Dover Corporation - Water Security 2019

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Dover is a diversified global manufacturer with annual revenue of approximately $7 billion. We deliver innovative equipment and components, specialty systems, consumable supplies, software and digital solutions, and support services through three operating segments: Engineered Systems, Fluids, and Refrigeration & Food Equipment. Dover combines global scale with operational agility to lead the markets we serve. Recognized for our entrepreneurial approach for over 60 years, our team of 24,000 employees takes an ownership mindset, collaborating with customers to redefine what's possible.

Dover's three operating segments are structured around our key end markets and are designed to support focused growth strategies. Our segment structure also allows us to leverage Dover's scale and channel presence while capitalizing on productivity initiatives.

Dover's three operating segments are as follows:

• Our Engineered Systems segment is comprised of two platforms, Printing & Identification and Industrials, and is focused on the design, manufacture and service of critical equipment, consumables and components serving the fast-moving consumer goods, digital textile printing, vehicle service, environmental solutions and industrial end markets.

• Our Fluids segment, serving the Fueling and Transport, Pumps and Process Solutions end markets, is focused on the safe handling of critical fluids across the retail fueling, chemical, hygienic, oil and gas and industrial end markets.

• Our Refrigeration & Food Equipment segment is a provider of innovative and energy efficient equipment and systems serving the commercial refrigeration and food equipment end markets.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2018	December 31 2018

W0.3

(W0.3) Select the countries/regions for which you will be supplying data.

Argentina
Australia
Belgium
Brazil
Canada
China
Czechia
Denmark
Dominican Republic
France
Germany
India
Italy
Malaysia
Mexico

Netherlands
Poland
Singapore
Slovakia
Sweden
Switzerland
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Access to sufficient volumes and good quality water is required in Dover's direct and indirect operations. Though our operations may not be water intensive, without access to sufficient amounts of good quality freshwater, our direct operations could cease. Many of our customers and suppliers have similar operations to our own. Freshwater is as important to our value chain as it is to our own operations.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	A few of Dover's sites rely on recycled water as means of resource efficiency. For those sites, recycled water is important. Many of our customers and suppliers have similar operations to our own. Recycled water is as important to our value chain as it is to our own operations.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there were gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.

	% of sites/facilities/operations	Please explain
Water withdrawals – volumes from water stressed areas	26-50	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility. According to the WRI Water Aqueduct Tool, approximately 8% of Dover's facilities are located in areas with an "overall water stress" rating of High or Extremely high.
Water withdrawals – volumes by source	76-99	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sectors]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not relevant	All of our water withdrawals are sourced from municipal supplies, which are required to provide water that meets commercial quality standards.
Water discharges – total volumes	76-99	Dover collected water data from its global facilities starting in 2018. While Dover endeavored to measure water discharges at all facilities globally, because this was the first year of data collection, there may gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Water discharges – volumes by destination	76-99	Dover collected water data from its global facilities starting in 2018. While Dover endeavored to measure water discharges at all facilities globally, because this was the first year of data collection, there may gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.

	% of sites/facilities/operations	Please explain
Water discharges – volumes by treatment method	Not relevant	Almost all of our water is discharged to local municipal treatment plants or to groundwater from irrigation; about 23 locations discharge into local septic systems.
Water discharge quality – by standard effluent parameters	Not relevant	All of our water discharge meets standard effluent parameters. While local authorities may require general water quality permits for some of our facilities, this would be rare. Therefore, monitoring at the corporate level would not be relevant to Dover's overall water stewardship.
Water discharge quality – temperature	Not relevant	All of our water discharge meets standard temperature parameters. While local authorities may require general water quality permits for some of our facilities, this would be rare. Therefore, monitoring at the corporate level would not be relevant to Dover's overall water stewardship.
Water consumption – total volume	76-99	Dover collected water data from its global facilities starting in 2018. While Dover endeavored to measure water consumption at all facilities globally, because this was the first year of data collection, there may gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Water recycled/reused	Not relevant	While some Operating Companies utilize recycled water for resource efficiency, Dover does not monitor recycling/reused water at the corporate level.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We provide fully functioning WASH services for employees at all our facilities. Almost all of our water is sourced from municipal supplies which are required to provide water that meets commercial quality standards.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	623.57	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Total discharges	511.65	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Total consumption	111.93	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.

W1.2d

(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.

