

# CORPORATE RESPONSIBILITY REPORT

Environmental

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Social

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Governance



# 2023



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# Forward-Looking Statements

This report includes “forward-looking” statements regarding the future made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements about our expectations, projections and assumptions concerning our environmental, social and governance program, commitments and goals and business outlook, priorities, expectations and intentions. Such statements involve risks and uncertainties and we can give no assurance that they will prove to be correct. Actual results may differ materially due to a variety of factors, including those discussed in this report and in our 2023 Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC), as may be updated by our subsequent filings with the SEC. Our forward-looking statements, and all other information included in this report, speak only as of the date of this report, and we undertake no obligation to update any of these statements or information.

While certain matters discussed in this report may be significant and relevant to our investors, you should not assume that these matters are material to our business or rise to the level of materiality for purposes of complying with the U.S. federal securities laws or the disclosure requirements of the SEC. The goals and projects described in this report are aspirational and are likely to change if our business strategies change. As such, no guarantees or promises are made that these goals and projects will be met or successfully executed and they are not intended to create legal rights or obligations. Unless otherwise indicated, information contained in this report concerning our views and expectations regarding the industries in which we operate are based on estimates made by us using data from industry sources and assumptions based on our industry knowledge and experience. We have not independently verified data from industry or other third-party sources and cannot guarantee its accuracy or completeness. The ESG data, statistics and metrics included in this report are neither audited nor prepared in accordance with generally accepted accounting principles, and it is possible that other companies calculate or disclose their data in a manner different from us.

# A Letter From Our Leadership

Our company is guided by our four operating priorities, which are safety, growth, profitability and being an Employer of Choice. These values are imperative to our success, drive our culture and impact how we serve our customers and the communities in which we operate.

We are proud of our ongoing sustainability efforts, customer-focused and charitable programs, and innovative, sustainable products that positively impact our employees, communities, suppliers and customers.

## In 2023, we focused our operating priorities on:

- **ensuring safety** by keeping this at the forefront of everything we do; we presented our second annual POOLCORP® Safety Challenge Coin awards to employees who exemplify our safety values and actively foster a safer work environment;
- **driving growth** through investments in digital transformation and technology helps us provide best-in-class service to our customers by improving the customer experience, enhancing our existing customer relationships and expanding our customer base. We recently added to our POOL360® digital ecosystem with POOL360® WaterTest and POOL360® PoolService. These products are capacity creation tools for our customers and the outdoor living industry;
- **delivering profitability** while lessening our environmental impact through fuel optimization, adding more electric units to our fleet and enhancing the energy efficiency of our facilities; and
- **striving to be an Employer of Choice** by investing in the engagement, development, retention and well-being of our employees through trainings, continuing education, professional development and promotional opportunities that engage and reward our team.

Within our 2023 Corporate Responsibility Report, we expanded our Scope 1 and Scope 2 emissions disclosures in accordance with the Greenhouse Gas (GHG) Protocol. We have also aligned with the Sustainability Accounting Standards Board (SASB) Standards, a leading framework that identifies important environmental, social and governance topics most relevant to stakeholders, greatly expanding our disclosures related to our workforce.

We live and work in communities surrounded by water. To that end, we are proud of our SWIMPACT! program (formerly Splash of Joy) and our partnership with the YMCA to provide safety around water lessons to underserved children. Since the inception of our program in 2021, we have donated more than \$4 million to YMCAs throughout the country, funding swim lessons for more than 42,000 children and training 3,000 lifeguards.

The outdoor living industry is defined by enhancing people’s enjoyment of our natural environment and promoting healthy lifestyles. Implementing and executing operating practices that contribute to healthy, safe surroundings “where outdoor living comes to life” and a diverse, inclusive working environment is critical to our ongoing success as an organization and as a member of the communities in which we live and work. Together, we are shaping a brighter, more sustainable future in our continual pursuit of creating exceptional value, returns and opportunities.

Sincerely,



**John E. Stokely**  
Chair of the Board of Directors

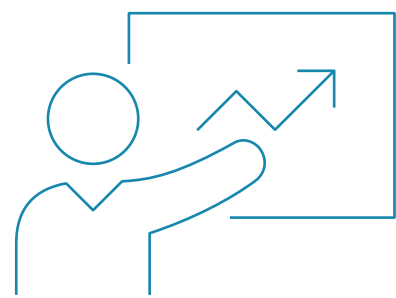


**Peter D. Arvan**  
President and Chief Executive Officers

# About POOL

Pool Corporation, a member of the S&P 500 Index, is the world's largest wholesale distributor of swimming pool supplies, equipment and related leisure products and is one of the leading distributors of irrigation and landscape products in the United States.

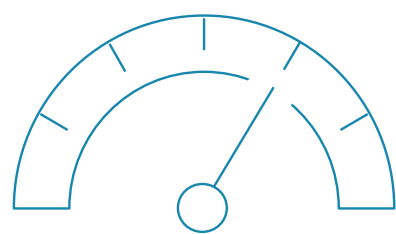
## Our Core Strategies



to promote the growth of our industry



to promote the growth of our customers' businesses



to continuously strive to operate more effectively



## Our Mission

To provide exceptional **value** to our customers and suppliers, creating exceptional **return** for our shareholders while providing exceptional **opportunities** for our employees.

## Our Vision

To be the best worldwide distributor of outdoor lifestyle products that include all products relating to swimming pools, irrigation and other products that enhance the quality of outdoor home life.



# We are guided by our four operating priorities:

## 1. Safety

Safety is our first operating priority, and we consider safety first in everything we do. We owe it to our people, their families and our communities to operate safe facilities and a safe fleet.

## 2. Growth

Growth is a critical part of our success. We have grown, and will continue to grow, through sales center openings, acquisitions and the expansion of existing sales centers. Increasing our product selection and capitalizing on emerging products utilizing the latest technology will provide additional growth opportunities.

## 3. Profitability

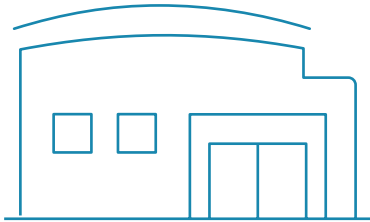
One key to capturing additional profit is capacity creation, which means making better use of current investments.

## 4. Employer of Choice

Our employees are our greatest asset and the foundation for our growth and success. We strive to be an Employer of Choice by investing in our people.



# 2023 Highlights:



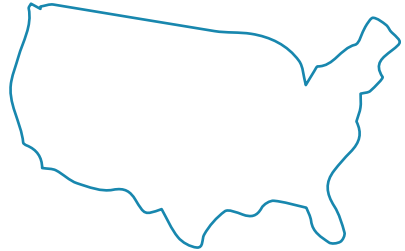
**439**

sales centers



**12**

countries



**42**

states



**6,000**

employees



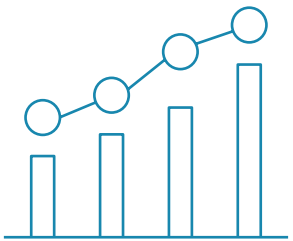
**200k**

products



**125k**

customers



**\$5.5**

billion net sales



**\$747**

million operating income



**\$13.35**

diluted EPS

# About This Report

**POOLCORP® is firmly committed to safe, sustainable work practices.**

Our goal is to enrich outdoor home life for families while ensuring the best future for our employees, our customers, our suppliers and the communities in which we live and work. We are dedicated to appropriately managing environmental, social and governance matters and believe it is essential to our role as a global industry leader.

The information in this report covers our corporate responsibility performance for the 2023 calendar year and generally applies to Pool Corporation on a company-wide basis. Some non-financial references, including gallons of fuel and water consumed, are based on our North American operations as information is more readily available for analysis and represents the largest component of our business.

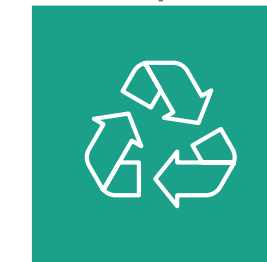


# E

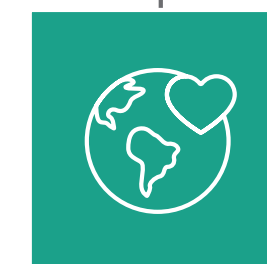
**Environmental:**



**Improve Energy Efficiency**



**Reduce Waste**



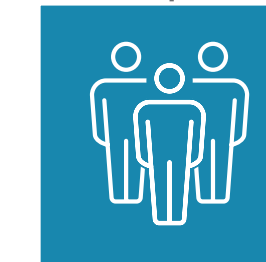
**Protect Natural Resources**

# S

**Social:**



**Employee Care and Safety**



**Diversity, Equity and Inclusion**



**Give Back to the Community**

# G

**Governance:**



**Ethics and Compliance**



**Strong Governance**



**Data Privacy and Security**

# ENVIRONMENTAL



# Energy Efficiency in Our Fleet and at Our Facilities

In our operations, we are guided by our [environmental policy](#) and are committed to energy efficiency and minimizing our impact on the environment through reduction of our natural resource usage and emissions.

## Our Fleet

Maximizing the efficiency of our fleet is an important step in reducing our carbon emissions. We actively monitor metrics such as vehicle utilization, speed, idle time, miles per gallon and historical maintenance and use this data to inform decisions regarding when and where to use a vehicle and when to retire a vehicle.

