Dover Corporation - Water Security 2022

W0. Introduction

W0.1

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

Dover is a diversified global manufacturer and solutions provider with annual revenue of approximately $8 billion. Dover delivers innovative equipment and components, consumable supplies, aftermarket parts, software and digital solutions, and support services through five operating segments: Engineered Products, Clean Energy & Fueling, Imaging & Identification, Pumps & Process Solutions, and Climate & Sustainability Technologies.

The Company's core strengths of ownership, entrepreneurship, and accountability fuel our ability to deliver cutting edge products and solutions to our customers. Dover is headquartered in Downers Grove, Illinois and currently employs approximately 25,000 people worldwide.

Dover's five operating segments are as follows:

Engineered Products delivers industry-leading equipment, components and software serving the vehicle aftermarket, waste handling, industrial automation and aerospace & defense end markets.

Clean Energy & Fueling provides a comprehensive portfolio of safety and efficiency solutions for the convenience retail, fueling and clean energy, cryogenic gas and vehicle wash markets.

Imaging & Identification leads the design and manufacture of equipment, consumables and software, in addition to providing support services for the marking & coding, product traceability and authentication and digital textile printing markets.

Pumps & Process Solutions supplies performance-critical components and solutions for the safe handling of fluids across the chemical, bioproduction, hygienic, energy and diversified industrial markets.

Climate & Sustainability Technologies develops and supplies innovative and energy-efficient equipment and systems serving the commercial refrigeration, heating & cooling and beverage packaging equipment 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 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

