PRIMO BRANDS™

The Mountain Valley Spring Water
Sparkletts
PRIMO WATER
Pure Life Healthy Hydration
Saratoga Since 1872 Spring Water
Poland Spring Est. 1845
Arrowhead Since 1894
Deer Park Est. 1873
Ice Mountain
Ozarka Proudly Texan
Zephyrhills 1964
splash refresher
Action Ion Charged Alkaline Water

Primo Brands Climate-Related Risks Assessment

This climate financial risk report has been prepared in accordance with the framework and disclosures contained in the Final Report of Recommendations of the Taskforce for Climate-related Financial Disclosures published by the Taskforce on Climate-related Financial Disclosures (TCFD[1]). This risk report discloses Primo Brands Corporation's own climate-related financial risk and the measures adopted to reduce and mitigate climate-related financial risk.

The following disclosures are related to Primo Brands Corporation, which may be referred to as 'Primo', 'our', or 'we' from now on.

This disclosure is aligned with the TCFD recommendations, and we have aligned with all relevant recommendations stated across the Governance, Strategy, Risk Management, and Metrics and Targets pillars.

This disclosure refers to the 1st January – 31st December 2025 (calendar year) reporting period. However, the data included within the Metrics & Targets section is from 2024, as this is the latest complete year of data available at the time of disclosure.

Governance: Ensuring responsibility for climate risks and opportunities

These disclosures were reviewed by the Sustainability Committee (hereinafter 'the Committee') and reviewed by the Board.

The Committee and the Board exercise oversight of climate-related risks and opportunities, while management is responsible for the day-to-day assessment and management of these risks and opportunities.

The Committee is chaired by a Director, who is also a member of the Board. The Committee is governed by the Sustainability Committee Charter which sets out the Authority, Duties, and Responsibilities of the Sustainability Committee. These include:

- monitoring how climate risks are identified, assessed, and escalated across Primo, ensuring clear accountability for their management;
- overseeing the climate risk framework;
- monitoring performance against our sustainability commitments, including emission reduction targets.

[1] https://www.fsb-tcfd.org/

The Committee who meets at least twice a year, typically quarterly, makes recommendations to the Board for approval. The Committee also ensures climate-related risks and opportunities are appropriately managed. As input into these meetings, the Sustainability Team provides updates to the Committee in relation to climate risk and opportunity identification, quantification and monitoring.

