



2023 Forced Labour and Child Labour Report

This Report is made by Primo Water Corporation (“**Primo Water**” or the “**Company**”) and its wholly-owned subsidiary, Aquaterra Corporation (“**Aquaterra**”, together with Primo Water, the “**Companies**”, “**our**” or “**we**”) pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). It sets out Primo Water’s efforts to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the Company. Primo Water recognizes its responsibility to take a proactive and robust approach in preventing forced labour and child labour in its corporate activities.

This Report relates to actions and activities of the Companies during Primo Water’s fiscal year ending December 30, 2023 (the “**Reporting Period**”) and is the first report prepared by the Companies under the Act. Primo Water is governed by the *Business Corporations Act* (Ontario) and is a public company listed on the New York Stock Exchange and the Toronto Stock Exchange. Aquaterra Corporation is a wholly owned Canadian subsidiary of Primo Water incorporated under the *Canada Business Corporation Act*. Primo Water is headquartered in Tampa, Florida. Aquaterra is headquartered in Mississauga, Ontario. Primo Water’s wholly owned subsidiary, Eden Springs UK Limited, is a reporting entity under the United Kingdom’s *Modern Slavery Act 2015*. Additionally, Primo Water supports the *California Transparency in Supply Chains Act of 2010*, which reflects our full compliance with all laws, regulations and our ethical conduct with regard to human rights and labour practices.

A. Steps to Prevent and Reduce the Risk of Forced Labour and Child Labour

We are committed to preventing forced labour and child labour in our corporate activities and supply chains. Primo Water believes in the worth and dignity of each individual and pledges to uphold the basic freedoms of all individuals, and is unalterably opposed to any system of government or society that denies these freedoms. Primo Water opposes discrimination of any kind, including on the basis of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability or conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered.

During the Reporting Period, Primo Water took the following steps, which are set out further in this Report, to prevent and reduce the risk of forced labour and child labour in its business and supply chains:

- Continued to require suppliers to acknowledge in writing the Global Supplier Code of Conduct and confirm that, in providing goods and services to Primo Water:
 - it has not used involuntary or forced labour, whether indentured, bonded, prison or otherwise;

- it has not confiscated or withheld worker identity documents or other valuable items, including passports, work permits and travel documentation;
 - it has not unreasonably withheld or diverted workers' wages;
 - it has not been, and is not, keeping workers' personal documents as a means to bind them to employment or to restrict their freedom of movement;
 - all workers are voluntarily employed in the facility(ies) where Primo Water's goods are made/services are provided; and
 - no prisoners (convicts) are working at the facility(ies) where Primo Water's goods are made/services are provided.
- Gathered information on worker recruitment to ensure workers are recruited voluntarily;
 - Reviewed its supply chains and activities that represent a higher risk of forced labour and child labour;
 - Updated and reviewed due diligence processes for identifying, addressing and prohibiting forced labour and child labour in the Company's activities and supply chains;
 - Ensured that the Company does not do any business with suppliers in sanctioned countries;
 - Implemented clauses in supplier agreements regarding compliance with the Company's Global Supplier Code of Conduct;
 - Audited and monitored its suppliers through site visits; and
 - Continued to offer training and awareness materials on human trafficking.

B. Primo Water's Business and Supply Chains

Primo Water is a leading North American-focused pure-play water solutions provider that operates largely under a recurring revenue model in the large format water category (defined as three gallons or greater). This business strategy is commonly referred to as "razor-razorblade" because the initial sale of a product creates a base of users who frequently purchase complementary consumable products. The "razor" in Primo Water's revenue model is its industry-leading line-up of innovative water dispensers, which are sold through approximately 10,900 retail locations and online at various price points. The dispensers help increase household and business penetration which drives recurring

purchases of Primo Water's "razorblade" offering or water solutions, comprised of Water Direct, Water Exchange, and Water Refill. Through its Water Direct business, Primo Water delivers sustainable hydration solutions direct to customers, whether at home or to businesses. Through its Water Exchange business, customers visit retail locations and purchase a pre-filled bottle of water. Once consumed, empty bottles are exchanged at our recycling center displays, which provide a ticket that offers a discount toward the purchase of a new bottle. Water Exchange is available in approximately 17,500 retail locations. Through its Water Refill business, customers refill empty bottles at approximately 23,500 self-service refill drinking water stations. Primo Water also offers water filtration units across North America.

Primo Water has a global supply chain that revolves primarily around packaging (bottles, labels, and closures, among others) and equipment (dispensers and water filtration) provided by our suppliers, as well as the logistics and administrative services required to manage operations. We recognize the responsibilities that come with a global supply chain and have made progress towards our responsible supply chain strategy through our Global Supplier Code of Conduct. The strategy intends to build on our current focus of ensuring that our suppliers comply with all applicable laws and regulations. We oppose human trafficking in all its forms and we aim to ensure our suppliers comply with all applicable human relations laws and regulations.

