

AMERICAN WATER SUPPLIER CODE OF CONDUCT

At American Water, we are committed to an open, transparent, and high-integrity workplace. Acting with integrity is critical to how we do business and is the only way to continue to maintain trust with our employees, regulators, customers, and communities. As a result, we require our business partners to share this commitment to ethical business practices. This Code of Conduct demonstrates American Water's respect for human rights, the environment, treating all workers with dignity and respect, and it sets forth our expectations for all of our business partners to do the same.

I. Ethical Business Conduct

American Water is committed to conducting business ethically and lawfully. We require our Suppliers to comply with all applicable laws and regulations of the countries where they conduct business and to conduct business responsibly, with integrity, honesty, and transparency.

Gifts, Bribes and Kickbacks. American Water will not tolerate any form of corruption. Bribes, kickbacks, illegal payments, and any items of value offered to inappropriately influence business decisions or gain an unfair advantage are strictly prohibited. Suppliers must comply with all US anti-corruption and anti-bribery laws, including the U.S. Foreign Corrupt Practices Act (FCPA). American Water employees may only accept modest gifts (under \$100 in retail value), ordinary business meals, ordinary hospitality, and modest entertainment from Suppliers. Gifts of cash or cash equivalents, such as gift cards, are prohibited. American Water employees may not give or receive a gift or entertainment of any value from a Supplier that is participating in an active competitive sourcing process.

Confidential Information. When handling competitive data, proprietary information, or other intellectual property, Suppliers will act lawfully and with integrity. Suppliers must take all reasonable and necessary precautions to safeguard American Water's information to which it has access.

Fair Competition. Suppliers will comply with all applicable antitrust, competition and public procurement laws and laws regarding accurate and truthful marketing. Suppliers may not enter into arrangements that unlawfully restrain competition, such as agreements to improperly exchange competitive information, price fixing, bid rigging, or improperly dividing markets.

Conflicts of Interest. Suppliers are expected to work with our employees to identify and prevent situations where there is an actual conflict of interest or the appearance of such.

For example, a conflict can arise when:

- An employee has a Significant Relationship with an American Water supplier*; or
- An employee or someone with whom they have a Significant Relationship receives an improper personal benefit as a result of the employee's position with the Company.
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* Significant Relationship: Includes any immediate family member (e.g., spouse, domestic partner, child, sibling, grandchild, stepchild, parent, grandparent, stepparent, niece, nephew, aunt, uncle, or in-law) life partner, any person sharing a household with the employee, or anyone with whom the employee has a romantic or sexual relationship.

These examples are not exhaustive. Any personal relationship, obligations, or financial interest between a Supplier and American Water employee can never create a conflict of interest by inappropriately influencing any action or decision the employee makes or takes on behalf of the Company. We must also avoid the appearance of a potential conflict, which includes considering whether an employee could be perceived as not acting in the best interest of the Company because of their personal relationships or obligations. Any material transaction or relationship that involves or may involve a conflict of interest or potential conflict of interest involving an outside activity, financial interest or Significant Relationship must be disclosed to the Company promptly.

Insider Trading. Suppliers must comply with applicable insider trading laws and regulations and their own internal policies governing insider trading. Suppliers must refrain from both trading securities of American Water Works (AWK) based on material, non-public information obtained while providing goods or services, and providing such information to

others who might trade on that information. Information is material if a reasonable investor would consider it important in deciding whether to buy, sell, or hold AWK securities.

Conflict Minerals. Suppliers are expected to ensure that goods and services provided to American Water comply with all applicable laws and regulations, including, exercising due diligence in investigating the source of minerals used which may be defined as a conflict mineral and declaring their use.

II. Health and Safety

The health and safety of our contractors, our employees and the public are American Water's highest priorities. Suppliers must ensure that their employees comply with all applicable health and safety regulations and Company requirements.

Products and Services. Suppliers shall provide employees with personnel protective equipment that meets applicable health and safety laws and regulations and provide training and services that promotes a culture of health and safety. American Water expects Suppliers to perform operations in a safe manner that prevents incidents, injuries, or illness.

Working Conditions. Suppliers shall provide employees with safe and healthy working conditions. At a minimum, employees must have potable drinking water, clean restrooms, adequate ventilation, appropriately lit workstations, fire exits, essential safety equipment, an emergency first aid kit, access to emergency medical care, adequate safety training, and proper protective equipment. The Supplier's facilities are to be constructed and maintained in accordance -with all applicable laws and regulations.

Fitness for Duty. Suppliers must have a process to determine whether members of the workforce are able to safely perform the essential physical and cognitive requirements of their job without risk to self, others, or the environment and without impairment from legal or illegal drugs, alcohol, or fatigue. Suppliers shall maintain a workplace free from alcohol and illegal drugs.

III. Environmental Standards

American Water strives to do business with Suppliers who share our commitment to preserving the environment. Suppliers will conduct their business in an environmentally conscious manner and in accordance with all applicable laws and regulations. Suppliers shall take reasonable steps to protect the environment and to provide for the health and safety of employees and the communities in which their employees work or their facilities are operated. Suppliers will take prudent steps to minimize solid waste by reducing, reusing, and recycling materials; encouraging the conservation of resources and energy; providing training and education for employees, as appropriate; and supporting efforts to establish and implement policies that also protect the environment.

Water and Wastewater Management. Supplier shall implement a systematic approach to identify, control, and reduce wastewater produced by its operations.

Stormwater Management. Supplier shall implement a systematic approach to prevent contamination of stormwater runoff. Supplier shall prevent illegal discharges and spills from entering storm drains, the public water supply, or public bodies of water.

Greenhouse Gas Emissions Management. Supplier shall identify, manage, reduce, and responsibly control Greenhouse Gas (GHG) emissions from its operations. Supplier shall reduce its emissions of GHG through conservation, use of clean energy, or other measures.

Biodiversity Management. Supplier shall identify and work to responsibly preserve Biodiversity where it may be directly impacted by its operations.

Air Emissions Management. Supplier shall identify, manage, reduce, and responsibly control air emissions emanating from its operations that pose a hazard to the environment.

Solid Waste Management. Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle hazardous and non-hazardous waste.

IV. Human Rights and Fair Treatment

Suppliers are expected to treat people with dignity and respect, encourage diversity, promote equal opportunity for all, and help create an inclusive and ethical culture. Suppliers shall treat employees fairly and honestly, including complying with applicable laws regarding working hours, wages, overtime pay and benefits, as well as laws prohibiting workplace discrimination and harassment.

Anti-Discrimination and Anti-Harassment. American Water does not tolerate discrimination or harassment in the workplace. Discrimination or harassment of any kind based on personal characteristics such as age, gender, race, ethnic background, sexual orientation, gender identity, national origin, religious beliefs, or any other characteristic protected by law is inconsistent with American Water's values and is strictly prohibited. Supplier's employees will not be subject to any form of unethical treatment, threats of violence, or other forms of physical, mental, or sexual harassment.

Child Labor. Child labor is strictly prohibited. Suppliers shall adhere to the minimum legal employment age defined by federal, state, and local laws and regulations and shall comply with relevant International Labor Organization (ILO) standards. Suppliers shall never require or permit children to perform work that exposes them to undue physical risks that can cause physical, mental, or emotional harm or improperly interfere with their schooling (except as may be permitted under apprenticeship or similar programs in which the minor is lawfully participating).

Forced Labor, Slave Labor, Human Trafficking. Suppliers shall not use involuntary or forced labor, whether indentured, bonded, prison or otherwise. Suppliers shall not confiscate or withhold worker identity documents or other valuable items, including passports, work permits and travel documentation. Suppliers shall not keep workers' personal documents for any reason, including, without limitation, as a means to bind them to employment or to restrict their freedom of movement.

Working Hours and Living Wages. Suppliers' employees shall work in compliance with all applicable laws and regulations regarding the number of hours and days employees are permitted to work. Employees shall be provided with reasonable daily and weekly work schedules, and adequate allowance shall be made for time off from work. Employees shall be fairly compensated and provided with wages and benefits that comply with law, including appropriate compensation for overtime work and other premium pay situations required by applicable law.

Supplier Diversity. American Water seeks to positively impact the economic growth of the diverse business community. Our Supplier Diversity Program enables us to develop relationships with a qualified, diverse array of businesses that meet our high standards for quality and cost-effectiveness. Suppliers are encouraged to support American Water's diversity efforts by utilizing qualified diverse-owned businesses in support of the business that it conducts with American Water. Suppliers may be required to report information on their utilization of diverse business as requested by American Water.

V. Management Procedures

Suppliers are expected to support compliance with this Code of Conduct by having management systems in place to support compliance with laws, regulations, and expectations. Suppliers are encouraged to implement their own written code of conduct and to provide their employees with adequate avenues for raising issues or concerns without fear of retaliation.

Applicability. American Water’s Supplier Code of Conduct applies to all of its business partners, including; suppliers, vendors, contractors, consultants, agents, and other providers of goods or services that conduct business with American Water entities, as well as their resellers, consultants, subcontractors and agents (collectively, “Suppliers”). American Water expects all Suppliers to engage in responsible supply chain practices.

This Code of Conduct is in addition to the Supplier’s obligations to American Water as set forth in any written agreement between American Water and the Supplier. If there is a conflict between this Code of Conduct and the agreement in question, the agreement will control; however, no such agreement may reduce or eliminate the Supplier’s obligations as set forth in this Code of Conduct.

Disclosure. Suppliers must be capable of disclosing potential sources of primary origin associated with the products or services provided to American Water. American Water reserves the right to ask its Suppliers for supply chain mapping back to the origin to facilitate an assessment of upstream supply chain compliance. If any Supplier does not currently have this capability, the Supplier shall share with American Water its future plans in this regard.

Monitoring and Audits. American Water may conduct, or hire a third party to conduct, audits to monitor a Supplier’s compliance with this Code of Conduct. American Water reserves the right to terminate its relationship with any Supplier that fails to comply with the standards set forth in this Code of Conduct. We expect Suppliers to maintain accurate records pertaining to transactions with the Company in a manner consistent with applicable laws, regulations, and contract requirements.

Investigations. Suppliers are expected to respond to, investigate, and, when appropriate, pursue criminal prosecution of their employees for incidents involving illegal acts, public liability, serious injury, threats, and workplace violence, including domestic violence that impacts the workplace.

Reporting Potential Misconduct. If a Supplier believes that an American Water employee or someone acting on American Water’s behalf has engaged in illegal or otherwise improper conduct, the Supplier should immediately report this concern by contacting the American Water Ethics Hotline at 1-877-207-4888. A Supplier’s relationship with American Water will not be affected by a good faith report of potential misconduct.

VI. Business Partnership

While no set of guidelines can be all inclusive, adhering to our Supplier Code of Conduct is critical to the success of our business partnership. Upholding the highest standards of ethical business conduct is a shared responsibility – ours and our suppliers. It is the responsibility of the supplier to ensure that its representatives understand and comply with this Code. We look forward to doing business with partners who understand this responsibility and join in our commitment to these principles.