matter](#)

- 15** Innovation
- 17** Collaboration
- 19** Markets

21 [Disclosures](#)





About Us



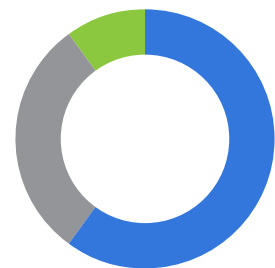
About Waters

Waters Corporation, a global leader in analytical instruments, consumables, and software, has pioneered innovations in chromatography, mass spectrometry, and thermal analysis serving the life, materials, and food sciences for more than 60 years.

With more than 7,800 employees, Waters operates in over 35 countries, including 14 manufacturing facilities, and has products available in more than 100 countries. Together with our customers in labs around the world, we deliver scientific insights that unlock the potential of science to solve problems that matter.

Large and Growing End Markets¹

Whether it's discovering new pharmaceuticals, ensuring the safety of the world's food and water supplies, or the quality of products used by millions of people every day, we are constantly working with our thousands of customers to leave the world better than we found it.



● Pharma/Clinical	60%
<i>Pharma HSD: Manufacturing volume; biologics and novel modalities; outsourcing</i>	
<i>Clinical MSD-HSD: Early disease detection; volume of testing</i>	
● Industrial & Applied	30%
<i>Food and environment MSD: Safe food, water, and environmental health; population growth</i>	
<i>Materials MSD: Battery testing; Sustainable polymers</i>	
● Academic & Government	10%
<i>LSD-MSD: Government funding</i>	

¹ Note: Growth rates here reflect our internal analysis of historical market trend data, which are subject to future changes. Source: Waters data and estimates, consulting data, industry reports and market research.



For more information on our locations, strategy, and financial results, visit [waters.com](https://www.waters.com) and read our [2021 Annual Report](#) and our [2022 Proxy Statement](#).

A Message from Dr. Udit Batra

Our Sustainability Ethos

At Waters, we are committed to playing our part to ensure that we leave the world better than we found it. This commitment is underscored by our focus on solving problems that matter; developing a workforce that is representative of the society we live in; and enabling each Waters employee to make a unique, positive contribution.

Solving Problems to Create a Sustainable Future

This year's report demonstrates our commitment to creating a more sustainable world. For example, pharmaceutical companies using the Waters BioAccord™ LC-MS System can monitor critical quality attributes during manufacturing to get much-needed medicines to patients faster. Our precision instruments are helping to ensure the safety of the world's food and environment, such as using the Waters Xevo™ TQ Absolute to identify perfluoroalkyl and polyfluoroalkyl substances (PFAS) chemical contaminants and 'forever chemicals'. And our collaborations with three of the world's top five electric vehicle manufacturers are helping to improve the safety and efficiency of their next-generation lithium-ion batteries.

Progress in 2021

During 2021, Waters made continued progress against our environmental, social, and governance (ESG) objectives. We have provided an update on our progress using industry frameworks such as the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI). Starting in 2021, we aligned our reporting with the United Nations Sustainable Development Goals to provide additional transparency. Here are some highlights:

Environmental: Scope 1+2 Greenhouse Gas (GHG) Emissions in 2021 were 5% lower than 2020 levels and water consumption at our largest manufacturing facilities decreased by 6%. And in 2021, ~58% of electricity used in the 25 most energy-intensive facilities was sourced from renewable or low-carbon sources, a two-fold increase over 2020.

Social: Waters earned a 100/100 score on the 2022 Human Rights Campaign Corporate Equality Index, administered by the Human Rights Campaign Foundation. We launched the Waters Student Academy to foster hands-on learning and engagement with local high school students to complement our partnerships with three historically Black colleges and universities.

Governance: In addition to having an independent chair, 57% of our board is diverse when looking at gender and ethnicity combined. Our company's political participation policy, introduced in February 2022, prohibits political contributions to organizations that

intend to influence the outcome of elections, ballot measures, or other facets of the electoral process.

Waters' ESG progress in 2021 was recognized externally, including being named to the Dow Jones Sustainability Index, listed as the top-ranked life sciences company in *Barron's* 2022 Most Sustainable Companies and the tenth-ranked among Healthcare and Life Sciences companies in *Newsweek's* Most Responsible Companies.

Our Future Direction and Continued Commitment

Our pursuit of a sustainable future remains a priority for Waters. In this report, we share our future focus areas and ambitions, as reflected in our 2021 ESG materiality assessment developed in consultation with internal and external company stakeholders. And looking ahead, we expect to report our progress against the Task Force on Climate-related Financial Disclosures (TCFD) framework.

I look forward to sharing Waters' continued progress against our ESG goals, driven by our commitment to leave the world better than we found it.

Sincerely,

Dr. Udit Batra

President & Chief Executive Officer
Waters Corporation



At Waters,
we are committed
to playing our part to
ensure that we leave
the world better than
we found it.



Environmental, Social, and Governance at Waters

We believe that a sustainability mindset is a part of everyone's job. It inspires innovation and contributes to operational excellence, so we strive to integrate sustainable thinking and practice into our strategy, operations, and products.

A Fresh Perspective

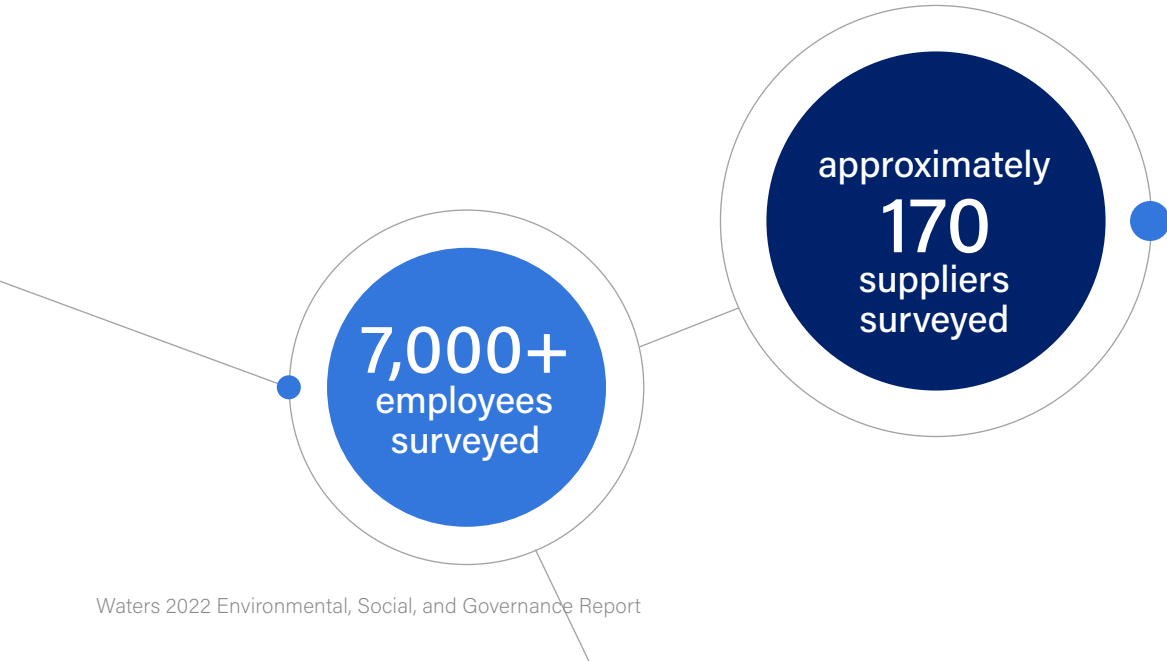
In 2021, the onboarding of a new leadership team brought a fresh perspective on sustainability, including a new structure with executive oversight and an updated materiality assessment to help us better understand our current state and target aspirations. We engaged a firm that specializes in materiality assessments and survey analytics to identify our most important ESG topics and areas to prioritize.

ESG Strategy

Our guiding principle is to leave the world better than we found it. Our ESG strategy is grounded in this principle, which informs everything from how we think about our energy use or packaging materials to how we support and develop our employees and give back to our local and global community.

We aim to fulfill these promises through our three Environmental, Social and Governance pillars:

<h3>Environmental</h3> <p>Reduce our most significant environmental impacts.</p> <ul style="list-style-type: none">▪ Reduce GHG emissions by 35% by 2025 from a 2016 baseline▪ Reduce waste to landfill by 50% by 2025 from 2019 baseline; zero waste to landfill by 2030▪ Decrease water use intensity by 2025 from 2019 baseline	<h3>Social</h3> <p>Become more representative of the society we live in.</p> <ul style="list-style-type: none">▪ Increase % of women in leadership (YOY)▪ Increase % of Black and Latinx employees (YOY)▪ Increase number of students exposed to, and Waters volunteers engaged in, STEM education in the community (YOY)	<h3>Governance</h3> <p>Enhance long-term stakeholder value with good governance and effective oversight.</p> <ul style="list-style-type: none">▪ Active Board oversight of enterprise risk management▪ Deliver robust ethics and compliance program▪ Provide disclosures in accordance with GRI and SASB
--	---	--





Environmental Impact

Our Twofold Approach

We are working top-down and bottom-up to reduce our environmental impact. At the top, we focus on company-wide strategic initiatives to increase our sourcing of renewable energy and policies to reduce the impact of our operations and supply chain. At the facility level, we focus on reducing resource consumption through a variety of targeted, site-specific initiatives.

For example, our facility in Wilmslow, England converted its workspaces from fluorescent to LED lighting, reducing the site's carbon footprint by approximately 24 tons of CO₂ annually. At our corporate headquarters, a switch from paper-based contracts to online signatures saved an estimated two tons of paper per year. Our Antwerp, Belgium field office purchased bicycles that employees can use to run zero-carbon errands on their lunch hour.

2021 Initiatives

Emissions

GHG emissions are a priority for our sustainability programs. In 2021, we achieved a 5% year-over-year reduction in GHG emissions through the purchase of Green-e certified Renewable Energy Credits for several manufacturing facilities in the United States.

Electricity Use and Renewable Power

Approximately 58% of electricity used at Waters Corporation's primary sites and largest field offices (25 sites in all) was sourced from renewable or low-carbon sources, more than doubling 2020's use. More than 80% of the real estate footprint of our TA Instruments division, including 100% of TA-operated manufacturing facilities, are powered by renewable or low-carbon energy.

Water

Water consumption at our largest owned manufacturing sites was 6% lower in 2021 than in 2020, and our water withdrawal intensity per revenue dollar was 21% lower.

Waste

At our largest owned manufacturing sites, waste generation increased by 3% from 2020 to 2021, waste to landfill decreased from 7% to 5%, and the proportion of waste recycled increased from 30% to 35%. Intensity of non-recycled waste generated per revenue dollar decreased by 18%.

Hybrid and Electric Vehicles

Starting with our EMEA service fleet, we are replacing gas-powered vehicles as current leases expire. At year-end 2021, the region had 70 electric vehicles (EV) or plug-in hybrid electric vehicles (PHEV). Pending availability, we expect to increase that number to 370 (about 40% of the EMEA fleet) by the end of 2022.

Supply Chain

We are continuing our efforts to promote sustainability in our supply chain and have made incremental progress by measuring our suppliers' impact. For the first time, we have calculated Scope 3 emissions from our supply chain (see GRI Index, [page 23](#)).

We are incorporating sustainability into our supplier evaluation and performance-management practices. In 2021, approximately 55% of our manufacturing procurement spend was with suppliers who have public ESG reports or goals, up from 50% in 2020.

Digital Software Distribution

We are moving to digital distribution of software, a dematerialization program that will eliminate over 30,000 cardboard boxes, over 65,000 DVDs, and approximately 100,000 pages of printed documentation annually, based on 2021 sales volume — the equivalent of more than 1,000 lbs. of paper, a ton of cardboard, and a stack of DVDs more than 255 feet high.

For more on
our environmental
topics, see [page 31](#)



Social Impact

DEI Highlights

Our approach to Diversity, Equity, and Inclusion (DEI) is designed to shift mindsets, foster inclusive behaviors, and encourage increased representation of employees with diverse backgrounds. To ensure that our DEI programs benefit from experienced leadership, we hired our first director of DEI in 2021 and established the following priorities:

DIVERSE WORKFORCE

Becoming
representative of
the society we
live in

INCLUSIVE WORKPLACE

Creating a workplace
where all employees
can thrive

COMMUNITY ENGAGEMENT

Engaging our
community to build
stronger and more
diverse pipelines

2021 Initiatives

Diverse Workforce

Today, approximately 31% of Waters' global workforce are women. In the U.S., Black employees account for 3% of our total and Latinx for 6%. We recognize that we are underrepresented in these areas and have developed macro and targeted strategies aimed at recruiting more diverse talent.

Inclusive Culture

We are building on the success of our employee resource groups, which foster a diverse and inclusive culture through awareness, education, and employee connection. Our global *Employee Circles* provide opportunities for Waters employees to connect with teammates throughout the world while *Employee Hubs* encourage engagement at the local level.

We all benefit from more inclusive teams whose members respect and value each other's perspectives and contributions. Our Employee Circles and Hubs provide venues for employees to learn about themselves and others, finding common ground in similarities and gaining appreciation for differences. Recent impactful programs and events included sharing a series of [videos](#) and [blogs](#) during Black History Month, engagement initiatives on International Women's Day, and conversations about being a supportive ally to [LGBTQIA+ colleagues](#), in which parents of the LGBTQIA+ community shared their personal experiences.

