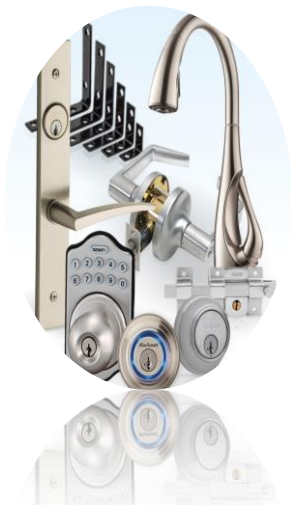# Corporate Sustainability Update – FY2020

# Spectrum Brands Corporate Sustainability – Metrics Update – FY2020

The following presentation offers highlights of Spectrum Brands' efforts in the past fiscal year (FY2020) and our ongoing commitment to Sustainability.   While we intend to produce a more formal Sustainability Report in our Fiscal Year 2022, this FY2020 Update is offered to demonstrate Spectrum Brands' commitment to sustainability and reducing our energy, waste, and water usage through strategic divestitures and other targeted sustainability activities.

This FY2020 Update identifies both "Unadjusted" and "Adjusted" figures. The Unadjusted figures include data from Spectrum Brands' current businesses, as well data from two historically energy, waste, and water intensive businesses that were divested in January 2019: (i) the Global Battery business; and (ii) the Global Auto Care business. We believe it is important to incorporate the Unadjusted figures to demonstrate Spectrum Brands' commitment to participating in cleaner and more sustainable industries.

The Adjusted figures include data from only Spectrum Brands' current businesses: (i) Hardware and Home Improvement; (ii) Global Pet Care; (iii) Home & Garden; and (iv) Home and Personal Care Appliances.

Greenhouse Gas Emissions (Unadjusted[1])

The graph below displays Spectrum Brands' Greenhouse gas emissions. Scope 1 emissions (such as natural gas used directly by the facility) and Scope 2 (electricity purchased/market-based) greenhouse gas emissions are measured in metric tons carbon dioxide equivalent (tCO2e) by region from FY2017 through FY2020. This represents an approximate **40% reduction** in GHG emissions from our FY2017 footprint to today.
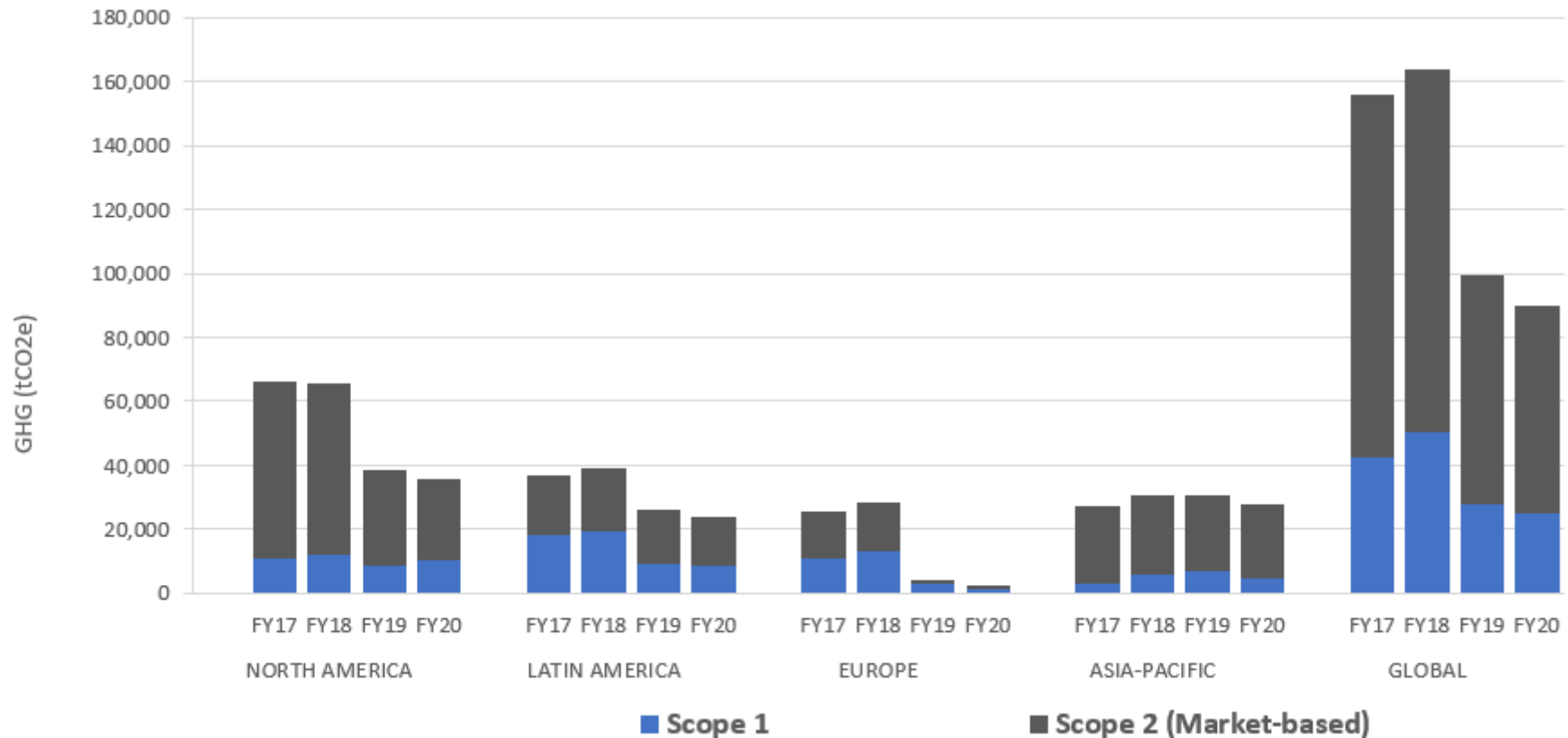
[1] *Note on Unadjusted: The data in FY2017-FY2018 reflects the organization prior to January 2019 divestiture of our Global Battery and the Global Auto Care businesses. FY2019 and FY2020 data reflect the current structure of Spectrum Brands. FY2018 & FY2019 data underwent 3rd party review by Trinity Consultants under Verification Protocol: Environmental Resources Trust Corporate GHG Verification Guideline (Tier II). FY20 data is preliminary and has not undergone 3rd party verification, results are therefore subject to change.*