In line with our commitment to improve the efficiency of our fleet and reduce our impact on the environment, we have implemented the following initiatives:

- We seek to ensure that our delivery routes maximize vehicle efficiency and minimize emissions.
- We aim to maintain idling time of 15% or less throughout our fleet, revised from our prior year metric of 10% to incorporate additional vehicle types. We partner with our delivery vehicle manufacturers to factory set an engine shutdown after 10 minutes of idle time on new vehicles as well as set parameters on existing delivery vehicles to this same standard.
- We are modernizing our fleet by purchasing alternative fuel vehicles with an emphasis on electric vehicles. In 2023, we added over 300 electric material handling vehicles to our fleet and expect to add more in the future. Electric material handling vehicles represented almost 70% of our material handling vehicles.



|                                      | 2023        | 2022        |
|--------------------------------------|-------------|-------------|
| Gallons of fuel consumed             | 3.7 million | 3.7 million |
| Gallons of fuel consumed per vehicle | 1,660       | 1,750       |

## Our Facilities<sup>1</sup>

We are striving to improve energy efficiency at our facilities by reducing energy consumption and advancing our use of alternative energy sources. Updating our facilities with LED lighting and occupancy and motion sensors trims energy consumption and cost. We are also utilizing alternative energy sources such as skylights and solar panels in 139 of our locations. We expand these improvements to more of our locations as opportunities arise, including increasing the number of occupancy sensors and motion sensors in our warehouses. While our overall energy consumption increased from 2023 to 2022 with the expansion of our sales center network, our energy consumption per square foot remained consistent.

|   | 2023       | 2022       |
|---|------------|------------|
| Electricity consumed (kW)                 | 42,135,584 | 40,310,296 |
| Electricity consumed (kW) per square foot | 3.7        | 3.8        |

<sup>1</sup> Usage estimations were incorporated when actual data was not available. Our 2022 calculations were updated to reflect our current year methodology and include our European operations.



# Energy-Efficient and Environmentally-Friendly Products

We make an impact by promoting and selling energy-efficient and environmentally-friendly products.

- Energy Star® certified pool and spa pumps meet strict energy efficiency criteria and can provide up to 80% energy savings per year.
- Variable speed pumps require less energy than their single-speed counterparts.
- Eco Select® products save energy, conserve water, eliminate or reduce noise or otherwise contribute to a more environmentally-responsible equipment system.
- Cartridge filters allow pool owners to efficiently filter out small particles without using water to backwash.
- Robotic pool cleaners can be up to 90% more efficient than suction and pressure cleaners.
- High-efficiency pool and spa heaters heat water using less energy, more cost-effectively and with lower noise levels.
- ReNew™ vinyl liners contain up to 51% recycled content and are made from the first high-performance pool vinyl to be certified as a sustainable product.
- Pool covers prevent heat, water and chemical loss, allowing homeowners to conserve energy and water.
- Solar pool heating systems boast lower annual operating costs and typically pay for themselves in a few years.
- LED and solar landscape lighting significantly reduce energy usage.
- Battery-operated power equipment and propane gas zero-turn mowers reduce greenhouse gas emissions and harmful noise.
- Solar-powered heating produces lower emissions than other comparable products.

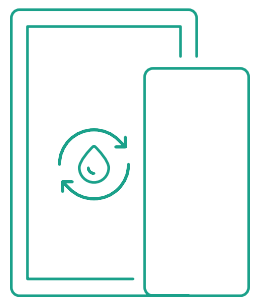


In April 2022, the Department of Energy (DOE) finalized a pair of rules to phase out older incandescent light bulbs in favor of more efficient LEDs and compact fluorescent lighting. More recently, the DOE also issued a rule that requires light bulbs to produce more than 120 lumens/watt, up from the current standard of 45 lumens/watt. The ongoing transition toward more efficient and long-lasting LED bulbs represents energy savings for our customers and an opportunity for expansion of more energy-efficient products for the outdoor living industry.



The Energy Star® certification mark, EcoSelect® certification mark, and ReNew™ trademarks are third-party marks unaffiliated with POOLCORP®.

# Irrigation and Landscape Energy-Efficient and Environmentally-Friendly Products



## Smart Water Products

The irrigation industry has been dedicated to developing new technology to reduce the amount of water needed to maintain the lush beauty of turf and ornamentals. These products include pressure-regulating sprays and nozzles, soil moisture and rain sensors and weather-based controllers. Our Horizon® sales centers have continuously developed initiatives to guide industry professionals to these new products through in-store signage and literature to explain the benefits of choosing these new generation products and in-app tools to calculate the total savings when updating an irrigation system to “smart.”



## Soil Health

For almost 10 years, our Horizon® business has been promoting the importance of soil health as a means to reduce the need for chemicals and fertilizer on the turf. “Stop Treating Your Soil Like Dirt” has been our battle cry to encourage our customers to improve the overall microbial makeup of the soil in order to naturally reduce the occurrence of weeds, fungus and other pests. Our pioneering tool, “Turf Triage,” walks customers through the stages of soil testing and uses technology to make product recommendations to promote healthy, attractive lawns without the use of synthetic fertilizer.



## Battery Equipment

Two-cycle handheld tools and gas-powered mowers have been difficult to displace in lawn care because of the run time and power required for commercial work. However, recent innovations in battery technology have created an opportunity to move the industry to a more environmentally-friendly platform, and we have embraced the change. Our team is advancing the transformation by offering one of the largest selections of battery equipment in the industry, including blowers, chainsaws, push and riding mowers and even utility vehicles. Further, we are driving adoption through training, demonstrations, advertising, social media and more.



## Plant Nutrition

Our private label line of fertilizer gives us the opportunity to create fertilizer blends that we believe are better for the environment. Many of our TurfGro® products include Synergy, a unique additive that improves the penetration of water on turf to reduce the frequency and volume of water needed to maintain healthy grass. We also encourage the use of slow-release nitrogen to minimize runoff and decrease the number of applications required each season.



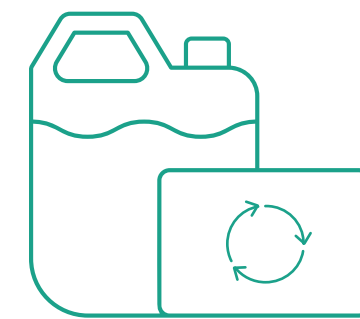
## Recycling Impact

POOLCORP® participates in a diverted refuse project aimed at reducing our carbon footprint and keeping recyclable items out of landfills. In 2023, we diverted more than 10,700 tons of waste materials, reducing our waste content going to landfills by 21%. We continue exploring innovative ways to increase recycling to further reduce our carbon footprint.

### Tons of Waste Diverted by Material Type

|                         | 2023  |
|-------------------------|-------|
| Mixed recyclables       | 4,750 |
| Construction/demolition | 4,450 |
| Cardboard               | 1,039 |
| Wood                    | 257   |
| Organics                | 158   |
| Others                  | 82    |
| % diverted              | 21%   |

**Total tons diverted from landfills 10,736**

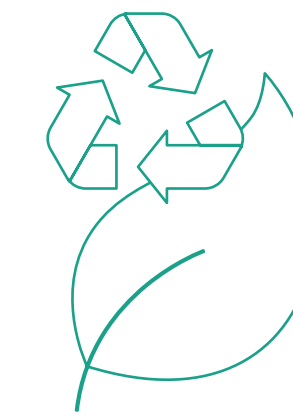


## Returnable Packaging

Our returnable container and bulk chemical programs significantly reduce waste by preventing plastic and cardboard from entering landfills.

### Tons of Packaging Returned

|           | 2023  | 2022  |
|-----------|-------|-------|
| Cardboard | 1,600 | 2,200 |
| Plastic   | 2,000 | 1,800 |



## Vinyl Liner Recycling Program

We believe our ReNew Champions is a first of its kind post-consumer pool recycling program and is designed to eliminate used pool liner plastic from landfills. Customers can take replacement and used pool liner material to our sales centers where they will ultimately be recycled. In 2023, we rolled out this program at 18 of our sales centers with more expected over the next few years.

# Environmental Health and Safety Program

**We distribute products and transport chemicals across North America, Europe and Australia. Protecting the environment and our people and using resources responsibly are our foremost concerns.**

All employees have a duty to report any environmentally harmful acts with no threat of negative repercussions. We are committed to complying with applicable regulations pertaining to our packaging, labeling, reporting and transportation, and we expect our suppliers to meet these same standards.

We extensively train our employees to appropriately manage chemicals, including handling, storage, disposal, on-site response management and recalls. Our program consists of regular site inspections to identify deficiencies and provide measures for prompt correction if necessary. We also review new processes to identify potential hazards and make changes where necessary to ensure that our employees and the environment are protected.

We outline responsibilities in our POOLCORP® Safety Manual and within site-specific evacuation plans. Our North American sales centers have 24/7 access to the POOLCORP® Safety Emergency Line and response management vendors who are available to respond immediately to on-site emergencies, including hazmat and weather-related events. In addition, we also provide our customers 24/7 emergency support through a third-party vendor to assist with any product-related emergencies.

When we are notified of a chemical recall, we quarantine the product and discontinue sales. We then coordinate the product's disposal from our sales centers through the manufacturer or hazardous waste disposal.



# Our Carbon Footprint

Reducing greenhouse gas emissions is critical to protecting our environment and slowing climate change. We are committed to addressing the risks of climate change by taking action to improve our operational efficiencies for our fleet and our facilities.

