

Communication on Progress 2021 - Jacuzzi Brands LLC

February 2020 – January 2021

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

Promoting lifelong well-being through innovation. This simple yet powerful vision defines Jacuzzi Brands today, as well as the company we are building for the future. In a global organization such as Jacuzzi Brands, where innovation plays a central role, we recognize the benefits of harnessing the value-creating ideas of our employees, customers, and suppliers to focus on our fundamental responsibilities in the areas of human rights, our global workforce, the environment, and ethical business practices.

Corporate sustainability starts with our company's value system and our approach to doing business. In 2020, Jacuzzi Brands became a participant in the United Nations Global Compact (UNGC), a corporate sustainability initiative fostering a set of 10 principles that cover the areas of human rights, labor, environment, and anti-corruption. By incorporating these principles into our strategies, policies and procedures, and establishing a strong culture of integrity and accountability, Jacuzzi Brands will uphold our responsibilities to our people, our communities, and our planet.

Jacuzzi Brands will define and implement ambitious science-based targets to ensure sustainable long-term growth by committing to the reduction of greenhouse gas (GHG) emissions. We have already taken the first step of creating a baseline by performing a world-wide greenhouse gas (GHG) inventory. We are making investments in partnerships to promote consumer health and well-being, and we are taking a leadership role in our spa industry consortia, which enables us to drive progress on environmental, social, and governance (ESG) issues across the industry.

During this unprecedented time, it's difficult to think beyond the impact of the coronavirus pandemic on the economy, families, and communities around the world. Attention may have been taken away from discussions of broader environmental and societal issues, but these conversations are as critical as ever. This crisis has sparked innovation, collaboration, and resilience within our company that I expect us to be able to apply to other challenges beyond the pandemic.

Our core values include a deep commitment to doing the right thing for our planet, communities, and people. These values will remain central to Jacuzzi Brands as we evolve and grow. I want to share with you my commitment to increased and more meaningful sustainability and I look forward to providing you with an update on these efforts as they take shape.

Dave Jackson

CEO

Jacuzzi Brands, LLC

HUMAN RIGHTS

Jacuzzi Brands supports the UN Declaration of Human Rights and expects those associated with our brands, including employees and suppliers, to do the same. As a global manufacturing company, we understand the need to include human rights violations in our assessment of enterprise risks. More than risk reduction, we know that every human being has the right to fair and safe living conditions and expect those we work with to uphold these rights. We plan to continue engaging with international coalitions like the UN Global Compact and with members of our supply chain on human rights issues.

Jacuzzi Brands is in the process of creating a revised Quality Manual for supplier compliance, which will include a Supplier Code of Conduct. Suppliers will be asked to acknowledge Jacuzzi Brands' expectations in alignment with our core values of teamwork, innovation, results, integrity, and leadership. The Supplier Code of Conduct will include the expectation that suppliers treat employees with dignity and respect in alignment with the International Labor Organization and that suppliers meet all legal requirements for compensation and working conditions.

Outcomes of our human rights goals will be measured by the completion of a revised supplier quality policy and the number of suppliers that have acknowledged our commitment to human rights. As our responsible supply chain efforts advance, we plan to develop further goals in this area.

LABOUR

The health, safety, and well-being of Jacuzzi Brands employees is imperative to the success of our business. We want to stand out as an employer of choice and understand that promoting a culture of health, safety, and employee well-being is key to remaining competitive and ensuring our employees realize their personal and professional potential. We do so by offering robust health, wellness, and safety programs to our global team members.

We have developed programs to promote employee satisfaction in several areas including, but not limited to flexible working arrangements, training sessions and materials for COVID-19, safety, physical and mental wellness, including a workplace free from harassment.

Aligned with our desire to be an employer of choice, we know that employee-centric programs help Jacuzzi Brands to attract, engage and retain a talented workforce. As part of our commitment to promoting an inclusive and diverse workforce that values all voices, we are proud to share that, in 2020 Jacuzzi Brands reflects an employee population where minorities represent more than 50% of global workforce. We foster the representation of women in leadership and in 2020 have 30% of executive roles filled by women. Our company encourages and promotes an equal playing field globally and we will continue to set targets on gender, diversity and inclusion. In addition to the topics mentioned above, we intend to collect baseline metrics and set goals for continuous improvement on best practice employee metrics including employee turnover and career development.

Employees are informed of policies related to benefits, safety, labor, and employment during the onboarding process through our Jacuzzi Group Worldwide Employee Handbook. Additionally, we have a Code of Business Conduct and Ethics addressing our standards for compliance with the law, corporate

ethics, and procedures. We are currently revising our Code of Business Conduct and Ethics, and we will provide UNGC with the updated document when it is made public on our website.

We are currently tracking and implementing continuous improvement goals for workers covered by an occupational health and safety management system and work-related injuries/incidents. We are also standardizing our data set on employee health, safety and well-being indicators, and are implementing data collection processes to generate centralized data.

Outcomes of our labour-related goals will be measured by frequency of workplace injuries, percent of workers covered by an occupational health and safety management system, and loss rate for safety accidents. Employee retention, employee access to training and professional development, and percent of employees with benefits and compensation with a breakdown of gender and ethnicity will also be evaluated. Our metrics are in alignment with the GRI standards and disclosures framework. These metrics and goals will be monitored by our Sustainability Team in partnership with a working group of business leaders from relevant departments.

ENVIRONMENT

Climate change is the most pressing environmental issue of our time and it is critical for companies to address their impact. Consumers are increasingly concerned about climate and their own energy use. Our products currently adhere to the strictest applicable standards for energy efficiency and we are working to continuously improve our products' energy efficiency beyond those standards.

Our global facilities are actively exploring options for alternative materials to use in place of chemical-based foams, plastics, and resins and will incorporate them into our products as we qualify sustainable replacements. We will seek out innovative partners to increase the post-consumer and post-industrial recycled content of the products we make globally and to enable us to lead our industry in this endeavor.

Responsibly sourcing the materials used in our products is important to Jacuzzi Brands. We commit to responsibly source wood products and set timebound goals to progressively increase the amount of wood sourced from Forest Stewardship Council (FSC) certified sources. We will also strive to maximize the reuse of finite resources in both our operations and our products and will set goals to include recycled materials in our products, with a drive to maximize the amount of recycled content wherever possible. Jacuzzi Brands is also mindful of the impact of the chemicals we use in our products. In Europe, we're in the process of completing REACH certification and expect to achieve this milestone by 2025.

Understanding how much waste our company generates is critical to understanding our full environmental impact. Our goal is to reduce our operational waste that is sent to landfill and to look for opportunities to decrease waste associated with our products. Specifically, we are exploring a reuse initiative to decrease the waste generated by our spa pump and circuit boards. We're also in the midst of redesigning our spa products to eliminate foam waste from manufacturing. We intend to collect baseline waste and recycling data from our manufacturing facilities and to create a streamlined process to account for enterprise-wide waste.

Although Jacuzzi Brands does not use much water in our manufacturing processes, we recognize that water consumption is embedded in the use of our products. Our ambition is to reduce water consumption in our operations and to improve water treatment processes so that the water consumed during our products' use can be replaced less frequently. Improving these processes will enable consumers to use less water over the lifetime of their Jacuzzi Brands products, which in turn benefits our environment. We are working towards these goals by collecting the baseline data needed to set numerical targets.

Jacuzzi Brands has completed a GHG emissions inventory to better understand our current areas of impact and what we can do to improve. We are in the process of setting reduction targets. Our products currently adhere to the strictest applicable standards for energy efficiency and we are working to continuously improve our products' energy efficiency beyond those standards. We've redesigned some aspects of our spa manufacturing process to repurpose materials that would otherwise be sent to landfill, thus reducing the amount of waste that we produce and putting us one step closer to operating in a more circular economy.

Outcomes of our environmental goals will be tracked by metrics across climate change, materials sourcing, waste, and water. Key performance indicators include energy consumption and intensity, GHG emissions and intensity, energy efficiency of products, total materials used, percent of materials recycled, percent of materials reclaimed, percent of wood that is FSC Certified, product water usage/efficiency, total waste generated and total water withdrawal, consumption, and discharge. Jacuzzi Brands will additionally report actions to prevent waste generation, audits to third party waste management, & processes for waste-related data. Our metrics are in alignment with the GRI standards and disclosures framework. These metrics and goals will be monitored by our Sustainability Team in partnership with a working group of business leaders from relevant departments.

ANTI-CORRUPTION

Conducting business in an ethical way is of the utmost priority to Jacuzzi Brands. Our Code of Business Conduct and Ethics outlines our expectations. As part of our ethics program, we also encourage feedback from consumers and stakeholders on our performance. Consumers and Jacuzzi Brands dealers have multiple channels through which they can voice their concerns regarding company practices or other business. We also have a whistleblower hotline that enables employees to report any incidents of misconduct.

We have a Code of Business Conduct and Ethics addressing our standards for compliance with the law, corporate ethics, and procedures. We are currently revising our Code of Business Conduct and Ethics, and we will provide UNGC with the updated document when it is made public on our website.

Conducting business in an ethical way is of the utmost priority to Jacuzzi Brands. Our Code of Business Conduct and Ethics outlines our expectations. As part of our ethics program, we also encourage feedback from consumers and stakeholders on our performance. Consumers and Jacuzzi Brands dealers have multiple channels through which they can voice their concerns regarding company practices or other business. We also have a whistleblower hotline that enables employees to report any incidents of misconduct.

We have a Code of Business Conduct and Ethics addressing our standards for compliance with the law, corporate ethics, and procedures. We are currently revising our Code of Business Conduct and Ethics, and we will provide UNGC with the updated document when it is made public on our website.

Outcomes of our anti-corruption goals will be measured by conducting an anti-corruption risk assessment and tracking any anti-competitive behavior and legal action. This involves measuring the total number and percentage of operations assessed for risks related to corruption, as well as the total number of any legal actions regarding anti-competitive behavior and violations of anti-trust and monopoly legislation. Our metrics are in alignment with the GRI standards and disclosures framework. These metrics and goals will be monitored by our Sustainability Team in partnership with a working group of business leaders from relevant departments.