SPECTRUM BRANDS *2020 Corporate Sustainability Update*

Greenhouse Gas Emissions (Adjusted[1])

The graph below displays Spectrum Brands' Scope 1 and Scope 2 (market-based) greenhouse gas emissions in metric tons carbon dioxide equivalent (tCO2e) by region from FY2017 through FY2020. We achieved a **8% reduction** in GHG emissions (FY2020 vs. FY2019) despite growth in our business.
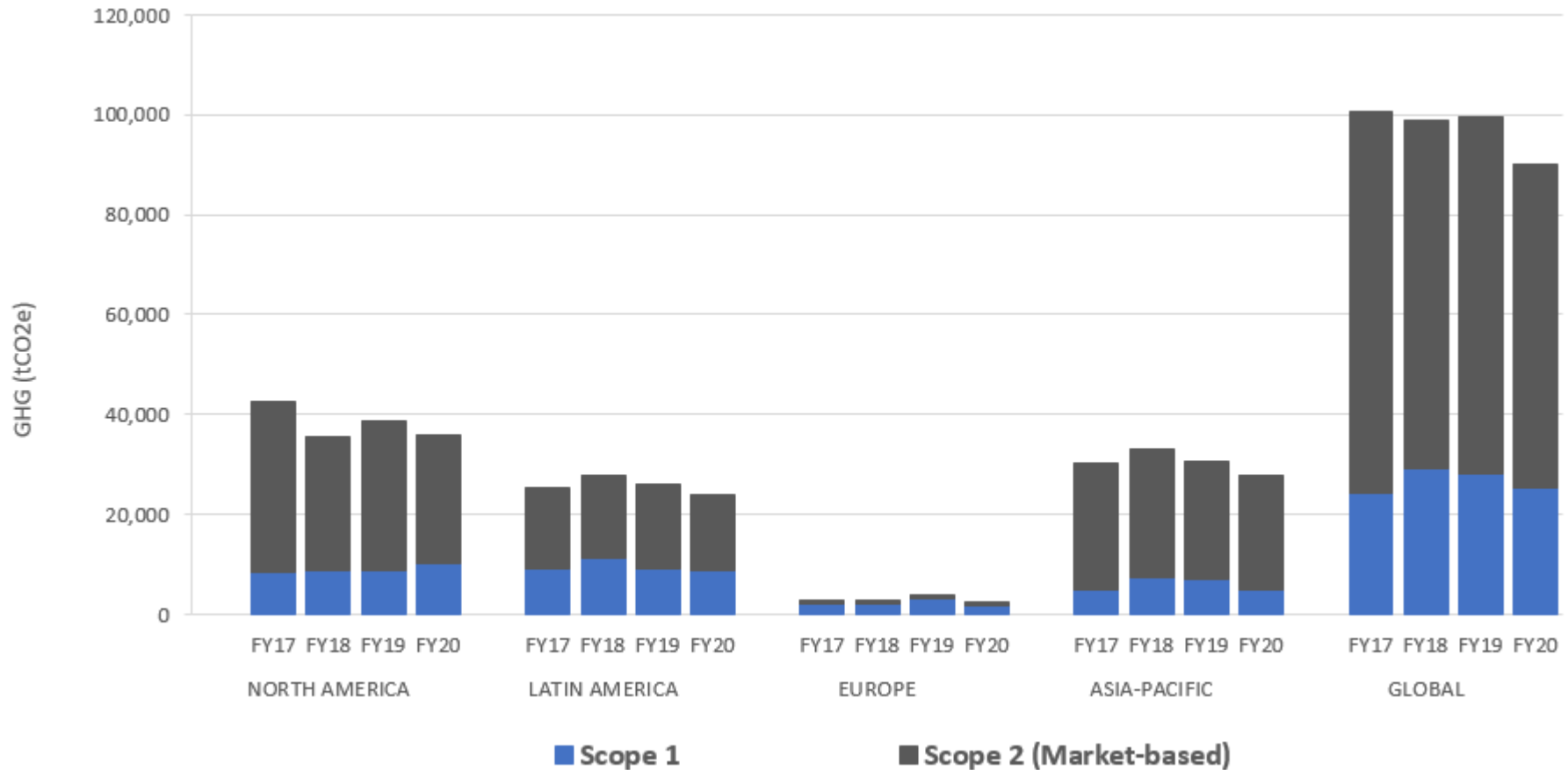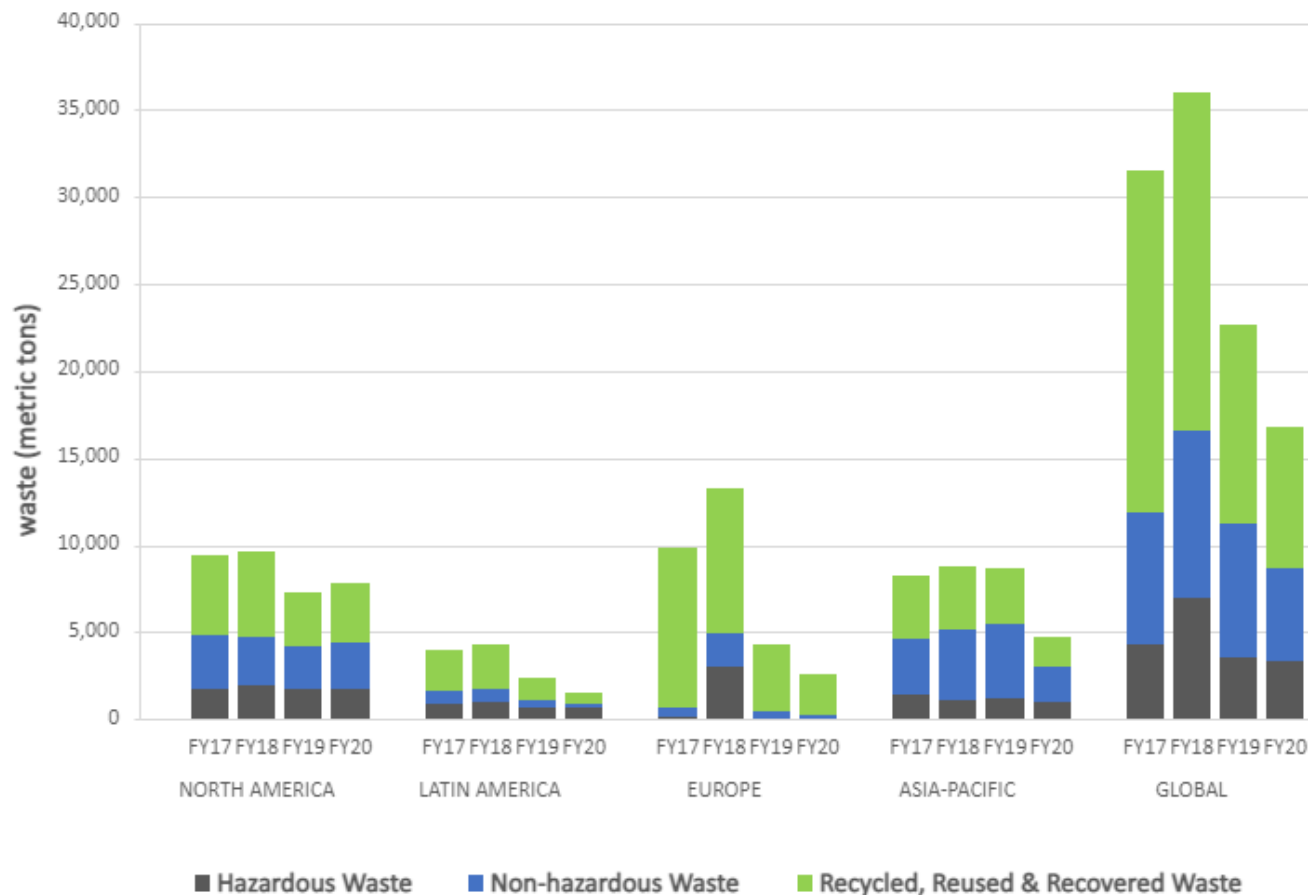