To lessen our carbon footprint, we participate in a landfill diversion program and tree planting efforts. In 2023, we diverted more than 10,700 tons of waste materials, reducing our waste content going to landfills by 21%. We also donated 5,000 trees through the National Forest Foundation in celebration of Earth Day and partnered with LightStream™ and American Forests™ to plant a tree with every LightStream™ loan. These two initiatives combined led to reforestation of over 150 acres.

## Greenhouse Gas Emissions (in MtCO<sub>2</sub>e)

|   | 2023          | 2022          | % Change  |
|---|---------------|---------------|-----------|
| Scope 1   | 47,416        | 45,506        | 4%        |
| Scope 2 (market-based)                            | 14,961        | 14,203        | 5%        |
| <b>Total Scope 1 and Scope 2 (market-based)</b>   | <b>62,377</b> | <b>59,709</b> | <b>4%</b> |
| Scope 2 (location-based)                          | 13,993        | 13,294        | 5%        |
| <b>Total Scope 1 and Scope 2 (location-based)</b> | <b>61,409</b> | <b>58,800</b> | <b>4%</b> |
| Sales Centers                                     | 439           | 420           | 5%        |
| <b>GHG Emissions/Sales Centers</b>                | <b>140</b>    | <b>140</b>    | <b>0%</b> |

## Emissions by Greenhouse Gas Scope and Type

| Greenhouse Gas Type                      | Scope 1       |               | Scope 2 (market-based) |               | Scope 2 (location-based) |               |
|--|---------------|---------------|------------------------|---------------|--------------------------|---------------|
|  | 2023          | 2022          | 2023                   | 2022          | 2023                     | 2022          |
| Carbon Dioxide (CO <sub>2</sub> )        | 46,708        | 45,000        | 14,892                 | 14,137        | 13,931                   | 13,234        |
| Methane (in CO <sub>2</sub> e)           | 33            | 26            | 29                     | 27            | 26                       | 25            |
| Nitrous Oxide (in CO <sub>2</sub> e)     | 381           | 250           | 40                     | 39            | 36                       | 35            |
| Hydrofluorocarbon (in CO <sub>2</sub> e) | 294           | 230           | -                      | -             | -                        | -             |
| <b>Total GHG Emissions</b>               | <b>47,416</b> | <b>45,506</b> | <b>14,961</b>          | <b>14,203</b> | <b>13,993</b>            | <b>13,294</b> |

## Emissions Methodology

Scope 1 and 2 Greenhouse Gas (GHG) emissions were calculated for each calendar year according to the Greenhouse Gas Protocol standards and guidance developed by the WRI and the WBCSD, including A Corporate Accounting and Reporting Standard (Revised Edition) and Scope 2 Guidance. We utilized emissions factors from various sources including US EPA Emissions Factors Hub, US EPA Emissions and Generation Resource Integrated Database (eGRID), Green-e Residual Mix, International Energy Agency (IEA), Association for Issuing Bodies (AIB) European Residual Mixes, The Climate Registry (TCR) Default Emission Factors and Environment Canada National Inventory Report. For Scope 2 market-based emissions, we utilized residual mix emission factors following the GHG Protocol Scope 2 accounting hierarchy (available for all sites except those in Canada and Mexico for which location-based factors were used). We sourced global warming potentials (GWP) for each GHG from the IPCC Sixth Assessment Report (AR6). In some cases, usage estimations were incorporated when actual data was not available.

We utilized the operational control approach to define our organizational boundary, which means that we account for all emissions from operations over which we have control except for six locations in Australia. From our 2022 report to our 2023 report, we expanded our Scope 1 calculation. Within this report, our Scope 1 emissions are from our diesel and gasoline fuel usage from our vehicle fleet, natural gas usage, propane usage and fugitive emissions from refrigerant leakage. Given the expansion of our calculation, we have designated 2023 as our base year and our 2022 emissions calculations were restated for comparability.

# Conserving Water

**Our industry revolves around water, and we are committed to protecting this vital resource through our product offerings and conserving water at our facilities.**

We offer our customers a variety of water conservation solutions, as discussed in our earlier product section. Further, we are a member of the U.S. Environmental Protection Agency’s WaterSense program, which offers a simple way for consumers to identify water-efficient products. WaterSense-labeled products are third-party certified to use at least 20% less water, save energy and perform as well as or better than other competing models. Our WaterSense-labeled products include irrigation products sold by Horizon® that reduce a household’s irrigation water usage.

We also offer our customers many options of swimming pool covers, which fight evaporation and conserve water. Physical pool covers, including safety, solar and automatic covers, as well as liquid covers, all prevent evaporation and help pool owners conserve water and reduce chemical loss.

We have also implemented practices to monitor and minimize our water consumption. We set a goal in 2021 to reduce our employees’ water usage per day by 5% by 2026 from 36 gallons a person. In 2023, our water consumption of 33 gallons per employee was 8% lower than 2021.



In 2023, in celebration of World Water Day, we donated to DIGDEEP, a human rights nonprofit organization working to close the water gap and bring clean hot and cold running water to every American.



Gallons of water per day per employee

**2023**

32.7 Gallons

**2022**

32.2 Gallons

Total gallons of water consumed (millions)

**2023**

63.5

**2022**

63.8



# SOCIAL



# Employer of Choice

At POOLCORP®, we recognize that our success is due to the outstanding achievements of our people.

That’s why we strive to be an **Employer of Choice**. Our commitment to this mission is evident through industry-leading programs across safety and wellbeing and through our expanding programs that support top talent from diverse backgrounds and walks of life.

We invest in every employee through dynamic trainings that cover topics ranging from safety protocols to innovative new technology, so they can reach their fullest potential. Our in-house talent development programs include manager trainee and professional development initiatives to empower our employees to lead and excel today and in the future.

## Equal opportunity

We base employment decisions on merit, considering qualifications, skills, and achievements. We are committed to equal opportunity and do not tolerate discrimination or harassment on the basis of sex, race, color, ethnicity, age, religion, sexual orientation, disability or any status protected by applicable law.

## Responsible labor practices

Throughout our operations and supply chain, we are committed to upholding the highest standards of ethical labor practices. We seek to comply fully with wage, work hours, overtime, and benefits laws, striving to exceed minimum requirements to create a workplace where excellence is both expected and rewarded.



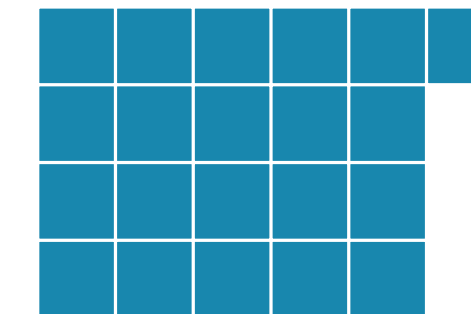
6,000

Employees



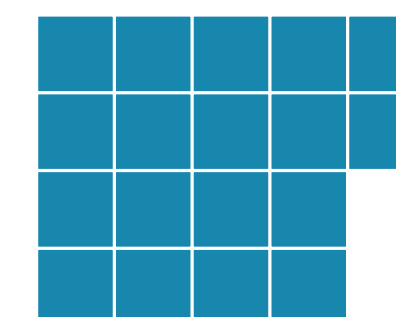
8 Years

Average Tenure of Employees



21 Years

Average Tenure of Field Management



18 Years

Average Tenure of Executive Leadership Team



“Our mission as an **Employer of Choice** is to provide opportunities for growth and development for every employee and to make a positive impact in the communities we serve.”

- Luther A. Willems,  
POOLCORP® Vice President and  
Chief Human Resources Officer



# A Culture of Safety

## Safety is our top operating priority.

We strive for **GOAL ZERO**: zero employee injuries, zero preventable vehicle accidents and zero roadside violations. This effort begins immediately with new employees and is reinforced daily through an intense focus on training, safety awareness, risk identification and other essential safety protocols.

## Our path to GOAL ZERO includes the following key steps.

- We provide the safest workplace environments possible, intentionally working to improve safety in each of our locations by building on our existing strengths and identifying any areas for improvement. Constant vigilance is key to maintaining a safe work environment.
- We actively engage with employees and demonstrate commitment to an injury-free workplace.
- We maintain strong safety and health policies and procedures, including regular audits and investigations as needed.
- We require extensive in-facility, as well as virtual, training on safe work practices.
- We continue to modernize our fleet with advanced safety features such as hands-free capabilities and back-up cameras.
- We deliver high-quality products along with easily accessible safety data sheets and product manuals.
- We ensure employees understand they have the right and the duty to stop unsafe situations without risk of retaliation.

Our Safety and Risk Management Department is responsible for establishing a culture of safety and risk reduction throughout the company and empowering operations managers to oversee safety at their sales centers.

## We celebrate our safety successes.

In 2023, the program's second year, we were proud to present the annual **POOLCORP® Safety Challenge Coin** to selected employees who embody our safety values and go above and beyond to promote a safer working environment.



“Safety is our number one operating priority. Whether it's in our trucks, in our warehouses or at a customer job site, safety is top of mind for every employee, every day.”