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

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	DOV

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. Direct use - Our operating companies require freshwater for production processing. For example, the manufacturing sites in our Pumps & Process Solutions segment utilize fresh water during the production process in machining areas. Freshwater is also used at all of our sites and offices for water fountains, sanitary locations (toilets) and irrigation. While our operations are not water intensive, without access to sufficient amounts of good quality freshwater, our direct operations could be disrupted. Indirect use - Many of our customers and suppliers have similar operations to our own. Indirect use of freshwater is also important to our value chain for production processes.
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 a means of resource efficiency. For example, several of our Operating Companies operate a water-based coolant recycling system which reclaims the water-based coolant and returns it to the operating process. For one of the Operating Companies, this reduced water consumption by 30% at its facilities. For these Operating Companies and others, recycled water plays a key part in saving money and helping the environment. 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 began collecting water data from its global facilities starting in 2018. During 2021, Dover was able to directly measure water withdrawal at 50% of all facilities globally, up from 44% measured in 2020. Water utility bill data, by volume, was collected from these sites monthly or bi-monthly. For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water withdrawal within a given operating company. Using these methods, water withdrawal was calculated or estimated for 92% of Dover's sites. Therefore, water withdrawal is monitored and directly measured or estimated at substantially all our facilities worldwide. Dover is continuing to develop its water data collection tools and working with sites to ensure more complete reporting in the future. Dover aims to measure, monitor, and report water withdrawal monthly.
Water withdrawals – volumes by source	76-99	Dover began collecting water data from its global facilities starting in 2018 and in 2021 was able to directly measure water withdrawal at 50% of all facilities globally, up from 44% measured in 2020. All of our water withdrawals are sourced from municipal supplies, so total withdrawal by volume is no different than water withdrawal volumes by source. Dover collected water utility bill data, by volume, from reporting sites monthly or bi-monthly. For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water withdrawal within a given operating company. Using these methods, water withdrawal was calculated or estimated for 92% of Dover's sites. Therefore, water withdrawal is monitored and directly measured or estimated at substantially all our facilities worldwide.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<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 began collecting water data from its global facilities starting in 2018 and in 2020 was able to directly measure wastewater discharge at 50% of all facilities globally, up from the 35% of all facilities in 2020. Almost all of our wastewater is discharged to local municipal treatment plants. Water utility bill data, by volume, was collected from reporting sites monthly or bi-monthly. For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water discharge within a given operating company. Using these processes, water discharge is monitored and directly measured or estimated at 91% of Dover sites. Therefore, water discharge is monitored and measured at substantially all our facilities worldwide. Dover is continuing to develop its water data collection tools and working with sites to ensure more complete reporting in the future.
Water discharges – volumes by destination	76-99	Dover began collecting water data from its global facilities starting in 2018 and in 2020 was able to directly measure wastewater discharge at 50% of all facilities globally, up from the 35% of all facilities in 2020. Almost all of our wastewater is discharged to local municipal treatment plants, so total discharge by volume is no different than water discharge volumes by destination. Municipal water utility bill data, by volume, was collected from reporting sites monthly or bi-monthly. For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water discharge within a given operating company. Using these processes, water discharge is monitored and directly measured or estimated at 91% of Dover sites. Therefore, water discharge is monitored and measured at substantially all our facilities worldwide. Dover is continuing to develop its water collection process and working with sites to ensure more complete reporting in the future.
Water discharges – volumes by treatment method	Not relevant	Almost all our water is discharged to local municipal treatment plants or to groundwater from irrigation.
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 began collecting water data from its global facilities starting in 2018 and in 2021 was able to directly measure water withdrawal at and wastewater discharge at 50% of all global facilities. Municipal water utility bill data, by volume, was collected from these reporting sites monthly or bi-monthly. For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water withdrawal and discharge within a given operating company. Total water consumption, by volume, is calculated by taking the difference between total water withdrawal and total water discharge, providing an aggregated estimation of water consumption across all global operations. Using these processes, water consumption is monitored and directly measured/estimated at substantially all our facilities worldwide (>90%).
Water recycled/reused	Not relevant	Several of our operating companies utilize recycled water for resource efficiency with examples provided throughout our CDP response, However, 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
Total withdrawals	810	Lower	Dover began collecting water data from its global facilities in 2018. In 2020, the total water withdrawals across all active facilities globally was 810 megaliters (a company-wide calculation). We collected water withdrawal data monthly from 50% of our facilities worldwide (up from 44% of facilities in 2020). Reduced water withdrawal is attributed to COVID-related operational disruptions and more water-efficient operations as noted throughout this CDP response. For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water withdrawal within a given operating company. Through these methods, withdrawal amounts were calculated or estimated for 92% of all facilities. Therefore, water withdrawal volumes are monitored and directly measured or estimated at substantially all our facilities worldwide. In the future, we expect total water withdrawals to increase in some operating companies as our operations continue to grow.
Total discharges	427	About the same	Dover began collecting water data from its global facilities in 2018. In 2021, the total water discharges across all active facilities globally was 427 megaliters (a company-wide calculation). We collected water discharge data monthly from 50% of our facilities worldwide (up from 44% of our facilities in 2020). For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water discharge within a given operating company. Using these processes, water discharge is monitored and directly measured or estimated at substantially all our facilities worldwide. Dover's water discharge in 2021 stayed about the same as 2020 (less than a 1% difference). Dover is continuing to develop its water data collection tools and working with sites to ensure more complete reporting in the future. In the future, we expect total water discharges to increase in some operating companies as our operations continue to grow.
Total consumption	383	Lower	Dover began collecting water data from its global facilities in 2018. In 2020, the total water consumption across all active facilities globally was 383 megaliters. Total water consumption is calculated monthly or bi-monthly, by subtracting total discharge from total withdrawal. Water consumption is monitored and directly measured or estimated at substantially all our facilities worldwide. Dover is continuously developing its water data collection process and working with sites to ensure more complete reporting in the future. Total estimated water consumption was lower in 2021 due to lower water withdrawal from water-efficient operations and COVID-19 operational disruptions. In the future, we expect total water consumption to increase in some operating companies as our operations continue to grow.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	11-25	Higher	WRI Aqueduct	Dover used the WRI Aqueduct tool 3.0 to assess the number of facilities located in water-stressed regions. Using this tool, we determined that 18% of Dover's facilities are in areas considered to be in high or extremely high 'overall water stress. The percentage of sites that are considered to be in high or extremely high-water stress increased from 2020, mainly due to an expanded coverage of sites. In 2020, we analyzed approximately 200 sites and in 2021, we analyzed approximately 360 sites. The increase in sites in high water stress areas also may be due to continued improvement in the WRI Aqueduct tool.