Community Engagement

Due to the war in Ukraine, there is a significant refugee community in Romania. Our Employee Hub in Brasov organized a Multicultural Children's Day where local children and Ukrainian refugee children could play and explore science beyond language boundaries. Waters hosted 80 children from preschool to high-school age of which 37 children were from the refugee community. We had a diverse program with games and STEM workshops for the children to engage in, specifically chemistry labs, robotics, and painting. Waters employees donated books in the children's native language, and supplied candy, balloons, and a magician, all with the goal of making the children smile while they learned something new.



Social Impact

Philanthropy Highlights

Waters strives to make a positive, lasting impact in the communities in which we live and work. Our philanthropy supports organizations who are making advancements in human health and well-being, STEM education, and diversity, equity, and inclusion.

Support for STEM Education

Among our most important goals is for Waters to be more representative of the society we live in. Recognizing and celebrating our different experiences is not only our responsibility, it also helps us reach our full potential by harnessing the perspectives, beliefs, and backgrounds of all our employees.

Increasing diversity leads to a wider variety of perspectives, which encourages innovation. To that end, Waters supports programs and initiatives that promote STEM education for elementary, middle, and high school students, with a special focus on students of color and young women (see Waters Student Academy story on [page 17](#)).

For more on
our social topics,
see [page 37](#)

2021 Initiatives

Junior Achievement

Waters continued to partner with Junior Achievement Worldwide on programs that support STEM education for more than 2,500 students in five countries. In Ireland, where we marked our sixteenth year of volunteering, we shifted to virtual career days because of the pandemic. Each semester, Waters employees met with classes to talk about their work experiences and the rewards of a STEM career, their personal background, and how they became interested in the field. Across the 2020–2021 school year, this group of Waters volunteers engaged with more than 600 students in five schools through this partnership.

Waters Student Academy

A highlight of our STEM support efforts was a pilot program we created in 2021 that invited high school students from communities in Boston to participate in a hands-on learning experience including working with Waters scientists. The program's curriculum ranged from science-focused lab experiments to "soft" skills, such as career planning and presentation skills. We later formalized the initiative as an ongoing program — see story on [page 17](#).

HBCU Partnerships

Waters partnered with three historically Black colleges and universities (HBCU) on a program that combines STEM-based scholarships for five students with direct mentoring by Waters employees. The program included the donation of Alliance™ HPLC instruments and Empower™ Chromatography Data System software to Cheyney University of Pennsylvania, Delaware State University, and Clark-Atlanta University. Beyond its use in the sponsored program, access to sophisticated laboratory equipment can have a significant positive impact on the science programs at these universities.

Science and Industry Museum

For over 10 years, Waters has sponsored an exhibit which includes a focus on mass spectrometry. This past year, Waters developed a brand-new display in the Revolution Manchester gallery, highlighting the role mass spectrometry has played in Manchester's history and growth. The new exhibit showcases a [video](#) about the creation of the world's smallest mass detector, the [ACQUITY™ QDa™ Mass Detector](#) that Waters donated to the museum. Each year, nearly 540,000 people visit the museum, with more than a third being children under 15. Waters also partners with the museum on STEM outreach programs in the community, including an annual science festival.





Governance

Our efforts focus on enhancing long-term stakeholder value by ensuring that we have effective board governance and oversight, as well as policies and procedures to manage risk and ensure compliance.

In recent years we have increased transparency and accountability by aligning our reporting with third-party frameworks like the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and, this year, the UN Sustainable Development Goals (SDGs). Going forward we expect to report our progress against the Task Force on Climate-related Financial Disclosures (TCFD) framework.

2021 Highlights

Board Governance

Our board is led by an independent chair and is comprised of directors with extensive industry experience and a broad set of skills, backgrounds, and attributes critical to providing us with strategic and operational oversight.

The board continues to focus on ongoing board refreshment and succession planning. Our Corporate Governance Guidelines provide that when assessing candidates for Director, the board considers candidates' skills, experience, and diversity (such as, and including but not limited to, diversity of gender, race/ethnicity, age, geographic location, and nationality), and seeks individuals who are highly accomplished in their respective fields, with superior educational and professional credentials. Today, 57% of our board is diverse when looking at gender and ethnicity combined.

Political Participation

Published on February 15, 2022, our policy prohibits the Company and its Company Parties from making political contributions of any kind, including contributions to political candidates, campaigns or parties, political committees including "527 organizations" or trade groups with an intent to, directly or indirectly, participate in or otherwise influence the outcome of ballot measures or other facets of the electoral process.

Cybersecurity

Our board of directors, through its audit committee and in coordination with management, oversees our information security program to ensure we have in place appropriate and sufficient policies and processes to manage emerging threats and adapt to regulatory change.

Compliance

Waters is committed to conducting our business ethically and in full compliance with our own internal systems and the laws and regulations of the countries where we operate. As the world's compliance and regulatory postures evolve, we will continue to align with best practices.

Product Safety

Our product stewardship function ensures that our products do not contain substances that would prohibit their sale, use, or safe disposal, and works with our distribution team to make sure chemistry consumables are appropriately labeled and packaged to ensure their safe shipment to our customers around the world.



Awards

We were honored to receive multiple awards and recognitions over the past year, including:



Waters received the highest [MSCI rating](#) of 'AAA'. Companies are measured on an 'AAA' to 'CCC' scale according to their exposure to industry-specific ESG risks and their ability to manage those risks relative to peers.

Newsweek: **America's Most Responsible Companies**

Waters ranked 10th among Healthcare and Life Sciences companies and 63rd in *Newsweek's* survey of the 500 most responsible companies in the USA.

Member of **Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

Waters is proud to be included in the [Dow Jones Sustainability Index](#).



Waters is proud to be ranked 6th in *Barron's* 2022 list of the [100 Most Sustainable Companies](#), and the top life sciences company. The huge jump from our 35th position in 2021 reflects Waters' commitment to ESG and sustainability.



Waters is proud to have earned a 100/100 score on the [annual scorecard for LGBTQ+ workplace equality](#).



BioTech Breakthrough Awards

Overall BioPharma Innovation of the Year 2021

*The use by Waters Corporation of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Waters Corporation by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



Solving Problems That Matter

Solving Problems That Matter

At Waters we are constantly pushing the boundaries of science to improve our world. We're doing our part to leave the world better than we found it by solving problems that matter through innovation and collaboration in the markets we serve.

Innovation

- The advanced sensitivity of the Xevo™ TQ Absolute mass spectrometer is helping Waters' customers identify harmful PFAS "forever chemicals" in the environment — see story on [page 15](#).
- Our new Precision Chemistry facility in Taunton, Massachusetts is the only publicly recognized LEED-certified chemical manufacturing plant in Massachusetts and one of a small number of such plants in the U.S. — see story on [page 16](#).

Collaboration

- Waters is helping to create a more diverse talent pipeline for science-based industries through programs that provide students exposure to STEM education and career opportunities — see story on [page 17](#).
- Waters opened a bioprocess lab at the University of Delaware to spark innovation and reimagine biopharmaceutical manufacturing processes to help bring lifesaving drugs to market faster and at lower cost — see story on [page 18](#).

Markets

- Waters is working with leading electric vehicle manufacturers to ensure that their lithium-ion batteries are safe, efficient, durable, and can be recycled appropriately — see story on [page 19](#).
- Waters partnered with Sartorius to provide bioprocess engineers with analytical measurement technology to help change the speed at which promising new therapies are developed, approved, and made available to patients — see story on [page 20](#).





Innovation

Detecting and Removing “Forever Chemicals” from Our Environment

Perfluoroalkyl and polyfluoroalkyl substances, known as PFAS, are widely used, long-lasting chemical compounds found in many consumer, commercial, and industrial products. Because they break down very slowly over time, they’re commonly referred to as “forever chemicals,” and scientific studies have shown that they may be harmful to humans and the environment. PFAS are found in the air, water, and soil, and at low levels in many food products. There are thousands of PFAS chemical variants, adding to the difficulty of studying their impact on health.

Today, Waters instruments are helping our customers identify PFAS at very low levels to study their persistence and toxicity, as the scientific community works to develop solutions to remove them from our environment. In New England, where Waters is headquartered, one state public health laboratory was the first to purchase and install a Waters [Xevo™ TQ Absolute](#) high-performance tandem quadrupole mass spectrometer for the express purpose of PFAS testing in water and environmental samples. The customer indicates their Xevo™ TQ Absolute is providing a 100–400-fold increase in sensitivity, is far easier to use in terms of sample prep, and quickly delivers highly accurate results.

The Xevo™ TQ Absolute is a powerful, compact, and sustainable advancement in quantitation that delivers time and cost savings, helping labs maintain high performance and productivity without sacrificing efficiency.

High performance analytical instruments in this class typically consume substantial energy and occupy a large footprint in the lab, but the Xevo™ TQ Absolute offers solutions to both challenges.

- Its reduced heat displacement (about 50% less compared to similar instruments) means that a lab requires less air conditioning — lowering energy use, cost, and total environmental impact
- Its benchtop design reduces its lab footprint and requires fewer disposable parts
- It also uses half the electricity and nitrogen gas of other high-performance tandem quadrupole instruments, making it the most efficient instrument in its class, while being up to 15 times more sensitive than its predecessor for measuring negative ionizing compounds



Changing the landscape of high-performance tandem quadrupole mass spectrometry is about delivering increased performance to solve our customers’ toughest problems, while also helping them to reduce their environmental impact.





Innovation

Designed for Sustainable Manufacturing

Our new Precision Chemistry manufacturing facility in Taunton, Massachusetts has been designed to increase operational safety and reduce a wide range of environmental impacts while enabling Waters to keep pace with growing customer demand.

The facility manufactures silica packing material for chromatography columns used by separations scientists worldwide. Products manufactured at this Waters site are essential for the development and quality testing of mRNA vaccines and medicines and for testing the purity of food and water for millions of people worldwide. It is the only publicly recognized LEED-certified chemical manufacturing plant in Massachusetts, and among a small number of LEED-certified chemical plants in the entire U.S.²

Winner of an "Impact Award" from [MassEcon](#), the 140,000-square-foot facility is nearly triple the size of the building it replaces. It will provide 33% more jobs for the region³ and it will support anticipated business growth for years to come.

The building incorporates numerous design features that reduce energy consumption, hazardous waste, and water usage. Every light in the plant is on an automated control system to dim or shut off completely, with motion sensors in every office,



conference room, warehouse aisle, and bathroom. In winter months, cold outside air provides cooling for production, a process known as "free cooling."

To reduce water consumption, de-ionized reverse osmosis reject water will supply "flushing water" for restrooms and, during the warmer months, it will also be used to irrigate the lawn. New on-site hazardous waste treatment capabilities will enable recovery of organic solvents and reduce the amount of organic and aqueous waste that is shipped offsite by 50%. Solvent emissions will be greatly reduced by using a regenerative thermal oxidizer. Last but not least, the building features bird collision deterrence on its windows. Glass reflection leads to the death of between 365 and 988 million birds each year due to collisions with windows and other glass structures. Our new facility includes design elements that break up these reflections.

In all, this new facility is substantially more efficient than the plant it replaces in terms of the resource consumption needed to manufacture a given quantity of material.

² Source: LEED certified projects as of June 21, 2022. <https://www.usgbc.org/projects?Search+Library=%22chemical%22>

³ <https://massecon.com/press-releases/press-release-14-growing-massachusetts-firms-named-winners-of-team-massachusetts-impact-awards/>



Collaboration

Building a More Diverse Talent Pipeline

One of our goals at Waters and for our industry, is to be more representative of the society we live in. A significant challenge to increasing diversity in science-based businesses is the lack of a strong diverse talent pipeline.

Waters is helping to build that pipeline by sponsoring programs that provide students from diverse backgrounds exposure to STEM topics and career opportunities throughout their educational journey from middle school through high school and college.

Waters introduced a [pilot program in 2021](#) that invited students from Boston's Jeremiah Burke High School and Team New England, a youth development program, to participate in a unique six-week program that combined mentoring,

education, business, and science components with a goal of sparking students' interests in STEM learning and career opportunities.

In early 2022 we formalized and expanded the program naming it [Waters Student Academy \(WSA\)](#). This year WSA hosted students from three local schools — two in the Boston area and one in Milford, Massachusetts. Additionally, Waters mentors and teachers participated in a custom training program focused on unconscious bias training in STEM education. Students engaged in learning opportunities within science labs, on the manufacturing floor, and in global service, while also gaining exposure to other business skills in sessions with Waters IT, HR, and Marketing teams.

Working in groups, students were tasked with researching impurities in over-the-counter medicines or measuring PFAS levels in drinking water samples. With guidance from Waters mentors, they researched the problem, discussed potential outcomes and behavioral changes they would make based on what they learned. They presented their findings as a team to Waters executives, mentors, and volunteers, as well as school leaders. As a result of this program, many of the students expressed a desire to continue exploring different areas of science and potential careers in STEM.





Collaboration

Bringing Lifesaving Drugs to Market Faster

Biopharmaceuticals like insulin, monoclonal antibodies, or COVID-19 vaccines, are known as biologics — medicines created from living cells. As end-products of a natural process it's well known that biologics such as proteins, made under identical manufacturing conditions, vary from one batch to the next. Making sure that a protein is safe and effective before it reaches the pharmacy shelf requires a battery of tests performed on LC-MS instruments suitable for the task.

Researchers from Waters and the University of Delaware, a leader in chemical and biological manufacturing research, are partnering to develop solutions that can better characterize biological manufacturing processes and drive improvements in quality, yields, efficiency, and process control.

Recognizing that meeting these challenges will require an immense amount of work, collaboration, and diversity of thought, our partnership embarked on a multi-year research project to spark innovation and develop novel analytical solutions for improving biopharmaceutical manufacturing processes. The showpiece of this collaboration is [Immerse Delaware](#), A Waters Innovation and Research Lab.