[1] Note on Adjusted: The data represents Spectrum Brands' current structure; data from divested divisions has been removed. FY2018 & FY2019 data underwent 3rd party review by Trinity Consultants under Verification Protocol: Environmental Resources Trust Corporate GHG Verification Guideline (Tier II). FY2020 data is preliminary and has not undergone 3rd party verification, results are therefore subject to change.

SPECTRUM BRANDS *2020 Corporate Sustainability Update*

Waste & Recycling (Unadjusted[1])

The graph below displays Spectrum Brands' hazardous and non-hazardous waste, and recycling in metric tons from FY2017 through FY2020.

[1] *Note on Unadjusted: The data in FY2017-FY2018 reflects the organization as it was historically, prior to the January 2019 divestiture of our Global Battery and the Global Auto Care business. FY2019 and FY2020 data reflect the current structure of Spectrum Brands.*

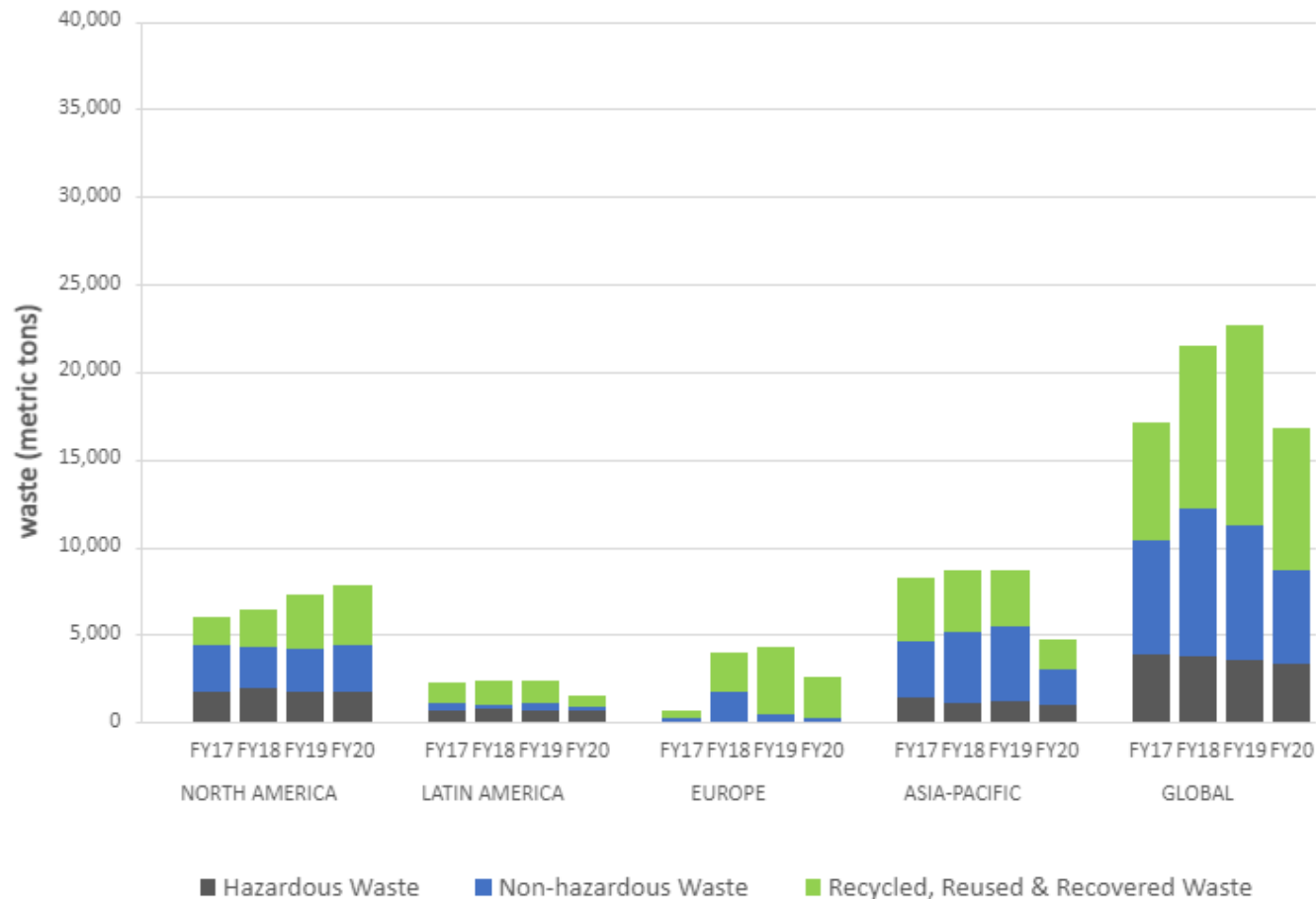SPECTRUM BRANDS *2020 Corporate Sustainability Update*