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 began collecting water data from its global facilities in 2018. In 2021, none of Dover's facilities reported water withdrawal from fresh surface water and so this source is not relevant to Dover's water withdrawal and use.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Dover began collecting water data from its global facilities in 2018. In 2021, only a few of Dover's facilities reported water withdrawal from brackish surface water or seawater, and so this source is not relevant to Dover's water withdrawal and use.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	Dover began collecting water data from its global facilities in 2018. In 2021, none of Dover's facilities reported water withdrawal from renewable groundwater and thus this source is not relevant to Dover's water withdrawal and use. However, Dover will continue to monitor this source to determine if it becomes relevant in the future.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Dover began collecting water data from its global facilities in 2018. In 2021, none of Dover's facilities reported water withdrawal from non-renewable groundwater and thus this source is not relevant to Dover's water withdrawal and use. However, Dover will continue to monitor this source to determine if it becomes relevant in the future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Dover began collecting water data from its global facilities in 2018. In 2021, none of Dover's facilities reported water withdrawal from produced / entrained water and so this source is not relevant to Dover's water withdrawal and use.
Third party sources	Relevant	810	Lower	Dover began collecting water data from its global facilities in 2018. In 2021, the total water withdrawals across all facilities globally was 810 megaliters. Water from third party sources is relevant because Dover has used and has plans to use water from these sources. 99.98% of Dover's water withdrawals came from third party sources, which makes this the only relevant category. This amount is a company-wide calculation. We collected water withdrawal data from utility bills on a monthly or bi-monthly basis from 50% of all facilities globally (up from 44% in 2020). For sites where data was not available, Dover extrapolated the annual volumes based on average yearly water withdrawal within a given operating company. Reduced water withdrawal is attributed to COVID-19 related operational disruptions and improved water-efficient operations.

W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	Dover collected water data from its global facilities starting in 2018. In 2021, none of Dover's global facilities report water discharge to fresh surface water, and therefore this destination is not relevant.
Brackish surface water/seawater	Relevant	1.44	This is our first year of measurement	Dover began collecting water data from its global facilities in 2018. In 2021, total water discharged as brackish water across all facilities was 1.44 megaliters or 0.003% of Dover's water discharge volumes. This destination is relevant because Dover has discharged and plans to discharge water to this destination.
Groundwater	Relevant	0.2	Lower	Dover began collecting water data from its global facilities in 2018. In 2021, total water discharged to groundwater or a subsurface destination across all facilities was 0.2 megaliters or <1% of Dover's water discharge volumes. This destination is relevant because Dover has discharged and plans to discharge water to this destination.
Third-party destinations	Relevant	425	Higher	Dover began collecting water data from its global facilities in 2018. In 2021, the total water discharged to third party destinations across all facilities globally was megaliters. Water discharged to third party destinations is relevant because Dover has discharged and plans to discharge water to these sources. Over 99% of Dover's water discharges were to third party destinations, which makes this category very relevant to its water accounting. Total water discharge to third-party destinations was lower in 2020 than in 2019 due to the year-over-year reduction in total discharge volumes attributable to COVID-related disruptions to operations.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	7907081000	810	9761828.39506173	In the future, we expect total water discharges to increase in some operating companies as our operations continue to grow.

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. “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’s suppliers must also endeavor to conserve natural resources and energy and reduce or eliminate waste and the use of hazardous substances. 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 required 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 as needed on its suppliers to assess compliance with this Supplier Code and address Dover’s business needs.