	% withdrawn from stressed areas	Comparison with previous reporting year	Identification tool	Please explain
Row 1	8	This is our first year of measurement	WRI Aqueduct	Dover used the WRI Aqueduct tool to assess the number of facilities located in water-stressed regions. Using this tool, we determined that 34% of Dover's facilities are located in areas considered to be in high or extremely high 'overall water stress."

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility. None of Dover's facilities reported water withdrawal from fresh surface water.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility. None of Dover's facilities reported water withdrawal from brackish surface water or seawater.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility. None of Dover's facilities reported water withdrawal from groundwater.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility. None of Dover's facilities reported water withdrawal from groundwater.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility. None of Dover's facilities reported water withdrawal from produced/entrained water.
Third party sources	Relevant	623.57	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. Most water data is based on water utility billing information that helps us assess total withdrawals by site for almost all operations. While Dover endeavored to measure water withdrawals at all facilities globally, because this was the first year of data collection, there may be gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	1.02	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. While Dover endeavored to measure water discharges at all facilities globally, because this was the first year of data collection, there may gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. None of Dover's facilities report water discharge to brackish surface water/seawater.
Groundwater	Relevant	0.45	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. While Dover endeavored to measure water discharges at all facilities globally, because this was the first year of data collection, there may gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.
Third-party destinations	Relevant	510.17	This is our first year of measurement	Dover collected water data from its global facilities starting in 2018. While Dover endeavored to measure water discharges at all facilities globally, because this was the first year of data collection, there may gaps in the data. Dover estimates the gap to be approximately 35%. For sites where data was not available, Dover extrapolated the annual volumes from similar facilities within a given operating company based on the square footage of the facility.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

1-25%

% of total procurement spend

26-50

Rationale for this coverage

Dover's Supplier Code of Conduct requires all suppliers to comply with applicable environmental laws, regulations, and standards and minimize any adverse impact on the environment. Dover's suppliers must also endeavor to conserve natural resources and energy and reduce or eliminate waste and the use of hazardous substances. "Suppliers" means any company, corporation, or other entity or person that sells, or seeks to sell, goods or services to Dover, including the supplier's employees, other workers, representatives, agents, subcontractors, and other sub-tier sources. Through this program we are able to understand the risk management activities of our suppliers related to water.

Impact of the engagement and measures of success

Dover requires its suppliers to read, understand, and follow the Supplier Code of Conduct. To ensure compliance with this Supplier Code, suppliers are require to cooperate with inspections, audits, and investigations by Dover or its authorized agents. Prior to engaging in business or during an existing business relationship, Dover conducts diligence on its suppliers to assess compliance with this Supplier Code and address Dover's business needs. Early in 2018, one of Dover's component supplier in Northern China intended to take a major step in relocating its manufacturing site (away from town proximity) to an industrial park with water/effluent treatment capabilities. Our supply chain group supported this move by helping the component supplier through advance planning, forecast based inventory build, and transition approvals so the move could be accomplished without any supply disruptions (instead of ramping up our second source supplier).

Comment

Dover is also a member of the Sustainable Purchasing Leadership Council.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement
Onboarding & compliance

Details of engagement
Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number
76-100

% of total procurement spend
76-100

Rationale for the coverage of your engagement
Compliance with Dover's Supplier Code of Conduct and support of business needs.

Impact of the engagement and measures of success
Dover requires its suppliers to read, understand, and follow the Supplier Code of Conduct. To ensure compliance with this Supplier Code, suppliers are require to cooperate with inspections, audits, and investigations by Dover or its authorized agents. Prior to engaging in business or during an existing business relationship, Dover conducts diligence on its suppliers to assess compliance with this Supplier Code and address Dover's business needs.

Comment

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Dover is committed to creating economic value for shareholders by developing products designed to help customers meet their sustainability goals in response to evolving regulatory and environmental standards. We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Accordingly, over the past several years, we have accelerated our efforts and processes around innovation, focusing on

technologies that create tangible value for our customers. Operating company leaders are in constant contact with customers and regularly assess their water efficiency needs, as appropriate, in order to develop products that can help customers meet their sustainability goals.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

3 to 6 years

Type of tools and methods used

Tools on the market

Tools and methods used

WRI Aqueduct

Comment

Dover uses the WRI Aqueduct tool to assess the overall risk associated with our facilities, including physical quantity, physical quality and regulatory and reputational risk. We found that 16 of Dover's 196 facilities evaluated, or 8%, are located in areas of high or extremely high "overall water stress." Eleven of the facilities are located in the US and the other five facilities are located in Hungary, Singapore, China, Taiwan and Australia.