– Peter D. Arvan,  
POOLCORP® President and  
Chief Executive Officer

# Employee Compensation and Benefits

Our performance-based compensation philosophy rewards our employees' individual contributions to our success. Our total compensation package includes cash compensation (base salary and incentive or bonus payments), company contributions toward additional benefits (such as health and disability plans), retirement plans with a company match, and paid time off. We also offer the opportunity to become a shareholder through equity grants for management and through our employee stock purchase plan, which is available to all employees who work a minimum number of hours per year. We offer a wide range of benefits that focus on the whole employee, including healthcare and wellness programs, tuition reimbursement, multi-year scholarship opportunities for dependents, and financial wellness programs that provide education and tools to help our employees plan their financial futures.

## POOLCORP® reward and recognition programs include:

- President's Club annual trip;
- Above and Beyond awards;
- milestone achievements for learning completed at our training facility;
- annual recognition of exceptional sales centers; and
- our annual driver recognition program.



## Appreciating and rewarding our people

At POOLCORP®, we believe that recognizing and celebrating our employees' contributions to our business is a critical part of being an **Employer of Choice**. We have numerous programs that celebrate the achievements of our employees.

# Health and Wellness

Wellness encompasses a broad array of physical, mental, emotional and financial dimensions. We offer a vast assortment of wellness resources to help our employees balance these important areas.

Our Diving Into Wellness program, available to all employees and their families, promotes a healthy, active lifestyle with a long-term focus on wellbeing.

## Some of the benefits of the program include:

- free annual health screenings that benchmark and track changes in metrics such as weight, blood pressure and cholesterol;
- online training sessions focusing on physical and mental wellness;
- physical and mental wellness challenge activities that also provide connection opportunities;
- access for all employees and their families to TELUS Health, an online program providing tools on hundreds of topics including physical and emotional health, personal finance, people management, addiction and recovery, legal support, retirement guidance, workplace engagement and parenting;
- a wellness discount program, offering employee discounts on wellness-related products and services such as fitness centers and nutrition counseling; and
- a healthy recipe forum on our Diving Into Wellness website.

## Our comprehensive wellness approach also includes:

- tobacco cessation support;
- financial planning classes and assistance; and
- remote healthcare provider access through Teladoc.



# Employee Development

Our success directly depends on our ability to attract, develop and retain a talented team.

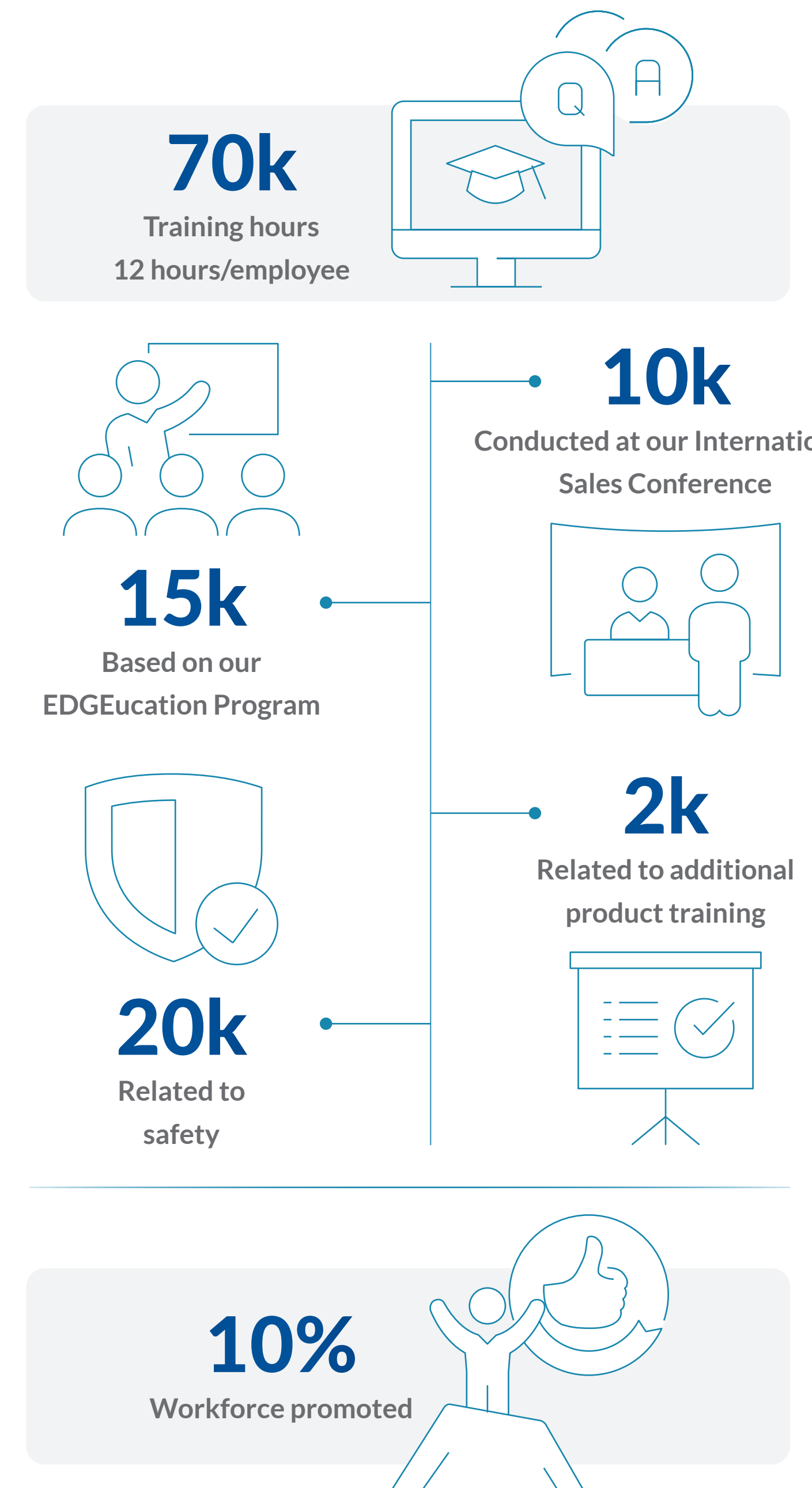
To this end, we invest heavily in bolstering our employees' skills, knowledge and capabilities to ensure that we have the best workforce in our industry, fully engaged and prepared to provide world-class service to our customers.

We provide all employees with continuous learning and development opportunities that cover a wide range of topics from safety and security protocols, product knowledge, technology skills, leadership techniques and more. In 2023, our employees took part in over 70,000 hours of training and development classes online, in-person at our EDGEducation training center, at regional and divisional meetings and as a core part of our annual International Sales Conference.

We connect the importance of learning and development with concrete outcomes through our annual performance management process for all employees. This robust online process provides meaningful feedback to our employees regarding their objectives (what they are working on) and their competencies (how they are getting the work done). Our dynamic focus on development and performance translated to the promotion of over 10% of our workforce in 2023.

## Management in Training

One of our cornerstone development efforts is our Management In Training (MIT) program. This intensive development program prepares participants for significant roles in outside sales and operations management. We offer these opportunities to external candidates entering the workforce and to existing employees working to advance their careers. The program, which utilizes hands-on projects, detailed role-play scenarios, customer interactions and classroom sessions facilitated by industry experts, equips participants with the knowledge, tools and leadership skills necessary to succeed in our organization.



# Our Commitment to Diversity, Equity and Inclusion

At POOLCORP®, we deeply value the differences in perspective and lived experience that our thousands of employees bring to the table. We understand that a diverse team, with diverse viewpoints and ideas, is a strong team. Our commitment to fostering an inclusive workplace goes beyond hiring; it's about ensuring every voice is heard and valued.

We're dedicated to creating an environment where everyone can succeed. Our approach is focused on expanding the diversity of our workforce through the hiring, retention and advancement of underrepresented populations through the following:

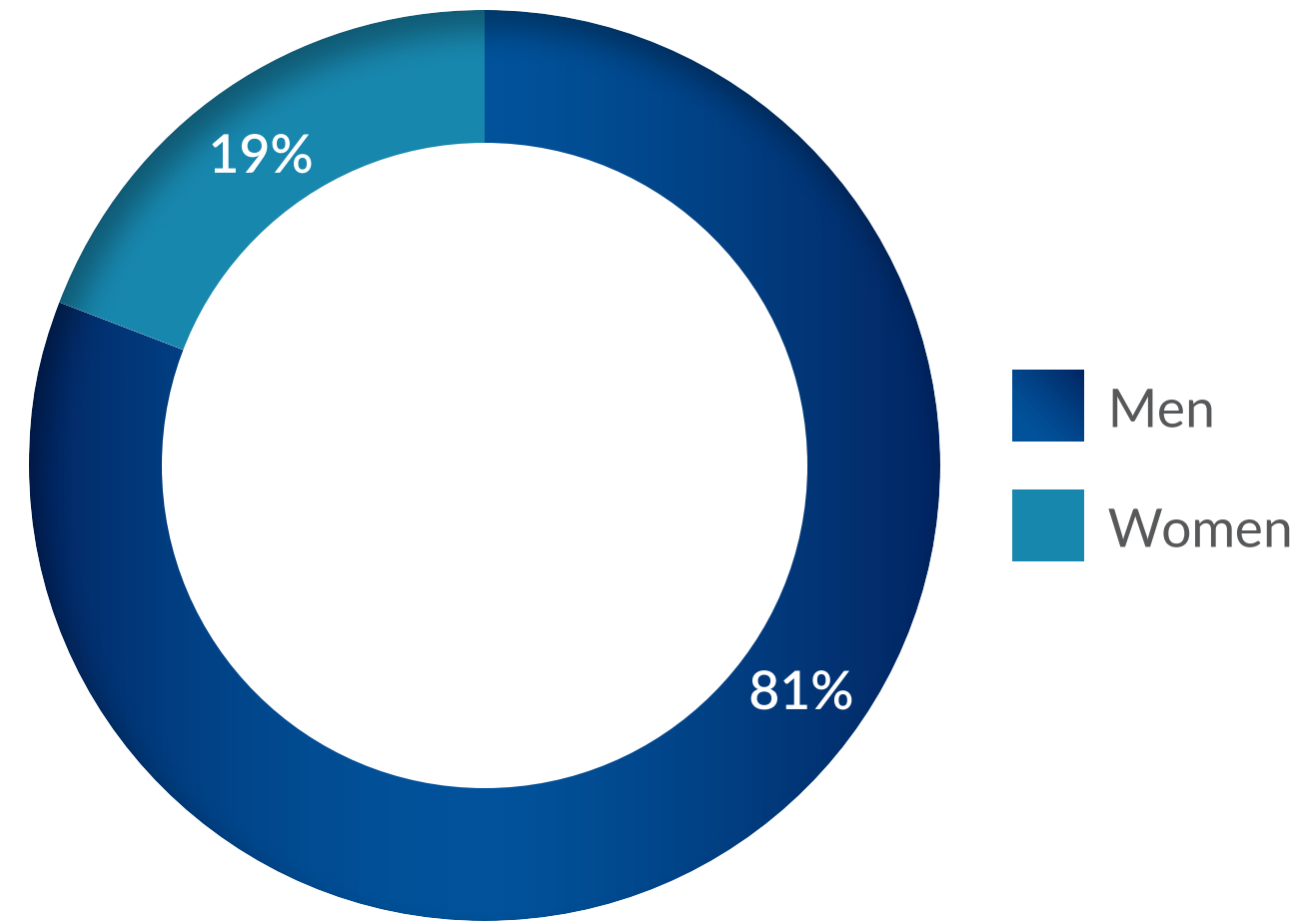
- **diversity:** recruit, develop and retain a diverse workforce and provide developmental opportunities for career advancement for all employees;
- **equity:** ensure that our policies, practices and procedures are fair and enable equal employment opportunity for prospective candidates and employees; and
- **inclusion:** communicate that we, as an Employer of Choice, are committed to an inclusive culture with action-oriented programs that produce results and employee engagement.

## Inclusive Recruiting

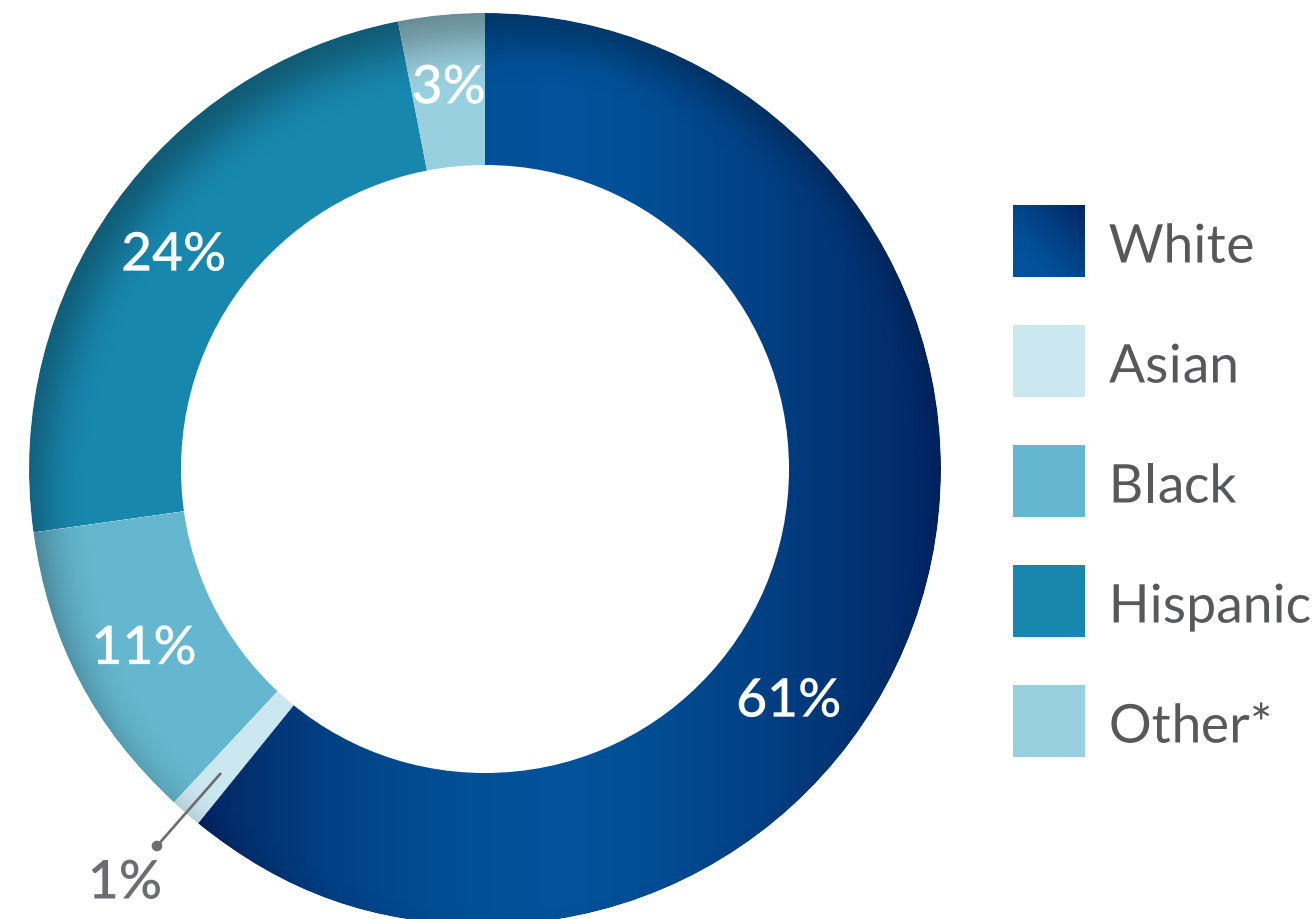
We have engaged with several organizations to attract and recruit diverse talent, including **Diversity Jobs**, **Women in Trucking** and **Recruit Military**.

## U.S. Workforce Demographics

Gender Representation



Racial/Ethnic Diversity



\* Other includes employees identifying as Native Hawaiian/Pacific Islander, two or more races and American Indian/Alaskan.

## Women at POOLCORP®

Women currently represent 40% of our executive leadership team.

In 2023, the percentage of women promoted and hired increased as a percentage of total promotions and new hires as noted below:



**+430 bps**  
Promotions



**+80 bps**  
New Hires

# Inclusivity at Work

We strive to attract and retain the best talent by building a culture where people want to work and fostering an environment where everyone feels that their voice is heard. We created the programs described below to ensure that our employees grow professionally, make meaningful connections and develop their careers.

## Mentoring Program

Our mentoring program provides connection and growth opportunities for our employees from underrepresented backgrounds. Mentors and mentees meet monthly and regularly receive materials to support a robust dialogue about career goals and growth. Feedback from discussions and surveys shapes the evolution of the program to better serve participants.

## Women's Interactive Network

Our **Women's Interactive Network (WIN)** offers women at POOLCORP® the opportunity to expand their network and hone their leadership skills. In 2023, we created a voluntary leadership council to act as a steering committee for quarterly virtual events. These quarterly sessions cover a wide range of topics and include panel discussions, guest speakers, and skill building seminars.

## Enhancing Communication

During 2023, we expanded our communications to further promote an inclusive work environment. Through online campaigns and printed posters at our sales centers, we cover topics such as Black History Month, Women's History Month, celebrating generational differences and encouraging emotional wellness. Materials are published monthly and posted in multiple languages.



# A Culture of Caring

When our employees volunteer their time and talents to actively engage in the communities where they live and work, they're not only improving lives around them, but they are also connecting with each other in a meaningful way. In 2023, our employees banded together to serve a host of organizations, including the Special Olympics, the Northshore Food Bank, and Feed My Starving Children. From a fun contest building structures out of donated food to volunteering together on weekends or during work hours, our employees' desire to give back is not only inspiring, it fosters a sense of cohesiveness and is an important part of our culture.

In 2023, we were honored to receive the **Outstanding Leadership in Corporate Philanthropy Award** from the AFP Greater New Orleans Chapter. We are thankful for the spirit of volunteerism exhibited by our employees, and we are proud of the support they provide to serve the programs and people in their communities.

We are also pleased to provide matching contributions when our employees make monetary donations to qualified charitable organizations.