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
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. “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 chooses to require this compliance from all suppliers, because it is through this program that we are able to understand the risk management activities of our suppliers related to water. In order for Dover to mitigate potential risks throughout its value chain, it must understand its suppliers’ water-related activities, risks, and management strategies. Dover also requires its suppliers to endeavor to conserve natural resources and energy and reduce or eliminate waste and the use of hazardous substances.

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 required 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 as needed 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 developing products designed to help customers meet their sustainability goals in response to evolving regulatory and environmental standards. Our operating company leaders and their respective teams are in regular contact with customers and regularly assess customer needs, including with respect to water efficiency, wastewater treatment, and other sustainability-related efforts, to develop products that can help meet those needs. We believe 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. For example, Pump Solution Group’s pumps have helped strengthen water treatment operations for the many chemical-metering processes involved to help customers deliver the cleanest water possible. The success of our customer engagement is ultimately reflected in the value we create for shareholders by understanding and addressing the needs of our customers and capitalizing on opportunities to strengthen our relationships with them.

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.

Value chain stage
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?
More than 6 years

Type of tools and methods used
Tools on the market

Tools and methods used
WRI Aqueduct

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Investors
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

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. Dover utilized the updated WRI Aqueduct Tool to assess risk from its sites. Approximately 18% of our sites are located in areas of high or extremely high "overall water stress." The percentage of sites that are considered to be in high or extremely high-water stress increased from 2020, mainly due to an expanded coverage of sites. In 2020, we analyzed approximately 200 sites and in 2021, we analyzed approximately 360 sites. The increase in sites in high water stress areas also may be due to continued improvement in the WRI Aqueduct tool. To help manage the ESG issues that impact our businesses, we established a cross-functional Sustainability Steering Committee comprised of Dover corporate and operating company leaders to oversee our sustainability strategy, initiatives, target-setting, performance, and reporting. The Sustainability Steering Committee also considers water- and climate-related risks. The Sustainability Steering Committee aims to meet at least quarterly, regularly briefs the CEO, and provides an update to the Board at least annually.

Value chain stage
Supply chain

Coverage
Please select

Risk assessment procedure
Please select

Frequency of assessment
Please select

How far into the future are risks considered?
Please select

Type of tools and methods used
Please select

Tools and methods used
<Not Applicable>

Contextual issues considered
Please select

Stakeholders considered
Please select

Comment
Dover identifies and assesses water-related risks in our supply chain through requiring our suppliers to report on their water use, risks, and/or management and through our Supplier Code of Conduct, which requires all suppliers to comply with applicable environmental laws, regulations, and standards and minimize any adverse impact on the environment. In order for Dover to mitigate potential risks throughout its value chain, it must understand its suppliers' water-related activities, risks, and management strategies.

W3.3b

(W3.3b) 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, but continued regular risk assessment ensures that any future impacts can be foreseen and managed.

Additionally, we use WRI Aqueduct tool to identify and assess physical, regulatory, and reputational water risks to Dover's sites, both now and in the future. This tool includes risk assessment in the short-, medium- and long-term time horizons. Potential upstream water-related risks are assessed and managed in part through the requirement of compliance with Dover's Supplier Code of Conduct, audits as required, and building partnerships to help suppliers mitigate their water-related risks, thereby reducing Dover's own exposure to those risks. The results of water risk identification and analysis using these tools will be shared with the Sustainability Steering Committee, which is responsible for overseeing our sustainability strategy, initiatives, target-setting, performance, and reporting. The Sustainability Steering Committee is comprised of Dover corporate, including Dover's CEO, and operating company leaders.

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. We use a number of criteria to identify a substantive financial or strategic impact including an evaluation of the potential impact on our finances, operations, reputation, business strategy and legal and regulatory compliance. We also assess the likelihood and severity of the impact, and our ability to implement controls to mitigate impacts. Financial impact is based on a scale which ranks impact into five categories, from a "Low" impact event with a potential financial impact of $2 million to a "Critical" impact event with a potential financial impact of $10 million.

