



Solutions to
Shape the World™

Reliance Worldwide Corporation

Social Impact Report 2019



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Note: Financial figures are in AUD unless otherwise specified.

Cover image: Sean McClenaghan, CEO Americas and Andrew Johnson, CFO Americas taking part in our Habitat for Humanity project.



John Guest / Bielefeld / Germany

Uwe Klarhorst, Technical Support Team and Stefanie Riepe, Sales Support Team, John Guest Germany. Our Geothermal Earth Pump system is a highly sustainable source of energy, generating 52KW of power for the building's underfloor heating and cooling system.



Message from Group CEO, Heath Sharp

“We continue to develop technologies which make the lives of our end users easier while at the same time making a positive impact on the environment.”

Welcome to RWC’s first Social Impact Report. We reveal a lot of great work being done by our people, but also recognise that we have a tremendous amount to do going forward.

We have been energised by the positive reaction of our RWC people as we begin this journey. There is a groundswell of enthusiasm across the organisation, and it is this energy that will propel us to the next level. This is always the way at RWC – our great people applying their significant capabilities and energy, delivering fantastic outcomes.

Our values underpin everything we do: passion, innovation, reliability, integrity and simplicity. We have an open culture, encouraging company-wide conversations and valuing everyone’s opinions. It is this culture that has driven us to where we are today and will support us in the future.

These values influence our approach to corporate social responsibility, helping us to make business decisions which make a positive impact on employees, customers, suppliers, shareholders and the broader community. We acknowledge the role we play in shaping a more sustainable, just and equal world. Whether that’s sustainably sourcing raw materials, eliminating waste in our manufacturing processes, ethical management of our supply chain, or engaging our people and resources to help communities overcome challenges.

Many of our products have a sustainability objective at their heart. These include solutions that optimise energy consumption and innovations that make the use of water more efficient and less wasteful. We continue to develop technologies which make the lives of our end users easier while at the same time making a positive impact on the environment.

We intend to publish a Social Impact Report annually so that you can follow our progress. This first report sets a starting point and our aim is to improve each year in terms of transparency, completeness and measurement of performance. We look forward to sharing our story with you.

Heath Sharp
Group Chief Executive Officer

1.0

About RWC

At RWC, we design, manufacture and distribute clever, innovative products that include pipe, valves, fittings and a range of ancillary products.



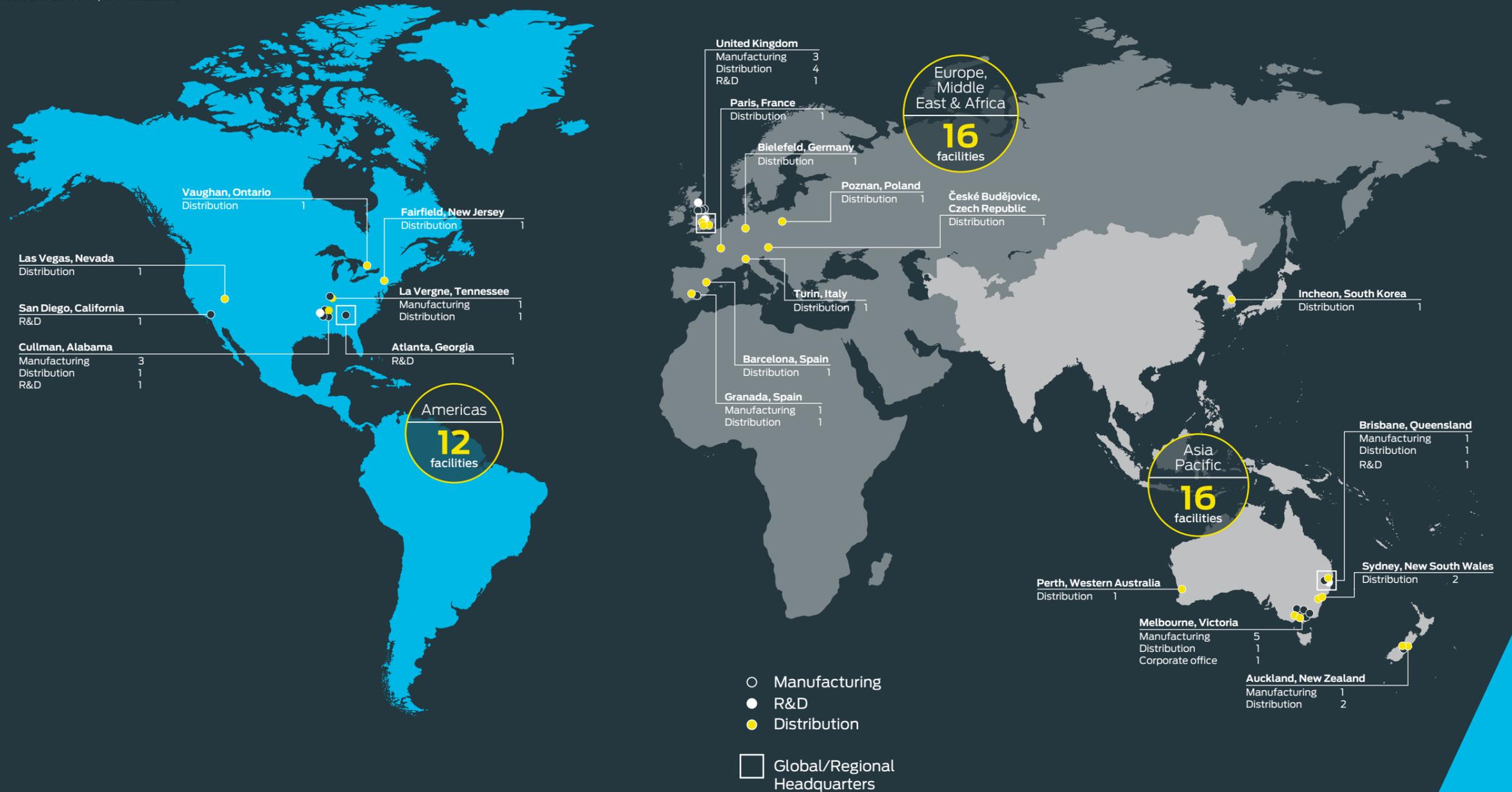
Our locations

We expanded significantly in June 2018, just prior to the reporting period covered by this report, with the acquisition of the UK-based John Guest group.

We operate manufacturing and distribution facilities in 14 countries, with 15 manufacturing plants, 24 distribution centres and 5 research and development centres. Total employees exceeded 2,300 at 30 June 2019. RWC products are distributed for sale in over 60 countries worldwide.

In the year ended 30 June 2019, our activities generated net sales revenue of \$1.1 billion, resulting in a net profit after tax of \$133 million.

Our operations are organised into three regions:



Our values

Our vision is to shape a better world for our customers, employees, wider communities and shareholders through a relentless focus on making lives easier.

We work to achieve this vision in a way which is consistent with our values of passion, innovation, reliability, integrity and simplicity. Every day we go to work to develop fresh ideas to make an immediate, tangible difference to the performance, safety and sustainability of the modern built environment.

Within our family of brands, you will see a reflection of the shared beliefs, sheer dedication and focused ethics of every single member of our team.

At RWC, we aim to have no barriers or dividers. We're an inclusive company with an open culture to match, encouraging company-wide conversations and listening to everyone's opinions to help us shape a better world.



Innovation

As industry pioneers we're not afraid to challenge convention with **bold** ideas and adventurous decision-making.



Passion

We genuinely care about people, property and the world around us. We're **inclusive, supportive and responsive**, anticipating our customers' needs.



Reliability

We engineer lasting **quality** into everything we do. We're **reliable** and **committed** to delivering on our promises. For our customers we are a true **value-added partner**.



Integrity

We do what's right, we're **accountable**, responsible and respectful.



Simplicity

We create time saving solutions that are easier to use, more efficient and embrace **sustainability** wherever possible.



 **Cullman / Alabama / USA**
Two of many global RWC Safety Teams –
'The Guardians of Safety' and 'The Life Savers'

Our strategy

Our strategic priorities help guide where we want to drive our customer value proposition of innovative, easy to use, value adding products.

At RWC, one of our key priorities is to accelerate the growth of our core business in repair and maintenance in the USA, UK and Australia through increasing conversion and market share of push-to-connect fittings and related targeted solutions.

Another of our priorities is to expand into adjacent plumbing, heating and fluid technology markets. Plans may include taking core products to new end users or bringing new or expanded solutions to our core end user segments. This is provided they continue to fall within the meter-to-fixture, floor-to-ceiling category.

We also continue to look for opportunities to access new geographical markets. We believe that there is significant growth in the markets where we are today, within the product space we play in, and the end user segments we target. But we will also consider expanding geographically.



2.0

Sustainability

Running our business responsibly is vital to our long-term future, as the decisions we make can have important consequences for the economy, society and the environment.



John Guest manufacturing site / Launceston / Cornwall / UK

Roof mounted solar panels generate up to 34% of this site's energy requirement. Within the building there is also an innovative lighting scheme that includes daylight harvesting. The plant is A+ energy rated due to its innovative design and energy focus.



About this report

Our first RWC Social Impact Report focuses on our performance during the year 1 July 2018 to 30 June 2019.

Running our business responsibly is vital to our long-term future, as the decisions we make can have important consequences for the economy, society and the environment.

In this report we establish a baseline for our approach to sustainability, identifying our material topics and how they are currently managed, our achievements and areas for improvement. For a number of topics, we are just starting to collate relevant data – we indicate where we do not yet have complete global data. We expect to be able to improve the quality and quantity of data provided in future years as our reporting develops.

The report references the Global Reporting Initiative (GRI) Standards 2016, as detailed in the GRI Index (p. 76).

If you have any questions or feedback regarding this report or its content please contact: investorrelations@rwc.com

The world around us

Macro trends relating to water are creating challenges for the built environment that RWC can help to solve.

We have existing solutions in the products we provide and are constantly searching for innovations that will become the solutions for the future. There may be many different applications across the regions in which we operate.



Sustainable Development Goals

Global trends and challenges, relating to water and the built environment, align with the Sustainable Development Goals (SDGs). These are a set of 17 interrelated objectives adopted by world leaders at a historic UN summit in 2015. The SDGs set out the key challenges for the global community to address by 2030.

The SDGs of particular relevance to RWC are:



We see many opportunities for RWC to make a positive contribution to sustainability through the products we design and make, our people and approach to business.

A clear role for our group is in the provision of clean water and sanitation. This relates to developing sustainable and resilient infrastructure, particularly in the context of cities. Because water and energy are closely connected, water efficiency also contributes to energy efficiency – enhancing the sustainability benefit of our solutions.

Managing the life cycle of our products is also a key area of focus. As a manufacturer and distributor, we also recognise that our operations have an environmental footprint, meaning we need to manage the social and environmental impacts of our supply chain.



Cullman / Alabama / USA

Alex Gonzalez, Engineering Technician and Josh Young, Controls Technician reviewing plans to improve the closed-loop water system to reduce water consumption even further.

Our material topics

We have established our material sustainability topics through a process informed by the Global Reporting Initiative (GRI) Standards, the widely adopted standards for sustainability reporting.

The process we have undertaken has comprised an extensive review of internal sources including strategies, policies and communications, as well as external sources including peers, media, industry bodies, investors and non-government organisations. Research was supported by the results of interviews conducted with senior internal stakeholders.

Current and emerging topics were prioritised according to their importance both to RWC and to stakeholders. RWC's impact, assessed in relation to the UN SDGs, was also taken into account. Oversight of the process was provided by a cross region steering committee who validated the findings. The material topics identified are outlined below, grouped into four themes. Each of these topics is addressed in this report, together with additional topics that were not assessed as material, but which are of interest to some stakeholders.