Our partnership aspires to eventually help the industry significantly accelerate the delivery of high-quality medicines to patients by “decoupling the product

from the process,” a well-known scientific and regulatory challenge that has held back biologic drug manufacturing innovation for decades.

Opened in May 2022, the fit-for-purpose research lab at Immerse Delaware focuses on the entire manufacturing process from clone selection to quality control (QC) of drug substances, bringing real-world issues into the classroom and giving students, faculty, and industry researchers access to Waters' state-of-the-art analytical technologies.

Waters is actively connected to the National Institute for Innovation in Manufacturing Biopharmaceuticals (NIIMBL), a federally funded collaboration that gathers top scientific and policy experts representing industry, academia, and regulators. At Immerse Delaware, Waters scientists will leverage analytical technologies and their expertise, working in collaboration with faculty at the university, and align with clear unmet needs highlighted by NIIMBL to identify opportunities for exploration and advancement in the bioprocessing field.

Waters hopes these collaborations will enable a shift in regulatory emphasis from approval of the manufacturing process to approval of the finished drug itself, helping to speed new and lower-cost treatments to market.

Immerse Delaware is the second research and innovation hub that Waters has sponsored, after Immerse Cambridge, which opened in Massachusetts in 2020.





Markets

Safer, More Efficient Batteries for Electric Vehicles

As the world moves toward more renewable sources of energy, electric vehicles (EVs) offer a low-carbon, transportation alternative to fossil-fuel-powered cars and trucks. While millions of Americans are already driving them today, widespread adoption of EVs will require a consistently high level of performance and safety from their power source: lithium-ion batteries (LiB).

Research, development, and innovation must continue at a rapid pace to meet that goal. According to the National Transportation Safety Board, battery fires — while statistically rare — are the leading safety risks of LiB in EVs. As millions more EVs hit global roadways over the next 10 years, the instances of battery fires

due to accidents or defective materials leading to product recalls will increase in direct proportion.⁴

Three of the world's top five (and five of the top 10) EV manufacturers⁵ rely on analytical technologies from Waters' TA Instruments division for EV battery R&D and product quality testing. These manufacturers employ the full breadth of our [technology](#) (thermal analysis, rheology, and microcalorimetry) to ensure that their batteries are safe, efficient, durable, and can be recycled appropriately.

Waters understands the material characterization needs of battery developers, and our products provide insights across the product chain, from raw materials to battery components, battery cell production, and recycling. As the LiB value chain becomes more complex and vertically integrated, our instruments will continue to solve key research and testing needs for this rapidly growing industry.

⁴ <https://www.nts.gov/safety/safety-studies/Pages/HWY19SP002.aspx>
⁵ Top five by revenue.



Markets

Speeding Potential Cancer Treatments to Market

As our understanding of human biology deepens, biotherapeutics have opened the door to new treatments and cures, offering hope and a new lease on life to millions of patients. Cancer is one area where they are having an impact.

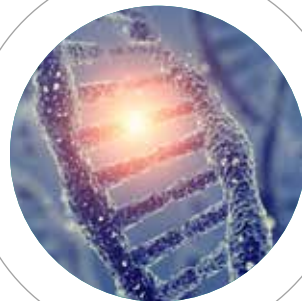
While conventional small-molecule chemotherapy helps many cancer patients, its side effects including immune suppression, neuropathy, and nausea, are a significant challenge in their own right. Biotherapeutics are designed to more precisely target and destroy tumors and avoid damaging healthy cells and tissue. Clinical evidence suggests most patients better tolerate and respond to these biotherapeutics. However, identifying a candidate molecule, conducting clinical trials, and bringing a

new drug to market is a time-consuming and very expensive undertaking with no guarantee of success. To help remedy this situation, Waters is partnering with industry leader Sartorius to give bioprocess engineers powerful analytical tools designed for ease of use that will help increase the speed at which promising new therapies are developed, approved, and made available to patients.

The Waters [BioAccord™ LC-MS System](#) is the first SmartMS-enabled, high-resolution instrument of its kind designed specifically for biopharmaceutical analysis that is simple to operate. It is becoming an essential tool for bioprocess engineers who need quick information about the quality attributes of drug substances produced in a bioreactor.

Combining the BioAccord system with Sartorius Ambr® Bioreactors gives bioprocess engineers faster and direct access to advanced quality characterization information for clone selection and process development where it counts. While today these results can sometimes take more than a month to receive from a central analytical laboratory, BioAccord can provide analytical results in as little as 24 hours, accelerating the development timeline for medicines, vaccines, and other therapeutic treatments.

Waters has partnered with industry leader Sartorius to provide bioprocess engineers with new measurement tools.





Disclosures

This report covers Waters' approach and progress on ESG topics through the 2021 calendar year and some highlights from the first half of 2022. This report was developed in accordance with the Core Level of the 2016 Global Reporting Initiative (GRI) Sustainability Reporting Standards as well as the Sustainability Accounting Standards Board (SASB) Standards for the Healthcare — Medical Equipment & Supplies Sector. We are currently investigating reporting against the Taskforce for Climate-related Financial Disclosures (TCFD) framework.

Sustainable Development Goals

Waters recognizes the importance of the United Nations 2030 Agenda for Sustainable Development and aims to support its relevant [Sustainable Development Goals](#) (SDGs) through our focus on leaving the world better than we found it. The SDGs offer a roadmap for peace and prosperity for all people and for our planet, and for the first time we've aligned our sustainability pillars and material topics to the relevant goals.

Environment

Reduce our most significant environmental impacts.



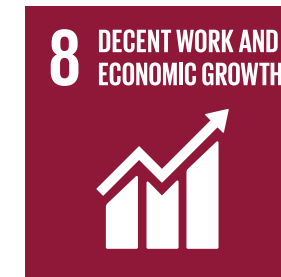
Social

Become more representative of the society we live in.



Governance

Enhance long-term stakeholder value with good governance and effective oversight.





GRI INDEX (2016 VERSION) COVERING FY21 DATA EXCEPT WHERE NOTED

GRI 100: Universal Standards

102-1 Name of the organization

Waters Corporation

102-2 Activities, brands, products, and services

About Waters, [page 4](#)

2021 10-K, [page 3](#) ("General")

2022 Proxy, [page 1](#) ("What is Waters Corporation")

102-3 Location of headquarters

34 Maple Street, Milford, Massachusetts, United States

102-4 Location of operations

About Waters, [page 4](#). Waters Corporation operates in 19 United States facilities and 69 international facilities, including field offices. Waters operates in 35 countries, including 14 manufacturing facilities. For additional information, see 2021 10-K, [page 26](#) ("Primary Facility Locations"), and 2022 Proxy, [page 1](#) ("What is Waters Corporation").

102-5 Ownership and legal form

Waters Corporation, organized as a Delaware corporation in 1991, is a holding company that owns all of the outstanding common stock of Waters Technologies Corporation, its operating subsidiary. Waters Corporation became a publicly traded company with its initial public offering in November 1995. Waters Corporation trades on the New York Stock Exchange under the ticker symbol WAT.

102-6 Markets served

About Waters, [page 4](#). Waters' products are used by pharmaceutical, biochemical, industrial, nutritional safety, environmental, academic, and governmental customers working in research and development, quality assurance, and other laboratory applications. For more information, see 2021 10-K, [pages 3–9](#) ("Waters Products and Markets" and "TA Products and Markets").

102-7 Scale of the organization

Our 2021 revenue was \$2.8 billion. 39% of our sales were in Asia, 33% were in the Americas, and 28% were in Europe, the Middle East, and the United Kingdom. For more information, see About Waters on [page 4](#), 2021 10-K, [pages 55–56](#) ("Consolidated Balance Sheets" and "Consolidated Statements of Operations") and [page 35](#) ("Sales by Geography").

102-8 Information on employees and other workers

Waters employed approximately 7,800 employees in 35 countries as of December 31, 2021. For more information about the composition of our workforce and board of directors, see 2022 Proxy, [page 1](#) ("ESG and Shareholder Engagement at Waters") and GRI 405-1 on [page 39](#).

102-9 Supply chain

Waters operates manufacturing facilities in the United States (Massachusetts, Delaware, Missouri, Colorado, Utah, and Minnesota), the United Kingdom, Ireland, and Germany. In addition, we outsource the manufacturing of some instruments and components to well-established contract manufacturing firms in Singapore. Elements of some products are manufactured by outside contractors and then returned to our facilities for final assembly, calibration, and quality control.

We purchase from (or authorize our contract manufacturers' use of) more than 4,000 suppliers of raw materials and components from suppliers located around the world. For more information, see 2021 10-K, [page 9–10](#) ("Manufacturing and Distribution" and "Raw Materials") and GRI 204 on [page 29](#).

102-10 Significant changes to the organization and its supply chain

There were no material changes to our operating structure or supply chain in 2021. We consolidated some small facilities in Brazil, Germany, and the United Kingdom. These actions did not have a material impact on our facilities or environmental footprint.

102-11 Precautionary Principle or approach

The precautionary principle does not explicitly guide Waters' decisions.

**GRI 102-12 External initiatives**

Our philanthropy supports organizations who are making advancements in human health and well-being, STEM education, and diversity, equity, and inclusion.

- **Health and well-being:** Improving health and well-being by supporting organizations driving advancements in clinical diagnostics and medicines, as well as ensuring access to food safety and security
- **STEM education:** Investing in future talent by supporting STEM education for elementary, middle, and high school students with a special focus on supporting people of color and women in STEM
- **Diverse communities:** Supporting organizations that are aligned with our Diversity, Equity, and Inclusion efforts and the intent of our Employee Circles (Multicultural, Pride, Veterans, and Gender Diversity)

102-13 Membership of associations

We are members of several industry and trade associations, some of which are listed below:

- Analytical, Life Sciences & Diagnostics Association (ALDA)
- American Society for Mass Spectrometry (ASMS)
- Associated Industries of Massachusetts
- Boston College Center for Corporate Citizenship
- CDP Climate respondent
- Massachusetts Biotechnology Council
- Massachusetts High Tech Council
- New England Council
- Women in Manufacturing Association (WiM)

102-14 Statement from senior decision-maker

A message from Dr. Udit Batra, [page 5](#). For more information: 2021 Annual Report ([CEO Letter](#)) and 2022 Proxy, ([CEO Letter](#)).

102-15 Key impacts, risks, and opportunities

2021 10-K, [pages 16–25 \(“Risk Factors”\)](#)

102-16 Values, principles, standards, and norms of behavior

A message from Udit Batra, [page 5](#). For more information: [Corporate Governance Guidelines](#), [Global Code of Business Conduct & Ethics](#), [Global Complaint Reporting Policy](#), [Political Participation Policy](#).

102-17 Mechanisms for advice and concerns about ethics

Waters maintains a variety of channels, including its Waters Ethics Helpline, that employees, customers, suppliers, and other third parties may use as a mechanism to raise concerns. This helpline is available 24/7 via telephone or web in 11 languages and is confidentially operated by a third-party vendor. For more information, see 2022 Proxy, [page 19 \(“How to Communicate With Us”\)](#) and [Global Complaint Reporting Policy](#).

102-18 Governance structure

We believe sound principles of corporate governance are essential to protecting Waters’ reputation, assets, investor confidence, customer loyalty, and sustainability. For more information, see 2022 Proxy, [pages 10–19 \(“Corporate Governance”\)](#).

102-19 Delegating authority

Our General Counsel, who reports to our CEO, is the head of an ESG Program Management Office (PMO), which serves as a steering committee. The ESG PMO reviews the ESG program with the CEO and updates the Board on ESG matters.

The ESG PMO’s membership also includes four other executives who report to our CEO: our SVP of Global Operations, our SVP of Human Resources, our VP of Corporate Communications, and our Chief Financial Officer. The day-to-day activities of the ESG PMO are carried out by several director-level employees in each executive sponsor’s respective organization.

Waters philanthropic efforts are focused on improving the quality of life in the communities where we work and live.

**102-20 Executive-level responsibility for economic, environmental, and social topics**

Executive responsibility for ESG lies with our General Counsel.

102-21 Consulting stakeholders on economic, environmental, and social topics

A Fresh Perspective, [page 7](#). Materiality Assessment, GRI 102-29. Approach to stakeholder engagement, GRI 102-43 on [page 27](#)

102-22 Composition of the highest governance body and its committees

2022 Proxy, [pages 4–19](#) (“Who We Are” and “Corporate Governance”).

102-23 Chair of the highest governance body

Dr. Flemming Ornskov, M.D., M.P.H. assumed the role of Chairman of the Board in March 2020. Waters has separated the roles of President and Chief Executive Officer and the Chairman of the Board, with the President and CEO remaining a board member. The Board believes that this structure strikes an appropriate balance between strong leadership and independent oversight. Diverse perspectives are crucial to the Board’s ability to effectively oversee the strategic direction of the company.

102-24 Nominating and selecting the highest governance body

The entire Board is elected annually, each to hold office until his or her successor is elected and qualified or until his or her earlier resignation, death, or removal. For more information, see 2022 Proxy, [page 10](#) (“How we are selected and elected”).

102-25 Conflicts of interest

As of September 1, 2022, Waters does not have a controlling shareholder. Waters discloses our directors’ current and prior experience and public company board memberships. For more information, including disclosures regarding Interested Party transactions, see our Global Code of Business Conduct & Ethics, [page 5](#) (“Conflicts of Interest”), 2022 Proxy, [pages 5–9](#) (“Director Tenure, Experience, and Skills”) and [12–13](#) (“Related Party Transactions Policy”).