Waste & Recycling (Adjusted[1])

The graph below displays Spectrum Brands' hazardous and non-hazardous waste, and recycling in metric tons from FY2017 through FY2020. We achieved a **5% reduction** in hazardous waste from FY2020 vs. FY2019

[1] *Note on Adjusted: The data represents the current structure of Spectrum Brands; data from divested divisions has been removed.*

Water Withdrawal (FY2017-FY2020) (Unadjusted[1])

The graph below displays Spectrum Brands' water used in operations from FY2017 through FY2020.

[1] *Note on Unadjusted: The data in FY2017-FY2018 reflects the organization as it was historically, prior to the January 2019 divestiture of our Global Battery and the Global Auto Care business. FY2019 and FY2020 data reflect the current structure of Spectrum Brands.*

SPECTRUM BRANDS *2020 Corporate Sustainability Update*
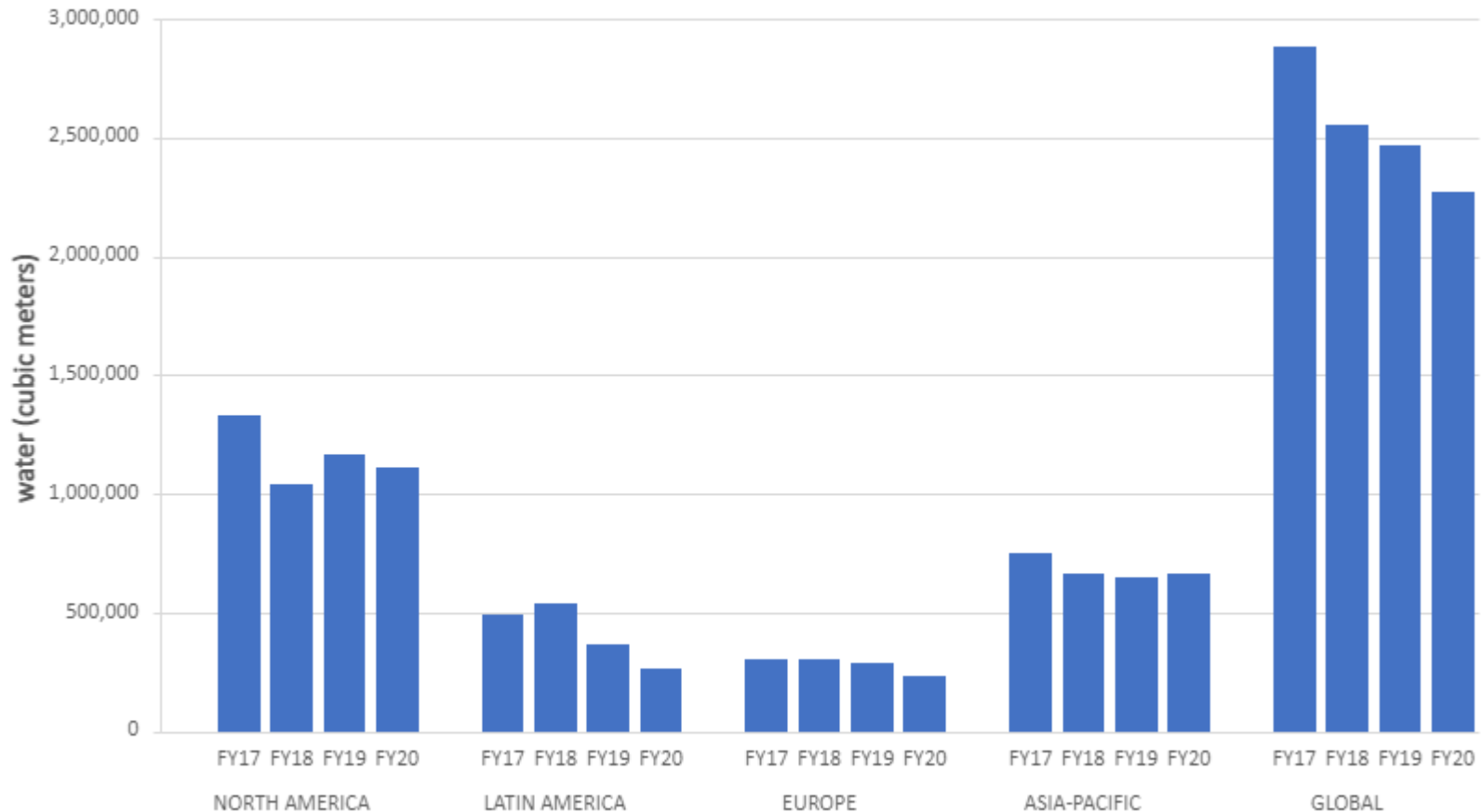
Water Withdrawal (FY2017-FY2020) (Adjusted[1])