Additionally, risks that impact our ability to operate that may not meet the financial thresholds defined above, may also be considered to be of substantive impact. For example, shut downs of manufacturing facilities due to extreme weather events.

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 based on our assessment of water stress using WRI Aqueduct, 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 For example, heavy rain interrupted operations at one of our facilities briefly this year causing minor damage and time spent for clean up but there was no substantial impact on operations.

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 conducted a comprehensive water risk assessment, using WRI Aqueduct and other tools, to examine water risks to our operating companies' value chains. The results of the assessment have not identified exposure to water risks that could generate substantive financial or strategic impact. Dover sells a wide variety of products that are manufactured all over the world and our suppliers could at any point be exposed to water-related risks in certain regions. However, 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 but the business impacts are minimal. Based on our supplier engagement and water-related risk 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. Since launching EvoClean in 2018, over 10,000 units installed throughout EMEA/APAC. 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 pump 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)
79000000

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 $7.96.7 billion in 2021. $79 million is 1% of Dover's 2021 revenue.

Type of opportunity
Efficiency

Primary water-related opportunity
Other, please specify (Reduce wastewater discharge)

Company-specific description & strategy to realize opportunity
Dover's JK Group is a chemical company that produces water-based inks. Water is the main raw material used in the company's production plant. JK purifies withdrawn water with an internal osmosis system and then uses the demineralized water in the plant's products or for the cleaning of the plant's piping and tanks. In 2020, a new system was installed to collect the wastewater coming from the production plant. This new system substitutes the old one, which was not adequate to collect the increased volume of wastewater from the integration of two plants. The new system is composed of a 300 m3 homogenization pool equipped with 2 mixers which allows the production wastewater to be diluted enough to either discharge safely or to reuse for cleaning the plant's piping and tanks. As a result, JK Group has been able to reduce its water usage – instead of using two water streams for production and for cleaning, JK Group is able to reuse its production water for cleaning. JK Group has also reduced water usage by improving efficiencies in its production. For example, the plant now produces the same colored ink consecutively to reduce the need for system washing in between product formulations. The system reduced water per unit of production by 44% in 2021.

Estimated timeframe for realization
Current - up to 1 year

Magnitude of potential financial impact
Low-medium

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

Potential financial impact figure (currency)
620549.63

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

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

Explanation of financial impact
Unit cost decreased by 40% after the implementation of the new system. Multiplying the decreased percentage in cost by the number of average units sold per year, our estimated annual savings is expected to be $620,000.

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	Dover is dependent on water throughout its business, from the continued efficient operating of our manufacturing facilities to our employees' health and wellbeing. Additionally, the suppliers of the many inputs to our business, including raw materials and other key goods and services, also depend on water. Both our Company and our Supplier Codes of Conduct require that suppliers endeavor to conserve natural resources, including water and energy, and reduce or eliminate waste and the use of hazardous substances. Furthermore, our Supplier Code of Conduct notes our expectation for suppliers to support environmental reporting by promptly responding to Dover's information requests regarding sustainability commitments and progress. Our business depends on water and therefore conservation and protection of water resources, both in our direct operations and throughout our value chain, is part of Dover's company policy, to ensure that we can continue to create economic value for shareholders and customers in a sustainable, future-oriented way. Even beyond compliance with environmental regulations, we are committed to sustainable practices that protect the long-term well-being of the environment, Dover's employees, and the communities in which we operate. Our commitment to water-related innovation is evidenced by several of our business offerings that actually help achieve water conservation.

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)	Our Board of Directors (the "Board") oversees our Environmental, Social, and Governance ("ESG") strategy and the incorporation of sustainability related risks and opportunities into its overall strategic decision-making process across all of our portfolio companies. The Board's oversight spans a wide array of ESG issues, including those related to water, climate change, health and safety, diversity and inclusion, ethics and compliance, and long-term environmental protection. Dover's CEO, who is a member of the Board, has management responsibility over ESG issues, including those related to water. As part of its continued focus on sustainability, the Board incorporates ESG oversight into our CEO's annual performance and compensation evaluation as one of the CEO's strategic objectives.