RWC's material topics by theme*

Our products	<ol style="list-style-type: none"> 1. Product innovation 2. Product quality & safety 3. Product stewardship & consumer health
Our people	<ol style="list-style-type: none"> 4. Culture & ethical behaviour 5. Health, safety & well-being 6. Diversity, inclusion & equal opportunity
Our community & environment	<ol style="list-style-type: none"> 7. Operational environmental impacts 8. Supply chain social & environmental impacts 9. Energy & greenhouse gas emissions 10. Community engagement & investment
Governance	<ol style="list-style-type: none"> 11. Governance & compliance

* Note that numbers are for identification purposes, and do not indicate prioritisation

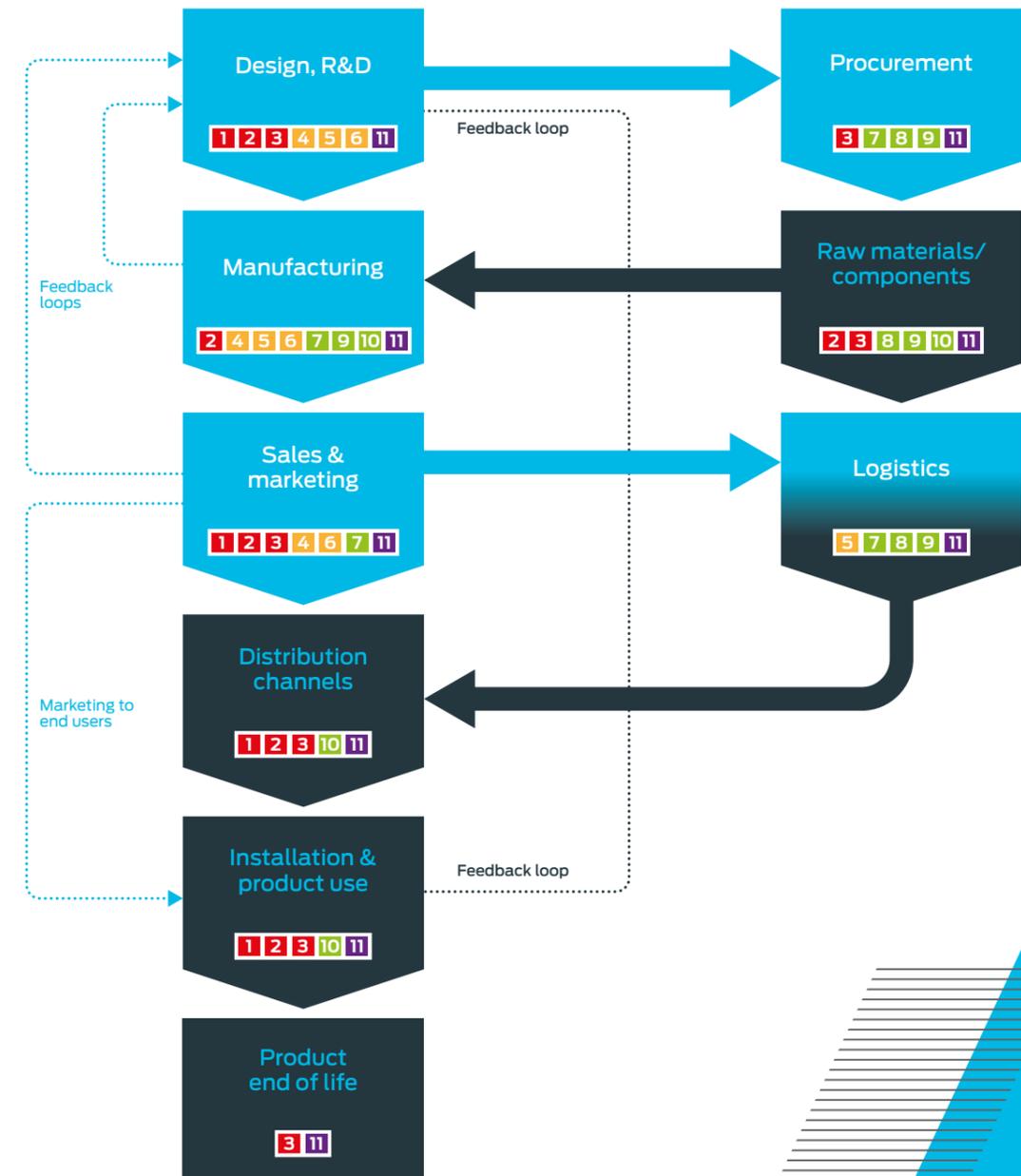
Focusing on the material topics that matter most

Our material topics, outlined in more detail below, cover the essential areas of importance to our customers, stakeholders and communities as well as the wider environment.

	Material topic	Why this is material for us
Product	1 Product innovation	Innovation is at the heart of our business model. We pride ourselves on allowing our engineers the freedom to explore simple, safe, efficient ways to help our customers deliver, control, optimise and solve.
	2 Product quality & safety	Product quality and safety is paramount to maintaining our loyal customer base. Our customers rely on our product to get the job done, ensuring that end users receive a product which satisfies their requirements.
	3 Product stewardship & consumer health	Taking products to market which have a positive impact on the people and the environment in which they exist has always been important to the company and is something we push ourselves to create more of, every day. Our products need to perform reliably over a long lifespan.
People	4 Culture & ethical behaviour	We aim to live our values of passion, innovation, reliability, integrity and simplicity. We believe this helps us to recruit and retain talent.
	5 Health, safety & well-being	Employee health and safety is essential to any manufacturing company and we take this extremely seriously. We constantly assess our policies and practices to meet our ongoing commitment to keeping our people safe.
	6 Diversity, inclusion & equal opportunity	Diversity drives our ability to attract, retain, motivate and develop the best talent, create an engaged workforce, deliver the highest quality services to its customers and continue to grow the business.
Our community & environment	7 Operational environmental impacts	As a manufacturer we aim to minimise the environmental impacts of our operations, including waste management, water consumption and air pollution.
	8 Energy & greenhouse gas emissions	As a manufacturer, we consume a significant amount of energy and contribute to greenhouse gases. We recognise the need to continue to reduce this impact going forward.
	9 Supply chain social & environmental impacts	We source a range of raw materials and components from numerous countries and regions. We recognise the need to take more ownership of potential social and environmental impacts in our supply chain.
	10 Community engagement & investment	We seek to be a good corporate citizen of the communities in which we operate, and to have a positive impact through meaningful engagement and investment.
Governance	11 Governance & compliance	The Board is committed to optimising performance and building sustainable value for shareholders. In conducting business with these objectives, the Board seeks to ensure that the group is appropriately managed and that its Directors, officers and personnel operate in an appropriate environment of corporate governance.

Our material topics throughout our value chain

The materiality process included consideration of impacts throughout our value chain, which are outlined below. To date, our sustainability focus has been primarily on our own operations. Looking ahead we will be giving greater consideration to our supply chain.



Stakeholders and engagement

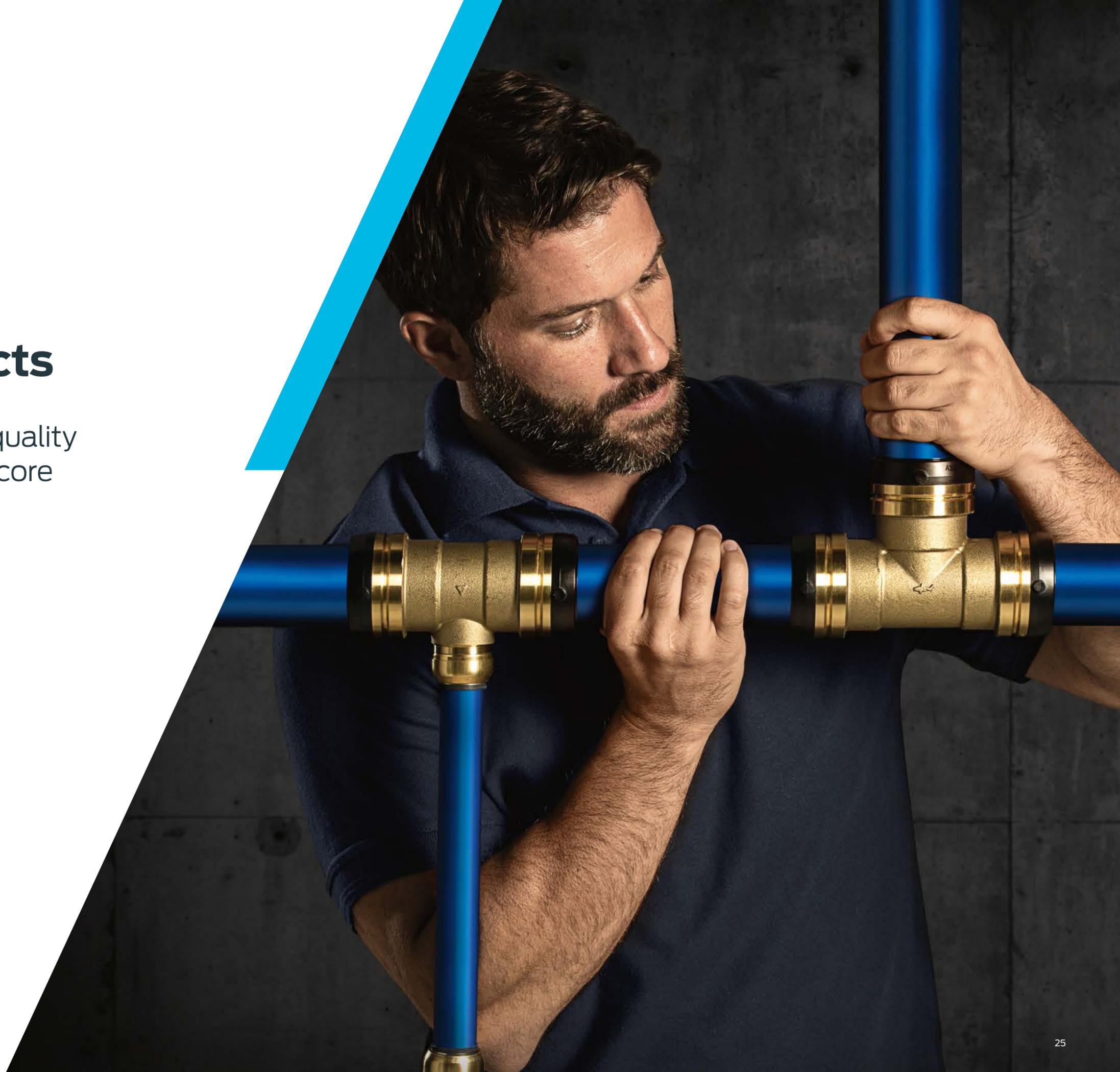
RWC engages with a range of stakeholders during different phases of our value chain. We outline below how we engage with our various stakeholders on the key issues which matter to them.