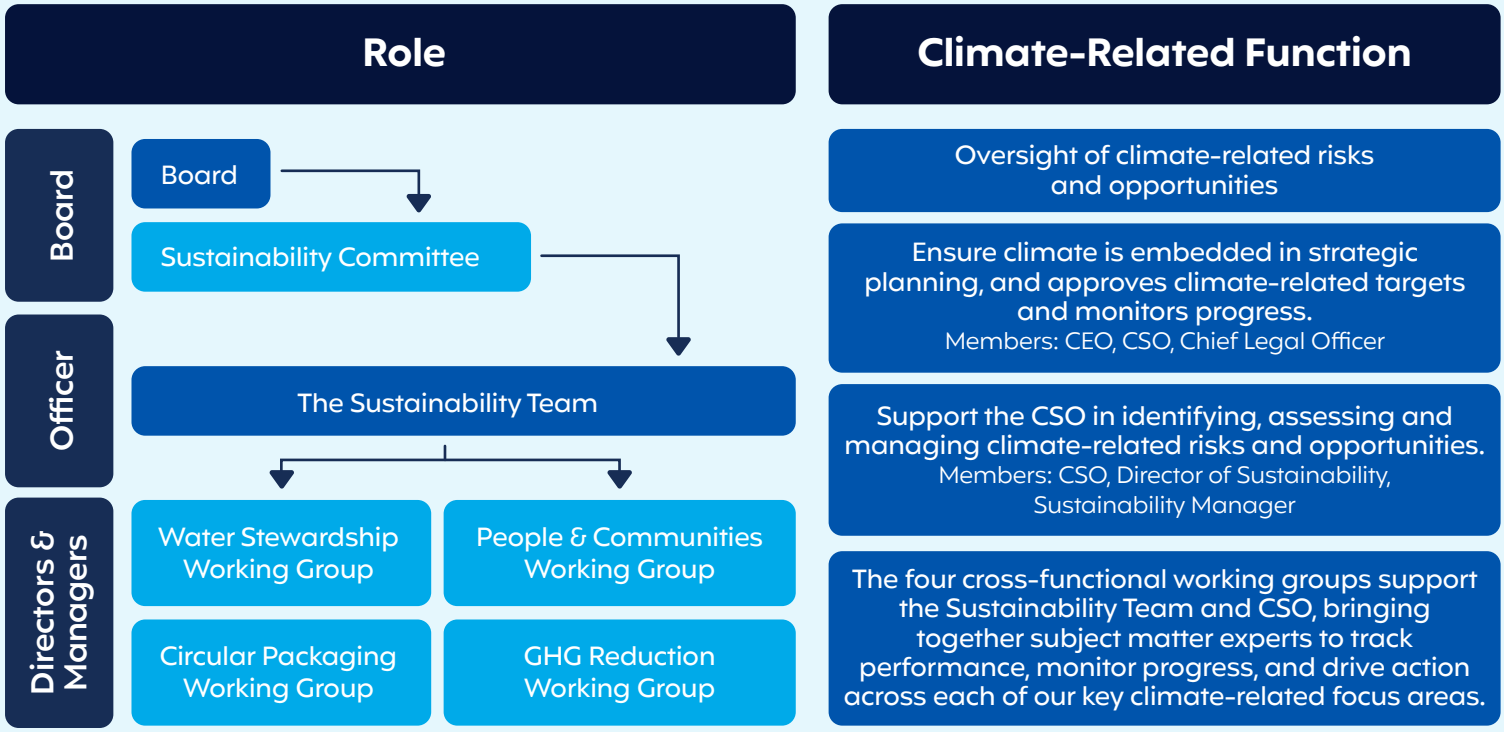
Climate risk and opportunity management at Primo is overseen by the Chief Sustainability Officer (CSO), who reports directly to the Chief Operating Officer (COO) and provides regular updates to the Committee on at least a quarterly basis.

The CSO is supported by the Sustainability Team, comprising the Director of Sustainability and Sustainability Manager, and by four relevant cross-functional working groups that meet monthly to track performance and ensure progress across key focus areas. Key updates from each working group are provided to the CSO on an 'as needed' basis:

- GHG Reduction Working Group - leads decarbonization initiatives across Scope 1, 2, and relevant Scope 3 emissions.
- Circular Packaging Working Group - advances circularity commitments while monitoring risks related to recycled material availability, evolving regulations, and reputational impacts.
- Water Stewardship Working Group - delivers on water-related commitments and assesses climate risks such as water stress, regulatory change, and reputation concerns.
- People and Communities Working Group – drive commitments related to people and communities, and monitoring climate risks associated with health, safety, and community well-being.

The Sustainability Team and each working group have a Terms of Reference (TOR) that define the purpose, roles, and responsibilities in relation to identifying, managing, and assessing climate risks and opportunities at Primo. This is summarised below[2].

[2]Diagram 1: Outline the Governance structure at Primo, along with their relevant role in identifying, managing and assessing climate risks and opportunities.



Those assessed as having the most significant potential impact on the business are currently being integrated into our Enterprise Risk Management (ERM) framework to ensure they are managed in alignment with broader organizational risk processes.

Strategy: Understanding our climate risks and opportunities

During this reporting year, the Sustainability Team, supported by external Sustainability Consultants and key SMEs within the business including Internal Audit, undertook qualitative climate scenario analysis to identify, evaluate and assess climate risks and opportunities over our chosen time horizons.

As part of this assessment, relevant existing and emerging ESG regulation, sector considerations and public academic literature relating to the two chosen climate scenarios from the Intergovernmental Panel on Climate Change (IPCC)[3] and the International Energy Agency (IEA)[4] were considered.

Climate scenarios chosen

Physical scenario IPCC SSP5 / RCP 8.5	GHG emissions continue to grow, heading towards 4°C warming by 2100, with continued fossil fuel reliance and weak climate action.
Transition scenario IEA Net Zero 2050 (NZE)	Warming is limited to 1.5°C, due to rapid decarbonization, steep fossil fuel decline, and large-scale clean energy growth.

