



## **Human Rights Policy**

### **Our Commitment**

American States Water Company and its subsidiaries (collectively the “Company”) are committed to respecting and promoting human rights. We are committed to upholding the highest ethical standards and protection of human rights – rights inherent to all human beings, including all races, genders (men, women, and others), nationalities, ancestries, ethnicities, languages, physical abilities, mental abilities, legally protected medical conditions, gender identities or expressions, sexual orientations, ages, military or veteran statuses, marital statuses, or any other status protected by federal, state or local law. We have a commitment to adhere to internationally recognized human rights, as well as respecting all human rights as required by all laws of the United States and each of its states where we operate. In addition, our business is rooted in the fundamental belief that every human being has the right to safe, clean, affordable, and accessible drinking water.

Moreover, we are committed to respecting all human rights as outlined by:

- The Universal Declaration of Human Rights, and its two corresponding covenants, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights.
- In accordance with the United Nations (UN) Guiding Principles on Business and Human Rights, we are committed to preserving and promoting all human rights outlined in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work and the ILO Convention 169 on Indigenous Peoples.
- A commitment to adhering to the UN Declaration on the Rights of Indigenous Peoples.

The Universal Declaration of Human Rights focuses on dignity, respect, and equality, without discrimination. These are principles that lie at the foundation of our Company’s core values of Integrity, Teamwork, Respect, Excellence in Service, and Accountability. We are committed to treating all our stakeholders – including our employees, customers, shareholders, and suppliers, and the communities in which we operate – with dignity, respect, and equality.

### **Our Approach**

The Company is committed to meeting or exceeding all laws and regulations wherever we conduct our business activities. The Company expects every employee to know and comply with the laws, regulations, and policies that apply to their activities, and to conduct them with uncompromising honesty and integrity. These same expectations and directives apply to all of our business partners,

such as suppliers and contractors that transact with the Company.

There are several ways we strive to promote and protect human rights in our business:

- The Company's Board of Directors has adopted a policy of providing access to safe, clean and affordable water adequate for human consumption, cooking, and sanitary purposes in all locations in which we operate in accordance with all State and Federal statutes, laws, and regulations at rates established by the California Public Utilities Commission for Golden State Water Company (GSWC).
- We continually invest in infrastructure improvements with the goal of providing sustainable access to safe and reliable water for our customers.
- We focus on customer affordability by continuing to drive effective and efficient cost management strategies consistent with meeting federal, state and local regulatory requirements.
- We are committed to operating with the highest standards of ethics, accountability, and integrity.
- The Company has a number of policies that address the protection of human rights, including anti-discrimination, harassment-free workplace, and violence-free workplace. Company policies include the Code of Conduct, Vendor Code of Conduct, and Diversity & Inclusion Policy.
- At Golden State Water Company and Bear Valley Electric Service, Inc., we offer customer assistance programs to help low-income or disadvantaged households pay for water and electric services, as well as protection for qualified military personnel during periods of full-time deployment.
- We promote the health, wellness, and safety of our employees.
- We offer comprehensive employee retirement and benefit programs. Among many other fringe benefits, the Company provides all employees who average 30 hours or more per week full-time benefits such as paid vacation and sick leave as well as holidays, and full-time employees pay only 15% of the total cost of medical, dental and vision insurance expenses.
- We believe that we provide a fair and competitive wage for all employees and respect their rights to collective bargaining.
- We require our suppliers to meet the same rigorous standards per our Vendor Code of Conduct.
- We provide training and a process for reporting potential misconduct.

As we develop, implement and evaluate the outcomes of this Human Rights Policy, the Company engaged in consultation with Procurement, who manages vendor relations, Human Capital Management, who manages employee benefits, policies and other matters, and Legal, who commits to international human rights standards and deals with any human rights violation issues.

This Human Rights Policy does not cover every issue that may arise, but sets out basic principles and guidelines. If a situation occurs that one believes may violate or lead to a violation of this Human Rights Policy, then any Company stakeholders, including without limitation, its employees, local communities, those affected by our operations and activities, customers, vendors,

or other third parties, may seek additional guidance from a member of the Company's management on how to handle and/or address the situation. In the alternative, any such Company stakeholders may ask any such questions or report any concerns to the Company's Fraud, Waste, and Ethics Hotline: 888-373-8817, or to the Company's internet ethics resource: [www.ethicspoint.com](http://www.ethicspoint.com) ("Ethics Point Hotline").

## **Our Governance**

The following have a role in protecting the human rights of our employees, those we serve, and those we do business with:

- The Nominating and Governance Committee of the Board of Directors provides oversight of sustainability issues and reporting at the Board level.
- The Company's Sustainability Oversight team is responsible for the policies and operational controls of environmental, health, safety and social risks. Members include the President and CEO; Senior Vice President - Finance, Chief Financial Officer; Senior Vice President - Regulated Water Utility - GSWC; Senior Vice President – American States Utility Services, Inc.; and Investor Relations.
- The Enterprise Risk Management (ERM) Liaison on the Board of Directors serves as a Board liaison to senior management on the ERM process.
- The Board of Directors' Compensation Committee is responsible for overseeing human capital management matters.
- Our Director of Human Capital Management, Risk Services and Senior Counsel oversees labor relations and appropriate management of our workforce; our diversity and inclusion efforts; employee benefits; and ethics and compliance matters, including the Company's Fraud, Waste, and Ethics Hotline. All Hotline reports and investigations are overseen by the Audit Committee Chair of the Board of Directors and investigated by the Company.

## **Our Priorities**

### ***Ethical Business Conduct***

Respect for human rights can be accomplished by operating with the highest standards of ethics, accountability, and integrity, which we have integrated throughout our policies, practices, and training at every level. We expect the highest standards of personal and professional integrity from our employees. We safeguard the privacy and data rights of our customers and believe that we comply with all federal and state cybersecurity standards and data privacy laws. Our Code of Conduct applies to all employees, highlights areas of ethical risk, provides guidance in recognizing and handling ethical issues, and describes established mechanisms for reporting unethical conduct. We require all of our employees to receive biennial ethics training on our Code of Conduct.

### ***Water Access and Affordability***

Water is a fundamental human right, and providing access to safe and reliable drinking water is our greatest priority. We continually look for ways to manage our costs while ensuring our systems remain reliable, so that our customers can afford and have access to the water they need

every day. For customers that may have difficulty covering expenses, there are programs available to provide assistance. It is the Company's policy to provide access to safe, clean and affordable water adequate for human consumption, cooking and sanitary purposes in all locations in which it operates in accordance with all State and Federal statutes, laws and regulations at rates established by the California Public Utilities Commission for Golden State Water Company.

### ***Workplace Health and Safety***

We place tremendous attention and focus on health and safety. Strong occupational health and safety practices reduce injuries, keep our workforce healthy, and reduce operating costs. We continuously identify and mitigate risks while providing extensive training and resources for employees to actively address potential safety issues.

### ***Equal Opportunity Employment and Working Conditions***

We are committed to treating people with respect and dignity, encouraging diversity, promoting equal opportunity for all, and fostering an inclusive culture. We provide equal opportunity employment and do not tolerate discrimination or harassment of any kind, including age, gender, race, ethnic background, sexual orientation, national origin, religious beliefs, disability, or any other characteristic protected by law. We hold our suppliers to the same zero-tolerance policy as it relates to discrimination and harassment.

### ***Labor Practices and Relations***

Our people are our greatest asset and we work hard to prioritize our employees and meet their needs. We believe that we provide fair and competitive wages and offer a competitive benefits package for all full-time employees. We respect the right to freedom of association and collective bargaining, and we honor an employee's right to choose to be represented or not. We comply with and expect our suppliers to comply with the International Labor Organization Core Labor Standards and the California Department of Industrial Relations Sweatfree Code of Conduct.