The graph below displays Spectrum Brands' water used in operations from FY2017 through FY2020. We achieved an **8% reduction** in water use (FY2020 vs. FY2019) despite business growth.
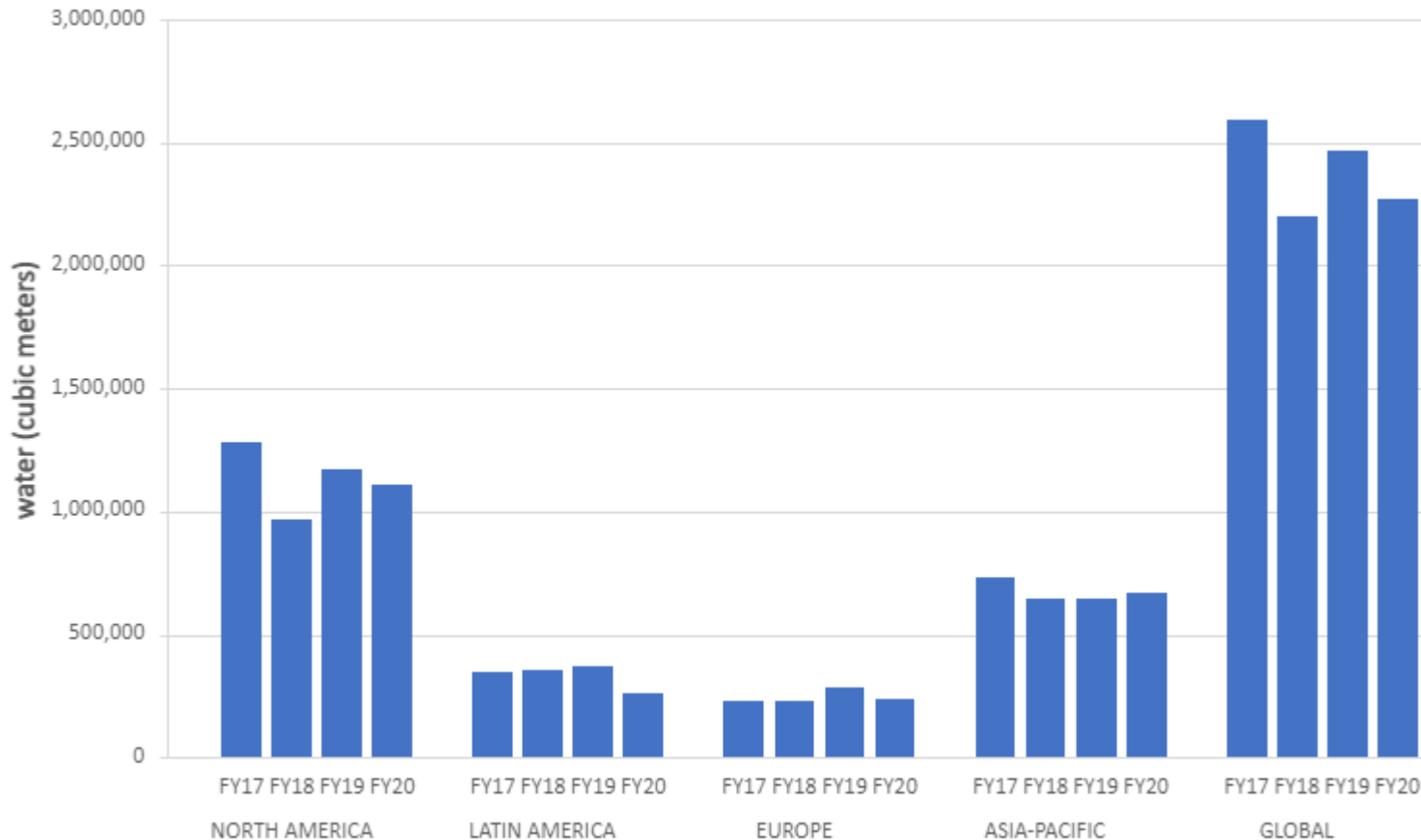
[1] *Note on Adjusted: The data represents the current structure of Spectrum Brands; data from divested divisions has been removed.*

Energy Conservation Efforts (FY2019 and FY2020) (Adjusted[1])

FY19 and FY20 Energy Conservation Metrics	Amount	Unit
Total amount of energy conserved through energy conservation programs	6,552,551	kWh
Total investment in energy conservation programs	$510,845	US Dollar
Total savings achieved as a result of energy conservation programs	$669,197	US Dollar
Regional breakdown of energy conserved		
North America	1,266,710	kWh
Latin America	0	kWh
Europe	1,041,191	kWh
Asia-Pacific	4,244,650	kWh

Energy conservation results shown above from the efforts of approximately <u>30 unique energy projects</u> initiated in our facilities leading to reduction of both energy usage and almost $700K million in savings.

[1]Note on Adjusted: The data represents the current structure of Spectrum Brands; data from divested divisions has been removed

FY2020 Renewable & Non-renewable Energy

FY20 Renewable and Non-renewable Energy Metrics	Amount	Unit
Percentage of energy from the grid	96	%
Percentage of grid electricity derived from renewable sources	18	%
Percentage of grid electricity derived from non-renewable sources	82	%
Percentage of renewable electricity procured	4	%
Total electrical energy used from all sources	132,967	MWh
Total electrical energy used from non-renewable sources	104,010	MWh
Total electrical energy used from renewable sources	28,957	MWh
Actively procured electrical power from renewable sources	5,553	MWh
Grid electricity from renewable source	23,404	MWh
Breakout of non-renewable electrical energy sources		
Grid purchase non-renewable: 96.58%	104,010	MWh
Diesel: 3.39%	3,648	MWh
Motor gasoline: 0.04%	40	MWh
Breakout of renewable electrical energy used		
Hydropower 100%	5,553	MWh
Renewable electrical energy used by facility		
Melle Facility	5,553	MWh

<u>Note</u>: Grid electricity derived from renewable sources obtained from eGRID2019 data for locations in the United States. Data for countries outside the United States were obtained from International Energy Agency data for 2018.
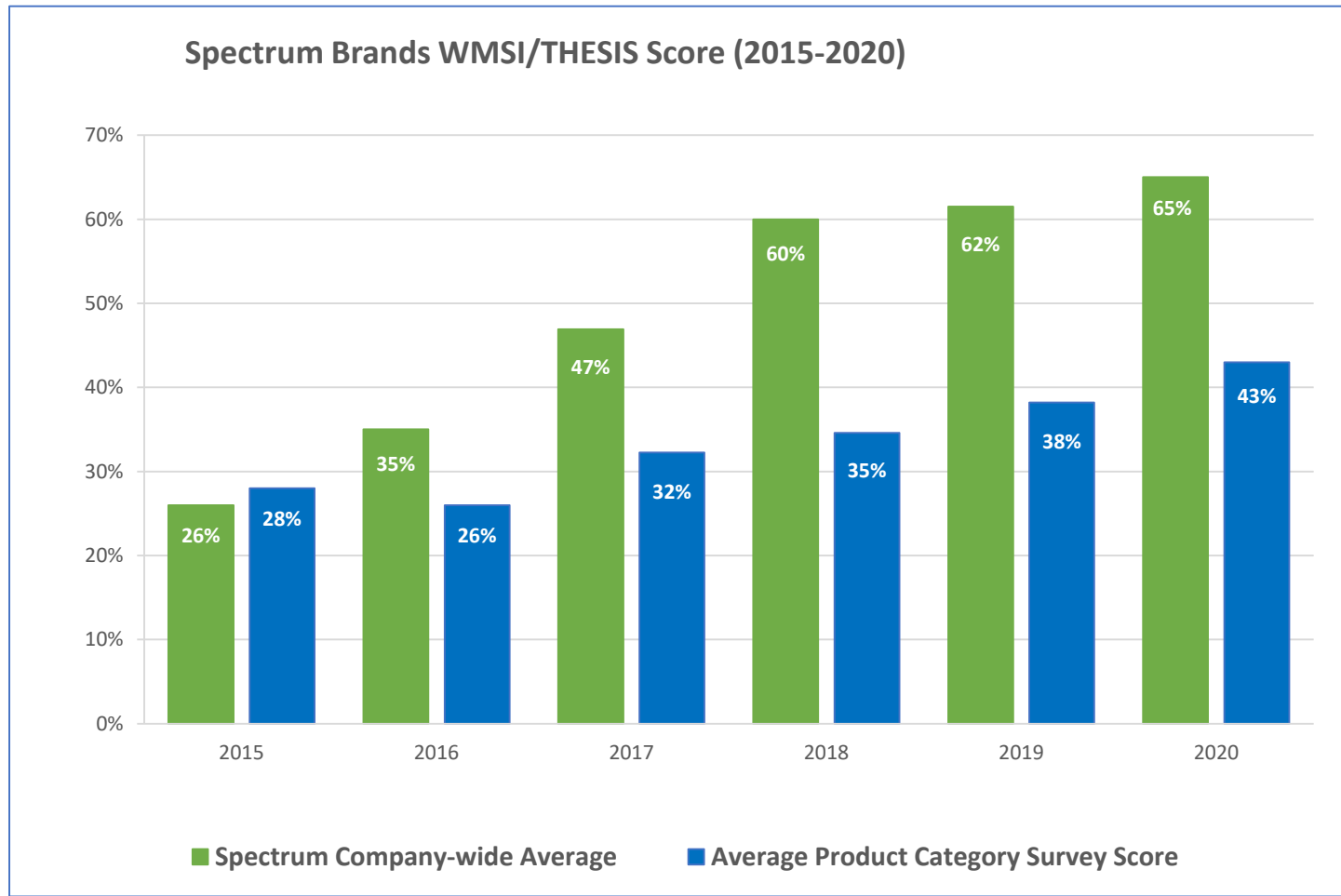
Product-based Sustainability Results

Spectrum Brands uses The Sustainability Consortium THESIS sustainability surveys to report and track sustainability attributes of products and progress towards product sustainability goals. The table below displays Spectrum Brands' average score[1] and percent change in score each year.

Year	Spectrum Brands Average Score	% Change
2015	26%	--
2016	35%	+35%
2017	47%	+34%
2018	60%	+28%
2019	62%	+3%
2020	65%	+3%

[1] *The data in 2015 through 2018 reflects the scores/performance assessments of the current structure of Spectrum Brands, excluding contributions from our 2 divested divisions (Global Battery and the Global Auto Care businesses).*

Product-based Sustainability Results

The graph below displays Spectrum Brands' average score compared with the average product category score from 2015 to 2020.

Spectrum Brands WMSI/THESIS Score (2015-2020)

Legend: ■ Spectrum Company-wide Average ■ Average Product Category Survey Score

| Year	Spectrum Company-wide Average	Average Product Category Survey Score
2015	26%	28%
2016	35%	26%
2017	47%	32%
2018	60%	35%
2019	62%	38%
2020	65%	43%

The data in 2015 through 2018 reflects the scores/performance assessments of the current structure of Spectrum Brands, excluding contributions from our two divested divisions (Global Battery and the Global Auto Care businesses).