[3]Hicke, J.A., et. Al, 2022: North America. In: Climate Change 2022: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge, UK and New York, NY, USA, pp. 1929–2042, doi:10.1017/9781009325844.016.
[4]IEA, 2021, Net Zero by 2050, IEA, Paris https://www.iea.org/reports/net-zero-by-2050, Licence: CC BY 4.0

Time horizons chosen

Short-term 0-3 years	This timeframe is aligned with our financial planning cycles.
Medium-term 3-10 years	This timeframe is aligned with our near-term sustainability targets.
Long-term +10 years	This timeframe is aligned with our long-term strategic planning, when climate impacts are likely to intensify.

Assumptions made in our analysis:

- Our analysis was conducted with the understanding that climate scenarios are not predictions or forecasts, but plausible future pathways to help us identify transition and physical risks.
- Each risk and opportunity was assessed independently.
- Climate risks were qualitatively rated based on their likelihood and potential impact, while climate opportunities were rated accordingly to their ease of realization and potential impact.
- Impact assessments highlight the potential magnitude of effect should a risk or opportunity materialize.
- The risks are not presented in order of magnitude, nor do they represent an exhaustive list of all possible climate risks. Instead, they reflect our current view of the principal climate risks and opportunities relevant to our business.

Key

- Time horizon: Short-term (0-3 years)
- Time horizon: Medium-term (3-10 years)
- Time horizon: Long-term (+10 years)
- Risk impact/likelihood rating: Low
- Risk impact/likelihood rating: Moderate
- Risk impact/likelihood rating: High
- Climate scenario: Fossil-fueled growth (IPCC SSP5/RCP8.5)
- Climate scenario: Net-zero emissions by 2020 (IEA NZ)

CS Climate scenario

TH Time horizon

I Impact

L Likelihood

Our climate-related risks and opportunities

Risk Category	Risk Description	Potential Financial Impact	Mitigation Measures	CS	TH	I	L
Acute physical risk	**1. Disruption to spring water supply** Risk of degraded water quality or quantity from increased frequency and/or severity of extreme weather (e.g. storms, flooding, wildfires).	Disruption to the quality or quantity of our spring water may interrupt the rate of production, affect business continuity, and lead to revenue losses or additional compliance costs associated with permitting and water quality standards. Responding to these events may also entail logistical and financial burdens, such as transporting water from alternative unaffected springs.	We conducted over 278,000 water quality control tests in 2024 as part of our 'Healthy Hydration goal' to meet or exceed federal/state water quality regulations. Our long-term source management strategy will involve efforts to locate new sources that meet our quality specifications to mitigate possible future disruption. We have an inbuilt level of resilience due to the number and geographic distribution of spring sites across the US. In worst-case scenarios, water can be sourced and redistributed from other locations. Additional business resilience comes from our diversified value chain, using both purified municipal water and spring water.	🌡	●	●	●
	2. Damage to infrastructure and disruption to operations due to the physical impacts of climate change Risk of disruption to operations, infrastructure, and site access from increased frequency and/or severity of extreme weather (e.g. storms, flooding, wildfires).	Damage to infrastructure and restricted access to spring sites or distribution routes may lead to high repair costs, operational downtime, and loss of revenue. Additional capital investment may be required for mitigation measures, such as flood defences or infrastructure upgrades, to reduce future financial exposure.	Monitoring and alerts of extreme weather events in the US are typically issued through federal and state channels, enabling us to implement short-term mitigation measures, e.g. issuing safety guidance to employees or implementing temporary flood defences. We conduct a pre-building of inventory ahead of hurricane season and strategically pre-position products and expand production shifts in preparation for potential storms.	🌡	●	●	●
Chronic physical risk	**3. Long-term water scarcity** Risk that increasingly severe and prolonged water scarcity poses a risk to Primo's spring water resources.	Such damage may also increase insurance premiums due to increasing incidence of severe storms. Reduced water availability and prolonged drought periods driven by chronic drought, watershed depletion, long-term regional water stress, could disrupt our supply chain. This may result in loss of revenue if we continually fail to meet demand. In worst case scenarios, this could result in total depletion, which may result in costs for exploring new spring sites. Such financial impacts may be exacerbated in the event of prolonged drought or occurrence at several sites simultaneously.	Regional water stress is monitored through water level sensors, enabling us to identify when we may need to shift spring source or production location during times of drought. We have conducted analysis to identify high-priority water risk sites, using the World Wildlife Fund's (WWF) Water Risk Filter and World Resources Institute's (WRI) Aqueduct tool, to aid understanding of where to prioritize water stewardship and replenishment efforts.	🌡	●	●	●

Risk Category	Risk Description	Potential Financial Impact	Mitigation Measures	CS	TH	I	L
Transition risk- market	**4. Fluctuating material and energy costs** Risk that operational and production costs could fluctuate due to market volatility, potentially impacting energy prices and raw material costs. t	Operational and packaging supply chain costs may increase if raw material and energy prices increase. Additional CapEx may be required to retrofit or invest in new infrastructure and technology, e.g. transitioning to renewable energy.	We are exploring alternative fuel sources across our business operations to reduce exposure to fossil fuel price fluctuations. 37% of our last-mile fleet is already powered by propane, with plans to expand this further, and we are procuring biodiesel in key states. We are lightweighting our products to reduce the overall volume of fuel required. Across our owned operations, we are exploring on-site generation and virtual renewable energy procurement strategies. This includes the installation of 50 acres of solar panels at the Hollis, Maine factory. We continue to work towards our goal (outlined in the Metrics and Targets section) of increasing the percentage of recycled PET (rPET) and scaling our reuse and refill business. We also have a packaging and energy Price Risk Management Program, and we support EPR and Deposit Return programs.				
Transition risk- reputation	**5. Reputational damage from reliance on single-serve plastics** Risk of failing to meet changing consumer, investor and/or regulatory expectations around circular packaging by not moving away from single-serve and petrochemical based plastics quickly enough.	Failure to accelerate the transition away from petrochemical-based single-serve plastics could expose the business to reputational damage from consumers, investors, and regulators amid growing scrutiny of plastic waste. This may lead to reduced investor confidence, lower sales, or increased compliance costs, directly affecting revenue and profitability.	We have publicly set circular packaging targets (outlined in the Metrics and Targets section) and continue to work towards these. We report progress annually in our Sustainability Report. We are innovating ahead of state level regulatory changes, including transitioning away from using polycarbonate across our packaging production due to California regulation. We are committed to scaling our Exchange and Refill business, which is already available at 26,500 and 23,000 locations respectively, and have targets to increase the volume share of gallons sold through reusable solutions.				
	6. Local community and stakeholder concern over water use Risk of reputational damage if Primo is perceived to be contributing to water scarcity and local resource stress in operating regions, which could place pressure on community relations and perception as a responsible water steward.	This could lead to reputational harm, strained community relationships, and heightened pressure from consumers, investors and regulators. This may result in reduced investment, regulatory penalties, or lost sales, ultimately affecting revenue and potentially compromising our long-term operations.	We support local community conservation and restoration initiatives, and report progress annually in our Sustainability Report. For example, the Ice Mountain Environmental Stewardship Fund has provided nearly $900,000 in grants to 28 organizations in the Muskegon River watershed since 2002. We are exploring opportunities to expand this model to other regions. We prioritize responsible water use across our operations and have set targets to drive action (outlined in the Metrics and Targets section).				

Risk Category	Risk Description	Potential Financial Impact	Mitigation Measures	CS	TH	I	L
Transition risk- policy & legal	**7. Requirements to meet patchwork of climate regulation** Risk of non-compliance with various and varying state-led and federal climate and sustainability related regulations and policies.	Increasingly fragmented US climate regulations may drive higher CapEx and OpEx through greater investment required for reporting processes, additional compliance resources, and governance demands. This might also heighten financial and operational risks in the event of non-compliance.	We are actively monitoring the evolving state and federal climate policy landscape to ensure ongoing compliance and identify opportunities to stay ahead of requirements. Where possible, we aim to go beyond compliance by setting company-wide targets. We also adopt new technologies once they are proven commercially viable. For example, compliance with California's Low Carbon Fuel Standard has accelerated the company transition to 37% propane vehicles in our fleet. We plan to proactively continue expanding this percentage across our network.				