Primo Water has business operations in North America, Europe and Israel. As of December 30, 2023, we had over 6,400 employees, of whom 6,330 were located in North America.

C. Policies, Governance and Due Diligence Processes

The Company operates according to the following policies, procedures and programs that outline its approach to preventing forced labour and child labour in its operations:

- ***Global Supplier Code of Conduct:*** As we work with suppliers located around the world, it is necessary for us to have controls in place towards responsible supplier practices. Our Global Supplier Code of Conduct covers business integrity, human rights, health and safety, and environmental management, outlining our expectations on each topic. Through our commitment to the highest standards of business conduct, our code covers responsible supplier practice topics, such as child and forced labour, working conditions, non-discrimination, audits, supplier diversity, freedom of association, anti-bribery, and confidentiality. Since 2020, we have required suppliers to adhere to this code of conduct, with the long-term goal of screening them based on their ESG practices, amongst other criteria. In 2023, we implemented a risk management tool that helps us track our top 300 suppliers across ESG performance metrics. We proactively manage top suppliers to ensure issues and concerns are assessed promptly and to help address any gap areas.

- **Supplier Audits:** Contractually and based on the supplier's compliance with the Global Supplier Code of Conduct, we have the right to conduct audits on suppliers. Audits or inspections can be conducted by us or by a third-party organization for all supplier facilities, records, or associates. The goal of supplier audits is to create a mechanism to engage with suppliers and seek out opportunities to enhance responsible business practices.
- **Supplier Diversity Program:** In 2022, we made advancements in our supplier diversity program. We implemented supplier diversity reporting capabilities to determine our baseline spend as well as identified and engaged with certifying agencies to express our interest in future partnership and corporate membership. We were also active with community outreach and engagement, participating in supplier diversity conferences and speaking engagements that share the value that Primo Water holds for supplier diversity. Our 2023 diverse spend has grown by 11% from 2022 to 2023, reaching 85 diverse suppliers in 2023. To ensure we follow best-in-class procedures, all suppliers eligible for the program must be certified diverse through respective certifying agencies.
- **Global Anti-Bribery and Corruption Policy:** The Company is committed to the highest standards of ethical conduct and integrity in its business activities in Canada and globally. This policy outlines the Company's position on preventing and prohibiting bribery, in accordance with applicable legislation. The Company will not tolerate any form of bribery by, or of, its employees, agents or consultants, or any person or body acting on its behalf or any third parties, including third-party suppliers.
- **Code of Business Conduct and Ethics:** The Company is committed to doing business responsibly, which includes the work done by our suppliers. Among other things, this Code ensures that Primo Water will engage in fair competition, including when dealing with its suppliers, and how to avoid conflicts of interests with suppliers.

D. Assessing and Managing Forced Labour and Child Labour Risks

Primo Water continuously evaluates, reviews and manages the risk of forced labour and child labour in its supply chains. We identify risks throughout our supply chains and may take remedial actions where there is an identified risk. Pursuant to such review, the Company recognizes that (a) the sector and industry it operates in, (b) the types of products it produces, sells, distributes and imports, (c) the locations of its activities, operations and factories, (d) the raw materials and commodities used in its supply chains and (e) its direct suppliers, represent risks of forced labour and child labour. To address these risks, the Company completes ongoing due diligence on its overall operations, including with respect to its supply chains, to take action to prevent forced labour or child

labour, and associated harms, from occurring or re-occurring. Furthermore, the Company's Global Supplier Code of Conduct offers a reporting mechanism for its suppliers to report any Primo Water employees, or any individual or entity acting on Primo Water's behalf, to the Company for illegal or otherwise improper conduct.

E. Training

The Company requires that all of its employees on the procurement team and all human resources managers, on hire and every two years thereafter, complete a human trafficking course. The human trafficking course introduces employees to the topic of human trafficking. Coverage includes human trafficking warning signs, preventing human trafficking in the organization and its supply chain, and how to support anti-trafficking efforts through awareness, advocacy and action. This course aims to help the Company manage its risk and reputation by providing its employees with the tools and knowledge to recognize and prevent human trafficking.

The Company also provides training to all of its employees on the Code of Business Conduct and Ethics, on hire and annually thereafter.

F. Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act on May 8, 2024 by the Board of Directors of Primo Water.

This Report was approved pursuant to subparagraph 11(4)(a) of the Act on May 22, 2024 by the Board of Directors of Aquaterra.

In accordance with the requirements of the Act, I, the undersigned, attest that I have reviewed the information contained in this report for Primo Water and Aquaterra. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the financial year ended December 30, 2023.

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Robbert Rietbroek
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Robbert Rietbroek, Director and Chief Executive Officer of Primo Water Corporation

DocuSigned by:
David Hass
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David Hass, Director of Aquaterra Corporation

May 22, 2024