

A. O. Smith Corporation Publishes 2020 Corporate Responsibility & Sustainability Report

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Details conservation efforts, greenhouse gas emissions reduction goal and more

MILWAUKEE, Jan. 6, 2021 /PRNewswire/ -- <u>A. O. Smith Corporation</u> (NYSE: AOS) today announced the release of its 2020 Corporate Responsibility <u>& Sustainability Report</u>, which documents the company's environmental, social and governance activities and performance over the past two years. The 2020 report details the positive impact of A. O. Smith's highly efficient products, highlights the company's commitment to its employees and communities in which it operates and announces its first greenhouse gas emissions (GHG) reduction goal of 10% by 2025.



"We are proud to share the positive impact A. O. Smith is having in the areas of efficiency, energy and water conservation and sustainability, and the forward movement we have made over the past two years to reduce our contribution to global carbon emissions," said Kevin Wheeler, chairman and chief executive officer. "The strength of our company and ability to meet these goals are dependent on our employees who live our values and identify opportunities to improve our processes, deliver outstanding performance and bring innovative, high efficiency products to market."

"The adoption of our first GHG emissions reduction goal is an important step for A. O. Smith to help further advance our innovation efforts as we work to mitigate the impact we have on the environment and be good stewards of the resources we use in our operations," said Patricia Ackerman, senior vice president, investor relations, treasurer and corporate responsibility & sustainability. "The goal was developed through a strategic initiative to identify opportunities to further reduce and conserve water, natural gas and electricity consumption and associated GHG emissions. This is a journey for the A. O. Smith organization, and we recognize and are committed to the work to be done to achieve our goals in the coming years."

The report describes achievements in five key areas: creating innovative, customer-centric and efficient products; maintaining strong operational discipline; practicing responsible supply chain management; being a good place to work; and being an upstanding corporate citizen.

Below are some of the key report highlights:

- Products with a positive environmental impact represented 28% of 2019 sales.
- Over 1.2 billion single-use plastic bottles of water were displaced through the sale of water filtration systems and replacements in North America.
- Sales of high-efficiency water heaters and boilers from our North America business units offset GHG emissions of 222,790 tons and 289,110 tons, respectively.
- The 2020 Global Employee Engagement Survey had a participation rate of 96% with high scores for employee loyalty and engagement.
- A total of \$1.6 million in donations through the A. O. Smith Foundation's partnerships with 199 nonprofit organizations supported the primary focus areas of education, human services, art and culture and health.

About A. O. Smith Corporation

A. O. Smith Corporation, with headquarters in Milwaukee, Wis., is a global leader applying innovative technology and energy-efficient solutions to products manufactured and marketed worldwide. Listed on the New York Stock Exchange (NYSE), the company is one of the world's leading manufacturers of residential and commercial water heating equipment and boilers, as well as a manufacturer of water treatment and air purification products. For more information visit <u>www.aosmith.com.</u>

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