Opp Category	Opp Description	Potential Financial Impact	Realization Measures	CS	TH	I	L
Resource efficiency	**1. Material, energy and potential cost savings through efficiency** Opportunity to invest in efficiency measures early on to reduce costs, cut emissions, and strengthen market positioning.	Improving operational efficiency and upgrading technology may reduce material, energy, and operating costs, which could generate long-term financial savings. This may also lower exposure to carbon pricing and energy market volatility, strengthening long-term profitability and resilience.t	We prioritize responsible energy use across our operations and have established energy, fuel and water efficiency targets across our operations, and report progress annually in our Sustainability Report. Ongoing reviews of progress will help us assess gaps and guide future action to realize this opportunity. This will involve continuing to identify and invest in technology and infrastructure retrofits to continue enhancing efficiency.				
Resilience	**2. Strengthening resilience through watershed health and replenishment** Opportunity to invest in watershed restoration and water replenishment initiatives to help safeguard long-term water supply, reduce operational risk, as well as generating positive community building and stakeholder benefits around water stewardship.	Scaling our watershed restoration and stewardship initiatives may help secure long-term water availability, reducing our risk of production disruptions, regulatory penalties, and rising water-related costs. Strengthened water security may support business continuity in high-risk regions, protect long-term asset value, and revenue stability.	We have set company-wide water stewardship and replenishment targets and are making progress towards these through our involvement in local watershed projects, as reported in our annual Sustainability report. We plan to scale our impact by expanding conservation, restoration and replenishment activities across additional communities and watersheds, while continuing to pursue relevant certification to demonstrate and validate project outcomes.				
Resilience	**3. Talent attraction and retention** Opportunity to build a reputation as a sustainable player in the market, which could enhance Primo's brand, helping to attract and retain talent motivated by purpose-driven employees.	A clear and credible climate strategy might help improve talent attraction and retention, lowering recruitment and training costs, and reducing productivity losses from turnover. Strengthening climate-related skills and engagement might also enhance workforce efficiency and support long-term business growth.	We have set company-wide sustainability goals that signal our long-term commitment to responsible growth and publicly disclose progress in our annual Sustainability report. Building a reputation as a sustainability leader will involve clearly defining our climate strategy, embedding it within our brand and culture, and investing in employee skills and leadership development.				

Opp Category	Opp Description	Potential Financial Impact	Realization Measures	CS	TH	I	L
Products & Services	**4. Growth of alternative and lower-carbon packaging materials** Opportunity to grow areas of the business more aligned with Primo's sustainability strategy, including growing Primo's Refill business and other lower-carbon products and developing more circular packaging e.g. cardboard and glass	Investment in lower-carbon and circular packaging could reduce compliance costs and stabilize material supply. Early action may strengthen our market position, support long-term competitiveness, and create cost efficiencies as demand for sustainability materials increases.	Our 2035 circular packaging targets are driving progress across design, recycled content, reusable options, and waste reduction, as reported in our annual Sustainability report. Ongoing reviews of progress will help us assess where further investment, innovation, and partnerships are required to scale existing initiatives, such as our reuse/exchange offerings, as well as new opportunities we need to explore.				
Energy source	**5. Reduced volatility of renewable energy costs** Opportunity to increase the coverage of renewable electricity, using both on-site generation and long-term PPAs and vPPAs which could reduce exposure to energy price fluctuations while lowering operational emissions.	Expanding renewable energy generation and entering long-term PPAs and VPPAs could help stabilize costs and reduce exposure to energy market volatility. These measures may deliver near-term cost savings, strengthen financial resilience, and lower regulatory and carbon risks.	We are advancing our renewable energy strategy through pilot projects, as reported in our annual Sustainability report, such as solar installations at select factories, to increase on-site generation and improve energy efficiency. Investment will be needed to scale existing successful initiatives, explore additional viable energy sources, and secure long-term PPAs and VPPAs.				
Resilience	**6. Innovation through investment in recycling infrastructure** Opportunity to invest in recycling infrastructure across key US markets to strengthen the recycled content supply loop, support delivery of recycled content targets, and enhance brand credibility in circularity. .	Early investment in recycling infrastructure may help secure reliable access to recycled materials, reducing input costs and exposure to future regulatory changes. Strengthening circularity and brand credibility may also increase market share and drive long-term revenue growth.	We have set recycling targets and are making progress toward these through packaging innovation, strategic partnerships, and investment in recycling infrastructure, as reported in our annual Sustainability report. Realizing this opportunity could involve scaling strategic partnerships and increasing investment in recycling infrastructure to expand recovery capacity, strengthen supply stability, and enhance the circular economy needed to meet future regulatory and market demands.				