During the year, we were proud to sponsor the following organizations:



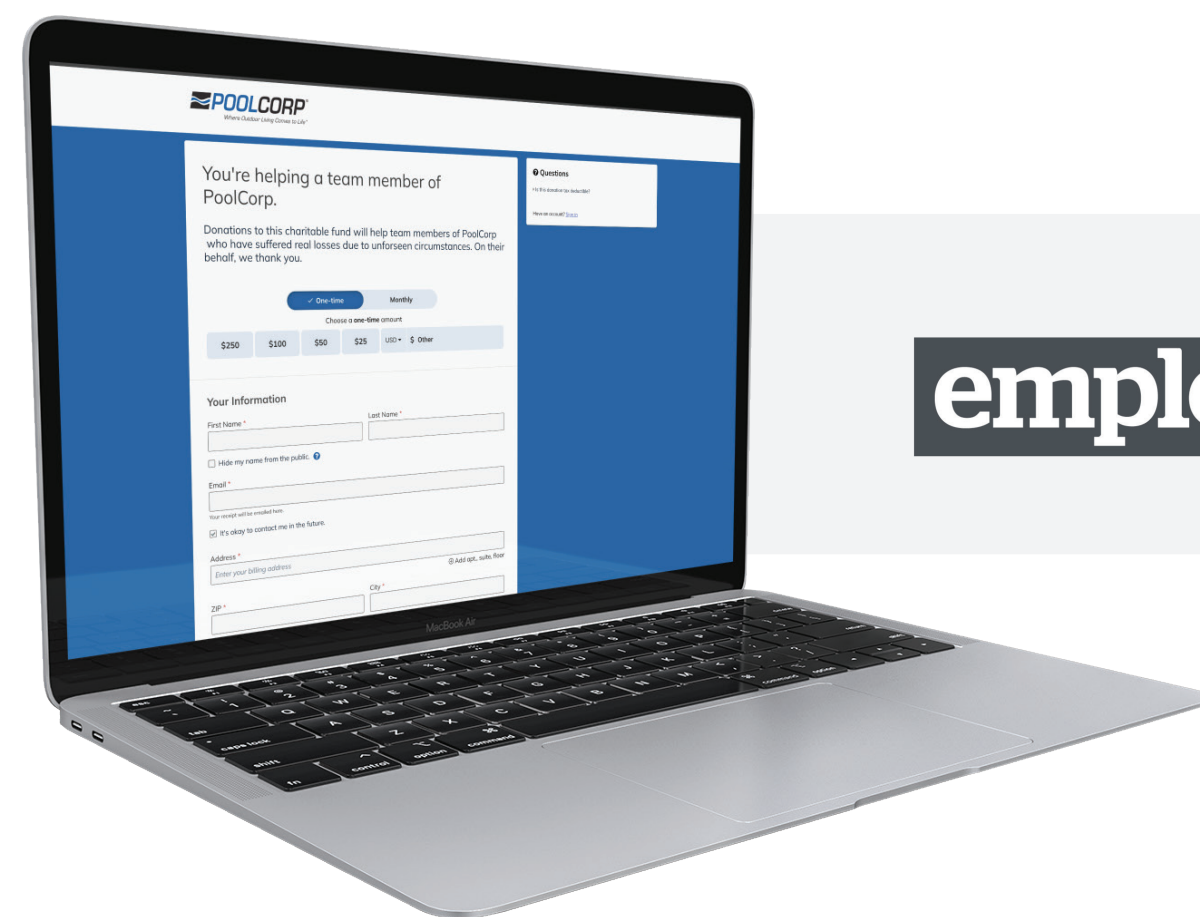
The logos pictured are third-party trademarks unaffiliated with POOLCORP®.

# Disaster Relief

It is paramount that we rally around each other and provide support in times of crisis.

We have a long history of supplying humanitarian relief to our communities following natural disasters such as hurricanes, earthquakes and fires. We know that unexpected events can create extreme physical, emotional, and financial hardships for our employees, their families, and their communities.

To support our employees when disaster strikes, we offer the POOLCORP® Employees 1st program. This program provides cash grants to employees in North America who meet the program criteria. Employees, vendors and others may also make donations to help POOLCORP® employees facing extreme hardship. We also locally stock supplies such as generators, drinking water and fuel cans so that we can respond quickly to employees in their time of need.



employees **1**st





# SWiMPACT!

(formerly Splash of Joy)

We believe everyone should know how to swim, and we are on a mission, along with our partners at the YMCA, to teach water safety and swimming skills to children most at risk. Their success is our success, and we believe that learning to swim also instills a confidence that will carry each child to a brighter, healthier future.

From the inception of our program in 2021, we have donated more than \$4 million to 24 YMCAs throughout the country, funding swim lessons for more than 40,000 children and training for 3,000 lifeguards. Our employees have enjoyed being poolside to cheer on the participants and distribute swimsuits, towels, goggles, and other swim gear to make sure that every child has what they need.



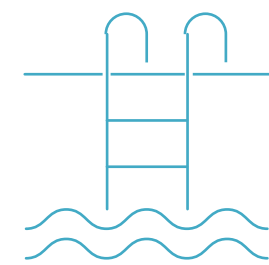
**\$4 million**

Over \$4 million donated to 24 YMCAs



**42,000**

Swim lessons for 42,000 children



**3,000**

Training for 3,000 lifeguards



“ We are making a SWiMPACT! through our partnership with various YMCAs that not only teach swimming and water safety to kids but also produce a ripple effect of fun and empowerment for the next generation of swimmers. We are even more proud of the volunteerism of our employees who have shared in this experience, building on our culture of caring about the communities in which we live and work.”

- Jennifer M. Neil,  
POOLCORP® Senior Vice President,  
Secretary and Chief Legal Officer

# GOVERNANCE



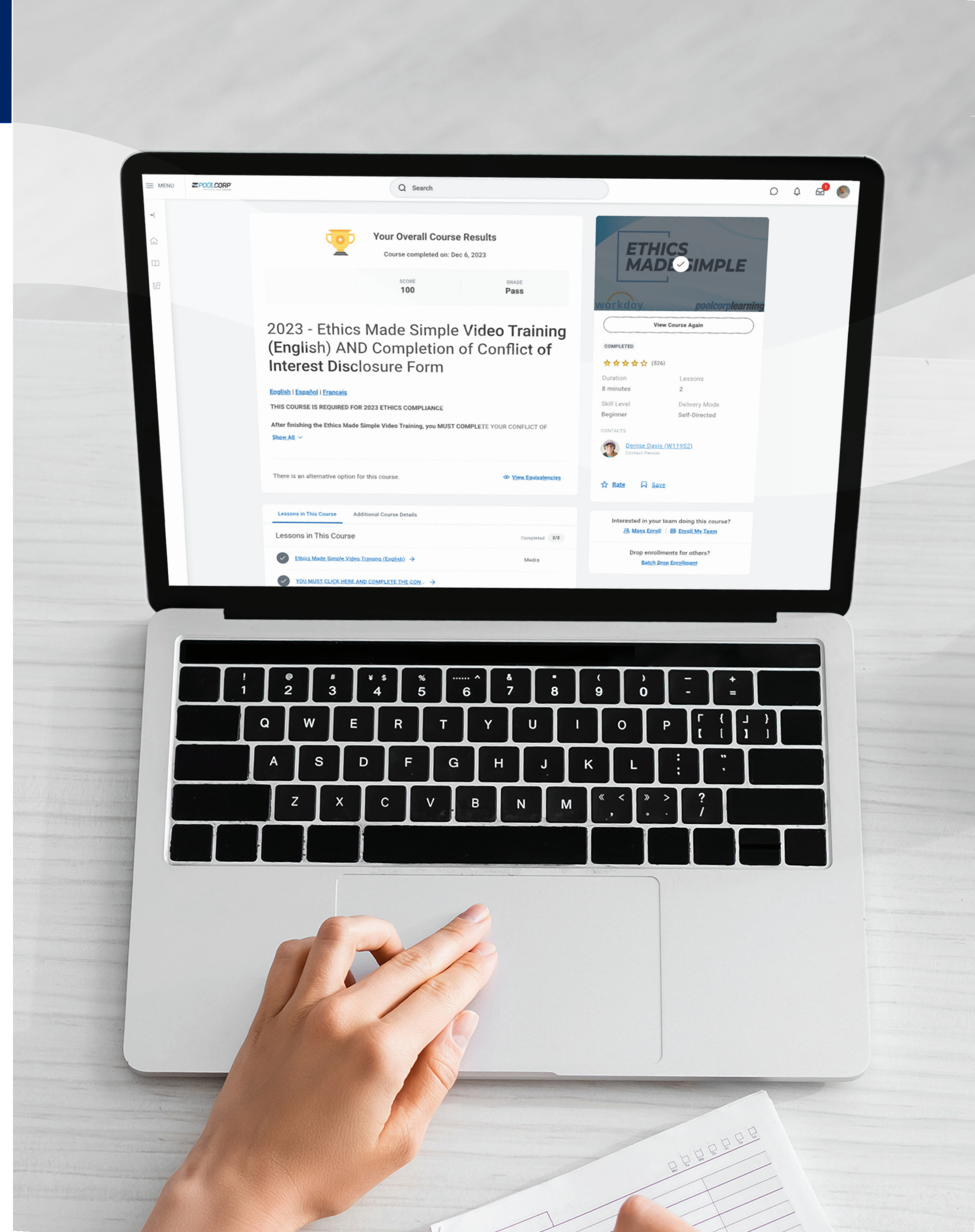
# Ethics and Compliance

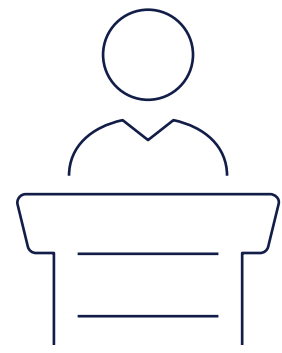
We are proud of our culture of ethics and compliance, which shapes our conduct and guides decisions at all levels in our organization. We believe that ethical decision making not only complies with laws and regulations but also builds trust and strengthens connections with our employees, supply chain partners, customers and communities.