Supply chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Dover withdraws most of its water from third party sources like municipal authorities, who monitor the availability of water at a basin/catchment level. To date, water availability issues have had minimal impact on our business, yet they are still relevant to our risk assessments currently and in the future. When completing water risk assessments, we use the WRI Aqueduct tool to assess water availability. We found that 34% of operations assessed were located in areas of high to extremely high baseline water stress. Baseline water stress measures the ratio of total annual water withdrawals to total available annual renewable supply, accounting for upstream consumptive use. Higher values indicate more competition among users.
Water quality at a basin/catchment level	Relevant, always included	Dover withdraws most of its water from third party sources like municipal authorities, who monitor the availability of water at a basin/catchment level. To date, water quality issues have had minimal impact on our business, yet they are still relevant to our risk assessments currently and in the future. We use the WRI aqueduct tool to assess the overall water stress quality in the regions where our facilities are located. Physical risks related to quality identify areas of concern regarding water quality that may impact short or long term water availability. 15% of our facilities are located in areas designated as high or extremely high water quality risk.
Stakeholder conflicts concerning water resources at a basin/catchment level	Not relevant, explanation provided	Dover withdraws most of its water from third party sources, who also supply water to surrounding businesses and communities. To date, there have been no conflicts with stakeholders concerning water resources, nor do we anticipate such conflicts given the nature of our business. Therefore this issue is not relevant to our risk assessment currently and in the near future. We use the WRI aqueduct tool to assess the overall water risk in the regions where our facilities are located.
Implications of water on your key commodities/raw materials	Relevant, always included	We use a wide variety of raw materials, primarily metals and semi-processed or finished components, which are generally available from a number of sources. As a result, shortages or the loss of any single supplier have not had, and are not likely to have, a material impact on operating profits. While the required raw materials are generally available, commodity pricing can be volatile, particularly for various grades of steel, copper, and select other commodities. Although cost increases in commodities may be recovered through increased prices to customers, our operating results are exposed to such fluctuations. We attempt to control such costs through fixed-price contracts with suppliers and various other programs, such as our global supply chain activities.