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
Row 1	Sporadic - as important matters arise	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	Our Board oversees our ESG strategy and the incorporation of sustainability related risks and opportunities into its overall strategic decision-making process across all of our portfolio companies. The Board's oversight spans a wide array of ESG issues, including those related to climate change, water, health and safety, diversity and inclusion, ethics and compliance, and long-term environmental protection. Directors receive periodic updates on company-wide ESG performance. As part of its continued focus on sustainability, the Board incorporates ESG oversight into our CEO's annual performance and compensation evaluation as one of the CEO's strategic objectives. The Board also has established a comprehensive enterprise risk management process to identify and manage risks, including any risks related to climate and water. Our CEO developed a multi-year plan for strategic oversight of ESG matters that integrates awareness and management of material ESG risks including water related risk, opportunities, objectives, metrics, and other sustainability factors into our strategy, operations, and governance. During 2020, the CEO and Board approved a sustainability materiality assessment which found Water to be a material topic for Dover and approved initial disclosure on the website. In 2021, the water webpage reported water withdrawal and consumption data, water management information, and water use reduction activities. Additionally, in 2021, the Board reviewed the results of a Task Force on Climate-related Financial Disclosures (TCFD) assessment and scenario analysis conducted in two workshops to identify both climate and water-related risks and opportunities.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes		<Not Applicable>	<Not Applicable>

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
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Annually

Please explain
Our Board oversees our ESG strategy and the incorporation of sustainability related risks and opportunities into its overall strategic decision-making process across all of our portfolio companies. Our CEO, who is a member of the Board, has management responsibility over ESG issues, including those related to water. To help manage the ESG issues that impact our businesses, we established a cross-functional Sustainability Steering Committee comprised of Dover corporate, including the CEO, and operating company leaders to oversee our sustainability strategy, initiatives, target-setting, performance, and reporting including monitoring and reporting of Dover's water consumption. The Steering Committee also considers water- and climate-related risks. The Committee aims to meet at least quarterly. As part of its continued focus on sustainability, the Board incorporates ESG oversight into our CEO's annual performance and compensation evaluation as one of the CEO's strategic objectives.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Chief Executive Officer (CEO)	Other, please specify (Management over ESG matters)	The effective oversight and management of ESG matters is one of the CEO's strategic objectives under our Annual Incentive Plan with a weighting of 16.67% for 2021. In 2021, the specific actions included: successfully implementing the second year of a multi-year ESG strategic plan by further improving transparency and setting public facing goals on ESG topics; seeking shareholder feedback and considering other external perspectives; conducting a climate risk assessment and scenario analysis aligned with the Task Force on Climate-related Financial Disclosures ("TCFD") reporting framework and publishing a summary of the results; and establishing a working group with four of our largest operating companies by emissions designed to embed sustainability considerations into product development.
Non-monetary reward	No one is entitled to these incentives	<Not Applicable>	We do not have non-monetary rewards for the management of water-related issues.

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?

Through Sustainability Steering Committee and senior management engagement with leadership across our segments and geographies, we ensure awareness and alignment with Dover's overall sustainability objectives, including water-related efforts.

W6.6

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

No, and we have no plans to do so

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
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 meet our customers' demand for products designed to help them meet sustainability goals, including those related to water use and discharge. The WRI Aqueduct tool and other projection models indicate that there will be increasing water risk, around both availability and quality, in the medium- and long-term. We are committed to developing products 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. For example, our Hydro Systems' 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. Another example is our JK product line's reduction in wastewater discharge due to a new homogenization pool that can reduce pollutants in wastewater so that it is safe enough to recycle. 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 the environment. 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 2021, we increased R&D investments to approximately $157.8 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 financial planning for the long-term incorporates water issues by investing in innovation and research and development to create products and services that help customers reduce their water use and protect water resources. We are committed to developing products 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. We increased R&D investments to approximately $ $157.8 million in 2021 (up from $142 million last year). 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, 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)

0

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

0

Please explain

We do not track R&D investments or CAPEX for water separately however, we continue to prioritize innovation and research and development activities, which at times relate to water-related activities. Our R&D spend was 2.0% of revenue in 2021. This is similar to our R&D spending since 2018 (+/- 0.01%) and a significant increase from 1.5% of R&D spend as a percentage of revenue in 2014. We anticipate that our R&D spend will increase in future years and estimate a 5% increase for purposes of this disclosure.