102-26 Role of highest governance body in setting purpose, values, and strategy

Over more than 60 years in business, Waters has established a reputation for maintaining the highest standard of integrity. Our commitment to ethical business practices reinforces our desire to leave the world better than we found it for our customers, employees, shareholders, and society at every opportunity. Adherence to sound governance principles is also essential to protecting our reputation, our assets, investor confidence, and

customer loyalty. Waters attracts a significant percentage of the market’s long-term, ESG-focused investors. Good governance starts at the top, where our Board and its committees are charged with ensuring that Waters’ business is conducted in an ethical and responsible manner. For more information, see 2022 Proxy, [page 14](#) (“Board’s Role in Risk Oversight Generally”), [Global Code of Business Conduct and Ethics](#).

102-27 Collective knowledge of highest governance body

Our Board possesses a deep and broad set of skills and experiences that facilitate strong oversight and strategic direction for a leading global analytical instrument provider. For more information, see 2022 Proxy, [pages 5–9](#) (“Director Tenure, Experience, and Skills”).

102-28 Evaluating the highest governance body’s performance

The Nominating and Corporate Governance Committee conducts an annual evaluation of the Board and each of its committees. For additional information, see 2022 Proxy, [page 11](#) (“How We Are Evaluated”).

102-29 Identifying and managing economic, environmental, and social impacts

Our mission to leave the world better than we found it is the guiding force behind our decisions and actions. With that in mind, we undertook a revised materiality assessment in 2021 to identify the environmental, social, and governance topics that are most important to our organization and our stakeholders. The results have helped refine and focus our approach to ESG and sustainability topics. Our materiality assessment considered input from employees, customers, investors, and suppliers. For more information, see A Fresh Perspective, [page 7](#) and GRI 102-43 on [page 27](#).

102-30 Effectiveness of risk management processes

Waters’ Board oversees the Company’s global enterprise risk management program (“ERM”). The centralized program enables the Board, management, and other employees to participate in the review of company procedures, set policy, and evaluate the impact of a variety of key business risks, including strategic, operational, compliance, and financial and reporting risks.

Operationally, the Company’s enterprise risk management program is managed by Waters’ Chief Compliance Officer and VP, Internal Audit, who has a direct reporting line to the Board’s Audit Committee, and who works with the functional leaders within the organization that in turn implement risk evaluation and mitigation measures.

At least annually, as part of the Board’s standing topics for review, the Company’s management, including its Chief Compliance Officer and VP, Internal Audit, members of the executive team, and business owners review ERM with the Board. The Company’s report to the Board includes insight, observation, and analysis from business owners



and senior management, who lead strategic and operational efforts, and members of the Company's Audit, Compliance, and Legal functions. For more information, see 2022 Proxy, [page 14 \("Risk Oversight"\)](#) and 2021 10-K, [pages 16–25 \("Risk Factors"\)](#).

102-31 Review of economic, environmental, and social topics

Materiality Assessment, GRI 102-29 on [page 25](#)

Approach to stakeholder engagement, GRI 102-43 on [page 27](#)

102-32 Highest governance body's role in sustainability reporting

Our CEO and executive team, along with all members of our ESG PMO, review and provide input to our ESG report, and ultimately approve its publication. All topics covered are also reviewed by relevant subject matter experts within the organization.

102-33 Communicating critical concerns

As a mechanism for employees, customers, suppliers, and other third parties, Waters maintains an email inbox, ethics@waters.com, for questions. Additionally, Waters has an established helpline, that may be used as a mechanism to raise concerns. This helpline is available 24/7 via telephone or web in 11 languages and is confidentially operated by a third-party vendor. Our Chief Compliance Officer, VP Internal Audit is responsible for the oversight of these reporting mechanisms and has a direct reporting line to the Board. For more information, see GRI 102-17 on [page 24](#).

102-34 Nature and total number of critical concerns

Waters does not disclose this information, except as required by law. We have a robust internal framework for reporting of critical concerns and risks, as discussed under GRI 102-17 on [page 24](#) and GRI 102-30 on [page 25](#).

102-35 Remuneration policies

There are three primary elements of our executive compensation program: base salary, annual incentive program (AIP), and Long-Term Incentive (LTI) awards. For more information, see 2022 Proxy, [pages 32–39 \("Elements of Executive Compensation"\)](#).

The Company has adopted a Recoupment Policy for cash incentive awards paid to current or former named executive officers under the Company's Annual Incentive Plan (AIP). Under this policy, if any executive officer engaged in misconduct that resulted in a restatement of financial results, the Board or an authorized committee, such as the Compensation Committee, if it is determined appropriate, could seek reimbursement of the portion of AIP awards impacted by the event. For more information, see 2022 Proxy, [page 31 \("Recoupment Policy"\)](#).

The Company has adopted an anti-hedging policy that is incorporated as part of Waters' insider trading policy and prohibits impacted individuals from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset any decrease in market value of equity securities of the Company. For more information, see 2022 Proxy, [pages 13–14 \("Policy Against Hedging"\)](#).

102-36 Process for determining remuneration

2022 Proxy, [page 31–32 \("Compensation Setting Process"\)](#)

102-37 Stakeholders' involvement in remuneration

Our annual Say-on-Pay shareholder vote helps determine the structure of our executive compensation program, as well as in making future compensation decisions. For more information, see 2022 Proxy, [page 28–29 \("Shareholder Outreach and Say-On-Pay"\)](#).

102-38 Annual total compensation ratio

The estimated ratio of the annual total compensation of our CEO to the median of the annual total compensation of all other employees in 2021 was approximately 116-to-1. For more information, see 2022 Proxy, [page 53 \("CEO Pay Ratio Disclosure"\)](#).

102-39 Percentage increase in annual total compensation ratio

The estimated ratio of the annual total compensation of our CEO to the median of the annual total compensation of all other employees in 2020 was approximately 116-to-1. Our CEO pay ratio in 2020 was 106-to-1, and the year-over-year increase in this ratio was 9.4%. For more information, see 2022 Proxy, [page 53 \("CEO Pay Ratio Disclosure"\)](#).

102-40 List of stakeholder groups

Our most recent materiality assessment included customers, shareholders, suppliers, and employees.

102-41 Collective bargaining agreements

The Company's employees are not unionized or affiliated with any internal or external labor organizations. For more information, see 2021 10-K, [page 11–13 \("Human Capital"\)](#).



102-42 Identifying and selecting stakeholders

Waters has identified our key stakeholders as our investors, customers, employees, and suppliers, whose input we solicit when evaluating material topics in the context of sustainability and ESG activities. We periodically engage in conversations with our community and philanthropic partners to ensure that our activities are delivering benefit as intended and that they align with Waters’ mission, vision, and values, For more information, see GRI 102-29 on [page 25](#) and A Fresh Perspective on [page 7](#).

102-43 Approach to stakeholder engagement

Our multi-step materiality process in 2021 included internal research to identify key material topics, stakeholder engagement, and feedback, and the development of a methodology to prioritize issues and opportunities. To ensure that our strategy was aligned with industry best practices as well as an independent point of view, we engaged independent consultants to assist with the assessment and validate our findings. Our research included a peer review of customers and a review of prior outreach from customers and investors. We surveyed and interviewed a broad array of stakeholders, including customers, investors, and suppliers, and distributed a company-wide survey to over 7,000 Waters colleagues around the world. We will continue to engage with stakeholders to ensure that our ESG strategy is appropriately aligned. For more information, see A Fresh Perspective on [page 7](#).

102-44 Key topics and concerns raised

Our Materiality Assessment process identified the following as the most important ESG topics for our stakeholders.

Environment	Social	Governance
<ul style="list-style-type: none">• GHG Emissions and Energy• Water Management• Waste Management• Sustainable Supply Chain Management• Environmental Impact of Products	<ul style="list-style-type: none">• Diversity, Equity & Inclusion• STEM Education• Philanthropy	<ul style="list-style-type: none">• Compliance & Ethics• Customer Data Privacy• Information Security

102-45 Entities included in the consolidated financial statements

This report covers the combined activities of our two operating divisions, Waters and TA Instruments, which together account for 100% of our sales and service revenue. Both entities’ financial performance is itemized in our consolidated financial statements. In 2021, TA Instruments represented approximately 11.2% of our revenue, with the remainder coming from Waters. Unless otherwise noted, all data in this report refers to Waters Corporation in its entirety. For additional information, 2021 10-K, [page 98 \(“Business Segment Information”\)](#).

102-46 Defining report content and topic Boundaries

Materiality Assessment, GRI 102-29 [page 25](#)

102-47 List of material topics

GRI 102-44.

102-48 Restatements of information

There are no restatements of data from our 2021 report.

102-49 Changes in reporting

There are no material changes to our ESG reporting methodology for this report.

102-50 Reporting period

This report includes key data covering the Fiscal Year ending December 31, 2021, with some highlights from early 2022.

Waters has identified our key stakeholders as our investors, customers, employees, and suppliers, whose input we solicit when evaluating material topics in the context of sustainability and ESG activities.

**102-51** [Date of most recent report](#)

November 17, 2021

102-52 [Reporting cycle](#)

Waters issues annual ESG (formerly called Sustainability) reports. This report was published in the fourth quarter of 2022 and covers ESG activities for the Fiscal Year ending December 31, 2021, with some highlights from early 2022. Our prior report was published in November 2021, covering 2020 and early 2021. Unless otherwise noted, all data and performance indicators are for the year ending December 31, 2021.

102-53 [Contact point for questions regarding the report](#)

Andrew Pastor, Sustainability Director (sustainability@waters.com)

102-54 [Claims of reporting in accordance with the GRI Standards](#)

Core level

102-55 [GRI content index](#)

GRI index, [page 23](#).

102-56 [External assurance](#)

We do not currently have external assurance on our ESG reporting.



GRI 200: Economic Topics

201: Economic Performance

About Waters, [page 4](#). For more information, see 2021 10-K, [pages 32–50 \("Financial Overview"\)](#) and [page 60 \("Description of Business and Organization"\)](#).

201-1 Direct economic value generated and distributed

2021 Annual Report ([CEO letter](#)) and 10-K, [page 32 \("Financial Overview"\)](#)

201-2 Financial implications and other risks and opportunities due to climate change

2021 10-K, [page 13–14 \("Environmental Matters and Climate Change"\)](#) and [pages 23–24 \("Risk Factors"\)](#) See also our most recent [CDP Climate response](#).

201-3 Defined benefit plan obligations and other retirement plans

2020 10-K, [pages 91–98 \("Retirement Plans"\)](#).

201-4 Financial assistance received from government

2021 10-K, [page 85](#).

203: Indirect Economic Impacts

[Waters Corporation](#), a global leader in analytical instruments and software, has pioneered innovations in chromatography, mass spectrometry, and thermal analysis serving life, materials, and food sciences for more than 60 years. With more than 7,800 employees worldwide, Waters operates directly in over 35 countries, including 14 manufacturing facilities, and has products available in more than 100 countries.

Our business model supports our customers' success; we produce products that provide dependably accurate and precise analyses necessary for effective research and quality control. Together with our customers, in labs around the world, we deliver scientific insights to improve human health and well-being, helping to ensure we leave the world better than we found it.

203-1 Infrastructure investments and services supported

Our mass spectrometry center of excellence in Wilmslow, UK, completed in 2014, was constructed to meet the BREEAM "Very Good" standard and includes built-in sustainable components such as rainwater harvesting tanks, solar panels, and heat recovery systems. In Taunton, MA, our precision chemistry site is responsible for bulk synthesis of chromatographic media, which is critical to sample analysis for pharmaceutical, biopharmaceutical, materials, food, clinical, and biomedical research applications. In 2018, Waters announced a \$200+ million commitment to build and equip a state-of-the-art facility that will expand the chemistry operation to support rising global demand, as well as advancement in chemistry technology innovation. Last year, we continued construction that incorporates elements of Leadership in Energy and Environmental Design (LEED®) to optimize efficiency and achieve base level certification. For more information, see [page 16](#).

203-2 Significant indirect economic impacts

Waters provides economic benefit to the communities where we operate, as an employer of more than 7,800 dedicated professionals, and as a philanthropic partner. Waters philanthropic efforts are focused on improving the quality of life in the communities where we work and live. This is mostly done through our financial support of relevant non-profit organizations which align with our business and purpose, as well as through volunteer activities which utilize our scientific expertise. Our primary philanthropic pillars are as follows:

- Health and well-being: Improving health and well-being by supporting organizations driving advancements in clinical diagnostics and medicines, as well as ensuring access to food safety and security
- STEM education: Investing in future talent by supporting STEM education for elementary, middle, and high school students with a special focus on supporting people of color and women in STEM
- Diverse communities: Supporting organizations that are aligned with our Diversity, Equity & Inclusion efforts and the intent of our Employee Circles (Multicultural, Pride, Veterans, and Gender Diversity)

204: Procurement Practices

Waters overall supply chain management practices are overseen by our Vice President, Global Supply Chain, who has authority for direct (product) and indirect (capital) procurement, demand planning, distribution and logistics, and trade compliance. Our Global Supply Chain organization works in conjunction with our engineering, manufacturing, quality, and product stewardship teams to ensure that purchased goods and services meet technical, quality, and regulatory requirements.

Our supply chain management practices are optimized around several guiding principles. First and foremost, our suppliers must be able to meet technical and quality requirements. Furthermore, we expect that suppliers will act in accordance with the principles outlined in our Supplier Quality Manual and [Global Code of Business Conduct](#)



[and Ethics](#). Finally, Waters must be able to procure materials on terms that allow us to deliver good value to our customers and shareholders.