	Employees	Suppliers	Distributors	Customers	End users	Investors	The community	The environment	Government/ regulators
Key sustainability issues	<ul style="list-style-type: none"> Health, safety & well-being Diversity inclusion & equal opportunity Culture & ethical behaviour 	<ul style="list-style-type: none"> Product innovation Product quality & safety Supply chain social & environmental impacts 	<ul style="list-style-type: none"> Product innovation Product quality & safety Product stewardship & customer health Supply chain social & environmental impacts 	<ul style="list-style-type: none"> Product stewardship & customer health Product quality & safety Product innovation 	<ul style="list-style-type: none"> Product stewardship & customer health Product quality & safety 	<ul style="list-style-type: none"> All material topics 	<ul style="list-style-type: none"> Community engagement & investment Operational environmental impacts Energy & greenhouse gas emissions 	<ul style="list-style-type: none"> Supply chain social & environmental impacts Operational environmental impacts Energy & greenhouse gas emissions 	<ul style="list-style-type: none"> Health, safety & well-being Governance & compliance Product quality & safety
Who are they to RWC?	People employed by RWC and its subsidiaries, as well as contractors.	Companies that provide raw materials, components or services to RWC.	Wholesale and retail channels that distribute our products to customers.	The professional plumbing community, construction companies and original equipment manufacturers (OEMs).	The owners and occupiers of buildings where our products are installed and in use.	Institutional and individual shareholders, brokers, analysts and others with a direct financial interest in RWC.	People living locally to RWC operations; society more broadly.	The natural capital that we draw on or impact through our operations.	Defined as the body which supervises business activity amongst the wider industry. Also defined as the government of the region/s in which the company is operating.
How we engage	Daily first-hand interaction. Channels include our global intranet site (SIMON), company bulletins, quarterly town halls by region, internal videos and a staff magazine (John Guest).	Direct relationships, managed regionally. We recently appointed a global procurement manager.	Direct relationships through account managers (under sales & marketing teams), including marketing collateral, constant collaboration on special promotions, customised in-store displays and inventory management.	Customers' primary engagement is with our distributors. Digital engagement through website, social media, push notifications and online video instructions (YouTube). In-store seminars to demonstrate and explain products. We attend relevant trade shows and conventions and market via trade press and traditional media. A display centre has been created in Atlanta to display the entire product offering. OEMs are account managed.	Engage via plumbers. New consumer facing products (e.g. StreamLabs) call for more direct engagement.	Dedicated investor relations function. Investor presentations, reports and announcements. Site visits and investor days. One-on-one account management with institutional investors, broking analysts and industry bodies.	Localised engagement through philanthropic activities.	A consideration at all operating sites.	Engage through compliance measures and meeting enforced regulation criteria, ensuring products comply to standards in each jurisdiction. RWC rarely engages in lobbying or advocacy.
Further detail	Our people (p. 40)	Our products (p. 24)	Our products (p. 24)	Our products (p. 24)	Our products (p. 24)	Governance (p. 70)	Our community and environment (p. 54)	Our community and environment (p. 54)	Governance (p. 70)

3.0

Our products

Innovative, high-quality products are the core of our success.



Our products

Innovative, high-quality products are the core of our success. For decades we have been producing a portfolio of products that our customers know to be efficient, effective and reliable.

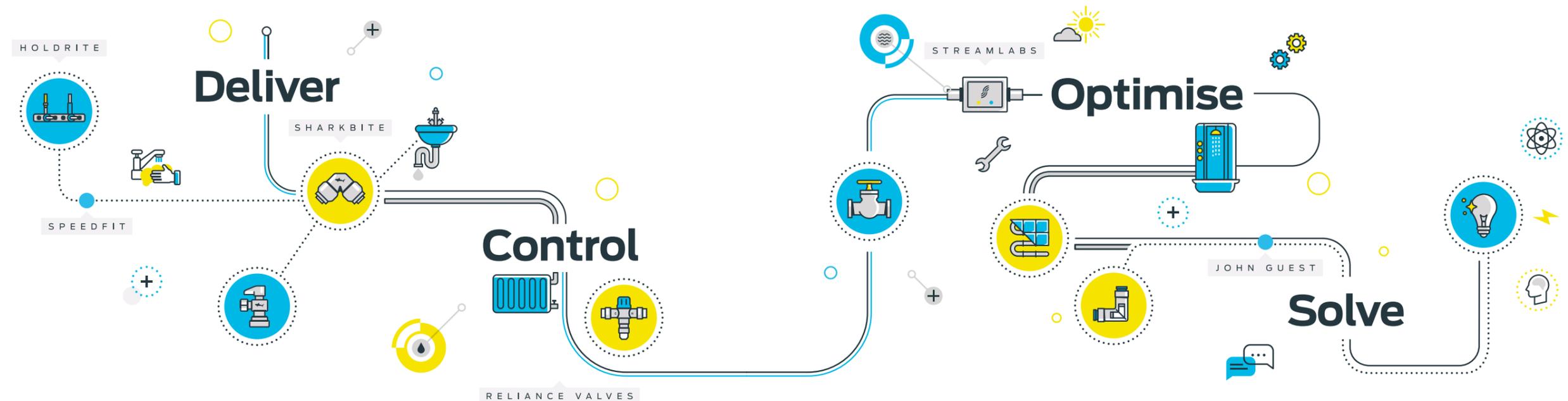
Our products help our customers to deliver, control, optimise and solve.

Deliver	Control	Optimise	Solve
World leading push-to-connect technologies and engineered solutions that deliver high performance, time-saving solutions for plumbing and heating.	World leading temperature and pressure control valves for the precise, reliable and safe control of water to residential, commercial and industrial properties.	Smart technology optimising the performance and energy efficiency of water and heating systems.	Intelligent solutions that solve challenges for a diverse range of industries, including drinks dispense, pure water, air and pneumatics, blown fibre, automotive and original equipment manufacturers.

Our family of brands

Deliver	Control	Optimise	Solve
SharkBite® EvoPEX® Nexus®	CashAcme® RMC Reliance VALVES® Reliance VALVES®	StreamLabs®	John Guest® TubeFit Titon INDUSTRIAL FITTINGS® WatsfordTubex® RyeMetal® Matthews FIRE ALARM®
Residential Commercial			Industrial
Service & Repair Renovation New Construction			MRO OEM
Americas APAC EMEA			

Our integrated solutions

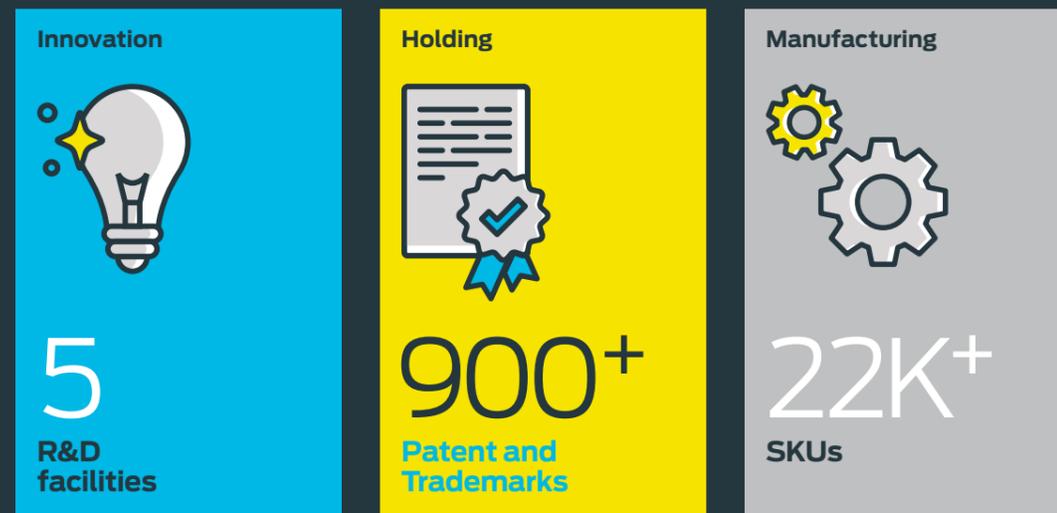


Product innovation

Innovation has been ingrained in RWC since its inception. Built on our founders' entrepreneurial legacy, RWC was born from the desire to challenge convention. Our aim has always been to help make customers' and end users' lives easier, safer and more efficient.

The RWC group has delivered many industry firsts that have changed the course of multiple industries forever. This includes our brass and plastic push-to-connect fittings and accessories for plumbing and heating systems, and our pressure and temperature control valves.

We always look at the world with an inquisitive mind, seeking solutions and developing breakthroughs for our customers.



We continuously invest resources into our five research and development facilities to create pioneering technologies. We maintain strong relationships with our customers and ensure we have constant feedback loops from the front-line customer service team back to product research and development. Our innovations often come from sales or product managers who identify a need in the marketplace. We also add innovative products to our portfolio through strategic acquisitions.

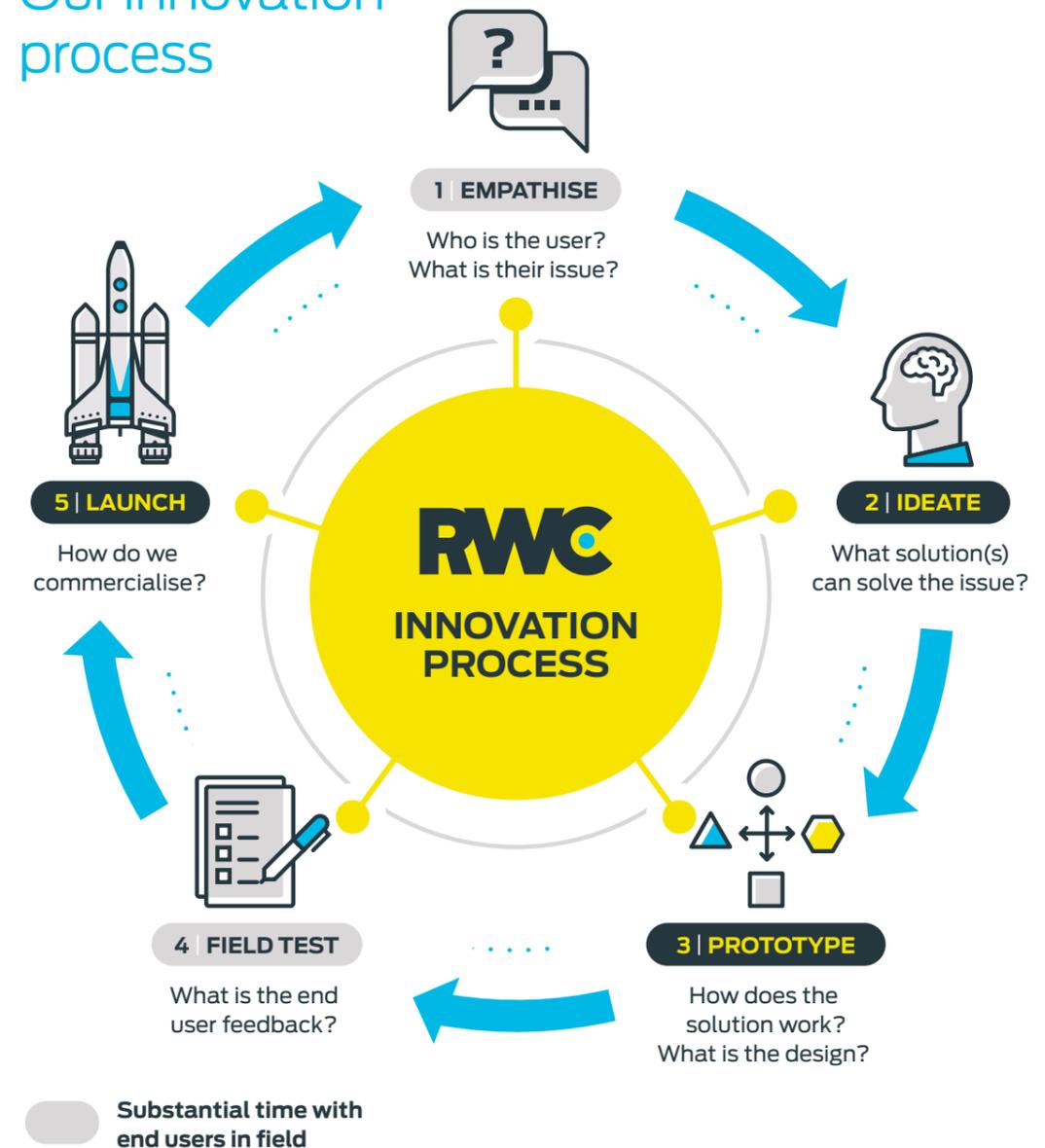
Our research and development teams look for distinctive features that offer genuine enhancements for our customers. Innovations are tested through market research and business modelling alongside our rigorous performance testing.