### ***Vendor Selection and Expectations***

We expect all of our suppliers to conduct business with integrity, honesty, and professionalism, as well as respect human rights as expressed in the International Bill of Human Rights and in alignment with the UN Guiding Principles on Business and Human Rights. To that end, the Company conducts a rigorous qualification process for the approval of all vendors and contractors, including, without limitation, license and insurance requirements, reference checks, and compliance with general contractual provisions along with the Vendor Code of Conduct. We work to select dependable and reputable suppliers and contractors and monitor their performance as part of a supplier sustainability risk assessment. This plays an important role in limiting risk, and ensures that our business partners meet our standards and expectations.

All qualified vendors are issued and required to comply with the Company's Vendor Code of Conduct. The Vendor Code of Conduct sets forth the high business standards and expectations that apply to all vendors that conduct business with the Company, and are based on our core values of Integrity, Teamwork, Respect, Excellence in Service, and Accountability. Issues covered in the Code include fair dealing, anti-corruption, preventing conflicts of interest, providing a safe and secure workplace, maintaining proper workplace conduct, protecting

confidential information and human rights, and addressing environmental management and labor practices. We strictly prohibit slave, child, or otherwise forced labor.

In addition, we endeavor through our procurement and business practices, to maximize vendor opportunities with women, minorities, disabled veterans, persons with disabilities, lesbian, gay, bisexual, and transgender business owners as well as under-represented small businesses owned by military veterans (WMDVLGBTPEs) as suppliers, contractors, and subcontractors of goods and services. The Company seeks to build relationships with, develop, and buy from WMDVLGBTPEs.

Procurement policies specify the insurance coverages and legal review requirements as well as the contract management procedures that must be followed. To mitigate non-compliance with supplier policies, all vendors are vetted to ensure, among other things, that they are properly licensed, certified, insured, reputable, and not in violation of safety or other laws or human rights violations before they are qualified to do business with any of our entities. Once qualified and selected, the performance of all contractors is monitored to ensure all work is satisfactory and in compliance with legal and regulatory, including health and safety requirements. We have zero tolerance for and will terminate a business partnership if we learn that any vendor fails to act with integrity; fails to maintain a strong health and safety performance; fails to respect employee and human rights, such as freedom of association and collective bargaining; fails to minimize the impact on the environment consistent with our standards; and/or fails to comply with applicable laws and regulations, which include compliance with all wage and hour mandates, child or forced labor, involuntary servitude/slavery, human trafficking, or other human rights violations.

### ***Training and Process for Reporting Potential Misconduct***

Employees are expected to report a human rights or other concern to their supervisor, any other member of management or Human Capital Management, or the Company's Fraud, Waste, and Ethics Hotline. Every report to the Hotline is investigated, and all Hotline reports and investigations are overseen by the Audit Committee Chair of the Board of Directors and investigated by the Company. Suppliers and contractors may also report potentially unsafe or unethical conduct or other compliance related concerns, including those involving human rights, via the Hotline.

To emphasize the importance of ethics and compliance, the Company requires all new employees to complete training on the topics covered by its Code of Conduct and all other policies, including our Human Rights Policy. Employees are required to review and sign the Code of Conduct and other policies during orientation, and all employees are required to review and sign the Code of Conduct every other year. This applies to our Employee Handbook as well. In addition, posters are prominently displayed at every facility operated by the Company to remind employees of the Company's Fraud, Waste, and Ethics Hotline and the importance of reporting any potential compliance concern. Any employee who does not comply with applicable laws and corporate policies, including slavery and human trafficking, is subject to disciplinary action, including termination.

### **U.S. Laws and Company Risk**

With all of our operations situated in the United States, and working pursuant to such strong and

stringent legal and regulatory requirements, we believe that human rights are being constitutionally protected, and do not constitute a material risk for the Company.

**Additional Information**

For additional information related to human rights, the following are available on our website:

- ESG Report
- Code of Conduct
- Vendor Code of Conduct
- Diversity & Inclusion Policy