



## 2019 Aspirational Goals

### Objective:

Attract and retain the best employee talent for investor-owned water utilities in the U.S.

### Key Results:

- Create a “self-governing” work environment as measured by employee surveys\*
- Retain 90 percent of performing employees
- Fill open positions within 60 days

\*Utilizing LRN HOW Report Definition of self-governing archetype of governance, culture, and leadership

### Objective:

Be the No. 1 water utility in the U.S. providing service to small communities

### Key Results:

- Provide service to the most individual communities in the U.S. of any investor-owned water utility
- Incur fewer violations than any investor-owned utility (per community/service area) in the U.S. with our stabilized customers
- Deliver the best customer service in the U.S. for customers in our stabilized systems, measured by the fewest sustained customer complaints for an investor-owned utility per community/service area in the U.S.

### Objective:

Acquire 185,000 customers that meet Q3 2021 investment targets

### Key Results:

- Sign 85,000 customers per year
- Have 100,000 customers through rate cases
- Add 550,000 prospective customers to the pipeline

### Objective:

Be a 100 percent-digital utility by the end of Q3 2021

### Key Results:

- Integrate all customer records and work orders by property into a single holistic record inside a single digital database
- Based on individual digitally monitored plant components inside each system, ensure all systems track actionable data to optimize final environmental plant performance
- Create data-driven, predictive operations, maintenance and replacement schedules for all asset classes, where there is no state-mandated redundancy





## 2019 Q3 OKRs

Objective-Increase the amount of state markets CSWR will operate in.

- Identify and present the next ten state markets CSWR plans to enter
- Obtain board approval for the next five state markets CSWR will enter
- Sign contracts in two new state markets

Objective-Increase the pace of acquisitions across CSWR

- Sign 20k in Q3 2019
- Launch acquisition cases for 5,000 new customers
- Expand total Due Diligence Pipeline by 40,000 customers

Objective-Move the company toward 100% fully integrated digital systems

- Have CRM and Financial Project Management Tool live inside ERP with all Business Development and Financial Employees trained
- Have fully implemented Customer Information System Across all owned systems
- Have Financial ERP fully implemented
- Have Hach-Wims integration fully implemented

Objective-Build CSWR's company culture to attract and retain top talent

- Educate all employees on goal of becoming a "self-governing" company in two company meetings
- Complete a "self-governing" benchmark survey with 100% employee participation
- Develop to final approval a defined performance incentive program for employee participation



## Q4 2019 Organizational Goals

### Objective:

Move Company toward 185,000 terminal customer count and maintain velocity

### Key Results:

- Identify and present the next ten big (>5,000 customers) state markets CSWR plans to enter
- Develop conversion rate
- Acquire 32,000 by the end of Q4

### Objective:

Increase operational effectiveness, as measured by

### Key Results:

- Report on ESG KPIs that we currently measure (in the context of ESG)
- Expedite the pace of completion of AOCs (or like-documents) by 15%

### Objective:

Demonstrate our progress to be #1 water utility in small communities

### Key Results:

- Report on the exact reduction in the state's non-compliance in CSWR states
- Quantify community growth on a per system basis, and on an overall company basis
- Compare acquisitions closed in every state CSWR has acquired against investor owned water and water utilities

### Objective:

Develop detailed project management process with work breakdowns and status reporting mechanisms for each discipline vertical in the asset acquisition & stabilization value chain:

### Key Results:

- Publish an approved project management process flow diagram for all CSWR processes from asset acquisition through rate stabilization
- Establish work breakdown and status reporting mechanisms for:
  - Title, Survey & Transaction Closing
  - Engineering, Environmental Compliance & Construction
  - Regulatory Cases
  - Funding & Financial Reporting
  - Utility Operations & Maintenance
  - Customer Service & Communication

### Objective:

Launch a project management process to integrate outside vendors with internal CSWR processes.

### Key Results:

- Publish a process flow map to all CSWR vendors outlining the key elements of all CSWR programs from asset acquisition through the value chain.



- Implement platform for project status updates from key vendors per the vendors' participation in each CSWR discipline vertical.
- Track and publish weekly goals, progress, and barriers to every strategic vendor for all on-going processes

**Objective:**

Foster self-governance and employee retention, as measured by:

**Key Results:**

- 100% of employees have visited at least one of our sites
- Deliver one self-governing educational session
- Deliver Follow-up survey







## Q1 2020 – CSWR

### Objective 1:

100% of required acquisition closing activities are completed within 30 days of approval, as measured by:

#### Key Results:

- Develop and implement an incentive plan for title companies where they are accountable to strategic partner
- Develop and implement an incentive plan for surveyors where they are accountable to the strategic partner
- Strategic partner supplies a plan that is 100% in alignment with our regulatory timelines

### Objective 2:

Build the foundation to create a top-tier investor-owned utility employee culture, as measured by:

#### Key Results:

- Define what self-governing means
- Define metric for attracting top talent

### Objective 3:

Establish regular reporting on environmental and CS performance to demonstrate the performance improvement achieved, as measured by:

#### Key Results:

- Agree to KPIs for CS and EHS
- Create and publish monthly reports
- Create and publish quarterly Audit reports

### Objective 4:

Identify the next step of integration with our current systems, as measured by:

#### Key Results:

- Develop a data strategy for current platforms
- Integrate real time flow monitoring with asset management to build a framework for data integration



