

# ZURN WATER SOLUTIONS CORPORATION

## CORPORATE GOVERNANCE GUIDELINES

(as last amended on October 4, 2021)

The Board of Directors of Zurn Water Solutions Corporation (“Zurn” or the “Company”) has adopted these Corporate Governance Guidelines (these “Guidelines”). These Guidelines, along with the Company’s Amended and Restated By-Laws (as amended from time to time, the “By-Laws”), Board committee charters and the Company’s Code of Business Conduct and Ethics, reflect the Board’s commitment to monitor the effectiveness of policy and decision-making at Zurn. These Guidelines are an evolving set of corporate governance principles, subject to amendment by the Board from time to time as circumstances warrant.

For Zurn, the concept of leadership is not limited to the leadership by management within the Company; leadership also includes the individuals who serve on the Zurn Board. These Guidelines are intended to assist the Board and management in providing a climate that fosters that leadership.

### **Roles of the Board and Management**

The Company’s business is conducted by its officers and employees, under the direction of the Company’s Chief Executive Officer (“CEO”) and the oversight of the Board, to enhance the long-term value of the Company for its stockholders. The Board is elected by the Company’s stockholders to oversee management and to assure that the long-term interests of the stockholders are being served.

### **Duties of the Board**

The primary responsibility of the Board is to oversee and monitor Zurn management for the benefit of the Zurn stockholders. To that end, the primary duties of the Board (acting through its committees in certain instances) are as follows:

- representing the interests of Zurn’s stockholders in maintaining and enhancing the success of the Company’s business, including optimizing long-term returns to increase stockholder value;
- selecting, evaluating and compensating a well-qualified CEO of high integrity, and overseeing CEO succession planning, and providing counsel and oversight on the selection, evaluation, development and compensation of other senior management;
- overseeing the conduct of the Company’s business, including reviewing, approving and interacting with senior management with respect to the Company’s fundamental operating, financial and business strategies and major corporate actions, including strategic planning, operating performance, major plans and transactions and stockholder returns;
- assessing major risks facing the Company and reviewing alternatives for their mitigation;
- ensuring processes are in place for maintaining the integrity of the Company, its financial statements and its compliance with law and ethics, its relationships with customers and suppliers and its relationships with stockholders;
- providing general advice and counsel to the CEO and other senior management personnel; and
- evaluating the overall effectiveness of the Board, as well as selecting and recommending to stockholders qualified candidates for election to the Board.

While not limiting their obligations under applicable law, directors, in their capacity as such, are expected to use their reasonable business judgment in overseeing the management of the Company. However, the Board is not responsible for managing the Company on a day-to-day basis nor does it guarantee in any way the management or operations of the Company.

## **Board Composition and Selection; Director Independence**

### *Classified Board*

The Board is divided into three classes, with one class subject to election at each annual meeting of stockholders. Each director is elected for a three-year term, with vacancies filled as provided in the Amended and Restated Certificate of Incorporation (as amended from time to time, the “Certificate”) and the By-Laws.

### *Resignation upon Failure of Majority Vote*

The Company’s By-Laws provide that if a potential new director nominee or incumbent director nominee for the Board does not receive a majority of the votes cast for him or her in an uncontested election, then such person must submit a resignation that is contingent upon the acceptance of the Board. Within 90 days of receiving the certified vote pertaining to such uncontested election, the Board will determine whether to accept or reject the individual’s resignation after considering any factors or other information that it determines to be appropriate and relevant. Following acceptance or rejection of the resignation, the Company will promptly disclose its decision, together with an explanation of the process by which the decision was made and, if applicable, the Board’s reason(s) for rejecting the resignation.

### *Board Size*

The Company’s By-Laws provide that the Board shall consist of no less than eight and no more than 15 directors, as determined by the Board. The Board will set its size so that the Board will possess, in the aggregate, the strategic, managerial and financial skills and experience necessary to fulfill its duties and to achieve its objectives, and to maintain a sufficient number of independent directors. The specific number of Board members will be reviewed from time to time and adjusted as necessary and appropriate to promote the best overall interests of the Company and its stockholders.

### *Chairperson*

The Board shall elect a Chairperson who shall have responsibility, along with the CEO and Lead Director, if applicable, relating to scheduling Board meetings, calling special meetings when necessary, and setting or proposing the agenda for each meeting, and shall lead the conduct of Board meetings. The Chairperson shall also carry out such other duties as are specified for such office in the Company’s By-Laws. This responsibility does not, however, diminish the responsibilities of each Board member to raise appropriate agenda items, or to propose meetings.