We have continued expanding our offering of smart technology water monitoring solutions. We are adapting to global trends, developing a proprietary Internet of Things (IoT) platform that will enable the development of connected products across our major categories. This will firmly position RWC at the leading edge of smart plumbing solutions.

Our first move into this new market segment has been with the StreamLabs product range. StreamLabs has the potential to revolutionise water control management in homes and commercial buildings, providing a new level of protection from water damage. We plan to expand this direct-to-consumer product line, providing access to previously unattainable information.

RWC's innovation mindset also extends to production techniques, equipment and processes. We have adopted robotics in many stages of our production process, increasing our productivity and allowing us to maintain high quality with reduced defects.

Our innovation process



Product quality and safety

Our distributors and customers rely on our commitment to product quality and safety. This has led to recognition from many of the world's leading testing and approvals organisations. The quality of our products is also a significant source of pride for our employees. It is in our culture to aim for products that exceed industry standards and compliance requirements.

RWC has developed in-house testing labs that enable us to conduct rigorous, certified testing. Our people are highly experienced, and we are hard on ourselves. For example, we test many products to 1.5 times the required pressure. This ensures that most quality issues are caught and resolved in-house, meaning a higher quality product going to market. Our testing labs are audited by third parties on a regular basis, and our Australian laboratory is approved by the National Association of Testing Authorities (NATA). Many of our products have ISO and similar certifications, with our Australian and New Zealand management systems conforming to ISO 9001: 2015.

Testament to our quality focus is that during this reporting period RWC has not been subject to any product recalls. In John Guest, we acquired a company with a similar commitment to quality. We have been building on this, introducing RWC's culture of owning quality at all levels – from management to the shop floor.

Quality reports from each region form part of our regular reporting to the executive and board. We actively share ideas across all our geographies, looking for efficiencies and corrective actions. This ensures alignment between operations, and instigates new training, procedures or equipment to prevent any problems from recurring.

The quality of our products extends beyond their performance to their ease of use, attractiveness and value for money. Many of our products, such as our push-to-connect fittings, improve efficiency and productivity for our customers. They are easy to understand, quick to install, and are accessible to plumbers of all experience levels.

“We found that the savings in time were over 50%, so we chose to do a whole project with SharkBite EvoPEX just for that reason.”

Rob Cosner, Dave Williams Plumbing & Electrical



Setting the standard for simplicity and sustainability

When we came to launch SharkBite in the USA we discovered there was no recognised product standard for push-to-connect fittings. So, we approached the USA Plumbing Code and valve bodies to help develop one.

The result is a fitting system that is more efficient and easier to install. If a mistake is made, it can be removed and refitted, as opposed to traditional fittings that have to be cut-out and discarded. In many applications SharkBite replaces traditional fittings systems that can require chemical solvents and glues, chemical fluxes and solders and the application of heat.

The rapid growth in the use of SharkBite is testament to its robust quality and ease of installation, with its sustainability credentials being an advantage for everyone.



Product stewardship and consumer health

It is important to us that our products contribute positively to the community in which they are used. Many of our products have a sustainability objective at their heart, improving community safety, well-being and energy efficiency – as well as meeting the needs of our customers.

Our Thermostatic Valves monitor the water temperature coming from a tap, reducing the risk of scalding. They can also reduce biological hazards from pathogen dispersal.

Other products reduce the risk of water wastage or water damage to property. In 2020, 800,000 USA homes will file a water insurance claim. Our new StreamLabs product monitors water data in real time to help consumers detect leaks, learn about water habits and find ways to use water more effectively. See case study on p. 38.

Our commitment to quality also allows us to install products which have a longer, more efficient life span. RWC has been involved in many large-scale projects, allowing our full range of product attributes to be showcased.



Project showcase:
**Hollywood Circle,
Florida**

TestRite is designed to perform five times faster than traditional methods of testing drain, waste and vent systems. It can prevent water spillage and keeps installers, as well as property, safe and dry. A 30-story high-rise residential building with 40 plumbing stacks uses about 20,000 gallons of drinking water during testing.

TestRite is the only testing system that provides the opportunity to conserve, and even reuse, test water. This is an essential feature for areas where water supply is of high concern.

Project showcase:
E-Smart House, Duxford, UK

Designed by prefabricated housing manufacturer, Cygnus Homes, the E-Smart House represents the affordable, eco-friendly home of the future.

They needed a state-of-the-art plumbing system that would allow for a swift and reliable off-site pre-installation. It had to be flexible enough to seamlessly fit within each of their 25 floor plans and over 100 unique house configuration designs.

The solution was RWC's innovative SharkBite metal push-to-connect technology. SharkBite fittings are designed for efficient, easy and flexible installation, with no compromise on performance or reliability.

Reducing installation time by 75%, SharkBite offers instant, tool-free connection, making it particularly suitable for off-site construction projects.

Modular buildings are often transported to site in sections, where the ability to instantly demount the plumbing system and then simply connect it at the final stage is a true advantage.



Brand presence and customer connection

RWC has a range of well-established brands in markets worldwide. In March 2019 we brought these together under a new umbrella brand identity, and launched the new RWC website. This refresh has allowed both internal and external stakeholders to better understand our brands and how they fit into the larger RWC story.

We connect with our customers in the plumbing and construction industry through multiple channels. This means that our brand presence among retailer distributors is paramount. We work closely with retailers on how our products are stocked and displayed. Our products not only look great, but are accompanied by in-depth information about what they deliver and installation best practice. This includes in-store seminars and how-to videos.

Being able to interact with our customers face-to-face creates trust and gives us access to valuable feedback that helps us keep our products relevant and forward thinking. RWC maintains its brand presence with customers by attending multiple regional expositions and major manufacturing events around the world. These include the International Builders Show, ISH and AHR. Internally, we have established display centres in several of our offices to showcase our products to employees. We also maintain multiple channels to connect with customers digitally and through social media.



In FY19 RWC has earned a range of awards:



JG Speedfit named **Best Plumbing Brand** at BMJ industry awards, voted by industry professionals



Lowe's 2018 **Vendor partner of the year**



Ace Hardware Show 2018 **Vendor of the Year**



2018 **Best Booth Winner** – Large Booth Category award at The American Society of Plumbing Engineers (ASPE) 2018 Convention & Expo



“Quality... I could hardly pick anything else. RWC product quality and systems are entrenched in everything we do.”

Robert Rattray
Quality Manager, Brisbane



CASE
STUDY



Changing the industry today and tomorrow

Reliance Valves invented the world's first packaged unvented water heating storage system and low-pressure relief valve, over 70 years ago. We are still pioneering solutions to this day for the plumbing and heating industry.

Our valves provide precise control over the delivery of water through a robust range of potable and non-potable plumbing products. We specialise in water pressure, temperature and thermostatic mixing valves that protect and safeguard hot water systems, while creating safe and comfortable homes and workspaces.



Thermostatic Mixing Valves (TMVs)

TMVs are designed to protect end users from the risk of scalding from hot water and are specifically aimed at protecting people in healthcare, aged care, child care and those with disabilities. TMVs provide a two-fold health benefit as a safety control. Firstly, they protect users from the risk of scalding whilst at the same time they allow water to be stored at elevated temperatures that mitigate the risk of Legionella bacteria.

In the 1990s RWC led the way in the adoption of TMVs in Australia, working with healthcare organisations to highlight the issue of scalding. We were instrumental in the development of the national standard (AS 4032), leading to its inclusion in the National Construction Code, which forms the basis of plumbing legislation in Australia. Since 2003, the use of TMVs (and tempering valves) has been a requirement wherever heated water is used for washing and bathing.

RWC continues to develop innovative new TMV solutions and maintains a strong presence in the regulatory space contributing to the development of new standards and the National Construction Code.

Pressure Reducing Valves (PRVs)

With the growth in high density living and multi-storey dwellings around the world, there is an increased focus on sustainable buildings, including plumbing. Plumbing systems must be designed and constructed to ensure they will meet the demand of end users. They must ensure the efficient delivery of water and minimise the material impact over the life of a building.

PRVs play a key role in achieving this as they regulate system pressure and allow for hydraulic design of the plumbing system to be optimised, thereby minimising operating costs. PRVs also protect end of line devices such as taps (faucets), water filters and ice makers from being exposed to potentially damaging high pressures which may lead to early device failure and potentially costly replacement. By reducing and controlling the delivered water pressure, PRVs also ensure that water is used efficiently and respected as a precious resource.

Through continuous research and development RWC is able to ensure that its PRV products are delivering best-in-class performance.

Backflow Prevention Devices

These are designed to protect people from the health risk of exposure to contaminated water and play a vital role in ensuring public health through the delivery of safe drinking water. This health risk can vary widely, from inconvenience (discolouration, taste, smell) through to illness and potentially the loss of life as a result of microbial, bacterial or chemical contamination. As their name suggests, Backflow Prevention Devices only allow water to flow in one direction, with a variety of designs providing different levels of protection.

“Innovation... this company always strives to go beyond the standards in our industry.”

Scott Nighswander
Engineering Technician, USA



CASE
STUDY



Smart leak detection and control

RWC's StreamLabs product has water preservation and energy saving at its core. StreamLabs is among the latest innovations to join RWC and its family of brands and has huge potential to revolutionise water control management in homes and commercial buildings.

37%

of homeowners in the USA have experienced water damage



StreamLabs optimises today's smart home to provide a new level of protection from water damage. Using advanced ultrasonic technology, StreamLabs lets customers see exactly what is happening with water in their home.

There are two products in the StreamLabs range. The StreamLabs Monitor tunes into the pulse of water supply and delivers accurate data in real time to help detect leaks, learn about water habits, and find ways to use water more effectively.

The StreamLabs Control offers all the features of our Monitor plus advanced water metrics and the ability to remotely shut off your water.

Both the Monitor and the Control are supported by the StreamLabs app that presents information to users in real time.

For the homeowner, the StreamLabs App is the 'mission control' for everything water-related in the home. It supports all StreamLabs devices that exist today, and it will support new StreamLabs devices we release in the future. Not only can home owners see their water usage in real time, but we can also alert them when we think they might have a leak, when their water pressure is too high, or when their pipes are at risk of freezing.

In the USA, 37% of home owners have experienced water damage, with a cost of \$8 billion in insurance payouts every year from 800,000 leak claims. In 2019, StreamLabs measured 114 million gallons of water and prevented over 340,000 leaks in the USA alone. Beyond family homes, StreamLabs can provide peace of mind for owners of vacation homes, for rental properties and multi-family developments.



StreamLabs App

4.0

Our people

Our people are integral to RWC. Our company's success is dependent on the knowledge, experience and talent of our employees combined with the strength and support of our management team.



Cullman / Alabama / USA

Tyler Weeks, Machine Operator.

We operate many recycling and sustainability initiatives at this site, including: PEX curing ovens, PEX shredder and a cardboard compactor. It also uses advanced water recycling technology to optimise and reduce water wastage.

Our people

Our collaborative culture encourages our people to share knowledge and best practice worldwide.

We have an incredibly diverse range of people, working together to shape a better world. And we set new standards of excellence as we go. As a result, all our offices and facilities have a great atmosphere and our people enjoy their work.