Our analysis using two climate scenarios highlights that climate change both poses risks and offers opportunities. While we are confident our business is resilient to these based on the mitigating and realization actions outlined above, we will continue to incorporate climate risk mitigation strategies into our business model, ensuring these are comprehensive, taking into consideration ongoing and future actions necessary to build resilience in our operations and value chain. Our qualitative scenario analysis allowed us to apply further granularity to our plans so we can prioritize how best to deploy our resources. This is something we will seek to continuously review through relevant governance structures.

Risk Management: Starting to develop our process of risk management

We are working with the Internal Audit team to embed climate risks and opportunities into the broader ERM process.

Risk Mitigation Action Plans and Opportunity Realization Plans are owned by the relevant Risk / Opportunity owner to ensure key actions for addressing each climate risk and opportunity are implemented, tracked, and validated. Risk Owners are supported in managing risks and implementing mitigating actions by the Supporting Risk Owners. Risk and Opportunity owners are responsible for highlighting any significant potential changes to the CSO and Director of Sustainability Reporting. We will continue to evolve these plans to strengthen our climate resilience and enhance our overall risk management approach.

Going forward, we will annually review our material climate risks and opportunities to ensure they are updated to align with changing business expectations and external factors. This includes reviewing our current scenario analysis to ensure it considers updated pathways and aligns with the latest science. Once formally embedded into the wider ERM process, we will review our climate risks alongside wider business risks. We will externally report any changes at least every two years.

Metrics & Targets: Measuring our climate impact

Our Sustainability Strategy is made up of four pillars:

1. Water Stewardship
2. Circular Packaging
3. Greenhouse gas (GHG) emissions reduction
4. People and Community

We have set clear goals across each of the key areas and have outlined those used to assess our climate risks and opportunities in line with our strategy and risk management process. For a full list of all our goals, please see our 2025 Sustainability Report.

Goal area	Goals	Mapping to climate risk and opportunity
Water Stewardship		
Water replenishment	Aim to replenish 100% of water used or displaced by our bottling operations in our high-stress watersheds facing shared water challenges by 2035	Risk 3. Long-term water scarcity Risk 6. Local community and stakeholder concern over water use Opp 2. Strengthening resilience through watershed health and replenishment

Water efficiency	Aim to improve the water efficiency KPI in operations from 1.367 l/l in 2022 to 1.277 l/l by 2030, representing a 27% increase in efficiency and resulting in 348 million gallons saved	Risk 3. Long-term water scarcity Risk 6. Local community and stakeholder concern over water use Opp 1. Material, energy and potential cost savings through efficiency
Water efficiency	Invest in high-priority watersheds to drive projects for environmental and community benefit through local strategy and funding. Demonstrated through aiming for certification to Water Stewardship and Resiliency Standard (WSR) in six select watersheds by 2030	Risk 3. Long-term water scarcity Risk 6. Local community and stakeholder concern over water use Opp 2. Strengthening resilience through watershed health and replenishment
Circular Packaging		
Circular design	Aim to have 100% of our beverage packaging designed to be recyclable, reusable, or compostable by 2035	Risk 5. Reputational damage from reliance on single-serve plastics Opp 4. Growth of alternative and lower-carbon packaging materials (including growth of reuse and refill) Opp 6. Innovation through investment in recycling infrastructure
Recycled content	Aim for an average of 50% of our beverage packaging to be made from recycled or renewable materials, avoiding over 1 billion additional pounds of virgin plastic from a 2024 baseline	Risk 5. Reputational damage from reliance on single-serve plastics Opp 4. Growth of alternative and lower-carbon packaging materials
Reusable bottle	Aim to increase the volume share of gallons sold through reusable solutions to 33% or greater, avoiding 1.2 billion pounds of plastic compared to a 2024 baseline	Risk 5. Reputational damage from reliance on single-serve plastics Opp 4. Growth of alternative and lower-carbon packaging materials
People and communities		
Communities	Be a force for good in our communities. Donate an average 1,000,000 or more 12-liter case equivalents of water each year as well as creating an environment of community involvement and supporting efforts to clean and protect waterways	Risk 6. Local community and stakeholder concern over water use Opp 2. Strengthening resilience through watershed health and replenishment

