



JACUZZI GROUP

2021 CORPORATE SOCIAL RESPONSIBILITY REPORT

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CEO LETTER





On behalf of Jacuzzi Group®, I am proud to announce the publication of our 2021 Sustainability Report. This report details our global performance throughout the year and looks ahead as we progress on our environmental, social, and governance goals together as “One Team.”

At the core of our business, we are a company that operates to improve the well-being of our consumers through

the manufacturing of innovative and sustainable wellness products. As a wellness company that remained in operation during the COVID-19 pandemic, we found ourselves uniquely positioned to meet the wellness needs of our consumers in a time when they needed it most.

We ramped up production at our manufacturing facilities in 2021 to meet our consumer’s wellness needs. However, with our growth came the necessity to further unify our operations. As a global company that operates in 9 countries and multiple languages around the world, we developed the “One Team” commitment to enable our employees to work in a more supportive, collaborative, and respectful environment. Our efforts have resulted in a variety of new initiatives that focus on upholding our responsibility to our people, communities, and the planet.

With our business growing at its fastest rate in history, it is important now, more than ever, to make sure that we are aware of our growth’s impact on the environment. To this end, we are actively working to reduce our environmental footprint, and are currently

setting short-, mid-, and long-term emissions reduction targets to reduce our overall Greenhouse Gas impact. In line with our target setting, we have also improved our global reporting process, with this being the first year that Scope 3 emissions data will be included in our Sustainability Report.

As a pioneer in our industry, we recognize that we are positioned to set an example of best practices. This understanding helps drive our responsible decision-making and outlines our core values and commitment to doing everything in our power to make the world a better place for our stakeholders.

Thank you for joining us on this journey,

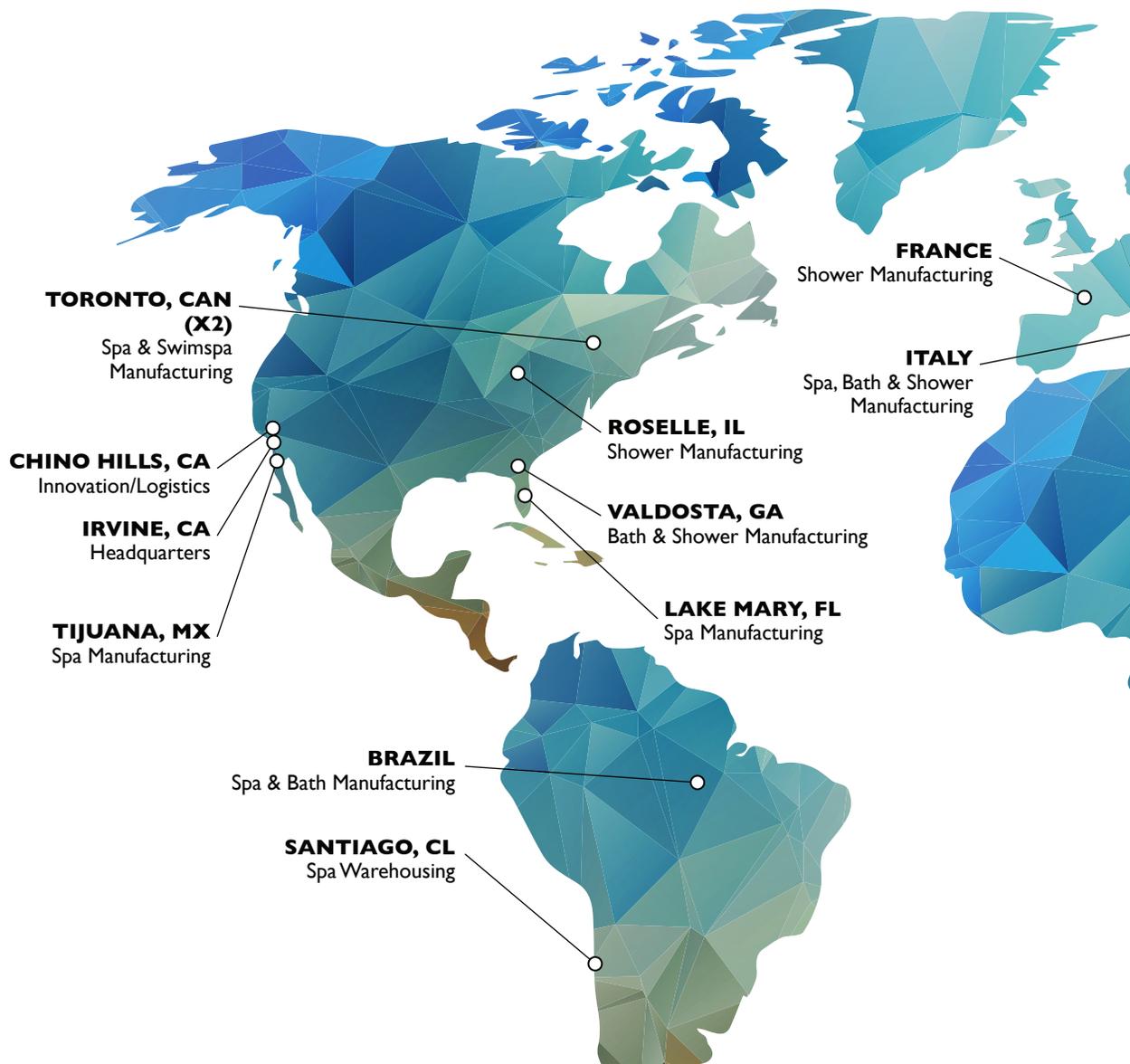
Dave Jackson
CEO
Jacuzzi Brands, LLC

OUR APPROACH

ABOUT JACUZZI GROUP

Jacuzzi Group® is a leading global manufacturer of hot tubs, swim spas, baths, showers, saunas, and pool equipment. With manufacturing and warehouse operations in the United States, Canada, Mexico, Italy, the United Kingdom, France, Brazil, Chile, and Australia, we have over 65 years of experience delivering innovative wellness products to consumers across our many brands.

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. We are committed 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 includes a wide variety of ESG initiatives that are outlined in more detail within this report. To further codify our commitment to sustainability, we became a signatory of the United Nations Global Compact's Communication on Progress and aligned our program with the United Nations Sustainable Development Goals (SDGs).





JACUZZI QUICK FACTS

VISION Inspire joy and well-being through innovative wellness products.

HEADQUARTERS Irvine, California

EMPLOYEES 5,411

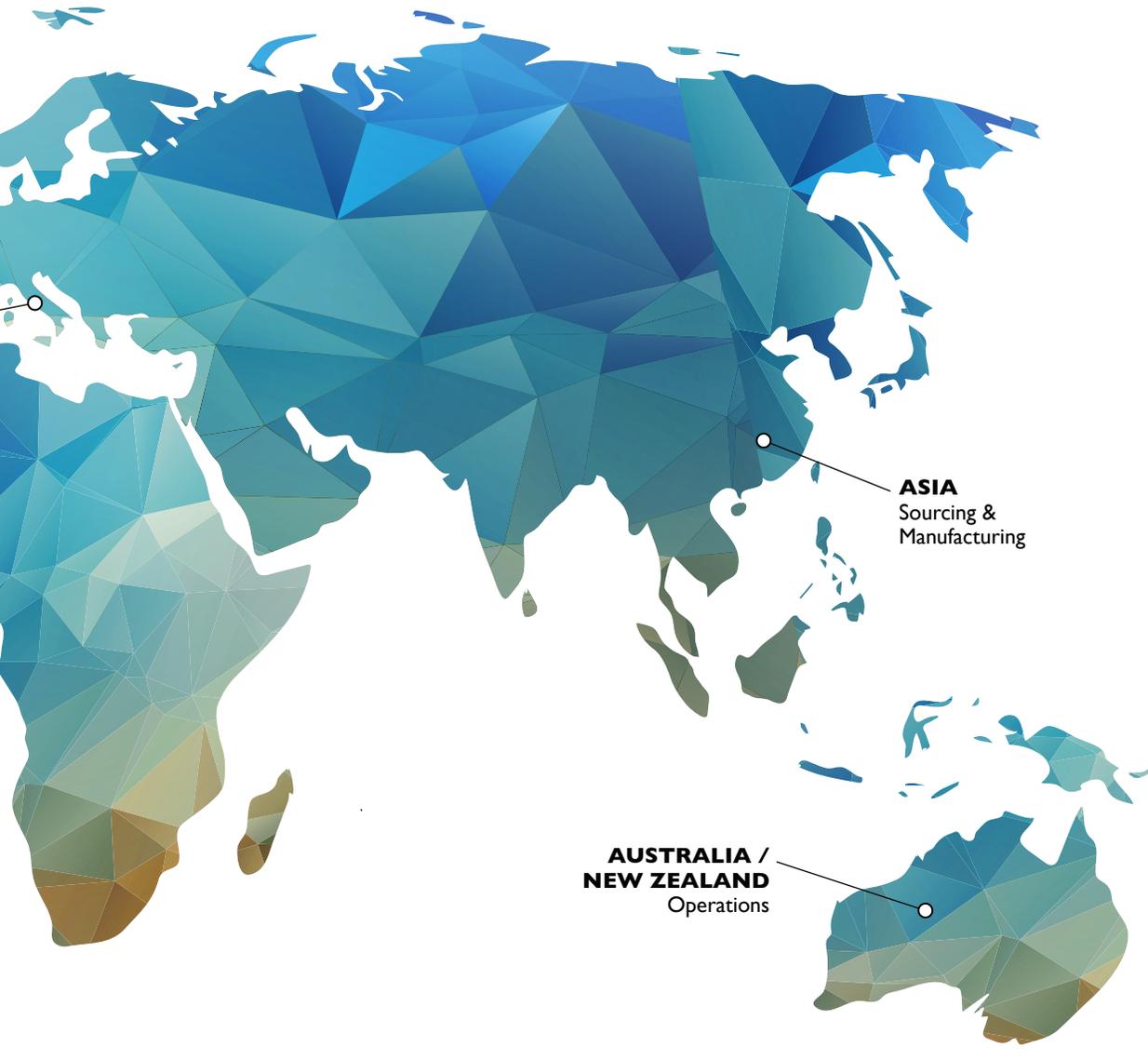
PRIMARY BRANDS



BATH
REMODEL



Sundance Spas



ASIA
Sourcing &
Manufacturing

**AUSTRALIA /
NEW ZEALAND**
Operations

OUR APPROACH

Materiality and Stakeholder Engagement

We value the input we receive from our stakeholders and understand the importance their unique perspectives have on our business. Our stakeholders, which include Employees, Investors, Dealers, Consumers, Suppliers, local communities, NGOs, policymakers, and industry peers, among others, are the groups most impacted by our operations.

In 2021, our approach to stakeholder engagement was centered around continuous open communication and transparency on both internal and external levels. Internally, we hosted quarterly Town Hall meetings (Led by our Chief Executive Officer, Dave Jackson) that reviewed Jacuzzi Group’s performance and ongoing activities. These meetings were accompanied by monthly organizational strategy sit-ins where our teams discussed what actions needed to be taken based on the concerns and opportunities identified by our stakeholders.

Externally, our strategy of continuous communication allowed us to relay product feedback from dealers and end-user customers. Once feedback was received from our stakeholders, we were able to take immediate action by compiling the information into various reports which were brought to our cross-functional team for review. Our cross-functional team consists of members from Product Marketing, Operations, Engineering, and Quality, who connect to discuss concerns or unmet needs associated with the feedback we received from external stakeholders.

In addition to our work to support our internal and external stakeholders, we also mapped out our most material topics to demonstrate the alignment between our efforts and the Sustainable Development Goals we have outlined as material.

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, creativity, science, and innovation.</p> <ul style="list-style-type: none"> • Data Privacy and Security • Ethics • Industry Stewardship



About This Report

We are committed to transparently reporting and disclosing our sustainability efforts every year. Our 2021 Sustainability Report details our ESG objectives, management approaches, and performance metrics across our most material areas of environmental, social, and governance impact. The Scope 3 data included in this report was reviewed for accuracy by a third-party contractor. Moving forward, we plan to expand the scope of data that is reviewed and assured for accuracy.

The data within this report covers all global activities that operate under the direct operational control of Jacuzzi Group®. We have included as much data as possible for 2021, prioritizing the points of greatest impact within the business. In future years we aim to refine the scope of our reporting as we continue to build and develop our corporate social responsibility program.

All financial data included in this report is notated in U.S. Dollars. This report contains forward-looking statements that are not guarantees of future performance or results, as they involve risks, uncertainties, and assumptions. Actual results may vary from those outlined in our forward-looking statements due to unforeseen conditions.

Our 2021 Sustainability Report has been prepared in accordance with the Global Reporting Initiative – Core Option.



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 the five SDGs that have been deemed as having the largest impact on our business. More information about our contributions toward specific Sustainable Development Goals is included below.

SDG	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>Set quantifiable, specific water reduction goals with a focus on decreasing water use through efficient fixtures and employee engagement</p> <p>Install low-flow toilets and water-efficient fixtures such as sinks with automatic shut-off sensors across our manufacturing facilities</p> <p>Install more efficient, closed-circuit water towers that reduce water consumption at facilities with high water usage</p> <p>Replace plastic water bottles with water and ice dispensers 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>By 2023, scale the standards set by our third-party external audit globally, ensuring warehouses and smaller manufacturing sites undergo assessments to align with audits conducted at our larger facilities</p> <p>Maintain compliance with all local regulations, conduct safety audits, and capitalize on opportunities to further align health and safety policies across our global sites</p> <p>Improve our global data collection process and share best practices at monthly Global Safety Meetings</p> <p>Updated our Code of Business Conduct and Ethics and distributed it to all company employees in 2021</p> <p>Implemented global employee ethics training in 2021, and plan for a compliance awareness survey in 2022</p> <p>Posted clear signage of our updated whistleblower system in every site workplace in 2021 and ensure 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>Attract and retain more female employees in the manufacturing industry</p> <p>Reviewed and updated job descriptions to ensure they contain inclusive language</p>

SDG	GOAL AND RELEVANT TARGET	MATERIAL TOPIC(S)	OUR GOALS & EFFORTS
			<p>Start a college recruiting program at institutions serving students from diverse backgrounds, including Hispanic serving institutions and historically black colleges and universities (HBCUs)</p> <p>Reach 100% gender pay parity for annual base pay by 2025</p>
	<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>Set quantifiable, specific operational waste reduction goals</p> <p>Partnered with recycling organizations to improve responsible material management</p> <p>Developed a streamlined process to account for all waste across our global operations and conducted waste audits at all manufacturing facilities</p> <p>Promoted 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>Increased the amount of recycled content in manufacturing</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>	<p>Climate Change</p>	<p>Offset 100% of our carbon emissions in 2021</p> <p>Work with the Science-Based Target initiative (SBTi) to develop science-based emissions targets</p> <p>Procure 25% of our electricity from renewable sources by 2025</p> <p>Incorporated a Carbon Footprint section into our SmartTub® mobile app to help consumers further understand their product use 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>	<p>Industry Stewardship</p>	<p>Continued 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>Improved our standing and align our operations with key industry groups that support sustainable development</p> <p>Ensure our manufactured products adhere to our industry's strictest energy efficiency standards</p>

ENVIRONMENT





CLIMATE CHANGE

Overview

Climate change is a pressing environmental issue that has lasting impacts across all industries, people, and the planet. We recognize the risks that climate change presents within our value chain and have established significant measures to reduce our carbon emissions and overall energy consumption.

2021 was the first year we tracked and recorded Scope 3 emissions data. To do so, we worked with an external consultancy that helped us identify how large of a role Scope 3 emissions play in our overall carbon footprint. The final evaluation determined that Scope 3 makes up over 98% of our annual emissions. These results closely resemble the performance of other companies that manufacture electricity-reliant products. Within Scope 3, the categories that have the largest impact on our business are “use of sold products” and “purchased goods and services.” Product use, specifically the energy required to heat water and power our products, accounts for more than 60% of our organization’s total annual emissions.

To address this impact, we evaluated the sustainability factors of the materials we use to make our products and how our consumers interact with them. We then developed consumer education initiatives and training materials to help our customers understand the energy impacts associated with using their products across various settings.

Understanding Our GHG Emissions

The expansion of our greenhouse gas data collection has helped us understand the emissions associated with our business at all levels. Information gleaned from our 2021 greenhouse gas inventory is currently being

GOALS

- Offset 100% of our Scope 1 and 2 emissions in 2022
- Work with the Science-Based Target initiative to develop absolute emissions targets
- Procure 25% of our electricity from renewable sources by 2025

used to establish SBTi (Science Based Targets Initiative) targets and identify greenhouse gas (GHG) reduction opportunities across our global sites.

We further codified our commitment to understanding the impacts of environmental sustainability by creating an Executive Sustainability Steering Committee in 2021. This committee consists of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and several other senior leaders who meet to discuss our climate change strategy. The primary role of the Executive Sustainability Steering Committee is to review the responsibilities surrounding climate impact and align on sustainability initiatives to implement at our global sites. After these meetings are complete, our internal ESG team arranges quarterly update calls with each manufacturing site and warehouse to communicate relevant information decided upon by the Executive Sustainability Steering Committee.

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Beyond ensuring that we understand our GHG emissions impact, it is of paramount importance that our consumers have a good understanding of the emissions they create by using our products. For this reason, we made significant updates to our SmartTub® mobile application, including the addition of a carbon footprint tab that displays individualized consumption data for consumers to track their emissions. The carbon

footprint feature of our SmartTub® application compares consumers to others in their region to help determine how their performance stacks up against their peers. In addition to the consumer-to-consumer comparison, the SmartTub® application also provides users with educational resources and suggestions to maximize the energy efficiency of their spa. Changes to our SmartTub® application are discussed in more detail in this section.





Improving Energy Efficiency

We strive to offer the most energy-efficient bath and spa products on the market. Each spa we manufacture and sell adheres to the California Energy Commission (CEC) standards, which are the strictest energy efficiency standards in the world for the product category. To further increase our product's efficiency, we have set goals for 50% of our products to surpass the CEC's requirements by at least 20% by 2025. As of the end of 2021, over 90% of our products exceed CEC standards to some degree, and we continue to improve the performance of our products to meet our 2025 target.

The new efficiency upgrade we began rolling out in 2021 was an exclusive “blown-in fiberglass” insulation that consists of 35% post-consumer recycled content. This type of insulation is significantly more thermo-efficient than other types, creates less waste due to no trimming or scrap, and has an increased operational efficiency versus other types of insulation that we've previously used in our operations. This zero VOC (Volatile Organic Compounds) product can be removed during service and easily reinstalled to eliminate waste. The implementation of “blown-in fiberglass” insulation was an improvement made upon a 2020 sustainability upgrade to EPS foam which resulted in a 5% efficiency increase overall to our entry-level product offering. Moving into 2022, we will continue to incorporate “blown-in fiberglass” insulation into more manufacturing sites until it has fully replaced its less sustainable polyurethane spray predecessor.

In addition to creating products that have a sustainable material makeup, the energy efficiency of our products also relies on the diverse ways in which our consumers use them. With this in mind, we are constantly developing and updating educational materials to help

our consumers understand their environmental impact. Our resources offer a variety of different tailored strategies to reduce energy consumption associated with our products, including through our SmartTub® application.

In 2021, we made significant updates to our SmartTub® application that put sustainability at the forefront. To begin, we built out a new section within the application where consumers can track their carbon footprint. This feature sorts through global usage data to establish a fleet average that helps us determine if a specific user's performance is better or worse than other users in their area. We make these determinations using a 30-day rolling average that allows us to account for the seasonal impact of energy usage. The logic on our server updates daily to account for the previous day in the fleet average and determines which screen the user sees based on where their performance falls on this scale. If the user is below the average performance of their peers, we offer them tips on how to save energy and equate their usage into a carbon footprint format by offering comparisons to specific environmental factors like the equivalent number of trees saved. Users who fail to meet a reasonable footprint also receive follow-up diagnostic emails that outline their past and projected consumption and include links to resources aimed at reducing their energy usage.

The operational energy efficiency of our manufacturing sites is another element of our business that we constantly seek to improve upon. In 2021, we expanded our 2020 LED conversion projects to more global sites including our largest manufacturing site, MOC (Mexico Operations Center), which has now switched to approximately 95% LED fixtures. Other manufacturing

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sites have sought out proposals to follow suit after seeing savings estimates provided by sites that have evaluated the implementation of LED lighting systems. Since our LED projects began last year, our greenhouse gas inventories have shown a significant reduction in energy usage at the facilities that have made the upgrade. An even larger energy reduction is expected at other sites that have received recent proposals that will reduce their electricity usage. For example, it is estimated that a 2022 LED conversion project at our Hydropool Canada location will result in an approximate 61.8% reduction in overall energy consumption at the site. Based on its size, this means we would be able to reduce our overall usage by 220,000 kWh annually. Other ongoing manufacturing site upgrades aimed at reducing our emissions and energy usage at our global facilities include the installation of more efficient vacuum forming machines and the conversion to more efficient pneumatic pumps.

“Our engineering priorities are incorporating sustainable materials into our products and lowering the power consumption across our business. Efforts to improve the makeup of our insulation is just the beginning of a new program designed to produce more environmentally conscious products.”

– **BRIAN PIERSON**
Chief Operating Officer

Performance

Our Greenhouse Gas Emission Inventory is conducted in accordance with the GHG Protocol and includes all global sites that operated as a member of Jacuzzi Group® during the 2021 calendar year. Emissions data was prorated for all sites that were acquired or closed during 2021 to make this inventory as comprehensible as possible. In instances where data was not reported, we made assumptions using average full-time equivalent data. Among our global businesses, approximately 5% provided incomplete data.

GHG EMISSIONS

SCOPE 1 (METRIC TONS)	5,417.1
SCOPE 2 LOCATION-BASED (METRIC TONS)	9,091.5
SCOPE 1 AND 2 EMISSIONS (METRIC TONS)	14,508.6
SCOPE 3 (METRIC TONS)	1,519,434
GHG EMISSIONS INTENSITY	23.0

The table above highlights our total GHG emissions across all scopes in 2021. When comparing this performance to our 2020 results, we found a rise in overall emissions, but our emissions intensity remained remarkably similar. This indicates that the increase in Scope 1 and 2 emissions are a direct result of a 107% increase in products we manufactured in 2021 rather than a change in operational efficiency.



While Scope 1 and 2 emissions carry a substantial impact on our business, our Scope 3 emissions are significantly larger, accounting for over 98% of our total climate footprint in 2021. Within Scope 3, the two largest sources of our emissions come from the categories “purchased goods and services” which accounts for 23% of our annual emissions, and “use of sold products” which represents over 61%. Together, these two categories of Scope 3 emissions account for more than 85% of our business’s global annual emissions.

ENERGY CONSUMPTION	
TOTAL FUEL CONSUMPTION (GJ)	106,817.08
FUEL TYPES	Diesel, natural gas, liquefied petroleum gas (LPG), oil
TOTAL ELECTRICITY CONSUMPTION (KWH)	31,724,881
ENERGY INTENSITY	229.87



In 2021, 12.4% of our electricity consumption was renewable. Most of this renewable energy was sourced through the solar panels at our Sunrise Spas facility in Canada. The installation of photovoltaic panels is one of our primary strategies for acquiring renewable energy. Although our Sunrise Canada facility is currently the only location with solar panels installed, we have other manufacturing sites with plans to install their own photovoltaic panels in 2022.

In addition to the renewable energy acquired through our solar program in 2021, we offset 100% of our Scope 1 and 2 emissions through continued support of two global Carbon Offset projects. The two projects Jacuzzi Group supported were the “Great Bear Forest Carbon Project” in British Columbia, Canada as well

as the “Guatemalan Conservation Coast Project” in the tropical rainforest and Caribbean coastline region of Guatemala. The rest of the renewable energy we consumed (not sourced from solar) came from the purchase of Renewable Energy Credits from Georgia Power. Starting in October of 2021, two-thirds of the energy usage at our Valdosta, Georgia manufacturing site was offset by the purchase of renewable energy credits. These credits support the Georgia Power “Renewable Energy Development Initiative” (REDI) to be coal-free by 2028. Moving into 2022, 100% of Valdosta’s energy will be offset, and we plan to continue purchasing renewable energy credits at more sites moving forward to increase our use of renewable energy.

We are actively working to mitigate the risks of climate change on our business by reducing our carbon footprint throughout our value chain. 2021 was the second year in a row that we offset 100% of our Scope 1 and Scope 2 carbon emissions. Moving forward, we will continue to offset our emissions and will work with the Science-Based Target Initiative to develop specific science-based emissions reduction targets to align with our existing goals such as acquiring 25% of our electricity from renewable sources by 2025.

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MATERIALS SOURCING

Overview

Responsible materials sourcing is an essential element of our business that requires innovative partnerships with suppliers who offer sustainable alternatives to our most frequently used production materials. In 2021, we made considerable progress toward our sourcing goals by leveraging these partnerships to increase the number of recycled input materials used in the production of our spas and baths. These sourcing initiatives directly support our long-term sustainability and material transparency goals in addition to reducing our carbon footprint and driving cost savings across the global business.

GOALS

- Implement a comprehensive global system for capturing material inputs in every product, including packaging, to achieve full material transparency by 2025
- Reduce the use of chemical-based foam and resins in products by 20% by 2025 at our MOC facility, measured by weight
- Increase the amount of recycled content in manufacturing input materials where possible, as measured by weight

Incorporating Sustainable Materials

The sourcing of sustainable materials in the production of our spas and baths is a cross-functional process that requires collaboration between multiple internal teams. The process begins with our Global Sourcing, Innovation, and Engineering teams who work together to research innovative alternatives to inefficient materials used in production. Once a more sustainable alternative has been identified, we run extensive testing to determine if the replacement material meets or exceeds the durability performance of the previous component. From there, our sourcing team uses forecasting information provided by the sales and marketing teams to develop a detailed plan for implementing the change. Our New Product Implementation unit then takes over the initiative until the less efficient material has been replaced in the production process.

We solidified this system in 2021 by establishing a global Product & Quality team led by our Vice President of Global Quality. This cross-functional team meets monthly to address all materials sourcing risks and opportunities associated with our business. The team also discusses specific material upgrade opportunities and improvements that can be incorporated in place of less durable components that lead to quality problems.

An impact of our 2021 materials sourcing program was the identification and implementation of an alternative to polyurethane spray foam insulation. The polyurethane alternative we identified is a far more efficient, zero scrap solution that has been incorporated into 30% of the spas produced at our Mexico Operations Center. This insulation is non-chemical-based and differs from its predecessor by offering 10-15% more thermo-efficiency. The new insulation is also comprised of approximately 30% recycled content, 12% post-consumer recycled glass, and 18% pre-consumer content. In addition to improving the overall efficiency of our products, blown-in insulation benefits our manufacturing sites because it does not create scrap and leads to electricity reduction during the manufacturing process by eliminating the need for



A manufacturing employee adds blown-in-fiberglass insulation to one of our spas to increase its thermal efficiency.

flipping machinery. Switching to this new insulation has improved our spa's California Energy Commission (CEC) efficiency metrics, which will result in a cost reduction for our consumers who will end up spending less money to operate their Jacuzzi and Sundance spa products.

Another change we made in 2021 increased the percentage of recycled materials used in the production of our ABS trays and bases that sit at the bottom of our swim spas. Previously, the materials used to make these products were virgin plastic, but conversations between our internal stakeholders resulted in a decision to change the material composition of the bases to 90% recycled ABS plastic. Other process improvements involved sourcing the wood we use in production. In the past, only 90% of our wood was sourced from certified responsible suppliers. Now, with the help of our Product Quality & Safety teams, 100% of the wood we use in global production is FSC (Forrest Stewardship Council) certified. In 2021, we used 14,911,208 pounds of FSC-certified wood across our facilities.

STAKEHOLDER COLLABORATION IMPROVES PRODUCT QUALITY AND SAFETY

“Improving the safety and efficiency of our products is a focal point of our business. In 2021, we made improvements to our product quality through robust design control practices and an emphasis on bringing industry-leading technologies to market. Our organization has taken positive steps toward strengthening partnerships with key stakeholders, including our ever-growing dealer base and end-users. The company embarked on several initiatives to improve the performance and reliability of our products by utilizing a combination of timely customer feedback and internal metrics to identify critical opportunities for improvement. Identifying, assessing, and mitigating risk continues to be a cornerstone of the organization's design control processes. This encompasses the development of new accessories and design changes to existing products. The company's New Product Introduction (NPI) and design change processes involve a cross-functional team that reviews and approves key activities and deliverables to ensure the products that are released to market are safe and satisfy customers' expectations for performance and reliability.”

– ROBERT GIBSON

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Performance

As the impacts of the COVID-19 pandemic lessened in 2021, we ramped up global production at our facilities to meet increasing consumer demand for our products. This demand led to a 103% increase in materials used in production when compared to our 2020 results. While our material usage was much higher, it was directly correlated with the rate of our production which increased by 107%. This means that although we used more materials overall, the average number of materials used to make each spa was fewer than in previous years. The table below outlines our global material usage for 2021 across all manufacturing sites.

MATERIALS USED BY WEIGHT (METRIC TONS)			
	SPAS	BATH PRODUCTS	TOTAL
PLASTIC	20,232.8	2,688.5	22,921.3
METAL	3,205.1	178.7	3,383.8
WOOD	6,531.9	231.7	6,763.6
OTHER	41.0	3.8	44.8
TOTAL	30,010.8	3,102.7	33,113.5

The sourcing of newer, more sustainable materials is an integral part of our business that requires constant innovation and collaboration. Upgrades made to the materials we use during the manufacturing of our products have lasting impacts on the carbon footprint of our units and the operational efficiency of our manufacturing sites. By practicing responsible materials sourcing and by replacing outdated sourcing options with innovative alternatives, we can save money for our business, increase the efficiency of our products, and improve the lives of our stakeholders at all levels.





WASTE

Overview

As a large global manufacturer of spa and bath products, we dispose of a significant amount of waste across our operations annually. From the large volume of materials used to create our products to the significant end-of-life impacts those materials have on the environment, we recognize that responsible waste management is a critical element to operating our business sustainably. For these reasons we began setting waste reduction targets for our sites in 2021 and are actively working with each location to improve the methods in which they track and dispose of their waste. These efforts drove us to declare 2021 as our base year for waste data.

GOALS

- Set quantifiable, specific operational waste reduction goals
- Develop a streamlined process to account for all waste across our global operations
- Promote responsible waste management across our value chain by sharing and scaling effective reuse and recycling initiatives across global sites

Decreasing Our Operational Waste

To mitigate the operational risks associated with manufacturing products comprised of many different materials, we worked with each site to develop strong relationships with third-party recycling groups that collect unused materials from our businesses. Examples of these partnerships can be seen at our Florida, California, and Illinois facilities. In 2021, these sites began working with third-party wood pallet services that collect used pallets for reuse. The wood recycling programs we established across our sites have resulted in an estimated 55 million tons of wood that has been diverted from landfills.

At our Florida and Mexico locations, we met with plastic and cardboard recycling groups who helped our business create improved methods for responsible material management. Conversations at our Mexico site led to the installation of an on-site baler device for recycled cardboard in 2021. The compacted bales of cardboard are collected and taken by a third party to a local facility for processing and reuse. As we move into 2022, we plan to expand these types of recycling efforts to more sites to reach our global waste reduction targets.

While some of our smaller locations are in the earlier stages of their waste reduction journey, many of our largest sites have already started implementing significant measures to reduce their operational waste. Our MOC manufacturing sites in Tijuana are working on a variety of waste reduction projects aimed to improve their carbon footprint. Ongoing waste reduction initiatives at our MOC locations have already resulted in 15.5% of all operational waste being sent to recycling, 100% of hazardous waste recycled, and an impressive 80% reuse rate for all wood used in 2021 operations.

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Our plans for 2022 involve incorporating additional waste reduction projects across our businesses. Some of the projects that our sites plan to pursue include the addition of paper shredding recycling bins, partnerships to recycle different types of foam used in operations, metal recycling initiatives, and many more projects aimed to send less of our waste to disposal.

Performance

In 2021, we established a centralized process for tracking and managing waste across our manufacturing operations and large warehouses, which together represent over 95% of our footprint. The process we implemented at these locations involves collecting quarterly waste data from each site, then discussing their performance during quarterly update calls. By increasing the frequency that we connect with our sites on their waste performance, we have seen improved results quarter over quarter.

WASTE BY MATERIAL (METRIC TONS)			
	WASTE GENERATED	WASTE DIVERTED	WASTE DISPOSED
WOOD	1,422.8	206.9	1,215.9
PLASTIC	1,750.0	973.9	776.1
METAL	149.0	144.6	20.5
PAPER	682.4	572.9	109.5
OTHER	8,273.5	2.3	8,254.8
TOTAL	12,277.7	1,900.6	10,376.8

WASTE DIVERTED FROM DISPOSAL (METRIC TONS)		
METHOD	HAZARDOUS WASTE	NON-HAZARDOUS WASTE
Preparation for reuse	0	44.9
Recycling	33.2	1822.5
Other recovery operations	0	0
Onsite diversion	0	449.2
Offsite diversion	33.2	1418.2
TOTAL	33.2	1867.4



WASTE DISPOSED OF (METRIC TONS)		
METHOD	HAZARDOUS WASTE DISPOSED	NON-HAZARDOUS WASTE DISPOSED
Incineration – with energy recovery	69.2	0
Incineration – without energy recovery	0	0
Landfilling	179.7	7715.5
Other disposal operation	2412.5	0
Onsite disposal	0	532.4
Offsite disposal	2,661.4	7,183.1
TOTAL	2,661.4	7,715.5

An increase in total waste was another result of our 2021 ramp-up that saw a 103% increase in material usage and a 107% increase in products manufactured. Although the scale of our operations more than doubled, the amount of waste we generated only increased by 88%. These results highlight the positive impacts of our recycling efforts throughout 2021 and show that our team’s pursuit of alternative waste disposal methods is making progress. As our operations continue to grow, the recycling processes in place will drive a more significant amount of waste to be reused and recycled across our global facilities.

We diverted more than 1,900 metric tons of waste from landfills in 2021. This number accounts for approximately 15.5% of the waste generated across our global operations. Although we have not yet established formal reduction targets for every location, we are working hard to increase our total waste recycled significantly and reduce waste generated at our facilities. As we move forward into 2022, we plan to expand existing waste reduction projects to more global facilities to improve both the percentage of material recycled and the amount of total waste we recycle annually.



ENVIRONMENT

WATER

Overview

As a company that manufactures spa and bath products, we recognize the significant impact water has on our business. We use water most frequently at our manufacturing sites for quality testing and general operations. Our water is primarily sourced from third-party providers and municipalities, aside from our Italy, Brazil, and Chile locations. Italy is unique because it sources only groundwater, but our manufacturing facility in Brazil and warehouse in Chile source water from a combination of groundwater and third-party providers. Now that we have established an understanding of where our water is coming from, we are positioned to take steps to reduce our withdrawal and educate consumers about the many ways they can reduce their water usage while operating our products. With this in mind, we declared 2021 our base year for water data.

GOAL

Set quantifiable, specific operational water reduction goals, with a particular focus on decreasing water use through efficient fixtures and employee engagement

Efforts to Increase Water Efficiency

To increase our water efficiency, we arranged meetings in early 2021 with our global manufacturing sites to align on all ongoing water conservation initiatives. During these discussions, many sites provided details about operational changes that are expected to drive an increase in their overall water efficiency. Projects that our sites discussed involved improvements to water recycling towers, upgrades to product performance testing, utilization of more greywater within operations, installation of low flow plumbing fixtures, adding new water monitoring sensors, and many more initiatives aimed to support responsible water usage. Since each site's manufacturing process differs slightly based on the products they create, it can be difficult to find universal water-saving solutions that can be applied across the board. To make sure we tailor our efforts to each specific site, our sustainability team works closely with each business to identify unique opportunities for increasing water efficiency.

One of the main projects we established in 2021 was aimed at reducing the amount of water consumed during the quality testing of our products by improving our water monitoring, treatment, and filtration strategies. This project began at our Sunrise Spas facility in Canada, which previously had a less efficient water tower that needed to operate more efficiently. Prior to 2021, this location did not have a way to manage the water used in production quality testing. Now, with the recent additions to the water tower that include a sand filtration system, a weekly measured dose of chlorine, and several ORP sensors to detect if the water has become contaminated, Sunrise can recirculate the water reused in quality testing for an extended period. Aside from adding a small amount of water to combat evaporation, quality testing has completely removed its reliance on a significant amount of water or manual oversight. As we move into 2022 and begin tracking



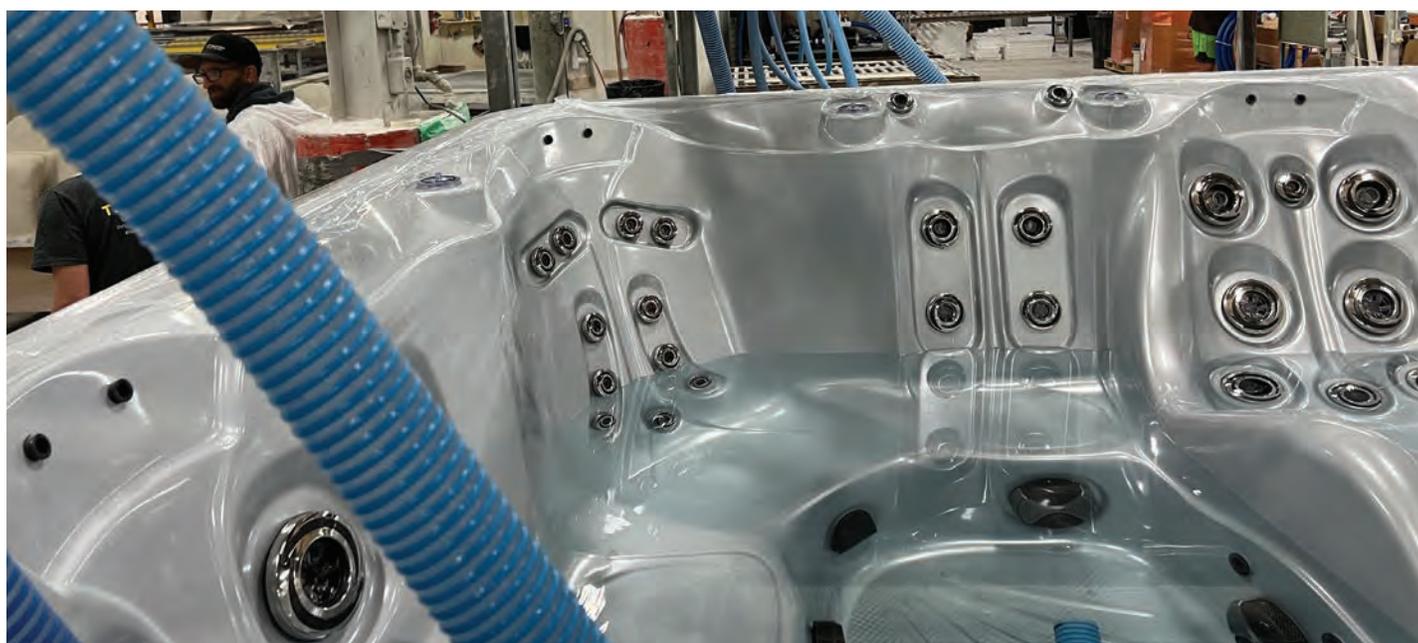
the specific impacts of this project, we will be able to work with our global teams to implement similar water recycling, filtration, and quality monitoring initiatives across the company.

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. As of the conclusion of 2021, we estimate that over 75% of our manufacturing sites and warehouses have 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.

Although we have not conducted a formal water stress test, PEW Charitable Trust reports that our SCO (Southern California Office) and MOC (Mexico Operations Center) locations operate in communities with significant water stress concerns. As a result of this classification, these locations have become high priorities for establishing new water reduction measures. One of

the first projects we established in an area with water stress was the installation of a rainwater harvesting tank located at our SCO office. Although it does not rain often in Southern California, having a harvesting mechanism in place has already offered alternative methods for water withdrawal. The water collected by these harvesting tanks helps us save water in other places. For instance, we used greywater for 100% of our irrigation at SCO in 2021. When partnered with other ongoing initiatives that support our water efficiency goals, our SCO warehouse is striving to make significant changes in the coming year.

Water efficiency is important at an operational level, but it is important to recognize that our consumers also play a significant role in our overall water efficiency. With this in mind, we designed our spa products to include high-quality sanitation and filtration technology that increases the amount of time before the water in our products needs to be cleaned and drained. Another resource we offer consumers comes in the form of educational resources provided by our SmartTub® application which assists consumers with maximizing the lifetime of the water in their spa while ensuring that they are still maintaining a safe and clean experience.



ENVIRONMENT

Performance

The total water withdrawn across our operations in 2021 was 82.3 megaliters. 21.2 megaliters of this water were supplied to us by third-party providers in areas with water stress. Moving forward, we aim to reduce this 25% reliance on acquiring third-party water in areas with stress by incorporating many of the sustainable solutions explained above. As we continue to build out our water efficiency programs, we expect to see significant reductions from our current 77% reliance on water sourced from suppliers.

WATER WITHDRAWAL (MEGALITERS)		
	ALL AREAS	AREAS WITH WATER STRESS
Surface water	0.1	0
Groundwater	18.9	1.7
Seawater	0	0
Produced water	0	0
Third-party water	63.3	19.5
TOTAL	82.3	21.2

Out of the total 82.3 megaliters of water withdrawn in 2021, we consumed about 27.1 megaliters. This means that only about 30% of the total water withdrawn was consumed. The other 70%, or 55.2 megaliters of water, was discharged back into the environment. Although these results offer a good starting place for our base year reporting, our expectations moving forward are to set water consumption and discharge goals that aim to consume a higher percentage of the water we withdraw, discharge less water, and increase the amount of water we source from internal sustainability projects.

WATER CONSUMED (MEGALITERS)	
Surface water	0
Groundwater	7.9
Seawater	0
Produced water	0
Third-party water	19.2
TOTAL	27.1

WATER DISCHARGED (MEGALITERS)	
Surface water	0.1
Groundwater	11.0
Seawater	0
Produced water	0
Third-party water	44.1
TOTAL	55.2



SOCIETY





CONSUMER WELLNESS

Overview

Consumer wellness is an essential piece of our business that employs educational resources, product innovation, and philanthropy to meet and exceed the wellness needs of our consumers. In 2021, we expanded our Jacuzzi Performance Program by creating new wellness resources and partnering with athletic ambassadors who promoted the wellness benefits of our products. Our work to incorporate consumer wellness into our business is a cornerstone of our commitment to supporting consumer well-being across our industry.

GOAL

Aim to increase the availability of both external and Jacuzzi Group-created wellness content and resources for consumers, to enable them to optimize their personal well-being

Promoting Lifelong Wellness

Our bath and spa products are designed to meet the wellness needs of a variety of consumers ranging from individuals looking for a relaxing hydrotherapy experience to professional athletes who use our products during recovery. To account for such a broad consumer base, we expanded our Jacuzzi Performance Program by creating new types of internal and external wellness resources.

One new resource we offered to our consumers for the first time in 2021 is a weekly podcast called The Jacuzzi® Podcast. Presented by Edward Baxter, this podcast explores the lives of our Jacuzzi® Ambassadors as they discuss their best approaches for recovery, relaxation, and wellness. For this project, we partnered primarily with high-endurance athletes who have first-hand experience with the benefits offered by hydrotherapy. Some of the brand ambassadors who spoke on our podcast included, Olympic Swimming Champion Adam Peaty, Paralympic Gold Medalist Jessica Jane Applegate, and British All-Around Gymnast Champion Joe Fraser.

Other consumer wellness content we created in 2021 were YouTube videos highlighting how our sponsored athletes incorporate our products into their everyday lives. In one of these videos, we asked Olympic Gold Medalist Sally Gunnell about her reflections on her career, why the mental health aspect of exercise and fitness is most important to her today, and her advice to anyone struggling with the burdens of modern-day life. Sally has been using Jacuzzi products for over 20 years and touches on what role her hot tub, swim spa (and now bath) has played in her recovery and well-being routine.



In addition to improving our athletic partnerships and educational resources, another large element of our Consumer Wellness program in 2021 was the release of the new Carbon Footprint section of our SmartTub® application. As the Carbon Footprint section was in its final stages of development, we realized that its integration provided us with a new opportunity to notify consumers about the performance of their spas. To better understand the potential this offered, we met with our VP of Innovation and Technology to discuss the different ways that the application could be adapted to provide individually tailored wellness resources based on specific consumer usage habits.

Conversations with our VP of Innovation and Technology resulted in the decision to further build out the Carbon Footprint section of the app until it could provide individualized tips and directed suggestions for our consumers to improve their spa's performance. Before the availability of this Carbon Footprint feature, the resources we provided spa users were videos and other content that outlined general inefficient usage habits, rather than exact data that shows the specific actions that are resulting in the inefficiencies.

Updates to the Carbon Footprint section of our SmartTub® application have provided us with the knowledge we needed to help our consumers manage their product usage more responsibly. We expect that this program will have significant lasting impacts on our organization moving forward, as it will lead to a reduction in product use at the consumer level, which according to our Scope 3 results, accounts for over 60% of our total annual Greenhouse gas emissions.





Philanthropy

Another critical element of our consumer wellness program is philanthropy. We have spent many years establishing partnerships with philanthropic organizations that create community well-being initiatives across the world. A few of these partnerships are outlined in the graphic below:

COUNTRY	PHILANTHROPIC ORGANIZATION(S) SUPPORTED	
North America	American Cancer Society	WISH for OUR HEROES
	Baths for the Brave	Alzheimer's Association
	Let It Be Foundation	Diabetes Association of Canada
	Make-A-Wish Foundation	Wise Guys Charity Fund
	Special Needs Classroom at Ayala High School	
South America	Association of Parents and Friends of Disabled People (Apae)	Ituana Association for the Visually Impaired
Mexico	Hospital General de Tijuana	Ayuntamiento de Tijuana, B.C. (local fire station)
	Agtagama A.C. (elderly-owned business and retirement home)	Monte de Dios hogar de niños A.C. (local children's orphanage)
Europe	Pordenone Town Council (Italy)	Teenage Cancer Trust

In addition to partnering with outside organizations that support similar objectives to ours, we have also established an internal philanthropy program through our Sundance® Spas brand. Existing 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 could benefit from the healing power of hydrotherapy. This project, known as our Hot Tub for Heroes program, identifies dealer locations that sell at least 100 Sundance® Spas in a calendar year and donates 1 spa to a veteran family for every dealer that qualifies. In 2021, 46 dealer locations qualified for the Hot Tub for Heroes program, resulting in our organization donating 46 spas to veterans and their families. Since the inception of this program, we have donated spas to over 70 veterans. To further support the work done by our philanthropic partners, we created 2 tie-in promotional events that promised donations of \$100 for every qualifying purchase made on Veteran's Day and the 4th of July. In total, these tie-in promotions raised over \$20,000 that was donated to WISH for OUR HEROES.



“Being in the military for 21 years, your body takes a beating. You wear a lot of gear — sometimes it’s double your body weight. The spa has allowed me to take a little bit of the pressure off. My back feels good!”

– **U.S. MILITARY VETERAN AND HOT TUB FOR HEROES RECIPIENT**

Another important part of our Good Cause Spas® movement is our partnership with Operation Appreciation. Sundance® Spas is a proud sponsor of Operation Appreciation’s Red, White & Bear program, which offers free access to a cabin retreat where veterans can recover, reintegrate, and reconnect with their families. Nestled in the beautiful North Georgia mountains, the cabin features four bedrooms, a full kitchen, a living room, wraparound porches, a screened porch, and a Sundance® spa on the terrace level. There is as much outdoor living space as there is indoor, allowing military families to enjoy nature as well as time in the spa, where tremendous physical and mental healing takes place.

In addition to the efforts outlined above, two of our Jacuzzi Bath Remodel businesses have partnered with multiple other home improvement companies for an

event in honor of Veteran’s Day. This project, called Baths for the Brave provided 16 disabled veterans with a free bathroom remodel in 2021. This program was created to provide a deserving group of individuals with the necessary upgrades to their showers and tubs to make the bathrooms more accessible. In partnership with our dealers, we install grab bars, shower seats, or low threshold shower bases to improve the wellness of our consumers. It is estimated that the value for each remodel is about \$15,000.

Performance

We take pride in our ability to help consumers live better lives by positioning ourselves as a leader within the bath and spa space. Consumer wellness success is measured through the impact we make on our



consumers and the usefulness of the educational resources we provide. The wellness benefits of our products that we strive to highlight include:

- Relaxation
- Improved sleep
- Reduced stress
- Eased muscle tension
- Decreased lower back pain
- Improved post-exercise recovery
- Alleviated pain associated with restless leg syndrome, cramps, arthritis, and fibromyalgia

In 2021, we donated a total value of \$247,000 to organizations across the globe. This includes \$147,000 worth of spas donated to WISH FOR OUR HEROES, \$20,000 through tie-in promotional programs, and over \$80,000 donated to external charities that help support relevant consumer wellness initiatives. Moving forward, we will continue to build on our consumer wellness efforts through furthering our Jacuzzi Performance Program®, communicating new product improvements, and supporting philanthropic organizations that promote wellness resources to our consumers. We understand that improving individual wellness will also improve community well-being and will work internally and with external organizations to do everything we can to achieve wellness for all our stakeholders.

EMPLOYEE HEALTH, SAFETY, AND WELL-BEING

Overview

Strong employee health, safety, and well-being practices are crucial to establishing a sustainable business. To this end, we have implemented best-in-class health and safety initiatives at our global manufacturing facilities, warehouses, and offices to reinforce our commitment to top-level Environmental, Health & Safety (EH&S) performance. Each facility within our organization complies with all applicable statutory requirements

for its respective country and region such as the US Occupational Safety and Health Administration (OSHA) regulations and the Canadian Occupational Health and Safety Regulations (SOR/86-304).

GOALS

- Scale the standards set by our internal and third-party external auditors across all locations globally, ensuring warehouses and smaller manufacturing sites undergo assessments in alignment with audits conducted at our larger facilities by late 2023
- Capitalize on opportunities to further align environmental, health and safety policies across our global sites, in addition to maintaining compliance with all local regulations and conducting the appropriate audits and follow-up activities
- Continue to improve our global data collection process and share best practices at Global EH&S Meetings

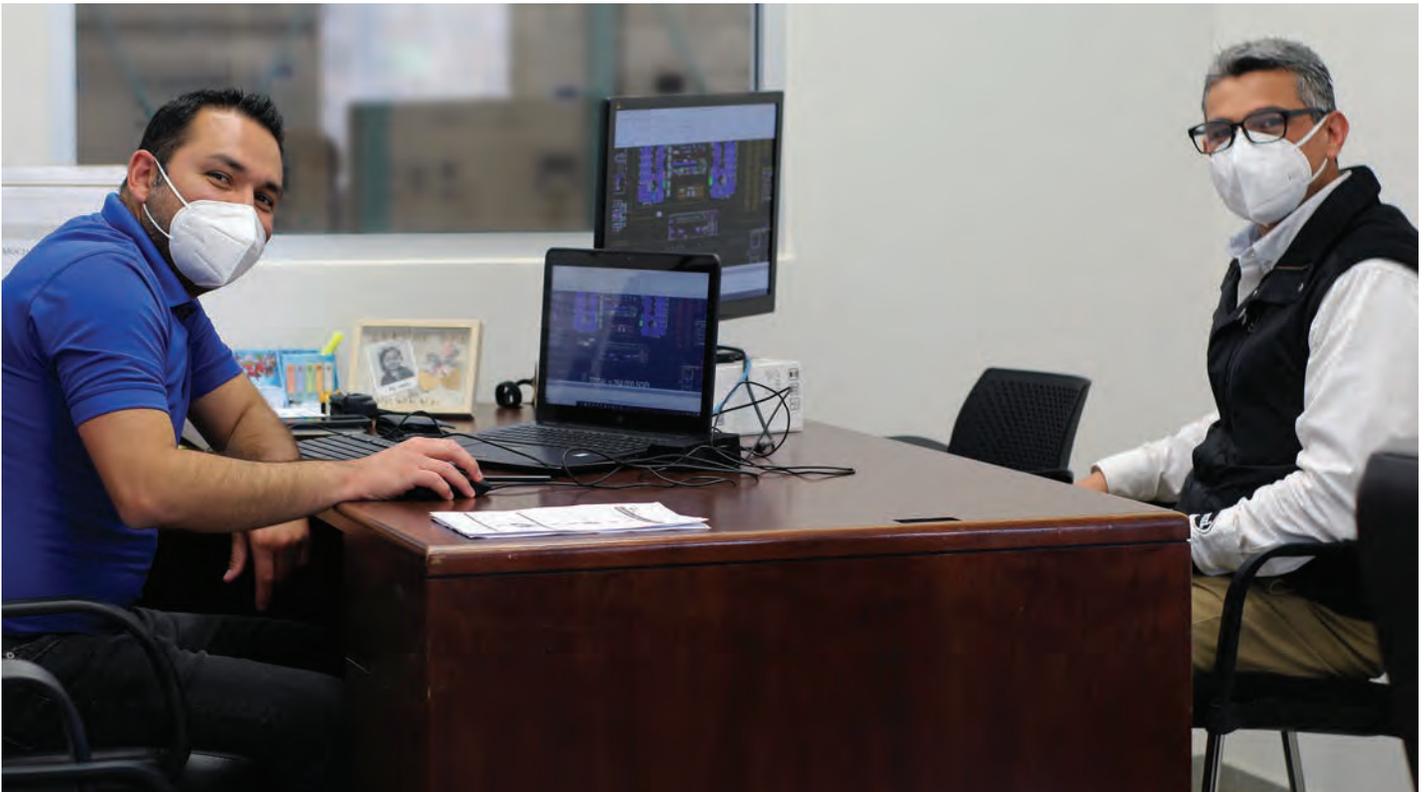
Occupational Health and Safety

As a product manufacturing organization, we recognize that there are risks associated with the production of our baths and spas. All our manufacturing sites have internal policies, procedures, and training resources that aim to make the facilities safer by ensuring adherence to local occupational health and safety guidelines. Our internal health and safety guidelines and occupational health and safety system both apply to 100% of workers within our organization, regardless of their status as permanent or temporary employees or if they are contracted through a third-party agency. To make sure that each of our employees are aware of the approved policies and procedures, we worked with our manufacturing sites in 2021 to post health and safety signage and other warnings across all facilities.

Periodic internal audits are conducted at all manufacturing locations and differ based on the different processes and risks at each site. Specific operations are

assessed as necessary if a potential hazard is identified and reported, or if an incident occurs that reveals an opportunity for improvement. The work-related hazards that pose the biggest risk of high-consequence injury are slips, trips, falls, exposure to harmful substances, and contact with objects such as improperly de-energized equipment. Our most common types of hazards have been determined by identifying the most significant risks for our industrial classification and comparing them against our past performance.

We began mitigating some of these health and safety risks in 2021 by allowing the flexibility for employees in certain roles to continue to work from home with the support and equipment they need to do their jobs. We further improved the health and safety standards at each site, and by posting “risk warning” signage across our global locations as well as the use of consistent safety protocols such as reflective vests and applicable personal protective equipment (PPE) when walking through all manufacturing and warehouse facilities.





CASE STUDY — COVID-19 SAFETY RESPONSE AT MOC

In 2020, the Mexican government allowed us to reopen our Mexico Operations Center (MOC) due to a high level of commitment to local health and safety initiatives. As we began to ramp back up our production in 2021, the health and safety risks associated with the pandemic grew larger once again. As the world prepared for another wave of illness, our leadership team took stock of our position at MOC and evaluated opportunities to assist with some of the pandemic-related risks that our employees faced. To combat these risks, we created safety videos, installed thermographic cameras, added health checkpoints, and increased the frequency of sanitation measures throughout work shifts. In addition to these measures, managers were tasked

with ensuring that all workers maintained proper social distancing during each shift, and site leaders increased communication with employees through meetings and informational posters to illustrate safety precautions and provide updated information. These actions were positively received by employees, many of whom have stated that the measures alleviated their fears about being able to return to work safely. The precautions taken by EH&S leadership at MOC were recognized by the Mexican government, and our facility was allowed to open earlier than other manufacturing sites in the region.

While we did our best to mitigate the ongoing impacts of the pandemic, one main health and safety issue we became more aware of was the lack of availability of COVID vaccinations in Mexico. To ensure the wellness of our global team members, we established the first cross-border partnership aimed to equalize the availability of COVID vaccines across the border between Southern California and Northern Mexico. Beginning in May 2021, our teams partnered with the Mexican Consulate, San Diego County, and the University of California, Health Program to offer COVID-19 vaccinations to our MOC employees. All costs were covered by our organization, and employees were grateful to be able to receive the vaccinations that had previously been incredibly difficult to find in the area.

Promoting Work-Life Balance

Work-life balance is an important part of our employee wellness program. Our Human Resources team offers physical and mental health education tools to all employees at our global sites. We have an Employee Assistance Program that operates online and over the phone 24/7, and provides employees with access to legal resources, financial advisory, crisis consultation, counseling, educational seminars, and much more. The goal of this program is to provide our team with as many resources as they need to live a healthy and balanced lifestyle.

In addition to the many wellness opportunities presented to our employees, we also offer flexible working arrangements and wellness webinars that incentivize team members to find an appropriate balance between their lives in and out of the workplace. Moving forward, we will continue to build out this program to further improve our employee’s levels of satisfaction with their roles and will monitor their feedback and evolving needs through future employee engagement surveys.

Performance

Our health and safety policies and programs are designed to record, track and prevent safety incidents that could occur at our global facilities. If an incident is reported, we record the nature of the issue and create a plan to ensure it does not happen again. 100% of our employees are covered by our Occupational Health and Management System.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM		
	NUMBER	PERCENT
Employees and contractors covered	5,411	100%
Employees and contractors covered by a system that has been internally audited	5,411	100%
Employees and contractors covered by a system that has been externally audited	5,411	100%

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.



EMPLOYEE WORK-RELATED INJURIES

	NUMBER	RATE
Fatalities from work-related injuries	0	0
High-consequence work-related injuries	1	0.02
Recordable work-related injuries	78	1.71

The main types of injuries that occurred across our manufacturing sites in 2021 were slips, trips, falls, exposure to harmful substances, and contact with objects or equipment. Employees across our global facilities worked a total of 9,123,311 hours in 2021 and experienced 78 safety incidents for a work-related injury rate of 1.71.

Moving into 2022, we will continue to improve our employee health and safety performance by working with our Global Safety team to establish more robust health and safety management goals. Some of our current goals include:

- By 2023, scale the standards of our third-party audits globally, ensuring that warehouses and smaller manufacturing sites undergo assessments in line with audits conducted at our large facilities.
- In addition to maintaining compliance with all local regulations and conducting safety audits, capitalize on opportunities to further align health and safety policies across our global sites.
- Continue to improve our global data collection process and share best practices.

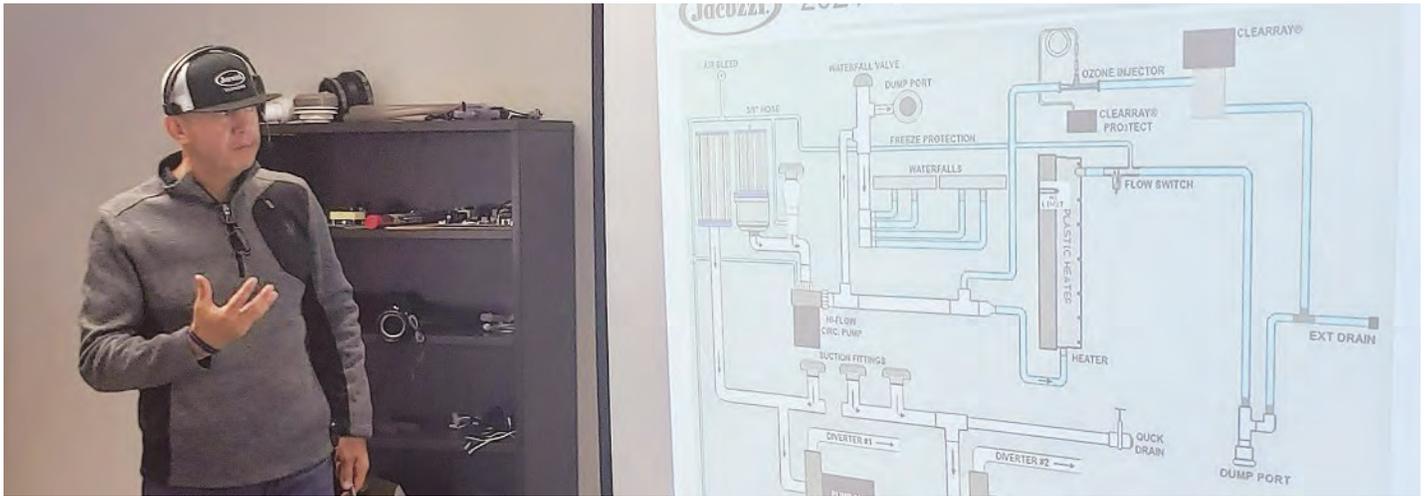
PRODUCT SAFETY

Overview

All products manufactured and commercialized by our teams are subject to comprehensive evaluations and safety testing. Our New Product Introduction (NPI) and design change processes require cross-functional approval to ensure that the products we release to market are safe and satisfy customer expectations for performance and reliability. Our organization has made strides in improving the quality of its products through robust design control practices and an added emphasis on bringing revolutionary technologies to market. In addition to our internal goal of constantly improving the quality and safety of our products, regulatory standards set by the UL (Underwriters Laboratories) and IEC (International Electrotechnical Commission) mandate that product safety impacts are always addressed during NPI product revisions.

GOALS

- Align our global operations by conducting consistent, centralized product safety assessments in 2022
- Continue sharing safety best practices internally across our global operations



Upholding Our Commitment to Safety

Identifying, assessing, and mitigating safety risks is a cornerstone of our gated product development process. In 2021, we established a cross-functional group consisting of members from the Global Quality, New Product Engineering, Global Supply Chain and Sourcing, Legal, and Marketing teams, who met quarterly to evaluate the quality and safety impacts of any proposed product design changes. Guided by safety and regulatory requirements specific to the countries and territories in which we sell our products, this team created and distributed a New Product Checklist to our sites in 2021. The New Product Checklist was designed to be used as a resource for sites to share critical usage information with our suppliers who can quickly evaluate if the products being offered meet their health and safety requirements.

Beyond sourcing and manufacturing products that align with strict safety regulations and standards, it is also important that our third-party teams are trained well enough to communicate this value to potential customers. In previous years, our strategy to relay these communications was to establish a designated product training team that traveled to the showrooms of our

third-party partners to train the teams about our product health and safety information. However, moving into 2021, travel restrictions surrounding COVID-19 created challenges that required us to adapt our training methods.

The reconsideration of our product quality and safety strategy drove us toward the innovative solution of replacing manual training sessions with virtual training video alternatives. To accomplish this, our teams began developing a small on-site film studio in our California facility. It was at this location where we filmed product knowledge training sessions to provide to our third-party partners. These pieces of training were crucial elements of our business as we saw a growing demand for our products in 2021. The Certified Service Training of our third-party partners shifted from resource-demanding in-person meetings to interactive virtual training programs run by the same staff that would normally have traveled to the sites. This meaningful change in the way we communicate product quality and safety information led to a sizable reduction of manual resources and resulted in a significant increase in the availability of product training sessions.



Performance

Our spas, swim spas, pumps, baths, and showers all go through rigorous testing by our Product Development and Innovation teams to ensure they meet and exceed regulatory and non-regulatory safety standards. Listed below are some of the many qualification tests we complete and standards we adhere to during the manufacturing and testing of our products:

PRODUCT DEVELOPMENT QUALIFICATION TESTS	BATH AND SHOWER PRODUCT STANDARDS	SPA & SWIM REGULATORY STANDARDS
<ul style="list-style-type: none">• California Energy Commission (CEC) Testing• Home Delivery and Installation Test• 7 days Horizontal Shipping Test• 7 days Vertical Shipping Test• Vibration Test SPA Horizontal• Vibration Test SPA Vertical• Ultimate Load Test• Plumbing Fatigue Test• Static and Dynamic Seat Loading Tests• Serviceability Testing• Software Testing	<ul style="list-style-type: none">• International Association of Plumbing and Mechanical Officials (IAPMO)• Electrical Testing Laboratories (ETL)• Uniform Plumbing Code (UPC)• National Plumbing Code of Canada• EU: EMC Standards• EU: CPR• Structural Integrity Tests• Load Test for Bathtub and Shower Seats• Load Test for Bathtub Rims and Bottoms• Construction Products Directive (CPR)• Electromagnetic Compatibility Directive (EMC)• Low Voltage Directive (LVD)• Load Test for Shower Thresholds and Bottoms	<ul style="list-style-type: none">• Uniform Swimming Pool, Spa, and Hot Tub Code (USPC)• ABNT NBR• INMETRO Portaria• Telecom Equipment Certified by ANATEL / Brazil• Low Voltage Directive (LVD)• Electromagnetic Compatibility Directive (EMC)• Electrical Testing Laboratories (ETL)



SOCIETY

WORKFORCE ENGAGEMENT AND DEVELOPMENT

Overview

Workforce engagement and development are critical elements of establishing a successful business. As employees are hired or change roles within the organization, we offer resources to help maximize their abilities and bring the best version of themselves to work each day. In 2021, we experienced unprecedented growth, onboarding over 6,000 permanent team members globally. As our organization reached its largest historical employee count, we dedicated more resources toward retaining and developing our workers. Strong employee programs establish us as an employer of choice and help us operate in line with the objectives we set to make our organization more sustainable. To further outline our commitment to workforce engagement, development, diversity, and equality, we set the following goals:

GOALS

- Attract and retain more women employees in the manufacturing industry
- Review job descriptions to ensure they contain inclusive language
- Start a college recruiting program at institutions serving students from diverse backgrounds, including Hispanic-serving institutions and historically black colleges and universities (HBCUs)
- Reach 100% gender pay parity for annual base pay by 2025





Engaging Our Employees

Our workforce engagement program was developed to provide employees with the skills, knowledge, and opportunity to thrive within the company. We use a variety of strategies to keep our employees engaged, including training programs, employee satisfaction surveys, wellness webinars, and inclusive benefits that promote work-life balance for our team members.