We employ over 2,000 people worldwide.



Employee overview as at 30 June 2019 – regions, excluding group roles

Region	Americas			APAC			EMEA			Total		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total
Total headcount	373	254	627	328	122	450	803	432	1,235	1,504	808	2,312
Full time	362	209	571	252	112	364	742	387	1,129	1,356	708	2,064
Part-time/casual	0	0	0	17	7	24	6	23	29	23	30	53
Contract/labour hire	11	45	56	59	3	62	55	22	77	125	70	195

RWC has grown rapidly in recent years, including through acquisitions – most notably the John Guest group. Our operations are managed on a regional basis, and we have both regional and global policies to reinforce our values. Human resources expertise is present in each region – communicating and coordinating regularly to ensure consistent practices across the group, where possible.

We are working towards a more holistic global view on the way we manage and inspire our employees, including key metrics. This will ensure that successful initiatives at the regional level are communicated to the leadership team to roll out across the entire group.

Culture and ethical behaviour

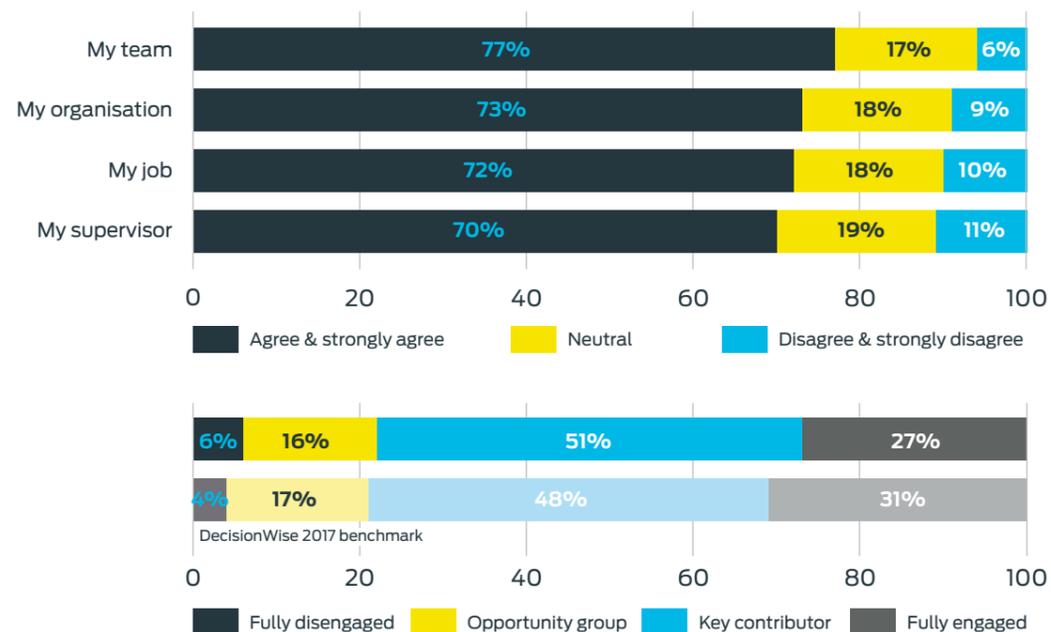
Maintaining a strong culture throughout the group is vital to RWC. A positive culture helps to attract and retain employees, producing an atmosphere that uplifts day-to-day working life. Our philosophy is to trust our employees and empower them.

As we have grown and become a listed company, we have strived to retain the open, informal culture of the private businesses from which we have evolved. We still aim to make decisions for the long-term, stay focused on the welfare of our people, and keep our entrepreneurial spirit alive. This includes looking for innovation not only in our products, but across all areas of operations. We are also fortunate to access the deep technical expertise and passion of a significant number of long-serving employees across our operations.

In March 2019, we launched a global internal digital platform which provides a collaborative space for all employees. As well as providing information at a company level, the platform allows employees to connect via 'communities' of common interests. However, we believe culture is best communicated face-to-face. Our executives spend time engaging directly with local managers and with all employees through town halls and smaller group meetings. This has been particularly important when integrating acquisitions such as John Guest. We use video conferencing solutions for global discussion meetings, reducing the need for travel.

In October 2018, we conducted our first engagement survey in the Americas region. The overall participation rate was slightly above average at 84%. The survey included approximately 50 questions including anchor questions directly tied to employee engagement. Based on employees' responses, the Americas' engagement level was 78%. The highest-ranking topics centred on product and service quality, enjoying work, feeling respected and contributing to the overall success of the company. The survey also pointed out areas of improvement including growth opportunities, feedback from supervisors and internal communication. Action plans have been established to move these aspects forward. We are undertaking a broader employee engagement survey in FY20.

USA engagement survey results, FY19



Maintaining management integrity

Our senior leadership teams undertook performance reviews of their direct reports and other selected personnel. These reviews covered all regions and some group roles.

The process included ranking competency and skill across different cases as well as a self-evaluation and 360 degree surveys, with the goal of encouraging open communication across ranks.

We pride ourselves on our integrity, which is a function of our culture and our policies. Our global code of conduct is used to communicate the behaviour we expect all employees to adhere to. Recently, the code of conduct was recomunicated to all employees to highlight important aspects such as the whistle-blowing hotline managed by an independent third party, which was launched across the group in July 2019. This channel escalates issues to relevant senior personnel to investigate and facilitate corrective action. Summary reports are made quarterly to the Audit and Risk Committee. Topics include discrimination, fraud, theft, breach of legal obligation, security breaches and workplace health and safety violations. Globally, an ethics and compliance breach report is produced each month. In FY19, all regions tracked and reported ethics compliance incidents.

“Passion allows us to be more than we think we can be. It drives us to push our limits and it gives us the opportunity to inspire, be bold and helps fuel our curiosity.”

Sean McClenaghan
CEO Americas



Health, safety & well-being

As a manufacturing company, occupational health and safety is a constant focus at RWC.

Each region has Health, Safety and Environment (HSE) policies and managers whose activities are coordinated and supported centrally. Health and safety training is part of our onboarding process at our manufacturing plants, supplemented by ongoing training, with a handbook available to all employees.

We ensure specific in-depth safety training programmes are completed by all employees, based on the relevant risks, for roles including manual handling, moulding, forklift or heavy machinery operation. In the USA we use the DuPont™ STOP® behaviour-based safety programme.

Daily stand-up meetings are held at our manufacturing facilities in the USA and UK to highlight procedures and communicate potential hazards, particularly at shift changes. In Australia, Health and Safety Committees were formed at two sites in August 2019, comprising department representatives. We intend forming committees to cover our remaining Australian sites who will meet to identify past and potential safety issues.

The regional and global executives review reportable and lost time injuries monthly, together with details of specific incidents. Data is reviewed by the Board on a quarterly basis, and for FY20 we have set a reportable target of 1.05.

Each time a recordable injury occurs, a safety alert is issued to all regions, and may lead to changes in approach to prevent similar incidents. For example, this year the USA introduced a ban on the use of box cutters.

Global safety performance, FY19

	FY19
Lost time injuries	15
Lost time rate*	0.65
Reportable injuries	27
Reportable rate*	1.17
Average employees	2,302.6

* Rates calculated as 12-month sum of injuries x 100 / average headcount

Areas of focus

In addition to metrics such as reportable injury rate and lost time injury rate, all regions are now implementing more proactive metrics.

These include near miss/hazard reporting, behavioural observations, inspections, safety training, and safety committee meetings. Focus on these leading indicators helps to identify and address issues before they result in injuries.

In the coming year we will be implementing Gensuite as our global health and safety management system. This will allow all central reporting and management for all metrics, injuries and investigations/action items and risk assessments.

Health and safety is a focus area of our strategic planning. Our planned evolution for safety emphasises leadership, employee engagement, and implementing key policies and procedures. We aim to increase ownership of health and safety by operations managers and supervisors, as well as creating a culture where safety is led by all employees.

Initiatives we are undertaking include:

- Increasing the reporting of leading indicators, including first aid, near misses and hazards.
- Investigations to focus on root causes, with learnings to be shared and implemented globally.
- Increasing global communication and employee engagement, fostering proactive ownership through employee-led safety committees.
- Defining global standards and instituting global policies, starting with life-critical policies.

Our safety goals for FY20 are:

- 10% reduction in injury rate.
- Deploy safety leadership training.
- Implement near miss/hazard reporting.
- Develop global standard for incident investigation/communication.
- Establish employee safety committees.
- Develop implementation plan for global policies.
- Implement global HSE software platform.

RWC also recognises the importance of our employees' mental health and well-being. In Australia, we are launching an employee assistance programme in FY20 which will connect employees 24/7 to confidential telephone counselling via a dedicated helpline number. A similar employee assistance programme operates in the UK.

CASE
STUDY

Our safety superheroes

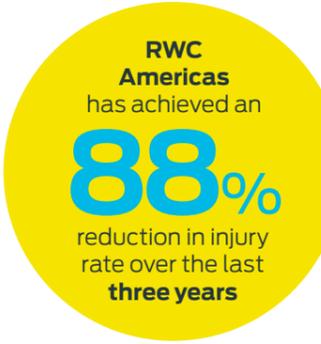
We know that safety is more than an individual effort. It takes everyone to establish a culture that prioritises safe practices. That's why we formed health and safety teams across our regions that ensure regulatory compliance and focus on reducing at-risk behaviours, hazardous conditions and near misses.

These teams take responsibility for awareness of our safety procedures by completing training and performing audits in their respective locations. They've been responsible for seemingly minor changes that lead to major safety improvements. These include ensuring that fire extinguishers are more accessible and clearly labelled, creating signs showing how heavy items must be carried by two people instead of one, and making sure guarding is adequate to protect operators.

We also recognise the importance of giving our teams the tools, training and resources needed to maintain and improve safety on the job. So, we deployed regulatory compliance and behaviour-based training last year. Additionally, we implemented a safety onboarding process for all new employees and developed a global standard for incident investigation and communication.

As a result of all these measures, RWC Americas has achieved an 88% reduction in injury rate over the last three years.

Looking to our next fiscal year – our goal is to reduce injuries further and evolve our safety culture by implementing near-miss and hazard reporting, putting our global standard into full effect and using HSE software. We will continue to empower our people to create safety awareness every day.



“The region has also started a HSE (Health, Safety and Environment) team, which includes at least one team member from each site's safety team. This additional focus will create synergy and alignment across the region by sharing best practices, incidents, upcoming training, recycling initiatives and trends of both lagging and leading HSE metrics.”



Rodney Maronay,
Director, Americas Risk/Reliability
and Group Operations Initiatives

 Cullman / Alabama / USA
'The Avengers' Safety Team

Diversity, inclusion and equal opportunity

Diversity drives our ability to attract, retain and motivate the best talent, create an engaged workforce, deliver the highest quality services to our customers and continue to grow the business.

Historically, our industry has been male dominated, and we are purposefully working to drive change at RWC. Our vision for diversity and inclusion incorporates gender, ethnicity, disability, sexuality, age and educational experience. We want all employees to be able to bring their whole selves to work.

Our diversity and inclusion programme is global. Approved by the Board in 2016, our policy aims to actively facilitate a more inclusive and representative management and leadership structure, specifically emphasising the representation of women in senior management positions and on the Board. Each year we track and report on our progress against diversity objectives approved by a committee of the Board. 40% of our current independent directors are female.

We have established an executive diversity and inclusion council, and undertaken a review of our diversity and inclusion programmes. During the reporting period we undertook a global diversity 'pulse' survey of employees. The survey feedback will be leveraged as we build out our diversity and inclusion council with greater regional involvement. We are currently developing a programme to create meaningful impact around diversity among our employees. This will include a workshop with the executive team, recruitment training around unconscious bias and regional programmes actioning inclusion as well as diversity.