	Relevance & inclusion	Please explain
Water-related regulatory frameworks	Relevant, always included	We have established a risk assessment team consisting of senior executives, which annually, with the assistance of a consultant, oversees a risk assessment made at the segment and operating company levels and, with that information in mind, performs an assessment of the overall risks our company may face, including with respect to any climate and water- related risks. Each quarter, this team reassesses the risks at the Dover level, the severity of these risks and the status of efforts to mitigate them and reports to the Board on that reassessment. At this time, there have been no material effects upon our earnings and competitive position resulting from our compliance with laws or regulations enacted or adopted relating to climate change or water risk. Our businesses' domestic and international sales and operations are subject to risks associated with changes in laws, regulations and policies. Failure to comply with any of the foregoing could result in civil and criminal, monetary and non-monetary penalties as well as potential damage to our reputation. We cannot provide assurance that our costs of complying with new and evolving regulatory reporting requirements and current or future laws will not exceed our estimates.
Status of ecosystems and habitats	Relevant, always included	Dover withdraws and discharges water primarily to third party sources, like municipal authorities. The status of ecosystems and habitats is a key factor in the WRI Aqueduct risk assessment process as well as an output from the WRI Aqueduct tool. Specifically, the tool considers upstream-protected land and threatened amphibians. No sites are listed as high or extremely high risk regarding upstream protected land. Five sites are rated high risk with respect to threatened amphibians. Four of these sites are located in the US and one in Australia.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Dover provides access to fully-functioning, safely managed WASH services to all its employees, as part of our efforts to ensure quality and safety. We include this per regulatory requirements to ensure the health and safety of all employees and customers. This issue is relevant to our risk assessment currently and in the future. We use the WRI aqueduct tool to assess the overall water stress levels in the regions where our facilities are located. Stress levels correspond to risk to water utilities at a local level.
Other contextual issues, please specify	Not relevant, explanation provided	We have not identified other contextual issues that are relevant to our business.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Dover is committed to creating economic value for shareholders by developing products designed to help customers meet their sustainability goals in response to evolving regulatory and environmental standards. We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Accordingly, over the past several years, we have accelerated our efforts and processes around innovation, focusing on technologies that create tangible value for our customers. Operating company leaders are in constant contact with customers and regularly assess their energy and carbon efficiency needs in order to develop products that can help customers meet their sustainability goals.
Employees	Relevant, always included	When conducting water risk assessments, we consider the risk of water-related incidents on our employees, as they are one of the key drivers for the success of our business and are one of the stakeholders directly impacted by water-related risks. Any interruptions at our facilities due to water-related incidents could impact the safety of our employees. These risks can include availability of water for WASH services, drinking water, and availability for fire sprinklers in case of emergency. Additionally, we consider water-related risks due to severe weather, such as flooding, hurricanes, tropical storms, that could cause business disruptions, and temporary or permanent site closures.
Investors	Relevant, not included	Investors are currently not included in the water risk assessment.
Local communities	Not relevant, explanation provided	Dover withdraws most of its water from third party sources, who also supply water to surrounding businesses and communities. To date, there have been no conflicts with stakeholders concerning water resources, nor do we anticipate such conflicts given the nature of our business. Therefore this issue is not relevant to our risk assessment currently and in the near future.
NGOs	Not relevant, explanation provided	NGOs are currently not included in the water risk assessment.
Other water users at a basin/catchment level	Not relevant, explanation provided	Dover withdraws most of its water from third party sources like municipal authorities, who monitor the availability of water at a basin/catchment level. To date, water availability issues have had minimal impact on our business, yet they are still relevant to our risk assessments currently and in the future. When completing water risk assessments, we use the WRI Aqueduct tool to assess water availability and quality parameters at each facility. Using this tool, we were able to assess 85% of our physical operations in 2017. We found that 39% of operations assessed were located in areas of high to extremely high water stress.
Regulators	Relevant, always included	We have established a risk assessment team consisting of senior executives, which annually, with the assistance of a consultant, oversees a risk assessment made at the segment and operating company levels and, with that information in mind, performs an assessment of the overall risks our company may face, including with respect to any climate and water- related risks. Each quarter, this team reassesses the risks at the Dover level, the severity of these risks and the status of efforts to mitigate them and reports to the Board on that reassessment. At this time, there have been no material effects upon our earnings and competitive position resulting from our compliance with laws or regulations enacted or adopted relating to climate change or water risk.
River basin management authorities	Not relevant, explanation provided	Dover withdraws most of its water from third party sources, who also supply water to surrounding businesses and communities. To date, there have been no conflicts with stakeholders concerning water resources, nor do we anticipate such conflicts given the nature of our business. Therefore this issue is not relevant to our risk assessment currently and in the near future.

	Relevance & inclusion	Please explain
Statutory special interest groups at a local level	Not relevant, explanation provided	Dover withdraws most of its water from third party sources, who also supply water to surrounding businesses and communities. To date, there have been no conflicts with stakeholders concerning water resources, nor do we anticipate such conflicts given the nature of our business. Therefore this issue is not relevant to our risk assessment currently and in the near future.
Suppliers	Relevant, always included	Dover's Supplier Code of Conduct requires all suppliers to comply with all applicable environmental laws, regulations, and standards and minimize any adverse impact on the environment. In addition, Dover's suppliers must also endeavor to conserve natural resources and energy and reduce or eliminate waste and the use of hazardous substances. "Suppliers" means any company, corporation, or other entity or person that sells, or seeks to sell, goods or services to Dover, including the supplier's employees, other workers, representatives, agents, subcontractors, and other sub-tier sources. Dover requires its suppliers to read, understand, and follow the Supplier Code of Conduct. Suppliers are required to cooperate requests for inspections, audits, and investigations by Dover or its authorized agents. Prior to engaging in business or during an existing business relationship, Dover may conduct diligence on its suppliers and their owners and key personnel to assess compliance with this Supplier Code and address Dover's business needs. Dover's due diligence activities confirm compliance with the Supplier Code of Conduct.
Water utilities at a local level	Relevant, always included	Dover withdraws most of its water from third party sources like municipal authorities, who monitor the availability of water at a basin/catchment level. To date, water quality issues have had minimal impact on our business, yet they are still relevant to our risk assessments currently and in the future. We use the WRI aqueduct tool to assess the overall water stress quality in the regions where our facilities are located. Physical risks related to quality identify areas of concern regarding water quality that may impact short or long term water availability. 15% of our facilities are located in areas designated as high or extremely high water quality risk.
Other stakeholder, please specify	Not relevant, explanation provided	There are no other relevant stakeholders that are impacted by Dover operations that need to be considered for our water-related risk assessment.

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

As part of its oversight of risk management, our Board reviews any material risks, including any related to environmental and social issues. The Board is focused on our long-term business strategy, including fostering sustainability-driven innovations, and incorporates our sustainability risks and opportunities, including water security, into its overall strategic decision-making. Dover

collected water data from its global facilities starting in 2018.

We have established a risk assessment team consisting of senior executives, which annually, with the assistance of a consultant, oversees a risk assessment made at the segment and operating company levels and, with that information in mind, performs an assessment of the overall risks our company may face, including with respect to any water-related risks. Each quarter, this team reassesses the risks at the Dover level, the severity of these risks and the status of efforts to mitigate them and reports to the Board on that reassessment. At this time, there have been no material effects upon our earnings and competitive position resulting from our compliance with laws or regulations enacted or adopted relating to water.

One way that Dover defines a substantive financial or strategic impact on our business is an event or trend that could drive a significant positive or negative change in our sales revenue, pre-tax earnings, market position, competitive landscape or product innovation. Examples include innovative new products that would meet significant customer needs, or a sustained downturn in a key market that would reduce demand for our products and services. The assessment of risk includes consideration of the potential impact of the risk on our overall market position, competitive landscape, product innovation, sales revenue and pre-tax earnings as well as the likelihood and severity of the impact and mitigating controls in place.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

One way that Dover defines a substantive financial or strategic impact on our business is an event or trend that could drive a significant positive or negative change in our sales revenue, pre-tax earnings, market position, competitive landscape or product innovation. Examples include innovative new products that would meet significant customer needs, or a sustained downturn in a key market that would reduce demand for our products and services. The assessment of risk includes consideration of the potential impact of the risk on our overall market position, competitive landscape, product innovation, sales revenue and pre-tax earnings as well as the likelihood and severity of the impact and mitigating controls in place.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Overall, water risks are not expected to generate a substantive change in our business, operations, revenues, or expenditures in the short-, medium- or long-term. The vast majority of our water comes from the local utility operating in the vicinity of our operations. While Dover has some operations in water scarce regions, our business is not water intensive. It is unlikely that water shortages or increases in incidence of drought conditions will significantly impact our business operations. Severe weather events, like flooding and hurricanes pose risks for our business. However, based on our assessments, we do not believe water-related physical risks from severe weather, have the potential to cause a substantive financial or strategic impact on our business in the current time-frame.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Dover sells a wide variety of products that are manufactured all over the world and our suppliers may be exposed to water-related risks in certain regions. Because of the wide variety of our products and suppliers, the interruption of service from any one supplier or type of product due to a water incident would not generate a substantive change in our business, operations, revenue or expenditure in the short-, medium or long-term. Severe weather events, like flooding and hurricanes pose risks for our suppliers and are expected. However, based on our assessments, we do not believe water-related physical risks from severe weather in our value chain have the potential to cause a substantive financial or strategic impact on our business in the current time frame.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Reduced impact of product use on water resources

Company-specific description & strategy to realize opportunity

Dover's Hydro Systems' product line of proportioning, dosing and dispensing solutions contribute to the long-term well-being of people and the environment. Its products are used to accurately dilute and/or dispense concentrated cleaning chemicals so they can be safely and effectively used in commercial cleaning applications, such as: food service, health care, supermarket, institutional, school, building service contractor, and industrial markets. Hydro's products promote environmental-responsibility, cost control, worker safety, and proper chemical performance - especially important in bacteria-control areas like retail-food and health care. The innovative EvoClean dispenser is the world's first venturi (or vacuum) -based, water-powered dispenser for on-premise laundry applications. Unlike other laundry dispensers, EvoClean does not require squeeze tubes and drives dramatic reductions in maintenance costs. Its delivery performance is precise, and it will not under-dose chemicals. This gives laundries less downtime, less re-wash and more predictable, clean results with every wash. The EvoClean dispenser reduces water consumption. Example Savings Calculation for Chemical Companies Energy: 9,000 locations x 2 dispensers average per location = 18,000 total EvoClean units 38 kWH x 18,000 units = 684,000 kWh /year Water: The system uses 60% less water (3.7 gallons per load), because its eductor restricts flow to 0.5 GPM or 1.0 GPM nominally, depending on the model.