The POOLCORP® [Code of Business Conduct and Ethics](#) reflects our deep commitment to ethical behavior across the organization. To maintain awareness and ensure a robust culture focused on integrity, we require our employees to complete ethics and compliance training annually. We also encourage our employees to direct questions or report concerns or violations to their supervisor, any member of our senior management team, our human resources department or our legal department. Further, employees may report concerns regarding unethical behavior or a possible violation of our Code of Business Conduct and Ethics anonymously through an independent third-party provider that offers 24/7 access via a toll-free hotline or [online](#). Our human resources and legal teams review these reports, which are also disclosed to our Board's Audit Committee.

## Supplier Code of Conduct

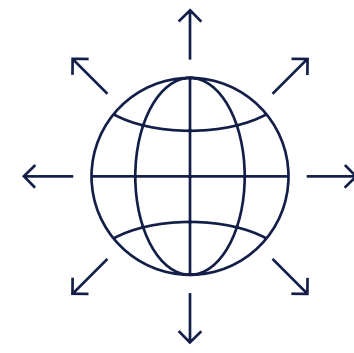
Our suppliers play an important role in our operations, and we expect our supply chain partners to share our values and our commitment to ethics, safety and health, and environmental stewardship. Importantly, we also expect our suppliers to uphold the human rights of workers, to treat them with dignity and respect, and to conduct responsible business with integrity, honesty and transparency. To learn more about these requirements and our compliance monitoring activities, please read our [Supplier Code of Conduct](#).





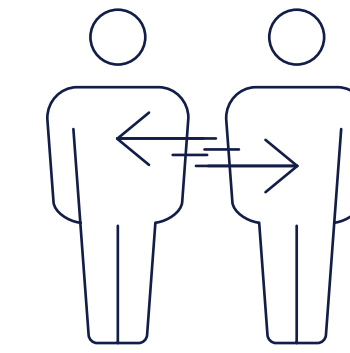
## Political Involvement

Public policy issues have the potential to impact our business, employees and the communities in which we operate. Our policies prohibit all employees from using company funds or assets as political contributions to any political party or committee in or outside of the United States or to any candidate for, or holder of, any office in any national, state or local government, including purchases of tickets to fundraising activities.



## International Guidelines

Given our international presence, we are governed by various global and country-specific laws and regulations, including the Foreign Corrupt Practices Act and UK Anti-Bribery Act. We conduct annual trainings to prepare our employees to comply with these laws and ethically represent our business.



## Human Rights

Our [Human Rights Policy](#) captures our belief that being a responsible corporate citizen includes treating all human beings with fairness and dignity. We are committed to guarding human rights in our operations and our supply chain.

# Strong Governance System

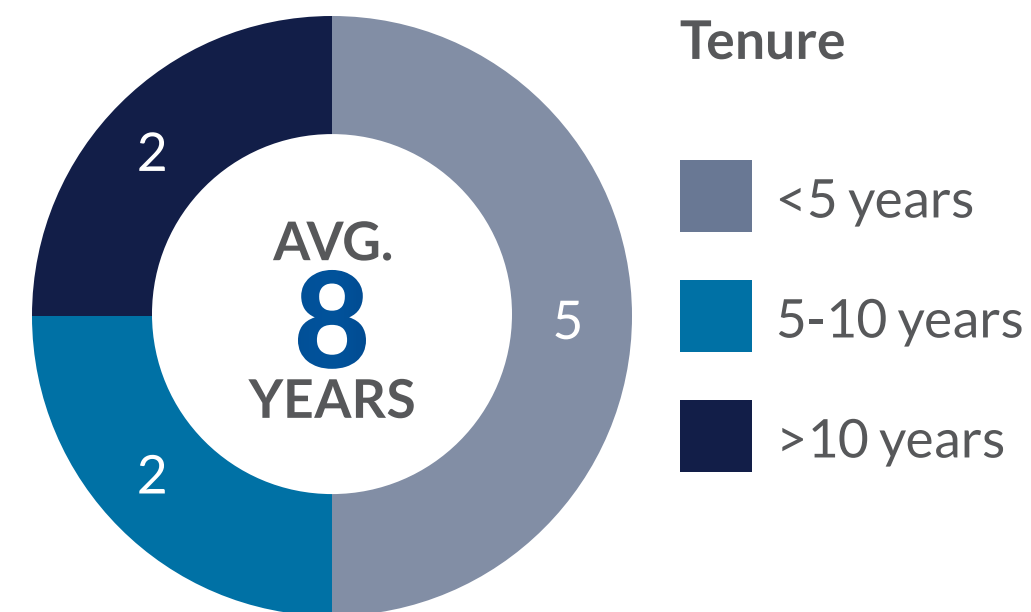
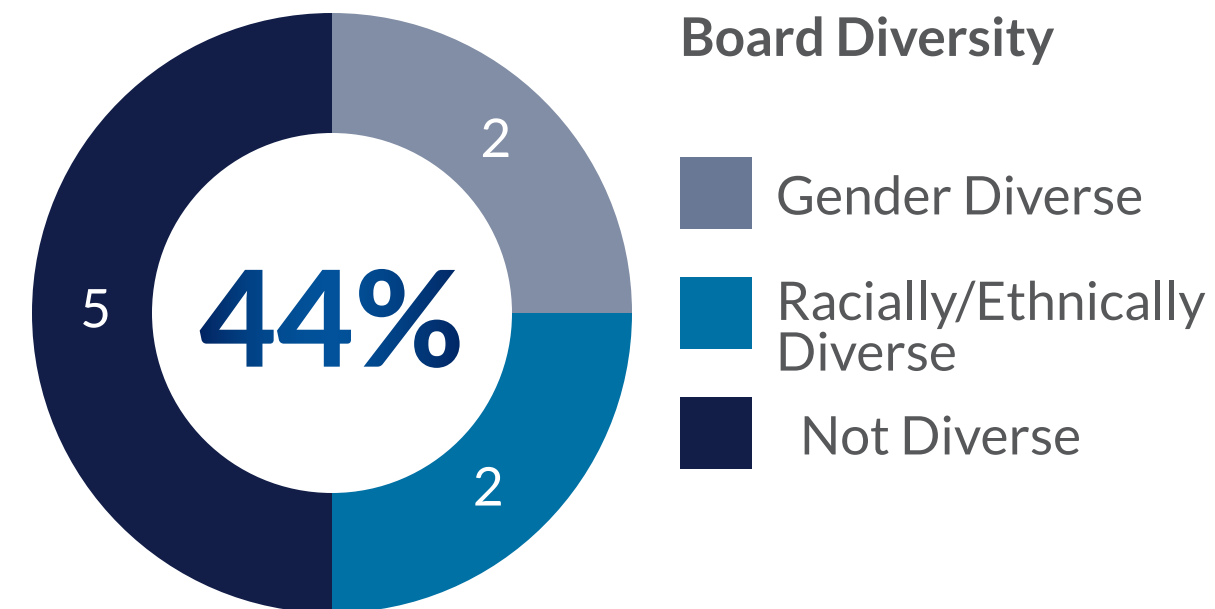
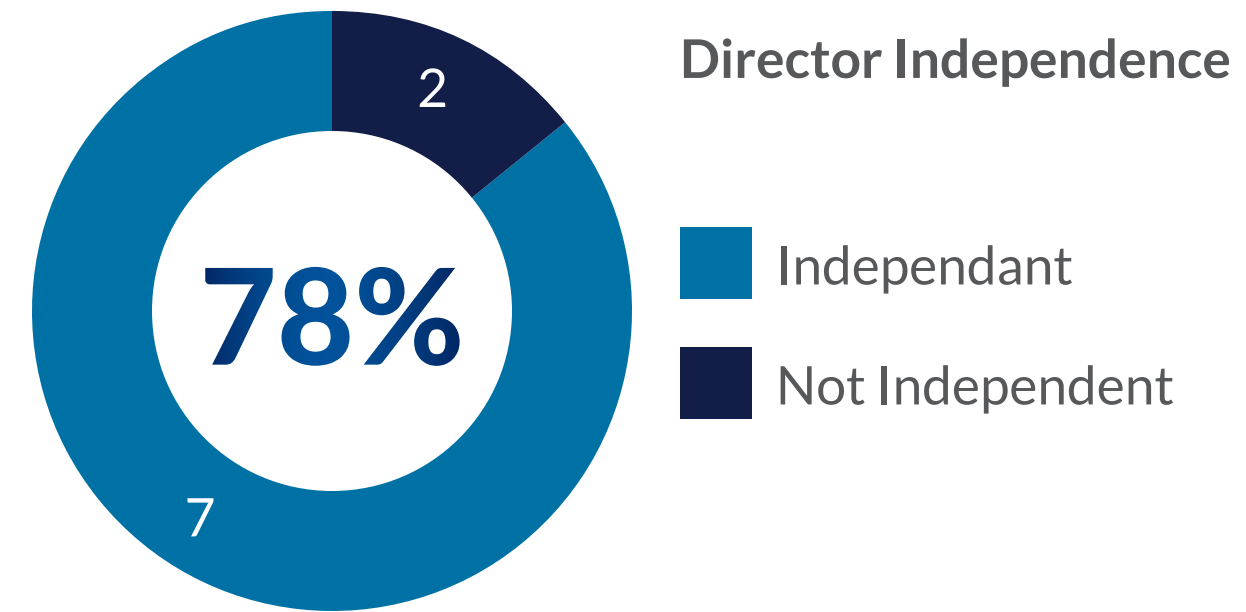
We have an engaged and diverse board of directors committed to strong corporate governance practices that establish an environment of accountability for both our Board and our management team, promote the long-term interests of our stockholders and build public trust in our company.