Each of our regions has required specific reporting that we comply with. In the UK we report on the gender pay gap. For FY19 this was 31.45% across the organisation. Employees performing the same job are compensated equally. The gap reflects that fewer women hold higher paying technical, engineering, and management roles. In Australia we report to the Workplace Gender Equality Agency and our report can be viewed at www.wgea.gov.au. In the USA we report to the Equal Employment Opportunity Commission (EEOC). The EEO-1 report requires company employment data to be categorised by race/ethnicity, gender and job category.



40%

of our current independent directors are female

Talent management

Our aim is to recruit, develop and retain the best talent. We are positioning ourselves as an employer of choice by implementing policies which allow people to bring their whole selves to work each day.

RWC is a company that offers comparatively secure employment for our people – we often celebrate anniversaries of employees who have worked for RWC for 10, 20 or even 40 years.

We regularly benchmark our turnover against competitors, with the aim of maintaining a level below the industry rate.

Turnover rates, FY19

Region	New hires	Turnover	Turnover %
Americas	125	117	5-7% ⁶⁰
APAC	32	27	~7%
EMEA	171	321*	24-25% ^{*61}
Total	328	465	-

*Includes redundancies following the acquisition of John Guest. The historical turnover rate in the UK is 10%.⁶²

Our remuneration and benefits are also benchmarked to respond to changing employee expectations and to remain an attractive employer.

Each of our regions provides competitive benefit programmes for the countries in which they operate. Benefits offered may include access to medical, dental and vision insurance, with some benefits being paid by RWC and others sharing the cost. Additional items include tax-deferred savings, professionally managed funds and automatic payroll deductions to enable saving. We also contribute to retirement savings plans under applicable local legislation.

In the UK, we maintain an option to work from home where feasible, and are constantly working to improve the employee experience. The majority of our UK workforce joined us with the acquisition of John Guest. It has been a priority to ensure all employees are onboarded to the RWC culture and the response to date has been extremely positive.



As a group, we value open-plan work spaces to streamline communication and remove hierarchical barriers.

Flexibility at work

Our APAC team is also moving towards more flexible work arrangements. We currently have employees on reduced working days and/or hours as well as different start/finish times to accommodate family and care requirements, with some employees working from home should the need arise.

RWC parental leave schemes operate on a regional level, based on the national regulations of each operations site.

Parental leave, FY19

Region	Employees taking parental leave		Employees returning from parental leave to date	
	Female	Male	Female	Male
Americas	4	0*	4	0*
APAC	2	0	1	0
EMEA (UK only)	7	11	1**	11

* paternity leave is not offered in the USA ** further 5 scheduled to return

We respect our employees' right to exercise freedom of association and collective bargaining. We have collective bargaining agreements in place at two of our Australian sites – one in Queensland and one in Victoria. In Australia approximately a third of our employees are union members. Our USA and UK workforces are non-unionised.

Learning and development

We want our people to grow and develop with our company and we understand the importance of supporting our employees with ongoing learning experiences.

Our aim is to identify high potential and succession candidates for critical roles and create individualised development plans to ensure their success. This approach to talent development includes project opportunities to expand knowledge and capabilities, and cross-functional development and mentoring programmes.

A key development focus has been to equip employees moving into leadership and supervisory positions with appropriate soft skills to complement their technical skills. In the UK we have a dedicated HR project manager who has developed courses for the development and training of operations managers. We also partner with external providers for appropriate training.

We use e-learning in some locations for compliance training and for new course development. In APAC we have a number of employees with deep technical skills approaching retirement.

We are working to upskill younger workers to maintain these competencies going forward.

Our USA tuition reimbursement programme, available since 2014, encourages self-development and improvement of work skills by providing financial assistance to employees who successfully complete approved courses of study. In FY19 RWC reimbursed over US\$53,000 in employee tuition and training costs.



We use e-learning where possible for compliance training and for new course development.

“It’s great to be part of a positive, encouraging and collaborative culture with aligned strength, vision and ambition. We’ve an incredibly exciting future ahead, rich in both opportunity and success.”



Mike Riseley,
UK Sales Director, JG Speedfit

5.0

Our community and environment

We recognise that environmental issues are increasingly important to our stakeholders and wider society and we work to actively manage and minimise these impacts.



Our community and environment

With 15 manufacturing facilities and 24 distribution centres, RWC actively manages its consumption of energy, water and raw materials for manufacturing and packaging, as well as its waste and greenhouse gas emissions.

We recognise that environmental impacts are increasingly important to our stakeholders and to society more broadly and we work actively to manage and minimise these impacts.

Our code of conduct includes a commitment to 'do business in an environmentally responsible manner and to identify environmental risks that may arise out of operations'. Our manufacturing operations are highly optimised and, at each facility, we search constantly for efficiencies in materials, energy and water use that offer improved financial and environmental outcomes. Examples from a range of operations can be seen on our website.

During the reporting period we had no fines or sanctions under environmental law. In June 2019, there was a case of oil discharge from our Moorabbin facility in Australia. The regulator attended and issued an abatement notice and the issue was fixed to prevent it happening again.



Cullman / Alabama / USA

Tammy Cripe, Shipping Associate, sorting and separating recycling. 2.9 million pounds of cardboard, wood, foil, film and paper are recycled at our Cullman facility each year.

Materials, recycling and waste

RWC's 15 manufacturing facilities are spread across five countries and manufacture over 22,000 unique product lines.

Our products draw on a wide range of recyclable and non-recyclable raw materials that are sourced locally and internationally, including:

- Brass
- Steel
- Resins including:
 - Nylons
 - Polyoxymethylene (POM/acetal)
 - Polysulfone (PSU)
 - Polyphenylsulfone (PPSU)
 - Cross-linked polyethylene (PEX)
- Packaging materials, including:
 - Cardboard
 - Plastic
 - Wood

Raw materials consumed, FY19

	Americas	EMEA	APAC	Group Total
Brass rod (tons)	943	484	7,692	9,119
Resins (tons)	4,539	8,610	1,628	14,777
Steel (tons)	3,036	403	0.3	3,439.3



15

Manufacturing facilities



24

Distributor centres



22k

Unique product lines

CASE
STUDY

A zero-waste approach

Our goal is to make products that not only improve the lives of our customers, but are also responsible – keeping our planet and future generations in mind.

That's why we implemented the Zero-Landfill Initiative, which focuses on reducing the amount of waste we send to landfills. Over the past three years, our offices and facilities across the Americas have been recycling materials and making adjustments to our sourcing to reduce the company's environmental impact.

Each of our locations has bins for recycling bottles, paper and other materials, and our manufacturing facility in Cullman, Alabama, recycles everything from wood pallets to metal bands to plastic from injection moulding.

Further ways we reduce waste:

- Shredding PEX pipe to convert into energy at waste-to-energy plants.
- Switching to LED lights in facilities.
- Using closed-loop water systems when testing products.
- Outsourcing our copper plating line to dramatically reduce the amount of hazardous waste generated.



During the 2019 fiscal year the Americas region prevented more than 3 million pounds of waste from going to landfill.

“Over the past year, the Americas region has focused a considerable amount of energy in reducing impact to the landfill. Each site has contributed to the overall increase of tonnage that has avoided landfill. This collaborative effort will continue through fiscal year 2020 with the hope of increasing avoidance by 20%.”

Tracy Scott,
Group SVP of Operations, USA



Cullman / Alabama / USA

LaVonda Waldrop, Shipping Associate,
with cardboard compactor.
120 US tons of wood, plastic, cardboard and paper
are recycled across our US locations every month.

Packaging materials consumed, FY19

	Americas	EMEA	APAC	Group Total
Cardboard boxes From a mix of virgin and recycled materials (units)	1,049,645	1,600,000	952,003	3,601,648
Plastic blister trays Recyclable clear PVC (units)	675,006	26,500,000	400,000	27,575,006

Percentage renewable materials consumed, FY19

	Americas	EMEA	APAC	Group Total
Cardboard	34%	20%	19%	24%
Plastic	15%	15%	20%	17%
Wood	15%	0%	0%	5%

We aim to minimise waste at all our facilities, but at present this is not something we measure. As a manufacturer using brass we have global policies in place to recycle swarf (offcuts), returning 70% to suppliers to be reused. Our USA facilities are approaching zero waste and we recycle and reuse internally where possible (e.g. plastic moulding and oil).

All general waste from our UK facilities at West Drayton, Maidenhead, Bracknell and Hayes goes to a waste-to-energy facility, with no waste to landfill. We work with external firms to manage removal and treatment of hazardous waste. This is generally made up of empty containers or drums with oil or chemical residue. The containers are collected and cleaned at the contractors' site for recycling.

In FY19, one of our USA facilities generated hazardous waste that was reported to the Tennessee Department of Environment and Conservation. Specifically, this was a single generation of 35,000 lbs of copper cyanide and sodium hydroxide plating mixture as a result of a discontinued plating operation. The waste was transferred to a 3rd party vendor for reuse and safe disposal. RWC has permanently outsourced the copper plating process to a 3rd party vendor.



70%

of our brass offcuts are recycled

Water consumption and discharge

Our company is built on products that deliver, control and optimise water consumption. Therefore, in every region we carefully manage our own water consumption.

All our USA facilities comply with local state and federal regulations for water discharge at a minimum.

Our Eagle Farm plant in Queensland, Australia uses water for testing, and consumption is monitored weekly. We recover heat from used water to reduce the energy needed to heat additional incoming water. Water is cycled through this process and stored for eventual use in gardens. Excess is discharged to drain. Our primary goal is to improve efficiencies during testing and remove the use of excess water, which incurred a bill of AU\$100,000 in FY19. Our other Australian plants use immaterial amounts of water.

In the UK, we have consent to discharge at Maidenhead and have applied for a licence for West Drayton. Currently, at West Drayton, condensate is collected from compressors and removed from the site. We also have legionella risk assessments and testing across all sites. We discharge 6.8 megalitres of process water to sewerage per annum, in a cleaner state than when we receive it.

Water consumption, FY19

Region	Water consumed
Americas	20,730 kl
APAC	6,291 kl
EMEA (UK only)	22,050 kl
Total	47,071 kl

Other impacts

Our Melbourne plants are occasionally monitored by the EPA for Volatile Organic Chemicals (VOCs), most recently our plastic moulding facility in Croydon in 2018. Our Moorabbin plant is the only facility at which we forge brass; air quality at the plant is monitored by the Environment Protection Agency.

Energy and greenhouse gas emissions

We seek to reduce energy usage at all our facilities through measures such as replacing lights with LEDs, installing closed-loop water systems and upgrading machinery.

At our Dandenong plant in Australia we recently installed a Power Factor Correction unit, with an average monthly reduction of 64.63 kVA of energy consumed. Another example is the use of solar panels at our Cornwall UK facility.

Energy consumption by manufacturing plants, FY19

Region	Electricity consumed (kWh)	Gas consumed
Americas	14,958,574	3,699,518,556 BTU
APAC	12,682,868	18,847,578 MJ
EMEA (ex Spain)	20,751,630	3,630,515 kWh

Our West Drayton, Launceston and Maidenhead sites in the UK have Climate Change Agreements in place (voluntary agreements between companies and the UK Environment Agency), and our other UK sites report under Carbon Reduction Commitment (a mandatory scheme closing at the end of 2019).

We are not currently tracking energy use and greenhouse gas emissions at group level – however, we intend to track and publish this data in our future reporting.