Estimated timeframe for realization
Current - up to 1 year

Magnitude of potential financial impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
69900000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact
The potential financial impact of water-saving product opportunities is provided as an order of magnitude estimate based on a percentage of Dover's revenue. Dover's revenue was $6.99 billion in 2018. $69.9 million is 1% of Dover's 2018 revenue. The actual revenue could be higher or lower.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitments beyond regulatory compliance Commitment to water-related innovation	Both our Company and our Supplier Codes of Conduct require conservation of natural resources. This includes water. In addition, compliance with environmental regulations is required.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	The Board oversees risk management, and periodically reviews the processes established by management to identify and manage risks, including those related to environmental and social issues including water. Dover's CEO, who is a member of the Board, has management responsibility for sustainability issues and climate-related issues, including water. In addition, the CEOs of Dover's business segments, who are part of Dover's executive management and report directly to the CEO, are fully engaged in assessing and managing sustainability risks and opportunities for their operating companies from an operational efficiency perspective (water, energy and carbon) as well as in overseeing the development of products that help our customers meet their sustainability goals. Dover's Director, Global Sourcing – Center of Excellence takes the lead on coordinating day-to-day performance on water-related issues. As part of this mandate, the Director, Global Sourcing – Center of Excellence oversees a Working Committee, which is comprised of all segment supply chain directors and representatives from Dover's operating companies. The Working Committee is responsible for driving the implementation of Dover's sustainability initiatives, including those related to water. Dover is committed to creating economic value for shareholders by developing products designed to help customers meet their sustainability goals in response to evolving regulatory and environmental standards. We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Accordingly, over the past several years, we have accelerated our efforts and processes around innovation, focusing on technologies that create tangible value for our customers. Each of Dover's segments is dedicated to this important initiative.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Overseeing acquisitions and divestiture Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities	As part of its oversight of risk management, our Board reviews any material risks related to environmental and social issues. The Board is focused on our long-term business strategy, including fostering sustainability-driven innovations, and incorporates our sustainability risks and opportunities into its overall strategic decision-making.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Annually

Please explain

The Board oversees risk management, and periodically reviews the processes established by management to identify and manage risks, including those related to environmental and social issues. The Board is focused on our long-term business strategy, including fostering sustainability-driven innovations, and incorporates our sustainability risks and opportunities into its overall strategic decision-making. Dover's CEO, who is a member of the Board, has management responsibility for sustainability and climate-related issues, including water. In addition, the CEOs of Dover's business segments, who are part of Dover's executive management and report directly to the CEO, are fully engaged in assessing and managing sustainability risks and opportunities for their operating companies from an operational efficiency perspective (water, energy and carbon) as well as in overseeing the development of products that help our customers meet their sustainability goals.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Dover's representative to the National Association of Manufacturers is a member of the Executive Management team. As such, the representative is aware of Dover's overall climate change strategy and position.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Our businesses invest to develop innovative products, as well as to upgrade and improve existing products to satisfy our customers' demand for products designed to help them meet sustainability goals, including those related to water use and water discharge. We are committed to creating economic value for shareholders by developing products designed to help our customers meet their sustainability goals in response to evolving regulatory and environmental standards. We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Accordingly, over the past several years, we have accelerated our efforts and processes around innovation, focusing on technologies that create tangible value for our customers. Each of Dover's segments is dedicated to this important initiative. One example of an innovative product that saves water usage and discharge is our Hydro Systems' product line of proportioning, dosing and dispensing solutions that contribute to the long-term well-being of people and the environment. Its products are used to accurately dilute and/or dispense concentrated cleaning chemicals so they can be safely and effectively used in commercial cleaning applications, such as: food service, health care, supermarket, institutional, school, building service contractor and industrial markets. See question 4.3a for more detail on water savings.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Our businesses invest to develop innovative products, as well as to upgrade and improve existing products to satisfy our customers' demand for products designed to help them meet sustainability goals, including those related to water use and water discharge. We are committed to creating economic value for shareholders by developing products designed to help our customers meet their sustainability goals in response to evolving regulatory and environmental standards. We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Over the past several years, we have accelerated our efforts and processes around innovation, focusing on technologies that create tangible value for our customers. In 2018, we prioritized innovation and research and development, spending $143 million. One example of an innovative product that saves water usage and discharge is our Hydro Systems' proportioning, dosing and dispensing solutions that contribute to the long-term well-being of people and the environment. Its products are used to accurately dilute and/or dispense concentrated cleaning chemicals so they can be safely and effectively used in commercial cleaning applications, such as: food service, health care, supermarket, institutional, school, building service contractor and industrial markets. See question 4.3a for more detail on water savings.
Financial planning	Yes, water-related issues are integrated	5-10	Our businesses invest to develop innovative products, as well as to upgrade and improve existing products to satisfy our customers' demand for products designed to help them meet sustainability goals, including those related to water use and water discharge. We are committed to creating economic value for shareholders by developing products designed to help our customers meet their sustainability goals in response to evolving regulatory and environmental standards. We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Over the past several years, we have accelerated our efforts and processes around innovation, focusing on technologies that create tangible value for our customers. In 2018, we prioritized innovation and research and development, spending $143 million. One example of an innovative product that saves water usage and discharge is our Hydro Systems' product line of proportioning, dosing and dispensing solutions that contribute to the long-term well-being of people and the environment. Its products are used to accurately dilute and/or dispense concentrated cleaning chemicals so they can be safely and effectively used in commercial cleaning applications, such as: food service, health care, supermarket, institutional, school, building service contractor, and industrial markets. See question 4.3a for more detail on water savings.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