### *Lead Director*

The Company has no formal policy regarding the separation of the position of Chairperson and CEO, and believes the Company should adopt the practice that best serves its needs at any particular time. However, if the Board elects a Chairperson who is not an independent director, the independent directors, meeting in executive session, will elect a Lead Director from among the independent directors. Any Lead Director would be subject to annual election by the independent directors. In addition to the duties of all Board members, the specific responsibilities of the Lead Director would include the following:

- presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
- serving as liaison between the Chairperson and the independent directors;
- together with the Chairperson, approving the agendas for Board meetings;
- together with the Chairperson, approving meeting schedules to assure that there is sufficient time for discussion of all agenda items;
- providing input to the Chairperson as to the content, quality, quantity and timeliness of information from Company management to the Board;
- having the authority to call meetings of the independent directors and develop the agendas for such meetings with input from the other independent directors;
- serving as a liaison for consultation and direct communication with major stockholders; and
- performing such other duties as the Board or Chairperson may from time to time delegate.

The selection of a Lead Director is not intended to inhibit communications among the directors or between any of them and the Chairman. Accordingly, directors are encouraged to communicate among themselves and directly with the Chairman.

#### *Director Qualification Standards; Service on Other Boards*

In addition to further criteria that may be developed from time to time pursuant to these Guidelines and the Nominating and Corporate Governance Committee Charter, the Board has established certain criteria for directors that are set forth on Appendix A. The Nominating and Corporate Governance Committee of the Board shall be responsible for applying such general and specific criteria for Board membership.

The Company values the experience directors bring from other boards on which they serve, but recognizes that affiliations with public, private or governmental entities may create conflicts of interest, embarrassment to the Company or inconsistency with Company policies or values. Directors should advise the Chairperson of the Board and the Chairperson of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another board. Directors are expected to devote sufficient time to fulfill their responsibilities to the Company. A non-executive director on the Board may serve as a director of another public company only to the extent such position does not conflict or interfere with such person's service as a director of the Company. An executive director may not serve as a director of another public company without the Board's consent.

#### *Selection of Board Members*

Except to the extent otherwise provided in the Certificate, the Nominating and Corporate Governance Committee shall be responsible for identifying individuals qualified to become directors of the Company, consistent with criteria approved by the Board, and shall recommend to the Board nominees to be members of the Board.

The Nominating and Corporate Governance Committee will consider proposed nominees to the Board submitted by stockholders in accordance with the criteria set forth in these Guidelines and the Nominating and Corporate Governance Committee Charter. Any recommendations for consideration by the Nominating and Corporate Governance Committee should be sent to the Corporate Secretary in writing together with appropriate biographical information concerning each proposed nominee. The Company's By-Laws also set forth certain requirements for stockholders wishing to nominate director candidates directly for consideration by stockholders.

### *Independence of Directors*

The Board shall comply with applicable independence requirements of the New York Stock Exchange (“NYSE”). The independence of directors shall be determined annually by the Board using applicable NYSE and Securities and Exchange Commission (“SEC”) rules as criteria, in addition to any other factors that the Board believes are appropriate.

### *Change in Employment*

If a director experiences a significant change in status (including retirement, a job change, an extraordinary promotion or a significant decrease in job responsibilities) from the status when that director was most recently elected to the Board, that director shall promptly inform the Chairperson of the change and offer a letter of resignation. The Nominating and Corporate Governance Committee shall evaluate the director’s job change to determine if it will adversely impact the Board or the individual director’s service on the Board. The Board will then decide to accept or decline the director’s resignation.

As a general policy, executive officers of the Company who are directors will resign from the Board upon the termination of their employment with the Company. However, the Board may ask a former CEO to remain on the Board if it believes that an exception to this policy is in the best interests of the Company and its stockholders.

### *Retirement Policy*

No individual may be nominated, elected or re-elected as a director upon reaching age 72; however, any director who reaches age 72 during a term may continue to serve for the remainder of such term. This restriction does not apply to any director who is a full-time employee of the Company or in the event the Board, by majority vote, waives the restriction for a particular director or nominee.

### *Communications with Directors*

Communications by stockholders or others to the Board or individual directors shall be sent in care of Zurn’s Corporate Secretary at Zurn’s headquarters, Zurn Water Solutions Corporation, 511 W. Freshwater Way, Milwaukee, Wisconsin 53204. Any communication sent to the Board in care of the Corporate Secretary or any other corporate officer will be forwarded to the Board. There is no screening process, and any such communication will be delivered directly to the director or directors to whom it is addressed.

