

JACUZZI GROUP™

2022 ESG REPORT

TABLE OF CONTENTS

CEO LETTER	3
OUR APPROACH	4
About Jacuzzi Group	4
Materiality and Stakeholder Engagement	6
About This Report	7
Sustainable Development Goals	8
ENVIRONMENT	10
Climate Change	11
Materials Sourcing	18
Waste	21
Water	24
SOCIAL	28
Consumer Wellness	29
Employee Health, Safety and Well-being	33
Product Safety	38
Workforce Engagement and Development	40
GOVERNANCE	28
Data Privacy and Security	45
Ethics	47
Industry Stewardship	49
GRI INDEX	52

CEO LETTER

Dear Jacuzzi Group Stakeholders,

It is with great pride that I announce the publication of Jacuzzi Group's 2022 ESG Report. The contents of this disclosure, which operates in accordance with the Global Reporting Initiative (GRI), detail the company's annual advancements toward its long- and short-term environmental, social and governance objectives.



As an organization that has long set itself apart as an innovator within its industry, we hold ourselves to the highest standard of sustainable performance for both our products and operations. We recognize that the world is changing quickly, and we are constantly being presented with new sustainability risks, challenges, and opportunities. This understanding drives our dedicated efforts to make a positive impact on the world for our employees, customers, and stakeholders alike.

2022 was a unique year that highlighted the importance of establishing a successful sustainability program. As the world faced a global crisis with the war in Ukraine, energy costs in Europe skyrocketed and inflation continued to rise. Our operations in Europe were negatively impacted by the conflict, and it quickly became apparent that an answer to solving complex issues such as increasing energy costs is to employ cutting-edge solutions.

We see it as our duty to take the lead by identifying and implementing sustainable practices throughout our value chain. We hope other companies will follow suit by incorporating sustainable decision-making into their operations as well. Until then, we are steadfastly committed to operating sustainably and will continue to push the boundaries of our industry forward by incorporating best practices into our global operations.

Thank you for joining us on our journey towards a better tomorrow,

A handwritten signature in black ink that reads "Dave Jackson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dave Jackson
CEO
Jacuzzi Brands, LLC



OUR APPROACH

ABOUT JACUZZI GROUP

Jacuzzi Group is a leading global manufacturer of hot tubs, baths, swim spas, and spa accessories. With manufacturing and warehouse operations located across the United States, Canada, Mexico, Italy, the United Kingdom, France, Brazil, Chile, New Zealand and Australia, we have over 65 years of experience delivering innovative wellness products to consumers across our many widely known brands.

Our robust catalog of products is available globally, with our primary customers being specialty, big-box, and internet retailers. We also sell directly to consumers, builders, plumbers, and installation service providers. An important part of our business is our commitment to operating with sustainability at the forefront of our decision-making. Our sustainability strategy focuses on creating shared value across all 3 pillars (Environmental,

Social, and Governance) of our business, and incorporates a variety of sustainability initiatives that are outlined within this report. To further codify our commitment to sustainability, we aligned our operations with external organizations that also support sustainable practices. These partnerships have assisted with our program by helping us become a signatory of the United Nations Global Compact's Communication on Progress in 2021, aligning our program with the United Nations Sustainable Development Goals (SDGs), and solidifying our commitment through long-term target setting through the Science-Based Target Institute (SBTi). As we continue to build our sustainability programs, we expect that our work with external stakeholders will drive results quickly and help us to incorporate many best practices into our global operations.

JACUZZI QUICK FACTS	
MISSION	Jacuzzi Group's mission is to inspire joy and well-being through innovative wellness products.
HEADQUARTERS	Irvine, California
EMPLOYEES	3,967
PRIMARY BRANDS	



OUR APPROACH

MATERIALITY AND STAKEHOLDER ENGAGEMENT

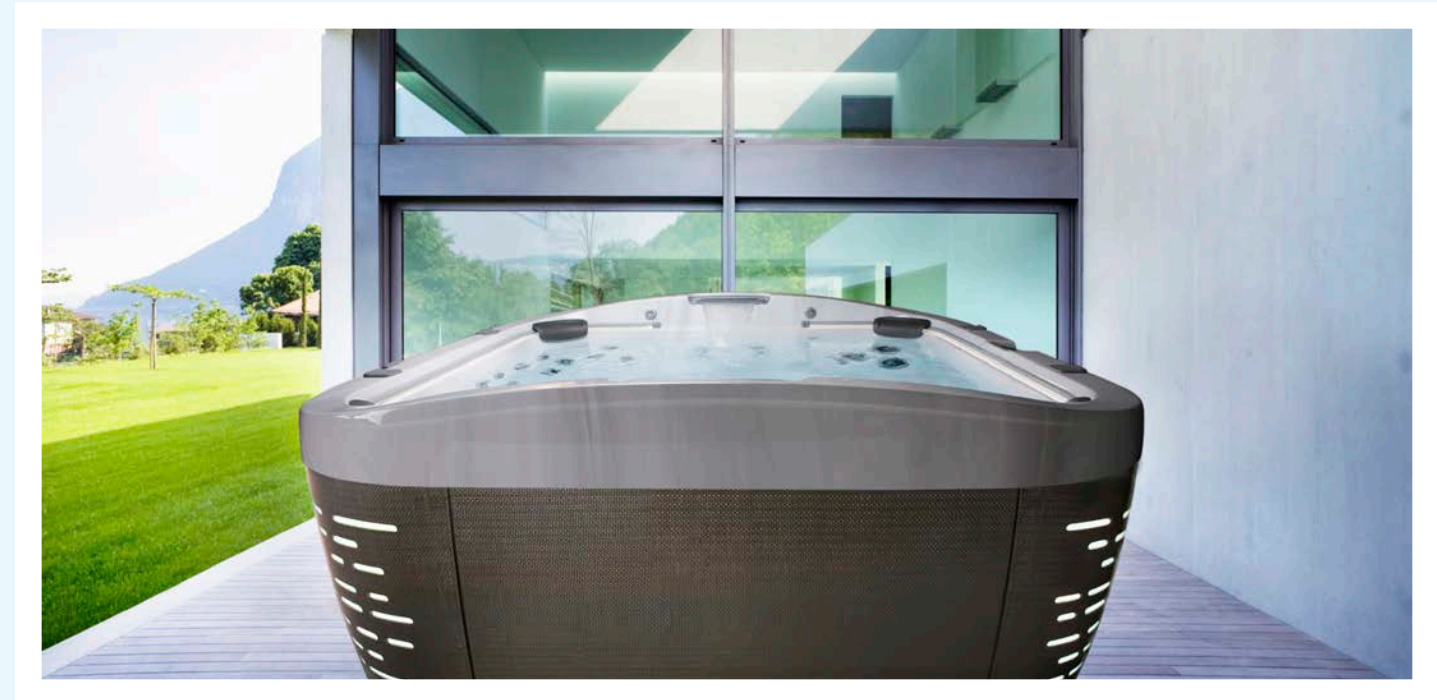
The input we receive from our stakeholders plays an important role in the development of our business strategy. Our stakeholders, which include employees, investors, dealers, suppliers, NGOs, policymakers, and industry peers, among many others, are involved in a robust stakeholder engagement program that relies on constant communication and transparency both internally and externally to drive positive results throughout our business. We recognize that there is significant responsibility associated with stakeholder engagement and have developed several initiatives in support of our long-term objectives.

In 2022, Jacuzzi Group's internal approach to stakeholder engagement was communicated through monthly Town Hall meetings that review the company's operations and performance at a high level. During these meetings, our executive team shares significant updates about the business and communicates relevant information

to employees across the value chain. In addition to the global Town Hall meetings that provide updates to the entire company, our leadership and ESG teams also meet regularly to determine if there are sustainable changes that need to be implemented on an executive level. Externally, our strategy of continuous communication has allowed us to relay product feedback from dealers and end-user customers.

We request the feedback of our dealers and consumers so we can take immediate action on any outlined concerns with our cross functional team that consists of members from Product Marketing, Operations, Engineering, Legal, and Quality. These teams meet regularly to discuss the external feedback received and make plans to act based on unmet needs that are identified.

In addition to the work to engage and support our stakeholders, we also mapped the most material topics from our business to demonstrate the alignment between our efforts and the Sustainable Development Goals that we have outlined as material to our business.



ESG PROGRAM PILLARS	
ENVIRONMENT	<p>We will protect the environment on which our well-being relies.</p> <ul style="list-style-type: none"> • Climate Change • Materials Sourcing • Waste • Water
SOCIAL	<p>We will ensure people's safety and security and improve their well-being.</p> <ul style="list-style-type: none"> • Consumer Wellness • Employee Health, Safety, and Well-Being • Product Safety • Workforce Engagement & Development
GOVERNANCE	<p>We will live our core values of integrity, respect, and ownership.</p> <ul style="list-style-type: none"> • Data Privacy and Security • Ethics • Industry Stewardship

ABOUT THIS REPORT

Jacuzzi Group's 2022 Sustainability Report has been prepared in accordance with the Global Reporting Initiative—Core Option. Included within the report is a detailed overview of Jacuzzi Group's 2022 sustainability program, ESG objectives, management approaches, and other relevant performance metrics across our industry's most relevant areas of environmental, social, and governance impact.

For the first time, all Scope 1 and Scope 2 market and location data found within this report has been externally verified for accuracy by a third-party provider whose sole responsibility is to independently determine if the GHG inventory data we reported is accurate, and what underlying systems and processes were used to collect it. Based on the feedback we received, we can ensure that the scopes 1 and 2 data reported within this report are accurate for all global activities that are under the direct operational control of Jacuzzi Group. Moving forward, our expectation is to expand the verification process to scope 3 when we have enough resources to make the goal feasible.


In 2022, we worked to include as much relevant sustainability information into our annual report as possible, prioritizing the areas of largest impact according to our ownership group, investors, and other primary stakeholders. In future years, it is our goal to continue to refine the scope of our reporting and increase the number of related sustainability initiatives and verify a larger percentage of our data.

All financial data included in this report is notated in U.S. Dollars unless otherwise specified. This report contains forward-looking statements that are not meant to be a guarantee of future performance or results, as many of these statements involve risks, uncertainties, and assumptions that could lead to a change of plans. Actual results may vary from those outlined in our forward-looking statements due to unforeseen conditions. In many cases, this is the result of advancing our data verification efforts which has resulted in minor changes to our base year disclosure. Moving forward, our expectation is to expand the verification process to scope 3 as soon as it is feasible to do so.



SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) are a collaborative effort to reach sustainable social, economic, and environmental development by 2030. The seventeen goals address critical targets tied to climate change, natural resource management, inequality, poverty, and justice. Jacuzzi Group® is focusing our efforts on five SDGs that have been deemed as having the largest impact on our global operations. More information about our progress and contributions toward specific Sustainable Development Goals is included below.

SUSTAINABLE DEVELOPMENT GOAL AND RELEVANT TARGET	MATERIAL TOPIC(S)	OUR GOALS & EFFORTS
 <p>Goal 6: Ensure availability and sustainable management of water and sanitation for all.</p> <p>Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.</p>	Water	<p>Decrease global water withdrawal through the implementation of more efficient water usage management practices.</p> <p>Install low-flow toilets and water-efficient fixtures such as sinks with automatic shut-off sensors across our manufacturing facilities and large warehouses.</p> <p>Install efficient, closed-circuit water towers that reduce water consumption at facilities with high water usage.</p> <p>Reduce the amount of water usage for landscaping at facilities that operate in areas with high water stress.</p> <p>Replace plastic water bottles with water and ice dispensers at facilities to limit water waste and reliance on single-use plastics.</p>
 <p>Goal 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.</p> <p>Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.</p> <p>Target 8.7: Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labor, including the recruitment and use of child soldiers, and by 2025, labor in all forms.</p> <p>Target 8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, and those in precarious employment.</p>	<p>Employee Health, Safety & Well-being</p> <p>Ethics</p> <p>Industry Stewardship</p> <p>Workforce Engagement & Development</p>	<p>Scale the standards set by our third-party external audit globally, to ensure that our warehouses and small manufacturing sites undergo assessments that align with audits conducted at our large facilities.</p> <p>Maintain compliance with all local regulations, conduct regular and detailed safety audits, capitalize and on opportunities to further align health and safety policies across our global sites. Share best practices at monthly Global Safety Meetings.</p> <p>Updated Code of Business Conduct and Ethics and Employee Handbook. Distributed both to all global employees in 2022.</p> <p>Implemented global employee ethics training in 2021, followed by a compliance awareness survey in 2022.</p> <p>Posted signage of our updated whistleblower system in every global facility and ensured all Jacuzzi Group employees feel empowered to report any perceived instances of non-compliance with legal requirements and our core values.</p> <p>Developed and published a Supplier Code of Conduct in 2021.</p> <p>Set a target to attract and retain more female employees in the manufacturing industry.</p> <p>Reviewed and updated job descriptions to ensure they contain inclusive language that will lead to a more diverse workforce.</p>

SUSTAINABLE DEVELOPMENT GOAL AND RELEVANT TARGET	MATERIAL TOPIC(S)	OUR GOALS & EFFORTS
 <p>Goal 12: Ensure sustainable consumption and production patterns.</p> <p>Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.</p>	<p>Waste</p> <p>Materials Sourcing</p>	<p>Start a college recruiting program at institutions serving students from diverse backgrounds, including Hispanic serving institutions such as New Mexico State and historically black colleges and universities (HBCUs).</p> <p>Develop a streamlined process to account for all waste across our global operations; conduct waste audits at all manufacturing facilities.</p> <p>Promote responsible waste management across our value chain by sharing and scaling effective reuse and recycling initiatives across global sites.</p> <p>Implement a comprehensive global system for capturing material inputs in every product, including packaging, to achieve full material transparency by 2025.</p> <p>Reduce the use of chemical-based foam and resins in products by 20% by 2025 at our MOC facility, measured by weight.</p> <p>Increase the amount of recycled content in manufacturing and decrease the overall amount of waste that our facilities produce annually.</p>
 <p>Goal 13: Take urgent action to combat climate change and its impacts.</p> <p>Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p>	Industry Stewardship	<p>Offset 100% of our carbon emissions in 2021 and 2022. Continue to offset all annual emissions moving forward.</p> <p>Worked with the Science Based Target initiative (SBTi) to develop a science-based target for Scope 1, 2, and 3 GHG emissions.</p> <p>Install solar panel arrays and purchase renewable energy credits to procure 25% of all annual electricity from renewable sources by 2025.</p> <p>Created an application feature to show SmartTub™ mobile app users their energy consumption converted into greenhouse gas emissions to help them better understand their carbon footprint.</p> <p>By 2025, 50% of our spa models that are in the California Energy Commission (CEC) database will surpass the 2021 CEC requirements by at least 20%.</p>
 <p>Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p> <p>Target 17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p>	Industry Stewardship	<p>Continue active membership and participation in the United Nations Global Compact, the world's largest corporate sustainability initiative promoting a set of 10 principles covering human rights, labor, the environment, anti-corruption and more.</p> <p>Improve our standing with key industry groups that support sustainable development in product manufacturing organizations.</p> <p>Ensure that the products we manufacture adhere to our industry's strictest energy efficiency standards.</p>



CLIMATE CHANGE

OVERVIEW

Human-induced climate change is the single largest and most pervasive threat to the environment that the world has ever seen. As a manufacturer of consumer durables, we recognize the risks that climate change presents to our value chain and have established detailed carbon reduction measures to minimize our global annual emissions. We understand that in addition to our operations, the products we create also have a lasting impact on the environment. This drives us to incorporate sustainable changes into our products to limit the negative impacts of climate change and increase our operational efficiency.