Waters maintains a supplier diversity program and evaluates our suppliers' ESG performance. In 2021, 55% of our direct (product-related) spend was with suppliers who had ESG reports or goals, or who publicized ESG performance metrics. In addition, we spent approximately \$100M in 2021 with small businesses and companies that met our supplier diversity requirements.

We periodically engage our suppliers with business review meetings to ensure that our expectations are met, to maintain open channels of communication, and to address any issues that may arise.

204-1 Proportion of spending on local suppliers

Waters utilizes local suppliers at each of our facilities and works to identify component vendors located near our contract manufacturing partners' plants. We believe that this approach promotes good working relationships with our suppliers, supports our supplier diversity programs, reduces logistical complexity, lowers costs, supports high product quality and availability, and reduces the environmental impact of our operation and our supply chain. However, suitable local suppliers may not always be available, and suppliers located in other regions may be required to procure materials and components that meet our technical specifications and quality control requirements. Waters does not publicly disclose details about specific suppliers or our spend with them except as required by law.

205: Anti-corruption

Waters (including our subsidiaries and affiliates) is committed to the highest standards of integrity and ethical business conduct. Our [Global Anti-Bribery and Anti-Corruption Compliance Policy](#) prohibits any conduct that amounts to requesting, accepting, giving, or offering anything of value to or from anyone to reward improper performance or to obtain unfair business advantage. All Waters parties and third-party business partners are expected to conduct their activities in full compliance with all applicable anti-corruption and bribery laws, including without limitation: U.S. Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act ("UKBA"), the Anti-Unfair Competition Law of the PRC ("AUCL"), and any other anti-corruption and anti-bribery laws that are in effect in the countries in which the Company does business. All Waters employees receive annual training on this policy.

205-1 Operations assessed for risks related to corruption

No Company party or third-party business partners shall make, offer to make, or promise to make payments, or give anything of value, directly or indirectly, to any third party, including without limitation any government official, to assist the Company in obtaining or retaining an improper business advantage. This would include, but is not

necessarily limited to: bribes and kickbacks. For more information, see our [Global Anti-Bribery & Anti-Corruption Compliance Policy](#).

205-2 Communication and training about anti-corruption policies and procedures

Waters expressly prohibits any conduct that amounts to requesting, accepting, giving, or offering anything of value to or from anyone to reward improper performance or obtain an unfair business advantage. Waters has clear channels of communication internally to discuss matters that fall under the [Global Code of Business Conduct and Ethics](#) more generally.

Employees may consult with their supervisor, legal, or compliance at any time to discuss concerns or report any violations by utilizing the Waters Ethics Helpline (waters.ethicspoint.com). This helpline is available 24/7 via telephone or web in 11 languages and is confidentially operated by a third-party vendor. Similarly, Waters maintains an email inbox, ethics@waters.com, for questions. For more information, see our [Global Anti-Bribery & Anti-Corruption Compliance Policy](#).

205-3 Confirmed incidents of corruption and actions taken

Waters does not publicly disclose this information except as required by law.

206: Anti-competitive Behavior

Waters seeks to outperform its competition fairly and honestly and expects all company parties (e.g., employees, contractors, suppliers, and business partners) to share our commitment to fair and open competition. One of our most valuable assets is our reputation for honesty and integrity, which all company parties are required to uphold. Company parties must not take unfair advantage of any individual or entity through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice. For more information, see [Global Code of Business Conduct and Ethics](#).

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Waters does not publicly disclose this information except as required by law.

207: Taxation

Waters has not identified taxation as a material topic for ESG reporting purposes and does not publicly disclose tax obligations on a per-country basis except as required by law. We paid approximately \$153.5M in income taxes in 2021, and our effective tax rate was 14.1%. For more information, see 2021 10-K, [pages 33, 58, 63, and 81–82 \("Income Taxes"\)](#).



GRI 300: Environmental Topics

301: Materials

Our products comply with applicable regulations regarding product use and safety, material composition, hazardous substance restrictions, and hazard communications for the territories in which they are sold. Waters continually monitors changes in the global regulatory landscape, and we conduct full assessments of all product designs, sources, and manufacturing processes to ensure compliance. Where necessary, we update product designs, sourcing, and manufacturing processes to ensure ongoing compliance.

301-1 Materials used by weight or volume

Waters does not track the total weight or volume of materials used in our products and processes, except to ensure compliance with territory-specific reporting requirements or substance-use caps and restrictions such as the European Union Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation and the European Union regulation on fluorinated greenhouse gases.

301-2 Recycled input materials used

70% of the steel used in Waters chromatography columns comes from recycled sources, and our newest column products use 100% recycled and/or recyclable packaging materials. We are working to convert other columns to the next generation packaging design over time.

We are increasing the usage of recycled and recyclable materials in our product packaging and modifying packaging design processes to eliminate practices (e.g., gluing together non-like materials) that would preclude the recycling of otherwise recyclable materials.

We are working to quantify a baseline of recycled materials in our other products so that we may increase this proportion over time.

301-3 Reclaimed products and their packaging materials

Waters takes back instruments as part of our FlexUp Technology Renewal program. We also provide our customers with local contacts that can support them with the responsible handling and destruction of end-of-life instruments. End-of-life instruments and components returned to Waters are dismantled and responsibly disposed of by a third-party vendor. In some cases, products and field-replaceable subassemblies

returned to Waters are refurbished, whereupon they are re-sold, donated, used as demo units or used in one of Waters’ in-house laboratories.

302: Energy

Waters’ manufacturing processes involve chemical synthesis, precision machining, surface finishing, and final assembly activities, carried out in close coordination with scientists and engineers. Conducting these activities in-house contributes to our products’ quality, capability, and performance, and supports the success of our business. In many cases, however, they are energy-intensive activities.

We measure and monitor energy use on a per-facility basis to identify our largest impacts, and in turn, to identify opportunities to reduce our energy consumption and optimize our use of renewable and low-carbon power. We report energy use for all primary facilities as defined in our 10-K and for our largest international field locations. These 25 facilities represent approximately 70% of our real estate footprint and 100% of our manufacturing operations.

302-1* Energy consumption within the organization

Energy use by Source (MWh)		2016	2017	2018	2019	2020	2021
Stationary Combustion	Heating Oil	1,967	1,550	0	20	0	0
	Natural Gas	29,659	31,139	33,305	33,754	29,771	39,992
	Diesel Backup	18	42	34	40	141	176
Vehicle Fuels	Diesel	3,359	4,061	3,338	3,261	2,119	2,082
	Gasoline	21,000	20,051	21,583	19,499	13,887	17,221
Indirect Energy	District Heating	56	41	31	0	0	0
	Electricity	55,699	55,497	56,828	58,518	58,815	62,525
Total Energy Consumption		111,758	112,381	115,119	115,092	104,733	121,996
Revenue (millions USD)		2,167	2,309	2,420	2,406	2,365	2,786
Energy/Revenue (MWh/\$m)		51.6	48.7	47.6	47.8	44.3	43.8

* Energy use and GHG emissions data were revised in March 2023 to reflect corrected reporting for our Taunton facility from 2016-20. Our total energy consumption for those years is approximately 13% higher than originally reported, and our total Scope 1+2 GHG emissions are approximately 10% higher than originally reported. We identified the historical reporting error as part of our annual internal review process, in consultation with third-party consultants.



302-2 Energy consumption outside of the organization

Waters does not measure energy consumption outside of our operational control, but we account for the environmental impact of relevant activities by calculating certain Scope 3 emissions, which are detailed under GRI 305, were calculated in accordance with the Greenhouse Gas (GHG) Protocol and are included in our [CDP Climate response](#). We are also working to improve our products' energy efficiency over time, most recently with our Xevo™ TQ Absolute Mass Spectrometer, in order to do our part to help reduce the impact that our products have on our customers' environmental footprint.

302-3 Energy intensity

See GRI 303-1

302-4 Reduction of energy consumption

Our total energy consumption in 2021 was approximately 30% higher than in 2020. The increase in energy consumption was primarily attributable to three factors: natural gas use, fleet vehicle use, and electricity consumption.

We are working to identify opportunities to reduce our use of fossil fuels and have made major investments to improve the resource-use efficiency of our facilities. For example, our facility in Wilmslow, England is certified to BREEAM standards, our new facility in Taunton, Massachusetts is LEED certified, and our facility in Huellhorst, Germany utilizes on-site solar panels.

We are exploring the use of on-site renewable energy in other facilities. In the meantime, and as a demonstration of our commitment to responsible behavior, we have also doubled our use of renewable energy to reduce the environmental impact the electricity we do consume. For more information see Designed for Sustainable Manufacturing on [page 16](#) and Environmental Impact on [page 8](#).

302-5 Reductions in energy requirements of products and services

Our Xevo™ TQ Absolute Mass Spectrometer consumes roughly half the energy and nitrogen, and generates approximately half the heat, of other comparable instruments. This allows laboratories to consume less energy for power and air conditioning, lowering both cost of ownership and environmental impact.

As previously reported, our ACQUITY UPLC instruments use approximately 80% less solvent and 35% less electricity on a per-sample basis than traditional HPLC instruments. In general, advances in liquid chromatography technologies allow our customers to process smaller samples with less solvent, reducing the energy consumption of our products on a per-sample basis.

We continue to make design changes that reduce the size and weight of our product packaging, and that increase our use of sustainable packaging materials. We estimate that packaging design changes made during the period covered by this report will reduce GHG emissions by more than 339 metric tons per year and eliminate approximately 56,000 kilograms of material, an offset equivalent to planting approximately 570 trees.

303: Water and Effluents

Our use of water is primarily driven by certain water-intensive manufacturing activities and also by general facilities use, which is partly a function of on-site headcount. Our water reporting includes the largest Waters-owned manufacturing sites, which represent approximately 62% of our real estate footprint, and 92% of the water consumed at all Waters-operated manufacturing sites: Milford and Taunton, Massachusetts; New Castle, Delaware; Wilmslow and Solihull, England; and Wexford, Ireland.

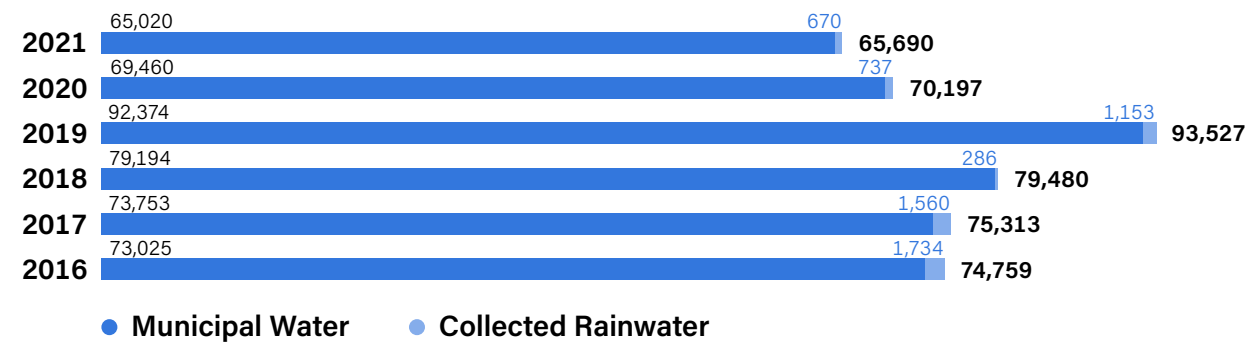
We are committed to addressing water use throughout our operations and have focused our efforts on understanding drivers of water consumption at production sites where water use is most prevalent. Water consumption at these facilities decreased by 6% from 2020 to 2021, and our water consumption intensity per revenue dollar decreased by 21%. We will continue to seek water management efficiencies as we work to reduce our water use intensity over time.

303-1 Interactions with water as a shared resource

Water used by the company is primarily drawn from municipal water sources. Our facilities in Wilmslow, England, India and Malaysia use groundwater and/or collected rainwater.

303-2 Management of water discharge-related impacts

Production processes in our new Taunton facility use substantially less water per dollar of inventory manufactured than the extant facility it is replacing. In addition, we have installed low-flow and water-free plumbing fixtures throughout our headquarters and largest facility in Milford, Massachusetts. Our facilities in Taunton, Massachusetts and Wilmslow, England use "gray water" for plumbing fixtures.

**303-3 Water withdrawal****303-4 Water discharge****303-5 Water consumption****Water Withdrawal (Cubic Meters)****Water Discharged to Sewer (Cubic Meters)****Municipal Water Withdrawal Intensity (Cubic Meters per \$M Revenue)****304: Biodiversity**

Waters' operations do not have significant biodiversity impact. Although we do not consider this a material topic, we comply with all applicable laws and regulations, and have taken actions to protect wildlife in our community.

For example, a population of Common Pipistrelle bats resided in a building that formerly stood on the site now occupied by Waters' facility in Wilmslow, England. Waters constructed a standalone house on the grounds of the facility as a habitat for the bats, and maintains the structure on an ongoing basis.

In addition, we have installed a series of honeybee hives on the grounds of the Wilmslow facility. The hives are constructed from recycled shipping pallets and are managed in conjunction with Bees in Our Community, a local non-profit focused on increasing the bee population in and around Cheshire, England.

305: Emissions

Since 2016, Waters has used a centralized data system to track our Scope 1 and 2 GHG. We tabulate consumption data and assign IEA emissions factors to calculate our Scope 1 and 2 CO₂ emissions. Scope 3 emissions are calculated in accordance with guidance from the GHG Protocol. We report emissions data for all primary facilities as defined in our 10-K, as well as our largest international field locations. These 25 facilities represent approximately 70% of our real estate footprint and 100% of our manufacturing operations. We track data for all Primary Facilities as defined in our 10-K, as well as our largest international field locations. There were no changes to our facilities or operational footprint in 2021 that had a material impact on our GHG emissions.

305-1 Direct (Scope 1) GHG emissions**305-2* Energy indirect (Scope 2) GHG emissions**

Waters' primary drivers of Scope 1 GHG in 2021 were our service fleet vehicles and the use of natural gas in our facilities for climate control and certain manufacturing activities. Our year-over-year increase in Scope 1 emissions was primarily attributable to the commencement of manufacturing operations at our new precision chemistry facility in Taunton, Massachusetts. We expect that this is a temporary increase that will subside as manufacturing operations at the old facility are wound down. In addition, Scope 1 emissions rose due to expanded service fleet operations and increased on-site presence in our facilities as restrictions related to the COVID-19 pandemic were relaxed.

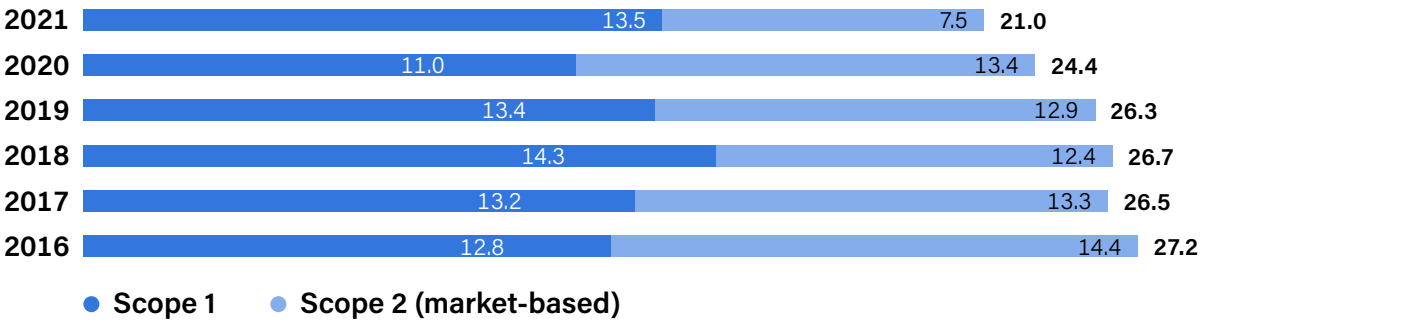
(Continued)

* Energy use and GHG emissions data were revised in March 2023 to reflect corrected reporting for our Taunton facility from 2016-20. Our total energy consumption for those years is approximately 13% higher than originally reported, and our total Scope 1+2 GHG emissions are approximately 10% higher than originally reported. We identified the historical reporting error as part of our annual internal review process, in consultation with third-party consultants.



In total, renewable and low-carbon energy accounted for 58% of our total electricity usage in 2021, and our Scope 2 GHG decreased by more than 40% from 2020 levels. Waters purchases renewable and low-carbon energy covering 100% of electricity at our facilities in Wexford, Ireland, Wilmslow, England, and Solihull, England. We also utilize on-site solar power at TA Instruments' facility in Huellhorst, Germany. In 2021, Waters purchased Green-e certified wind energy credits (RECs) for the first time, covering approximately 15% of the power consumption at our headquarters in Milford, Massachusetts, as well as 100% of the power consumption at the following facilities: Taunton, Massachusetts; New Castle, Delaware; Nixa, Missouri; Golden, Colorado; Lindon, Utah; and Eden Prairie, Minnesota.

Scope 1 & 2 GHG (metric ton CO₂e x 1,000)



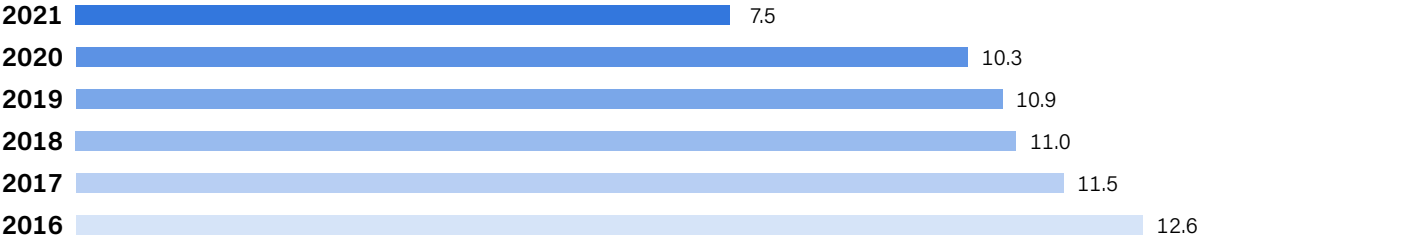
305-3 Other indirect (Scope 3) GHG emissions

Scope 3 GHG emissions are calculated in accordance with methods outlined by the GHG Protocol. We are working to expand our tracking and disclosure of Scope 3 emissions over time.

Scope 3 Category	Metric tons CO ₂ e
1. Purchased Goods and Services	56,491
3. Fuel and Energy Activities (Not Included in Scope 1 or 2)	4,884
5. Waste Generated in Operations	20
6. Business Travel	3,935
7. Employee Commutes	12,750
TOTAL	78,080

305-4* GHG emissions intensity

Scope 1+2 GHG Intensity (Metric tons CO₂e per \$M Revenue)



305-5 Reduction of GHG emissions

Our goal of a 35% reduction in Scope 1 and 2 GHG was chosen in consideration of science-based targets (SBTs) intended to contribute to limiting global temperature rise, consistent with a 2°C climate change goal as specified in the Paris Agreement.

We continue to seek initiatives to reduce our emissions and do our part to reduce the overall rise in global temperature. We have reduced combined Scope 1 and 2 emissions by approximately 14% since 2016. In 2021, we reduced our overall GHG by approximately 5% from 2020 through increased use of renewable energy, in the form of Green-e certified wind energy credits (RECs) covering Scope 2 emissions from several of our manufacturing facilities in the United States.

Moving forward, we intend to continue increasing the proportion of energy we source from renewable and lower-carbon sources. In addition, we expect to make improvements to the fuel efficiency of our owned and leased vehicle fleets over time. We are continuing efforts to measure our Scope 3 GHG emissions and will look to expand these efforts in the future.

For more information, see our most recent [CDP Climate response](#).

In total, renewable and low-carbon energy accounted for 58% of our total electricity usage in 2021, and our Scope 2 GHG decreased by more than 40% from 2020 levels.

* Energy use and GHG emissions data were revised in March 2023 to reflect corrected reporting for our Taunton facility from 2016-20. Our total energy consumption for those years is approximately 13% higher than originally reported, and our total Scope 1+2 GHG emissions are approximately 10% higher than originally reported. We identified the historical reporting error as part of our annual internal review process, in consultation with third-party consultants.



305-6 Emissions of ozone-depleting substances (ODS)

Ozone depleting substances as classified under the Montreal Protocol do not represent a material environmental impact for Waters. However, we do track their use in our operation and products. A small number of chillers sold under the TA Instruments brand use R-22 (HCFC-22 refrigerant). We also manufacture and sell environmental reference standards that environmental laboratories use when testing for the presence of ozone-depleting substances. In addition, certain HVAC equipment at our facilities use these refrigerants for climate control purposes, but the refrigerant does not escape under normal operating conditions. A small quantity of R-22 refrigerant (approximately 30kg) escaped into the atmosphere from a leak at our facility in Bangalore, India during 2021.

306: Waste

Upholding our commitment to environmental responsibility includes monitoring how much waste we create and how we dispose of materials used in our manufacturing processes. We are working to decrease waste sent to landfills and to increase the proportion of waste being diverted to recycling.

Our waste reporting includes our six largest owned sites, which represent 62% of our real estate footprint: Milford and Taunton, Massachusetts; New Castle, Delaware; Wilmslow and Solihull, England; and Wexford, Ireland. Many of our leased sites are in shared facilities where facilities management companies coordinate waste disposal on behalf of tenants. This limits our visibility into the disposal of waste. We are working to expand our measurement capabilities over time.

We are aware that our extended environmental footprint includes waste in customer laboratories. We are taking steps to reduce these impacts over time through packaging redesign programs. In addition, we promote circularity by offering instrument takeback programs through our FlexUp instrument trade-in program. We also put our customers in contact with reputable local eWaste recyclers upon request to help them comply with electronics recycling laws. In some cases, field-serviceable spare parts may be returned to Waters facilities from customer laboratories for refurbishment and reuse.

We believe that the best thing we can do reduce the environmental impact of waste from our operations is to decrease the amount of waste that we generate. We consider waste intensity per revenue dollar to be a key performance indicator in this regard and have reduced this figure by approximately 1/3 since 2016.

Waste disposal quantities, broken down by type and provided on hauler invoices, are collated by facilities leads around the world and inputted into a centralized data system. We also use this data to tabulate Scope 3 GHG emissions from waste disposal.

306-1 Waste generation and significant waste-related impacts

Waters primary sources of non-hazardous waste are general office waste, single-stream recycling, food waste, scrap from manufacturing processes and end-of-life products, and eWaste. Our primary sources of hazardous waste are chemicals used in our laboratories and manufacturing processes.

306-2 Management of significant waste-related impacts

Waters works with third-party waste haulers that process waste on our behalf, utilizing single-stream recycling services wherever such options are available. We direct our waste haulers to divert the largest possible proportion of non-recyclable waste from landfill, typically in the form of waste-to-energy incineration facilities, and work with waste hauling companies to identify opportunities for expanded recycling.

For specialized waste disposal (e.g., scrap metal, eWaste, hazardous waste, batteries, etc.), we work with specialized disposal companies that dispose of these materials in accordance with local regulatory requirements. We have limited tracking data for these types of waste but are working to develop these capabilities for future reporting.

We consider waste intensity per revenue dollar to be a key performance indicator and have reduced this figure by approximately 1/3 since 2016.

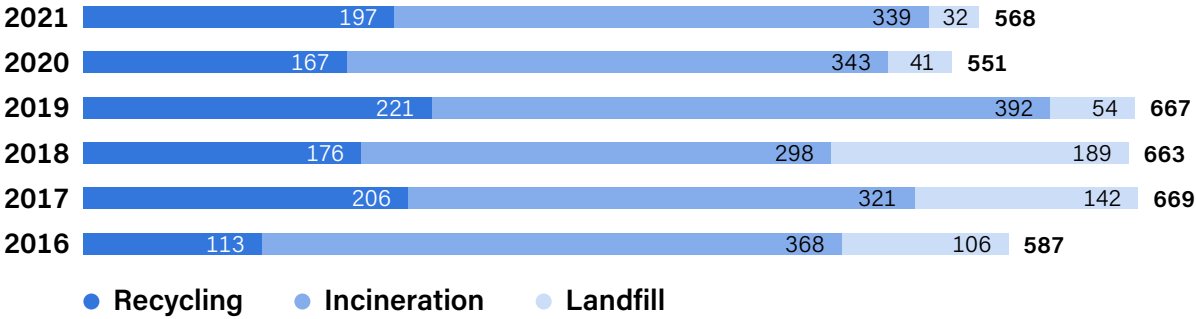


306-3 Waste generated

306-4 Waste diverted from disposal

306-5 Waste directed to disposal

Non-Hazardous Waste from Major Sites (tons)



Non-Hazardous Waste Intensity (tons per \$M revenue)



307: Environmental Compliance

Waters maintains an ISO 14001 certified Environmental Management System (EMS) at our headquarters and largest global manufacturing facility in Milford, MA. The EMS attests to our commitment to being good stewards of the communities where we operate and actively protecting the environment by pursuing pollution prevention, waste reduction, and the conservation of natural resources throughout our operations. We will continue to prioritize environmental management by expanding our EMS to our largest manufacturing sites.

307-1 Non-compliance with environmental laws and regulations

None.

308: Supplier Environmental Assessment

As part of the ongoing development of Waters’ ESG program, we are incorporating supplier environmental performance, reporting, and goals into our supplier management practices. This begins with our Supplier Quality Manual, which articulates our expectations for suppliers’ business conduct.

We currently track the proportion of our direct spend with suppliers with sustainability goals and disclosures. We also calculate Scope 3 GHG emissions from our products’ supply chain. In 2022, we are implementing more comprehensive methods for evaluating suppliers’ ESG programs and performance.

308-1 New suppliers that were screened using environmental criteria

Each year, Waters assesses critical and non-critical suppliers for a variety of ESG-related risk factors, including whether the suppliers report publicly on climate change, whether they disclose relevant data regarding climate impacts, and whether they set goals. In 2021, we screened over 150 suppliers, representing approximately 95% of our direct (product-related) spend, and determined that 55% of our spend was with suppliers that met these criteria (an increase from 50% in 2020).



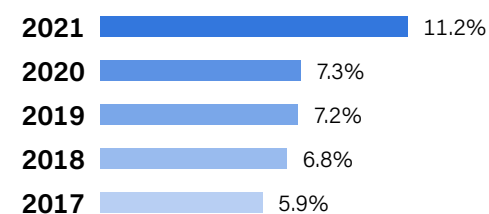
GRI 400: Social Topics

401: Employment

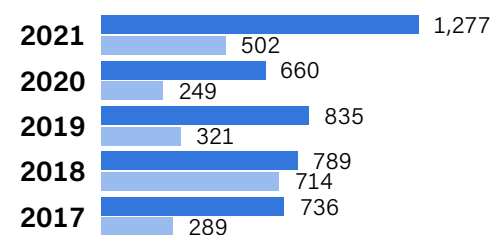
Our people create the Waters' difference. We consider our ability to attract and retain talent one of the key success factors of business and a critical indicator of the impact of our HR programs and initiatives. Our goals are to attract and retain the talented employees who are essential to the continued success of the company and, in hiring, to achieve a balance between global consistency and local flexibility.