### **Executive Sessions of the Board**

Normally, members of management who are not members of the Board will participate in Board and committee meetings to present information, make recommendations, and be available for direct interaction with Board members.

However, the Board will hold an executive session at each regularly scheduled meeting without members of the Company’s management present. Additionally, upon request of any director, and in any event not less than annually, the Board will hold an executive session without any director who is not an independent director. As noted above, if the Chairperson is not an independent director, the Lead Director shall preside over executive sessions.

## **Board Committees**

Subject to applicable law and the Company's By-Laws, the Board has the authority to establish committees for any purpose it deems appropriate. The Board currently has the following standing committees: Audit; Compensation; Nominating and Corporate Governance; Environmental, Social and Governance; and Executive. The duties and responsibilities of each committee shall be set forth in their respective charters. The Nominating and Corporate Governance Committee, in consultation with the Chairperson, will recommend committee assignments and committee rotation to the entire Board for final approval.

The committee chairs shall determine the frequency of meetings of their respective committees consistent with any requirements contained in each such committee's charter and, in consultation with management, shall set meeting times and develop committee agendas. The committee chairs shall report to the Board on the committees' actions and shall present recommendations based thereon.

Members of all committees shall satisfy any independence standards or requirements for those committees that may be imposed by the NYSE, the SEC or the Internal Revenue Service ("IRS"), to the extent that any such standards or requirements apply to the Company. In addition, each committee member shall meet such other applicable requirements as may be established by the NYSE, the SEC, the IRS or the Company for serving on particular committees.

## **Number and Scope of Board and Committee Meetings**

The Board of Directors shall have regular meetings at least four times per year, including a meeting substantially concurrently with the annual stockholders meeting. The Board shall meet between its regularly scheduled meetings as necessary or appropriate. Committees of the Board will meet as needed and as provided in the committee charters.

Each director is expected to attend all meetings of the Board and any committee(s) of which he or she is a member. Although the Company's By-Laws authorize members of the Board of Directors and members of any committee of the Board of Directors to participate in and act at a meeting through the use of telephonic or other communication equipment, the personal attendance of directors is preferred. Board members are also expected to attend the Company's annual meeting of stockholders each year.

The Chairperson, in consultation with the CEO and Lead Director, if applicable, shall set or propose the agenda for the Board's meetings. Any member of the Board may, however, recommend the inclusion of specific agenda items. Such recommendations shall be accommodated unless it is not practicable to do so.

Materials important to the Board's understanding of agenda items shall be distributed to the members of the Board, in a timely manner, before the Board meets. Each member of the Board shall review distributed materials prior to each meeting of the Board. Members of the Board are also encouraged to keep themselves informed of the Company's affairs between Board meetings through direct contact with members of senior management of the Company.

## **Director Compensation**

The Board believes that the Company should offer compensation, in cash and/or awards of equity-based compensation, and benefits to directors for their service on the Board at a level that will attract director candidates who satisfy the Company's selection criteria for board members. The Compensation Committee will periodically review the compensation arrangements in effect for the non-management members of the Board of Directors, including fees for serving as committee chairs and

members, as well as the Lead Director, if applicable, and recommend to the Board any changes deemed appropriate. Any director who is an employee of the Company shall not receive any additional compensation for serving as a Company director.

### **Director Access to Management and Independent Advisors**

The Board shall regularly interact with the Company's management and employees. The Board and the directors individually have access to individual senior executives and other employees of the Company. The Company shall maintain an environment that permits senior management and employees to contact Board members directly.

The Board shall periodically hold a strategic planning meeting, and/or devote a portion of other meetings, to review the Company's long-term strategic plan and business initiatives.

Executive officers, other members of senior management and employees shall be present at Board and/or committee meetings at the invitation of the Board or the committee. The Board encourages the executive officers and senior management to make presentations or to include in discussions at Board meetings managers and other employees who (i) can provide insight into the matters being discussed because of their functional expertise and/or personal involvement in such matters and/or (ii) are individuals with high potential whom such executive officers and senior management believe the directors should have the opportunity to meet and evaluate.

Directors may, when they believe it to be necessary or appropriate, hire or engage independent advisors, outside consultants and experts, without consulting management. The Company will provide appropriate funding for the compensation of such advisors.

### **Audit Committee Matters**

All directors who serve on the Audit Committee shall meet all independence standards and requirements under law, SEC rules and NYSE listing requirements, and any other requirements for membership in the Audit Committee Charter. Directors who are members of the Audit Committee and who are required to be independent may receive no compensation from the Company other than the fees they receive for serving as directors and members of Board committees.