Our organization completed over 351,600 hours of employee training across the global business in 2021. The training we offered focused on improving employee Health and Safety, Professional Development, Required Job Skills, and Diversity & Inclusion. Each employee in our organization received approximately 65 hours of training. Once completed, our human capital team sent engagement surveys to help us determine which elements of the training were of the most interest. The results we found through these surveys were surprising and showed us that our top areas of engagement were relationships among coworkers, job-specific professional development, and understanding how an individual's work helps to support the company's business goals. Our employee training budget in 2021 represented 1% of our total expenditures.

Another employee engagement project we implemented was the establishment of monthly wellness webinars that promote ongoing work-life balance. Our HR team scheduled these interactive virtual events with subject-matter experts who specialize in speaking to different work-life balance initiatives such as Effective Communication, Healthy Eating Habits, Sleeping Routines, Family Time, and many other factors that support living a well-balanced lifestyle. We understand that our employees do their best work when they are happy and engaged. For this reason, we will continue to bring in experts to help them discover new methods to achieve healthy work-life balances.

In addition to maintaining an organization that helps train and engage its employees, we recognize the importance of aligning the benefits we offer with the mentality we are attempting to promote. To this point, we have updated the time-off benefits offered to new parents to make them more inclusive of the work-life balance we are attempting to promote. Since the implementation of this change, primary caregivers are now given 5-12 weeks of paid time off and secondary caregivers are given up to 5 paid days off but can request additional unpaid time off if necessary.



Developing a Diverse Workforce

The development of a more diverse workforce was another goal that we worked towards in 2021. The first change we incorporated in support of this objective was to establish gender pay parity across all levels of the company. We began by building upon our 2020 gender pay ratio assessment which found that women were paid an average of 87 cents for every dollar earned by men in similar roles. More research determined that in 2020 our women directors, managers, and operational staff were paid 87, 86, and 94 cents, respectively, for every dollar that men received in compensation.

SOCIETY

Armed with the knowledge of our internal pay gap issues, we conducted a pay parity adjustment to equalize the compensation that women and men receive for the same level of work. This project was completed in 2021 and resulted in salary adjustments that came closer to equalizing the compensation received by male and female workers. The level where we saw the largest shift was with female middle managers, who previously received 86 cents for every dollar earned by male middle managers. As of the conclusion of our pay parity adjustment, female middle managers received an average of \$1.06 for every dollar earned by their male counterparts.

	WOMEN	MEN
OVERALL	.90	1.00
DIRECTORS	.83	1.00
MIDDLE MANAGERS	1.06	1.00
OPERATIONAL STAFF	.98	1.00

Incorporating changes to help build a more equal workforce has already had positive impacts on our business. For example, in the first 5 months of 2021, 45% of our hires were female, which is a huge increase from our previous rate and well above the 30% benchmark for our industry. In connection with these changes, we also hired more female middle managers. Females currently represent 31% of the employee demographics at the middle manager level. As we continue to build our diversity program, we want to focus on acquiring more female representation at the executive leadership and Board levels. While this can be challenging given the lack of diversity at these levels in the bath, pool, and spa industries, we believe that we can attract candidates from outside organizations by communicating our efforts to highlight the many benefits of working for a company that is focused on equality across all groups of employees.





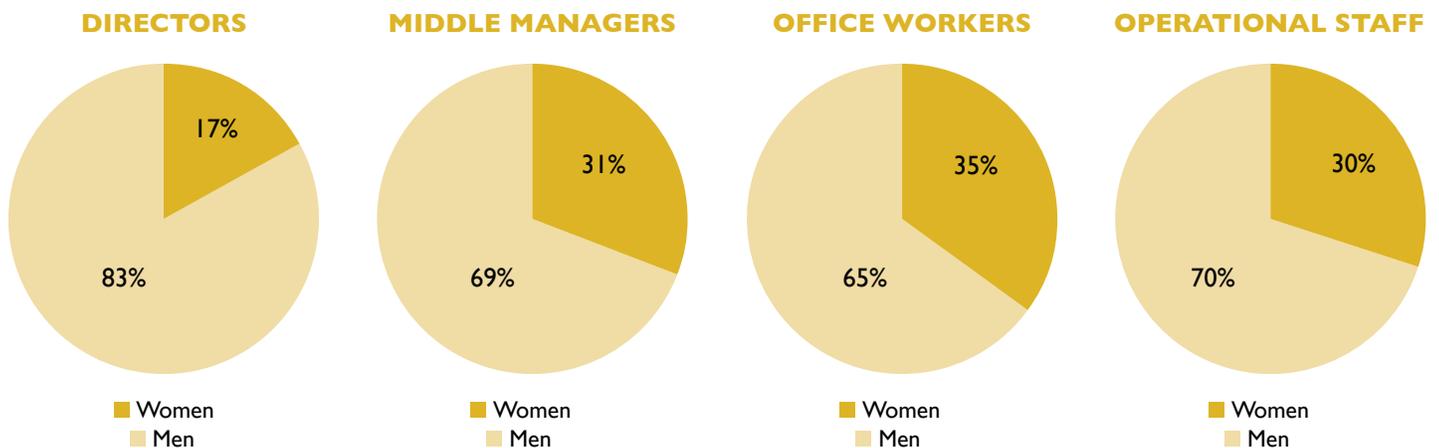
Our diversity and inclusion efforts do not stop at gender representation. We also strive to be a company that fosters a safe environment that is supportive of all races and ethnicities. To this end, we set goals to update all our job descriptions in 2021 to ensure that they have language that takes diversity and inclusion into consideration. After these goals were completed, we began taking steps toward creating a recruiting program at diverse institutions such as New Mexico State University and historically black colleges and universities (HBCUs). We hope to conclude this project in 2021.

Performance

Our global workforce grew to 5,411 employees in 2021. This is a 22% increase from the 4,321 employees reported in 2020. The reason for our higher employment rate is due to increasing global demand for our products. To account for this demand, shifts were added, average working hours were increased at all global factories, and a new direct-to-consumer division was expanded. Expansion and investment in more manufacturing equipment to meet our production goals resulted in the need for a larger employee base.

	NEW HIRES	TURNOVER
MEN	4,821	3,267
WOMEN	1,607	1,435
TOTAL	6,428	4,732

The pie charts below further outline the importance of attracting female talent across various levels of our business. We are actively taking steps to equalize pay parity and offer better representation to women in our industry. We recognize the importance of gender equality at all levels and are working hard to create programs that foster a more inclusive environment to attract and retain top-level female talent within our organization.



GOVERNANCE





DATA PRIVACY AND SECURITY

Overview

Upholding a high level of data privacy and security is an important part of responsible value chain management. Our data privacy & security program incorporates firewalls, multi-layer authentication, continuous network monitoring, and strict password regulations to ensure the safety of our customer's and employees' personal information. Our organization maintains compliance with all applicable global regulatory requirements and utilizes internal employee training to help our team members better understand the roles they play in protecting sensitive data.

GOALS

- Update privacy policies in 2021 and distribute to all global employees in 2022
- Continue to provide our customers with clear information about our privacy practices

Upholding Data Privacy and Security

To assist our employees with operating in line with the IT objectives we set for our business, we appointed a Senior Vice President of Information Technology and provided them with the responsibility of spearheading the data privacy and security program. We then updated and distributed our Privacy Policy to our employees in late December 2020 to implement a procedural change to better secure and protect our information during the 2021 calendar year.

Our privacy policy outlines the different types of information we gather from consumers and employees and highlights the many ways this data can be used in our operations. Our processes aim to maintain compliance with applicable regulatory regimes such as the European Union General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and the Payment Card Industry Data Security Standard (PCI DSS).

Beginning in 2021, we increased the scope of our data security program by offering mandatory cybersecurity training sessions to 100% of our employees. Employees in these training sessions reviewed topics including data protection, privacy and security, and different types of targeted attacks such as phishing. We understand that the safety of our data depends on a knowledgeable employee base, and with global cybersecurity attacks becoming ever more frequent, we want to do everything we can to ensure our team members are educated on the risks they face while online. The impact of our 2021 efforts to improve our cybersecurity program resulted in 0 leaks, losses, or thefts of customer data.

GOVERNANCE

To assist with the ongoing development of our data privacy and security program, we hired more on-site IT specialists in 2021. In addition to helping design employee training, this team also worked to improve our password security by incorporating networked security software on all employee devices to ensure that our team members change their passwords through a consistent companywide monthly process. We engage in these types of initiatives because we believe in going above and beyond mere compliance to stay ahead of applicable regulations. To that end, we are committed to providing our customers and employees with clear information about our privacy practices and look forward to future reporting as our data privacy and security program continues to evolve.

ETHICS

Overview

Our organization operates in line with the ethical principle of “Doing Well by Doing Good.” We hold our contractors, suppliers, distributors, employees, and other stakeholders accountable to a high level of legal and ethical standards of conduct. Guided by our Core Values – One Team, Respect, Well-being, Ownership, and Integrity, we foster a company culture that promotes strong ethical behavior and decision-making. In support of our goal to build a company-wide culture of integrity, we set organizational milestones for 2021 that drove us to update our Code of Business Conduct and Ethics, implement global employee ethics training, and post educational materials at each site to highlight our employee whistleblower system.



GOALS

- Update our Code of Business Conduct and Ethics in 2021 and re-distribute it to all company employees in 2022
- Implement global employee ethics training in 2022, followed by a compliance awareness survey
- Post clear signage of our updated whistleblower system in every site workplace in 2022 and ensure all Jacuzzi Group employees feel empowered to report any perceived instances of non-compliance with legal requirements and our core values



Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics exists as a policy document, learning tool, and a practical guide to action for our employees. It also highlights examples of ethical dilemmas and offers decision-making suggestions that employees can utilize to ensure they act ethically and responsibly in the workplace.

We made significant updates to our Code of Business Conduct and Ethics in 2021 by incorporating our commitment to “Live our Values.” We understand that there is a direct correlation between ethical decision-

making and improved company performance and are dedicating a wealth of resources towards strengthening our ethics program. A description of the core values with which our organization operates is outlined in more detail above.

Another improvement we made to our Code of Business Conduct and Ethics was to make it inclusive of all employees globally. In the past, only full-time employees were covered by this document. Now, our Code is inclusive of all our employees and includes workers sourced through third-party employment organizations.

ONETEAM

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**.

GOVERNANCE

Ethics & Compliance Program

While the day-to-day operations of our ethics and compliance program are owned by the Law & Risk team, a combination of our Board of Directors, Chief Executive Officer, and Executive Leadership drives the final decision-making within the ethics and compliance program.

To ensure that our employees are aware of the Code of Conduct and Business Ethics changes; we began conducting regular compliance reviews with team members to ensure they remain knowledgeable of their ethical obligations as employees of Jacuzzi Group. In addition to the compliance reviews conducted by the Law & Risk team, our global sites also helped support this initiative by posting signage outlining the whistleblower system to ensure employees feel empowered to report any issues of ethical noncompliance. If any incidents are reported, our Law & Risk team investigates the report to determine if the incident violated our outlined ethical principles.