-64.63kw

Our average monthly reduction of energy consumed at Dandenong (Australia)

Supply chain social and environmental impacts

We source a range of renewable and non-renewable raw materials and components from domestic and international sources, to supply our operations in the USA, UK, Spain, Australia and New Zealand.

RWC has over 1,000 suppliers of which about 30 would be classified as key suppliers. Businesses in Australia, USA and European countries supply about two-thirds of the materials and components we use. About one-third of materials and components are sourced from Asian countries, mainly China.

The RWC Supplier Handbook calls for suppliers to comply with general environmental requirements and greenhouse gas emissions. The handbook also outlines the general mandatory requirements for suppliers including quality standards, risk management and approval for all material sources.

In Australia we have also produced an ethical code of practice for supply sites, applicable to all suppliers located outside of Australia. This policy provides guidance and instruction on the minimum standards acceptable to RWC in the manufacture of components and raw materials supplied to the Group's companies and of finished products.

We do not currently have formalised screening of suppliers for social or environmental risks. Where possible we build long-term relationships with our suppliers and favour international or larger organisations that are likely to have better governance in place.

Our UK operations have a modern slavery policy and submit a modern slavery statement as required by law. We will also be complying with the Australian Modern Slavery Act which requires a first statement to be issued by the end of 2020.



Brisbane / Queensland / Australia

Barry Lewis, Production Engineer with swarf recovery bins. Our Australia and New Zealand manufacturing plants recycle almost 5,500 metric tonnes of swarf each year.

Climate risks and opportunities

RWC is aligned with the UNFCCC Paris Agreement to combat climate change and strive for a sustainable low carbon future. We believe that our products have a role to play in supporting energy efficient technologies, and in helping to manage water usage in water-constrained regions.

We have not yet conducted a full assessment of our risks and opportunities arising from climate impacts or the transition to a zero-carbon economy.

Preliminary thoughts include:

- The cost and access to energy for the manufacture and use of our products.
- Potential disruptions to our supply chains.
- Changes to product specifications and demand from changing weather patterns.
- And customer availability of water and energy.
- We are also looking at improvements in transport and logistics.



100%

of the water used to manufacture our Thermostatic Valves in Brisbane, Australia is recycled

“During the integration process it quickly became clear how many similarities RWC shares with John Guest in terms of culture and values.”

Eve Marston,
Marketing, John Guest



Community engagement and investment

RWC seeks to support our local communities in every region where we operate.

We are a company of individuals who care. We stay true to our values of passion and integrity, striving to shape a better world – whether that’s helping the disadvantaged, providing access to infrastructure, water and sanitation, or promoting education and gender equality.

Our global code of conduct outlines our commitment to the community:

The Company is a responsible corporate citizen and actively supports the communities in which we live and work. Each employee is expected to uphold the Company’s commitment to pursue good corporate citizenship while engaging in its corporate activity.

At present our community investment activities are at the discretion of local managers. Going forward, we plan to introduce a more coordinated approach to maximise our impact, as well as alignment with our business strategy.



CASE
STUDY

Habitat for Humanity

For the past eight years, RWC's Atlanta office has supported Habitat for Humanity, a global non-profit organisation building homes for impoverished families. Over 26 RWC people took part in 2019.

"There is a sense of excitement about helping someone make a fresh start. It's a great way of paying back to the community."

Cori Kates, Customer Service Team Lead, RWC Atlanta

\$10k

donated in cash and materials by RWC



Bridge to Brisbane Fun Run

In 2019 over 50 employees from RWC's Australia team, with their families, took part in the 'Bridge to Brisbane' fun run, raising over AU\$3,000 while encouraging a fit and healthy lifestyle.

"I really appreciate the way RWC encourages employees to take part in health and fitness activities, as it was quite uplifting for us."

Pam Kaur, RWC Lab Assistant

Smart Lunch, Smart Kid

14 RWC Atlanta-based colleagues packed over 2,500 lunches to help children in need in Georgia. They were taking part in the Smart Lunch, Smart Kid initiative run by Action Ministries, an organisation that provides meals for deprived children during school summer shut down.

2,500

lunches packed by our Atlanta-based colleagues



Supporting communities around the world

CEO Sleepout

In APAC, RWC participated in the CEO Sleepout, sleeping outdoor for a night, to raise money and awareness about homelessness.

Orange Door Project

In Canada RWC participates in fundraising and volunteering to support the Orange Door Project, The Home Depot Canada Foundation's initiative to improve housing options for homeless youth, as well as funding life-skills development programmes.

STEPtember

As a group, RWC has supported STEPtember to raise awareness of Cerebral Palsy. In 2019 60 teams of four, from around the world of RWC took part.

Thames Hospice

In the UK, RWC employees support the Thames Hospice, a local charity providing expert care for people living with life-limiting illnesses, through corporate donation and participation fundraising activities.

Million Paws Walk

Over 40 RWC employees and their families joined thousands of Australians with their dogs, at the annual RSPCA Million Paws Walk. They walked together to show their support for the animals of Australia and to raise much-needed funds to help care for the 250,000 animals that go through the RSPCA's doors each year.

"The RSPCA Million Paws Walk means not only raising much needed funds for Australian fauna conservation, it's also about being an active community member."

Sarah Haworth, Executive Assistant, RWC APAC



Hope thru Soap

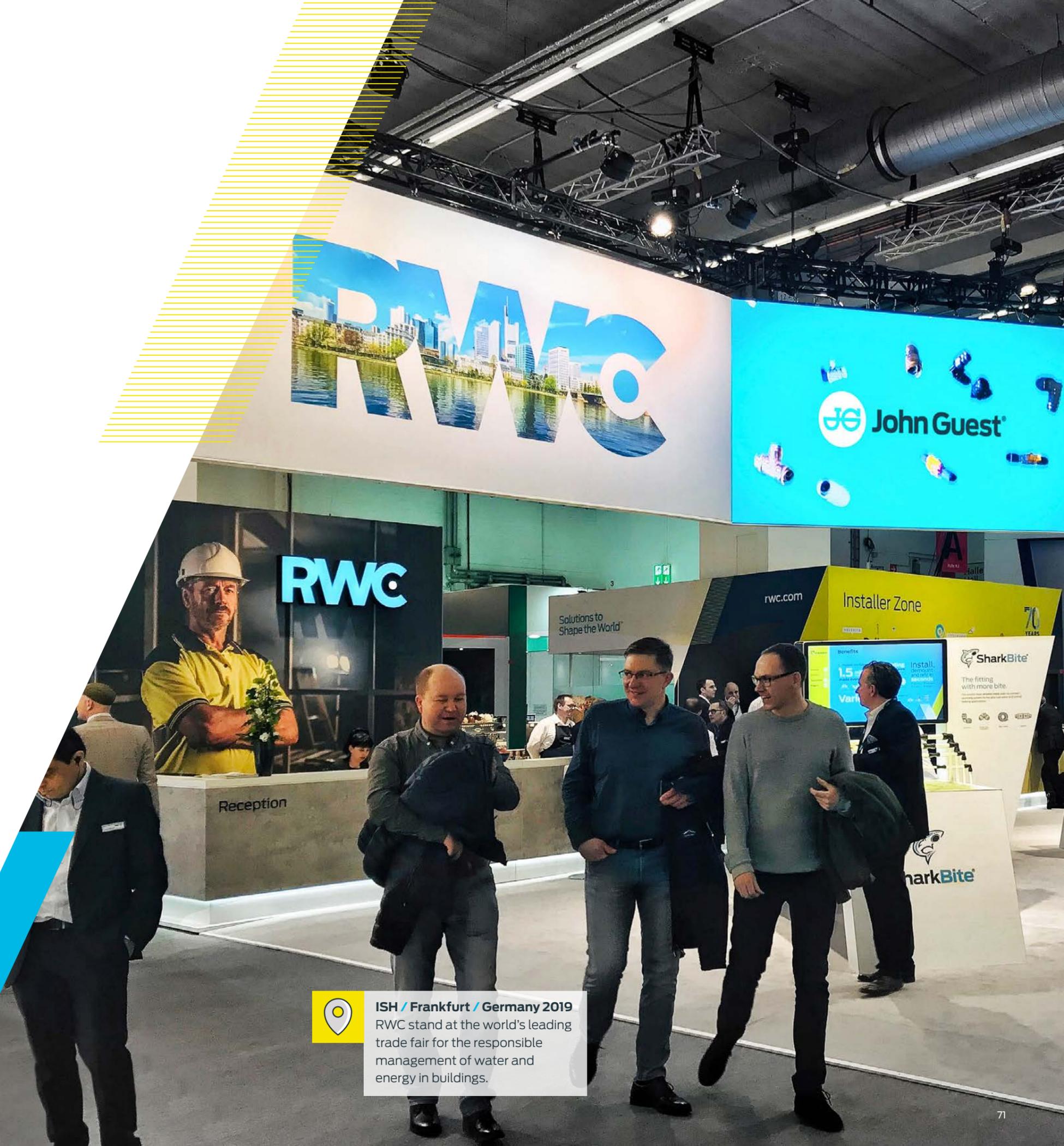
RWC colleagues in Atlanta cleared out their closets and donated clothing and much needed everyday essentials to Hope thru Soap, a not-for-profit organisation that provides a mobile shower experience for the less fortunate in Atlanta.



6.0

Governance

Good governance is the foundation for optimising RWC's performance and building sustainable value for RWC shareholders.

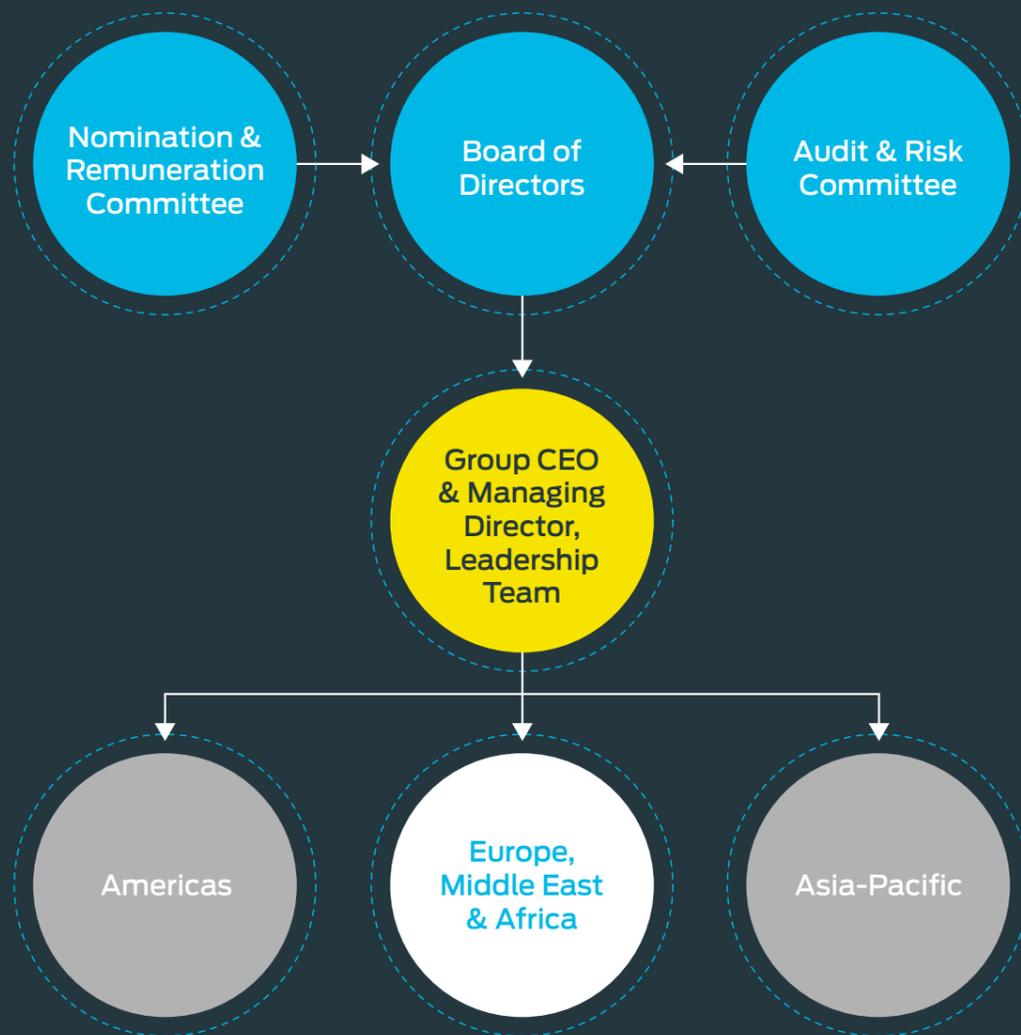


ISH / Frankfurt / Germany 2019
RWC stand at the world's leading trade fair for the responsible management of water and energy in buildings.