Human-induced climate change is the single largest and most pervasive threat to the environment that the world has ever seen.

2022 was a significant year when it comes to strengthening our operations to support our climate change related objectives. Some of our largest energy related projects involved the installation of a new solar array at our Brazil manufacturing facility, the setting of long- and short-term science-based targets through the Science Based Target Initiative (SBTi), offsetting our Scope 1 and 2 Greenhouse gas impact through carbon credits, and externally verifying

our scope 1 and 2 data for the first time in the company's history. We understand that the impact of our operations does not stop at the locations where we have operational control. In fact, the usage of our products throughout their lifespans creates far more total annual emissions than our manufacturing operations alone. This means that it is equally important to create sustainable resources for our consumers as it is to make sure our operations are sustainable. For this reason, a large portion of our carbon reduction efforts in 2022 focused on developing detailed training programs and educational resources that can be used by our customers to reduce their energy usage.

As information related to Jacuzzi Group's 2022 Greenhouse Gas Emissions is relayed below, please note that in some cases year over year comparisons do not reflect the data first published within Jacuzzi Group's 2021 Sustainability Report. This is the result of advancing our data verification efforts and identifying areas where our processes were impacted by the results communicated in our base year disclosure.

UNDERSTANDING OUR GHG EMISSIONS

As the scope of our greenhouse gas inventory has grown to cover nearly all our operations, we are better positioned to make determinations that will help us adjust our strategy for reducing our carbon footprint. The information that was gleaned from our 2021 and 2022 GHG inventories played a significant role during the setting of our long- and short-term goals with the science-based target institute (SBTi). We estimate that the scope of the 2022 emissions we reported covers approximately 95% of the company's total global carbon emissions. As we continue to build our reporting process, we plan to increase this coverage until we reach 100% of our operations and are capturing the usage of each of our facilities regardless of size.

APPROVED SCIENCE-BASED TARGETS THROUGH SBTi

Jacuzzi Group commits to reduce its absolute scope 1 and 2 GHG emissions by 25% by 2031 from a 2021 base year. Jacuzzi Group also commits to reduce scope 3 GHG emissions from purchased goods and services and use of sold products by 20% per unit sold within the same timeframe. Jacuzzi Group further commits that 50% of its suppliers by spend, covering purchased goods and services and capital goods, will set science-based targets by 2027.

In 2022, we made several sustainable improvements to our various businesses. In addition to offsetting our Scope 1 and Scope 2 carbon emissions for the second straight year, we also verified our scope 1 and 2 Greenhouse gas data for the first time in the company's history. This verification step ensures that the information reported within this disclosure is accurate and can be confidently used to set targets and make year-over-year comparisons moving forward. Another advancement made this year was the reporting of our Scope 3 data. This was only the second year that we have been able to calculate and report our Scope 3, and during our calculations we were able to identify opportunities to improve upon our results from 2021. Now that we have multiple years of data at our fingertips, we are better able to identify and understand the areas we need to improve most within the many different categories of Scope 3 reporting. The comparisons were pivotal in helping our team set accurate and reachable goals, and as a part of our efforts to make improvements to our facilities, we share the data we collect with our manufacturing sites so each business can better understand how it compares to other sites within our organization.

Many of the climate change projects we are working on were identified through the work of our newly established Executive Sustainability Steering Committee. This committee, which consists of our Chief Executive Officer, Chief Financial Officer, Chief Legal Officer, and other senior leaders, meets regularly to discuss our long-term climate change strategy. The primary role of Jacuzzi Group's Executive Sustainability Steering Committee is to review the responsibilities surrounding climate impact and plan for sustainability initiatives that can be implemented to drive sustainable solutions. These conversations touch on all areas of our business but revolve around a common goal of trying to apply innovative solutions that increase the sustainable performance of our products. Beyond just our products, it is also important that the Executive Sustainability Steering Committee plans for efficiency improvements across our factories. To make sure that the suggestions presented at these meetings are applied to sites, our ESG team conducts quarterly discussions with each manufacturing site and large warehouse to relay the important details that stem from the decisions made in the Executive Sustainability Steering Committee Meeting. As changes are made to our products and the operations that manufacture them, we hold regular meetings with our ownership group to communicate our progress and strategize about ways to further reduce our impact.

IMPROVING ENERGY EFFICIENCY

Jacuzzi Group's sustainability program is directly aligned with its long-term objective to incorporate energy efficiency at every level of the business. Both within our operations, and across our many different product lines, we strive to adhere to best practices when it comes to sustainability and energy efficiency. Each spa we manufacture and sell adheres closely to the energy efficiency standards that are set by the California Energy Commission (CEC). These standards are notably some of the strictest in the world for our industry, which further outlines our commitment to incorporating best practices wherever possible. Our main goal surrounding the work we do with the California Energy Commission is to have at least 50% of our products surpass the CEC's efficiency requirements by 2025. As of 2022, more than 90% of our models currently exceed these standards to some

degree, and we will continue to upgrade, improve, and retest our less efficient models until they meet or exceed our minimum product efficiency expectations.

Our commitment to incorporating more sustainable materials into our products took shape in 2021 when many of our product lines switched to an improved type of insulation called "Blown-in-Fiberglass". This insulation upgrade offered a number of sustainable benefits that its predecessor lacked. Specifically, this insulation, which consists of 35% post-consumer recycled content, significantly increased the thermo-efficiency of our spas. It also created much less scrap when being applied to the products because there is no trimming needed throughout the application process. This means that a switch to blown in blanket insulation led to less waste generation at our sites, more thermo-efficient products offered to our customers, and a closer adherence to best practice industry standards. These are the types of universal wins we seek out when attempting to apply sustainable solutions into our operations.

Another project we completed to improve energy efficiency was the conversion of a significant portion of our vehicle fleet to electric. In many of our United States manufacturing facilities, we had previously been using forklifts and cherry pickers that ran on natural gas. After learning how damaging those emissions were to the environment, we created an objective to convert a majority of our vehicle fleet to electric. This conversion project, which was completed in 2022, resulted in reduced expenditure and reliance on natural gas, and some of our businesses have begun to receive rebate checks because of their locality's EV reimbursement plan. Moving forward, we hope to continue to convert the remaining vehicles in our fleet to electric.



An additional driver of our efforts to make significant improvements to the efficiency of our products was identified through the information we gleaned through the completion of our first Scope 3 evaluation. During this process, we learned that more than 60% of our total emissions derive from the Use of our Sold Products. This means that more emissions come from our products being used by consumers than those generated by our global operations. This understanding drove us towards energy efficiency upgrades such as blown in fiberglass insulation and reinforces the importance of aligning our products with the standards set by the California Energy Commission.

THE IMPACT OF CONSUMER PRODUCT USAGE

As we continue to make sustainable changes to our products that make them more efficient, it is also important that we establish clear and concise methods of communicating individual efficiency data to consumers who are interested in understanding their spa's performance. **With this in mind, we have continued to incorporate new developments into our propriety SmartTub application.** This application, which was first released in 2020, grew significantly in 2021 with the release of the Carbon Footprint section. This page within the app can be used by customers to track the carbon



footprint of their spa and compare it against other users in their areas. The SmartTub application establishes a fleet average using a 30-day rolling average that allows us to account for the seasonal impact of energy use. The goal of the application is to help our consumers better understand the impacts of using our products. This is why we decided to add new sensor technology in 2022 that is now able to display chlorine, PH, and alkalinity balancing data through the application. Any user that falls well outside of our average usage threshold for any of the compared categories receives follow up diagnostic emails that outline the potential negative impacts of continued inefficient usage habits. Other additions to our SmartTub application in 2022 was a feature called multi-spa management system and the ability to auto schedule times for jets, bubbles, lights and the water heater to turn on for any frequency of dates and times. These groundbreaking developments are new to the spa industry and better allow our customers to get the most out of their spas while also ensuring that they remain safe and efficient.

As we move into 2023, we expect that the total number of customers that utilize our SmartTub application will continue to grow rapidly. As of December 31, 2022, there were 30,576 active users with spas registered in our SmartTub application. This is a 55% growth from the 19,752 active users that we saw as of December 31, 2021. As our user base continues to expand at a rapid rate, we must continue to build out the application to add usefulness and provide additional value to our consumers. With this in mind, we are planning to make the following upgrades to our SmartTub application in 2023, including, increased swimspa capabilities, recurring sign-up options for key accessories, an enhanced sensor kit that allows for remote monitoring, cover detection sensors, water level sensors, fill and drain sensors, and increased Wi-Fi capabilities.

PERFORMANCE

Jacuzzi Group's 2022 Greenhouse Gas Inventory is conducted in accordance with the GHG Protocol and includes all global manufacturing sites and warehouses that operate under our direct operational control. Emissions data was estimated prorated in any cases where sites were acquired or closed during 2022. Across our global operations, we estimate that the scope of coverage of our Greenhouse Gas Inventory represents over 95% of the company's global emissions.

2021 AND 2022 GHG EMISSIONS		
	2021	2022
Scope 1	5,971	5,262
Scope 2 Location-Based	10,022	10,476
Scope 2 Market-Based	10,386	8,739
Scope 3	1,603,604	1,667,360
GHG Emissions Intensity	29.9	23.4

The table above totals Jacuzzi Group's annual emissions for all scopes in 2022. When comparing our 2022 performance versus previous years, we saw a reduction in overall emissions, but the numbers remain very similar in many categories. As is the same with our 2021 data, Scope 3 emissions far outweighed Scopes 1 and 2. Within our Scope 3 results, we found Use of Sold Products and Purchased Goods & Services to be our largest creators of emissions by a significant margin. These categories represent 72.4% of our Scope 3 emissions (Use of Sold Products), and 21% (Purchased Goods & Services) of our total annual emissions.

2021 AND 2022 SCOPE 3 GHG EMISSIONS (METRIC TONS CO2E)		
EMISSIONS SOURCE	2021	2022
Category 1: Purchased Goods & Services	329,692	350,048
Category 2: Capital Goods	9,512	5,672
Category 3: Fuel and Energy	3,584	3,880
Category 4: Upstream Transportation & Distribution	60,195	42,704
Category 5: Waste Generated in Operations	4,089	4,328
Category 6: Business Travel	721	770
Category 7: Employee Commuting	4,738	4,122
Category 8: Upstream Leased Assets	324	408
Category 9: Downstream Transportation & Distribution	42,516	39,562
Category 10: Processing of Sold Products	N/A	N/A
Category 11: Use of Sold Products	1,157,758	1,206,743
Category 12: End of Life Treatment of Sold Products	10,467	9,123
Category 13: Downstream Leased Assets	8	N/A
Category 14: Franchises	N/A	N/A
Category 15: Investments	N/A	N/A
Total Scope 3 Emissions	1,603,604 metric tons of CO2e	1,667,360 metric tons of CO2e

In 2022, 22% of the total electricity consumed by our global operations was renewable. Most of this energy was captured through solar arrays at our Sunrise Canada and Brazil manufacturing sites. The installation of photovoltaic panels is one of our primary strategies for acquiring renewable energy. For this reason, we were incredibly proud to have completed the installation of Brazil's solar array in 2022. In addition to the renewable energy that is captured through our solar arrays, we also purchase renewable energy credits at our Valdosta manufacturing

sites. These credits support Georgia Power's "Renewable Energy Development Initiative" (REDI) to be coal free by 2028. Beyond our renewable energy strategy, we also offset 100% of our Scope 1 and Scope 2 emissions for the second year in a row through the continued support of two global Carbon Offset Projects. These two offsets are called the "Great Bear Forest Carbon Project" in British Columbia, and the "Guatemalan Conservation Coast Project" in the tropical rainforest and Caribbean coastline region of Guatemala.

2022 ENERGY CONSUMPTION	
FUEL TYPES USED	NATURAL GAS, DIESEL, LPG
Total Fuel Consumption (GJ)	93,678.51
Total Electricity Consumption	30,405,794
Total Energy Consumption (GJ)	203,118.20
Total Energy Generation (kwh)	125,750
Renewable Energy Percentage	22%
Energy Intensity	179.07 GJ/Million Revenue

As we continue to implement sustainable actions into our value chain, we want to make our products more efficient, our operations more sustainable, and mitigate any harm that our business could have on the environment. We have aligned our strategies to support the UNGC and

SBTIs objectives and will continue to use them as a guide to implement beneficial initiatives that help align our business and its products with long-term sustainable objectives.



MATERIALS SOURCING

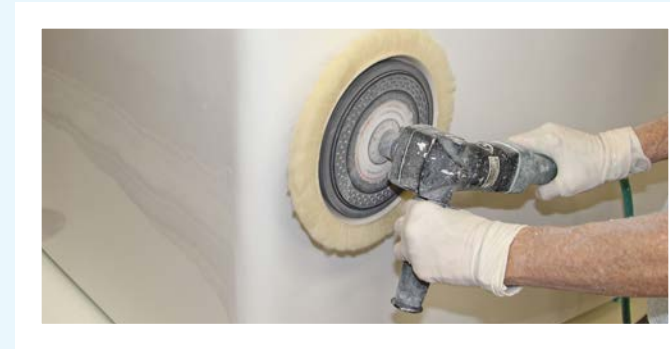
As a manufacturer of consumer durables, responsible materials sourcing is an essential element of our business.

OVERVIEW

As a manufacturer of consumer durables, responsible materials sourcing is an essential element of our business that depends on partnerships formed with suppliers who offer sustainable alternatives to the materials we use most during production. Because our products exist within the wellness space, it is additionally important to consider the sustainability of the input materials of which our products are comprised. Our specific materials sourcing initiatives tie in directly to our long-term sustainability and material transparency goals which include the reduction of our carbon footprint and an effort to drive cost savings across the global business through responsible materials sourcing programs.

As we progressed through 2022, a focal point of our material sourcing efforts was to seek more full life-cycle agreements with teams who offer to take our scrap, recycle it, and sell it back to us for reuse. One of our vendors, Trinseo, has created a program to reacquire scrap acrylic from their customers. As of now, the buyback opportunity is only available to

our France and Italy operations. As technology improves and more of the unique materials that we work with incorporate sustainable solutions into their lifespan, we will be better positioned to increase the number of materials that go through a similar full life-cycle process.



INCORPORATING SUSTAINABLE MATERIALS

Jacuzzi Group has developed a streamlined process for sourcing the sustainable materials used in the production of its spas and baths. This process continues to adapt and improve every year and is led by a cross-functional team that collaborates with many different departments across the organization.

Our journey to incorporate sustainable materials begins with our Global Sourcing, Engineering, and Innovation teams who work together to research alternative options that can be used to improve efficiency, cut costs, and create less waste. As more sustainable materials are identified, the engineering team completes a complex set of testing to determine if the new material meets or exceeds the performance results of the previous material. From there, our teams want to understand the financial impact of the material change, so financial forecasting is completed by the sales and marketing teams with the goal of outlining the estimated cost of the change. Once the sales and marketing team have provided their input, the New Product Implementation unit takes over the initiative until the agreed upon material has been introduced into the value chain.

In addition to our detailed New Product Implementation process, we also have a global Product & Quality team that meets monthly to address all materials sourcing risks and opportunities associated with our business. It is during these meetings when stakeholders are given the floor to discuss specific material upgrade opportunities and ideas surrounding the upgrade or replacement of less efficient materials that can be removed from the production process.

We made two significant changes to the materials we sourced with the goal of incorporating those changes into our operations by 2022. The first of these initiatives involved the identification and implementation of a more sustainable alternative to the polyurethane spray foam insulation that was regularly used in our spas. The new polyurethane alternative which is comprised of more than 30% recycled content, was identified by our New Product Implementation Process as a zero-scrap solution that also significantly increased the efficiency of the spas where it was applied. This data drove us to incorporate alternative to polyurethane spray into more than 30% of our products manufactured at our Mexico Operations Center, Jacuzzi Group's largest manufacturing facility. The results of the material change are already having positive impacts on our value chain. Specifically, the new insulation offers a 10-15% increase in total thermo-efficiency. This means that by switching to a more sustainable input material, we have not only improved our operations by making them more sustainable, but we have also improved our products and the efficiency that they will have when being used by our consumers.

The impacts of materials sourcing improvements are farther reaching than most stakeholders consider. For example, the single insulation change above impacts us across many levels of the organization. Through the implementation of one new material, employee manufacturing processes change, partners we work with to sell us the materials are adjusted, our waste stream is impacted as new materials must be disposed, and our energy efficiency metrics on the spas change. We prioritize best practices in materials sourcing because we understand the lasting impact they have on our business. In addition to our work to incorporate better input materials into our products, we also want to make sure that the materials themselves have been sourced safely. This objective drove us to work with our Product Quality and Safety teams in 2021 and 2022 to ensure that 100% of the wood we source and use during global production is Forrest Stewardship Council (FSC) certified. In 2022, we used 23,427,255.26 pounds of FSC certified wood across our facilities.

ENVIRONMENT

PERFORMANCE

The sourcing of sustainable materials is an important part of our business that requires constant collaboration with our management teams, manufacturing site owners, sourcing team, marketing team and other stakeholders. We recognize that as our business grows, more input materials need to be purchased to meet production requirements. This demand highlights the importance of identifying replacements for unsustainable input materials and being efficient with what is already being used. In 2022, we used more than 115 million pounds (about 52,163,080 kg) of input materials to create our spas and

baths. Of this total, approximately 97,000,000 pounds were used to create our spas and 18,000,000 pounds were used to build our baths and accessories.

Our materials sourcing efforts resulted in a 7% year-over-year reduction of input materials, but only a 5% reduction in annual sales. This means that we are becoming more efficient with the materials we use within our operations. By practicing responsible materials sourcing and trying to incorporate sustainable alternatives into our processes where possible, we save money for our business, increase the efficiency of our products, and improve the lives of our stakeholders at all levels.

SPA MATERIALS SUMMARY		
MATERIAL	TOTAL WEIGHT (LBS)	AVERAGE PERCENTAGE
Metals	10,835,105.56	11.10%
Metal/Plastic	195,227.13	0.20%
Plastics	63,155,975.64	64.70%
Wood	23,427,255.26	24.00%

BATH MATERIALS SUMMARY		
MATERIAL	TOTAL WEIGHT (LBS)	AVERAGE PERCENTAGE
Wood	1,218,927.86	6.99%
Metal	793,436.59	4.55%
Plastic	15,425,802.35	88.46%

ACCESSORIES MATERIALS SUMMARY		
MATERIAL	TOTAL WEIGHT (LBS)	AVERAGE PERCENTAGE
Wood	893,206.90	8.47%
Metal	471,385.46	4.47%
Plastic	9,180,943.64	87.06%

WASTE

OVERVIEW

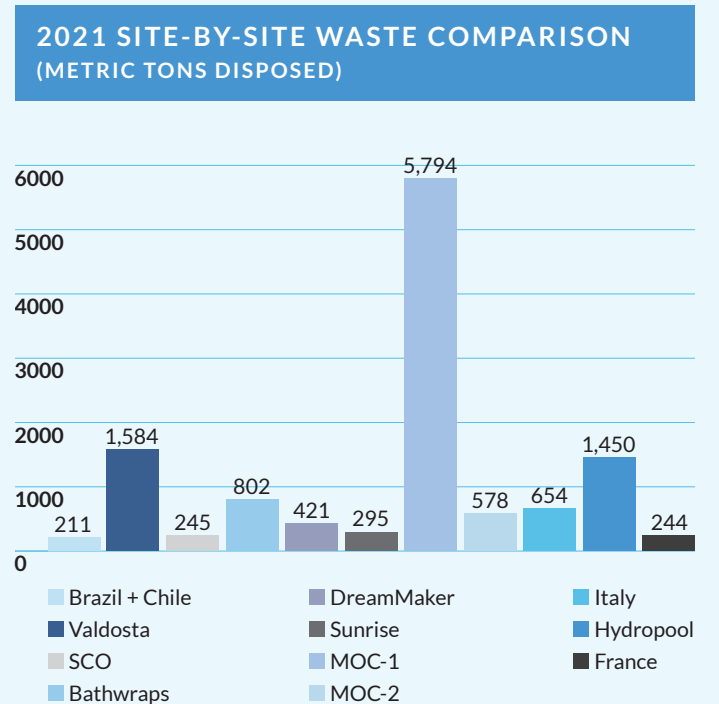
In 2022, Jacuzzi Group generated a large amount of operational waste that necessitated responsible recycling partnerships and globally regulated waste management practices. From the large volume of materials required to manufacture our products to the significant end-of-life impacts those materials have on the environment, we understand that responsible landfilling and recycling solutions are critical to sustainable waste management practices.

To this end, we spent 2022 learning more about our waste streams with the goal of identifying specific areas where strategic partnerships could be established with organizations that help companies dispose of waste more responsibly. These partnerships operate in direct support of our long-term waste objectives which involve reducing the total percentage of waste that is sent to landfill. The first step in our waste reduction efforts was to arrange onsite waste audits for our facilities with the highest volumes of annual waste. Once our facilities understand how their waste stream compares to others, locating partners who can help recycle commonly used materials becomes much simpler. As new opportunities are identified, our sustainability team works closely with senior leadership to formulate cost-effective and sustainable solutions.

DECREASING OPERATIONAL WASTE

Through our global comparison of waste streams, we extrapolated that our Mexico Operations Center 1, Hydropool Canada Manufacturing Site, and Valdosta Manufacturing sites produced significantly more waste than the rest of our operations. This knowledge provided us with a good starting place to begin our waste reduction journey, as we were finally able to understand which locations should prioritize decreasing operational waste based on the total amount of waste they produced annually.

Moving into 2022, we learned that some of our large facilities were not familiar with the different types of materials included in their waste streams. To combat this issue, our sustainability team worked closely with site managers across the globe to arrange waste audits where external organizations evaluated the contents of our facilities dumpsters and roll-offs. During these waste audits, the contents found within the sites' disposal areas were separated and weighed. After the audits were completed, contents were put back into the dumpsters,



hauled away, and dispersion reports were generated to outline the total percentage of each material found within the waste stream. This knowledge has been a pivotal tool for our sustainability team because once the company is aware of the materials that need to be pulled out of the waste streams, we can start looking for recycling partners who will pick the materials up, pay us for them, and remove them from the landfilling process saves our teams money as well.

Progress from our waste reduction initiatives is already visible across different businesses within the company. As an example, an audit of our Roselle plant helped us understand that there is a significant opportunity to recycle pink XPS foam at some of our bath manufacturing facilities. This low-volume foam was taking up a lot of space in Roselle's dumpsters, meaning that they were filling up more quickly and had to be serviced more often. To combat this, an additional roll-off was placed at the facility and is loaded with XPS foam until full. The foam is picked up and driven to another recycling partner where it is repurposed for reuse, at which point the roll off is returned to our dock so the process can be repeated.

Additional progress occurred at our Sunrise Canada manufacturing facility which spent 2022 establishing new partnerships with recycling companies who accept scrap excess wood and plastic.

PERFORMANCE

In 2022, we worked to build upon our centralized process for tracking and managing waste across Jacuzzi Group's manufacturing facilities, large warehouses and headquarters locations, which together represent over 95% of its footprint. Our waste data collection process involves an annual data request that is sent to each facility and returned to the sustainability team. We take the information learned from this collection and share it with each site so they can better understand how their location is positioned versus other business units.

The total amount of waste generated by our operations in 2022 was 12,516.6 metric tons. This is within 2% of the total waste we generated in 2021. Although the scale of our business increased significantly in 2022, the amount of waste we generated only increased by a very small margin. These results indicate that our business is becoming more efficient with its materials as it works to refine its waste practices.

We diverted more than 2538.94 metric tons of waste from landfills in 2022. This accounts for 20.7% of the total waste generated by our global facilities. Although we have not set specific waste reduction targets set for each location, we are actively trying to reduce the overall volume of waste that our organization is generating annually. As we move into 2023, our plans are to continue to work with our sites to expand their waste reduction programs and identify opportunities to send less of our waste to landfill.



2022 WASTE GENERATED BY MATERIAL (METRIC TONS)			
MATERIAL	WASTE GENERATED	WASTE DIVERTED	WASTE DISPOSED
Wood	1291.654	186.094	985.1
Plastic	2211.623	1344.453	24
Metal	182.189	182.189	0
Paper	917.53	771.38	0
Other	7913.6	54.82	8968.58
Total	12516.6	2538.936	9977.68

2022 WASTE DIVERTED FROM DISPOSAL (METRIC TONS)		
METHOD	HAZARDOUS WASTE	NON-HAZARDOUS WASTE
Preparation for Reuse	0	70.2
Recycling	0	2467.136
Other Recovery Operations	0	1.6
Total	0	2538.936

2022 WASTE DIRECTED TO DISPOSAL (METRIC TONS)		
METHOD	HAZARDOUS WASTE DISPOSED	NON-HAZARDOUS WASTE DISPOSED
Incineration – with energy recovery	66.49	0
Incineration – without energy recovery	0	0
Landfilling	0.01	9625.8
Other Disposal Operations	285.3	0
Total	351.8	9625.8

WATER

OVERVIEW

As a company that manufactures products that rely heavily on water, we understand the significant impact water usage, conservation, and withdrawal have on our business. There are many risks and opportunities associated with water usage that should be considered prior to making operational and product related changes. Within our operations specifically, water is used most frequently in quality testing, standard plumbing across our facilities, and general landscaping.

To better understand our water usage tendencies, we speak with each of our manufacturing sites about water on a quarterly basis to discuss opportunities to incorporate changes that may drive an increase in overall water efficiency. Beginning in 2021, we kicked off our water conservation program which led to the development of several initiatives that support our conservation goals. So far, some of the largest projects that have been implemented across our businesses include the addition of recycling towers, product testing upgrades, low-flow fixture installations, and improved water monitoring sensors in our products.

Because each of our manufacturing sites is responsible for building different models of spas and baths, their processes differ slightly based on the products manufactured and assembled at the facilities. For this reason, we must tailor our water conservation strategies to independently support the conservation needs at each respective facility individually.



INCREASING OPERATIONAL WATER EFFICIENCY

While our manufacturing operations account for much of our total water usage, we understand that it is important to work with each of our locations, regardless of size, to make sure they are also adhering to the same water reduction objectives. With this in mind, we worked to incorporate low-flow fixtures, automatic shut-off valves, and water dispensing machines across our global sites. At the conclusion of 2021, we estimate that over 75% of our manufacturing sites and warehouses had installed low flow fixtures or automatic shut-off valves, and even more have taken steps to eliminate the use of single use plastics such as water bottles.

A very significant development to our water conservation program was identified through our 2021 collection which sought to identify the total water usage at our facilities that operate in water scarce or water threatened regions. We sought out the locations that had the greatest location-based water risk with our annual usage data which compared our large facilities. What we found was that one specific location had much higher usage rates than our other operations, it existed in a water scarce region, and the size of the facility was not big enough to warrant the high usage rates. These three factors helped

us to identify our Southern California Operations Center as the most important place to begin looking for additional opportunities to reduce our water consumption.

Before we could begin to make progress towards reducing our usage, we needed to understand exactly what components of our operations were relying so heavily on water. As an example, within our spa manufacturing operations, misters are used to help cool some of the newly thermoformed materials. However, this is not a process that takes place regularly at our SCO location, so to have seen such a high volume of water usage at a site where water is not part of our manufacturing process did not make sense. After meeting with leadership from the site, we learned that the majority of their water usage was being used to support landscaping around our plant.

With further research, we learned that the reasoning behind the significant amount of water that was being used at this facility was due to the landlord who has very specific requirements for the grassy areas that line the fronts and backs of the properties we lease. This put us in a position where we needed to find a way to reduce our usage without letting it impact the health or optics of the lawn. After connecting with several environmental experts and attaining proposals for various projects like switching to a smart watering system or replacing the grass with desert plants, we decided to reduce the watering frequency by watering the surrounding grassy areas 1 less time per day. We expect this to result in an approximate 33% reduction in the amount of water consumed annually at our SCO facility.

As we move into 2023, additional projects that our sites have discussed making improvements to include water recycling towers, upgrades to product performance testing, utilization of more greywater within operations, the installation of low flow plumbing fixtures, new water monitoring sensors, and many more water conservation initiatives aimed to support safe and responsible water usage. To make sure we tailor our efforts to each specific

site, our sustainability team continues to work closely with each business to identify unique opportunities for increasing the water efficiency at each respective business.

Jacuzzi Group’s work towards best practice water management regulations does not stop at an operational level. We believe that it is equally important to give our customers the tools they need to improve their water usage tendencies as it is to make sure that we are managing water responsibly within our own operations. We do this because we recognize that our impact on water conservation does not stop when our products leave our operational control, so we want to do everything we can to set our customers up to spend less, use less, and understand the impacts of using our products. To do so, we have created a bevy of educational resources that are housed within our proprietary SmartTub application that is available upon purchase to all consumers. Moving into 2023, we have plans to continue to build out this section of our smart tub application by expanding what is tracked to the water as well, by tracking its heat at any point of the day.

PERFORMANCE

In 2022, the total water withdrawn across our operations was 39.65 megaliters. 31.00 megaliters of this total were supplied to us by third-party providers in areas with water stress. Moving forward, we aim to reduce this reliance on acquiring water from stressed areas by incorporating sustainable solutions. As we continue to progress through our water conservation journey, we expect to see a significant reduction in our current reliance on water sourced from suppliers.

Out of the total 39.65 megaliters of water withdrawn in 2022, we consumed 6.48 megaliters. This means that approximately 16.35% of the water withdrawn was consumed. The other 83.65%, or 33.17 megaliters, was discharged back into the environment. This compares favorably against our data from 2021 which showed much higher usage and consumption rates.



2022 WATER WITHDRAWAL (MEGALITERS)		
	ALL AREAS	AREAS WITH WATER STRESS
Surface water	0	0
Groundwater	0	1.51
Seawater	0	0
Produced water	0	0
Third-party water	39.65	31.00
Total	39.65	32.51

2022 WATER CONSUMED (MEGALITERS)	
Surface water	0
Groundwater	1.354
Produced water	0
Third-party water	5.126
Total	6.48

2022 WATER DISCHARGED (MEGALITERS)	
Surface water	0.156
Groundwater	0
Produced water	0
Third-party water	65.525
Total	65.681



CONSUMER WELLNESS

OVERVIEW

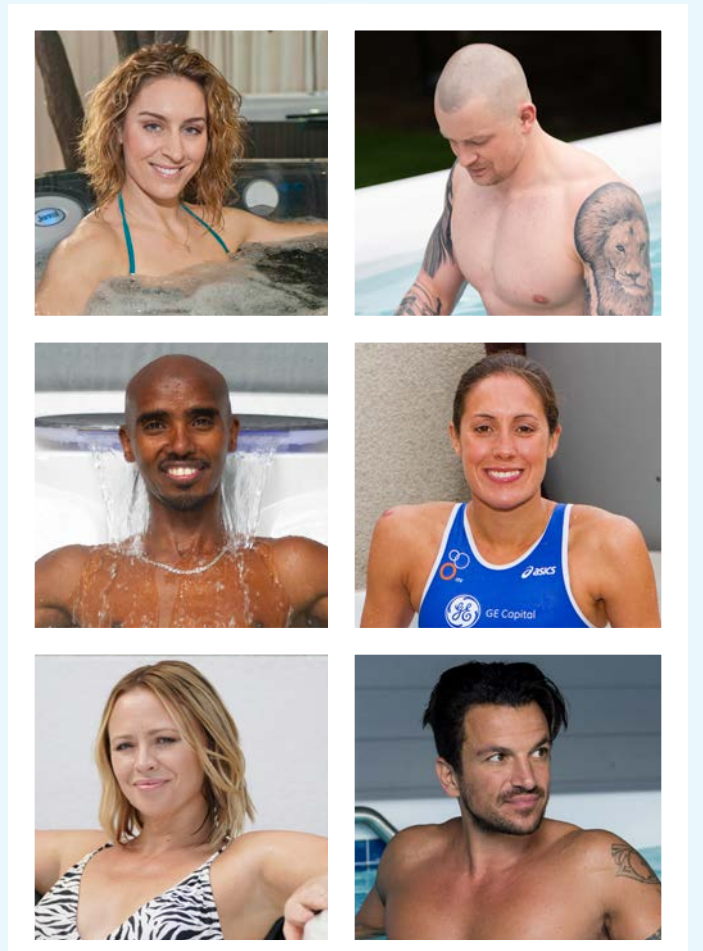
Jacuzzi Group’s consumer wellness program is a key facet of our business that utilizes educational resources, product innovation, and philanthropic actions to meet and exceed the wellness needs of our consumers. In 2022, our consumer wellness program soared to new heights by developing innovative types of wellness resources, and by partnering with Olympic athletes to help show the benefits of our products to interested stakeholders. We understand that the success of our business relies on our ability to meet the wellness needs of our consumers, and we structure our organization to always put the needs of them first when making product design or program changes.

It is imperative that we highlight the capabilities of our products so consumers can gauge their expectations of our products. With so many different designs created to support a variety of different needs, we want our customers to be familiar with exactly which product is best crafted for their situation. In addition to our work to educate consumers, we also work with ambassadors who promote the wellbeing of our products and offer insights into the many ways that our spas and baths have become mainstays in their wellness journeys.

PROMOTING LIFELONG WELLNESS

Jacuzzi Group’s lifelong wellness program is built to serve the needs of a variety of consumers across many different ages and ailments. To account for the different types of products we sell and the communities they best support, we expanded our Jacuzzi performance program in 2022 by creating a variety of new types of internal and external wellness resources. Our goal in doing this was to provide consumers with enough information to pick the product that is exactly right for their needs. For athletes who may be considering using our products for recovery, we also created the Jacuzzi ambassador program which partners with famous Olympic athletes who use our products to recover from training. The Jacuzzi Performance podcast discusses the different benefits of our spas and baths and shows interested consumers a deeper value behind purchasing specific model types.

The Jacuzzi Performance Podcast highlights the many ways that our sponsored athletes have used Jacuzzi products to their benefit. Some of these sponsored athletes include English rugby superstar Jamie Shaul, Olympic champion Adam Peaty, Paralympic Gold medalist Jessica Jane Applegate, and many more successful athletes who speak to the benefits that our products have offered them.



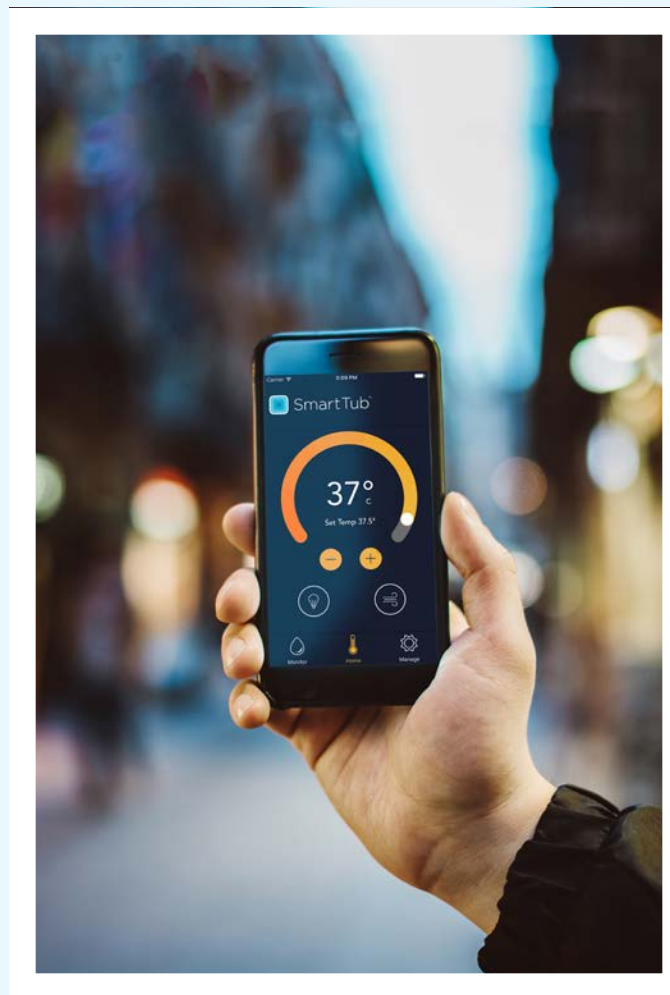
In addition to our Performance Podcasts, Jacuzzi also created short YouTube videos that share testimonials from some of our sponsored athletes. Within the videos are examples of how some of the specific technology has been used to support the goals and objectives of our partners. We understand that seeing examples of notable figures incorporating our products into their lives is a valuable part of expressing the usefulness of our products to consumers. Such marketing plans can be incredibly valuable when it comes to attracting new customers, however, that is only a portion of our responsibility. We also need to make sure that the customers who purchase our products are familiar with how to use them in a variety of methods to suit their wellness needs. This is where our SmartTub application factors in.

SMARTTUB APPLICATION INCORPORATION

While our Jacuzzi performance program is structured to attract potential customers, consumer wellness programs such as our SmartTub application are what keep our existing customers informed about their own personal wellness habits.

The main method through which we offer this information occurs through our SmartTub application which was released in 2020 and is constantly being upgraded to support the needs of consumers. Within the SmartTub application is a wealth of detailed resources that are designed to allow customers to learn more about their usage habits, how those tendencies can impact their monthly energy bills, and how their rates compare to other spa users from their localities.

In 2022 we updated our SmartTub application to include information that displays the individual progress of any spa that is registered on the platform. Other upgrades included the integration of a water quality sensor which allows users to view PH, chlorine, and alkalinity balancing from a mobile application. Another feature that we are proud to announce is the incorporation of a multi-spa management system that allows users to control more than one spa at a time from a single account. Auto-scheduling was another addition rolled out via our SmartTub application in 2022.



With the added technology, consumers can now select dates and times that they want specific features such as jets, lights, and heat to turn on automatically.

As we move into 2023, we are looking into how to apply new technological upgrades to our swimspas. Specifically, we plan to add sensors that can detect when the spa cover is open and or if the water level in the spa rises above or falls below normal rates. This could be a key resource for identifying any potential leaks or spills.

The SmartTub application is a fantastic resource that we offer to consumers so they can improve the methods in which they use our products. As we continue to build new features, we hope that a larger group of our customers will elect to sign up for the service. When comparing our total active user base year over year, we see that there were

19,752 active users at the end of 2021, but 30,576 users at the end of 2022. This is a great sign for the lifespan of the SmartTub application and we are hopeful that we will have a similar growth rate next year as well.

PHILANTHROPY

Supporting philanthropic organizations is another critical element of our consumer wellness program. Over the past years we have built upon our existing philanthropic partnerships and increased the value of our contributions sent to charitable organizations. A list of the partnerships is included within the graphic below:

In addition to the external charities we support, we have also created our own internal philanthropy program via our Sundance Spas brand. Housed under this brand is a movement called Good Cause Spas. Good Cause Spas partners with WISH for OUR HEROES, a national 501(c) (3), to donate spas to veterans who can benefit from the healing power of hydrotherapy. We work closely with WISH for OUR HEROES each year to support disabled veterans by donating 1 spa for every dealer location that sells over 100 spas in a calendar year. Each spa was donated directly to the family of a veteran who can benefit from our products. This partnership is an important part of our philanthropic program and properly asserts our value system of putting people who need our products ahead of any profit from the sale.

Another integral piece of our Good Cause Spas movement is our partnership with Operation Appreciation. For the second straight year, Good Cause Spas sponsored Operation Appreciation’s Red, White and Bear program that offers free access to an off-the-grid retreat nestled in the beautiful North Georgia mountains. Together with their families, veterans are provided with a relaxing environment meant to help them decompress. The luxury cabin at the retreat features four bedrooms, a full kitchen, a living room, wraparound porches, and of course, a Sundance Spa on the terrace. This space was designed to incorporate as much outdoor space as possible so veterans can feel in nature and away from the chaos of modern society.

COUNTRY PHILANTHROPIC ORGANIZATIONS SUPPORTED
NORTH AMERICA
American Cancer Society
Baths for the Brave
Let It Be Foundation
Make-A-Wish Foundation
WISH for OUR HEROES
Alzheimer's Association
Wise Guys Charity Fund
Diabetes Association of Canada
Special Olympics Ontario
MEXICO & SOUTH AMERICA
Association of Parents of Disabled People
Ituana Association for the Visually Impaired
Hospital General de Tijuana
Agtagama A.C Retirement Home
Ayuntamiento de Tijuana, B.C Fire Station
Monte de Dios de Ninos Orphanage
EUROPE & AFRICA
Pordeone Town Council (Italy)
Teenage Cancer Trust
Solvatten



Sundance Spas isn't our only brand that is focusing on philanthropy. In 2022, our Dimension One Spas brand established a partnership with a philanthropic organization called Solvatten. **Solvatten is a social enterprise that started in 2006 in Sweden with one mission: to provide people living in developing countries with safe and hot water in a portable, environmentally friendly way.** Solvatten now creates water treatment units that can be opened like a book and placed into direct sunlight to capture the energy needed to purify water. The combination of UV rays and heat from the unit creates an environment that facilitates water purification, and depending on the specific conditions, can remove all harmful pathogens in between 2 and 6 hours. In 2022, Dimension One Spas and its retail network partnered with Solvatten to donate more than 200 water treatment units (Valued at about \$25,000) to the Solvatten Kenya project, which brings safe water to those living in rural Kenyan communities where water is not readily accessible. It is estimated that for every water treatment unit donated by Dimension One Spas, 5.5 people in Kenya gain access to water, over 50 trees are preserved, and about 7 tons of CO2 emissions are eliminated.

As our partnership with Solvatten continues to blossom moving into 2023, we have made plans to donate 200 additional water treatment units to developing countries. We also expect to complete a project that aims to offer unique Solvatten branded merchandise at our retailers' showrooms. Our hope is that the revenue of such merchandise can be utilized as a vessel to fund additional water treatment unit donations.

PERFORMANCE

Jacuzzi Group takes pride in dedicating itself to helping consumers live better, healthier lives through the spa and bath products it creates. We measure consumer wellness success through the impact we have on our consumers and the ease at which they learn about our products through the educational resources we make available. In addition to the benefits already outlined, other wellness benefits that we strive to design our products in support of include relaxation, improved sleep, reduced stress, eased muscle tension, decreased lower back pain, improved recovery, and alleviated pain stemming from arthritis and cramps.

In 2022, we donated a total value of \$124,600 to philanthropic organizations across the globe. This includes more than \$74,600 donated to WISH FOR OUR HEROES and \$20,000 donated through tie-in promotional programs. In addition to the philanthropic donations to the charities we support as an organization, our individual brands also donated an estimated combined value of \$30,000 to independent external charities that support relevant consumer wellness initiatives. As we move into 2023, our plan is to continue to prioritize and identify partnerships with organizations that are working towards the same goals that we have outlined. We recognize that philanthropy and consumer wellness are closely tied, and we want to situate ourselves as a leader in both spaces. To this end, our long-term plans for consumer wellness are to focus on furthering our Jacuzzi Performance Program, implementing and communicating new product improvements, and working closely with organizations that help identify and support the wellness needs of our consumers.

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

OVERVIEW

Employee health, safety, and well-being are of the utmost importance when it comes to creating and sustaining a business within the consumer durables sector. Jacuzzi Group understands the risks and opportunities associated with employee health and safety (EH&S) and contributes a significant number of resources toward best-in-class initiatives for our industry and business. With our employees spread throughout manufacturing sites, warehouses, offices and showrooms around the world, it is important that we meet or exceed all local health and safety standards, including our own internal commitment to top-level Environmental, Health, and Safety performance. For this reason, each facility within our organization operates in compliance with all applicable safety standards for their localities and has their own independent standards and operating procedures that outline their EH&S expectations.

As our manufacturing process becomes more streamlined, we are constantly trying to identify new opportunities to reduce the rates of injury across our operations. We want our employees to feel safe and protected when they come to work, which has led to the development of several occupational health and safety initiatives such as improved warning signage, Personal Protective Equipment (PPE) upgrades, the development of an Occupational Health and Safety Administration (OSHA) certified training course for our installers, and many more projects aimed to reduce injury rates among our employees.



OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety is a multidisciplinary field that covers topics such as potential hazards, injury prevention, safe disposal of chemicals, and general dangers while on the job. Jacuzzi Group believes that it is the obligation of every employer to create and maintain a concise set of safety standards that protect the health of their employees. Across our organization, each manufacturing site and large warehouse has created internal policies, procedures, and training designed to make our operations safer. Our internal health and safety system applies to 100% of workers within the organization, regardless of their status as either temporary or full-time.

To make sure we are following best practices, we conduct safety audits at our manufacturing sites to identify any new or changing safety concerns and hazards. We also seek opportunities to improve upon existing processes and to implement additional safety guidelines where possible. As an example, in our 2022 health and safety audit we saw a higher injury rate than we wanted in one

of our newer business lines. Specifically, we saw that our JBRX installation team was getting injured at a higher rate than the rest of our business. Through our internal safety audits, we learned that the teams needed higher quality protective gear (PPE). This understanding allowed our management team to allocate the funds to buy the upgraded gear, which we believe has had a positive impact on our injury rates in 2022.

Although we acted to directly reduce the injury rates in our JBRX business, we felt that more action was needed to bring their business up to par with the rest of our organization. This drove us to begin building an installer training program that we will be rolling out in 2023. The program outlines our expectations for our installers and the preventative measures they should take to avoid injury. We also included details like common types of injuries to make our teams aware of the risks they may face while installing our products. We expect that this training, which will be available online, will be a 10-hour OSHA certified curriculum that will become mandatory for our installers to pass.

PROMOTING WORK LIFE BALANCE

Jacuzzi Group recognizes the importance of promoting a good work-life balance for its employees. Our employee wellness program revolves around offering tools to improve the physical and mental health of our team members. Our employee Assistance Program provides employees with access to a 24/7 hotline where callers can access legal resources, financial advisory, crisis communication, general counseling services, educational seminars, and much more. The goal of this program is to set up a robust catalog of resources that can be accessed easily by our teams.

In addition to the resources that we offer to promote work life balance, another primary part of our employee wellness program are the flexible working opportunities that we offer to many of our team members. We offer flexible working arrangements for our employees because we understand that they have their own lives, and that when employees have the freedom to set their schedules, they are happier and perform better at work. Moving



MONTH	WELLNESS TOPIC	DESCRIPTION
JANUARY	Make Resilience a Ritual	Employees learned how to harness their strengths and build personal resilience to improve their well-being
FEBRUARY	Effective Communication Across Relationships	Employees learned strategies to improve their ability to communicate effectively and have productive conversations
MARCH	Work/Life Balance - Reinventing Your Routine	Employees learned how to create new daily routines and establish healthy habits to use their time more efficiently
APRIL	Eat with Intention - Eating for Sleep	Employees learned that sleeping is essential to maintaining healthy body weight and a positive outlook on life
MAY	Retirement Planning and Investing	Employees learned how to build confidence in their retirement planning and investing strategies
JUNE	Avoiding the Challenge of Perfectionism	Employees learned about common misunderstandings surrounding perfectionism and learned strategies to get unstuck
JULY	Ergonomics: Mobility and Myofascial Release	Employees learned about the fascia and various tools and techniques to reduce stiffness, tension, and improve health
AUGUST	Financial Wellness: Saving Money 101	Employees explored strategies to maximize workplace benefits, develop an investment plan, and reduce financial stress
SEPTEMBER	Time Management: Overcoming Procrastination	Employees learned about types of procrastination and scientific tools to overcome resilience, confidence, and balance
OCTOBER	Healthy Eating: Nutrition and Immunity	Employees learned about science-backed nutritional strategies on how to eat for a healthy immune system
NOVEMBER	Establishing Healthy Boundaries	Employees received clarity on what boundaries represent, and why they are critical to careers, relationships, and sense of self
DECEMBER	Fitness: Getting Fit During the Holiday Season	Employees received expert advice on how to create a plan to integrate more physical activity into their daily life

forward, we will continue to build out this program and its features to further improve our employee's levels of satisfaction and the balance they have between their roles and their lives.

Another great advancement in our employee wellness program was the incorporation of a dozen wellness webinars that touched on a wide range of important topics. Hosted by Marino Wellness, these webinars spoke in

depth on topics such as work life balance, healthy eating, disease prevention, personal fitness, time management, and other advice about how to incorporate sustainable habits into the lives our busy employees.

Continuing our progress in 2021, our headquarters facility significantly expanded its offerings when it comes to well-being. With COVID-19 rates at their lowest in years, our headquarters office was able to re-open its gymnasium.

This allowed for the opportunity to incorporate fitness classes that employees can attend during their workdays. In the afternoons, the fitness area serves as a yoga and spin studio where classes are taught by employees. Also at the core of our work life balance program are the special events that are offered regularly at our headquarters office. Annual events held on our campus include a charity driven basketball tournament that offers employees an opportunity to get outside and play a game for a good cause and regular E-waste drives which provide employees with the chance to recycle some of their outdated electronics. We also still offer work from home opportunities for many staff members, as we understand that our team members are working from a variety of difficult situations and want to provide them with the resources, they need to be successful, happy, and healthy. In addition to these employee benefits, our headquarters facility also became Green Business Certified.

HEALTH AND SAFETY TRAININGS

One of the most important pieces of our employee health and safety program are the trainings that we design and offer to our team members who need to familiarize themselves with our many processes. After collecting



and comparing injury data from 2021, we learned that the offsite bath installation piece of our business was more prone to getting injured than employees from manufacturing facilities and other locations. This recognition drove us to create a team to identify the root cause of most of the injuries and create a plan to eliminate as many as possible moving forward. The solutions that we aligned on were to first increase the level of PPE that we distribute to our bath installers, then to implement an OSHA certified safety program. This program, which was created in 33 days (about 1 month) to support the growing needs of our teams, also includes a 10-hour course where installers can become safety certified.

So far, the results we have seen from our new health and safety initiatives have been very positive. Although the updated safety program has not been in place for long enough to track year over year changes, quarterly health and safety reports indicate that we are already experiencing less accidents across our employee base, and that the trainings and certification process now offered to our team members is helping them complete their jobs without being exposed to as much risk as in previous years.

PERFORMANCE

Jacuzzi Group’s health and safety program is designed to record, track, and present safety incidents that could occur at any of our global facilities. Once an incident is reported through this medium, we analyze the root cause of the incident with the goal of identifying what change can be applied to prevent a similar event in the future. In addition to our strong employee health and safety expectations, 100% of our employees are covered by our Occupational Health and Safety Management System.

Our Employee Health & Safety program undergoes periodic internal and external audits. In partnership with a third party provider, we assess our manufacturing sites across the following categories: Training, Internal Auditing, Investigation, Observation & Reinforcement, Industrial Hygiene, Ergonomics, Claims Management, Safety Management Practices, Motor Vehicle Safety, Occupational Health, Electrical, and Machine Safety,

Wellness-Stretching, Risk Assessment, Job Safety Analysis, Near-Miss Program, Safety, Committee/Employee Engagement, Corrective Action Development/Tracking, Preventative Maintenance, Life Safety, Walking, Working Surfaces, Safety Policies and Procedures, Workplace Violence, Prevention, Property Safety, Personal Protective Equipment (PPE), and Corporate Results.

In 2022, the main types of injuries we saw were slips, trips, falls, and contact with objects or equipment. Employees across our global facilities worked approximately

1,229,541 hours in 2022 and experienced 13 work-related incidents that resulted in injury. Of those 13 instances, 10 resulted in both injury and lost time. This puts Jacuzzi Group’s Lost time injury frequency rate at 1.63 for 2022. As we move into 2023, we plan to continue to improve our health and safety performance by increasing the amount of employee trainings offered to installers, continue to improve the data collection process through global automation, and continue to maintain compliance with all local regulations.

EMPLOYEES COVERED BY OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM	NUMBER	PERCENT
Employees and contractors covered	3,967	100%
Employees and contractors covered by a system that has been internally audited	3,967	100%
Employees and contractors covered by a system that has been externally audited	3,967	100%

EMPLOYEE HEALTH AND SAFETY DATA	2021	2022
Total number of recordable work-related accidents and incidents resulting in injuries	78	91
Total number of work-related accidents and incidents that result in a worker being incapacitated for more than 3 consecutive days	5	14
Total number of work-related accidents and incidents that result in a worker being incapacitated for more than 7 consecutive days	19	15
Overall number of hours worked in the reporting period	9,123,311	7,490,80
Rate of recordable work-related injuries	1.70	2.43
Total number of recorded near-misses/ close calls events	336	247
Days lost due to work related injuries or diseases	1175	395
Number of lost time injuries to direct employees	24	29
Direct employee lost time injury frequency rate (LTIFR)	0.50	0.77

PRODUCT SAFETY

OVERVIEW

Jacuzzi Group’s robust product safety program involves continuous comprehensive evaluations to determine if the products that we manufacture and commercialize are safe for our consumers to use. To make this determination, our New Product Introduction (NPI) and design change processes are driven by a cross-functional team that must approve changes and certify that each product meets safety expectations while still satisfying our customers’ desire for performance and reliability. In addition to our internal goal of constantly improving the safety of our products, we have also taken steps toward meeting the regulatory standards set by the Underwriters Laboratories (UL) and International Electrotechnical Commission (IEC). We recognize the risks that are associated with poor product safety practices and do everything in our ability to arrange ourselves as a product safety leader within our industry.



UPHOLDING OUR COMMITMENT TO SAFETY

Our gated market development process relies on identifying, assessing, and mitigating potential product safety risks that could impact our consumers negatively. Many product safety advancements that occurred in 2022 were progress from the previous year which saw the establishment of a new cross-functional working group to determine what sustainable solutions are best to incorporate into our business. This team, which is comprised of members from our Global Quality, New Product Engineering, Global Supply Chain and Sourcing, Legal, and Marketing teams, meets quarterly to address the impacts of all proposed product design changes.

Because we have manufacturing operations in many different countries, it is especially important that we are aware of the different safety regulations and regulatory requirements that exist in each locality. This concept drives our New Product Innovation team to seek new

methods for sharing information about product safety throughout the value chain. The result of these efforts has been the creation of a New Product Checklist that is now distributed to our sites so they can use it as a resource to share critical product safety information with interested consumers and team members.

A true commitment to product safety relies on more than just a streamlined manufacturing process and good product safety resources. In many cases, it also takes a team of well-trained individuals who can teach consumers how to operate products safely. With this in mind, we dedicated our resources to developing a detailed training process that is now offered to all third-party sales teams. As a part of this process, our external vendors and sales teams are taught about the important details surrounding our different product designs and about the materials that make our products safe.

As a result of COVID-19 travel restrictions, the product safety training we offered to our third-party partners had to shift. Knowing how valuable this training is to our third-party vendors and consumers alike, we knew that it was not an option to stop offering the classes. The reconsideration of our product safety strategy drove us toward the innovative solution of replacing the manual, onsite product safety training sessions with virtual alternatives. To accomplish this, our organization created a small on-site film studio within one of our California offices. It was in this studio where we filmed brand new

product safety training courses that were later provided to our third-party partners.

The change from manual training to virtual training was a significant improvement for all stakeholders. In many ways, our Certified Service Training shifted from a very labor-intensive process to one that does not require many resources from either party. This meaningful change in the way we communicate product safety updates improved our vendors ability to explain the benefits of our products and led to a sizable reduction of manual resources needed to relay information to our customers and third-party partners.

PERFORMANCE

Each of our products goes through numerous rounds of rigorous testing by our Product Development team and Innovation team who make sure they meet or exceed all regulatory requirements and applicable safety standards. In 2022, we added a dedicated Regulatory Specialist to our engineering staff to manage and audit all products for global safety and regulatory requirements. Initiating test protocols and product safety assessments for both existing and new products is a core element of this role. Listed below are some of the many qualification tests that we adhere to during the manufacturing and testing of our products:

PRODUCT DEVELOPMENT QUALIFICATION TESTS	BATH AND SHOWER PRODUCT STANDARDS	SPA & SWIM REGULATORY STANDARDS
California Energy Commission (CEC) Testing	International Association of Plumbing and Mechanical Officials (IAPMO)	Uniform Swimming Pool, Spa, and Hot Tub Code (USPC)
Home Delivery and Installation Test	Electrical Testing Laboratories (ETL)	Associação Brasileira de Normas Técnicas
7 Days Horizontal Shipping Test	Uniform Plumbing Code (UPC)	Instituto Nacional de Metrologia, Qualidade e Tecnologia
7 Days Vertical Shipping Test	European Union: EMC Standards	Low Voltage Directive (LVD)
Vibration Test SPA Horizontal	European Union: Common Provisions Regulation	Electromagnetic Compatibility Directive (EMC)
Vibration Test SPA Vertical	Load Test for Bathtub and Shower Seats	Electrical Testing Laboratories (ETL)
Ultimate Load Test	Load Test for Bathtub Rims and Bottoms	
Plumbing Fatigue Test	Construction Products Directive (CPR)	
Static and Dynamic Seat Loading Tests	Electromagnetic Compatibility Directive (EMC)	
Serviceability Testing	Low Voltage Directive (LVD)	
Software Testing	Load Test for Shower Thresholds and Bottoms	
Structural Integrity Testing		

WORKFORCE ENGAGEMENT & DEVELOPMENT

OVERVIEW

Jacuzzi Group believes that an engaged and well-developed workforce is necessary for establishing good business practices. For this reason, we employ a wide array of engagement and development strategies to keep our employees happy and healthy. As new employees are hired and change positions within our organization, it becomes more important to make sure they have a strong understanding of the risks and responsibilities associated with their roles. With our organization growing quickly, it is our job to offer our new workforce training and development resources to team members who want to become more successful in their roles. We understand that strong employee development and engagement programs make us an employer of choice and help us operate in line with our long-term sustainability objectives.

With this in mind, we spent 2022 building engagement and development programs that foster a more concentrated and informed workforce. The initiatives we focused on most were centered around creating educational resources to help team members flourish in their roles, sending surveys to gauge interest, an increased focus on the development of a diverse workforce, and the alignment of employee benefits that better support the company culture and “One Team” values that we want to foster.

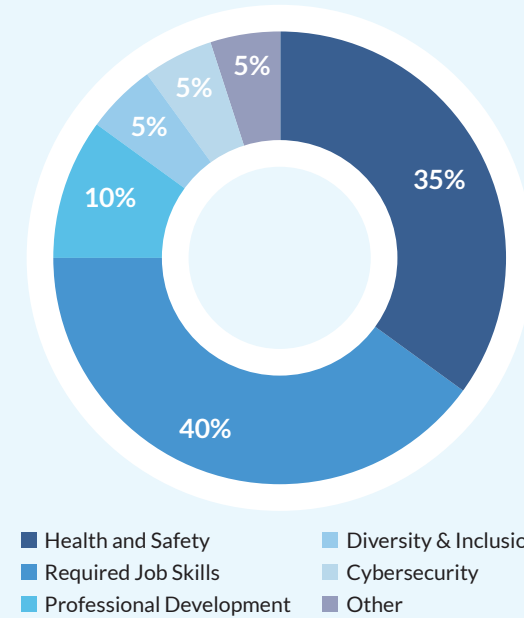


ENGAGING OUR EMPLOYEES

As an organization with employees spread across the globe, it can at times be difficult to ensure that our team members are all engaged and updated on recent progress across the company’s many business lines. For this reason, we have developed a streamlined process to provide employees with the resources, skills, and the understanding they need to thrive within our organization. Our robust employee engagement strategy utilizes employee training, global town hall meetings, wellness webinars, and competitive benefits to keep our team members informed, happy, and satisfied with their positions within the company.

In 2022, Jacuzzi Group team members completed more than 136,474 hours of employee training. These training courses focused on topics such as Health and Safety, Professional Development, Job Skills, Cybersecurity and Diversity and Inclusion. Across our organization, team members averaged 34.4 hours of training per person.

EMPLOYEE TRAINING TOPICS



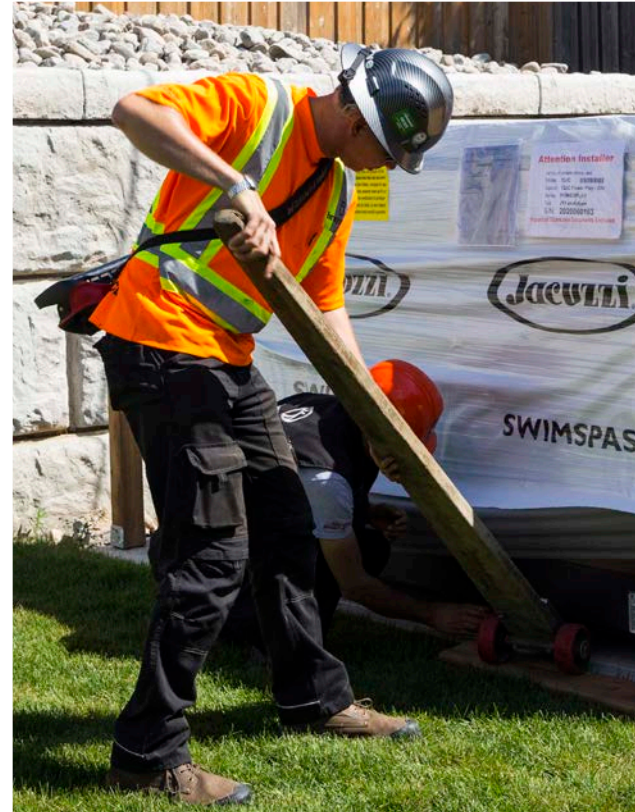
Total 2022 Training Hours: 136,474

This is the second year of our extended training program which has been refined based on the feedback we received through employee engagement surveys in 2021. Within these engagement surveys, we request our employees’ feedback on the most and least beneficial elements of the surveys so we can refine them each year. The results from our 2021 engagement survey were very interesting, and communicated that employees are currently most interested in better understanding their professional development, cybersecurity, and how their job specific work fits into the business at a larger level.

After learning that our employees wanted to better understand how they fit into our operations, it became clear that we needed to adapt our engagement strategy to create an opportunity for these team members to learn more about the business. This concept led to the inception of our monthly global town hall meetings which now include every employee in our organization. During

these meetings, our executive management team provides updates on important updates and relevant changes across the organization. As the executives present on progress, team members are offered the opportunity to ask questions about any of the developments. These meetings are led by our Chief Executive Officer, and executive management team which often call upon leaders from around the company to present important updates. We believe that these meetings are invaluable for uniting our teams and ensuring information is communicated throughout our operations. In addition to all-company town hall meetings where progress is reviewed, our executive management team also conducts regular Leadership Team meetings. Our Leadership Team meetings are very important to our long-term strategy as they help outline the direction that the management team wants to take the company. These meetings also provide senior leadership with the opportunity to consider how the changes will need to be packaged and communicated to all employees during our town hall meetings.

While the learning process remains important to our overall workforce engagement and development strategy, we also recognize that in some cases, engagement is facilitated through the perks and benefits offered to team members. With this in mind, we took action to expand our employee benefits in 2022. Specifically, we expanded our 401k program and began offering educational resources that compare our benefits against best practices. As we continue to build out our benefits plan to help support employee engagement, we are taking a much deeper look at the potential of projects such as differed compensation opportunities and an updated vacation policy. It is clear from past engagement surveys that topics such as parental leave and pay parity are also very important. For this reason, we completed a pay parity adjustment in 2021 and have committed to offering 12 weeks of paid vacation to primary care givers and 1 week of paid vacation to secondary caregivers beginning in 2022.



DEVELOPING A DIVERSE WORKFORCE

To Jacuzzi Group, developing a diverse workforce means aligning our operations to inclusively support all our employees regardless of their cultural backgrounds and identities. We do everything in our power to facilitate an equal, fair, and safe environment that is supportive of all races, genders, and ethnicities. We want to treat our employees equally, but we understand that equality doesn't mean everyone wants to be treated the same. Instead, we want our jobs to be designed to be inclusive of everyone's values, beliefs, and perspectives. At every level, from onboarding to offboarding, we take diversity into consideration.

In 2022, our efforts to develop a more diverse workforce were put on display through an adaptation of our employee onboarding process that now allows for a more diverse pool of final candidates. This change, which mandates that at least one final recommended candidate has a diverse background, ensures that there is more minority representation across all levels of our organization. We also tailored our job descriptions in 2021 to ensure that they have language that takes diversity and inclusion into consideration. Beyond this, we took steps toward creating a diversity recruiting program at institutions such as New Mexico State University and historically black colleges and universities (HBCUs). Attracting a more diverse set of employees is important, but we also want to make sure that we incorporate diversity into our promotion plans. This led to the adjustment of our organization's succession and development plans to now include many more minority employees.

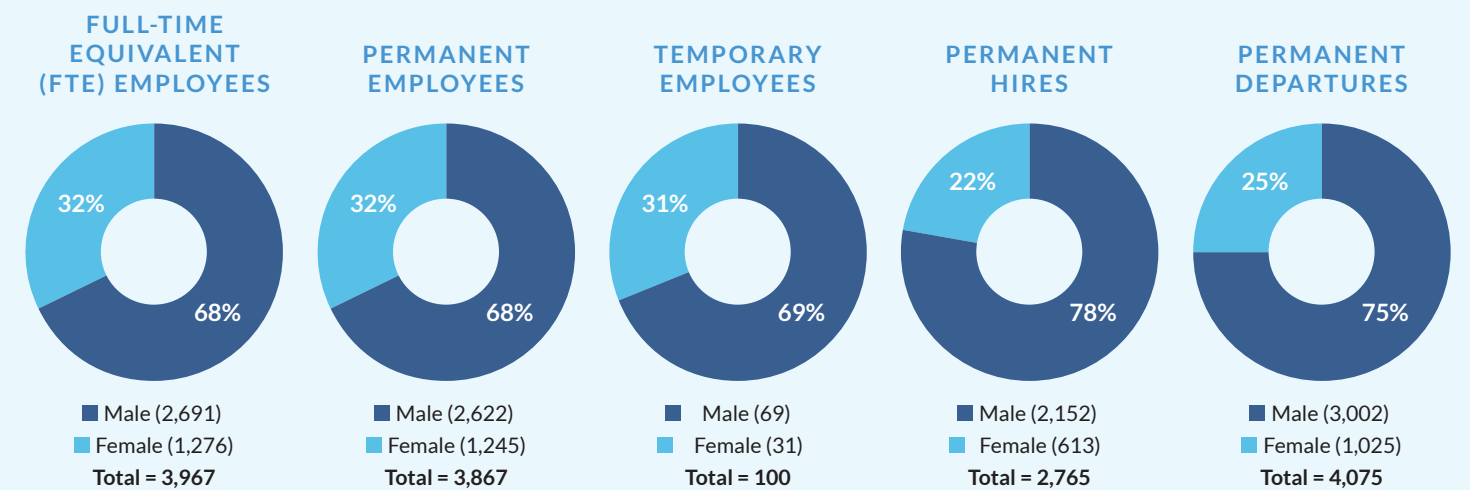
In addition to our efforts to support ethnic and cultural diversity, we also put an extremely high importance on our ability to attract, retain and develop female employees. We have made this commitment because we understand that there is a lack of female representation in the manufacturing sector, and we want to make sure that our operations remain inclusive. In line with our objective to acquire more female representation throughout our organization, we completed a pay parity adjustment to make sure males and females receive equal pay for completing the same responsibilities. As we continue down this path of gender equality it is a primary goal to increase the amount of female representation in top-level management positions.

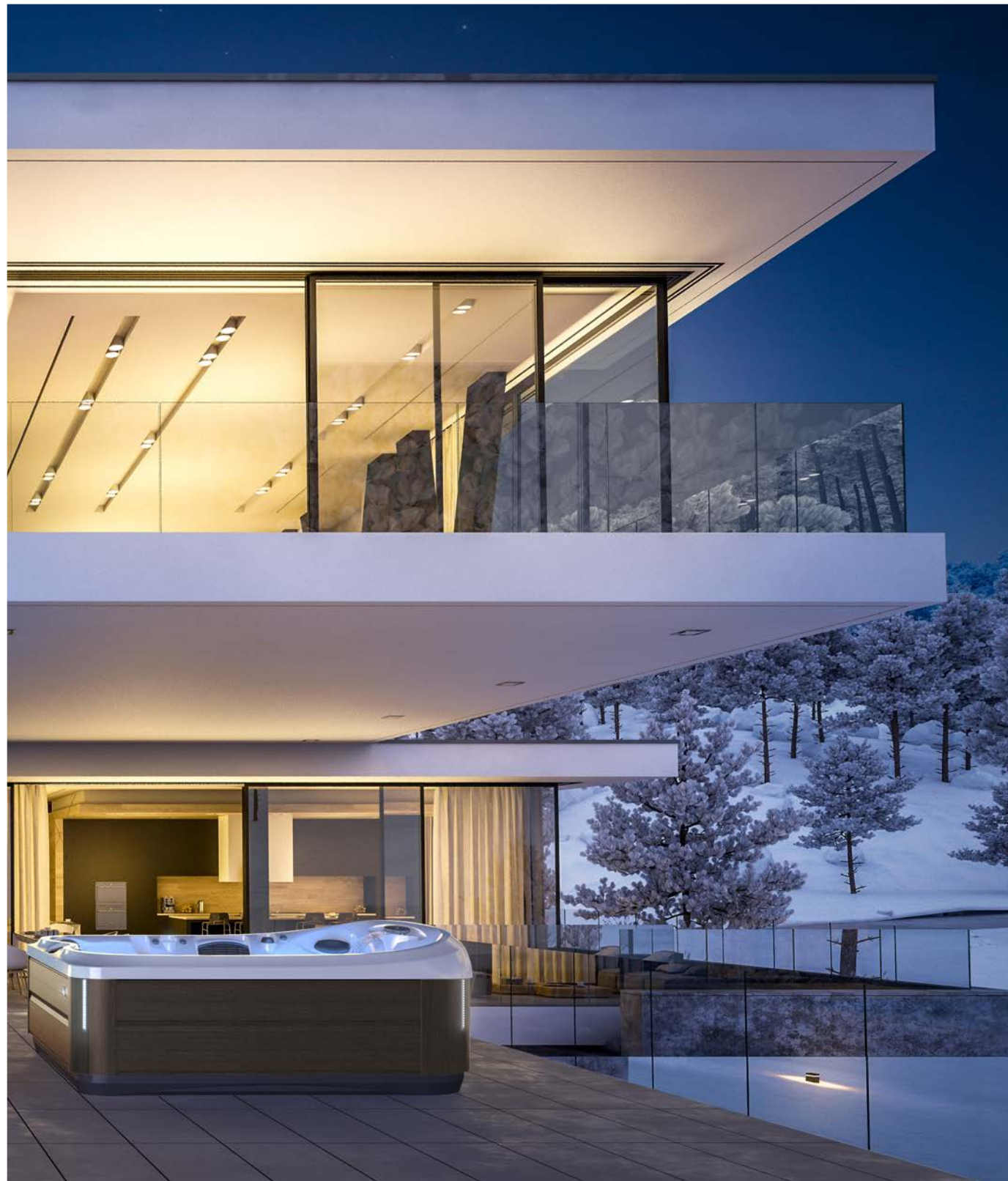
PERFORMANCE

At the conclusion of 2022, Jacuzzi Group's global workforce included 3,867 employees. This total is approximately 25% less than the 2021 employee headcount which was 5,141. Our organization will continue to fluctuate in size as demand for our products increases and decreases year over year, but our workforce engagement and development practices will continue to

support of creating a more learned, engaged, and diverse workforce across the organization.

As we continue to adapt our practices to support our stakeholders, it is becoming more important that we establish methods of acquiring feedback on the organizational changes we employ. For this reason, we sent engagement surveys at our largest manufacturing site in 2022 to better understand the topics they are most interested in learning more about. This is the second year in a row that we've sent employee engagement surveys to our teams and the results that have come back have already helped us adapt our messaging and make culture related improvements. In our most recent employee engagement survey, the topics of most interest included the environment, relationships with supervisors, onboarding protocols, and professional development opportunities. The results of our employee engagement survey were a 78% engagement level with a total employee response rate of 64%. Moving forward, we hope to see both numbers rise as we begin to use the knowledge learned from these surveys to make impactful changes to the organization.



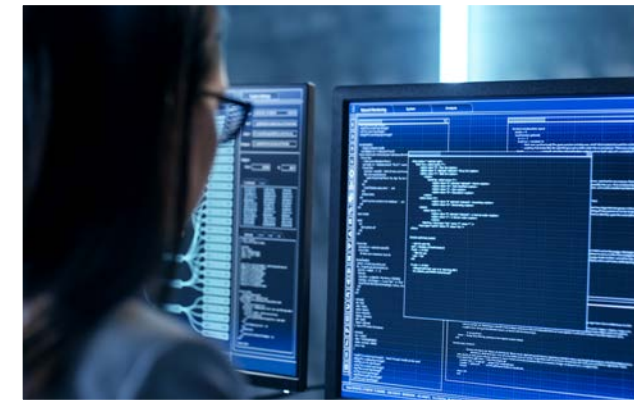


DATA PRIVACY AND SECURITY

OVERVIEW

Responsible value chain management relies on advanced data privacy and security practices to ensure the integrity of stakeholders' private information. Jacuzzi Group understands the risks and opportunities associated with data security and has designed a robust IT management system that incorporates firewalls, multi-layer authentication, continuous endpoint and event monitoring, and strict password regulations that are arranged to maintain the safety of our customers and employee's confidential information.

To ensure that we are incorporating top-level cybersecurity practices into our business, we have aligned our operations to maintain compliance with a variety of global data security and privacy regulatory requirements such as NIST CSF (Cybersecurity Framework). In 2022, we furthered our commitment to data security through incorporating more detailed employee training sessions for all employees, completed IT penetration testing, attained a variety of security program certifications, and updated policy documents.



are offered to 100% of employees that use IT resources quarterly. In addition to the protection offered through our policy documents, we also regularly send emails to notify employees of potentially damaging messages and links that could be found within their inboxes.

In 2022, our newly hired Chief Information Officer assisted with the advancement of our data security and privacy program by establishing several important projects that furthered the protection of our stakeholder's private information. The first of these projects was to make sure that our organization is financially protected in the case of a cybersecurity incident or data breach. To this end, we purchased increased coverage for our cybersecurity insurance which now covers a total value of 10 million dollars annually.

UPHOLDING DATA PRIVACY AND SECURITY

Jacuzzi Group's internal cybersecurity policy outlines the company's expectations for its employees when it comes to navigating the internet safely while using Jacuzzi's network. It is imperative that our team members, especially those who have access to confidential client data, fully understand the risks they face when operating within Jacuzzi Group's servers. Our team members have a shared responsibility to monitor, identify, and report any suspected IT risks that they believe could result in a cybersecurity threat. These expectations are outlined in detail within our Cybersecurity policy and related training courses which

Conforming an IT security program to fit the ISO/IEC 27001 framework means that the organization's Information security management System (ISMS) follows all best practices and the principles outlined within ISO's international standards. The changes we made to our IT security program are also outlined in the company's newly updated GDPR privacy policy which goes into more detail about projects like IT penetration testing.

GOVERNANCE

To reinforce our dedication to creating a best-in-class data privacy and security program, we hired more on-site and remote IT and Cybersecurity specialists in 2021 and 2022. We dedicate numerous resources towards our IT security plan because we believe in going above and beyond standard compliance to stay ahead of upcoming regulations. We are committed to aligning our operations with best practice IT regulations to provide customers and employees alike with safe, regulated, and sensible privacy and security practices in the interest of our business and stakeholders.

In 2022, our efforts resulted in no data leaks, no data breaches, and no thefts of customer data. The last material

data privacy and security incident that occurred was in December of 2020 when the Company experienced a ransomware incident. In response, Jacuzzi Group took most of its information technology servers offline to restore its systems. During this time, the Company continued to manufacture and ship products at each of its principal facilities, in some cases at a diminished capacity. In early 2021, the Company restored normal operation of its servers and systems. The incident did not have a material impact on the Company's operations or financial performance, and no regulatory actions or consumer complaints occurred. Since this event, there have been no known cybersecurity incidents or losses of data.



ETHICS

OVERVIEW

Jacuzzi Group is committed to inspiring joy and well-being through the innovative wellness products we offer to consumers. To fulfil our mission of “Doing Well by Doing Good”, we must live our values of One Team, Integrity, Respect, Well-Being, and Ownership. At every level of our business, we hold our stakeholders to the highest level of ethical standards. Our contractors, suppliers, distributors, employees, and all other stakeholders are expected to uphold the ethical principles outlined within our Code of Conduct and Business Ethics. To reinforce this commitment, we have completed a number of ethics-based improvements to our processes, including, updating governance documents, implementing global ethics training for 100% of employees, and creating educational materials that are posted at all our facilities and outline the proper reporting process for any employees who feel the desire to speak to a representative from our third-party employee whistleblower hotline.

STANDARDS POLICIES AND PROCEDURES

To fulfill our mission of “Doing Well by Doing Good”, we must live our values of One Team, Integrity, Respect, Well-Being, and Ownership.

In 2021, we began revamping many of our internal policy documents to incorporate changes related to the development of our ethics and compliance program. This began with our Code of Business Conduct and Ethics which exists as a learning tool and practical guide for our employees to use when determining if something meets the ethical expectations of the organization. We understand that specific

situations can create ethical dilemmas for our employees, so we wanted to create a policy that ensures they have the resources to understand how to act ethically and responsibly in the workplace. In 2022, we distributed the updated version of the Code of Conduct and Ethics to all global employees, further solidifying the changes we implemented in the previous year.

Another update we made to Jacuzzi Group's policy documents was a significant revamp of our Employee Handbook. Jacuzzi Group's employee handbook needed to be updated to support the current protocols and expectations the company has for its employees. Our new 2022 revamp allowed us to incorporate new details that better fit our business in the current era. As the world goes through changes, it is important that we continue to update the expectations we have for our team members to support an evolving landscape. Commitments to material topics such as sustainability were not factored into previous versions of the employee handbook but are now focal points of Jacuzzi Group's program. Another important addition to the 2022 release of Jacuzzi Group's employee handbook was the incorporation of our commitment to “living our values”. Our team believes that this was a critical detail to include because we understand that there is a direct correlation between ethical decision making and good business practices. By spelling our ethical expectations within our employee handbook, we are providing our teams with the knowledge they need to make good decisions.

GOVERNANCE

JACUZZI CORE VALUES	
ONE TEAM	We are and operate as One Team . Productivity and efficiency are realized when we are working cohesively towards a common goal based on our shared core values.
INTEGRITY	Trust & Integrity strengthen our relationships with internal and external partners. When we perform our roles with ethical purpose, we better trust one another to keep our promises and act honorably in all situations.
RESPECT	We Respect and value the richness of our diverse workforce and the environments in which they operate and embrace opportunities to inclusively move the company forward together.
WELL-BEING	Jacuzzi Group's priority is to live our brand and elevate the health, safety, and Well-being of our employees. Work-life balance reinforces healthy behaviors and is a strategy that improves our workplace and our health.
OWNERSHIP	We thrive in a culture of accountability, and value team members who are passionate about Jacuzzi Group. We are invested in the collective success of our teams and cultivate an environment of empowerment and Ownership .

COMPLIANCE PROGRAM ADMINISTRATION

To formalize our commitment to ethics and compliance, we have created a multi-departmental team that was put in charge of assisting employees as they learn about our ethical values. This team, which we call our Law & Risk Team, includes our Board of Directors, Chief Executive Officer, and Executive Leadership Team. Together, this group outlines the expectations for the company's ethics program and drives the final decision making when it comes to creating the parameters around ethics and compliance

A significant development that stemmed from the Law & Risk teams meetings in 2022 was the implementation of a global ethics training, which was followed up by a compliance awareness survey. Our teams prioritized training on this topic in 2022 because we feel that it sets the tone for our cultural expectations. This focus on compliance can be seen throughout our organization, as each business continues to post signage outlining the available whistleblower system that is offered to

employees to ensure they feel empowered to report any suspected issues of noncompliance. If an incident is reported through the whistleblower system, our Law & Risk team investigates the report to determine if the incident violates any defined ethical principles.

PERFORMANCE

In 2022, we had 0 confirmed incidents of corruption, 0 employees disciplined for corruption, 0 business partners terminated due to corruption, and 0 anti-trust and anti-competitor violations. There were no reports or confirmed cases of corruption at any level of our business in 2022, and we did not receive any reports of ethical issues disclosed through our 3rd party whistleblower hotline. We feel that these results are indicative of an improving ethics and compliance system. Moving forward, we will continue to outline our expectations of good ethical behavior and will continue to make our expectations known through consistent updates to internal policy documents and employee resources.

INDUSTRY STEWARDSHIP

OVERVIEW

As respected leaders within the spa and bath space, it is our responsibility to identify and incorporate best practice industry stewardship opportunities into our operations. Our team members focus on forming strong partnerships with industry groups who drive progress throughout our sector. We rely on industry groups to help identify issues that are most relevant to our business, and to keep us informed about new patterns and opportunities that may be coming down the pipeline. The establishment of industry-leading practices that promote sustainability across our key product categories is a core element of our sustainability strategy that we use to better understand the risks and opportunities we face as a company. As we continue to align our operations with more industry groups, our long-term objective is to establish ourselves as a program that others can use as a model for best practice industry stewardship.



DRIVING SUSTAINABLE PROGRESS ACROSS OUR INDUSTRY

We work to establish expectations for our sector by forming innovative partnerships with diverse industry groups that operate in line with our organizational goals and sustainability objectives. As a global product manufacturer that is well-renowned for the products we create, the industry partnerships we form are especially important because they are highly visible. With representation across North America, Europe, South America, and Australia, we know that many international organizations within our industry will align their programs similarly to ours, further increasing the importance of incorporating best practices and beneficial industry stewardship partnerships.