Newly adopted ESG
metrics for FY2020
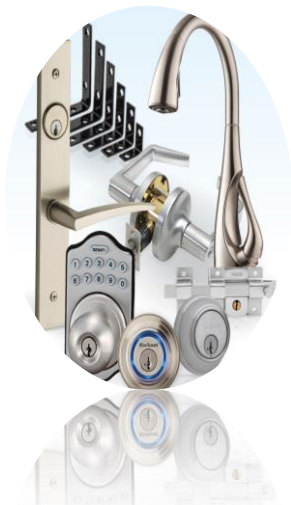
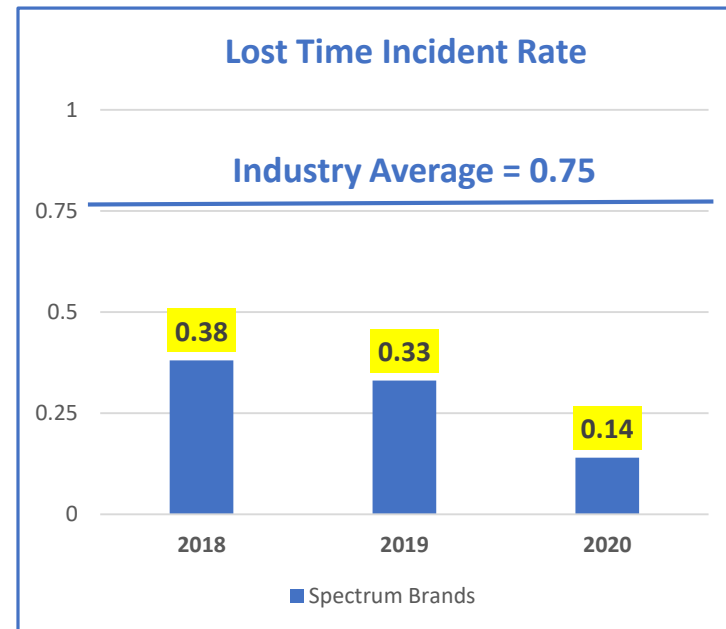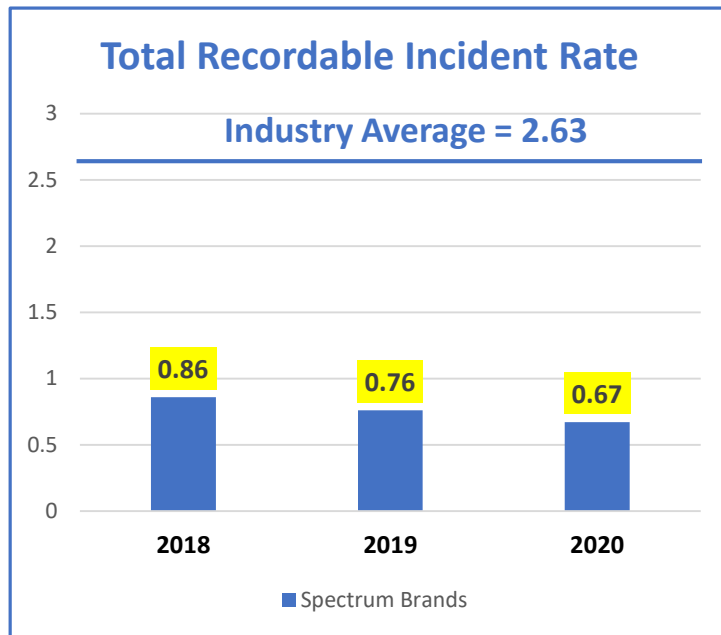# Energy Use and Reductions (FY2018-FY2020) – Adjusted[1]
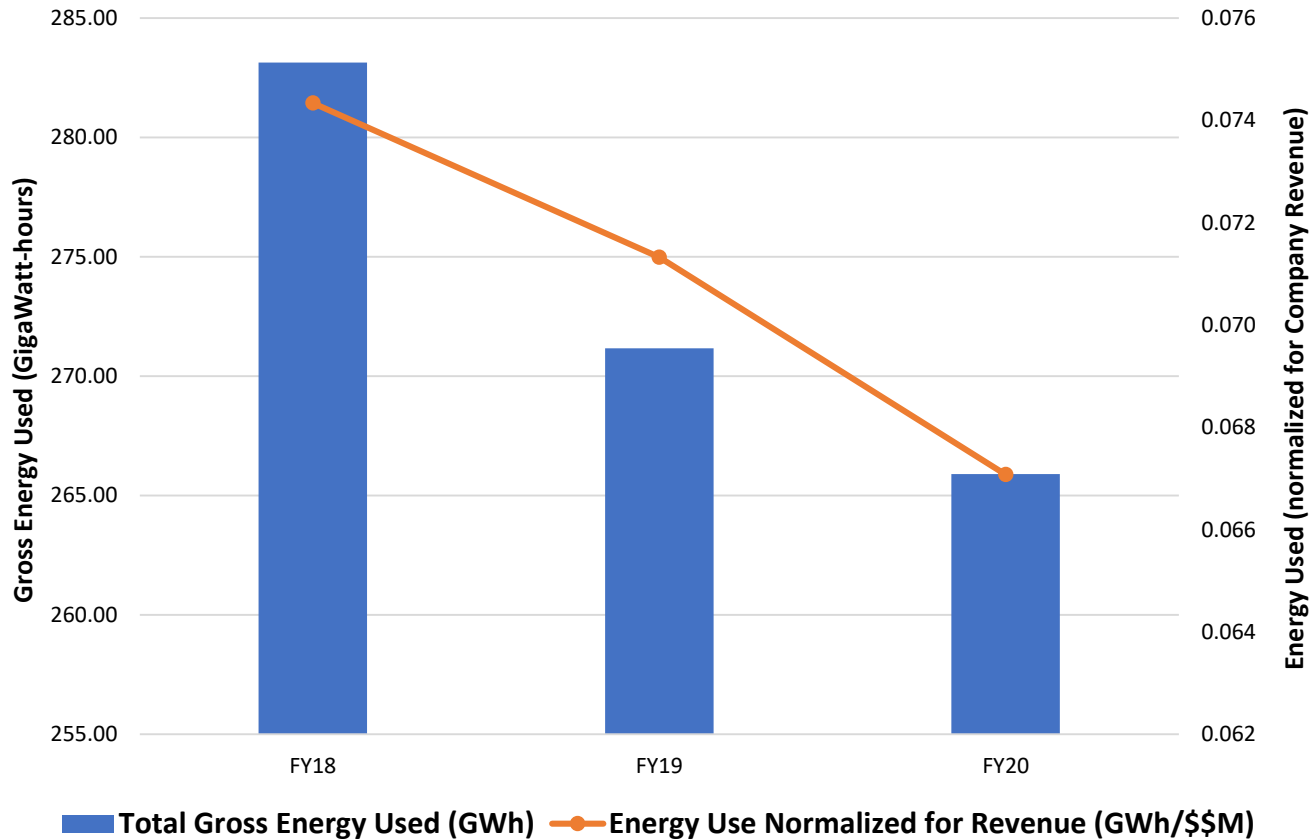
Results show:
- A reduction in Gross energy used by our business of 5% from FY2018 to FY2020
- A reduction in the amount of energy we use (normalized for our business revenue) of approximately 3.5% per year, exceeding our corporate goal of 3% per year.

[1] Adjusted: Data represents the current structure of Spectrum Brands; data from divested divisions has been removed from all years.

SPECTRUM BRANDS *2020 Corporate Sustainability Update*

Key Safety Statistics (Adjusted[1])
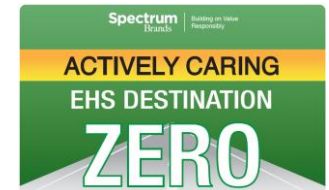
The graph below displays Spectrum Brands' safety metrics for FY2018 - FY2020. The data represents the current structure of Spectrum Brands; data from divested divisions has been removed.

Total Recordable Incident Rate

Industry Average = 2.63

Year	Value
2018	0.86
2019	0.76
2020	0.67

■ Spectrum Brands

Lost Time Incident Rate

Industry Average = 0.75

Year	Value
2018	0.38
2019	0.33
2020	0.14

■ Spectrum Brands

<u>Note</u>: Total Recordable Incident Rate, or "TRIR," means the rate of recordable workplace injuries for the Company, whereas the Lost Time Incident Rate, or "LTIR," means any injury or illness sustained by an employee that results in a loss of productive worktime. LTIR = # of lost incident * 200,000/# employee hrs. TRIR = # of recordable incidents * 200,000/# employee hrs.