# Q4 2020 – CSWR OKR's

## Objective 1:

100% of required acquisition closing activities are completed within 21 days of regulatory approval, as measured by:

### Key Results:

- Develop a dashboard that provides visibility into project tracking for title & survey process, using data from key partners
- Clearly assign responsibility for blockers to closing completion with 24 hours of identification

## Objective 2:

Create a tracking and rewards program for employee engagement, as measured by:

### Key Results:

- Track Employee engagement with company social media
- Book 3 employee speaking engagement in industry conferences

## Objective 3:

Grow pipeline of perspective acquisitions, as measured by:

### Key Results:

- Identify all IOU targets with over 3,000 connections
- Get one purchase agreement signed for a system with 2,000+ connections

## Objective 4:

Create data & document management system for clear data ownership, authorship, version control and accessibility, as measured by:

### Key Results:

- Update SharePoint document libraries to reflect project and on-going operational document ownership
- Create and publish standard document naming conventions
- Create and publish clear processes for editing, finalizing, and archiving critical document

## 2021 Aspirational OKRs

### Objective:

Be the number one knowledge resource for customers, communities and regulators in the small water and wastewater industry

### Key Results:

- Create and continually update community specific resource center available for both customers and regulators
- Customer satisfaction 75% greater than industry average for customer field service
- Participate in having legislation or regulation passed in 50% of state markets supporting utility consolidation
- Each department will either publish an article in an industry publication or speak at an industry conference

### Objective:

Be in the top 5 of water and wastewater investor-owned utilities in the U.S.

### Key Results:

- Fewest exceedances and monitoring violations among the top 15 water and wastewater IOUs (instances of non-compliance ECHO SDWIS/DWW)
- 260,000 connections
- One half billion dollars in rate base across the United States

### Objective:

Have the greatest percentage of ESG impact among investor-owned water and wastewater utilities

### Key Results:

- Be the number one water and wastewater IOU for energy consumption reduction
- Create community specific ESG impact reports
- Publish a clear and transparent annual company wide ESG report

### Objective:

To have 100% employee engagement with CSWR's mission to bring safe, reliable and environmentally responsible water resources to every community in the U.S.

### Key Results:

- 90% of surveyed employees identify CSWR as a self-governing workplace
- 100% of employees formally present a positive impact they made on CSWR's ability to bring safe, reliable and environmentally responsible water resources to every community in the U.S.
- 100% of employees participate on a cross functional process improvement team with a process mapping deliverable



## Q3 2021 – Company

**Aspirational OKR:** Be the No. 1 water utility in the U.S. providing service to small communities

**Objective 1:**

Improve Acquisition Communications to Ensure Stakeholders are Fully Aware of State of Current Infrastructure, using a Design Community Specific Profile

**Key Results:**

- Design template and establish team to create initial notice
- Launch at least one community-specific initial notice by end of Q3 2021
- Design template incorporating specific information to share
- Establish means of communication and timeline

**Aspirational OKR:** Attract and retain the best employee talent for investor-owned water utilities in the U.S.

**Objective 1:**

Establish a Professional Development Program for Current Team Members

**Key Results:**

- By 8/1/2021, meet and document a professional development/continuing education program, to be published to employees at the October 21 all company meeting
- Establish allowance for continuing education/professional development
- Plan for and Launch a Mentorship pilot
- Implement brown bag "lunch and learn" sessions for cross-departmental education

**Aspirational OKR:** Acquire 185,000 customers that meet Q3 2021 investment targets

**Objective 1:**

Pursue Non-traditional BD Avenues for Acquiring Connections and Build Networks to Help Identify systems for Sale in our active states

**Key Results:**

- Identify All Municipalities that do not require referendums
- Business developers identify and meet state environmental regulators for identification of systems in trouble
- Identify builder organizations/publications to market CSWR model
- Set meetings with known developers to market our model

**Aspirational OKR:** Be a 100 percent-digital utility by the end of Q3 2021

**Objective 1:**

Launch Data Integrity Project



**Key Results:**

- Coordinate data team workshop with third party and hold in 3rd quarter
- Identify essential data points across each functional area
- Identify data owners and source





## 2022 Q1-Q2 Company OKRs

### **Objective:**

Expand market footprint

### **Key Results:**

- Sign contract for distressed or stranded assets of another large IOU
- Identify district and municipal targets in existing states (TX, MS, AZ)
- Identify 20 distressed municipal systems
- Identify all municipal systems neighboring existing systems

### **Objective:**

Develop real-time, digestible system performance for CSWR environmental compliance

### **Key Results:**

- Nation-wide dashboard of DMR and water quality results with CSWR data
- Drill down capability to state, region, AOC/Non-AOC, and system level
- Map out bench sheet data integration in UC and dashboard

### **Objective:**

Create an online resource that maps out and defines department processes and responsibilities

### **Key Results:**

- Create an implementation team
- 100% employee participation in identifying information to include
- Develop department information templates
- Determine technology platform

### **Objective:**

Create a plan to complete company wide ESG reporting (all metrics)

### **Key Results:**

- Build a team representing all departments that are required to report
- Build the formal data set of all required data, responsible parties, and data sources
- Identify missing data
- Create a written plan for acquiring missing data

### **Objective:**

Develop template for a community specific ESG report

### **Key Results:**

- Select a community
- Decide which metrics are best to report on for that community
- Complete a community ESG report