401-1 New employee hires and employee turnover

Voluntary Turnover



New Hires



● External ● Internal

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Waters provides employees with a compensation structure that is market focused and performance based. In 2019, we launched a multi-year review of our Total Rewards programs, including Compensation, Benefits, Recognition, and Work-life Effectiveness.

Our non-executive compensation strategy aims to align performance-based total compensation with our business strategy and establish and maintain pay levels based on evaluation of jobs, work performance and compensation paid elsewhere in the marketplace. U.S. employees are eligible to participate in a 401(k) plan with company matching. Waters also offers an employee stock purchase program (ESPP) to a majority of our global employees. Our bonus, long-term incentive, and rewards-and-recognition programs emphasize our commitment to a performance-oriented culture by ensuring that our highest performing team members are appropriately compensated.

Our Total Rewards portfolio provides additional health, wellness, and work-life effectiveness benefits, and is intended to help our employees achieve success at work and beyond, to realize the goals of a rewarding career, a healthy life, and a bright future. Waters benefits specifics vary by country due to legislative and cultural differences, but in general include inclusive programs and services for paid time off, health coverage (medical, prescription, dental, vision, and mental health support), an employee assistance program, family and parental care leave, adoption support, discounts on fitness center memberships, as well as incentive programs and tools designed to encourage and reward healthy habits. See a list of benefits and total rewards on the [Benefits and Total Rewards page of Waters.com](#).

401-3 Parental leave

In addition to maternity and paternity leave, Waters offers flexible work arrangements, employee and family assistance programs, and scholarship programs for children of employees. Specific parental leave and family care policies, benefits, and eligibility criteria vary by territory.

403: Occupational Health and Safety

An important component of Waters' vision is our commitment to provide a safe and healthful workplace for our employees, to act responsibly to protect the environment, and to be recognized by the communities in which we live and work as an excellent employer and corporate neighbor.

Our health and safety program is overseen by our Director of Health, Safety & Environment (HSE). A Global HSE Leadership Steering Committee provides direction and endorsement for Waters HSE programs, while the Global HSE Group manages risk and establishes measures to implement and communicate program requirements. Additionally, every Waters facility worldwide has an HSE representative to administer HSE programs and compliance at the site level. For more information, see Waters [Health, Safety, and Environmental Policy](#).

403-1 Occupational health and safety management system

As of April 2022, our headquarters (and largest manufacturing facility) in Milford, Massachusetts was certified to the ISO 45001 Health and Safety Management standard, as were our two largest contract manufacturing partner sites. Waters is phasing in ISO 45001 safety management systems at our largest manufacturing sites, a program we expect to complete by the end of 2025.



403-2 Hazard identification, risk assessment, and incident investigation

We closely monitor safety-related data measures, including Total Recordable Incident Rate, Lost Time Incident Rate, and Number of Lost Time Cases, as key indicators in our effort to achieve a zero-accident workplace. Since 2019, Waters has utilized Health, Safety and Environmental (HSE) data management software to improve the timeliness, accuracy, and completeness of HSE data on a global basis. Use of the software helps standardize best practices across the enterprise and facilitates development and tracking of leading indicators.

403-3 Occupational health services

See GRI 403-6.

403-4 Worker participation, consultation, and communication on occupational health and safety

Departmental Safety Committees meet regularly to review safety issues, conduct audits, and provide employee training. Employee feedback is taken into consideration as part of this process. Waters encourages all employees to utilize our HSE management software to record near misses and “good catches,” which proactively identify and correct workplace hazards.

403-5 Worker training on occupational health and safety

Waters has rigorous safety protocols and requires safety training for all employees. Through online and in-person training programs, we foster a safe workplace and ensure that all employees are empowered to prevent accidents and injuries. Employees receive training when they are onboarded, and employees who are exposed to workplace hazards such as compressed gases, confined spaces, biological substances, and hazardous materials also receive specialized safety training in accordance with regulatory requirements.

403-6 Promotion of worker health

In addition to the wellness benefits delineated under GRI 401, Waters also offers short- and long-term disability coverage, as well as life insurance coverage. We provide on-site vision screenings, personal protective equipment, and ergonomic workstation consults for employees both in our facilities and working remotely. In addition, there is an on-site clinic at our headquarters that provides treatment for routine and work-related health issues, as well as vaccination clinics and health screenings.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

See GRI 416.

403-8 Workers covered by an occupational health and safety management system

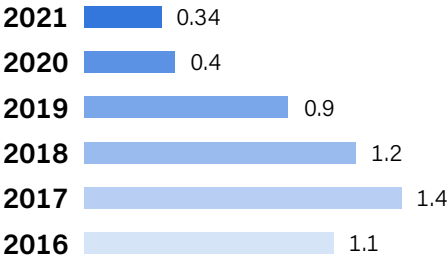
Approximately 1,800 Waters employees (23% of our global workforce) are covered by the ISO 45001 certification at our Milford, Massachusetts headquarters. Waters’ occupational health and safety programs are applicable to all permanent and temporary employees, contractors, and site visitors.

403-9 Work-related injuries

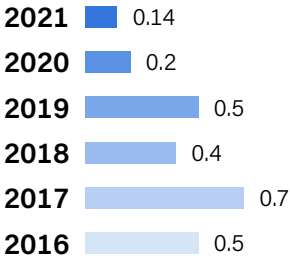
Waters had zero work-related fatalities in 2021.

Note: Data from 2016–19 are for sites in the United States only. We are expanding and standardizing our incident management processes as part of our broader ISO 45001 program.

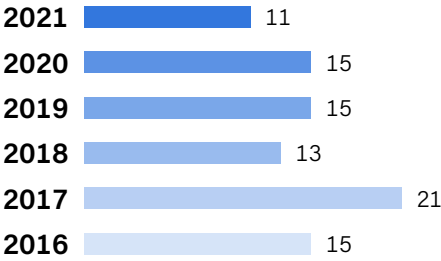
Total Recordable Incident Rate



Lost Time Incident Rate



Lost Time Cases



403-10 Work-related ill health

Waters complies with occupational health requirements, including workplace monitoring and controls to minimize workplace health hazards. Proactive ergonomic assessments of our work cells and physical operations are completed to minimize the risk of musculoskeletal disorders. In addition, our Total Rewards portfolio provides resources to support employees’ mental health, well-being, and work-life effectiveness.



404: Training and Education

At Waters, growth and development are all about continuous learning, the evolution of oneself, and the constant pursuit of knowledge that makes us better and better. We work to communicate and define the key behaviors and attributes that drive personal and organizational success and help develop all our employees as leaders. A dual focus on the “how” as well as the “what” serves as the foundation of all our talent activities, including acquisition, development, performance evaluation, and rewards and recognition.

404-1 Average hours of training per year per employee

In 2021, Waters trained 111 managers for 4,102 hours through our Management Series new manager training program. In addition, Waters employees received approximately 137,876 hours of training through our online eLearning system and the iLearn modules noted under GRI 404-2. In all, Waters’ 7,800 employees received 137,876 hours of training in 2021, an average of approximately 18 hours per employee.

404-2 Programs for upgrading employee skills and transition assistance programs

Waters invests in various programs, digital platforms, and workshops that build professional and technical skills. We have been working to enhance our digital learning opportunities and offer a global learning platform to our employees, iLearn. iLearn features a curated collection of videos, podcasts, and digital and audio books that supports Waters employees in self-led professional development with tools on leadership, agility, and other technical and business skills. Available in six languages plus English, iLearn can be accessed anywhere, anytime, on any computer or mobile device. In 2021, approximately 68% of our employees took advantage of the iLearn system, using it for more than 30,000 hours.

404-3 Percentage of employees receiving regular performance and career development reviews

95% of full-time employees received reviews in 2021.

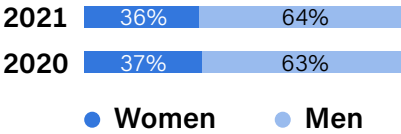
405: Diversity and Equal Opportunity

Our approach to Diversity, Equity & Inclusion (DEI) is designed to shift mindsets, foster inclusive behaviors, and encourage increased representation of employees with diverse backgrounds. To ensure that our DEI programs benefit from experienced leadership, we hired our first director of DEI in 2021. We seek to become more representative of our communities, to create a workplace where all employees can thrive, and to build a stronger and more diverse employee pipeline through community engagement and targeted philanthropy programs. For more information, Social Impact on [page 9](#), HBCU Partnerships on [page 10](#), and Awards on [page 12](#).

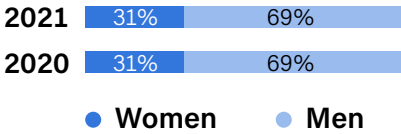
405-1 Diversity of governance bodies and employees

Details about the diversity of our workforce are shown below. For information about the diversity of our board of directors, see 2022 Proxy, [page 4](#).

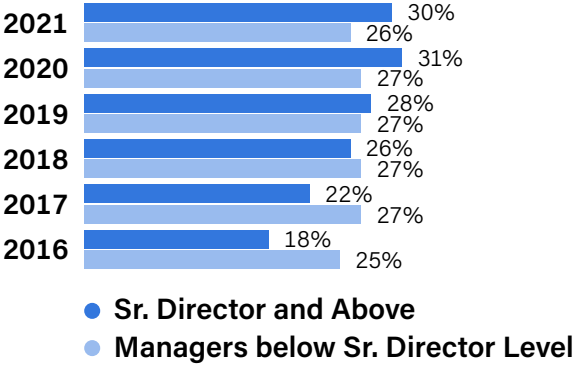
New Hires by Gender



Global Workforce by Gender

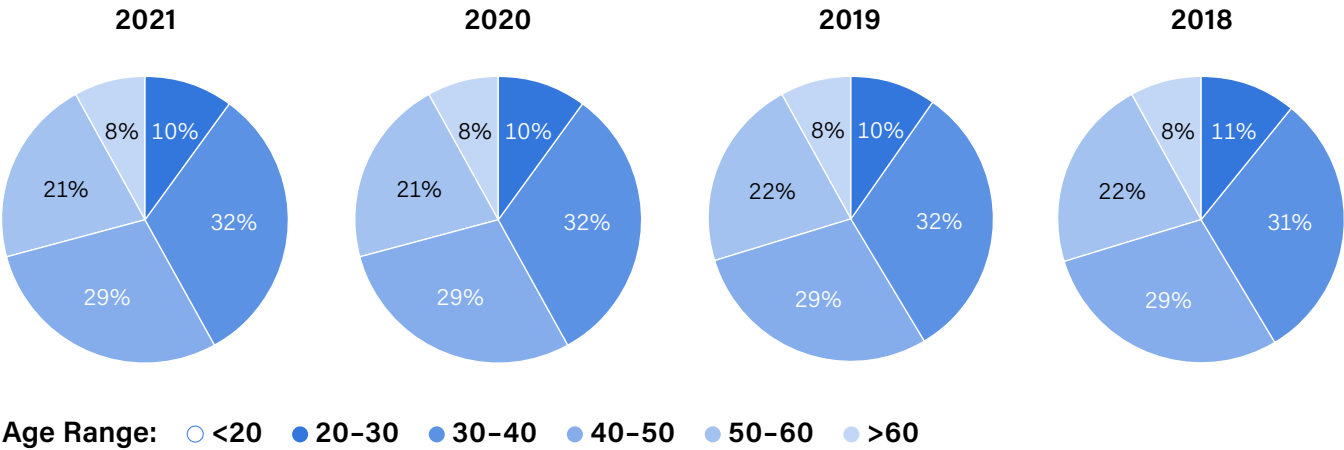


Women in Leadership

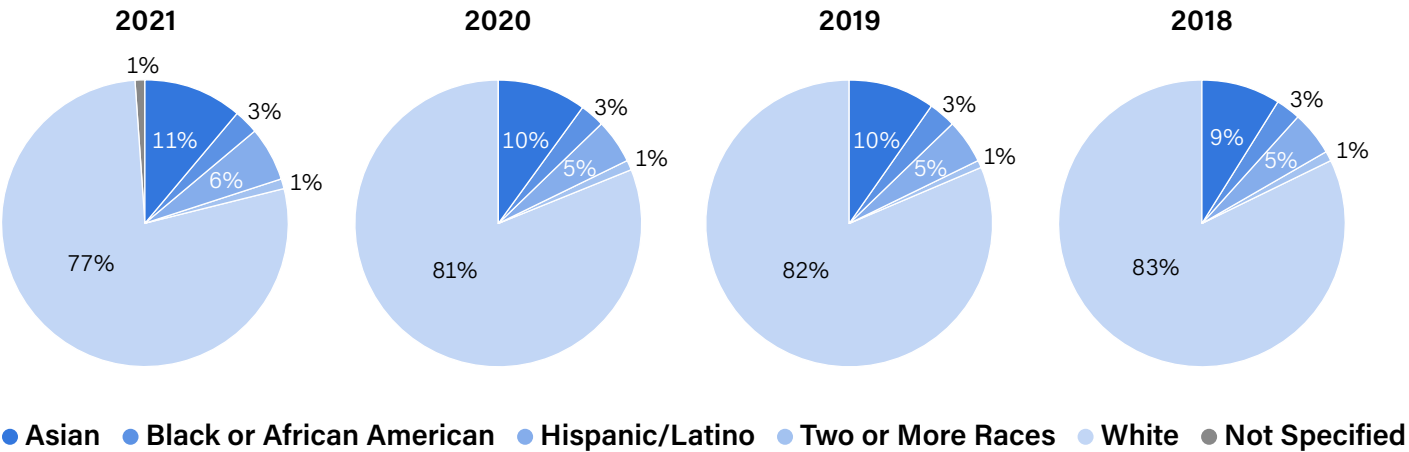




Global Workforce by Age



U.S. Workforce by Race/Ethnicity



405-2 Ratio of basic salary and remuneration of women to men

Waters discloses gender pay ratios for our operating subsidiaries in the United Kingdom and France. For more information, see [2021 UK Gender Pay Gap Report](#) and [France Gender Equality Index 2021](#).