In 2022, we expanded our stewardship practices by working more closely with sustainability-focused organizations that help companies align their sustainability reporting standards so they can be applied throughout the industry. A few of our most prominent sustainability-based partnerships in 2022 included our work with the California Energy Commission, United Nations Global Compact, and the Science based target institute. These are just some of the many cutting-edge sustainability-centric partnerships we furthered with the goal of pushing ourselves and our industry forward by aligning our sustainability operations to a regulated set of standards.

Our work with the California Energy Commission (CEC) is especially important to our industry stewardship strategy because each model of spa we sell must first pass a set of CEC standards before it is allowed to be marketed. The CEC created a strict set of energy efficiency standards that have been adopted by our industry, and we are required to build our products to meet their energy efficiency expectations. Beyond meeting the expectations declared by the CEC, Jacuzzi Group has established an internal commitment to make sure that over 50% of our products exceed the CEC's energy efficiency standards by at least 25% by 2025. As of today, nearly all of our spas exceed these standards to some extent, with over 35%



of current models exceeding the minimum standards by more than 25%. **We solidified our commitment to aligning our products with the California Energy Commission's standards by purchasing and installing our very own CEC chamber and placing it at our Southern California Operations Center.** We are one of only a few spa companies in the world that have this technology accessible onsite, and we use it frequently as a method of ensuring our products meet the minimum requirements of one of our sustainability focused partners.

Another sustainability partner that we closely align our operations with is the United Nations. The United Nations has created a call to action for companies everywhere to align their operations in support of the ten universally accepted principles in the areas of human rights. The attestation they created asks responding companies to submit details about their labor, environmental, and anti-corruption programs, in addition to the 10 specific principles they follow. First launched in 2000, the UNGC Communication on Progress is the largest sustainability initiative in the world, with more than 9,500 companies from more than 160 countries registered as signees. 2022 was the second year that Jacuzzi Group structured its sustainability operations based on the recommendations set forth by the UNGC and its Communication on Progress. Moving forward, we will continue to align our operations with recommendations made by stewardship groups like the UNGC.

ADVANCING OUR INDUSTRY GROUP PARTNERSHIPS

In addition to the progress made with our sustainability-focused partners, there were also quite a few regulatory partnerships that were established and furthered in 2022. One of these partnerships is with the Pool and Hot Tub Alliance (IHTA), also known as the International Hot Tub Association. This partnership began as a strategic connection in 2021, as our U.S. Based President of Channel Marketing was promoted to Chair of the IHTA where she took on an expanded leadership role. Our senior director of engineering also holds positions in the IHTA's Engineering Committee. These leadership positions have made it much easier to communicate updates and share progress across our industry by utilizing popular platforms that are accessible with many prominent stakeholders across the globe.

Another regulatory partnership that we continued to foster in 2022 was with the Swimming Pool & Spa Association. In 2021, the President of our Vortex Spas brand was elected to the Board of Directors of the Swimming Pool and Spas Association (SPASA). This nomination has proved to be an important piece of increasing the amount of global representation that our employees hold in industry groups around the world and has helped our opinions be heard within a global forum where other companies can learn and adapt their own strategies based on the results they see from our actions.

PERFORMANCE

The knowledge formed through our interactions with industry groups helps us better align with our consumers' interests and expectations. As new industry standards arise and technology develops, we want to remain positioned to adapt our program to best fit the evolving needs of our customers. To do so, we rely on industry peers to help us monitor the evolving space. Moving into 2023, we will continue to build out our industry stewardship program with the goal of establishing valuable partnerships that support the development, performance,

and efficiency of our products. We measure our success on our ability to identify and incorporate sustainable solutions, and by the impact that our choices have on our customers and other companies positioned to make sustainable decisions. In addition to the industry peers detailed above, we also worked closely with the following industry groups in 2022:

GLOBAL INDUSTRY GROUPS WE SUPPORT

- National Kitchen & Bath Association
- Harvard Joint Center of Housing Studies
- Swimming Pool & Spa Association of Australia Ltd
- Pool and Spa Association Ltd New Zealand
- Pool & Hot Tub Alliance's International Hot Tub Association
- Pool and Hot Tub Council of Canada
- The British and Irish Hot Tub Association
- Professione ACQUANET
- ASSOPISCINE—a member of EUSA (European Union of Swimming Pool and Spa Associations)
- FederlegnoArredo—ASSOBAGNO
- ANGAISA
- California Energy Commission
- United Nations Global Compact
- Science-Based Target Initiative
- Global Reporting Initiative

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
GENERAL DISCLOSURES			
Organizational Profile			
102-1	Name of the organization	Jacuzzi Group	
102-2	Activities, brands, products, and services	Brands include Jacuzzi, Sundance Spas, Sunrise Spas, Dimension One Spas, Bathwraps, Jacuzzi Bath Remodel, Dreammaker Spas, Hydropool Hot Tubs & Swim Spas, Thermospas, Vortex Spas,	
102-3	Location of headquarters	Irvine, California	
102-4	Location of operations	United States, Canada, Mexico, Italy, the United Kingdom, France, Brazil, Chile, Australia, New Zealand	
102-5	Ownership and legal form	The main operating business for our spa products is Jacuzzi Brands, LLC. For bath products, our main operating business is called Jacuzzi, Inc. All Jacuzzi Group entities are owned by InvestIndustrial, a European private equity firm.	
102-6	Markets served	Our products are available globally, with our primary customers being specialty, big-box, and internet retailers. We also sell directly to consumers, builders, plumbers, and installation service providers.	
102-7	Scale of the organization	To maintain the confidentiality afforded to private companies, we continue to choose not to publicly report our net sales and total capitalization.	
102-8	Information on employees and other workers	The total number of employees at the end of the reporting period was 3,967.	
102-9	Supply chain	We procure both components and finished goods for our spa and bath business units across the Jacuzzi Hot Tubs, Sundance, Sunrise, Dimension One, BathWraps, Jacuzzi Luxury Baths, Dream Maker, HydroPool, ThermoSpas, and Vortex brands. Major commodities include showers, pumps, electronics, acrylic, synthetic wood, spa covers, jets, resin, foam, wood, packaging, and filters. Our operations are global, but our headquarters and the core of our supply chain is in the United States.	
102-10	Significant changes to the organization and its supply chain	There were no significant changes to Jacuzzi Group or its supply chain in 2022.	
102-11	Precautionary Principle or approach	In 2022 Jacuzzi Group's precautionary measures to reduce carbon emissions included the setting of long-term Science-Based Targets to track and reduce global emissions year over year.	

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
	102-12	External initiatives	We endorse the following external sustainability initiatives: United Nations Global Compact, Science-Based Target Initiative, United Nations Sustainable Development Goals, Global Reporting Initiative, and the Forest Stewardship Council, among others.
	102-13	Membership of associations	Our organization supports the following organizations: National Kitchen & Bath Association, Harvard Joint Center of Housing Studies, Swimming Pool & Spa Association of Australia Ltd, Pool and Spa Association Ltd New Zealand, Pool & Hot Tub Alliance's International Hot Tub Association, The California Energy Commission, United Nations Global Compact, Science-Based Target Initiative, Pool and Hot Tub Council of Canada, The British and Irish Hot Tub Association Professione ACQUANET, ASSOPISCINE, and FederlegnoArredo - ASSO BAGNO, ANGAISA
Strategy			
	102-14	Statement from senior decision-maker	See CEO Letter
Ethics and Integrity			
GRI 102: General Disclosures 2016	102-16	Values, principles, standards, and norms of behavior	While our business includes many different brands, we try to always operate as One Team. We treat each other, our customers, suppliers, and all other stakeholders with respect, dignity, and professionalism. Our mission is to inspire joy with innovative wellness products. We expect our stakeholders to act with integrity, and commit to always doing the right thing, even when nobody is watching.
Governance			
	102-18	Governance structure	Jacuzzi Group is fully owned by a European investment fund called InvestIndustrial. Jacuzzi Group's internal governance structure is overseen by a Board of Directors that meets regularly with senior executives to adapt its strategies based on the needs of consumers.
Stakeholder Engagement			
	102-40	List of stakeholder groups	Employees, Board Members, Investors, Dealers, Consumers, Suppliers, local communities, NGOs, policymakers, and industry peers, among others.
	102-41	Collective bargaining agreements	18% of our global employees are covered by collective bargaining agreements.
	102-42	Identifying and selecting stakeholders	See Our Approach
	102-43	Approach to stakeholder engagement	See Our Approach
	102-44	Key topics and concerns raised	See Our Approach

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
GRI 102: General Disclosures 2016	Reporting Practices		
	102-45	Entities included in the consolidated financial statements	As a privately held company, we choose not to publicly disclose financial statements.
	102-46	Defining report content and topic Boundaries	See Our Approach
	102-47	List of material topics	See Our Approach
	102-48	Restatements of information	Scope 3 GHG emissions results from our 2021 ESG Report have updated, restated, and year over year comparisons have been made using the corrected data.
	102-49	Changes in reporting	No changes in reporting process.
	102-50	Reporting period	January 1, 2022 - December 31, 2022
	102-51	Date of most recent report	June 30, 2021
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Tanner Bain - (Tanner.Bain@jacuzzi.com)
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
	102-56	External assurance	For the first time, we verified all 2022 Scope 1 and 2 data found within this report.
	TOPIC-SPECIFIC DISCLOSURES		
Environmental Topics			
Climate Change			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Climate Change
GRI 103: Management Approach 2016	103-2	The management approach and its components	See Climate Change
	103-3	Evaluation of the management approach	See Climate Change
GRI 302: Energy 2016	302-1	Energy consumption within the organization	203,118.20 GJ
	302-3	Energy intensity	179.07 GJ/Million Revenue

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4,269.5 tons of CO2 equivalent
	305-2	Energy indirect (Scope 2) GHG emissions	Location based: 8,110.0 tons of CO2 equivalent Market based: 8,449.6 tons of CO2 equivalent
	305-3	Other indirect (Scope 3) GHG emissions	1,623,845 tons of CO2 equivalent
Materials Sourcing			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Materials Sourcing
	103-2	The management approach and its components	See Materials Sourcing
	103-3	Evaluation of the management approach	See Materials Sourcing
GRI 301: Materials 2016	301-1	Materials used by weight or volume	See Materials Sourcing
	301-2	Recycled input materials used	See Materials Sourcing
Water			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Water
	103-2	The management approach and its components	See Water
	103-3	Evaluation of the management approach	See Water
GRI 303: Water 2018	303-1	Interactions with water as a shared resource	See Water
	303-2	Management of water discharge-related impacts	See Water
	303-3	Water withdrawal	72.2 megaliters
	303-4	Water discharge	65.7 megaliters
	303-5	Water consumption	6.5 megaliters
Waste			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Waste
	103-2	The management approach and its components	See Waste

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
GRI 103: Management Approach 2016	103-3	Evaluation of the management approach	See Waste
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	See Waste
	306-2	Management of significant waste-related impacts	See Waste
	306-3	Waste generated	12,516.6 metric tons
	306-4	Waste diverted from disposal	2,538.9 metric tons
	306-5	Waste directed to disposal	9,977.7 metric tons
SOCIAL TOPICS			
Consumer Wellness			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Consumer Wellness
	103-2	The management approach and its components	See Consumer Wellness
	103-3	Evaluation of the management approach	See Consumer Wellness
Custom	KPI	Consumers reached with wellness marketing	See Consumer Wellness
Custom	KPI	Wellness benefits of products	See Consumer Wellness
Employee Health, Safety and Well-being			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Employee Health, Safety and Well-being
	103-2	The management approach and its components	See Employee Health, Safety and Well-being
	103-3	Evaluation of the management approach	See Employee Health, Safety and Well-being
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	3,967 employees – 100% total workforce
	403-9	Work-related injuries	Fatalities: 0; High Consequence Injuries: 0; Recordable Injuries: 91

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER		
Product Safety					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Product Safety		
	103-2	The management approach and its components	See Product Safety		
	103-3	Evaluation of the management approach	See Product Safety		
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	See Product Safety		
Workforce Engagement and Development					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Workforce Engagement and Development		
GRI 103: Management Approach 2016	103-2	The management approach and its components	See Workforce Engagement and Development		
	103-3	Evaluation of the management approach	See Workforce Engagement and Development		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Hires		
			Turnover		
			Male	2,152	3,002
			Female	613	1,025
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Women	Men	
			Board of Directors	13%	87%
			C-Suite	0%	100%
			Middle Managers	31%	69%
			Office Workers	34%	66%
			Operational Staff	31%	69%
GOVERNANCE TOPICS					
Ethics					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Ethics		
	103-2	The management approach and its components	See Ethics		
	103-3	Evaluation of the management approach	See Ethics		

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
GRI 205: Anti-Corruption 2016	205-3	Confirmed incidents of corruption and actions taken	0 confirmed incidents of corruption were reported in 2022, therefore no corrective action was needed.
GRI 206: Anti-Competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	0 legal actions were taken for anti-competitive behavior, anti-trust, or monopoly practices in 2022.
Custom	KPI	Whistle blower system / policy	0 reports of ethical issues were disclosed through our 3rd party whistleblower hotline in 2022.
Data Privacy and Security			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Data Privacy and Security
	103-2	The management approach and its components	See Data Privacy and Security
	103-3	Evaluation of the management approach	See Data Privacy and Security
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	See Data Privacy and Security
Industry Stewardship			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	See Industry Stewardship
	103-2	The management approach and its components	See Industry Stewardship
	103-3	Evaluation of the management approach	See Industry Stewardship
Custom	KPI	ESG actions setting Jacuzzi apart from competitors	See Industry Stewardship
Custom	KPI	Number of spas that exceed California Energy Commission (CEC) requirements by 20%	More than 55 of our currently produced spa models exceed California Energy Commission's energy requirements by a minimum of 20%.
Custom	KPI	Advocacy efforts (coalitions joined, pledges signed, etc.)	See Industry Stewardship