Governance

The governance structure for the RWC group of companies is outlined below, with ultimate responsibility sitting with the Board.

Our governance structure



The Board's governance framework includes adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for the group's business and that are designed to promote responsible management and conduct.

A detailed corporate governance statement can be seen in our 2019 Annual Report and in the governance section on our website.

A particular focus during the reporting period has been to actively facilitate a more diverse and representative management and leadership structure (see p. 50).

RWC has policies governing both global and regional areas of the group. The Board is committed to optimising performance and building sustainable value for shareholders and oversees the group business strategy, including approving the strategic objectives, plans and budgets.

In FY19 we established an ESG steering committee, comprising senior executives from across our regions. The day-to-day management of environmental, social and governance topics, including decision-making, sits with the Group CEO and senior leadership team. Ultimate decision-making power and oversight is retained by the Board. Specific social and environmental initiatives are led at the regional or local level.

During FY19 there were no incidents of non-compliance with laws and regulations in the social and economic area.

The key group-level charters and policy documents are:

- Constitution – Reliance Worldwide Corporation Limited
- Board charter
- Audit and risk committee charter
- Nomination and remuneration committee charter
- Corporate governance statement
- Code of conduct
- Continuous disclosure policy
- Diversity policy
- Privacy policy
- Securities dealing policy

Other policies exist at regional or country level. Examples, which apply in some or all of our regions, are Equal Employment Opportunity and Non-Discrimination, Whistle-blowing, Non-Harrasment, Anti-Bribery and Corruption, Data Protection, Flexible Working and Parental Leave policies. We continue to strive to have consistent policies across the group, subject to local legislative requirements.

Government relations

RWC does not make any political contributions in any of our regions, and generally does not engage in lobbying or advocacy. Our primary engagement with the government is through compliance with laws and regulations, and benefiting from certain available tax incentives, mainly for research and development expenditure.

In the USA we have received incentives from the City of Cullman and State of Alabama in FY19. We also received three types of financial assistance from the State of Alabama in FY19:

- 2nd Jobs Target Payment:** US\$250,000 cash from the State of Alabama tied to the expansion in Cullman for SharkBite production.
- Sales Tax Abatement for Capital purchases in Alabama:** US\$108,000 through the abatement.
- State Income Tax Credit:** 20-year capital credit from a 2009 project in Cullman. US\$300,000 income tax credit in FY19.

RWC Australia has made claims on the Australian Government's tax incentive plans for research and development (R&D) expenditure.

In the USA and the UK we benefit from tax relief on some of our FY19 expenditure that is R&D related.



\$250k*

Financial assistance from the State of Alabama



\$108k*

Sales tax abatement



\$300k*

Income tax credit

* Figures quoted here are in USD

Memberships

RWC holds a number of memberships to stay connected to our industry and customers, including staying abreast of new developments, and to collectively engage on relevant policy or industry matters.

Examples include:

- **USA:** Plumbing Manufacturers International
- **USA:** Plastic Pipe and Fittings Association
- **USA:** Plastics Pipe Institute
- **Australia:** Australian Industry Group
- **UK:** British Plastics Federation – Plastics Pipes Group
- **UK:** European Drinking Water Cooler Association
- **UK:** British Hot Water Association

Data privacy and security

At RWC we recognise the growing risk of cyber attacks and have IT security policies, recovery plans and appropriate insurance in place. We conduct ongoing system monitoring and testing, including reviews of security protocols.

As a primarily B2B company we do not hold extensive consumer data, but we still seek to protect private information in accordance with local laws and regulations including the EU General Data Protection Regulation (GDPR). In EMEA and APAC we have data privacy officers and processes for reporting any data breaches.

Taxation compliance

We have a Board approved Tax Governance Framework. This sets out our approach to tax risk management, governance and strategy and the way we deal with revenue authorities.

At RWC we are committed to paying the correct amount of tax in jurisdictions in which we operate.

Business transition

Throughout our history, the RWC group has grown through strategic acquisitions. The acquisition of John Guest in 2018 broadened both product segments and geographical markets, and almost doubled our employees overnight.

The John Guest integration has been a major focus during the reporting period, with significant executive time invested in sharing RWC's culture and approach. We have taken a hands-on approach, holding town halls and meeting with employees in small groups to communicate changes and listen to concerns. Equally, we have been able to take learnings from John Guest's strengths and implement them group-wide.

Since transitioning from a privately-owned business to a listed company in 2016, RWC has been updating its governance structures, policies and processes. As we work to streamline and modernise certain aspects of the company, we continually seek to retain our entrepreneurial spirit and open culture.

Visit rwc.com for more information.

GRI index

GRI	Disclosure (* indicates partially)	Section reference
GRI 102: General Disclosures		
102-01	Name of the organisation	1. About RWC
102-02	Activities, brands, products, and services	Sections 1 and 4
102-03	Location of headquarters	1. About RWC
102-04	Location of operations	1. About RWC
102-05	Ownership and legal form	1. About RWC
102-06	Markets served	1. About RWC
102-07	Scale of the organization*	1. About RWC
102-08	Information on employees and other workers*	4. Our people
102-09	Supply chain*	5. Our community and environment
102-12	External initiatives	None
102-13	Membership of associations	6. Governance
102-14	Statement from senior decision-maker	Introduction
102-15	Key impacts, risks, and opportunities	2. Sustainability
102-16	Values, principles, standards, and norms of behaviour	1. About RWC
102-17	Mechanisms for advice and concerns about ethics*	4. Our people
102-18	Governance structure	6. Governance
102-19	Delegating authority*	6. Governance
102-20	Executive-level responsibility for economic, environmental, and social topics*	6. Governance
102-22	Composition of the highest governance body and its committees*	See Corporate Governance Statement in RWC Annual Report
102-23	Chair of the highest governance body*	See Corporate Governance Statement in RWC Annual Report
102-24	Nominating and selecting the highest governance body*	See Corporate Governance Statement in RWC Annual Report
102-32	Highest governance body's role in sustainability reporting*	6. Governance
102-35	Remuneration policies*	See Corporate Governance Statement in RWC Annual Report
102-36	Process for determining remuneration*	See Corporate Governance Statement in RWC Annual Report
102-40	List of stakeholder groups	2. Sustainability
102-41	Collective bargaining agreements	4. Our people
102-42	Identifying and selecting stakeholders	2. Sustainability
102-43	Approach to stakeholder engagement	2. Sustainability
102-44	Key topics and concerns raised*	2. Sustainability

GRI	Disclosure (* indicates partially)	Section reference
102-45	Entities included in the consolidated financial statements	See Annual Report (p. 86)
102-46	Defining report content and topic boundaries	2. Sustainability
102-47	List of material topics	2. Sustainability
102-48	Restatements of information	N/A (first report)
102-49	Changes in reporting	N/A (first report)
102-50	Reporting period	2. Sustainability
102-51	Date of most recent report	N/A (first report)
102-52	Reporting cycle	Annual (going forward)
102-53	Contact point for questions regarding the report	2. Sustainability
102-54	Claims of reporting in accordance with the GRI Standards	2. Sustainability
102-55	GRI content index	8. GRI Index
102-56	External assurance	External assurance not obtained
GRI 103: Management Approach		
103-1	Explanation of the material topic and its Boundary	2. Sustainability
103-2	The management approach and its components*	Sections 4-6
103-3	Evaluation of the management approach*	Sections 4-6
GRI 200: Economic		
201-2	Financial implications and other risks and opportunities due to climate change*	5. Our community and environment
201-4	Financial assistance received from government	6. Governance
GRI 300: Environmental		
301-1	Materials used by weight or volume*	5. Our community and environment
301-2	Recycled input materials used*	5. Our community and environment
302-1	Energy consumption within the organisation*	5. Our community and environment
302-4	Reduction of energy consumption*	5. Our community and environment
303-1	Interactions with water as a shared resource*	5. Our community and environment
303-2	Management of water discharge-related impacts*	5. Our community and environment
303-5	Water consumption*	5. Our community and environment
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions*	5. Our community and environment

GRI index (continued)

GRI	Disclosure (* indicates partially)	Section reference
306-2	Waste by type and disposal method*	5. Our community and environment
307-1	Non-compliance with environmental laws and regulations	5. Our community and environment
308-1	New suppliers that were screened using environmental criteria	5. Our community and environment
GRI 400: Social		
401-1	New employee hires and employee turnover*	4. Our people
401-3	Parental leave	4. Our people
403-1	Occupational health and safety management system*	4. Our people
403-2	Hazard identification, risk assessment, and incident investigation*	4. Our people
403-5	Worker training on occupational health and safety	4. Our people
403-6	Promotion of worker health*	4. Our people
403-9	Work-related injuries*	4. Our people
404-3	Percentage of employees receiving regular performance and career development reviews*	4. Our people
405-1	Diversity of governance bodies and employees*	4. Our people
414-1	New suppliers that were screened using social criteria	5. Our community and environment
415-1	Political contributions	6. Governance
416-1	Assessment of the health and safety impacts of product and service categories*	3. Our products
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 labelling	None
417-3	Incidents of non-compliance concerning marketing communications	None
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None
419-1	Non-compliance with laws and regulations in the social and economic area	6. Governance

120+ tons*

of wood, plastic and paper recycled in the USA per month. The ultimate goal is zero landfill exposure in the coming years.



Less plastic waste

Multicavity hot runner tooling is used in West London, UK, to reduce plastic wastage during manufacturing.



56%

energy savings

State-of-the-art chiller technology in West London, UK, optimises machine performance and tool cooling, delivering annual energy savings of 56%.

6 million

Globally RWC and its family of brands recycle 6 million kilograms of brass.



Less water waste

PEX curing ovens in Cullman, Alabama, USA, use advanced water recycling technology to optimise and reduce water wastage.

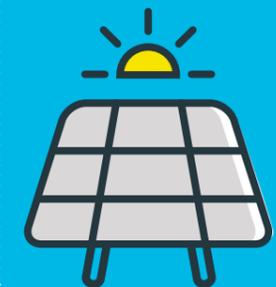
Water recycling

All water used in the manufacture of our Thermostatic Valves in Brisbane, Australia, is fully recycled.



Solar panel savings

RWC's manufacturing site in Cornwall, UK, uses solar panel generated energy for 34% of its operations.



49 million gallons of water

StreamLabs measured 49 million gallons of water and prevented 340,000 leaks in the USA in 2018 alone.

2.9 million

pounds of cardboard, wood, plastic, foil, film and paper recycled in Cullman, Alabama, USA, in 2018 alone.



* US Tons



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