Performance

In 2021, we had 0 confirmed incidents of corruption, 0 employees disciplined for corruption, 0 business partners terminated due to corruption, and 0 anti-trust or anti-competitive violations. There were no confirmed cases of corruption at any level of our company, and we did not receive any reports of ethical issues that disclosed through our 3rd party whistleblower hotline. We will continue to uphold the highest standards of ethical conduct to ensure all Jacuzzi Group employees feel empowered to report any perceived instances of non-compliance with legal requirements and core values.

GOALS

- Work towards further exceeding the California Energy Commission (CEC) standards, and by 2025, have 50% of our spa models that are in the CEC database surpass the 2021 CEC requirements by at least 20%
- In 2021, add a feature to show SmartTub® app users their energy consumption converted into greenhouse gas emissions to help consumers further understand their product use footprint
- Create policies and programs to improve the sustainability of our supply chain, including the development and publication of a Supplier Code of Conduct and Supplier Human Rights acknowledgment in 2021
- Continue active membership and participation in United Nations Global Compact



INDUSTRY STEWARDSHIP

Overview

As leaders within the spa, swim spa, and bath industry, it is our responsibility to incorporate best-in-practice operations into our business whenever possible. Our team members work with industry groups to share innovative solutions and drive progress throughout our sector. The establishment of industry-leading practices that promote sustainability across our key product categories is paramount to our ESG strategy. We hope that our close involvement with industry groups that support sustainable initiatives will set an example that inspires more organizations to follow suit by advocating for sustainable changes.

Driving Progress Across Our Industry

We drive progress across our sector by forming innovative partnerships with diverse industry groups that support our sustainability goals. As a global manufacturer,

these partnerships are especially important given our broad representation across North America, Europe, South America, and Australia. In 2021 we increased our standing with the International Hot Tub Association, increased our product efficiency to further surpass California Energy Commission goals, signed the United Nation's Global Compact Communication on Progress, and aligned our strategy with the recommendations set by the Science-Based Target Initiative.

One of the industry groups we worked closely with is an affiliate of the Pool & Hot Tub Alliance (PHTA) called the International Hot Tub Association (IHTA). In 2021, our U.S.-based Vice President of Product and Channel Marketing was promoted to Chair of IHTA where her industry leadership role expanded significantly. Our Senior Director of Engineering in the U.S. also holds positions in the IHTA's Engineering Committee, APSP 14 (spa energy standard), and APSP 6 (portable spa standard) standards writing committee. It is through these types of affiliations that we further establish ourselves as leaders in the spa and bath space.



GOVERNANCE

In connection with our 2021 acquisition of Vortex Spas in Australia and New Zealand, we are excited to announce that our President of Vortex Spas was recently appointed to the Board of Directors of the Swimming Pool & Spa Association (SPASA) for 2022. This is an important step to increasing the amount of global representation we have in worldwide industry groups that work to support sustainable development initiatives around the world.

Another group we work closely with is the California Energy Commission (CEC). The California Energy Commission created a set of energy standards that have been adopted by our industry, but these energy standards currently remain regulated at a state level. We have aligned our energy goals with the standards set by the CEC and have outlined an additional goal to have 50% of our products exceed the CEC's energy efficiency standards by 2025. Currently, nearly all of our spas exceed the CEC's standards to some degree, with approximately 35% of our current products exceeding the standards by more than 20%. Our work to go above and beyond the requirements set by the CEC is another example of what makes us a sustainability leader in our space. Projects like the installation of one of very few certified CEC test chambers on-site at our Southern California Operations Warehouse facility also express our core commitment to making our program more sustainable.

The United Nations Global Compact is another group that we align our operations with to help establish ourselves as a sustainability leader and to contribute to the advancement of the Sustainable Development Goals. For the first time, our organization submitted its UNGC Communication on Progress to report on the practical actions the company has taken to implement the Ten Principles in each of the four areas (human rights, labor, environmental, and anti-corruption). Another purpose of submitting our Communication on Progress is to express our continued support for the UN Global Compact and reassert our ongoing commitment to the initiative and related goals.

In addition to working closely with sustainable industry groups, we understand that a core element of our industry stewardship program revolves around supply chain management. The quality of our supply chain is directly correlated with how we engage with potential suppliers. We continue to work both individually and with our peers to improve the sustainability of our supply chain, especially as it relates to human rights, ethics, corruption, product quality, employment practices, and an acknowledgment of environmental impacts. In support of these objectives, we developed and published our first Supplier Code of Conduct in 2021 to ensure our suppliers are held accountable for doing business responsibly and ethically.





Performance

We aim to push our industry forward by setting a strong example of product performance and efficiency. We measure our success by our ability to drive innovative sustainable solutions across the industry and by the progress we make through the innovative conversations we have with our peers. Some of the industry groups we worked closest with in 2021 included:

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 – ASSO BAGNO

ANGAISA

The California Energy Commission

United Nations Global Compact

Science-Based Target Initiative

In addition to our work to support industry groups and supply chain sustainability, we have also made significant improvements to the way we communicate usage recommendations and product updates to our consumers. Now, with over 25,000 global consumers connected to our SmartTub[®] app, many of our updates are being offered electronically through mobile communication. We made the process to register tubs as simple as possible, so once a consumer agrees to the SmartTub[®] security terms and conditions, their SmartTub[®] app immediately begins monitoring the usage rates. As individual consumer tendencies are identified, we offer tailored suggestions that speak to how to best adjust the energy settings of the consumer's spa to improve their product efficiency, cut costs, and minimize the associated carbon footprint. We believe that we stand to make our largest impact through the education of consumers through these types of ongoing outreach directly to the end-user, and it remains a core element of our industry stewardship program.

GENERAL DISCLOSURES

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
ORGANIZATIONAL PROFILE			
GRI 102: General Disclosures 2016	I02-1	Name of the organization	Jacuzzi Group
	I02-2	Activities, brands, products, and services	Jacuzzi, Sundance Spas, Sunrise Spas, Dimension One Spas, Bathwraps, Jacuzzi Bath Remodel, Dreammaker Spas, Hydropool Hot Tubs & Swim Spas, Thermospas, Vortex Spas
	I02-3	Location of headquarters	Irvine, California
	I02-4	Location of operations	United States, Canada, Mexico, Italy, the United Kingdom, France, Brazil, Chile, and Australia, New Zealand
	I02-5	Ownership and legal form	Our main operating business for spa products is Jacuzzi Brands, LLC. For our bath products, our main operating business is Jacuzzi, Inc. All Jacuzzi Group entities were indirectly acquired by a fund managed by InvestIndustrial, a leading European group of independently managed investment, holding and advisory companies.
	I02-6	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.
	I02-7	Scale of the organization	To maintain the confidentiality afforded to private companies, we choose not to publicly report our net sales and total capitalization.
	I02-8	Information on employees and other workers	The total number of employees at the end of the reporting period was 5,411.
	I02-9	Supply chain	We procure 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 pumps, electronics, acrylic, synthetic wood, spa covers, jets, resin, foam, wood, packaging, filters, and FG aftermarket. Most of our supply base is in the United States.
	I02-10	Significant changes to the organization and its supply chain	In 2021, we acquired Vortex Spas. Vortex Spas is a spa manufacturer with offices and showrooms throughout Australia and New Zealand.
	I02-11	Precautionary Principle or approach	Yes, in 2021 we took precautionary measures to reduce our carbon emissions even prior to receiving science-based results outlining our specific rates.



GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
	102-12	External initiatives	We endorse the United Nations Global Compact, Science-Based Target Initiative, and the UN Sustainable Development Goals.
	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 Federlegno Arredo – ASSO BAGNO, ANGAISA
STRATEGY			
	102-14	Statement from senior decision-maker	See CEO Letter
ETHICS AND INTEGRITY			
	102-16	Values, principles, standards, and norms of behavior	Although our business spans across many different brands, we 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	Our organization is overseen by a Board of Directors that meets regularly with senior executives who provide business updates and review business strategy.
STAKEHOLDER ENGAGEMENT			
	102-40	List of stakeholder groups	Employees, Investors, Dealers, Consumers, Suppliers, local communities, NGOs, policymakers, and industry peers, among others.
	102-41	Collective bargaining agreements	13% of our global employees are covered by collective bargaining agreements.

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
STAKEHOLDER ENGAGEMENT (CONTINUED)			
	I02-42	Identifying and selecting stakeholders	See Our Approach
	I02-43	Approach to stakeholder engagement	See Our Approach
	I02-44	Key topics and concerns raised	See Our Approach
REPORTING PRACTICES			
	I02-45	Entities included in the consolidated financial statements	As a private company, we do not publicly disclose financial statements for the entities within our operational control.
	I02-46	Defining report content and topic Boundaries	See Our Approach
	I02-47	List of material topics	See Our Approach
	I02-48	Restatements of information	No restatements of information
	I02-49	Changes in reporting	No changes in reporting
	I02-50	Reporting period	January 1, 2021–December 31, 2021
	I02-51	Date of most recent report	June 30, 2021
	I02-52	Reporting cycle	Annual
	I02-53	Contact point for questions regarding the report	Tanner Bain, ESG Manager (Tanner.Bain@jacuzzi.com)
	I02-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
	I02-55	GRI content index	This document represents our GRI content index.
	I02-56	External assurance	We did not seek external assurance for the data in this report.

TOPIC-SPECIFIC DISCLOSURES

ENVIRONMENTAL TOPICS			
CLIMATE CHANGE			
GRI 103: Management Approach 2016	I03-1	Explanation of the material topic and its Boundary	See Climate Change
	I03-2	The management approach and its components	See Climate Change
	I03-3	Evaluation of the management approach	See Climate Change



GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
GRI 302: Energy 2016	302-1	Energy consumption within the organization	See Climate Change
	302-3	Energy intensity	229.9 GJ/Million Revenue
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	5,417.1 metric tons of CO2 equivalent
	305-2	Energy indirect (Scope 2) GHG emissions	Location based: 9,091.5 metric tons of CO2 equivalent Market based: 9,422.4 metric tons of CO2 equivalent
	305-3	Other indirect (Scope 3) GHG emissions	1,519,434 metric tons of CO2 equivalent
	305-4	GHG emissions intensity	23.0
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	82.3 megaliters
	303-4	Water discharge	55.2 megaliters
	303-5	Water consumption	27.1 megaliters

GRI STANDARD	DISCLOSURE	DESCRIPTION	LOCATION OR DIRECT ANSWER
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
	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	12,277.7 metric tons
	306-4	Waste diverted from disposal	1,900.6 metric tons
	306-5	Waste directed to disposal	10,376.8 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	5,411 employees – 100% total workforce
	403-9	Work-related injuries	Fatalities: 0 High Consequence Injuries: 1 Recordable Injuries: 78



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		
	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	4,821	3,267
			Female	1,607	1,435
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	See Workforce Engagement and Development		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees		Women	Men
			Board of Directors	11%	89%
			Directors	17%	83%
			Middle Managers	31%	69%
			Office Workers	35%	65%
			Operational Staff	30%	70%
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 2021, 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 2021.
Custom	KPI	Whistle blower system / policy	0 reports of ethical issues were disclosed through our 3rd party whistleblower hotline in 2021.
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	In order to preserve confidentiality, we are unable to publicly disclose data regarding substantiated complaints concerning breaches of customer privacy and losses of customer data at this time.
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%	52 of our active spa models exceed California Energy Commission requirements by 20%
Custom	KPI	Advocacy efforts (coalitions joined, pledges signed, etc.)	See Industry Stewardship