Our Board provides governance and oversight of the strategy and operations of our company and oversees our senior management team, who manage the day-to-day operations of our business. Our Board is also responsible for oversight of our risk management programs, ensuring that an appropriate culture of risk management exists within the company, and assisting management in addressing specific risks, such as strategic, financial, regulatory, cybersecurity, compensation and operational.

Our Board includes four standing committees that concentrate more fully on specific oversight responsibilities: Audit, Compensation, Nominating and Corporate Governance, and Strategic Planning. Each of these committees is comprised solely of independent directors, and each operates under a written charter, which is posted on our website.

Our directors are a balanced and diverse group, with members who bring a variety of skills, experience, perspectives and backgrounds, including with regard to gender, age and ethnicity.

## Director Dashboard (as of June 5, 2024)



# Stakeholder Engagement

Throughout the year, we regularly engage with our stakeholders to review our financial performance and strategic initiatives and discuss emerging issues and material topics that are important to our stakeholders. This active dialogue allows management to better understand our stakeholders' perspectives and is vital to our commitment to deliver exceptional, sustainable value to our stakeholders. Periodically, we solicit feedback through a third-party investor perception study to gauge investor sentiment. Our CEO, CFO and members of our investor relations team maintain regular contact with a broad base of stakeholders through our quarterly earnings calls, investor conferences and other meetings. In March 2024, we hosted an Investor Day where senior management presented our long-term strategic goals and outlook for 2024. The Investor Day presentation is available on our website.

# ESG Oversight

**We work collaboratively with customers, employees, suppliers and other stakeholders to promote environmentally-sustainable and socially-responsible business practices.**

Our Board is responsible for the oversight of our ESG programs and goals, including monitoring our strategies, initiatives, policies, reporting standards and disclosures. The Board meets periodically to review ESG matters.

Our ESG Oversight Committee assists the Board and our executive leadership team in advancing our ESG efforts. This committee is a cross-functional team with representatives from operations, legal, human resources, marketing, investor relations and finance who work together to develop and implement our short- and long-term ESG programs and initiatives, monitor our progress and provide regular updates to our Board.



“ We make investment decisions strategically, considering not only our business but also our people and our communities. Investments such as alternative fuel, energy-efficient lighting and route optimization enhance the profitability of our business while also creating sustainability and positively impacting the communities in which we operate.”

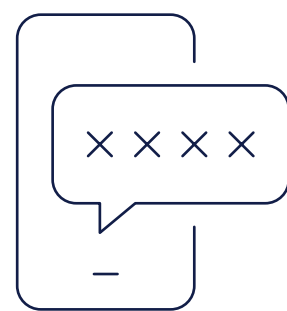
– Melanie M. Hart,  
POOLCORP® Vice President  
and Chief Financial Officer

# Ensuring Data Remains Secure

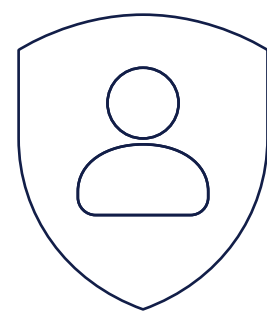
**We are committed to ensuring that our company, customer, consumer and employee data remain secure.**

Our cybersecurity program is designed to assess, identify and manage material risks from cybersecurity threats and is an important component of our overall enterprise risk program. We deploy multiple strategies and dedicate significant resources toward systems designed to identify, assess, manage, mitigate and respond to cybersecurity threats. We also consistently strive to improve the detection and response capabilities of our cybersecurity program. To do this, we monitor best practices across the cybersecurity space and endeavor to incorporate those in our own cybersecurity program.

We only store the minimum personal identifiable information (PII) required for business functions. All data are encrypted both in place and in motion. We conduct routine adversarial cybersecurity engagements to test protection of data and response readiness. We leverage an independent consulting firm for our managed detection and response program, including security incident event management (SIEM) and multiple levels of both internal and external security operations centers (SOC).



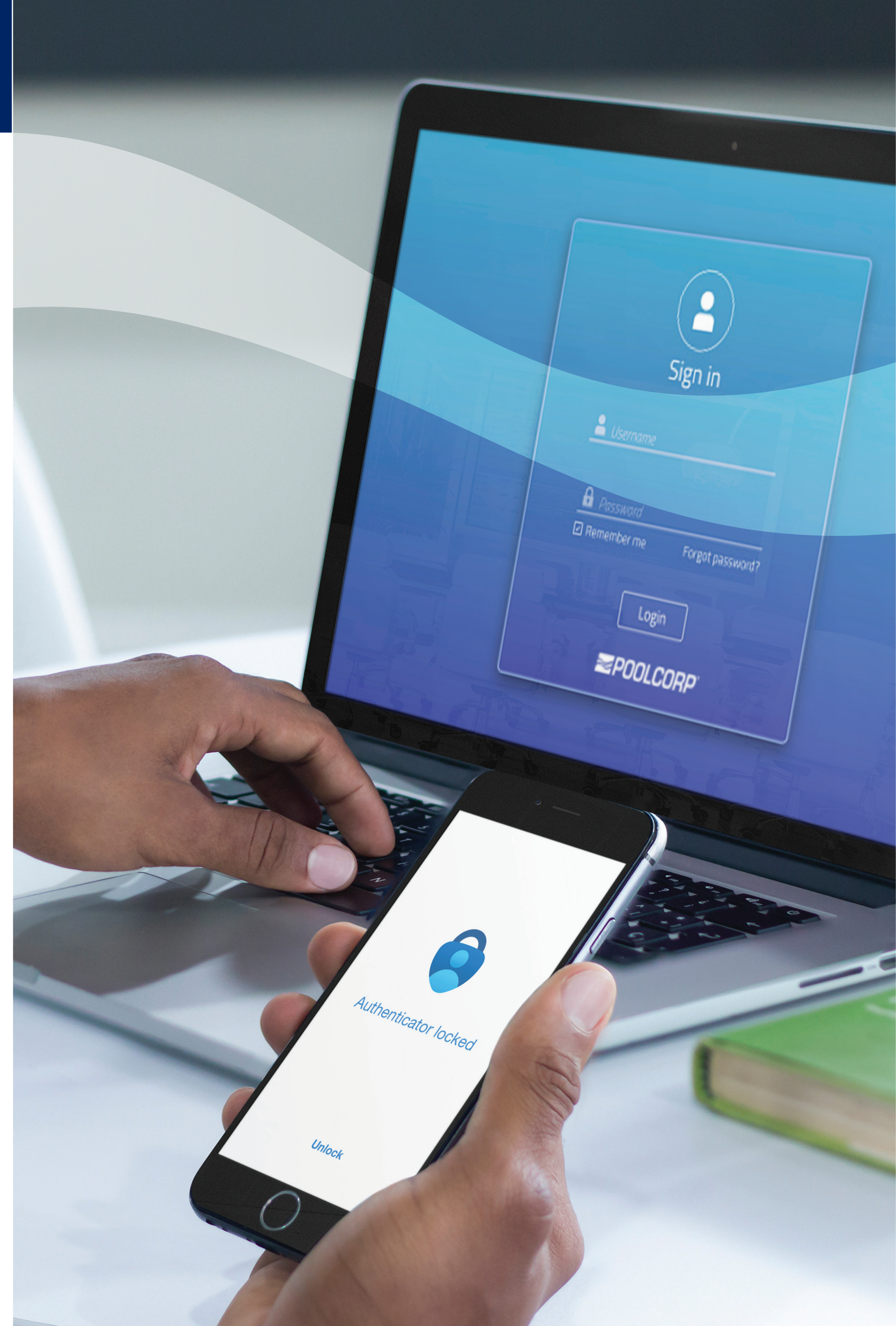
**We maintain minimum personal identifiable information (PII) for business functions.**



**Employees participate in a cybersecurity training program requiring quarterly company-wide certifications.**



**We routinely perform adversarial cybersecurity engagements to test readiness and protect data.**



# Maintaining Clear Policies on Privacy Compliance

We are committed to protecting our customers' and consumers' right to privacy. Our published [Privacy Policy](#) both protects the rights to privacy and provides transparency on our approach to data. Further, we comply with the European Union's General Data Protection Regulation (GDPR) and with the California Consumer Privacy Act.

We do not store credit card information, and we monitor for any attempt to move this data into or out of the organization. We have also invested in additional auditing to ensure compliance and governance in deleting unused data. We are audited annually by a Qualified Security Assessor to verify our compliance with the Payment Card Industries Data Security Standard.

## Key Points in Our Privacy Policy:

- Personal information will not be sold or transferred to unaffiliated third parties.
- We retain personal information only for the length of time required for the specific purpose or purposes for which it was collected.
- Customers and consumers can unsubscribe from marketing communications at any time and can request that we delete their information.
- We have a dedicated data privacy team whose mission is to assess and monitor the environment ensuring compliance with our data privacy policies. This team performs audits and ensures that we properly safeguard the information entrusted to us.
- Monitoring is in place to prevent unauthorized access, use and disclosure of personally identifiable information.
- Customers and consumers can submit a data rights request to exercise their data rights.