The Audit Committee's selection of an independent accounting firm will annually be put to the stockholders for ratification at the annual stockholder's meeting.

### **Director Orientation, Continuing Education and Evaluation**

The Board conducts an informal orientation process for a new director that includes information on the Board's policies and procedures, written materials concerning the Company and its operations, and meetings with senior management.

The Board encourages continuing education for Board members, including the presentation of educational topics at Board meetings.

The Board has an annual evaluation and assessment process for the Board and individual directors. The annual review shall include a review of each director's compliance with the Board's membership criteria. If the Nominating and Corporate Governance Committee, in conjunction with the Chairperson, finds that any director is not fulfilling responsibilities of a director or no longer complies

with the selection criteria, such director will be asked to resign from, or not stand for re-election to, the Board.

### **Management Succession**

The Board shall develop and maintain an appropriate succession plan with respect to the position of CEO and other key executive positions. The Compensation Committee shall from time to time, as appropriate, review and recommend to the Board a succession plan for the CEO and development plans for other key corporate positions.

### **Ethical Conduct**

The Board expects the Company's directors, as well as its officers and employees, to act ethically at all times. Directors, officers and employees shall comply with the policies set forth in the Company's Code of Business Conduct and Ethics. The Board and/or the Nominating and Corporate Governance Committee shall periodically review the Code of Business Conduct and Ethics to help maintain its effectiveness and to foster an atmosphere of ethical conduct at Zurn.

All dealings between the Company and its directors, officers and employees shall be conducted in the best interests of the Company. The Board shall also establish and maintain a policy for related-party transactions involving the Company and its directors, officers and employees, and their related parties. The policy shall include disclosure and independent review and approval requirements for any such transactions.

### **Effect of the Guidelines; Revisions**

These Guidelines are intended to clarify and define the expectations for directors and management in their governance of the Company, beyond those expectations and requirements in the By-Laws, committee charters, the Company's Code of Business Conduct and Ethics and the rules and standards of the SEC and NYSE. These Guidelines will be changed from time to time as necessary or appropriate. Nothing in these guidelines is intended to expand or limit the fiduciary obligations of directors or executive officers beyond those provided for under applicable law.

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## APPENDIX A

### BOARD OF DIRECTORS MEMBERSHIP CRITERIA

The specific criteria required for the selection of each Board member will be determined within the context of the current member composition of the Board and the evolving needs of the company based on business strategy and current senior management competencies. These criteria shall also be used in the evaluation of directors. In general, all Board members should meet the following criteria:

- personal and professional integrity, ethics and values;
- experience in corporate or financial management, such as serving as an officer or former officer of a publicly held company;
- experience in the Company's industry and with relevant social policy concerns;
- experience as a board member of another publicly held company;
- academic expertise in an area of the Company's operations or financial or other areas relevant to the Company;
- practical and mature business judgment; and
- such other criteria as the Board or the Committee may from time to time determine.

In addition to the general criteria for each Board member, over time as Zurn continues to develop as a publicly held company, the Board should endeavor to maintain diversity by including at least one director who possesses each of the following experiences or attributes:

- Significant chief executive officer and/or chief operating officer experience in a publicly traded company, or a major division of a publicly traded company.
- International experience, with an understanding of conducting business on a global basis.
- Financial and accounting skills and experience in a public accounting firm or a public company, preferably with controller and /or chief financial officer experience, and who would fulfill the SEC requirements of an audit committee "financial expert."
- Relevant manufacturing management background from a well respected manufacturing-based company.
- Considerable human resources management experience involving the design of both short and long-term compensation programs, who understands benefit plans and has managed succession planning and leadership development for a successful company.
- Experience in one or more of the industries that are served by the Company.

The Committee shall identify candidates without regard to any candidate's race, color, disability, gender, national origin, religion or creed.



The composition of the Board will be reviewed annually to ensure the right mix of skills, experience and background needed for the foreseeable future, changing the membership mix of the Board as required to meet such needs.

The need for changing the membership mix of the Board will also be reviewed when a Board member changes employment and therefore may no longer meet the original criteria for that member's selection to the Board. Such review will also occur when it is determined management's evolving need for certain capabilities and/or guidance from the Board is not being met by the current composition of the Board. The Nominating and Corporate Governance Committee, in conjunction with the Chairperson, shall review the qualifications, performance and independence of existing Board members on an annual basis and make recommendations to the full Board whether individual Board members should stand for re-election when his or her term is up.