406: Non-discrimination

We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Relationships with colleagues and business relationships with competitors, suppliers, and customers always must be conducted free of any discrimination, including based on race, color, creed, religion, gender identity or expression, age, sex, sexual orientation, national origin, genetics, marital status, veteran status, handicap, or disability, or any other characteristic protected by law. Examples of illegal discrimination or harassment include derogatory comments based on any of the preceding characteristics and unwelcome sexual advances. For more information, see our [Global Code of Business Conduct & Ethics](#).

408: Child Labor

Waters takes the issue of slavery and human trafficking seriously and has a zero-tolerance approach to the issue. We work with our suppliers to ensure that local laws regarding wages, working conditions, and working hours are observed, and to ensure that child or forced labor is not used in the manufacture of our products or in the components they contain. For more information, see [Statement Regarding UK Modern Slavery Act](#).

409: Forced or Compulsory Labor

Waters values fair, reliable business relationships with suppliers and partners, and encourages those with whom we do business to share in our vision of responsible and ethical business practices. We expect our suppliers to adhere to all applicable laws, rules, and regulations of the countries in which they operate. It is critical that our suppliers uphold the human rights of workers and treat them with dignity and respect while ensuring a safe and healthy working environment.

We periodically conduct global supply chain risk assessments, sometimes with the support of third-party consultants, to explore emerging issues including human rights. When doing such assessments, we consider four key factors that drive the risk of forced labor in our supply chains: sector and industry risks, product-specific risks, geographic risks, and company-specific risks.

Our expectations are communicated to suppliers as part of our supplier onboarding process and are included in the standard terms and conditions of our purchasing contracts. As part of our ongoing supplier management process, suppliers may be required to demonstrate conformance with our expectations. Waters reserves the right to discontinue business relationships with suppliers that fail to operate in a legal, responsible, and ethical manner.

For more information, see our [Statement on UK Modern Slavery Act](#), [Statement on Conflict Minerals](#), [SEC filing on Conflict Minerals](#), and [Supplier Quality Manual](#).



410: Security Practices

Although we do not publicly comment on the specific controls we have in place, Waters has centralized policies, procedures, systems, and training measures to monitor and protect the security of our facilities, data systems, customer information, supply chain, and employees. We also conduct due diligence to determine what risks specific business partners may present. These programs are overseen by our Global Security Manager, our VP of Internal Audit and Chief Compliance Officer, our Sr. Manager of Global Trade Compliance, and our Sr. Director of Information Security. For more information, see 2021 10-K, [pages 21–22 \(“Risks Related to Cybersecurity and Data Privacy”\)](#) and Global Code of Business Conduct & Ethics, [page 5 \(“Protecting Company & Customer Information”\)](#).

413: Local Communities

Our philanthropy supports organizations who are making advancements in human health and well-being, STEM education, and diversity, equity, and inclusion.

413-1 Operations with local community engagement, impact assessments, and development programs
See Philanthropy, [page 10](#).

413-2 Operations with significant actual and potential negative impacts on local communities
Waters’ operations do not have a negative impact on the communities where we operate and experienced no events in 2021 that would cause material harm to our local communities.

414: Supplier Social Assessment

Waters conducts an annual assessment of our largest direct suppliers by spend each year to gauge the maturity of their social responsibility programs. We review whether suppliers meet several criteria, including a human rights policy, a supply chain code of conduct, a supply chain sustainability program, their MSCI ESG rating, and whether they provide a CMRT as part of Waters’ annual Conflict Minerals survey.

414-1 New suppliers that were screened using social criteria
In 2021, we screened approximately 77% of our direct (product-related) spend against the criteria noted above.

415: Public Policy

Waters has taken positions in industry debates and associations that are consistent with our business goals, namely concerning issues in the analytical instrumentation industry, including certification boards and standard setting organizations.

415-1 Political contributions
In February 2022, we adopted a [Political Participation Policy](#) that prohibits direct or indirect political contributions of any kind in support or opposition to political candidates, campaigns, political parties, ballot initiatives, or organizations that seek to influence the above. During the reporting period, Waters made no contributions of any kind to political campaigns, political organizations, lobbyists or lobbying organizations, or other tax-exempt groups.

416: Customer Health and Safety

Waters’ chemistry products are documented in accordance with the Globally Harmonized System of Classification and Labeling of Chemicals (GHS), with Safety Data Sheets (SDS) available that document each product’s physical and chemical properties, exposure hazards, safe handling and transport, cleanup instructions and first aid, toxicology, pollution risks, and disposal considerations. Safety Data Sheets are available in 14 languages.

Waters instrumentation products go through a rigorous compliance engineering process to determine their compliance with third-party safety requirements and regulations relating to electrical safety and electromagnetic interference. In addition, our instruments are designed and manufactured in compliance with regulations such as the Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) directives, ensuring that their constituent materials do not pose harm to personnel involved in their assembly, service, or decommissioning. Furthermore, Waters products used in clinical laboratory environments comply with applicable requirements in their countries of sale with regards to In Vitro Diagnostic (IVD) and Research-Use Only (RUO) products.

416-1 Assessment of the health and safety impacts of product and service categories
All Waters products are evaluated for relevant health and safety risks and are provided with appropriate documentation. It is expected that our products will be used in laboratory environments, by trained operators using appropriate personal protective equipment.



417: Marketing and Labeling

417-1 Requirements for product and service information and labeling

See GRI 416.

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

None.

417-2 Incidents of non-compliance concerning product and service information and labeling

None.

417-3 Incidents of non-compliance concerning marketing communications

Waters' [Global Code of Business Conduct & Ethics](#) and [Global Anti-Bribery & Anti-Corruption Compliance Policy](#) prohibit dishonest, unethical, and illegal behavior in all territories where the company operates or sells products. This prohibition also extends to customer-facing activities. All employees receive mandatory training about their responsibilities in these areas.

418: Customer Privacy

Waters [Global Code of Business Conduct & Ethics](#) requires Waters employees and business partners to preserve the confidentiality of all non-public information they possess that has been entrusted to them by third parties, including customers. In addition, Waters has governance programs in place to manage our responsibilities under the European Union's General Data Protection Regulation. For more information, see 2021 10-K, [pages 21–22 \("Risks Related to Cybersecurity and Data Privacy"\)](#).



SASB INDEX

Medical Equipment and Supplies

Affordability and Pricing

HC-MS-240a.1 [Ratio of weighted average rate of net price increases \(for all products\) to the annual increase in the U.S. Consumer Price Index](#)

This metric is not relevant for Waters’ business model, and we do not consider it in our practices. However, Waters follows a rigorous process and engages relevant stakeholders to set prices. Some of the criteria we use when setting prices include, but are not limited to: product-specific attributes (e.g., lifecycle, innovation), value proposition of Waters’ portfolio, customer feedback, and internal metrics (e.g., revenue and price realization).

HC-MS-240a.2 [Description of how price information for each product is disclosed to customers or to their agents](#)

Waters sells products through multiple channels including direct sales to end customers, distributors, dealers, and e-commerce channels. For products for which pricing data is public, Waters ensures transparency and accuracy of pricing through electronic quotes, e-catalog and Waters online ordering systems.

Product Safety

HC-MS-250a.1 [Number of recalls issued, total units recalled](#)

Waters issued no product recalls in 2021.

HC-MS-250a.2 [List of products listed in the FDA’s MedWatch Safety Alerts for Human Medical Products database](#)

No Waters products were listed in the FDA’s MedWatch Safety Alerts for Human Medical Products Database in 2021.

HC-MS-250a.3 [Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience](#)

No fatalities have occurred in relation to Waters products as reported to MAUDE.

HC-MS-250a.4 [Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices \(cGMP\), by type](#)

No FDA enforcement actions were taken against Waters in 2021 in response to violations of cGMP.

Ethical Marketing

HC-MS-270a.1 [Total amount of monetary losses as a result of legal proceedings associated with false marketing claims](#)

Waters had no monetary losses in 2021 due to legal proceedings associated with false marketing claims.

HC-MS-270a.2 [Description of code of ethics governing promotion of off-label use of products](#)

Waters’ [Global Code of Business Conduct & Ethics](#) and [Global Anti-Bribery & Anti-Corruption Compliance Policy](#) prohibit dishonest, unethical and illegal behavior in all territories where the company operates or sells products. This prohibition also extends to customer-facing activities. Similarly, our Global Import and Export policies mandate risk-based end-use checks to ensure that our products are used in the prescribed manner and in compliance with applicable U.S. and market-country laws. All employees receive mandatory, annual training about their responsibilities in these areas.

Product Design and Lifecycle Management

HC-MS-410a.1 [Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products](#)

Our products comply with applicable regulations regarding product use and safety, material composition, hazardous substance restrictions, and hazard communications for the territories in which they are sold. Waters continually monitors changes in the global regulatory landscape, and where necessary, updates product designs, sourcing, and manufacturing processes to ensure ongoing compliance. Through our supplier management practices and with our [Supplier Quality Manual](#), we work to ensure that our suppliers are operating in support of these objectives. For more information, see HC-MS-430a.3 on [page 44](#).

HC-MS-410a.2 [Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: \(1\) devices and equipment and \(2\) supplies](#)

Waters does not currently track this data; we are working to develop this capability on an enterprise-wide basis. However, Waters takes back instruments as part of our FlexUp Technology Renewal program. We also provide our



customers with local contacts that can support them with the responsible handling and destruction of end-of-life instruments. End-of-life instruments and components returned to Waters are dismantled and responsibly disposed of by a third-party vendor. In some cases, products returned to Waters are refurbished, whereupon they are re-sold, donated, used as demo units, or used in one of Waters’ in-house laboratories.

Supply Chain Management

HC-MS-430a.1 Percentage of (1) entity’s facilities and (2) Tier I suppliers’ facilities participating in third-party audit programs for manufacturing and product quality

Audits of Waters: Voluntary compliance audits, International Organization for Standardization (ISO) certifications, Pharmaceutical Supply Chain Initiative (PSCI)

Audits of Suppliers: Waters conducts its own audits of critical suppliers. Quality engineers vary audit subject matter based on relevance to suppliers’ business. Suppliers must undergo audits to maintain their ISO certifications.

HC-MS-430a.2 Description of efforts to maintain traceability within the distribution chain

All Waters products have a unique part number. All instruments, and some spare parts carry barcoded labels indicating serial number, date of manufacture, country/plant of origin and compliance with applicable regulatory requirements. Similar labeling exists for columns and chemistry products, which are typically lot-controlled, with certificates of analysis available upon request. Waters also maintains device history records and keeps records of which serialized products have been sold to which customers.

Our Global Trade Compliance team carries out due diligence to ensure that the distribution of Waters products complies with U.S. import and export controls. Our Trade Compliance team also works with our Regulatory Affairs and distribution teams to ensure that In Vitro Diagnostic (IVD) products are sold to customers in territories where appropriate registrations and licensing are in place.

HC-MS-430a.3 Description of the management of risks associated with the use of critical materials

Waters’ Product Stewardship team manages these risks as noted below:

- We conduct full assessment of all product designs, sources and manufacturing processes to ensure compliance with restricted substance regulations, such as the Restriction of Hazardous Substances (RoHS) Directive, Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Substances of Concern In Products (SCIP), and the Toxic Substances Control Act (TSCA). We request the full material composition for every product component we purchase from a third party.

- Our Conflict Minerals program, conducted in accordance with OECD guidance, conducts an annual supply chain survey, the results of which are filed with the U.S. Securities and Exchange Commission in accordance with the Dodd-Frank requirements.
- We carry out substance volume tracking, registration, and reporting as required by the countries where we sell our products.
- Hazard communications for our chemistry products are conducted in accordance with the requirements of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS).

The Product Stewardship team works with our logistics and manufacturing organizations to ensure that products are classified as Dangerous Goods as appropriate (based on the United Nations Recommendations on the Transport of Dangerous Goods), and that packaging, shipping and handling processes are carried out in accordance with International Air Transport Association (IATA) requirements and local laws.

Business Ethics

HC-MS-510a.1 Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption

Waters does not publicly discuss issues relating to anti-bribery and anti-corruption. Our [Global Anti-Bribery & Anti-Corruption Compliance Policy](#) complements our [Global Code of Business Conduct & Ethics](#) and Global Trade Compliance program, and we train all employees about their responsibilities in these areas.

HC-MS-510a.2 Description of code of ethics governing interactions with health care professionals

Our [Global Anti-Bribery & Anti-Corruption Compliance Policy](#) prohibits the making of direct or indirect offers, promises or payments of anything of value to third parties, including healthcare professionals, to obtain business advantage. In addition, our [Global Code of Business Conduct & Ethics](#) prohibits dishonest, unethical, and illegal behavior in all territories where the company operates or sells products. All employees receive mandatory training about their responsibilities in these areas.

Activity Metrics

HC-MS-000.A Number of units sold by product category

Waters does not disclose sales volume by number of units sold.



Waters Corporation
34 Maple Street
Milford, MA 01757

T: 1-508-478-2000
F: 1-508-872-1990
[waters.com](https://www.waters.com)

© 2022 Waters Corporation. Waters, The Science of What's Possible are trademarks of Waters Corporation.