Investing in our people	Aim to reduce voluntary turnover by 10% by 2025 from a 2024 baseline	Opp 3. Talent attraction and retention
GHG emissions reductions		
Scope 1 & 2	Aim to execute identified opportunities from 2024 energy audit in top eight factories	Risk 4. Rising material and energy costs Opp 1. Material, energy and potential cost savings through efficiency Opp 5. Reduced exposure to energy volatility
Scope 1 & 2	Aim to increase percentage of trucks in fleet powered by alternative fuels	Risk 4. Rising material and energy costs Risk 7. Requirement to meet patchwork of climate regulations Opp 5. Reduced exposure to energy volatility
Scope 1 & 2	Aim to reduce Scope 1 & 2 emissions by 25% by 2035, from a baseline year of 2024	Decarbonization across Scope 1, 2 and 3 emissions supports the mitigation/realization of all identified risks and opportunities respectively. Whether directly or indirectly for both physical and transition focusses, from reducing the threat of climate-related hazards, to lowering exposure to policy, market, and cost pressures in the low-carbon transition.
Scope 3	Aim to reduce Scope 3 packaging emissions through recycled content and reuse, as stated in Circular Packaging goals	Opp 1. Material, energy and potential cost savings through efficiency Opp 4. Growth of alternative and lower-carbon packaging materials
Scope 3	Aim to reduce Scope 3 emissions by 25% by 2035, from a baseline year of 2024	Decarbonization across Scope 1, 2 and 3 emissions supports the mitigation/realization of all identified risks and opportunities respectively. Whether directly or indirectly for both physical and transition focusses, from reducing the threat of climate-related hazards, to lowering exposure to policy, market, and cost pressures in the low-carbon transition.

We align our GHG calculations with the GHG Protocol and apply an operational control boundary. We report both location-based and market-based Scope 2 emissions to account for renewable energy purchases.

In the table below, we have outlined our Scope 1 and 2 GHG emissions for 2024, along with relevant metrics from across our focus areas. For a more extensive list of metrics used, please see our 2025 Sustainability Report.

Scope	UOM	2024[5]
GHG emissions		
Scope 1	MT CO_2e	285,856
Scope 2, location-based	MT CO_2e	277,389
Scope 2, market-based	MT CO_2e	188,734
Total Scope 1 & Scope 2, location-based	MT CO_2e	563,245
Total Scope 1 & Scope 2, market-based	MT CO_2e	474,590
Emissions intensity		
Emissions intensity (Scope 1 & 2, market-based)	G CO_2e/ gallon sold	99
Energy		
Operational energy consumed	GJ	3,656,056
Water		
Total consumption: Volume consumed across all regions	1,000 m^3	17,945
Spring sources	1,000 m^3	12,282
Total water consumption in regions with High-or Extremely High Baseline Water Stress[6]	1,000 m^3	4,725
Circular packaging		
Percentage made from recycled or renewable materials	%	35%
Percentage that is recyclable, reusable, or compostable	%	92%

We do not have an internal carbon price, nor are we considering setting one in the next two years.

[5]Numbers are combined Primo Water and BlueTriton Brands (BTB) figures for 2024 where possible. Where it's not possible to combine them simply, they have been listed separately. Going forward Primo Brands data will be reported a one business.

[6]Baseline Water Stress per WRI Aqueduct (High baseline water stress indicates 40-80% withdrawal of available freshwater, and extremely high is >80% withdrawals)