

MODERN SLAVERY STATEMENT OF WATKINS DISTRIBUTION UK LIMITED

(hereinafter "Watkins UK")

This statement constitutes Watkins UK's slavery and human trafficking statement pursuant to s.54 of the Modern Slavery Act 2015 ("Modern Slavery Statement").

The Modern Slavery Act 2015 prohibits slavery, servitude, forced or compulsory labour and human trafficking ("Modern Slavery"). **Watkins UK** is committed to combatting all such forms of Modern Slavery that could in anyway be connected to its business and supply chain.

About Watkins UK:

Watkins UK is selling hot tubs, fitness systems, hot tub accessories and chemical supplies as part of the Masco Corporation group ("Masco").

The Modern Slavery policies and procedures of Masco also apply to **Watkins UK** and are therefore relevant in ensuring that Watkins UK's business and supply chain is not connected to Modern Slavery.

Steps taken to address Modern Slavery risk

Policies and procedures relevant to ensuring that Modern Slavery is not taking place in Watkins UK's business and supply chain are as follows:

Supplier Business Practices Policy

Masco and its subsidiaries have a longstanding commitment to the ethical and responsible sourcing of goods and supplies for Masco's family of companies. [Masco's Supplier Business Practices Policy](#) ("SBPP") formalises that commitment by requiring, among other things, that our suppliers respect our standards and those of our customers, including with regard to compliance with laws, human rights, child labour, human trafficking, slavery, wages and benefits, excessive working hours, corporal punishment, discrimination, safe and clean workplaces and other labour and employment standards.

Verification of supply chains and auditing of suppliers to evaluate supplier compliance and address risks with respect to human trafficking and slavery

Masco requires our operating units to have a formal system for reviewing and accepting new vendors. For vendors located outside the United States, Canada and Western Europe, this program requires a physical review of each new factory to ensure that it meets at least baseline requirements with respect to applicable laws and working conditions, including laws against Modern Slavery. Additionally, Masco's [Purchase Order Terms and Conditions](#) require compliance with applicable laws as well as the standards and requirements set forth in the SBPP.

In addition to the process for selecting new vendors described above, Masco engages in verification of the practices of its existing supplier base (other than suppliers located in the United States and Western Europe) through periodic announced audits to assess risks and ensure compliance with applicable laws and conditions, including laws governing Modern Slavery. These audits are conducted by Masco employees for suppliers in China, Taiwan and Vietnam, and by third parties for suppliers located in other countries. If significant issues are raised by an audit we may also conduct a follow-up unannounced audit to address the initial findings.

Masco maintains an internal scoring system with respect to its periodic audits of suppliers and records the results on an internal web site. Masco further investigates all reported instances of non-compliance and takes appropriate action to help ensure that our SBPP standards and applicable laws are observed. Masco's global compliance program is managed from Masco's Shenzhen, China office in conjunction with Masco's internal auditors located in Taiwan and Vietnam.

Certifications from suppliers that materials incorporated into Masco's products comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business

Masco group selection and continued use of suppliers with respect to all goods purchased is based on the standards described in our SBPP:

1. Comply with all applicable laws and regulations.
2. Protect against the use of workers younger than the minimum age required by law.
3. Protect against the use of Modern Slavery.
4. Provide appropriate wages and benefits as required by law.
5. Protect against excessive working hours that exceed local laws or business customs.
6. Protect against physical and mental punishment of workers.
7. Protect against unlawful discrimination against workers and encourage employment based on ability.
8. Respect workers' rights to associate freely.
9. Maintain safe and clean workplaces, including any residential facilities, in compliance with the law.
10. Protect our confidential and proprietary information.

Masco will not knowingly work with suppliers that do not respect these standards and those of our customers. We will periodically assess our supplier's compliance with these standards and those of our customers. Any reported non-compliance will be investigated and appropriate action will be taken. These standards apply whether the supplier is a Masco company, an affiliate or a third party.

Masco's internal accountability standards and procedures for employees or contractors failing to meet company standards regarding trafficking and human slavery and training for employees and management who have direct responsibility for supply chain management.

Masco maintains internal accountability standards for employees through its legal and ethical compliance program which focuses on areas of ethical risk, and helps foster Masco's culture of honesty, accountability and transparency. Further, the SBPP pledges that Masco will avoid working with suppliers that do not respect our standards and those of our customers. If an employee is in violation of our [Code of Business Ethics](#) or if a supplier is acting in violation of the SBPP, we will (in certain egregious situations) terminate such employee or supplier, or we will work with them to remedy the violation. If the effort to remedy the violation is unsuccessful, we will evaluate our business relationship with that supplier or employee and take appropriate corrective action. Corrective action may include cancellation of an affected order, prohibition on further use of a facility or supplier, termination of employment and reporting the violation to the proper authorities. If a supplier refuses access to our auditors, the relationship with that supplier will be terminated.

Training

Masco believes that education and training are critical components to ensuring that our standards are met and that human rights within our supply chain are respected. All salaried employees, including those with responsibility for supply chain, are required to certify annually their compliance with the Masco Code of Business Ethics and complete on-line training. Masco's Code of Business Ethics includes the requirement to comply with all laws in all places where Masco does business, and a violation of the Code may result in penalties, including termination. Additionally, Masco periodically trains employees and managers with responsibility for supply chain management with respect to the applicable requirements of, and compliance with, our SBPP, including with respect to human trafficking and slavery.

Reporting Concerns

Masco's Code of Business Ethics encourages the reporting of any illegal, unethical or other questionable behaviour either through a bespoke ethical hotline or through internal reporting lines.

Approval

The Board of Watkins UK has approved this Modern Slavery Statement.

Privileged and confidential

A handwritten signature in black ink, appearing to read 'M. Growe', written over a horizontal dotted line.

Michael Growe

Director for and on behalf of Watkins Distribution UK Limited