9

Anticipated forward trend for OPEX (+/- % change)

5

Please explain

Dover increased R&D spending on product innovation by 9% from 2017-2018. Dover does not disclose R&D spending per Operating Company or product, however, we anticipate that Dover will continue to invest in R&D related to the development of "low-water products" and other products that help our customers meet their sustainability goals. An estimate of 5% is provided for the purposes of this disclosure.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	No, but we anticipate doing so within the next two years	

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Business level specific targets and/or goals Brand/product specific targets and/or goals	Goals are monitored at the corporate level	Several of our operating companies are certified to ISO 14001, which requires setting goals for resource efficiency, including water. For example, Markem-Image has an objective to reduce water consumption through innovative recycling standards implemented within the manufacturing process. As a result Markem-Imaje has reduced water consumption by 31% from 2010. Markem-Imaje's progress toward its goals is has been shared with stakeholders in a sustainability report which is available on Dover's corporate website.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal
Other, please specify (reduce water consumption through innovative recycling standards implemented within the manufacturing process)

Level
Business

Motivation
Reduced environmental impact

Description of goal
Several of our operating companies are certified to ISO 14001, which requires setting goals for resource efficiency, including water. For example, Markem-Image has an objective to reduce water consumption through innovative recycling standards implemented within the manufacturing process. As a result, Markem-Imaje has reduced water consumption by 31% from 2010. Markem-Imaje's progress toward its goals are shared in a public sustainability report which is available on Dover's corporate website.

Baseline year
2010

Start year
2010

End year
2018

Progress
Markem-Imaje has reduced water consumption by more than 31% from 2010.

W9. Linkages and trade-offs

W9.1

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

Yes

W9.1a

(W9.1a) Describe the linkages or tradeoffs and the related management policy or action.

Linkage or tradeoff

Linkage

Type of linkage/tradeoff

Increased energy efficiency

Description of linkage/tradeoff

Hydro Systems' product line of proportioning, dosing and dispensing solutions contribute to the long-term well-being of people and the environment. Its products are used to accurately dilute and/or dispense concentrated cleaning chemicals so they can be safely and effectively used in commercial cleaning applications. The innovative EvoClean dispenser is the world's first venturi (or vacuum)-based, water-powered dispenser for on-premise laundry applications. Unlike other laundry dispensers, EvoClean does not require squeeze tubes driving dramatic reductions in service parts and maintenance costs. This gives laundries, less downtime, less re-wash and more predictable, clean results with every wash. Example Savings Calculation Energy: 9,000 locations x 2 dispensers average per location = 18,000 total EvoClean units 38 kWH x 18,000 units = 684,000 kWh /year Water: The system uses 60% less water (3.7 gallons per load), because its eductor restricts flow to 0.5 GPM or 1.0 GPM nominally.

Policy or action

None.

W10. Verification

W10.1

(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?

No, but we are actively considering verifying within the next two years

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Director	Other, please specify (Global Supply Chain Center of Excellence)

W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

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