[1] Adjusted: The data represents the current structure of Spectrum Brands; data from divested divisions has been removed from all years.

SPECTRUM BRANDS *2020 Corporate Sustainability Update*

Water Conservation Efforts – FY2020

FY2020 Water Conservation Metrics	Amount	Unit
Total amount of water conserved through water conservation programs	45,443,800	gallons
Total investment in water conservation programs	$723,000	US Dollar
Total savings achieved as a result of water conservation programs	$519,000	US Dollar
Regional breakdown of water conserved		
North America	0	gallons
Latin America	32,778,000	gallons
Europe	0	gallons
Asia-Pacific	12,665,800	gallons

Water Conservation Efforts - Showcase

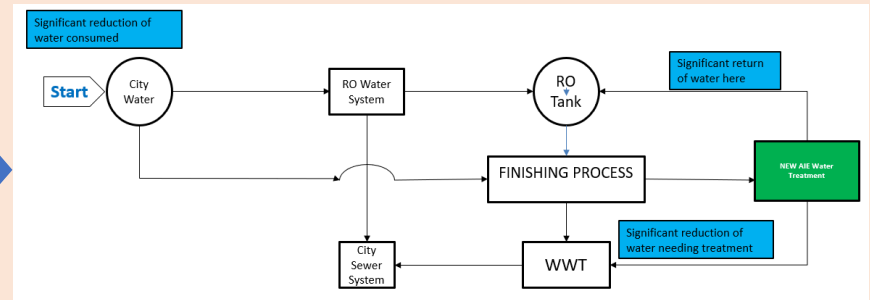**Case study from our Home & Hardware (HHI) Operation**

Before

Water was treated from finishing process and then discharged to drain

After

Installation of Advanced Ion Exchange System to recover waste water and return it back to our finishing system

Business Results

- **ROI: 3+ years**

- **Improved efficiencies in production**

- **Leveraging this technology to other sites within Spectrum Brands for hardware produced for Walmart**

Sustainability Impact

- **Reduced water purchases by 17 million gallons per year**

- **Equivalent to the annual water use of approximately 465 people!**

Air Pollutants Summary – FY2020

Air Pollutants (tons/year) - FY2020
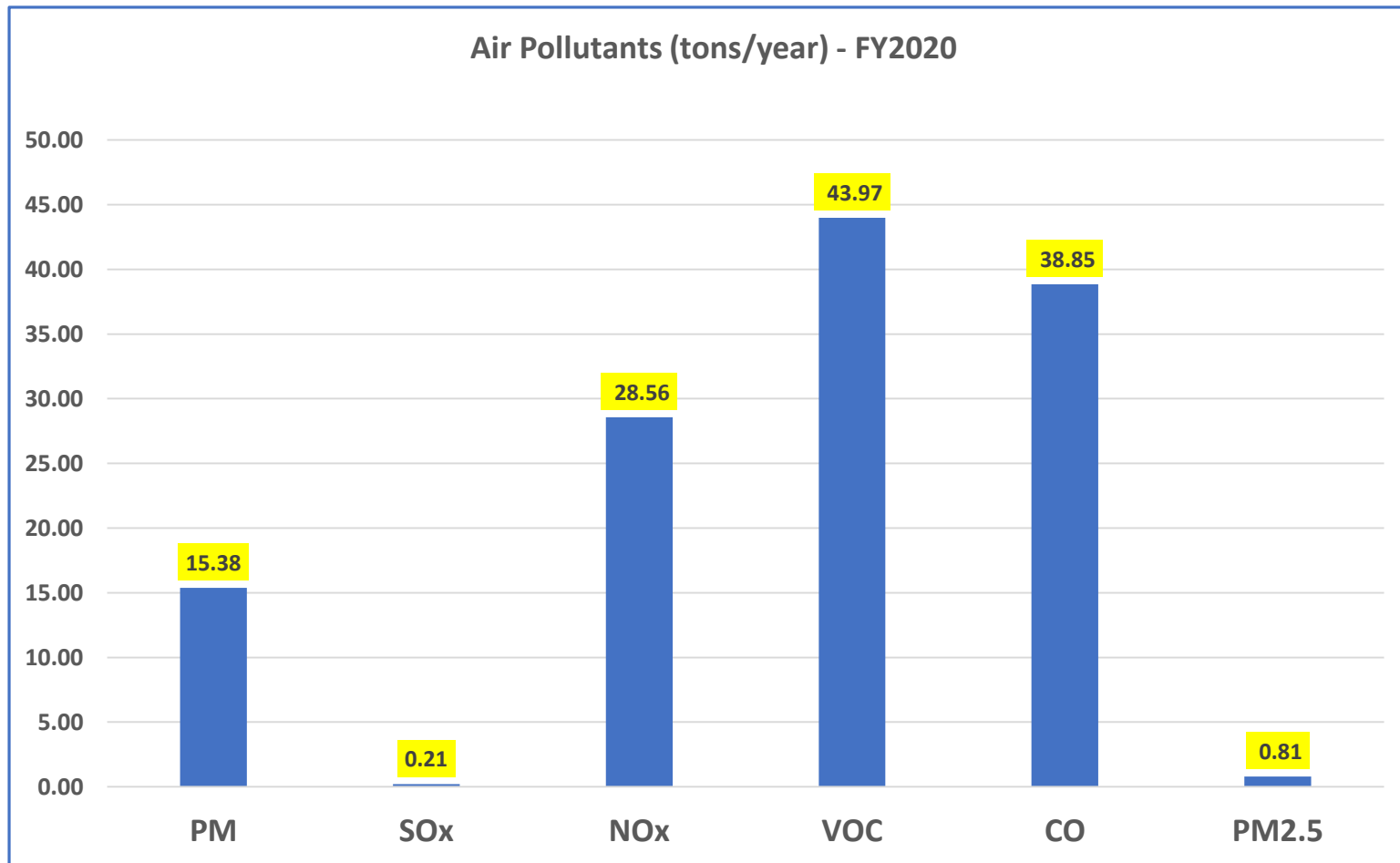
Note: Emissions reported above for the six main criteria pollutants (PM, SOX, NOX, VOC, CO and PM2.5) at facilities covered by Air Permits only, Including all emissions from direct combustion emissions. The data represents the current structure of Spectrum Brands; data from divested divisions has been removed from all years.