W7.3

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

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related		Climate-related scenario analysis identified the physical risks of hurricanes and storms causing riverine and coastal flooding. During two climate scenario analysis workshops, the Dover Sustainability Steering committee evaluated a broad range of physical and transition risks, including water-related risks such as the risk of reduced water availability resulting in operational issues at manufacturing sites and risk of riverine and coastal flooding. Each risk and opportunity was ranked for likelihood and impact to Dover's business should the risk or opportunity occur. The top risks and opportunities were then assessed under two climate scenarios (RCP 8.5 and RCP 2.6). Water-related outcomes evaluated in the scenario analysis primarily related to riverine and coastal flooding as significant contributors to acute physical risks such as increased frequency and severity of extreme weather (flooding events, etc.) shutting down operations and risk of disruptions to critical suppliers due to extreme weather. As a global company with coastal facilities, Dover is at increased risk of these water related extreme weather events. Much of Dover's locations in the US Gulf coast, the US Atlantic coast, and southeast Asia are at risk of hurricanes and Dover's locations in Europe and Singapore are at increased risk of flooding.	

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

We do not anticipate implementing an internal price on water in the next two years.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Innovation yields an expected 30% or greater improvement upon a previous generation of products or peer offering meeting one or more of these criteria: •Customer material use •Customer chemical use	<Not Applicable>	We are committed to creating long-term economic value by developing products that are designed to help our customers meet their sustainability goals, run their operations more efficiently, and satisfy evolving regulatory and environmental standards. This includes developing low water impact products. For example, MS Printing Solutions' LaRio single-pass digital textile printer has water use of only 2.67L/kg of processed material, which is over 90% less than the 100L/kg in traditional textile finishing.

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-Imaje targets a 50% improvement in water consumption by 2030 from a 2019 baseline by refining processes and tracking losses. The Operating Company has already seen a 46% improvement in water consumption, as a result of improving manufacturing process and managing water discharges. Markem-Imaje's progress toward its goals has been shared with stakeholders in a sustainability report which is available on Dover's corporate website (https://www.markem-imaje.com/docs/default-source/compliance-documents/sustainability-broch-hq-2021-markem-imaje.pdf?sfvrsn=b0f51b73_2).

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
We also consider water-related risks from a broader value chain perspective, particularly the value we can bring by developing products and solutions that help our customers use water more efficiently and reduce their water footprint. The goal of reducing water consumption through innovative progress is important to Dover because 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. This goal is implemented on the business-level, where several of our operating companies are certified to ISO 14001, which requires setting goals for resource efficiency, including water. By having this goal at the business-level, it allows each operating company to make the best business strategy and financial planning decisions fit to each company's specific context and invest in innovation and resource efficiency gains in their own processes. For example, Markem-Imaje targets a 50% improvement in water consumption by 2030 from a 2019 baseline by refining processes and tracking losses. The Operating Company has already seen a 46% improvement in water consumption, as a result of improving manufacturing process and managing water discharges.

Baseline year
2019

Start year
2019

End year
2030

Progress
The indicator Markem-Imaje uses to assess progress is reduction in water consumption. The Operating Company has already seen a 46% improvement in water consumption, as a result of improving manufacturing process and managing water discharges.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?
No, we do not currently verify any other water information reported in our CDP disclosure

W10. 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.

N/A

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

W10.2

(W10.2) 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

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms