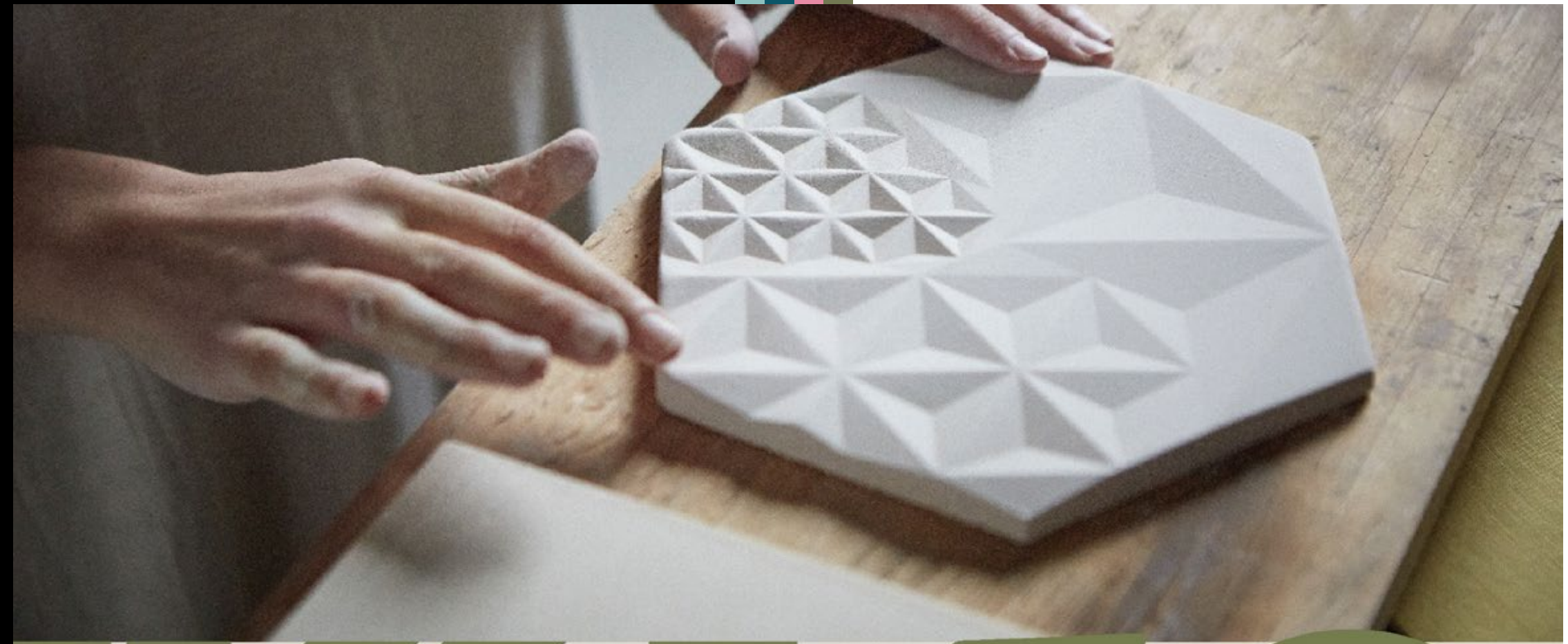


Kohler Co. 2023

# Global Impact Report



# About This Report

Kohler Co.'s 2023 Global Impact Report covers data from January 1 to December 31, 2023, unless otherwise noted. Three years of data are provided for context, where available. The scope of this report includes all sites under Kohler Co.'s operational control, including subsidiaries, unless otherwise noted.

This report was prepared with reference to the Global Reporting Initiative (GRI) Standards. The GRI Content Index is available on page 93.

Kohler is committed to transparency, accountability, and annual communication of our sustainability initiatives, and we will continue to build on our alignment with established sustainability standards.

We continuously work to improve how data is collected and analyzed to align with industry best practices. To the extent we would need to make any corrections, we will do so in future reports.



## Celebrating 150 years of Kohler Co.

To honor the impact that Kohler Co. has had on people and the planet over the past 150 years, we've included historical highlights in this report. Look for the K150 logo to trace our history.



Kohler's heritage colors on display at the 2023 Kitchen & Bath Industry Show.

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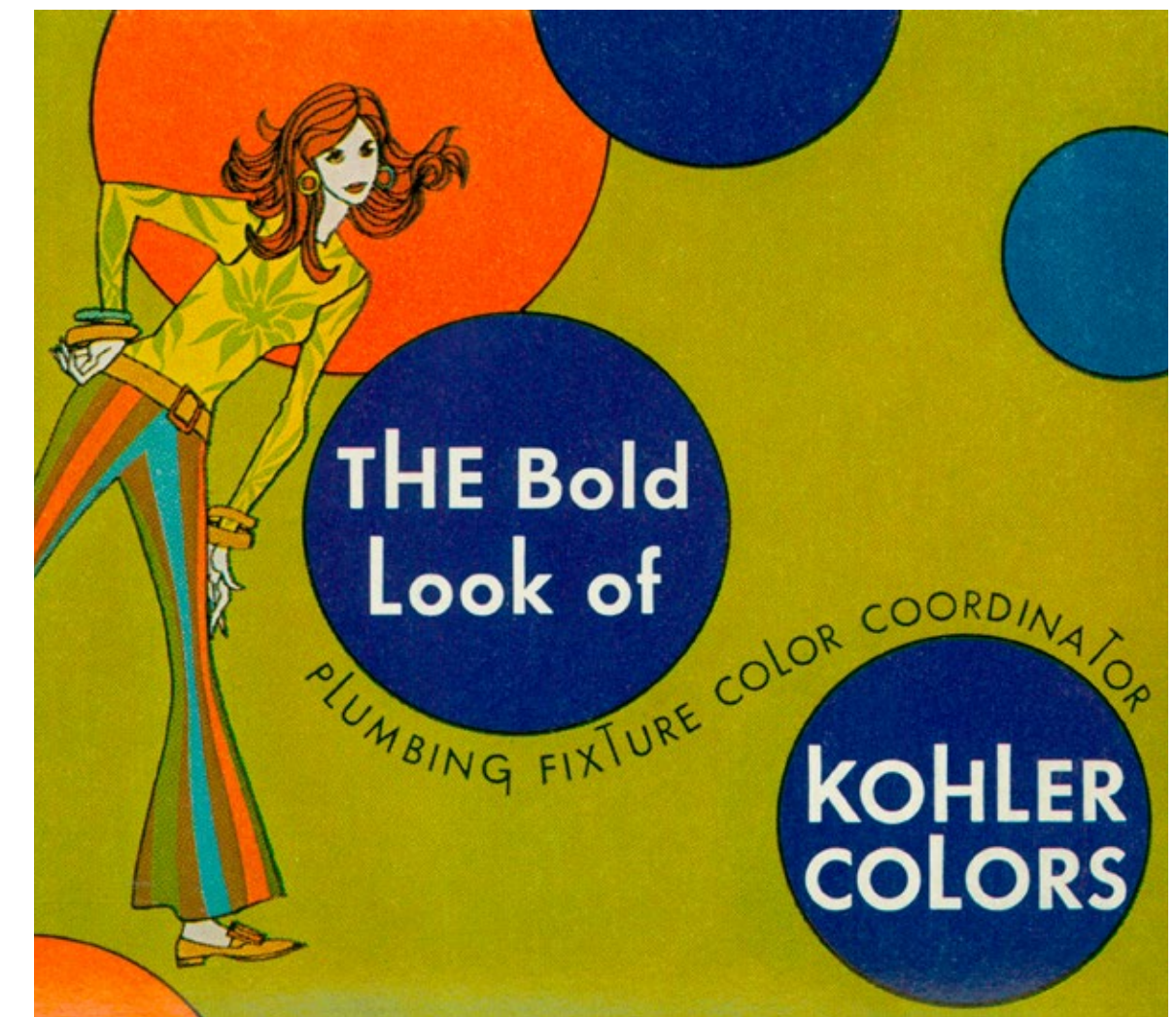
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The “Bold Look” tagline, introduced in 1967 to market accent colors, has come to define 150 years of innovative thinking.



# Reflecting on Our History to Guide Our Future

Kohler celebrated its 150th anniversary in 2023, providing the perfect opportunity to reflect on where we came from, how much we have achieved, and where we go next as a company. The Kohler of today looks much different than when we started—we now have over 38,000 associates in 45 countries, 246 locations, and more than 30 brands. Yet, we have proudly managed to stay true to our values and mission centered on supporting our communities and leaving the world a better place than we found it.

As one of the first companies to establish net-zero operational goals in 2008, we have maintained a firm focus on reducing our own footprint. Coupled with our sustainable product innovations and advocacy to drive consumer adoption of more environmentally friendly choices, we are also helping our customers do the same.

While we have seen success so far, we realize we need to accelerate our ambition and efforts. The year started with the appointment of a new Chief Sustainability and DEI Officer and throughout 2023 we made changes to our business to ensure we could support a more sustainable future. Some of the highlights of the year include:

- ▶ Establishing WasteLAB® as an official business unit within Kohler. With this new designation, WasteLAB can further grow its portfolio of products that utilize and repurpose waste.
- ▶ Being awarded for the ninth time by the U.S. Environmental Protection Agency with the WaterSense® Sustained Excellence Award for our ongoing efforts to innovate water-efficient plumbing products and promote water conservation.

▶ We made significant advances in innovative sustainability solutions in Kohler Energy, such as its direct-injection hydrogen engine and hydrogen fuel cell power system that offered customers high-quality products to achieve their decarbonization goals. We also made the decision to establish Kohler Energy as a separate, independent business to deepen our focus and investment in Kohler’s Kitchen & Bath and Hospitality businesses.

The successes we experienced in 2023—and over the past 150 years—are all thanks to the dedicated Kohler associates around the globe who live our mission and guiding principles each day and are instrumental to advancing our goals to protect our planet, empower people, and build stronger communities.

At the start of 2024, we evolved our mission to spotlight our commitment to helping people live more gracious, healthy, and sustainable lives. We also transitioned the role of Chief Sustainability and DEI Officer to Chief Sustainable Living Officer to make certain Kohler can continue to positively impact our planet, communities, and lives for the next 150 years.



**David Kohler**  
Chair and CEO,  
Kohler Co.



# Meeting the Challenges of Today and Preparing for Our Future

Taking on the role of Kohler’s first Chief Sustainability and DEI Officer in January 2023 was both exciting and challenging. This new position opened the door to focus on the integration of environmental sustainability, social impact, and diversity, equity, and inclusion full-time while also accelerating product innovation to help people reduce their impact on the planet. I learned so much as we navigated the complexities of a global manufacturing and consumer brand while balancing short-term business goals with long-term environmental sustainability ambitions, and I am excited about the progress we made this year:

- ▶ Enhanced our greenhouse gas (GHG) management through initiatives focused on productivity, energy efficiency, and renewable electricity adoption, yielding a 33% absolute GHG reduction and a 64% GHG intensity reduction compared to 2008 levels.

- ▶ Launched an internal price of carbon of \$100 per metric ton of Scope 1 and 2 greenhouse gas emissions in our capital planning process to keep ourselves accountable for reducing our footprint.
- ▶ Completed a global water risk assessment of all Kohler manufacturing sites and identified 17 locations in high-risk watersheds resulting in the development of ongoing conservation and reuse protocols.
- ▶ Completed Kohler’s first two watershed restoration projects in high-risk locations.
- ▶ Added 120 WaterSense®-labeled products with water-conservation capabilities to our portfolio.
- ▶ Successfully reduced carbon emissions through our Supplier Sustainability Program, resulting in 20,996 metric tons of CO<sub>2</sub>e emissions reduction.

- ▶ Celebrated 68 women participants in our annual I-Prize competition, resulting in a record 42% of the semifinalists identifying as women.

As someone who has focused my entire career on workplace experience and creating a culture where associates can find meaningful work and feel a sense of belonging and purpose, I am most proud of our score of 100 on the Human Rights Campaign’s Corporate Equality Index.

By intentionally exploring new opportunities through the diverse experiences and unique perspectives of our customers, Kohler and our new markets strategy is providing customer-focused Kohler teams with invaluable insights to constantly improve and enhance our products and teams to be more inclusive.

Despite these very tangible accomplishments, this past year proved a pivotal turning point in Kohler’s sustainability journey as we realized that the emerging challenges of our planet and

society require greater action and ambition. That’s why at the close of 2023, we evolved our mission to intentionally embrace the concept of sustainable living and significantly increased our efforts to address the water crisis. As a global manufacturer, this means we are making environmental sustainability an essential function in all Kohler product development, operations, and services. For our customers, it means our products will continue to have superior engineering and beautiful design, offering uncompromising experiences, but we will use fewer natural resources in the manufacturing process and will provide more environmentally friendly choices across all price points.

As part of this shift and to better meet the challenges of today and be prepared for our future, I transitioned to the new title of Chief Sustainable Living Officer at the start of 2024 and immediately began engaging with associates, customers, suppliers, and consumers to share our point



of view about what it means to live more sustainably and to understand their expectations of a company like Kohler. While this role is still new—and is as exciting and daunting as my previous role—I am confident we can achieve our mission of helping people live more gracious, healthy, and sustainable lives through the actions and accountability we take as a company. As our Chair and CEO often says, we are here to leave the world a better place than we found it.

**Laura E. Kohler**  
Chief Sustainable Living Officer,  
Kohler Co.

# 2023 Impact Highlights

Lives Impacted Through Charitable Giving	2023*	Historical*
Plumbing product donations	<b>309K</b>	<b>8.5M</b> since 1990
Provision of health and well-being services	<b>117K</b>	<b>2.7M</b> since 1990
Scholarships and university support	<b>170K</b>	<b>2.9M</b> since 1990
Support of the arts	<b>45K</b>	<b>1.4M</b> since 1990
Environmental conservation	<b>1K</b>	<b>150K</b> since 1990
Lives Impacted Through Safe Water for All	2023*	Historical*
Safe water and sanitation initiatives	<b>193K</b>	<b>2.4M</b> since 2014
<b>Total Lives Impacted Globally</b>	<b>835K</b>	<b>18.1M</b> since 1990

Environmental Performance †	2023*	Historical*
Reduction in global operational net greenhouse gas intensity (Scope 1 + 2)	<b>6%</b>	<b>64%</b> since 2008
Reduction in global energy use intensity	<b>11%</b>	<b>47%</b> since 2008
Global operational electricity from renewable resources ‡	<b>50%</b>	<b>54%</b> in 2022
Reduction in water withdrawal intensity	<b>20%</b>	<b>65%</b> since 2008
Reduction in global operational net waste intensity	<b>19%</b>	<b>66%</b> since 2008
Percent of waste diverted from disposal	<b>58%</b>	<b>59%</b> in 2022
Gallons of water saved by Kohler WaterSense®-labeled products in the U.S.	<b>91B</b>	<b>634B</b> since 2007
Global sales from environmentally favorable kitchen and bath products	<b>\$1.28B</b>	<b>\$1.01B</b> in 2022

\*All numbers have been rounded and historical numbers include 2023 figures.

†Scope and methodology notes for environmental metrics can be found in the data tables in the appendix.

‡Considering Scope 1 on-site renewable electricity and Scope 2 renewable electricity.

# Protecting the Planet

Kohler is committed to doing our part to mitigate the effects of climate change and address environmental challenges as well as reducing the environmental footprint of our customers by offering products with lower environmental impact compared to the baseline. To do this, we are improving our operational footprint through responsible manufacturing, supporting the natural resources upon which we rely, and investing in the innovation and design of environmentally friendly products while driving transparency around the composition of product materials and environmental impact.



SpaViva™ two-function  
1.75 gpm handshower  
(WaterSense®-labeled)

# 2023 Impact Overview

Ambitions	Initiatives	Metrics	2023	Historical
<b>Help customers reduce their environmental footprint</b>	Develop and sell more sustainable products	<b>Global sales from environmentally favorable kitchen and bath products</b>	\$1,282,393,005	\$1,013,782,940 in 2022
<b>Become the most transparent, accountable, and environmentally friendly brand in our industry</b>	Provide education and reporting	<b>CDP scores</b>	B rating in Climate Change B rating in Water Security	B rating in Climate Change B rating in Water Security in 2022
<b>Reduce environmental impacts across operations</b>	Net-zero Scope 1 and 2 GHG emissions by 2035	<b>Reduction in global operational net GHG emissions intensity</b>	6% since 2022	64% since 2008
	Reduce our operational water use	<b>Reduction in global operational water withdrawal intensity</b>	20% since 2022	65% since 2008
	Net-zero waste to landfill by 2035	<b>Reduction in global operational net waste intensity</b>	19% since 2022	66% since 2008



# Helping Our Customers Reduce Their Environmental Footprints

The year 2023 marked the beginning of a new strategic approach to customer alignment, partnership, and sales growth through the lens of sustainability. By establishing a sustainability-focused team of sales and marketing professionals, we identified business growth opportunities with our largest customers in order to meet the growing demand for more sustainable products and solutions. Through specification support, training, and events, our teams were able to increase visibility to Kohler’s more sustainable product portfolio and increase brand awareness with customers looking to align with environmentally conscious brands.

## WATER-EFFICIENT PRODUCTS

Water is always top of mind at Kohler, and we continuously work to develop water-efficient plumbing products to aid in the protection and long-term availability of this natural resource.

In 2023 Kohler added 120 new WaterSense®-labeled products to our portfolio, and we were recognized by the Environmental Protection Agency (EPA) with our ninth WaterSense Sustained Excellence Award. We have 1,255 models across our KOHLER®, STERLING®, and KALLISTA® brands that carry the EPA’s WaterSense label. WaterSense-labeled products are those that use at least 20% less water than average, and we are proud to offer innovative and beautiful

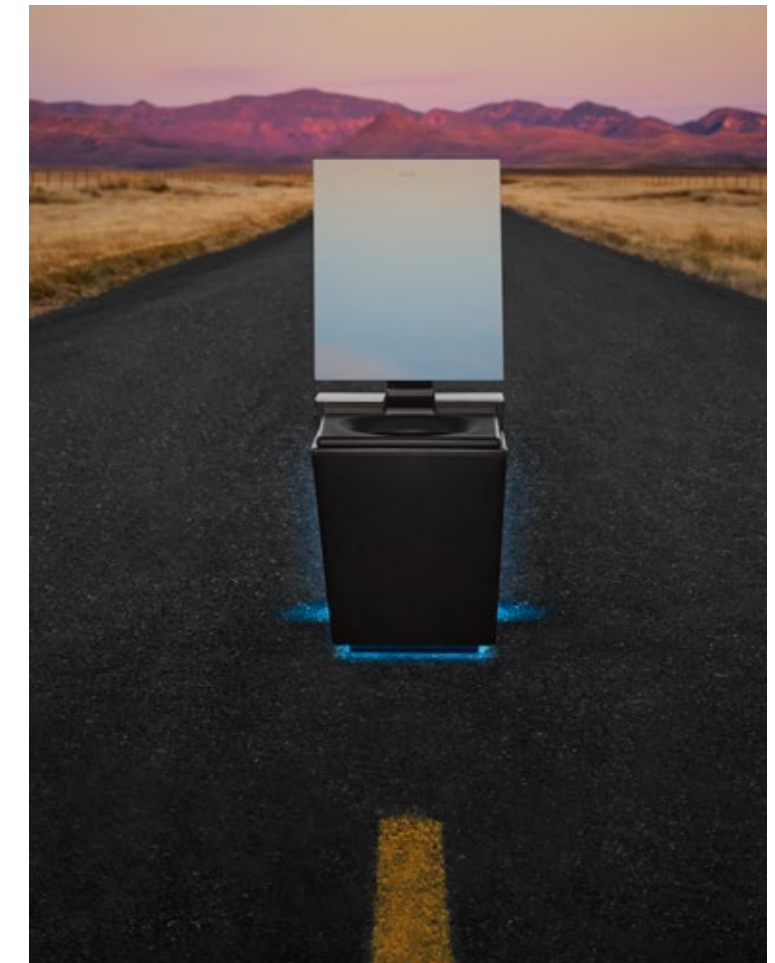
products that enable our customers to save water without compromising the experience.

The **Castia™** collection, designed in partnership with acclaimed interior designer Shea McGee and with inspiration taken from Kohler’s 150-year-old product archives, includes water-saving showerheads and handshowers with a flow of 1.75 gallons per minute (gpm), and bathroom sink faucets with three different flow rates including 0.5 gpm, 1.0 gpm, and 1.2 gpm.

Our **Statement® VES** showerhead and handshower remain our most water-efficient to date, flowing at 1.5 gpm with the ability to adjust the flow down to 0.5 gpm. Sales from the Statement VES collection in 2023 could drive water-use savings of over 91 million gallons of water over the life of the showerheads.

Since 2007 U.S. sales of products from Kohler brands have achieved an estimated cumulative savings of more than:

- ▶ 634 billion gallons of water
- ▶ 14.7 million metric tons of avoided CO<sub>2</sub> emissions associated with water use
- ▶ \$11.7 billion in energy and water utility bill savings for customers



### Smart Is Water-Efficient

At the 2023 annual Kitchen & Bath Industry Show, Kohler showcased the **Numi® 2.0**, our most advanced smart toilet and one of our most water-efficient toilets. Part of our line of dual-flush toilets, the Numi 2.0 smart toilet has a 1.0-gallon full flush and a 0.8-gallon half flush, for a calculated average flush rate of just 0.87 gallons per flush (gpf). Switching from a 1.6 gpf toilet to the Numi 2.0 dual-flush toilet can save more than 69,000 gallons of water over 20 years, which is the equivalent of over 16 years of flushes.\*

\*Based on Plumbing Manufacturers International established assumption of average household size of 2.67 people and a total of 13 flushes per day over 20-year estimated useful life.

## The Evolution of Water Efficiency

As part of Kohler’s 150th anniversary celebration in 2023, we brought back two heritage colors—**Spring Green**, introduced in 1927, and **Peachblow**, introduced in 1934—and made them available on select KOHLER® fixtures. Our toilets category features two products with the retro colors—the **Memoirs® two-piece toilet** and the **San Souci® one-piece toilet**. Both models use just 1.28 gallons per flush (gpf) and are part of our portfolio of WaterSense®-labeled toilets.

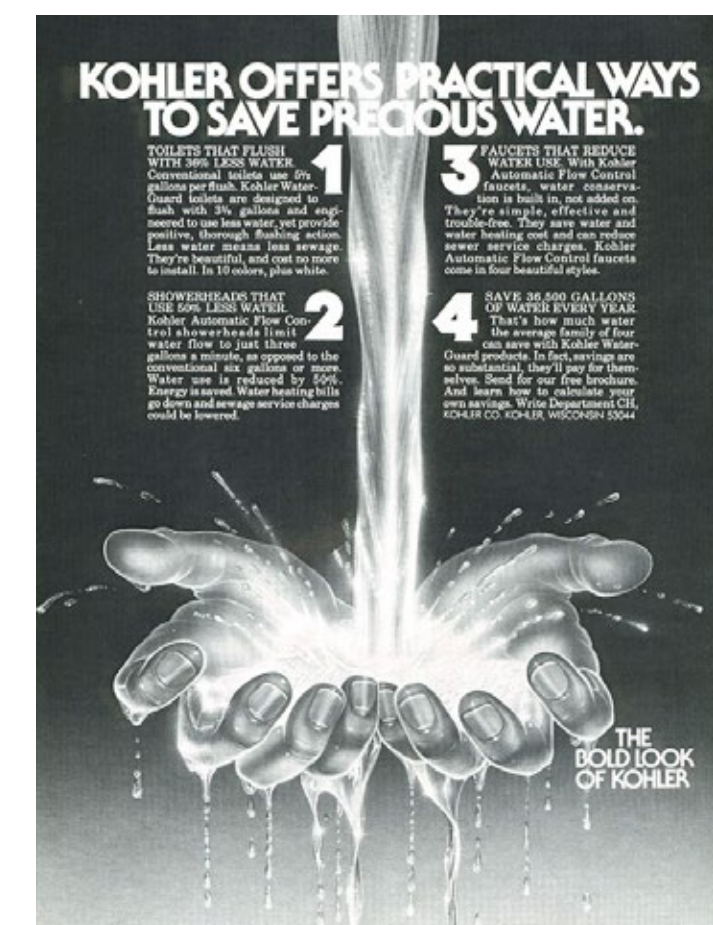
When Spring Green and Peachblow colors were first

introduced in the 1920s and 1930s, the standard flush volume for toilets was a whopping 5.0 to 5.5 gpf. In 1973 Kohler introduced Water-Guard® toilets that used 3.5 gpf, and in 1989 we launched our Wellworth® Lite toilet, our first to flush at 1.6 gpf. Today 1.28 gpf toilets make up the vast majority of our toilet sales and are engineered to perform even better than their predecessors.

A 2019 WaterSense market penetration study commissioned by the U.S. EPA estimated that there are still over 9 million 5.0 gpf toilets, more than 52 million 3.5 gpf toilets, and over 216 million 1.6 gpf toilets installed across the U.S.\*

**If we collectively worked to replace all 277 million of those toilets with 1.28 gpf WaterSense-labeled toilets, we could save over 1 trillion gallons of water per year in the U.S.—enough to provide over 25 days of public water supply across the country.† It would also drive over \$13 billion in water utility bill savings.**

By continuing to prioritize water efficiency in our product innovation, we are growing our portfolio of water-efficient products around the world each year. And when we look back, we see we have come a long way.



Although Kohler first officially launched a line of water-saving products in the early 1970s, we have sought ways to save water since the 1930s. Kohler helped customers save water before regulations mandated it through flow controls on faucets and showerheads and siphon controls on toilets.

\*Source: <https://www.safeplumbing.org/files/safeplumbing.org/documents/misc/2019-WaterSense-market-penetration-study.pdf>

†Source: [https://www.usgs.gov/mission-areas/water-resources/science/public-supply-water-use?qt-science\\_center\\_objects=0#qt-science\\_center\\_objects](https://www.usgs.gov/mission-areas/water-resources/science/public-supply-water-use?qt-science_center_objects=0#qt-science_center_objects)

### 50L Home Coalition

Launched in October 2020, Kohler is a founding member of the 50L Home Coalition, a global action-oriented platform striving to reinvent the future of water and change the narrative on domestic water consumption.

In 2023 we launched our first pilot project in Los Angeles, California, with 32 participating homes.

These homes were outfitted with water-measurement devices to capture baseline data in phase one. In phase two, 16 homes were kept as control homes and 16 were outfitted with some of today’s most water- and energy-efficient products from Kohler, Electrolux, IKEA, and Proctor & Gamble. Kohler provided toilets, showerheads, bathroom faucets, and kitchen faucets for phase two. Phase three is set to take place between 2024 and 2025 and will involve new, innovative solutions—some of which may not be on the market yet—to push water efficiency even further while ensuring a gracious customer experience.

\*68,988,679 gallons saved per year with complete conversion based on estimate of 13,236 new homes per year with 3 toilets per home (39,708 toilets total), calculated with a savings of 0.28 gallons per flush assuming 17 flushes per day for 365 days.

### KB Home

Kohler is partnering with KB Home, the sixth-largest national home builder in the United States, to convert all residential toilets in their new homes to the 1.0 gallon per flush **Highline® two-piece toilet**. This conversion has the potential to save homeowners over 68 million gallons of water annually.\*

### Recoup Energy Solutions

Kohler Mira announced in 2023 the acquisition of Recoup Energy Solutions, the U.K. market leader in wastewater heat recovery for showers. The company manufactures a simple device that recovers thermal energy from shower wastewater and uses it to preheat incoming water. This device can reduce the energy required per shower use by up to 55%. Energy that would normally go down the drain is reused, reducing hot water requirements, lowering CO<sub>2</sub> emissions, and reducing household energy bills in the use phase.



KOHLER® water-efficient products were installed in a Los Angeles home as part of the 50L Home pilot.



A group of associates meet for a demonstration on Recoup energy-saving pipe solutions.

## PACKAGING SUSTAINABILITY

Operating in parallel with our product sustainability efforts, our Packaging Engineering team has been working hard on many fronts to reduce or eliminate nonrecyclable materials from product packaging. In total, over three million pounds of traditional packaging materials were eliminated in 2023. Key projects that delivered this result include:

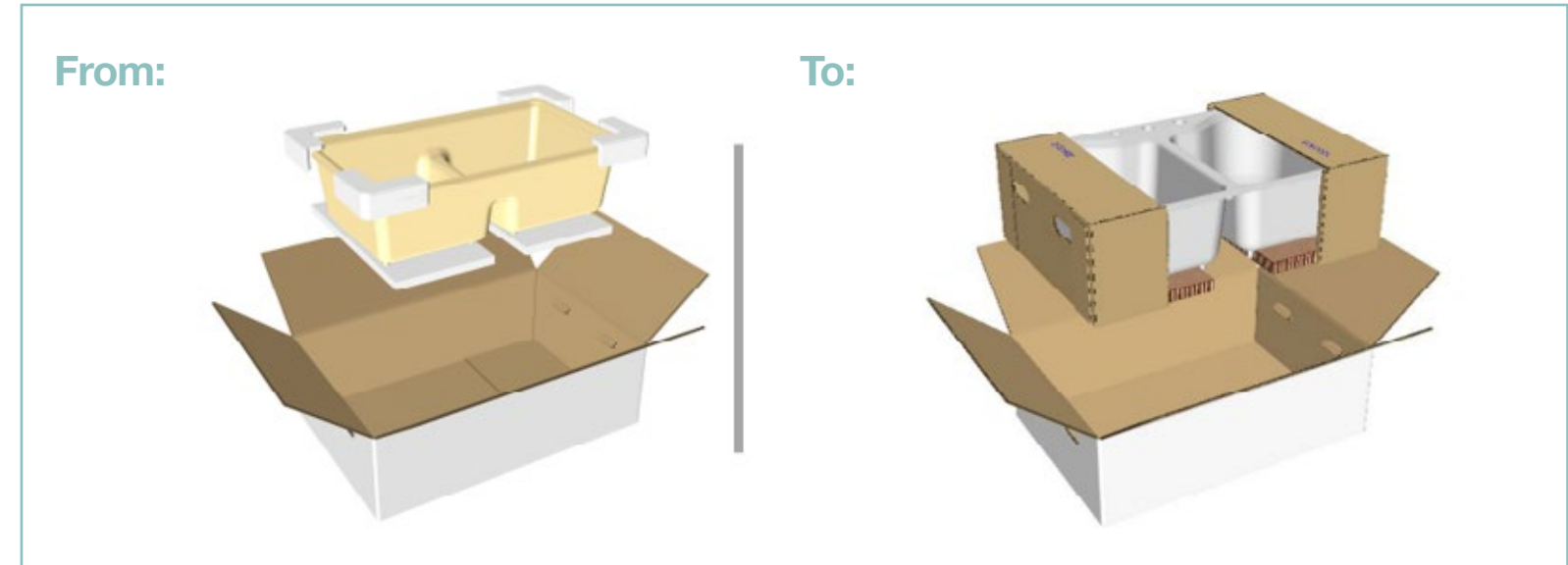
- ▶ Mira Showers in the U.K. focused on reducing packaging waste upfront through the redesigned tray packaging solution. Since April 2023 Mira has avoided using expanded polystyrene (EPS) in shower tray packaging. Although EPS is fully recyclable, the material is not commonly recycled in the U.K. because of the specialized equipment required to compact

it. Mira has eliminated use of nonrecyclable plastic in its shower tray packaging, saving approximately 1.5 million pieces, 6,000 cubic meters, and 100 metric tons of plastic each year and reducing CO<sub>2</sub> emissions by 138,761 kilograms per year.

- ▶ Kohler teams in Shanghai, China, replaced expanded polyethylene (EPE) foam inserts with paper honeycomb for bidet toilet seats at our Shanghai Kohler Electronics Facility, eliminating 42,379 pounds of the foam.
- ▶ Kohler teams in Kohler, Wisconsin, developed paper-based supports for use with vanities made in China and Vietnam, eliminating over 2.4 million pounds of wood and reducing associated greenhouse gas (GHG) emissions by more than 2.8 million kilograms of CO<sub>2</sub>e.

- ▶ Kohler teams in Kohler, Wisconsin, replaced EPS foam with paper-based honeycomb and corrugated cardboard on 33" x 22" cast iron kitchen sinks, eliminating 32,000 pounds of the foam.

We completely eliminated 0.98 lbs of EPS pads and corners per sink, replacing them with paper-based materials which are 100% curbside recyclable. The new packaging is also parcel shipment-ready and avoids the need for any overpacking.



By removing crates and optimizing internal packaging structure, we use significantly less material while ensuring vanities arrive safely to the customer, meeting rigorous e-commerce shipping standards.



We improved our carbon footprint by replacing EPE foam cushioning with paper-based honeycomb pads while maintaining e-commerce shipping requirements and automated operations efficiencies.



### Impact Reduction

# 3 Million

pounds of traditional packaging materials were eliminated in 2023.

## ALTERNATIVE ENERGY PRODUCTS

Kohler Energy is a key provider of mission-critical backup power for individuals, businesses, and communities around the world. We supported the electrification and decarbonization movements with products launched in 2023 that reduce customers' GHG emissions and, in turn, Kohler's Scope 3 emissions through:

- ▶ **KOHLER® generators** allow for compatibility with hydrotreated vegetable oil (HVO) fuel, which can be used in place of diesel for a reduction of GHG emissions of up to 90% compared to fossil fuels.

- ▶ **KDH**, Kohler's first direct-injection hydrogen engine, demonstrates that it is possible to make a hydrogen engine with performance equal to derivative diesel and to provide hydrogen-based solutions for Kohler's existing customer applications with minimal impact on the existing machine. KDH was unveiled at Agritechnica 2023.
- ▶ **Kohler Energy's hydrogen fuel cell power system** demonstrates sustainable resilience for Klickitat Valley Health, a hospital in Goldendale, Washington, that serves as the principal medical center for over 10,000 people in the district. The Kohler hydrogen fuel cell system combines Kohler and Toyota technologies to showcase the viability of zero-emissions technology for power generation. The system and upcoming installation marks a significant step for Kohler toward offering a commercially available product that will help customers with their decarbonization goals.

- ▶ **Conscious Care™ maintenance program** helps customers reduce fuel consumption, GHG emissions, and maintenance costs by reducing the frequency and time needed to run KOHLER KD Series™ backup generators each year. Customers can now meet their maintenance schedules and regulatory needs while making progress toward their environmental goals, choosing between two maintenance options:
  - ▶ A no-load exercise enables a generator's regular monthly exercise to be run without load, resulting in up to 70% GHG emissions savings and up to 72% reduction in fuel consumption over the maintenance cycle. Varies by model.
  - ▶ Extended exercise with testing every four months with no load reduces fuel-related GHG emissions by up to 78% and fuel consumption by up to 79%. Varies by model.

KOHLER hydrogen fuel cell system



## DESIGN FOR ENVIRONMENT

Our Design for Environment (DfE) methodology, which is applied in the Kitchen & Bath and Energy businesses, is a data-driven process that enables us to understand the environmental impact of our products and rethink design aspects accordingly. DfE employs a multistage strategy that considers four impact categories across all aspects of the product life cycle, including the impact of using renewable materials, how decreasing water flow rates affects user experience, and how product materials can be recycled or repurposed.

One hundred percent of Kitchen & Bath North America projects that went through the full new product development process (NPD)\* completed a DfE session and implemented actionable steps to incorporate DfE into the product design—57 NPD projects were launched in 2023 using DfE. Kohler’s DfE process allows us to measure and understand the environmental impact of our products and informs our decision-making and manufacturing processes to ensure we are bringing more sustainable products to our customers.

### 2023 DfE Integration Into New Product Development\*

#### Kohler Kitchen & Bath North America Business

▶ 100%

#### Kohler Power Systems Generators Business

▶ North America: 80%

▶ EMEA: 40%

▶ Other regions: 50%



#### Low-Flow Commercial Faucets Expansion

In 2023 Kohler launched 22 commercial faucet SKUs with a flow rate of 0.35 gpm. These faucets reduce water consumption by 30% compared to the 0.5 gpm baseline for commercial faucets.

\*Excluding product extensions, software updates, new market releases and canceled projects.

**Materials**

Being intentional about the materials used in our products is an important aspect of the DfE process. Material selection occurs at the design validation phase of all new product development. It begins with a brainstorming session between all teams involved, including but not limited to marketing, design, engineering, sustainability, and packaging. Our sourcing decisions also take into consideration supplier sustainability to support our material selection and sustainability principles.

The following considerations guide designers in their material selection.

**Increase:**

- ▶ Recycled content and/or nonvirgin sources
- ▶ Materials produced using renewable energy
- ▶ Materials that can be recycled
- ▶ Materials with sources that can be tracked
- ▶ Materials from waste byproducts

**Decrease:**

- ▶ Toxic materials
- ▶ Quantity of materials
- ▶ Types of materials to simplify recycling

**Positive by Design®**

Positive by Design is an internal marker that we apply to products that have been internally verified to have a positive environmental impact compared to existing baseline product offerings in our portfolio. Products are evaluated across four key sustainability impact areas:

- ▶ Water use
- ▶ Greenhouse gas emissions
- ▶ Solid waste
- ▶ Material toxicity

If the proposed new product shows improvement in at least one of the four key sustainability impact areas without increasing impact in any other areas, it is considered to be Positive by Design. Kohler is using this internal metric to drive positive decision-making and more sustainable design internally. In 2023 65 Kitchen & Bath new product development projects were designated as Positive by Design.



**Layne® Toilet Seat for Costco**

The original carton packaging for the Layne toilet seat was one-size-fits-all, but to align with new Costco carton requirements, our engineering team pushed to make the carton smaller, reducing the amount of wasted space and optimizing the pallet configuration from 72 to 96 units. With these changes, all four impact areas were reduced by 33%.

**65**

Kitchen & Bath new product development projects were designated as Positive by Design in 2023.

## KOHLER WASTELAB®

KOHLER WasteLAB, established in 2014 within Kohler’s Innovation for Good® incubator, continues to scale up its operations to repurpose Kohler manufacturing waste streams into beautiful tiles to advance circularity at Kohler.

WasteLAB operations are currently concentrated in Kohler, Wisconsin, and all repurposed waste streams are sourced from our Wisconsin campus operations, including the Wisconsin Pottery, Enamel Shop, and Foundry. Current product offerings include two lines of artisanal tile, both made from more than 99.5% recycled waste materials, including green cull, pottery wastewater sludge, cast iron slag, and waste glaze.

We continue to invest in research and innovation to expand the scope of how we recycle and reuse waste materials from operations both within and outside of Kohler, Wisconsin.

In 2023 WasteLAB more than doubled its number of associates as Kohler continued to support expansion of the business. We focused on:

- ▶ Developing new products and exploring new product categories
- ▶ Exploring new waste streams to use as raw material
- ▶ Offering tours of WasteLAB operations
- ▶ Product training for ANN SACKS® sales associates
- ▶ Enhancing WasteLAB content on the Kohler website for greater awareness

- ▶ Engaging in circularity advocacy with designers, architects, and industry peers
- ▶ Presenting our products at high-profile industry events and trade shows

KOHLER WasteLAB garnered multiple accolades in 2023.

- ▶ WasteLAB was the winner of the 2023 Reuters Responsible Business Award in the Circular Transition category.
- ▶ The Kohler x Nada Debs hammam installation at Design Miami featuring WasteLAB tile was an honoree of the *Fast Company* Innovation by Design Award in 2023.

### Abstra® Collection

- ▶ 2,118 square feet sold
- ▶ 6.72 metric tons of waste diverted from landfills

### Crackle Collection

- ▶ 1,989 square feet sold
- ▶ 1.67 metric tons of waste diverted from landfills

Laura and David Kohler sign a tile during the inaugural event for the expansion of WasteLAB amongst fellow associates. The new KOHLER WasteLAB space is an additional 8,400 square feet paving the way for continued growth.



### Waste diverted due to sales of WasteLAB tiles

**33.3MT**

since 2019

**8.4MT**

in 2023



# Becoming the Most Transparent, Accountable, and Environmentally Friendly Brand in Our Industry

## PRODUCT TRANSPARENCY

As a long-term platinum member of the U.S. Green Building Council and a member of the International Living Future Institute, our goal is to support our customers' efforts to achieve Leadership in Energy and Environmental Design (LEED) Green Building standards and Living Building Challenge standards. Kohler continues to receive increased requests for product transparency documents, including environmental product declarations, Declare labels, and other information such as embodied carbon or recycled content.

- ▶ Kohler has supported the specifications for 140 LEED-certified projects globally.
- ▶ In 2023 we received 733 product transparency requests originating from the United States, Saudi Arabia, Thailand, Qatar, France, England, United Arab Emirates, France, Canada, China, and Mauritius.
- ▶ We received 54 ESG-focused survey requests from customers and vendors seeking a range of information to support their own ESG reporting and goals, including requests to participate in the EcoVadis assessment.
- ▶ In 2023 our EcoVadis assessment score improved and we continued to see interest from customers to reduce our collective impact through increased transparency in our supply chain and procurement.



Laura Kohler educates design leaders on Kohler's sustainable product journey and attributes.

## Environmental Product Declarations (EPD)

Kohler has expanded our third-party-verified EPD capabilities and we are able to provide EPDs upon request for 100% of vitreous china, stainless steel, and faucet products. We are continually expanding our data inventory and our capability to produce EPDs upon request.

- ▶ 512 EPD requests were received in 2023, comprising 70% of transparency requests, an increase of 257% from 2022.
- ▶ 199 EPD requests were received in 2022, comprising 61.9% of transparency requests.

## Declare Labels

Declare labels provide transparency on a product’s environmental impact through compliance with Living Building Challenge criteria developed by the International Living Future Institute, a coalition of architects, engineers, manufacturers, and builders focused on green building.

- ▶ 221 Declare and recycled content requests were received in 2023, comprising 30% of transparency requests, an increase of 180% from 2022.
- ▶ 122 Declare and recycled content requests were received in 2022, comprising 38% of transparency requests.

Declare labels are third-party-verified transparency documents that include information about the materials that make up a product. These labels can contribute to building certifications, including LEED and the Living Building Challenge.

**> 2.2K** EPD requests received since 2014.



# Reducing Environmental Impacts Across Operations

We have ambitious goals to achieve net-zero Scope 1 and 2 GHG emissions by 2035, net-zero waste to landfill by 2035, and to be responsible water stewards in the areas of our operations. We employed the following initiatives to advance these efforts in 2023:

- ▶ Extended our **Design for Environment (DfE) methodology** beyond product design into capital planning decision-making with teams using DfE tools to evaluate ways to reduce our operational footprint. In 2023 this drove changes in scope for two large expansion projects.
- ▶ Implemented **net-zero building design standards** to be used by the architectural and construction design firms working on construction projects at our locations, outlining ways to reduce GHG emissions, water, and waste.

- ▶ Engaged with our Big Rocks team, a cross-functional group of **sustainability champions** from across operations, on 12 advanced development pilots focused on reduction of GHG emissions in high-temperature process, water management at sites with high water consumption, and beneficial reuse of our largest waste streams.
- ▶ Challenged the more than 200 members of our **Executive Management Team** to add a sustainability outcome to their 2024 annual performance goals, with the intention of driving action aligned with our 2035 ambitions. Of those in attendance, 73% of leaders selected an outcome to focus on in 2024.

- ▶ Applauded the outstanding accomplishments of locations that won Kohler Sustainability Awards. The **Sustainability Excellence Award** recognizes locations that met their sustainability footprint reduction targets in the prior year, with awards highlighting those that used innovative solutions, engaged with multiple stakeholders in the process, and had an impactful result. New in 2023, the **Innovation Award** recognizes a project team that delivered a unique solution to improving an operational footprint challenge. This award highlights bold thinking and creative innovation that will be needed to achieve our long-term ambitions.



The Nanchang China Faucet Team received a Sustainability Excellence Award for their implementation of a wastewater treatment system to reduce use of chemicals and maximize water recycling.

*“From executive leaders to frontline associates, people are drawn to our sustainability efforts. Kohler’s commitment to this work makes you feel proud to be a part of the organization.”*



**Tony Herbert,**  
Vice President–Operations,  
Vitreous, Plastics, & Electronics,  
Quedgeley, England

## GHG EMISSIONS REDUCTION

Kohler collects data and reports on metrics by considering the GHG Protocol, reporting since 2008 on Scope 1 emissions (direct emissions from our owned or controlled operations) and Scope 2 emissions (indirect emissions from the purchase of electricity and steam). Through productivity and emissions reduction initiatives, we have reduced our global net GHG emissions intensity by 64% since 2008 and by 6% in 2023 compared to 2022.

To further embed the importance of GHG reduction into our operations, we integrated an internal carbon price of \$100 per metric ton of CO<sub>2</sub> equivalent (CO<sub>2</sub>e) for Scope 1 and 2 emissions into the financial evaluation associated with capital project investments, to influence capital allocation and decision-making to drive

sustainable investment. This initiative was piloted in a small sample of projects in 2023 and will be expanded in 2024.

In 2023 we introduced a Carbon Profitability Index that embeds the price of carbon into our capital-planning decisions. By incorporating this metric, investments in projects with carbon emissions that are anticipated to be lower compared to the baseline become more favorable investments from a business perspective.

Kohler is committed to working across the value chain to quantify and reduce Scope 3 emissions. We are actively establishing frameworks to integrate Scope 3 accounting into our business processes while defining our organizational capabilities and integration strategies to facilitate quantification and emissions reductions. Within our Kitchen and Bath and Kohler Energy

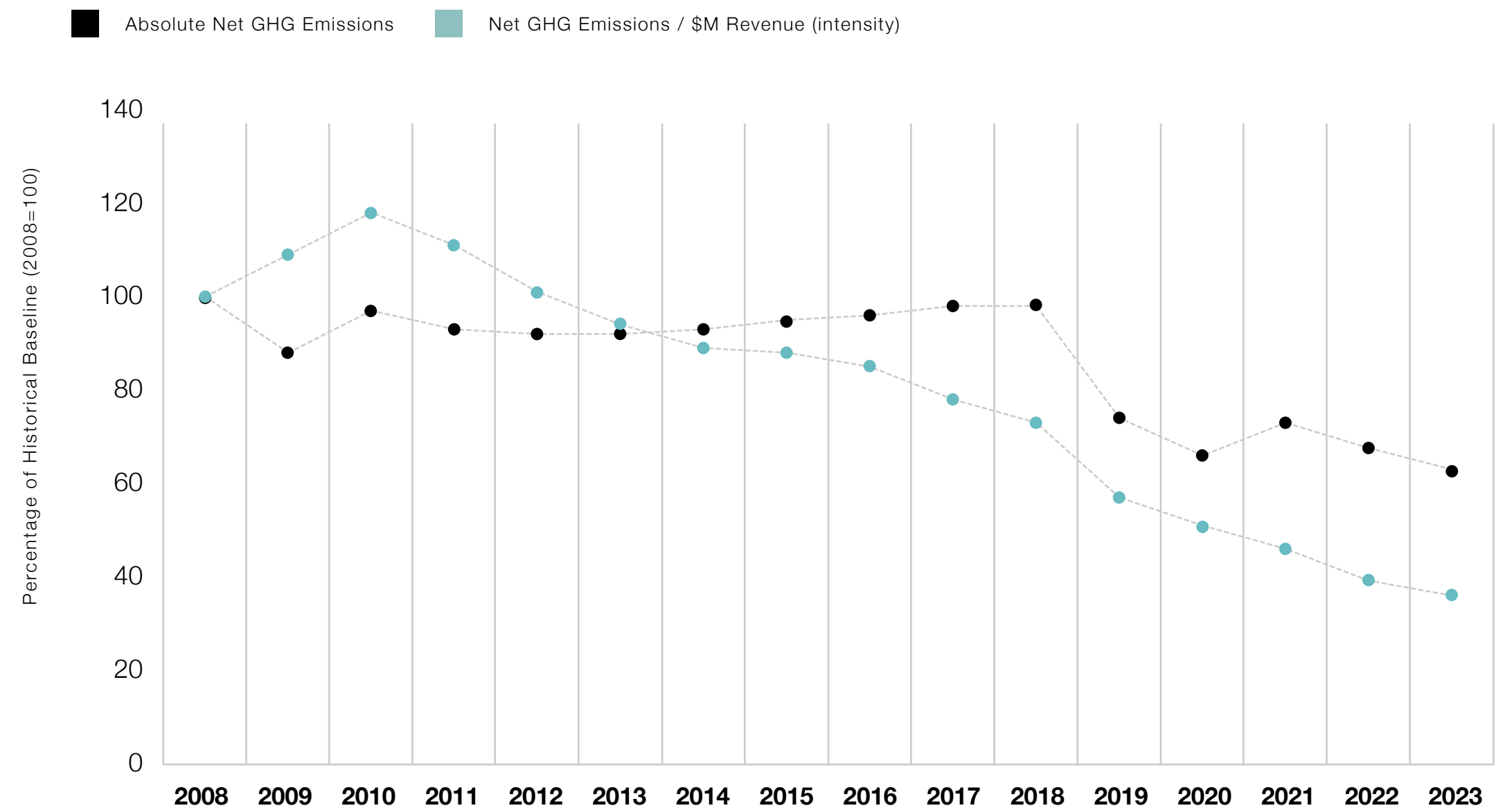
business units, we are working on improving our understanding of our value chain emissions, pinpointing critical areas of impact, and determining our role in minimizing these emissions. This foundation is informing the development of a robust Scope 3 inventory, reduction targets, and comprehensive road map.

### Scope 3 Initiatives

▶ Through the DfE program, we are evaluating energy-efficiency opportunities in our products to decrease energy consumption during their use, thus reducing Scope 3 emissions.

▶ We are expanding the supplier sustainability program for procurement, establishing mechanisms to measure, track, and ideate around sustainable solutions.

## Net GHG Emissions Across Global Operations (Scope 1 + 2), 2008–2023



**-6%** Change in net GHG (Scope 1 and 2) emissions intensity from 2022 to 2023.

**-64%** Change in net GHG (Scope 1 and 2) emissions intensity since 2008.

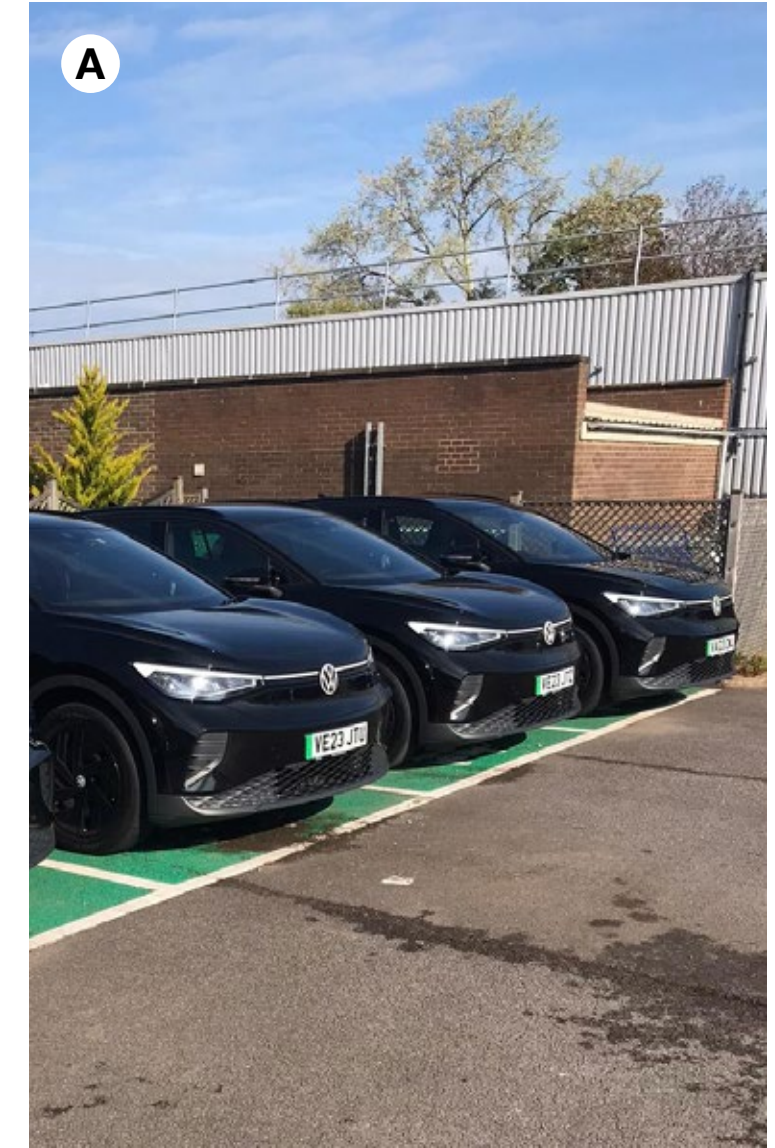
## 2023 GHG Emissions Reduction Highlights

- ▶ **Kohler, Wisconsin:** Kohler Hospitality has begun an LED lighting upgrade at Sports Core and the Blackwolf Run® landscape building as part of a three-year project. The first phase yielded significant energy savings, with Sports Core reducing its energy consumption by 35,924 kWh annually. The Blackwolf Run landscape building reduced its energy consumption by 41,505 kWh annually.
- ▶ **Beijing, China:** The Beijing Faucet Operations team optimized their dust collection system by implementing smart factory controls, allowing them to adjust collection points as needed. This efficiency improvement reduced daily electricity consumption from 1,680 kWh to 600 kWh during the trial period. Expanding this approach to seven additional dust collection systems resulted in an annual reduction of 1,458,000 kWh, equivalent to 893 metric tons of CO<sub>2</sub>e saved.

- ▶ **Worcester and Cheltenham, England:** (A) Kohler Mira has launched a fully electric car fleet pool at the Cheltenham and Worcester sites, available for intersite journeys and business trips. This initiative will significantly reduce road transport emissions in its Scope 1 emissions. Additionally, the Mira logistics partner has transitioned from traditional diesel to HVO-based fuel, providing a 90% reduction in carbon emissions. To further support emissions reduction efforts, Mira installed an HVO-based fuel storage tank at its National Distribution Center in Worcester to offer refueling services for its logistics partner’s vehicles.
- ▶ **Jhagadia, India:** (B) The India Faucets team enhanced the efficiency of their natural gas boiler by adding a magnetic resonator to the burner, which resulted in an improved combustion of natural gas. This reduced the facility’s Scope 1 emissions by 20.35 metric tons of CO<sub>2</sub>e.

- ▶ **Monterrey, Mexico:** The Sanimex Vitreous team increased the use of a low-energy cold repairing method that allows minor aesthetic defects to be corrected without being refired. This reduced the number of second-fire cycles by 206 which reduced the Scope 1 emissions of that facility by 2,456.6 metric tons of CO<sub>2</sub>e annually.
- ▶ **St. Andrews, Scotland:** The Old Course Hotel team has implemented combined heat and power at their dependencies, resulting in an annual reduction of 102 metric tons of CO<sub>2</sub>e. This innovative approach allows them to not only generate electricity for the hotel but also utilize the byproduct heat from the machine.

- ▶ **Foshan, China:** Kohler’s Foshan team significantly improved their method of transferring waste heat from their kiln to maintain an ideal temperature for the casting shop. The improvements to the heat-transfer system along with seasonal optimizations allowed for more control and efficiency resulting in a 13% reduction in energy consumption.



## RENEWABLE ENERGY

Kohler continues to increase the use of renewable energy sources across our global operations as part of our commitment to reduce Kohler’s Scope 1 and 2 GHG emissions. Many of our renewable energy projects are spearheaded by innovative project teams and associates across our locations, and we continue to invest in renewable electricity projects to help reach our operational net-zero 2035 goal (Scope 1 and 2 emissions).

In 2023 100% of the electricity for our U.S. and Canada operations continued to come from renewable sources such as wind and solar from Enel Green Power’s wind farms in Kansas, known as the Diamond Vista project. This has offset 100% of our electrical usage since 2019 and has reduced our carbon emissions footprint by 196,396 metric tons of CO<sub>2</sub>e. Outside of the U.S., Kohler consumed 17.327 million kWh of renewable electricity generated by its solar power installations.



### EPA SmartWay Member

Kohler has been a Shipper partner with the U.S. EPA’s SmartWay program since 2008 and a Truck Carrier partner since 2010. This is a voluntary program helping to measure, benchmark, and improve freight transportation efficiency. We are committed to enhancing sustainability through each aspect of our products’ life cycles, from initial design through delivery.

## 2023 Renewable Energy Highlights

- ▶ **Changshu, China:** A total of 1,600 solar panels were installed in an 880-kW solar system at the main plant, which now produces 900,000 kWh annually.
- ▶ **Changshu, China:** At the faucets plant 147 solar panels were installed in an 81-kW solar system, generating 80,000 kWh annually.
- ▶ **Shanghai Fengxian, China:** A 635-kW solar system, comprising 956 solar panels and producing 650,000 kWh annually, was installed.
- ▶ **Changzhou, China:** The Changzhou Kitchen & Bath team team won a Kohler Operational Excellence Award for installing solar panels covering an area of 7,500 square meters, generating 975,000 kWh of energy with a capacity of 800 kW. This project led to a reduction in emissions by 597 metric tons of CO<sub>2</sub>e.
- ▶ **Worcester, England:** Mira, one of the U.K.’s leading showering manufacturers, installed more than 1,800 solar panels in its new National Distribution Center. The panels generated 254 MWh of energy from March 2023 to the end of 2023.
- ▶ **British Columbia, Canada:** A decommissioned hopper at the plastics plant was converted into a solar-powered generator in 2023, providing sufficient energy to power the facility’s lighting. This conversion is expected to reduce carbon emissions by 44 metric tons of CO<sub>2</sub>e annually.
- ▶ **Jhagadia, India:** The Jhagadia plant team successfully implemented a power purchase agreement (PPA) for renewable wind power, commencing in November 2023. This initiative has enabled the plant to start receiving renewable power, with their first energy credits received for November and December. The implementation of this PPA is expected to significantly reduce the plant’s Scope 2 emissions by approximately 4,500 metric tons of CO<sub>2</sub>e annually.

Kohler ranked 47th in the U.S. Environmental Protection Agency’s Green Power Partnership list of largest consumers of renewable power in 2023 with 413 million kWh of annual power usage in 2022 in the U.S. coming from solar and wind.

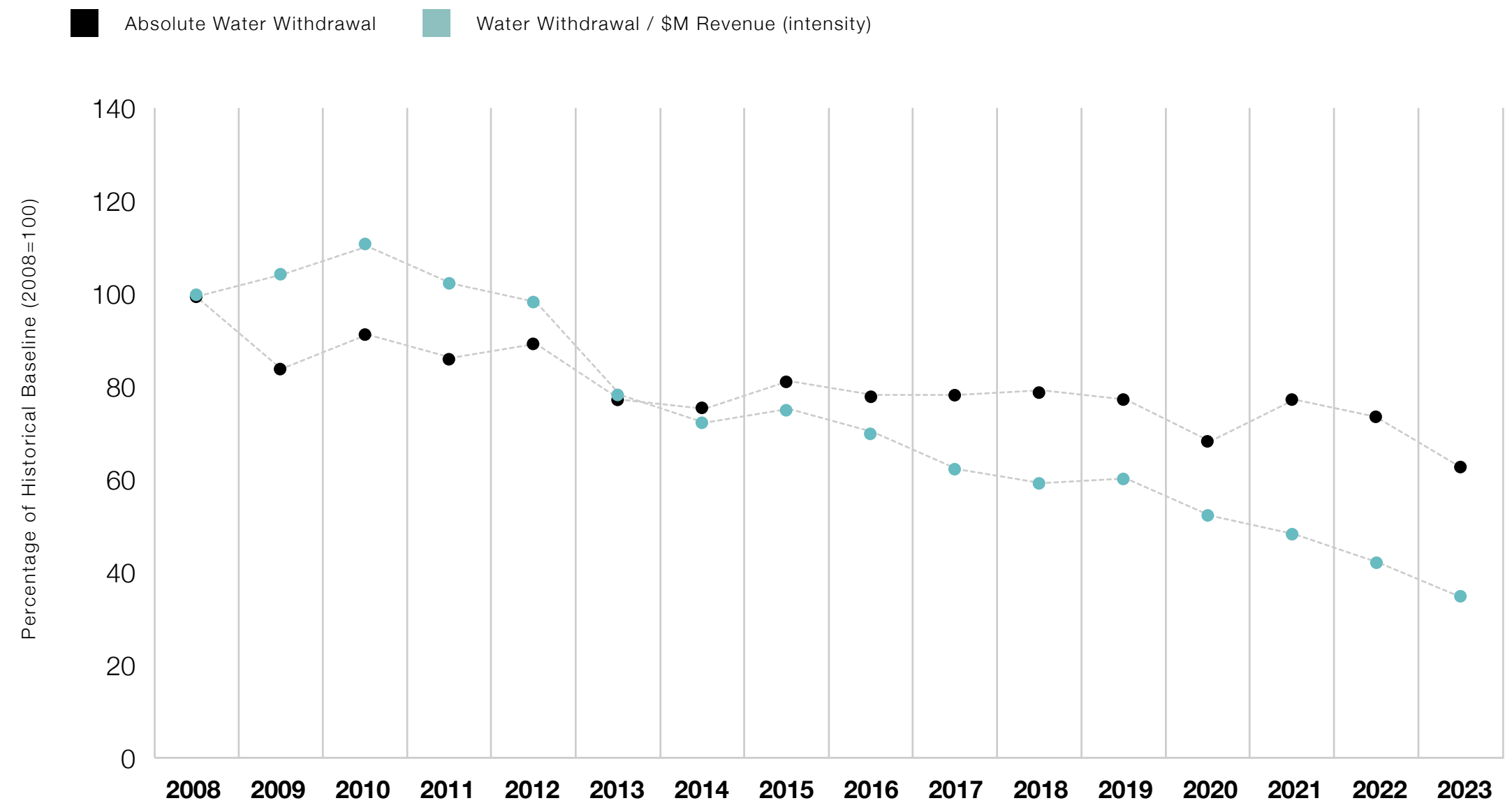
## WATER STEWARDSHIP

Kohler is committed to reducing the amount of water used in our operations and being responsible water stewards. We have reduced our water withdrawal intensity by 65% since 2008 as a result of water-reduction initiatives. In 2023 approximately 580,000 cubic meters of absolute water reductions were attributed to conservation and wastewater reuse efforts.

In 2023 we convened our first Kohler Water Summit, intentionally gathering key associates from all parts of the business that touch water, including new product development and innovation, strategy, policy, partnerships, stewardship, operations, marketing, and sales. This group will continue to meet throughout 2024 and beyond to bring greater visibility and collaboration to all the work happening around water stewardship throughout the organization and to set a bold ambition to guide our work into the future.

Throughout the past few years, Kohler has been working to understand its water footprint globally and strategically focusing on watersheds facing the highest water risks. Water risks include scarcity concerns, water-quality considerations, community access, and so much more. In 2023 we completed in-depth local risk assessments for our priority locations in order to understand where the need is in our local communities and within our water resources. At Kohler we believe in being responsible stewards of water within our facilities but also outside our facilities by supporting local water resources to ensure their sustainability and resilience. To do this, Kohler is strategically investing in restoration projects that benefit the communities and water sources on which our locations, associates, and communities depend. Our water stewardship activities take a holistic lens, ensuring we are being strategic and using a systems approach to problem solving.

### Water Withdrawal Across Global Operations, 2008–2023



*“Kohler has given me the opportunity to implement systems that help reuse and reduce the consumption of one of the most valuable assets these days—water. I am very proud to work for a company that makes it a priority to have processes that are sustainable.”*

**Emmanuel Caraza,**  
 Manager—Manufacturing Engineering, Coatings and  
 Wastewater Treatment, Kohler, Wisconsin, U.S.A.



## 2023 Water Stewardship Highlights

- ▶ **Andradas, Brazil, and Bekasi, Indonesia:** Kohler advanced water conservation in its vitreous china casting process at manufacturing locations resulting in an average savings of 200,000 gallons of water saved per month at each facility.
- ▶ **Foshan, China:** The manufacturing facility team renovated its entire recycled water operations, adding new water supply routes and water pumps that increased the amount of reclaimed water use and reduced freshwater usage by 24% per month.
- ▶ **Jhagadia, India:** Kohler worked with CLEAN International and SayTrees to launch a restoration of Lake Mohan, a highly polluted water source in Jhagadia. The project included dewatering and desilting, strengthening the main bund, creation of inlets and outlets, construction of a

walking path, and planting of native vegetation. It will reduce strain on freshwater resources by increasing groundwater levels, decreasing pollution, and restoring the natural hydrology.

- ▶ **Casa Grande, Arizona:** Kohler supported a project led by the Environmental Defense Fund, Bridgestone, the University of Arizona, and Bonneville Environmental Foundation to implement a large-scale crop conversion program with a goal of converting 20,000 acres of high-water-use crops to low-water-use crops. The project will reduce demand on the local aquifer by an estimated 9.8 million gallons per year over six years.
- ▶ **Nanchang, China:** Kohler implemented an integrated and single wastewater treatment system to achieve a high level of wastewater discharge stability. The project reduces the use of chemicals, maximizes reclamation and recycling of water, and

achieves zero impact to soil and underground water. The result is a reduction of fresh water use by 53% per day and a reduction of industry wastewater discharge by 67% per day.

- ▶ **Bajio, Mexico:** Kohler implemented a wastewater recycling system in its new vitreous china facility. This wastewater treatment system will allow Kohler to reuse 40% of water back into the process, minimizing the facility's need to use fresh water.
- ▶ **Saraburi, Thailand:** Through the conservation and creative reuse of water, the facility decreased its consumption by 20%. This was done through behavioral awareness, efficiency improvements in the slip-making process, increased storage, and advanced treatment of wastewater.



### Water Stewardship in Monterrey, Mexico

The first phase of reaching our water goals in Monterrey is to create site-specific water conservation and reuse road maps for operations, focusing on areas where freshwater use could be reduced and where wastewater could be utilized.

Three projects were completed in 2023 on our Monterrey, Mexico campus:

- ▶ **Sanimex Vitreous Facility:** Conservation of water in the slip-making area, resulting in 65,113 gallons of water saved per year.
- ▶ **Sanimex Vitreous Facility:** Conservation of water in the pressure-cast areas, resulting in over 4 million gallons of water saved per year.
- ▶ **Sanimex Faucets Facility:** Elimination of effluent released into the public sewer system through an innovative net-zero liquid discharge project that recycles and reuses all water needed for production.

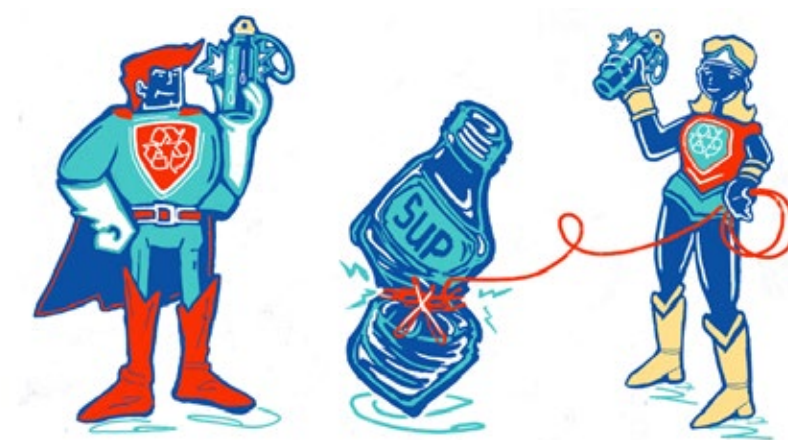


## WASTE MANAGEMENT

Kohler is committed to responsible management of the waste generated in our manufacturing, offices, and hospitality operations worldwide. Our multifaceted approach to waste empowers associates at all levels of the business to drive waste reductions—from skilled innovation and operational improvements to eliminating single-use beverage bottles within office spaces and break rooms. We have established a global goal of net-zero waste to landfill by 2035 and are implementing programs to reduce, reuse, and reclaim materials used in the manufacturing process. Across our operations footprint, Kohler diverted 58% of waste from disposal through recycling, beneficial reuse projects, and reduction in generating non-recyclable waste.

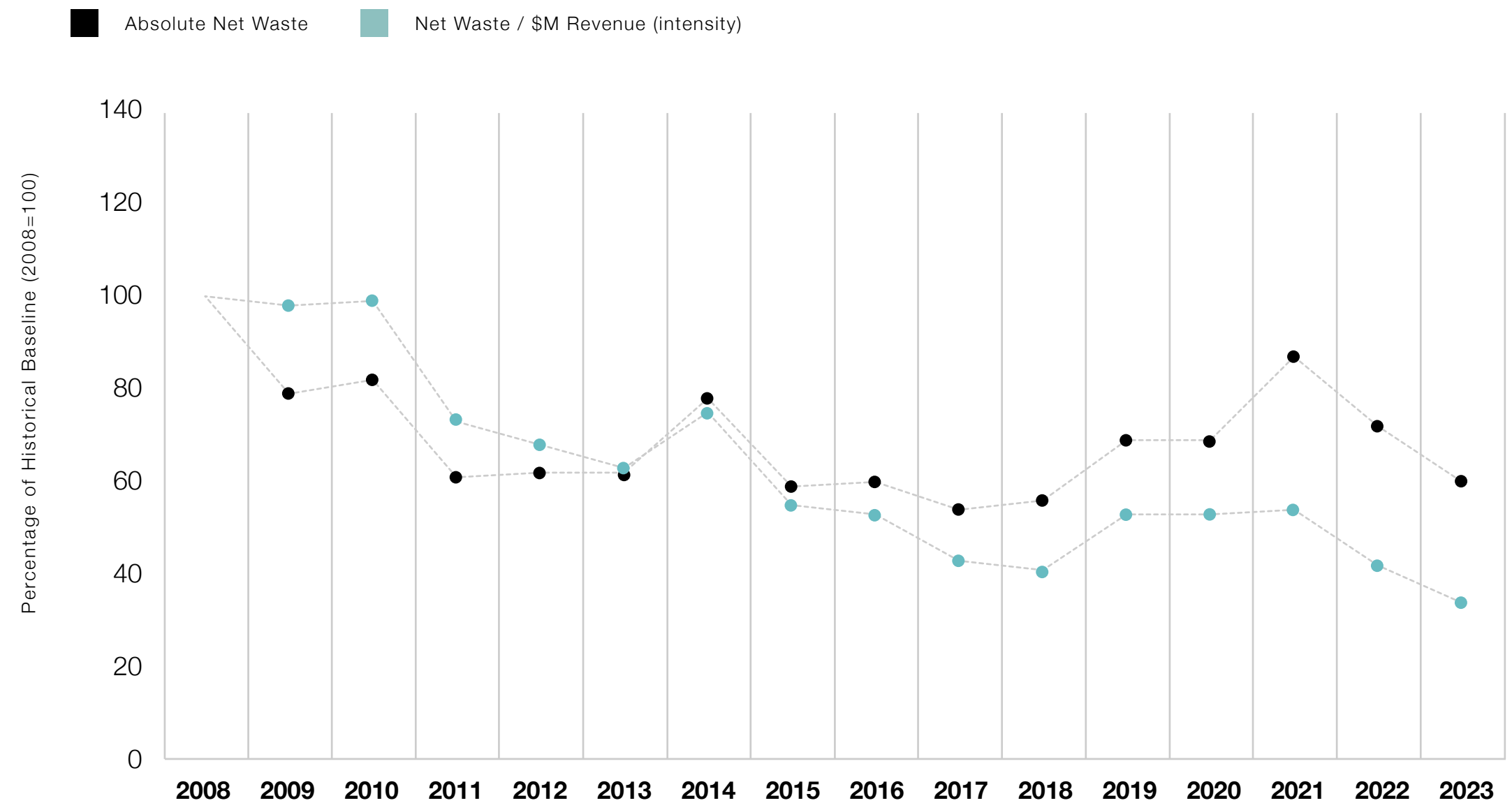
### Eliminating Single-Use Plastic Beverage Bottles

In 2023 a group of Sustainability Champions from across our business set a goal to eliminate single-use plastic beverage bottles from 100% of Kohler locations. This global team developed programming and a playbook to identify alternatives to single-use plastic, protecting associates' health and the environment from the impacts of microplastics.



SUPerheroes illustration by Kohler graphic designer Greg Prey

### Net Waste Across Global Operations, 2008–2023



*“Although our Beijing Faucet Operations has been net-zero waste to landfill for the fourth year in a row, our team is more motivated than ever to continue to reduce total waste generated and make a more effective utilization of waste.”*

**Gary Liu,**  
General Manager—Beijing Plant, Beijing, China



## 2023 Waste Management Highlights

- ▶ Elimination of single-use plastic bottles from Kohler locations\*.
- ▶ **Jhagadia, India:** By the end of the year, the vitreous china plant built a robust beneficial reuse program, reducing nonrecyclable refractory scrap through tackling projects to reduce breakage by more than 60%, reused 1,826 metric tons of effluent treatment plant sludge, found a new supplier to take hazardous waste for coprocessing as opposed to incineration (70 metric tons diverted from landfill), and identified opportunities with external partners to use its highest footprint waste streams that resulted in 162 metric tons of vitreous cull being diverted from landfill.

- ▶ **British Columbia, Canada:** Kohler worked to eliminate the use of foam packing strips made of nonrecyclable polyethylene in product packaging. The project will eliminate 340,000 strips annually, equivalent to 12 metric tons of landfill waste.
- ▶ **Monterrey, Mexico:** The Sanimex Vitreous team implemented scrap recycling across all three plants on-site. More than 50% of the cull produced by the plant was returned to slip, resulting in 1,594 metric tons diverted from landfill.
- ▶ **Yorkshire, England:** The Mira Hull team switched from nonrecyclable, single-use packaging in Mira flight trays to 100% recyclable packaging and cardboard made with 80% recycled content.

- ▶ **Bekasi, Indonesia:** The Indonesia Vitreous team developed and implemented a new process for recovering green product waste back into the slip formula postcasting. By creating a better process flow and standard operating procedures, the facility was able to recover 70% more green scrap and reduce the use of virgin raw materials.
- ▶ **Sheridan, Arkansas:** The Arkansas Plastic Operations team completed a project to build community garden beds by recycling pallets that were in their scrap pile because of damage or missing boards.
- ▶ **Beijing, China:** 2023 marked the fourth year in a row that Beijing Faucets Operations has had net-zero waste to landfill. Through robust waste segregation, minimization of industrial waste, and active partnerships with recyclers in the local market, this team was a leader in waste management.

- ▶ **Kohler, Wisconsin:** Destination Kohler continued to utilize the Grind2Energy program, an innovative approach that turns food scraps into energy using a biodigester. In 2023 Kohler diverted 77.5 tons of food waste from landfill through Grind2Energy.

Team members of the Jhagadia vitreous plant, (left to right) Ramesh Ganni, Vipul Kumar Dafda, Bharat Jogarna, and Siba Sankar Bilash, are pictured in front of a pile of vitreous cull that was diverted from landfill.



\*Excluding sites owned by Kohler that are operated by a third party as well as sites leased by Kohler where the owner of the building procures the beverage bottles.

# Strengthening Communities

Kohler is committed to having a positive impact on the growth and economic development of the communities in which our associates live and work. We have impacted more than 18.1 million lives since 1990 through programs supporting access to clean water and sanitation, health and well-being services, environmental conservation, education, and the arts. In 2023 our community engagement activities impacted 836,450 lives.



# 2023 Impact Overview

Ambitions	Initiatives	Metrics	2023	Historical
<b>Cultivating strong communities</b>	<b>Community partnerships</b>	<b>Percentage of significant operations that have local community engagement</b>	79%*	92% in 2022
	<b>Corporate giving</b>	<b>Value of corporate donations (in-kind and cash)</b>	\$8,239,881	\$186,176,349 since 1990
	<b>Associates in Action</b>	<b>Number of global community engagement activities</b>	102	380 since 2021
<b>Delivering safe water and sanitation</b>	<b>Safe Water for All</b>	<b>Lives impacted through Safe Water for All initiatives</b>	193,431	2,399,103 since 2014
<b>Harnessing inspiration through art</b>	<b>Arts/Industry program</b>	<b>Lives benefited from Kohler support of the arts</b>	45,427	1,378,875 since 1990

\*Kohler defines a “significant operation” as a location with more than 100 associates. The number of significant operations increased in 2023 and contributed to the change in this engagement metric compared to 2022.

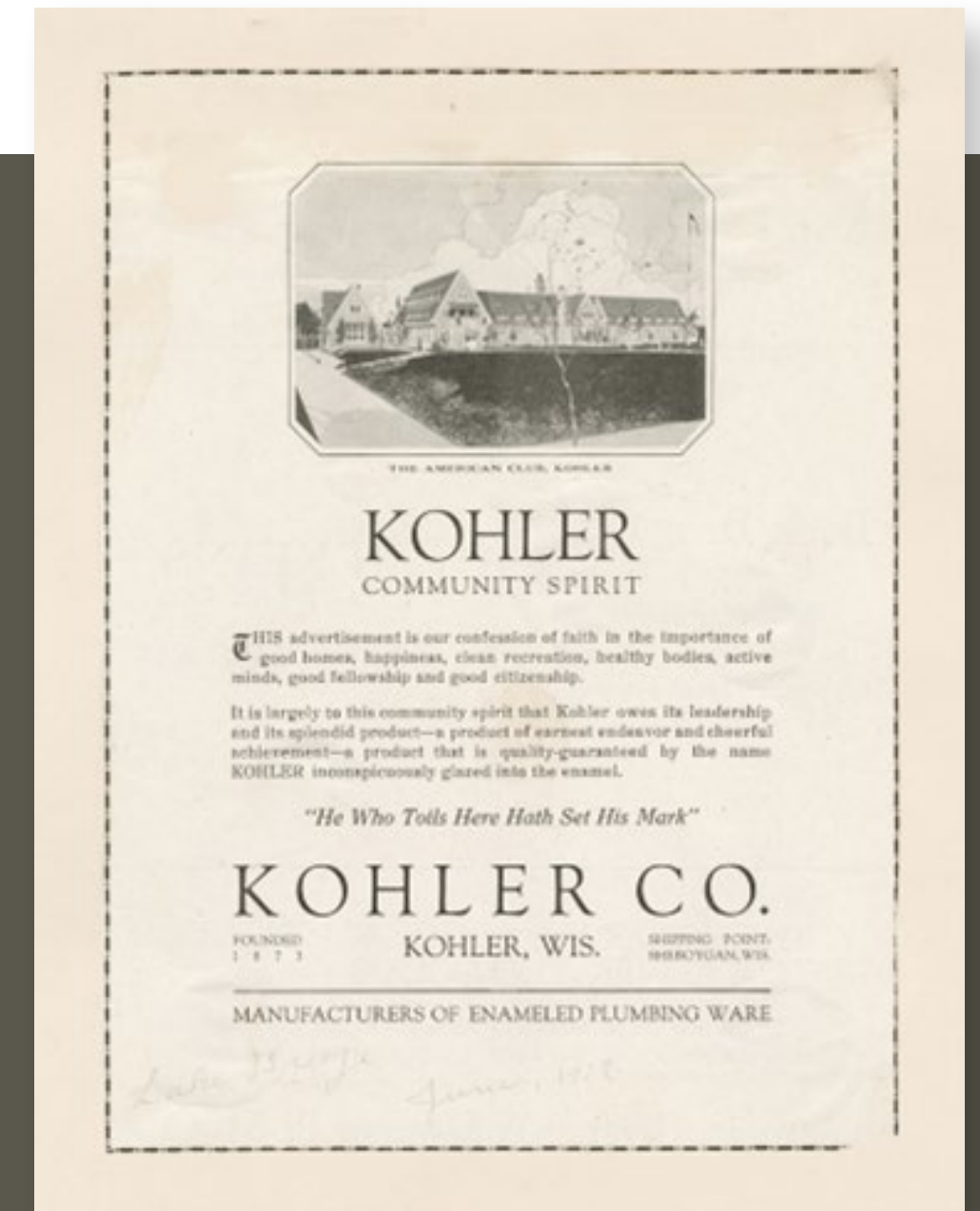
# Cultivating Strong Communities

Creating a strong, sustainable, and inclusive business requires a strong, sustainable, and inclusive community. It's a virtuous circle where we are working in partnership and improving the lives and livelihoods of our partner communities. Kohler's strategy to strengthen communities focuses on five initiatives. However, to ensure the programs are meaningful to the local communities, the company works with associates at each location to identify, engage with, and represent the needs of that individual community. This engagement enables us to better understand local issues and customize strategies to design the most effective programs. Kohler's strategy to strengthen communities focuses on five initiatives: Education, Health and Well-Being, Arts and Culture, Sustainability, and Safe Water for All.

We empower our associates to follow their purpose and passions to make a difference in their home communities. Other ways we identify community needs include:

- ▶ Referring to formal assessments that are publicly available through governments, non-governmental organizations, and other expert sources.
- ▶ Gathering knowledge from community-needs assessments in the U.S. from long-standing partners like the United Way.
- ▶ Engaging with local leadership, government, coalitions, and economic development officials to better understand community needs and work to support localized solutions.
- ▶ Listening to our associates around the world to create opportunities and inspire partnerships and action that will support the needs of their communities.

Kohler's Community Impact team oversees the assessment of needs of the communities surrounding our global operations and develops formal stewardship plans for locations with sizable operations. Among Kohler locations with more than 100 associates, 79% have formal community impact plans or engage in community impact activities. Community impact programs are overseen by our Chief Sustainable Living Officer, who reports annually to the Kohler Leadership Team on our social impact results.



## Cultivating Community Over the Years

This advertisement from 1919 reflects our belief in the importance of good homes, happiness, clean recreation, healthy bodies, active minds, good fellowship, and good citizenship.

79% of global locations with more than 100 associates have formal community impact plans or engage in impact initiatives.

## PARTNERSHIPS

We believe the biggest successes come from connecting the hearts and minds of organizations on a common mission. Partnerships are critical in delivering unique and sustainable solutions for lasting impact in the communities we serve across the globe. Some of our key community impact partners helping us to deliver on our mission are:

- ▶ Boys and Girls Club
- ▶ United Way
- ▶ College Possible
- ▶ Milwaukee Urban League
- ▶ Sheboygan Cty. Food Bank

### Education Partnerships

Kohler partners with nonprofit organizations and educational institutions to further our goal of providing equity of opportunity and access to education for students at each stage of their development—K–12, higher education, and transition to the workforce. We also continue to support and invest in organizations dedicated to expanding diversity, equity, and inclusion in education.

# 169,514

lives enhanced through scholarships and university support in 2023.

# \$821,653

granted through the Kohler Co. College Scholarship Program in 2023, supporting 130 students.

# 2.9M

lives enhanced through scholarships and university support since 1990.



### College Possible

Beginning in 2022 Kohler and College Possible partnered to offer educational scholarships, hands-on career exploration, internship opportunities, and mentorship for Milwaukee, Wisconsin, high school seniors and college students.

The Kohler Scholars Program was launched in 2023 with a mission to provide select College Possible students with a renewable \$5,000 per year scholarship for college, a paid Kohler internship, and a Kohler associate professional mentor. In 2023 our first two Kohler Scholars Program students, Cecilia Mercado Martin and Susan Thao, completed summer internships. Their experiences not only enhanced their skills but also paved the way for their future professional endeavors.

*“This is my starting line. I can only go up from here.”*

**Cecilia Mercado Martin,**  
Kohler Scholars Program and College Possible student



In 1927 Kohler established an endowment with the University of Wisconsin to provide a yearly scholarship to one young woman and one young man. This reflects our commitment to the importance of higher education and our desire to stimulate interest in advanced learning in our youth.

### Education Partnerships (continued)

#### Planting a Seed in a Book Desert

Sheboygan County, home to Kohler Co. headquarters, had been categorized as a book desert, so Kohler’s Community Impact and Diversity, Equity, and Inclusion teams partnered with the nonprofit organization Bookworm Gardens, a local sanctuary that combines nature and children’s stories, and Black Girls Golf (BGG) to spread positivity about reading and improve access to books.

- ▶ Kohler provided a service opportunity for BGG conference attendees at The American Club®. Participants were invited to write encouraging and motivating messages in donated books to inspire kids to grow, learn, and be proud of who they are.
- ▶ Kohler donated 75 books with diverse narratives and minority authors to fill local Little Free Libraries throughout Sheboygan County.

Kohler teams partnered with nonprofit organizations to improve access to books in Sheboygan County.



Maria Baker was honored with the BRG Trailblazer Award to recognize her pioneering spirit and contributions at the Black Girls Golf ceremony. This signifies not only an achievement for Maria, but a commitment to pushing boundaries and inspiring others to do the same.

*“Empowerment comes not only from the voices we hear but from those we amplify. Our book drive, inclusive of diverse authors, enriched the minds and hearts of our community, fostering empathy, understanding, and unity.”*

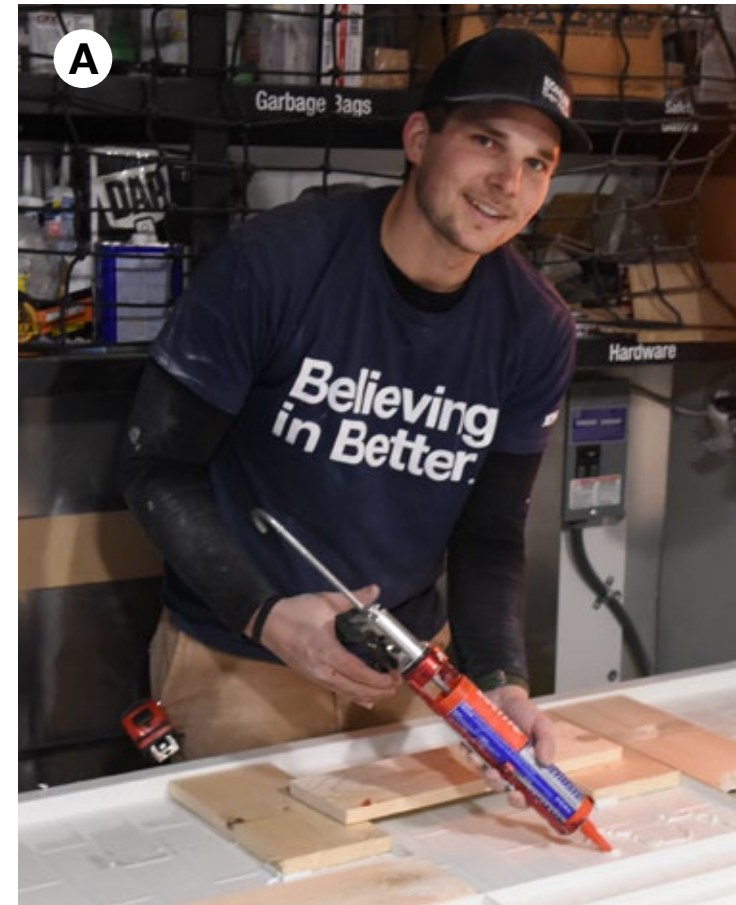


**Maria Baker,**  
Program Manager–DEI Early Talent,  
Atlanta, Georgia, U.S.A.

**Health and Well-Being Partnerships**

► **Milwaukee Bucks Foundation Domestic Violence Shelter Bathroom Installations:** **A** Kohler partnered with the Milwaukee Bucks Foundation and Jrue and Lauren Holiday to renovate 17 bathroom facilities in three domestic violence shelters in the greater Milwaukee area. Kohler donated more than \$125,000 in time and products, with the work managed by over 30 associates from KOHLER Services, Kohler’s direct-to-consumer installation business. Kohler associates also volunteered at each shelter’s ribbon cutting to serve food and show unity and commitment for support against domestic violence.

► **Yunnan, China, High-Quality Goods to Rural Project:** In partnership with the local government, Shanghai Charity Foundation, and Shibe High-tech Group, Kohler China is supporting a project to upgrade and renovate the sanitary facilities of 150 hospitals and schools in Yunnan Province over the next five years. Six projects have been completed and positively impacted approximately 16,880 lives.



**Mexico Teleton Support**

Kohler associates in Mexico took action to support Teleton, Mexico’s largest foundation focused on helping children and teens with disabilities, cancer, and autism. Our associates from all locations and plants held a fundraising campaign to support the construction of two new children’s rehabilitation institutes in Sinaloa and Guerrero, Mexico. Kohler also donated bathroom fixtures to support a gracious experience and recovery for children staying at the institutes, which will benefit hundreds of families across both states.

In partnership with Habitat for Humanity, World Vision, and other community partners, 309,434 people have benefited from updated plumbing in 2023 and 8,496,928 people have benefited since 1990.

**117,485**

lives enhanced in the U.S. through health and well-being services in 2023.

**2,685,535**

lives enhanced in the U.S. through health and well-being services since 1990.



**LOCAL  
COMMUNITY  
ACTIVATIONS**

Kohler provides financial support to a range of nonprofit organizations in our communities that are focused on serving critical education, health, and well-being needs. We also seek opportunities to partner with nonprofit organizations on projects to improve the environment in our communities, including safe water and sanitation projects.

**\$125,000**

in time and materials donated to the renovations of 17 bathrooms in three domestic violence centers.

**\$20,000**

donated to the Starship Foundation/Starship Hospital in Auckland, New Zealand, to improve the lives of young people with health needs in the local community.

**102**

global community engagement activities.

**\$522,386**

contributed to the United Way from U.S. associate contributions matched by Kohler, serving an estimated 47,489 people in 2023.

**\$9.1M**

contributed by associates in the U.S., with Kohler's match, to the United Way since 2000.

## ASSOCIATES IN ACTION

Kohler associates around the world contribute their time and expertise to make a positive impact in our communities. Volunteer efforts are aimed at meeting critical needs by working with organizations focused on improving the quality of the environment, education, diversity, equity, inclusion, and health and wellness.

To support these efforts, Kohler provides a Volunteer Time Off (VTO) program for our full-time U.S. associates, which allows eight hours per year of paid time spent volunteering. In 2023 associates self-reported 5,320 volunteer hours in the U.S. To help connect U.S. associates to volunteer opportunities, we provide the Believing in Better APP which offers more than two million registered nonprofit and volunteer opportunities, including virtual and skills-based

volunteering opportunities. Associates can find a variety of ways to volunteer time on community issues they are passionate about.

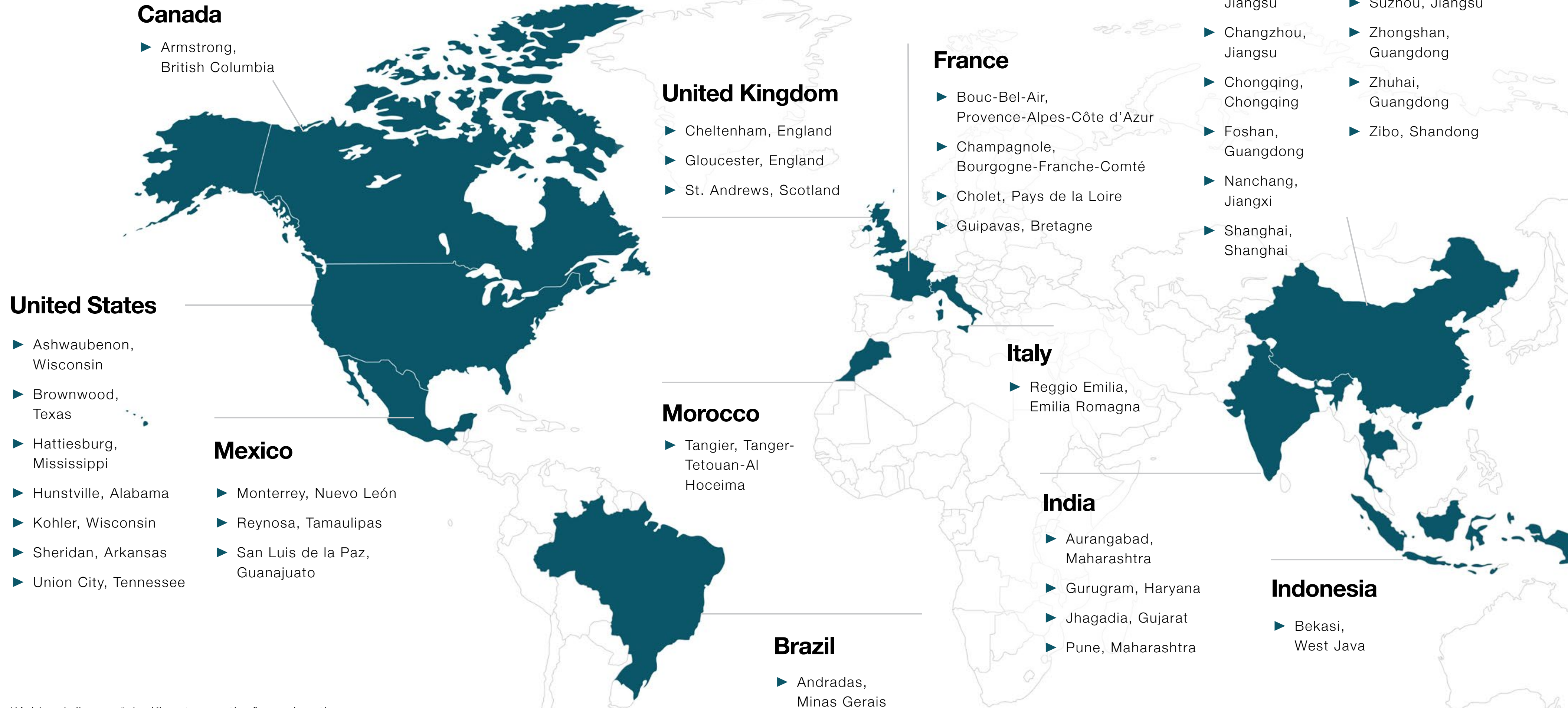
► **She Kohler 150th Anniversary Event:**

She Kohler is a Kohler Engines initiative launched at our plant in Reggio Emilia, Italy, to increase awareness of opportunities at Kohler for female industrial engineering students and new graduates all over Italy. The plant team connects with local educational institutions and peels back the curtain for a fully immersive day at the plant focused on women in STEM, with interactive talks, workshops, and presentations. In 2023 the Community Impact team in Reggio Emilia hosted a 150th anniversary edition of She Kohler with 43 associates hosting students from all over the country. In honor of the day, the team made a donation to Vittorio Lodini Association for cancer research.



In 2023 associates self-reported 5,320 hours spent volunteering in their communities, supporting over 100 volunteer projects globally.

**Significant Operations With Associate-Driven Community Activations\***



\*Kohler defines a “significant operation” as a location with more than 100 associates.

# Delivering Safe Water and Sanitation

Kohler recognizes that there is a water crisis with more than two billion people living without access to safely managed water (WHO\*), more than one billion people currently living in water-scarce regions (WRI†), 3.5 billion people living without safe sanitation services (UNICEF‡), and 2.3 billion people living without access to basic handwashing at home (CDC§). Water is critical to healthy communities, associates, and operations. Making safe water and sanitation a reality for all is a priority for Kohler.

## SAFE WATER FOR ALL

Our flagship water initiative, Safe Water for All, leverages the expertise, global reach, and passion of associates to raise awareness and take action to address the water crisis worldwide. Since 2014 we have impacted 2,399,103 lives through Safe Water for All initiatives and products. In addition to what has been described in the Protecting the Planet chapter, we have other product and water stewardship programs.

- ▶ **Water, Sanitation, and Hygiene (WaSH) Projects:** We form partnerships with humanitarian organizations and other local associations to develop, fund, and monitor customized solutions that meet the unique needs of each community.
- ▶ **Water Impact Initiatives:** We build awareness of the intersection of the global water crisis and climate change through events and key partnerships.



A young woman uses the KOHLER Cleanse® handwashing faucet that was installed in her school in Peru.



*“I have three generations living in my house. I know the value of hygiene and sanitation and feel that our new bathrooms have transformed our house into a home! The bathrooms don’t only bring hygiene but safety for women family members—particularly for daughters.”*

**Vasava Naniben Mangibhai At Navi Nagri,**  
Talodra Village, Gujarat, India

\*<https://www.who.int/news-room/fact-sheets/detail/drinking-water>

† <https://www.wri.org/freshwater/water-security>

‡ <https://www.unicef.org/wash/sanitation>

§ [https://www.cdc.gov/healthywater/global/wash\\_statistics.html](https://www.cdc.gov/healthywater/global/wash_statistics.html)

**WaSH Projects**

► **Pune, India, Sanitation Improvement Project:** (A)

The Pune Stewardship team collaborated with the Rotary Club of Riverside Charitable Trust to build and install ten eco-friendly bathroom units for Jogeshwari School, improving access to sanitation for 409 students. Biodigester tanks (BDT) were installed with these toilets. One of the major benefits of a BDT is that it is eco-friendly; it does

exactly what nature does with manure. This system uses a biodegradation process to completely break down human waste into reusable water (effluent) and gases. The effluent produced is very safe and can be discharged into the environment. The project also connected the existing school toilets to the newly installed BDT, which resulted in a complete system that is self-sustaining and needs no maintenance.

► **Galang Sukamukti, Indonesia, Water Delivery Project:** The Cikarang Plant stewardship team supported 200 people in Galang Sukamukti Village with clean water deliveries during the dry season, when access to clean water is difficult, via two 2,113-gallon water tankers. A total of 12 water deliveries from the tankers and 300 gallons of bottled mineral water for drinking were provided in 2023.



*“Two of the prime requisites of healthful living conditions are abundance of pure running water, conveniently available, and a safe method of disposing of waste products—in other words, modern plumbing.”*

**Walter J. Kohler, Sr., 1928**

**WaSH Projects  
(continued)**

► **Guangxi Zhuang Autonomous Region, China, Drinking Water Project:** **(A)**

Kohler partnered with World Vision China on a project to replace water pipes that will provide 795 students, teachers, and staff at the Rongshui Hongshui School access to a clean and reliable water supply. Prior lack of funding led to frequent water leakage and interrupted water access that endangered the personal hygiene needs of students. Kohler provided expertise along with associates,

supplies, and resources to build a drinking water system/ water tower, replace pipes and drainage ditches, and raise community awareness on public health and hygiene.

► **Shanxi, China, Wash Stations Project:** Kohler partnered with World Vision to install new wash stations that will provide 1,390 students and staff at the Long County of Baoji City school access to clean water and sanitation.

► **Gurgaon, India, Sanitation and Hygiene Project:** Associates in the India office in Gurgaon partnered with Habitat for Humanity India to support 800 students and staff with new bathrooms and sanitation infrastructure as well as behavior-change education initiatives at the Karenda School.



Working to replace pipes and drainage ditches to support clean water access in the Guangxi Zhuang Autonomous Region, China.



*“We do this work for both our associates and our communities. I love it. Our team is willing to do these (WaSH) projects because we know how important it is to build strong communities – together.”*

**Phanuthat Chirananda,**  
Training and Recruitment Manager–K&B Thailand,  
Saraburi, Thailand

**Water Impact Initiatives**

► **DigDeep Water Is Life Fund:**

Kohler completed our third year of the Water Is Life Fund partnership with DigDeep, which supplies grassroots microgrants to the Navajo Nation. Kohler funded ten projects to provide clean water and sanitation across the Navajo Nation reservation, benefiting a total of 2,485 lives in 2023. Projects included:

- A bathroom build equipped with regulated potable water, septic waste disposal, and an exterior water tap accessible to the entire community.
- Repairing five springs within both Navajo and Hopi Nations to provide additional water points to the community.
- Providing regular water deliveries to 55 families living in rural areas.

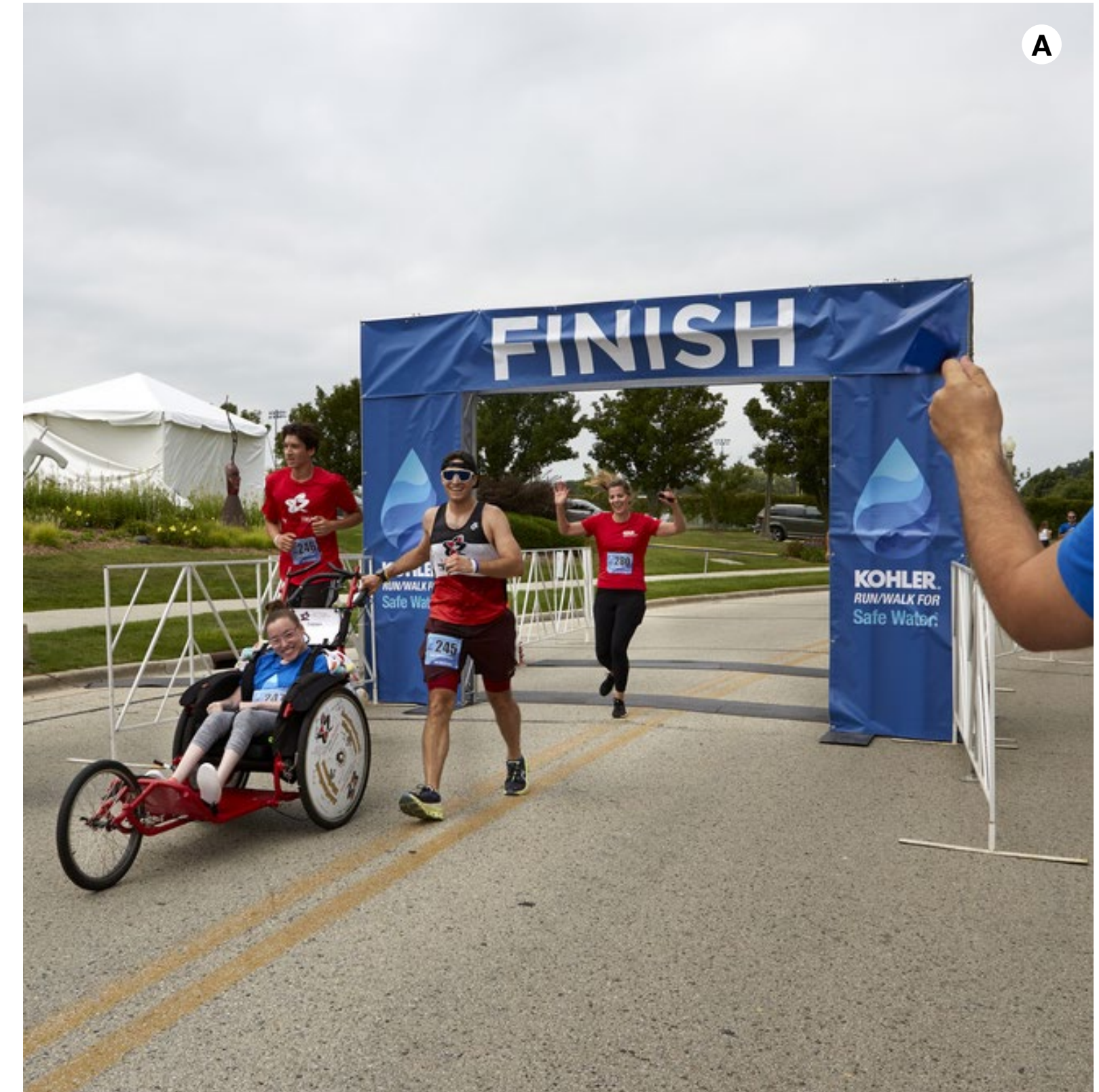
From 2021 to 2023, we supported 33 projects; impacted an estimated 5,145 lives across Arizona, Utah, and New Mexico; and benefited an additional 100,000 annual visitors to the Western Navajo Fairgrounds.

► **Run/Walk for Safe Water: <sup>(A)</sup>**

The Kohler Run/Walk for Safe Water is a month-long event held annually worldwide that empowers teams, associates, families, and customers to participate and raise awareness for global water challenges. In 2023 the event attracted over 49,334 participants from 147 countries who covered a total of 4,507,973 kilometers. Kohler makes contributions on behalf of participants to nonprofit organizations involved in safe water projects and has contributed more than \$1.3 million since the launch of the event in 2017.

► **KOHLER Relief Shower**

**Trailer:** We continued our partnership with the Los Angeles-based organization Shower of Hope to provide use of the KOHLER Relief Shower Trailer to unhoused and underserved people in the Hollywood area. A total of 5,478 showers were provided in 2023 to promote clean hygiene access and the dignity of a shower alongside other support services.



In 2023 Safe Water for All initiatives impacted 193,431 lives, bringing the total lives impacted to 2,399,103 since 2014.

# Harnessing Inspiration Through Art

Kohler was built by creators, inventors, and visionaries. We place value on design, innovation, and craftsmanship, aiming to bring artistry into everything that we do. Kohler has a long history of supporting artists and arts organizations in our communities. These efforts reflect our passion to contribute to gracious living through the power of art and design.

The Arts/Industry program is undoubtedly one of the most remarkable collaborations between art and industry in the world.

The residency program is administered by John Michael Kohler Arts Center (JMKAC), a nonprofit in Sheboygan, Wisconsin, and hosted and funded in partnership with JMKAC and Kohler. Visionary arts leader Ruth DeYoung Kohler II and her brother Herbert V. Kohler, Jr. founded Arts/Industry in 1974 to create a space for artists to make their work in tandem with the skilled craftspeople in Kohler's manufacturing locations. Artists do not need to have experience working with clay or metal, but they do need an interest in adapting

industrial processes to their practice and an openness to the factory environment. Residents are exposed to a body of technical knowledge that enables and encourages them to explore new ways of thinking and working.

At the end of their residencies, artists donate two of their works created during the program; one goes to JMKAC and one to Kohler Co.



Nearly 50 years ago a revolutionary idea was born. An exhibition called Plastic Earth brought ceramic artisans from around the world together in Kohler. Ruth DeYoung Kohler II, the JMKAC's director at the time, and her brother, Herbert V. Kohler, Jr. — then the President, Chair, and CEO of Kohler Co. — wondered what would happen if those artists connected with the industrial craftsmen in the factory.

What was once an idea is now the extremely successful and world-renowned Arts/Industry program.

*“To be in a space and play with materials freely and to express yourself in any form you desire — I feel like — is true freedom.”*

**Jacob Olmedo,**  
Arts/Industry alumnus, Pottery, 2023



**Harnessing Inspiration Through Art (continued)**

Arts/Industry fosters associate engagement, underscores the significance of the arts in our business, integrates artwork into our showrooms, and enhances community outreach.

With artists’ studios featured on Kohler’s guided factory tours, guests can directly experience the creative collaboration that connects art and industry. In 2023 each of the twelve participating artists shared

personal residency stories at open house events, public artist lectures, and studio visits.

Current residents and alumni collaborate with Kohler and JMKAC to showcase the unique aspects of the world-renowned program while enriching Kohler’s commitment to supporting the arts. [Learn more about Kohler’s Arts/Industry program and meet the artists.](#)



*“I have learned ways of making, but ways of thinking about making have completely shifted the way that I will work for the rest of my life.”*

**Lee Running,**  
Arts/Industry alumnus, Foundry, 2023





*“Everyone who has supported or participated in this project has felt a sense of teamwork, pride, and ownership for their contribution to its success. Without the support, expertise, and time of associates at all levels of the Pottery, this project would not be feasible. With their support, it seems like anything is possible.”*

**David Franklin,**  
MakerSpace alumnus, Pottery, 2023

**Inaugural MakerSpace Residency**

Launched in 2023, Kohler MakerSpace is an invitational residency for artists and designers that is administered, hosted, and funded by Kohler. Valuing creativity, collaboration, and innovation, MakerSpace expands on our internationally celebrated Arts/Industry program, offering artists and designers the resources and space to explore their practice, develop a new body of work, or work on a commission.

The inaugural MakerSpace resident was David Franklin, a 2012 and 2015 Arts/Industry alumnus, who completed commissions for the new KOHLER® Experience Center in Miami and Chicago’s Shedd Aquarium.

Franklin’s compositions invite viewers to participate in a shared artistic experience by presenting captivating subject matter inspired by nature. By assembling a collection of aquatic fish species, his installation highlights the vivid life that populates North America’s freshwater habitats as well as the beauty of diversity in natural environments. Franklin writes, “The fish are finished in traditional KOHLER glazes, some also have a luster finish that adds a reflective streak of color to the installation. This streak of color represents both aquatic and human diversity, as well as the incredible potential of uniting artistry with industry.”

Franklin also participated in community outreach at the 2023 associate picnic, Wisconsin Pottery open house, and Kohler Co.’s 150th anniversary celebration where he engaged with hundreds of guests, customers, and associates.

# Empowering People

As we celebrated our momentous 150th anniversary and looked ahead to our continued growth and impact, we're fueled by the passion, ingenuity, and strength of our global workforce of more than 38,000 associates.

With people at the heart of our business, we are continually enhancing our efforts to create a positive, inclusive, and healthy work environment, while providing the support our associates need to be their very best. We invest in our associates by providing robust health and well-being programs, offering opportunities to learn and grow, and ensuring a safe and ethical workplace. Each Kohler associate is encouraged to volunteer, activate, and innovate for causes that matter to them. And together, we're making a difference in our local communities and finding innovative solutions for the world's most pressing social and environmental challenges.



# 2023 Impact Overview

Ambitions	Initiatives	Metrics	2023	Historical
<b>Shaping diverse and inclusive teams</b>	Diversity hiring initiatives	<b>U.S. associate diverse hires, permanent and exempt</b>	54% <small>(exceeded goal of 50%)</small>	55% <small>in 2022</small>
	Company-wide engagement survey and action plans	<b>Inclusion score</b>	81	79 <small>in 2022</small>
	Business resource groups (BRG)	<b>BRG Value Score*</b>	7 out of 10	—
	Culture of inclusion	<b>Corporate Equality Index score</b>	100	90 <small>in 2022</small>
<b>Empowering associates to become more at Kohler</b>	Learning and development opportunities	<b>Hours of learning completed by associates globally</b>	162,203	139,000 <small>in 2022</small>
	Caring for the well-being of our associates	<b>Number of associates engaged with Kohler’s global well-being platform and health challenges</b>	8,300	—
<b>Activating associates for impact</b>	Innovation for Good® I-Prize	<b>Global associates participating in I-Prize</b>	162	118 <small>in 2022</small>
	Employee engagement in environmental and social impact	<b>Total Sustainability Champions in Kohler</b>	979	846 <small>in 2022</small>

\*Our BRG Value Score is achieved by surveying all of Kohler’s BRG members and asking them to rate the value received from BRGs over the last calendar year on a scale from 1 to 10.

Associates are joined by Kohler’s leaders to celebrate their induction to the Quarter Century Club—a club for associates who have worked 25+ years at the company.

# 150 Years Made Possible by Our People

Kohler Co.’s 150th anniversary was a celebration touching every corner of the organization. More than 38,000 global associates made this milestone possible, and this moment in time represented a unique opportunity to recognize, include, and engage our associates in the celebration.

In the spirit of our mantra Come All Creators, each team was invited to activate in a way that was meaningful to them and their culture—resulting in unique and creative expressions of celebration across the world of Kohler.

The result was a variety of celebrations across the company, varying from in-person gatherings to open house events where associates were recognized for their contributions.



Mary Jamnik began copying blueprints in the engineering department in 1941, but as men went off to war, she stepped up to become Kohler’s first engineering draftswoman. Mary is pictured here, at the Engineering Department picnic in July 1950, holding a puppy that was going to be given away as a prize.

# Shaping Diverse and Inclusive Teams

We are committed to the never-finished work of fully integrating diversity, equity, and inclusion (DEI) into all aspects of our culture and business.

We know that DEI goes far beyond commitments, goals, and expressions of corporate philosophy. The real work of DEI involves all associates and leadership at all levels challenging themselves on a deeply personal level to ensure that we all are conscious of and intentional about the actions we take every day. Staying curious and aware of our own beliefs and behaviors allows us to value each other’s perspectives and provides room for associates to share feedback around their workplace experiences without fear of retaliation.

As part of our efforts to further integrate DEI accountability into the DNA of our company, we have added dedicated DEI activation teams within each business and function led by a member of the Kohler Leadership Team (KLT). Launching these 16 activation teams in 2023 allowed for greater transparency, accelerated results, and closer proximity to drivers of DEI progress at the business and unit level. It also enables leaders to focus on the DEI initiatives that are most important to drive progress and meaningful outcomes in our businesses and brands.

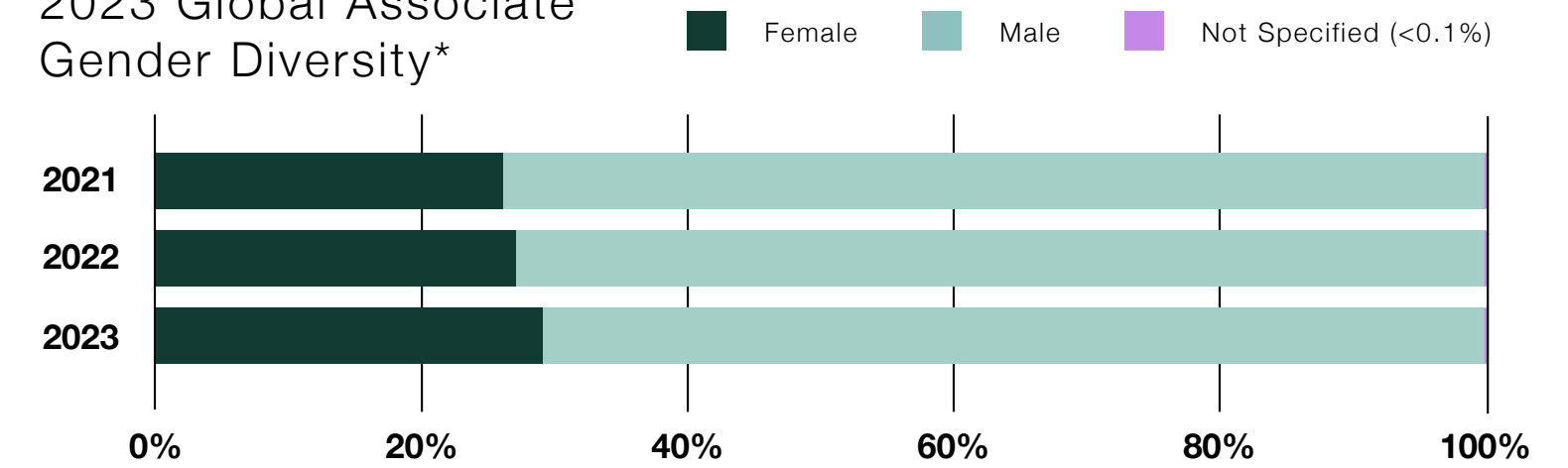
While DEI progress is owned at every level of the organization, DEI accountability, strategy, and programs are overseen at a senior-management level through the Executive Leadership Diversity Board (ELDB), which meets

quarterly. The ELDB is led by our Chair and CEO and comprises the KLT and key senior leaders.

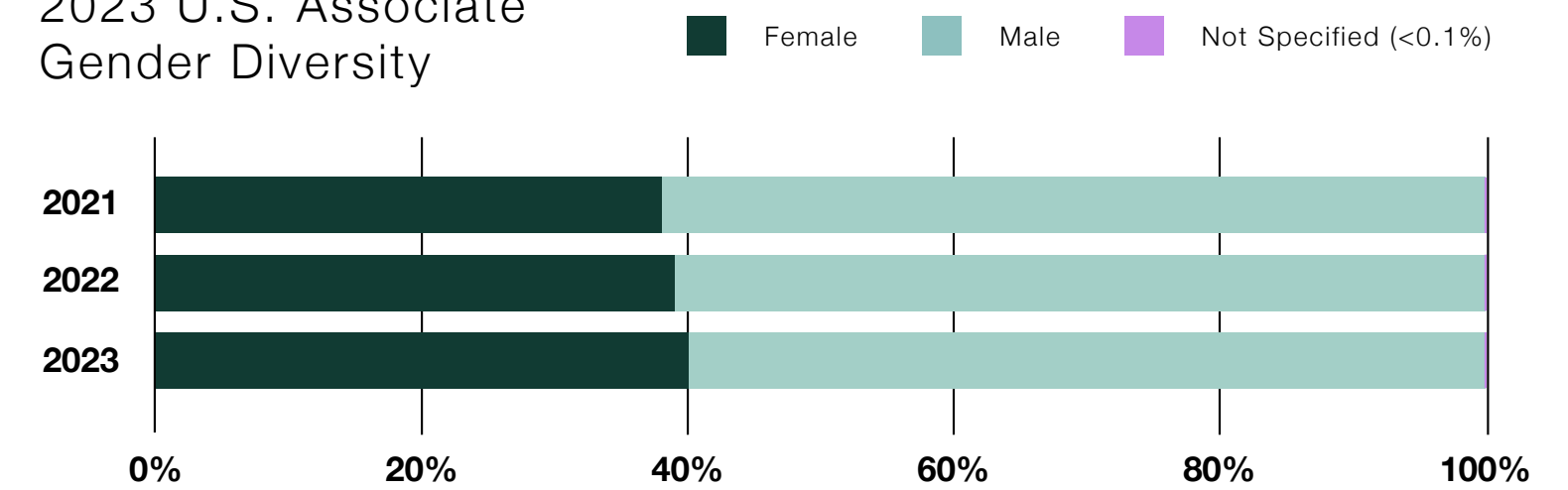
The ELDB manages and implements our DEI programs and monitors progress toward our DEI goals focused around four critical pillars: Balanced Teams, Inclusive Culture, Diverse Suppliers, and New Markets. These four pillars are supported by the day-to-day behaviors of thousands of our associates, including our DEI activation teams, business resource groups, and leadership teams globally.

## Workforce Representation

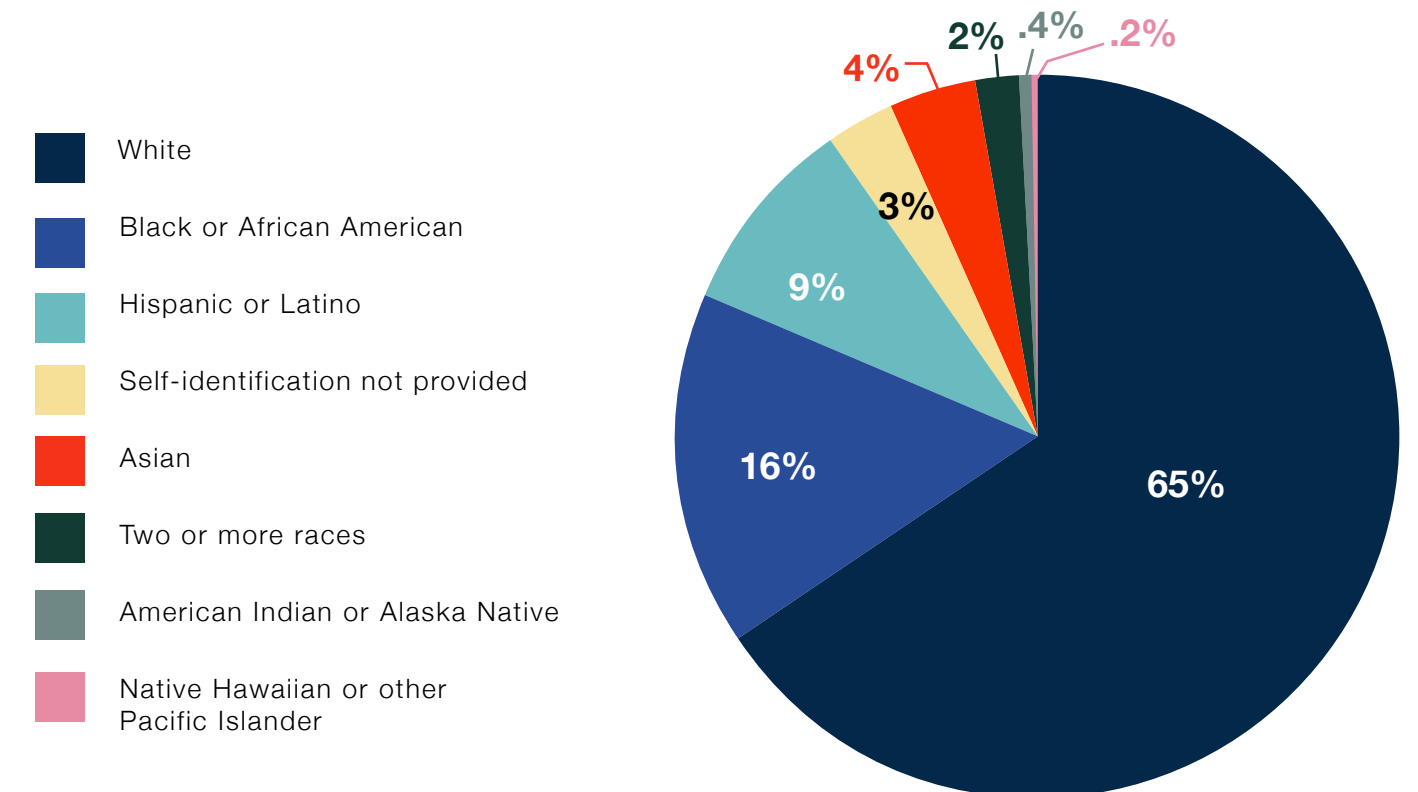
2023 Global Associate Gender Diversity\*



2023 U.S. Associate Gender Diversity



2023 U.S. Racial and Ethnic Diversity†



\*Although the report shows representation of gender using female, male, and not specified, Kohler Co. has enabled the expansion of gender self-identification options at some global locations.

†Total does not equal 100% due to rounding.

## Shaping Diverse and Inclusive Teams (continued)

### Human Rights Campaign Recognition

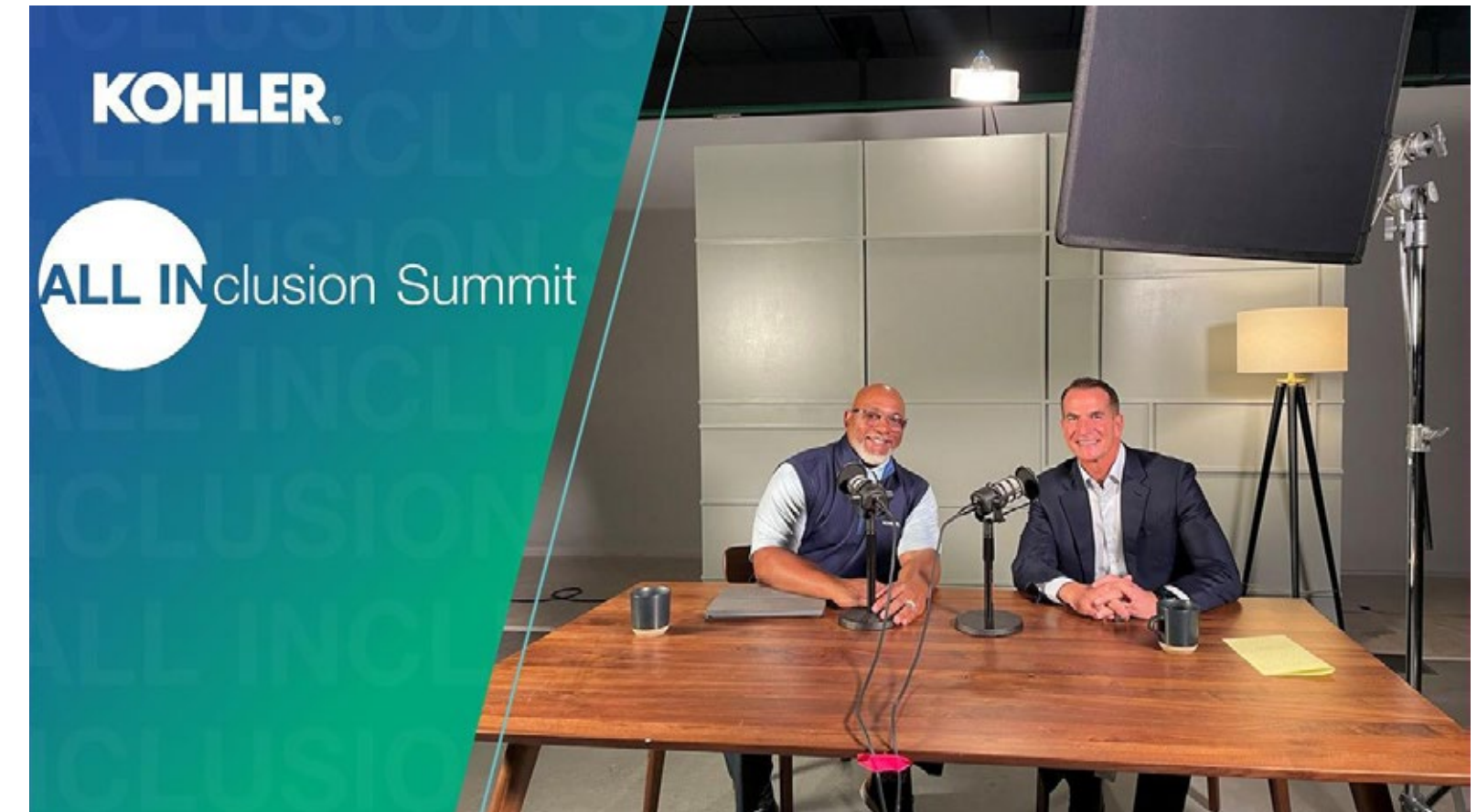
In 2023 Kohler participated in the nation’s foremost benchmarking survey and report measuring corporate policies and practices related to LGBTQIA+ workplace equality. The Human Rights Campaign’s Corporate Equality Index awarded Kohler with an Equality 100 Award, recognizing the meaningful actions Kohler has taken to establish and implement comprehensive policies, benefits, and practices that ensure greater equity and well-being for LGBTQIA+ associates and their families. Over the past several years and in partnership with our associate-led LGBTQIA+ BRG Kohler PROUD, we’ve strengthened our focus on DEI to create a workplace where all our associates feel included through expanded benefits for same-sex spouses and domestic partners, the transgender community, and family planning; an inclusive, optional self-identification program; and LGBTQIA+ intersectionality training. Together, we are building momentum and moving our culture and community forward.

### Inclusive Conversations

As an organization continuously looking to improve our culture, we recognize the value of inclusion and the importance of partnering with our associates on this journey through Inclusive Conversations, a series of small group discussions regarding the work environment and how we can work together to cultivate a greater sense of belonging. An integral part of our listening strategy, 56 top executives and leaders—including our CEO and Chair—committed to each holding four conversations in 2023 to uncover what we’re doing well and where we could improve our culture. These Inclusive Conversations have helped to highlight both best practices and opportunities to improve associate experiences across the world of Kohler.

### All INclusion Summit

In celebration of Global Diversity Month in October, the DEI team brought together leading voices to share actionable insights, tools, and inspiration in Kohler’s first ALL INclusion Summit. The summit was broadcasted globally from Kohler headquarters to all associates to raise awareness of our DEI activations, events, policies, groups, and how all associates can practice inclusive behaviors. More than 800 associates attended the event.



*“Respect. Connect. Challenge. If we have a team or an organization, at any level, that has respect for each other, connects with each other, cares, listens, but also challenges each other and holds each other accountable—that’s a high-performing organization. That’s what it’s all about. If we can do that, we’ll be very successful over the next 150 years.”*



**David Kohler,**  
Chair and Chief Executive Officer, Kohler Co.

**Our BRG Work Supports the Pillars of Our DEI Strategy**

**BUSINESS  
RESOURCE  
GROUPS**

Kohler business resource groups (BRGs) play a vital role in our DEI work. Volunteering both time and talents, Kohler’s 11 BRGs are led by the passion of associates from across the business and globe. Each BRG is united under a common purpose: to create a more diverse and inclusive workplace. Kohler BRGs enrich our culture and build community—all while making a business impact. In 2023 we launched a new BRG called Parents and Caregivers of Kohler (PACK), which seeks to improve the policies, training, and benefits allocated to all Kohler parents and caregivers.

**DEI Pillars**

**1) Balanced Teams**

We aspire to build a balanced workforce seeking to delight the customers we serve and reflect the local communities of our businesses across the globe.

**2) Inclusive Culture**

We are equally responsible for fostering a workplace that welcomes differences and encourages authentic conversations that inspire optimal performance and innovation.

**3) Diverse Suppliers**

We seek to develop a supplier base that uplifts minority-, women-, LGBTQIA+-, veteran-, and disability-owned businesses and communities.

**4) New Markets**

We curiously explore new markets around the world by approaching opportunities through diverse lenses and perspectives.

**BRG Alignment**

- ▶ Supporting professional development for members; making members and BRG leaders visible to senior executives.
- ▶ Providing education for and raising awareness among non-BRG members within Kohler Co.
- ▶ Spreading internal awareness of the benefits of purchasing from diverse-owned companies.
- ▶ Providing insights on product development and multicultural marketing.

**1,932**

BRG members in 2023.



## BRGs Making an Impact

### BLK Catalyst (A)

In honor of Martin Luther King Jr. Day, more than 200 associates from all corners of the U.S. joined a Week of Service, volunteering their time, talents, and company-matched donations to make a positive impact on the communities where they live and work. Featured volunteer opportunities were made available at select Kohler locations courtesy of the BLK Catalyst BRG and in partnership with several nonprofit organizations.

### Kohler PROUD (B)

In June, Kohler PROUD organized more than 12 global Pride Month activations, including record participation in the Milwaukee Pride Parade, the Kohler Speaker Series featuring a mother/son perspective on navigating the transition journey, and support of six LGBTQIA+ nonprofits through monetary and product donations. Furthermore, Kohler PROUD launched its chapter in India, promoted our self-identification and pronouns

initiative, and received 2023 Corporate Partner of the Year award from the Wisconsin LGBT Chamber of Commerce. For the first time in history, Kohler achieved a score of 100 in the Human Rights Campaign's Corporate Equality Index.

### KAVS (C)

On Veteran's day Kohler Co., in partnership with the Kohler Alliance of Veterans and Supporters (KAVS), inaugurated a tribute garden to honor and remember armed forces service and support from the Kohler business, associates, and family members. The tribute garden is a public space of reflection and remembrance that features stories of those who have contributed to something greater than themselves. KAVS also raised \$94,000 for two charitable organizations serving veterans' causes, the Caddie School for Soldiers and Taskforce Uplift, at a fundraiser hosted at Blackwolf Run® in Kohler, Wisconsin.

### HeadsUp (D)

Hundreds of Kohler associates in the U.S., India, China, and the U.K. honored Mental Health Awareness Month with silent auctions, self-care ideas, team-building events, and mental health education efforts. The Kohler BRG HeadsUP and the Kohler Choose Well...Live Well team hosted their fourth-annual #IWillListen run/walk to cultivate a culture of compassion and openness and to break down stigmas around mental health.



Showing support for mental health and advocating for mental health awareness, Kohler associates come together to participate in the #IWillListen run/walk.

### BRGs Making an Impact (continued)

#### BOLD Ability (A)

Kohler China’s BOLD Ability chapter created a partnership with local coffee chain, Hinichijou, to support its practice of creating employment opportunities for persons with disabilities. More than 30 Kohler associates and DEI leaders, including our Chief Sustainable Living Officer, attended a lesson on sign language and heard Hinichijou’s founder speak about the brand’s journey.

dialogue that generated profound personal insights and inspiring ideas about the importance of creating equitable opportunities for all. Our associates were encouraged to be more intentional about inclusivity at work and in the communities we serve.

members of Kohler leadership, a volunteer event in partnership with Habitat for Humanity, and a movie night that featured employee-made dishes from Mexico, Argentina, Venezuela, Colombia, and Brazil.

#### Women at Work (B)

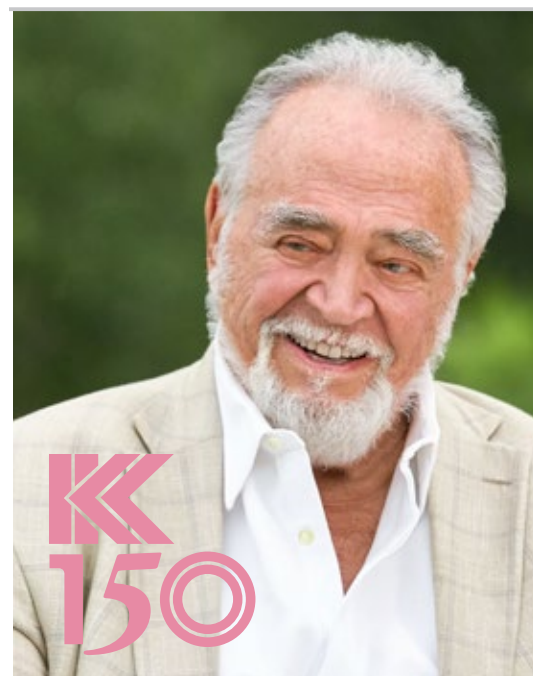
On International Women’s Day, Women@Work hosted a virtual panel discussion attended by more than 500 Kohler associates around the world. The session embraced an open and honest

#### VIVA Kohler (C)

VIVA Kohler celebrated Hispanic Heritage Month with in-person events at multiple offices around the world to champion and recognize our more than 3,000 Latino associates, promote greater awareness for Hispanic and Latino culture, and support equity and inclusiveness of all people. Highlights included a thoughtful and informative panel discussion between eight

#### Namaste (D)

Namaste, which supports Indian culture within Kohler, partnered with the Kohler Community Impact team at our Kohler, Wisconsin, headquarters, convening associates to assemble 200 backpacks filled with essential supplies for students in need. The teams were rewarded with a fun-filled day of cricket that reinforced the theme of working together.



*“We strive for innovation and understand that it takes diverse talent and multiple disciplines working together to change the face of our industries.”*

**Herbert V. Kohler, Jr. (1939–2022),**  
Former Chairman and Chief Executive Officer,  
Kohler Co.

**Shaping Diverse and Inclusive Teams (continued)**

**Customer Inclusion Insights**

In 2023 we launched our Customer Diversity Council as an opportunity to better understand our customers’ needs and to drive brand support, helping Kohler to become the most inclusive brand in the industry. This effort brought together a diverse group of customers from the West Coast—including builders, remodelers, plumbers, dealers, and distributors—each with unique backgrounds and focus on the Asian market. Their collective experience and knowledge provided customer-focused teams invaluable insights, making it a truly breakthrough experience. Attendees were

notably impressed with Kohler’s commitment to improvement, contributing to its standing as a great company and a strong industry leader for 150 years.

**DEI Training and Awareness**

In just over a year since its launch, Kohler’s Inclusive Leader Training series has been completed by 743 associates. Topics included cultural competence, unconscious bias, microaggressions, showing up as an inclusive leader, and the business case for DEI. We look forward to growing this training to reach more associates and cover additional relevant DEI topics through 2024.

**Pay Equity**

Kohler is a pay-for-performance organization based on the principles of fair and equitable pay for our associates. We analyze pay equity by comparing associates in the same job category, job grade, and location in major countries of operation. We use the data to identify potential adjustments to be incorporated into our annual performance and compensation review process, seeking pay equity across different groups.

Our ongoing audits confirm that we do not have systemic pay differences across gender and ethnicity in the United States.

We are continually expanding our pay equity audits to new markets. We are also focused on eliminating bias, increasing transparency in pay practices, and ensuring objectivity in rewarding compensation for our associates.

The Customer Diversity Council visits Kohler’s Headquarters to tour the main campus and meet with company leaders.



*“We hope that the Customer Diversity Council, which began as a vision and has now launched, will continue to amplify focus, develop strategy, and heighten sensitivity/awareness that can drive additional growth opportunities.”*

**Kelvin Mitsui,**  
Business Development Manager–Builder,  
Southwest, Gilbert, Arizona, U.S.A.

# Empowering Associates to Become More at Kohler

At Kohler, every associate is a leader. We empower each individual to take ownership of their career while providing a supportive workplace experience that helps them be and achieve their very best. We foster a safe and healthy environment through our robust health and well-being benefits while offering learning and development opportunities that associates can pursue in order to grow in their lives and careers.

Our focus on associate experience and business impact is the essence of Kohler’s new employment value proposition, Become More. This mantra underscores our belief in continuous improvement and the transformative power of personal and professional growth to achieve our company’s bold

mission. From our innovative products and one-of-a-kind experiences to our investment in people and a better world, Become More is a testament to the impact each associate can make at Kohler.

## LEARNING AND DEVELOPMENT

To help our associates obtain the critical skills they need to become more and to achieve business outcomes, we established the Kohler Talent Academy which provides a variety of career development resources, leadership training, coaching, mentorship, as well as signature learning programs such as Kohler Leadership Forum and the Kohler Capability Accelerator.

We encourage collaboration between associates and their leaders to design tailored development plans and objectives, facilitating advancement within the organization or specialization within their field. With a holistic approach to career advancement, we are providing personalized experiences such as formative career opportunities, peer learning, and structured training to foster continuous growth and development.



**Leadership Development**

Strong leadership is at the core of our business and contributes to a positive, engaging, and empowering associate experience. To further enhance leadership capability, Kohler made several strategic program investments in 2023, including the launch of the Bold Leader Development Series, the Kohler Capability Accelerator, the relaunch of the Kohler Leadership Forum, and mentorship programs.

The **Bold Leader Development Series (BLDS)** is a leadership development experience for all of Kohler’s more than 4,000 global people leaders. BLDS is designed to develop the inclusive and core leadership capabilities necessary

for creating a high-performance organization. First created in 2022, BLDS officially launched in February 2023, and by year-end the program had 77 active cohorts reaching 41% of Kohler’s global leader population—slightly ahead of our 40% rollout goal. Currently there are active cohorts across multiple business units in the U.S., India, China, U.K., and Mexico.

BLDS is grounded in Kohler’s key beliefs and introduces participants to four dimensions of leadership effectiveness: self-leadership, people leadership, business leadership, and inclusive leadership. BLDS participant feedback has shown strong scores for content and relevance, quality of instruction, and return on time invested. As

the program continues to grow, we have identified opportunities to optimize the program that we are implementing as part of the continued rollout in 2024.

Building and sustaining an inclusive Kohler culture is a global strategic imperative. In 2023 Kohler Talent Academy certified 23 internal Kohler facilitators, 13 in the Americas and 10 in the China/APAC region, with plans to certify another 20 facilitators in the Latin America, EMEA, and India regions in 2024. These dedicated individuals will deliver regionally customized content for thousands of leaders across the world.



After completing the Bold Leader Development Series, participants come away with focused action plans and new insights to enhance their leadership effectiveness.



*“Setting aside time to focus on my own leadership development was extremely valuable to me. Not only for me, this opportunity allows me to take what I’ve learned back to my team to enhance their own experience at Kohler.”*

**Matthew Wilson,**  
Manager–IT, Digital Workplace, Kohler, Wisconsin, U.S.A.

## Leadership Development (continued)

The **Kohler Leadership Forum**, presented by the Kohler Talent Academy, is designed to equip select Kohler executives with the strategic skills, knowledge, and mindset needed to excel at the next level. In its twenty-second year, the program aims to develop strategic leadership skills by connecting global leaders from across the company. This opportunity gives executives exposure to insights and best practices of both Kohler’s senior executives

as well as faculty members from the University of Virginia’s Darden School of Business. Participants included 20 Kohler leaders chosen among all teams and regions, with participants studying curated business case studies on topics that spoke to Kohler’s business priorities and cultural beliefs, including innovation, culture, strategy, and digital transformation.



*“Every aspect of the Kohler Leadership Forum experience was impactful. From the staff and the Darden faculty to the content, everything was exceptional and enriching in developing as a leader at Kohler. This opportunity was eye-opening and I look forward to growing my capability and impact from here.”*

**Jojo Mallari,**  
Director–Sales Excellence, Operations, and Analytics,  
K&B North America, Vaughan, Canada



### Learning Through Mentorship

Formal mentoring and networking have been found to be two of the most effective and proven ways to help accelerate the advancement of talent and diverse talent in particular. For this reason, the Kohler DEI Team and Kohler Talent Academy, in partnership with a company called Ten Thousand Coffees, developed two mentorship programs to share best practices, foster meaningful connections, and inspire associates to continue to grow their careers here at Kohler Co. The two mentorship tracks are strategic investments into the growth and development of Kohler associates with both mentee and mentor having the opportunity to develop as part of the program.

- ▶ **Rise Boldly** targets high-potential talent, pairing them with leadership aligned with their career trajectory and aspirations.
- ▶ **Forging Connections** targets diverse talent early in their careers and pairs them with mid-level associate mentors with more than four years of tenure in different businesses or functions, allowing for and facilitating networking across groups.

## Leadership Development (continued)

### Manufacturing Leadership Excellence

Kohler Kitchen & Bath has systematically implemented the **Front Line Leader Program** across our 12 factories in China over the course of 12 years. This initiative has strengthened the management capabilities of over 385 manufacturing leaders and is structured around two key dimensions: hard skills and soft skills.

The hard skills segment delves into lean leadership principles and the practical application of lean tools, while the soft skills component focuses on cultivating leadership qualities such as team dynamics, conflict resolution, inspiring others, and problem-solving.

Leaders emerge with a refined perspective on how to further harness and demonstrate their distinctive leadership abilities within Kohler.

### Cultivating Tomorrow's Leaders

Celebrating its 15th anniversary, the **China STAR** talent development program focuses on fostering essential team and leadership capabilities. This comprehensive program prioritizes skills like self-awareness, effective team dynamics, agility, and a results-driven mindset.

In 2023 the China STAR program gathered 33 Kohler associates from around China to participate in immersive workshops, receive personalized coaching, and complete 15 hours of curated LinkedIn learning courses.

### China Smart Factory Leaders on the Rise <sup>(A)</sup>

Kohler's **Smart Factory Operational Leadership** program hones leadership skills for associates in our operations teams, emphasizing operational leadership, lean transformation, and intelligent manufacturing competencies. This initiative serves as a strategic approach to building a robust operational leadership pipeline specifically tailored for Kitchen & Bath China. Participants sharpened project management abilities, expertise in lean and digital transformation, and confidence in leading manufacturing operations at Kohler.



#### Kohler China Recognized With Great Place to Work Certification

Achieving Great Place to Work certification validates Kohler China's exceptional workplace culture. With 97% of associates affirming Kohler as an excellent workplace, this recognition underscores our commitment to fostering trust among associates.

## Leadership Development (continued)

### India Early Talent Development Program

In support of nurturing the next generation of leaders in India, Kohler has actively championed the growth of 60 rising associates, emphasizing coursework and development within topics such as innovation, inclusion, and excellence. This immersive program aims to equip participants with essential skills and perspectives needed to excel in India’s ever-evolving business environment.

### Kohler India’s Women Emerging People Leadership Program

Kohler India has designed the Women Emerging People Leadership program specifically to empower women in their professional development. This comprehensive learning initiative facilitates the transition of individual contributors into leadership roles. Throughout an eight-month period, 27 women associates from across the region embarked on this journey, benefitting from a blend of experiential learning, mentorship from industry-leading women, and formal education via master class sessions.



#### Kohler India Recognized as One of the Best Workplaces for Women

In 2023 Kohler India proudly achieved recognition as one of the top 50 companies in the nation by Great Place to Work, a prestigious acknowledgment honoring organizations committed to cultivating a culture of gender equality for all employees.



### Self-Driven Learning

We continually invest in technology to expand associate access to learning opportunities. In 2023 our associates engaged in over 162,000 hours of learning. More than 147,000 of these engagement hours occurred on the Kohler Career Management portal where 316,558 training videos were viewed. Associates also dedicated nearly 15,000 hours to LinkedIn Learning, an online platform offering video courses along with more in-depth learning and certifications. This platform is offered to all associates worldwide where LinkedIn is available.

### Enhancing the Associate Experience

Kohler employs a listening strategy to track engagement, understand associate feedback, and take action to learn, improve, and grow stronger together. As part of this listening strategy, we periodically conduct surveys of our associates. In 2023 our global engagement score came in at 83 (+1 since 2022 and +4 since 2019). Nearly all survey questions improved or remained consistent from the last time they were asked. Participation in the survey amongst Kohler associates was also high at 88%, with over 30,000 comments submitted. This puts associate engagement at Kohler above the average score for the top 25% of companies (per Glint benchmarks)—a key result on which we remain focused. We also hold listening sessions,

as appropriate, based on events that occur around us, and we organize in-person gatherings to celebrate our associates.

### Investing in Our Leadership Pipeline

We prioritize ongoing talent development, succession, and diversity discussions at the highest level of the organization, building alignment, and reinforcing our commitment to helping our associates become more at Kohler.

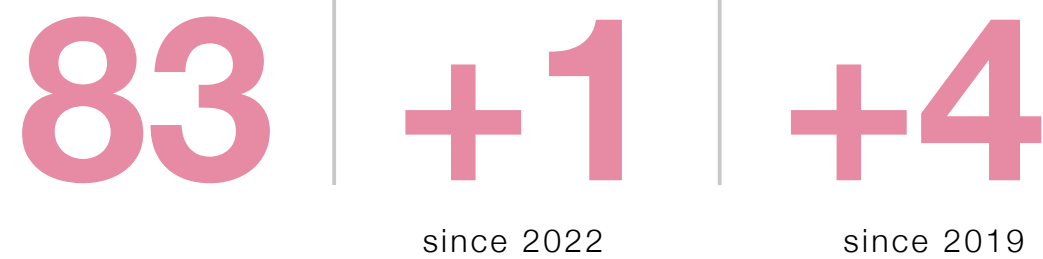
- ▶ 1,382 leaders and HR business partners participated in Talent and Succession Planning training.
- ▶ 25 hours of high-potential talent discussions with our Chair and CEO, demonstrating executive sponsorship of associate career development.



#### Launch of the Kohler Capability Accelerator

In 2023 Kohler launched the **Kohler Capability Accelerator (KCA)** to provide critical-skill building for the future of our associates. Seventy-eight graduates and three cohorts formed the inaugural class in a new partnership with the University of Virginia Darden School of Business. Associates worked on building and strengthening skills in performance marketing and data analytics through immersive, project-based learning grounded in real-world challenges. KCA allows our associates to advance within their chosen field of expertise and provides leadership talent for Kohler’s future.

#### Global Engagement Score



## CARING FOR THE WELL-BEING OF OUR ASSOCIATES

Kohler prioritizes the health and well-being of our associates and works to maintain a culture that values people and puts their safety first. Through comprehensive benefits, mental health and wellness initiatives, and workplace safety programs, we provide the environment and resources our associates need to thrive. These investments not only sustain our ability to deliver innovation and growth but also ensure that our team members can flourish both personally and professionally.

### Comprehensive Benefits

In the United States, our benefits packages provide protection for the health, financial security, and income of our associates, including mental health and well-being offerings that support a healthy lifestyle. We strive to offer support for all associates and are continually making our benefits more inclusive. For all full-time and for many part-time associates in the U.S., benefits include medical, dental, and vision insurance coverage for associates and their dependents and are made affordable for associates through low-contribution requirements.

We also provide life insurance, short- and long-term disability insurance, accident and critical illness insurance, and a wellness incentive program to our full-time and other benefits-eligible associates, along with tuition reimbursement for associates pursuing higher education in the U.S. and Canada. We are proud to offer access to an employee assistance program to every Kohler associate globally.

For U.S.-based associates, we provide financial security through a 401(k) plan, including a company match, and a Kohler pension plan, which is available to most associates in the U.S. in the majority of business units. Retirement-planning support is also available at no cost to associates.



Associates at the Hattiesburg, Mississippi, plant gathered for lunch in celebration of Employee Appreciation Day.



The American Club<sup>®</sup>, true to its name, ignited a love of country that has echoed for generations. Founded by Walter J. Kohler, Sr. with the belief that workers deserved more than wages, The American Club created a safe haven for immigrant workers to nourish their bodies with wholesome food and nurture their minds and souls through education, nature, leisure, and camaraderie.

## Comprehensive Benefits (continued)

Kohler’s paid parental leave benefits in the U.S. reflect our ongoing dedication to fostering a positive, inclusive, and healthy work environment while providing the support our associates need to be their very best. Kohler’s parental leave benefits have evolved to become more equitable by supporting all parents in their parenthood journey through birth, adoption, fostering, and surrogacy. The ability for our associates to feel comfortable being away from work while focusing on the bonding time with their new child has enormous value in the strength of our associates’ families as well as the health and development of a new child.

- ▶ We recognize the importance of our work and family lives and provide paid parental leave in the U.S.

- ▶ We offer a discount program for eligible childcare centers and access to flexible tax-advantage spending accounts for associates to pay for childcare expenses.
- ▶ Support for family planning is also available for U.S. associates. In 2023 we continued to provide increased benefits in reproductive healthcare to reimburse U.S. associates for the costs of travel to obtain medical care they cannot legally seek in their state of residence.
- ▶ Kohler also offers gender-affirming medical care and coverage for associates’ domestic partners and their dependents. These benefits are available to full-time and many part-time associates in the U.S.
- ▶ In 2023 Kohler India rolled out a new childcare reimbursement program. All full-time women associates,

including transwomen, with children between the ages of six months and six years, are eligible for the daycare reimbursement benefit. Associates at the Haryana and Pune locations have access to a near-site daycare with priority placement and discounted rates for Kohler associates.

Our benefits vary across our locations around the world, but our driving benefits philosophy is consistent—to provide a market-competitive benefit offering in every location in which we operate. We may provide a range of benefits including health insurance, life insurance, disability insurance, retirement programs, paid holidays, and annual leave to associates. Additionally, at many of our locations outside the U.S., we offer on-site food service, meal allowances, and food coupons for meals to prepare at home.



Kohler Choose Well...Live Well partnered with United Way at the annual picnic to educate associates on mental health.



Concern for associates’ health and wellness formally dates back to 1917 when the Kohler Employees’ Benefit Association (KEBA) formed “to lend aid in time of sickness and misfortune.” The founding 700 associates voluntarily contributed 40 cents per month from their paychecks, an amount then matched by the company. During sickness, ailing associates received \$1 per day from this fund and upon death their family would receive \$100.

## Wellness and Mental Health

Kohler continues to be committed to supporting the mental health and overall well-being of all associates. In 2022 Kohler enhanced the global benefits available through our employee assistance program to provide mental health support and work/life services to Kohler associates globally. The enhancement expanded mental health support to 22,000 associates and their family members, providing associates around the world with access to one-on-one counseling, legal and financial advice, work-life services, and on-demand online education and resources. Through efforts of more than 100 mental health and well-being champions around the globe, this benefit has had significant momentum and is offered in various languages for global associates. Ongoing promotion and over 100 hours dedicated each year to mental health-focused training and

development is helping ensure all associates can achieve positive mental health well-being.

In 2023 Kohler launched a global well-being platform powered by Sharecare to expand well-being support to associates around the world, making it easier for associates to connect, live, and thrive. Through the Sharecare platform, associates have access to the following:

- ▶ RealAge Test: Provides an instant assessment of true age along with personalized recommendations for improving or maintaining overall health.
- ▶ Global Health Challenges: Foster friendly competition to see how associates stack up against other participants around the world. Two global challenges were offered in 2023, including a Level Up Steps Challenge and a Give Thanks Gratitude Challenge.

- ▶ Benefits Hub: Allows associates to easily navigate to other mental health and well-being benefits.
- ▶ Health Trackers: A variety of health trackers to track healthy behaviors.
- ▶ Well-Being Content and Updates: Associates can scroll their feed for Kohler-specific updates, upcoming events, and well-being content.

Currently more than 8,300 eligible users are registered on the platform, with over 6,300 completing the RealAge Test and over 1,900 engaging in a global health challenge.

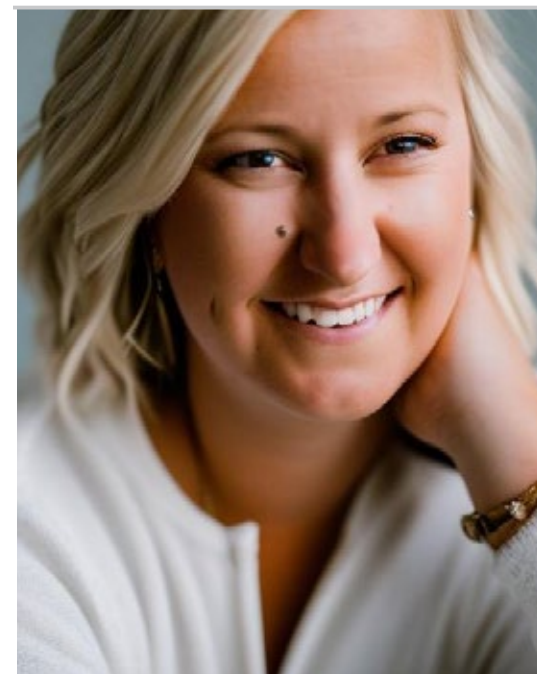
The K&B Changshu Plant in China hosted a mental health training for associates.





**Kohler China Outstanding Health Practice Award**

The Kohler China team won the 2022–2023 Mercer China Healthiest Workplace Outstanding Health Practice Award for their continuous efforts to provide a healthy workplace for associates’ physical, mental, and emotional health as well as financial security.



*“Kohler Choose Well...Live Well recognizes that mental health is crucial to overall well-being. Over the past five-plus years, we have continued to enhance our mental health approach to ensure our associates are well supported, including offering trainings and additional content from our many mental health-related benefits partners.”*

**Erin Schad,**  
Wellness Program Manager, Kohler, Wisconsin, U.S.A.



Kohler made significant contributions to our Mental Health First Aid training and secured our second consecutive Platinum Well Workplace Award from WELCOA.

WELCOA, a highly regarded national organization, awards Platinum as the highest-level recognition, achieved by only a select percentage of companies.

## Workplace Safety

Maintaining a safe workplace and protecting our associates from harm have been long-standing priorities for us at Kohler, as demonstrated by becoming a charter member of the U.S. National Safety Council in 1914.

Kohler’s global environmental, health, and safety (EHS) strategy, which is overseen by our Global Director of EHS, is focused on establishing safe and healthy workplaces that meet or exceed regulatory standards and requirements. The strategy is implemented through our Kohler Safety Management System (KSMS), which is based on current industry best practices and covers 100% of our business activities, including those of all associates, contractors, and temporary workers.

- ▶ The KSMS ensures that we follow all applicable U.S. regulations as governed by the Occupational Safety and Health Administration and all applicable workplace health and safety laws and regulations in the countries where we operate.
- ▶ We monitor compliance with the health and safety standards and policies in the KSMS through regular assessments and internal audits.

Kohler strives to ensure continuous improvement in safety performance by fostering collaborative workplaces, developing effective safety leadership and associate training, analyzing reported incidents to prevent reoccurrence, and holding periodic site inspections.

Through the KSMS, we gather feedback from associates across the enterprise, which is used to implement improvements and leverage best practices company-wide. Additionally, our Contractor Safety Program ensures that all vendors and contractors comply with Kohler’s KSMS requirements prior to being awarded a contract.

We go above and beyond to maintain a safe workplace for our associates by ensuring access to healthcare and wellness services. Our program Fit for Work includes occupational and physical therapy as a free service that our associates can use during work hours. A description of additional associate benefits can be found earlier in this section.



In 1911 Kohler established a safety department and a year later became a charter member of the United States National Safety Council.

## Identifying and Preventing Risks

Kohler performs an annual safety and health-risk assessment of locations at both manufacturing and hospitality sites, to identify potential risks, including occupational hygiene, work-related hazards, and illness-related risks. The KSMS outlines requirements for the identification, evaluation, and control of hazards, using internal auditing of implemented hazard-control processes and evaluation of site performance.

A key component of the KSMS is our set of Serious Seven Life-Saving Rules, which lists requirements to properly perform the seven activities in our operations that could be associated with the greatest safety risks. Full compliance with the Serious Seven Life-Saving Rules is mandatory for all Kohler associates and contractors, and Kohler tracks incidents associated with the Serious Seven in addition to our other safety metrics.

Each Kohler facility develops an Injury Prevention Plan (IPP), an action plan incorporating factors such as facility process risk, equipment, and ergonomic risk, and known industry concerns. The IPPs require associates to learn how to identify hazards and how to take corrective action to mitigate the identified hazards.

- ▶ IPPs are data-driven, based on the previous three years of incident history, current injury performance, and severity of those incidents.
- ▶ To prevent a safety incident from recurring, our incident management process includes prompt notification, quality root-cause analysis (RCA), and timely sharing of learnings.
- ▶ A qualified RCA facilitator is present at every Kohler site and is supported by regional EHS staff, who also conduct performance reviews for each site.
- ▶ Performance reviews consist of a comprehensive evaluation of each location’s risks and incidents that have occurred over the last three years.

▶ Kohler tracks all injuries—not only those that meet the standard of “recordable injury”—and in the event a facility is not performing to Kohler’s EHS standards, a focused safety initiative may be developed and implemented by facility leadership and EHS staff.

Kohler has also launched a proactive Focus Site program to identify locations globally where EHS standards are at risk of underperforming. In 2023 Kohler enrolled five locations in the program, which were tasked with an IPP to address areas of high risk. Results were positive across the board, with all five locations setting new operational lows for their recordable injury rates. The Kohler facility in Brest, France, which manufactures power generators, achieved over a 60% reduction in its recordable injury rate since 2022 by focusing on culture change, risk reduction, and corrective actions.

**OUR SERIOUS 7 LIFE-SAVING RULES**

- 1 Lockout Tagout Tryout (LOTOTO)
- 2 Confined Space Entry
- 3 Cranes, Hoists, Lifting Equipment
- 4 Work at Height
- 5 Electrical Safety
- 6 Machine Guarding
- 7 Power Industrial Vehicles

## Safety Communication and Training

Education and training are critically important tools to raise awareness and ensure compliance with workplace health and safety policies and procedures. All Kohler associates and contracted employees receive occupational health and safety training as part of their mandated onboarding process during paid working hours. Additional training is provided based on site-specific risks, findings from EHS assessments and internal audits, and changes in applicable regulations.

To ensure understanding of our EHS strategy and goals, Kohler issues monthly and annual reports to associates\* to communicate initiatives, annual targets, and overall performance. Our 2023 workplace safety theme was Zero Is Possible—Drive to 0.5, representing our work to continually reduce our recordable injury rate. We focus on achieving this goal by maintaining compliance with all legal and regulatory requirements and improving associate ownership and participation in EHS initiatives.

**8%**

reduction in recordable injury rate since 2022.



Back in the early days of Kohler, safety glasses or goggles were merely recommended. Associates who opted to save their eyesight by wearing protective lenses were recognized as members of the Wise Owls Club. Kohler’s weekly newsletter staff published images with clever safety slogans to encourage adoption of the protective equipment, such as “Goggles for Your Eyes—Not Your Cap” and “They Are Easier to Wear Than an Imitation Eye.”

\*All associates under the direct supervision of Kohler.



**Worker Participation for Safety**

Every manufacturing program at Kohler has a safety committee made up of management and associate members, with cross-functional and union representation where appropriate. All workers are expected to report any condition they believe to be unsafe. Kohler has an open-door policy for reporting concerns and a written reporting process is in place. There are several ways to report safety

concerns, including at the daily site safety meeting; directly to a supervisor, site manager, or another manager; to the EHS office or Human Resources; or to an anonymous hotline.

Kohler informs workers annually about their responsibility to report hazardous situations as well as the structures in place to protect them from any form of reprisal. Every worker has the right to refuse and remove themselves from work situations they believe to be unsafe.



*“To deliver on our Zero Is Possible goal, we must challenge ourselves to take safety to the next level. One of the important tools to avoid incidents is identifying and addressing near-miss and unsafe behaviors. Safety observations should be a routine part of everyone’s workday, and we need to focus on making this a positive and energizing process which engages each of our associates and contractors.”*

**Rajesh Jadon,**  
General Manager–EHS, Kohler India, Jhagadia, India



**Safety Is Personal**

On June 14, 2023, Kohler celebrated our Annual Global Safety Day, an event dedicated to promoting safety and health awareness. The 2023 Safety Day message, “Safety Is Personal,” explored why safety is important to every associate, both in the workplace and at home. To celebrate associate contributions, Kohler distributed **Zero Is Possible Cup Awards** on a local and global basis to 15 locations for best practices in health and safety, with winners coming from around Kohler’s global network, including Wisconsin, Alabama, India, Thailand, and China.

# Activating All Associates for Impact

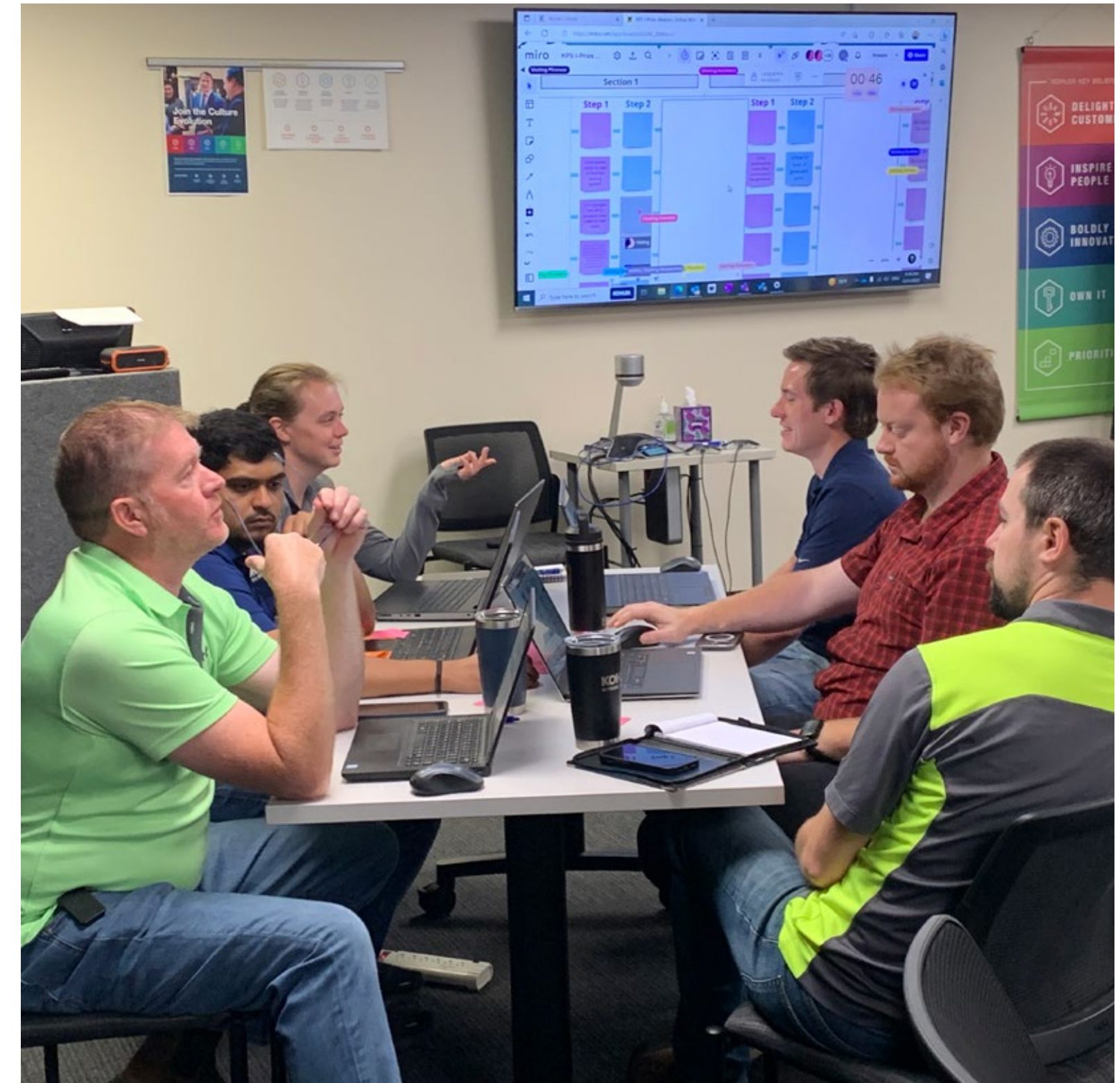
## INNOVATION FOR GOOD®

Innovation for Good (IfG), Kohler’s in-house incubator, launched in 2011 and enables associates to explore opportunities to develop new products and services that address pressing global environmental and social needs.

KOHLER WasteLAB®, which was established in 2014 within the IfG incubator, and I-Prize, our internal innovation competition launched in 2018, are IfG success stories that have grown into highly impactful initiatives.

IfG has enabled Kohler to provide funding for new products and services related to using materials

recycled from our manufacturing processes, develop new products that provide safe water, and create innovations for off-grid sanitation solutions in dense urban areas dealing with water scarcity and poor waste infrastructure.



I-Prize competition innovators gather to ideate their 2023 I-Prize concepts that they will refine and pitch to executive leaders for the chance to win incubation funding.



Kohler was named one of the Best Workplaces for Innovators by *Fast Company* for the second year in a row—a Sustained Excellence finalist recognition that is a testament to our 150-year legacy of innovation and our commitment to leaving the world a better place than we found it.

Here’s to our bold creators, our game changers, our “what if?”-ers—our brilliant teams around the world solving society’s pressing challenges, innovating for the greater good, and turning their boldest dreams into breathtaking realities.

**IfG Product Launches**

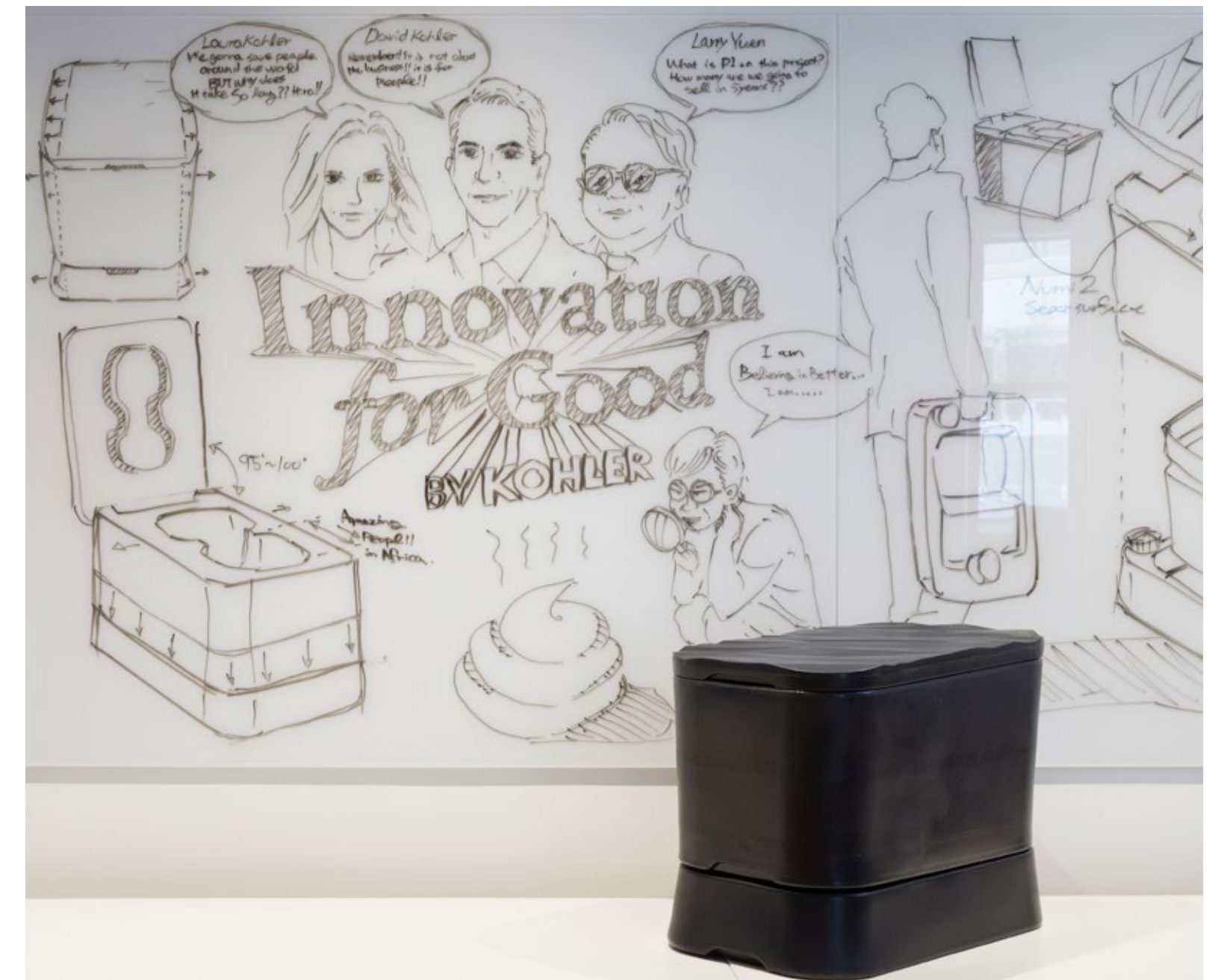
Kohler’s Innovation for Good team launched three products to market in 2023—the highest number yet in a single year. The products were designed to serve the most critical human needs: hygienic handwashing in areas without access to plumbing, consistent water provision to displaced populations, and providing toileting solutions in dense urban environments where they are lacking sanitation infrastructure.

**KOHLER® Loope – Launched October 2023:** KOHLER Loope™

is a waterless toilet designed to bring safe sanitation to dense urban environments where the only toileting option is often away from homes, requires payment, and is locked at night. KOHLER Loope is a container-based sanitation solution, a form of off-grid waste management where solid waste and urine are collected and disposed of or converted into a new product. This method does not require plumbing, construction, electricity, or water. All one needs is a container-based toilet, a waste-collection service, and a waste-

to-value conversion mechanism, making it ideal for dense urban or water-depleted areas.

- ▶ KOHLER Loope was created in partnership with Sanergy, a Nairobi-based organization focused on sustainable solutions for nonsewered sanitation and funded by the Bill and Melinda Gates Foundation’s Redesign the Toilet initiative.
- ▶ KOHLER Loope provides a high-quality, well-designed, and affordable sanitation solution for communities.



**Kohler Industrial Designer Hiro Chung Designs KOHLER Loope**

In partnership with Kohler’s Innovation for Good team, industrial designer Hiro Chung worked to design Kohler’s first ever waterless toilet. Chung was inspired by one of Kohler’s most comfortable toilets, the Numi® 2.0 smart toilet, and designed the KOHLER Loope container-based toilet to have a similar feel for users. A unique solution engineered to provide access to sanitation in areas with minimal access to water, KOHLER Loope is now providing a gracious and comfortable sanitation experience.



*“As a designer, it was deeply fulfilling to help create a gracious sanitation solution for communities in need. During our Loope field study, I had the chance to speak with a young girl who encountered a dangerous situation while seeking sanitation at night. Knowing that our creations assist individuals like her, and positively impact the environment, what could be more rewarding?”*

**Hiro Chung,**  
Senior Principal Industrial Designer,  
New York City, New York, U.S.A.

**IfG Product Launches (continued)**

**KOHLER® Unify Launched**

**July 2023:** **(A)** KOHLER Unify™ is a solution that blends solar and generator power to support displaced populations around the world. Off-grid water pumping stations are critical to health and disease prevention in poverty-stricken and refugee communities. In the majority of these communities, pumps operate on solar power, supplemented with generator power when necessary. These hybrid systems can be labor-intensive, requiring continual monitoring and manual switching when solar power is not sufficient to run the pumps.

KOHLER Unify automatically switches to generator power when needed; is cost-effective, adding less than 5% to total solar/generator system cost; optimizes generator run time to limit noise; is easy to maintain; and can be installed indoors or outdoors.

In 2022 Kohler Co. and Water Mission successfully tested and implemented this solution in Uganda with a piped water system serving 10,000 of the more than 120,000 refugees at the Rhino Camp Refugee Settlement. A similar system has been tested and has been in use in Puerto Rico since 2017.

**KOHLER Cleanse® Launched**

**February 2023:** **(B)** Some 2.3 billion people live without the means to safely wash their hands at home. Centers for Disease Control and Prevention data shows that handwashing can prevent one in three diarrhea-related sicknesses and one in five respiratory infections and that 670 million people globally have no access to handwashing at all.

In support of our commitment to United Nations Sustainable Development Goal 6: Clean Water and Sanitation, and tapping into our innovation and expertise, Kohler developed KOHLER Cleanse, a handwashing faucet that requires no plumbing, no electricity, and no hands—the faucet provides water with just a simple lift of the wrist.

This initiative was a cross-functional collaboration within Kohler with activation from our Community Impact, IfG, Sustainable Living, and HR teams.



## I-PRIZE COMPETITION

The I-Prize Competition is one of Kohler’s most effective and popular activations to involve and engage associates. Launched by the IfG incubator in 2018, participation in the annual competition grows every year. Associates are invited to share their boldest thinking by proposing innovative new products and solutions addressing key social or environmental challenges. Winning ideas receive incubation funding and, upon further concept development, may be mainstreamed into Kohler’s business.

The theme for I-Prize 2023 was Creators of Better and resulted in the second-highest number of participants and ideas of any I-Prize Competition.

In 2023 two Kohler business resource groups, Kohler PROUD and Women@Work, rallied their members to participate. Members were encouraged to form teams and a workshop was hosted, focusing on the challenges women around the world face lacking access to menstrual hygiene solutions. A record 42% of the semifinalists identified as women in the 2023 I-Prize Competition— one winning team was composed of entirely female-identifying associates. This winning team is incubating a project that aims

to provide a solution for safe menstrual health management in underserved communities.

A total of 162 associates from 23 cities and 12 countries participated in I-Prize. In 2023 40 I-Prize ideas were generated. Of these, four were awarded incubation funding, totaling \$165,000, bringing the dollars allocated to incubation projects since 2018 to \$1,200,000.



**40**

I-Prize ideas were generated in 2023.

# Accountability

Kohler is committed to being transparent about our business strategies and goals—including our environmental, social, and governance (ESG) commitments—to build trust with stakeholders. We embed our ESG strategies into all aspects of our business and ensure accountability by regularly tracking and annually reporting key metrics to measure our progress. We are committed to holding ourselves, our suppliers, and our partners accountable to protect the planet and strengthen communities around the world.



# Oversight of ESG

Environmental and social impacts are top priorities for Kohler as we develop and update our business strategies, policies, and goals. Our governance structure ensures robust oversight of these efforts, with our Chair and CEO responsible for our sustainability strategy and monitoring progress. He reviews quarterly business-level sustainability data and meets biannually with the Enterprise Environmental Sustainability team and business unit leadership.

Kohler’s Chief Sustainable Living Officer is the executive sponsor of all environmental and social

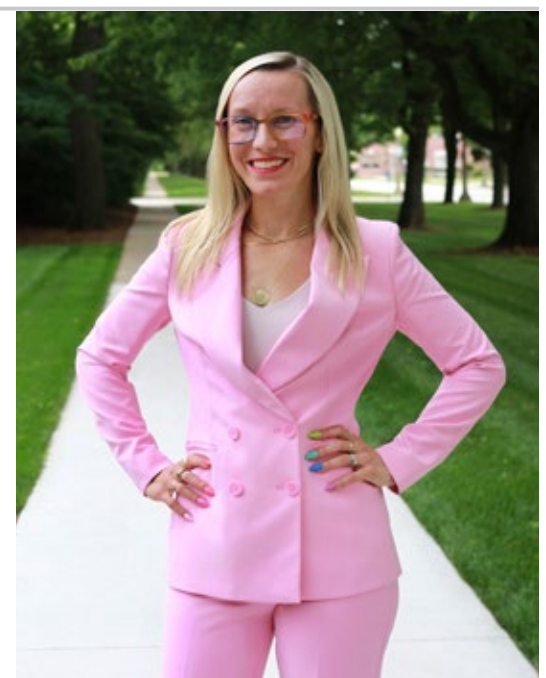
sustainability initiatives. She is responsible for communication to our stakeholders and plays a key role as a member of the Kohler Leadership Team (KLT) in ensuring that sustainability topics are regularly integrated into planning at the highest levels of the company. Environmental and social topics are communicated quarterly to the KLT, linking these issues to the company’s business strategies and priorities. In 2023 sustainability topics were included as either agenda or discussion items in every monthly KLT meeting.

In 2023 Kohler created a new Program Manager - ESG role to strengthen our focus on governance and operationalization of ESG initiatives while continuing to expand our commitment to transparent and accountable public reporting.

Associates explore content from the [Kohler Archives](#) to learn more about the history of environmental sustainability and community impact at Kohler.



*“Throughout our 150 years as a company we find sprinkled in the archives of our history examples of our commitment to bettering the environment, our communities, and our people. ESG reporting is a framework we utilize to tell these stories and I am elated to play a role in curating and storytelling the collective future impact we will make together.”*



**Kayla Riege,**  
Program Manager–ESG, Kohler, Wisconsin, U.S.A.

# Public Policy Engagement

We believe in engaging with community leaders and government officials on issues of importance to our stakeholders to support positive outcomes for our associates, our communities, and our planet. We prioritize engagement through advocacy and public-private partnerships, offering our industry expertise to government agencies and elected officials. As a general practice, Kohler entities do not make political contributions.

Kohler prioritizes engagement on the following public policy issues:

- ▶ Water stewardship
- ▶ Clean energy
- ▶ Workforce development and housing
- ▶ Immigration reform
- ▶ Diversity, equity, and inclusion
- ▶ Infrastructure enhancements

In 2023 Kohler actively engaged with policymakers through initiatives, including:

- ▶ Hosting a panel discussion, Unlocking the Adoption of Sustainable Building Practices, at the Greenbuild International Conference in Washington, D.C., with key partner U.S. Green Building Council.

- ▶ Breaking ground on a housing development near Kohler’s headquarters in Wisconsin to provide affordable workforce housing for Kohler associates as part of a private-public partnership with local government.
- ▶ Advocating for policy change with California state legislators to replace legacy kitchen and bathroom fixtures and create substantial water savings in California, in partnership with Plumbing Manufacturers International.

Amy Hampton-Davies introducing a panel discussion on Unlocking Adoption of Sustainable Building Practices at Greenbuild in Washington, D.C. Panelists from left to right: Shawn Oldenhoff, Yasemin Kologlu, Gene Myers, and Wes Sullens.



Shawn Oldenhoff, SVP-Category Management – K&B North America, speaks at Greenbuild regarding sustainable building practices.



# Commitment to Ethical Conduct

At Kohler we equip our leaders, associates, and suppliers with policies and guidance that empower them to act every day with integrity and to be vigilant in reporting ethical concerns. We survey our associates biannually to track their perception of ethical culture.

Our Code of Ethical Conduct (Code) applies to the associates of Kohler Co. and its subsidiaries as well as those who work for or represent Kohler Co. It outlines Kohler’s commitment to follow the highest standards of ethics and integrity and comply with all laws and regulations in the countries where we operate. Associates are expected to be truthful and behave in a transparent and authentic way, promptly speaking up to raise concerns. It also calls on associates to uphold our long-standing commitment to environmental stewardship and to support the communities where we live and do business.

In addition to the Code, Kohler’s Global Core Policies

provide additional detail on our commitment to ethical and lawful conduct, including the prohibition of bribery and corruption, antitrust violations, and conflicts of interest.

Compliance with the Code and Global Core Policies is overseen by our Vice President of Compliance and Ethics, who reports to the General Counsel and provides regular updates to Kohler leadership.

## Ethics Training and Reporting Concerns

Mandatory ethics training is part of the onboarding process for all new associates at Kohler and is required annually thereafter. In 2023 our annual ethics training included a range of topics including our Code of Conduct, harassment and sexual harassment, human rights and modern slavery, and reporting of concerns.

Our annual ethics training completion rate for 2023 was 95% for administrative exempt

and nonexempt associates.

Other basic policy training occurs throughout the year for associates; more advanced training is provided to associates with greater exposure to certain legal and compliance risks.

Kohler offers many confidential ways to report policy concerns, including a 24/7 channel operated by an independent third party. These channels are available on our website via this [link](#). Our Code and training outlines Kohler’s zero-tolerance policy regarding direct or indirect retaliation against any associate who reports a concern in good faith or participates in a review of a concern.

In 2023 Kohler’s Compliance and Ethics team conducted customized training sessions with managers at 11 Kohler locations to improve their handling of associate compliance and ethics concerns and to reinforce our policy prohibiting retaliation against those who raise concerns.



# Human Rights

Kohler is committed to respecting human rights around the world, including company operations and throughout our supply chain. We comply with laws aimed at eliminating slavery and human trafficking, including the U.K. Modern Slavery Act and the California Transparency in Supply Chains Act. In 2023 we published our [Global Human Rights Policy](#), which is founded on international standards including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the principles concerning fundamental rights set out in the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work.

Our due diligence regarding human rights risks within our operations continues to be a priority and we communicate our human rights commitments to all associates globally through ethics training and other internal communications.

In 2023 Kohler furthered our assessment of our potential human rights impacts through an internal human rights roundtable moderated by an external consultant. Participating associates shared insights into potential human rights risks in our company’s value chain to inform opportunities to enhance human rights due diligence.



# Responsible Sourcing

We strive to do business with organizations that are true partners in the work of ensuring that human rights are upheld and respected and who share our values and high ethical standards. Our suppliers are required to adhere to the Kohler Supplier Code of Conduct, which details our guidelines and expectations for areas including:

- ▶ Ethics, business integrity, and anti-corruption
- ▶ Health and safety
- ▶ Environmental management
- ▶ Labor and human rights

One hundred percent of registered suppliers are expected to adhere to our supplier code of conduct or agree to an equivalent or stricter code.

Kohler’s Responsible Sourcing program was established to reduce the risk of human rights and forced labor issues in our supply chain. All potential suppliers registering in Kohler’s Supplier Management Platform are screened for human rights and forced labor risk. If the need for further investigation is identified, an on-site audit is conducted by a third party.

We regularly perform assessments of current suppliers covering issues related to forced labor, environmental compliance, and sustainability. The results of these assessments are included in a new scorecard implemented in 2023 for suppliers representing 80% of direct procurement spending. Members of our procurement team conduct quarterly business

reviews where they can provide feedback to suppliers on the supplier scorecard.

Kohler’s suppliers must also comply with applicable laws and regulations regarding conflict minerals to ensure any procured minerals do not involve human rights abuses, either directly or indirectly.

## 2023 Supplier Human Rights and Forced Labor Risk Assessment Results

**7601**

**New Suppliers Screened**

**578**

**Suppliers Completed Self-Assessment**

**24**

**Suppliers Audited With Responsible Sourcing Workplace Assessment**

**11**

**Suppliers Submitted Corrective Actions**

**2**

**Suppliers Terminated \***

\*All audited suppliers not terminated or not having submitted corrective actions are in the process of submitting corrective actions

# Supplier Sustainability

Kohler is also committed to ensuring our procurement processes consider environmental sustainability to further reduce our emissions footprint. We have implemented a screening procedure in which suppliers submitting competitive bids provide information about materials and energy use. This information is used as selection criteria as a means of reducing our Scope 3 emissions.

In 2023 we successfully reduced carbon emissions through sustainable procurement by:

- ▶ Switching to an aluminum supplier that uses hydroelectric power, resulting in a decrease of 18,541 metric tons of CO<sub>2</sub>e compared to the previous supplier.
- ▶ Using environmentally friendly bio-based colorants in select KOHLER heritage colors, resulting in a decrease of 17 metric tons of CO<sub>2</sub>e.



*“Working on Kohler’s heritage colors was such an amazing opportunity and I enjoyed working with the teams and seeing all the excitement. The sustainability mission isn’t just an initiative, it’s ingrained in our culture. It just makes sense to bring these colors along with us on our journey.”*

**Martha Becker,**  
Project Engineer, Kohler, Wisconsin, U.S.A.



Kohler re-released two heritage colors in 2023, one being Spring Green, for which Kohler sourced and utilized a bio-based colorant shown above.

# Supplier Diversity

Kohler’s Supplier Diversity Program is one of four pillars of the company’s diversity, equity, and inclusion (DEI) efforts, with the goal of ensuring that our U.S.-based suppliers reflect the diversity of our consumers and the communities where our associates live and work. For consideration of business opportunities through our Supplier Diversity Program, companies must be based in the U.S. and hold a credible third-party certification that attests to being at least 51% owned, operated, and controlled by one or more persons that fall

within the following diversity classifications: minority, woman, LGBTQIA+, service-disabled veteran, veteran, or disabled.

We regularly track diverse supplier spending in the U.S. to measure the progress of our initiatives. Our Supplier Diversity Program Manager works with procurement teams and business stakeholders to identify diverse suppliers to be considered in our bidding process.

We partner with five national certifying entities to increase our access to diverse suppliers:

- ▶ Disability:IN
- ▶ National LGBT Chamber of Commerce
- ▶ National Minority Supplier Development Council
- ▶ National Veteran Business Development Council
- ▶ Women’s Business Enterprise National Council

In 2023 we made great progress on integrating supplier diversity into the business by:

- ▶ Updating our Global Procurement Policy to require a good faith effort to include a diverse supplier on all bids that meet the threshold for competitive sourcing.
- ▶ Launching a public-facing [supplier diversity website](#) to inform suppliers of our commitments and the processes to engage with us.

- ▶ Hosting a supplier diversity matchmaking event with GE Appliances, a Haier company, to connect certified diverse-owned suppliers with buyers from our respective supply chains. Over 200 people attended the event, and multiple connections with diverse suppliers were made in three of Kohler’s top spending opportunity categories.



*“Supplier diversity is not just a check of the box at Kohler. The C-suite understands the socioeconomic and business benefits that come from including diverse companies in our supply base, and their support resonates from the top.”*

**Audrey Saint-Elie,**  
Program Manager–Supplier Diversity, Kohler, Wisconsin, U.S.A.

# Appendix

About Kohler Co.

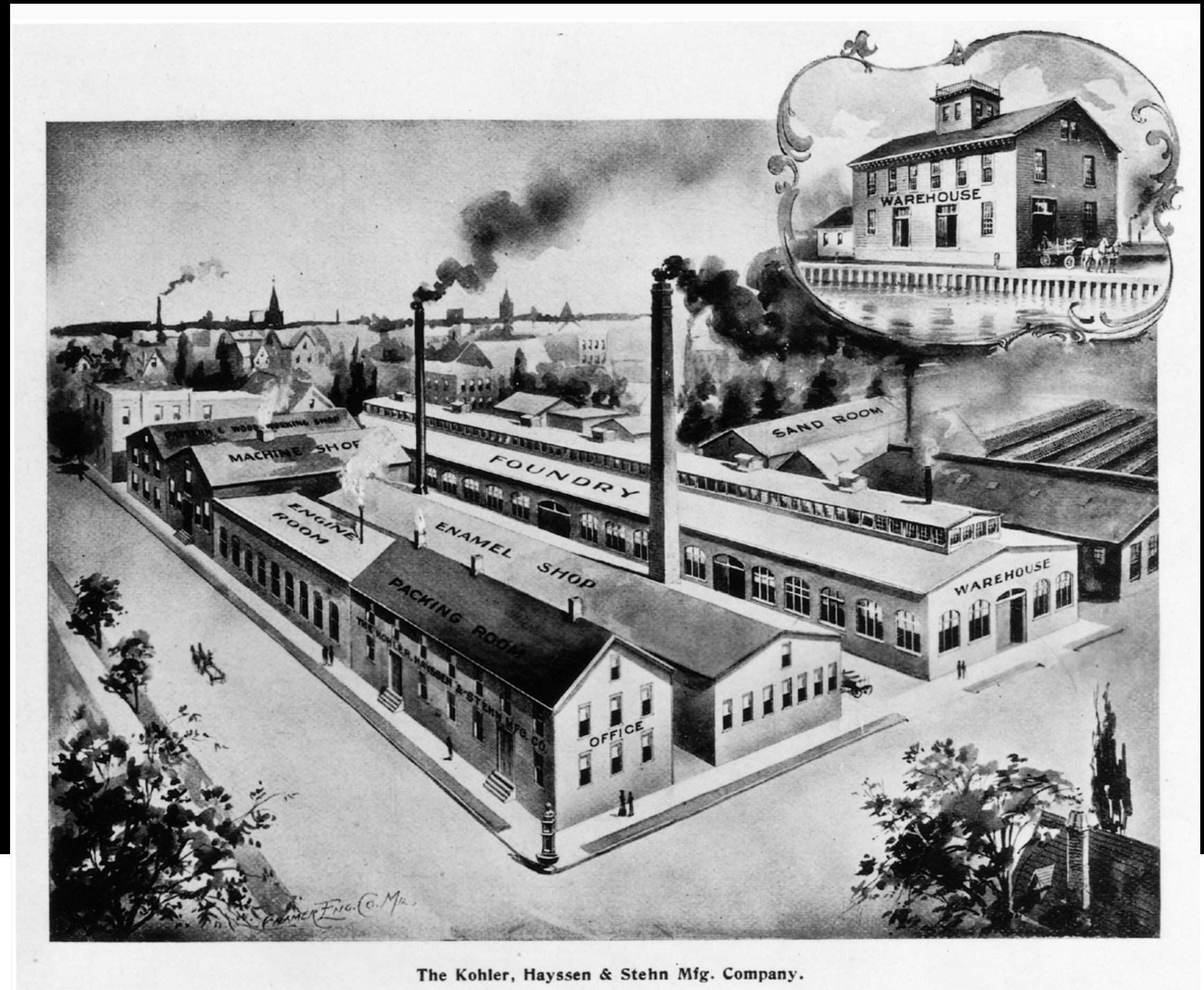
The Power of Partnerships

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# About Kohler Co.

Kohler Co. was founded in 1873 and remains one of America’s oldest and largest privately held companies, celebrating our 150th anniversary in 2023. Kohler Co. is a global leader in the design and innovation of kitchen and bath products; luxury cabinetry, tile, and lighting; distributed energy solutions including home energy, industrial energy systems, and powertrain technologies; and luxury hospitality experiences and major championship golf. Our headquarters are located in Kohler, Wisconsin.

Kohler Co. supports an environment of creative collaboration by individuals of different cultures, ethnicities, genders, and subject matter disciplines. We are proud of the rich diversity of our organization in the U.S. and around the world. As a company, we look to our guiding principles and key beliefs to help people live gracious, healthy, and sustainable lives.



Kohler Co. has aligned its corporate business strategy and operational project pipeline with United Nations Sustainable Development Goals 6, 7, and 12. This alignment reflects our focus on creating gracious living experiences for our customers and local communities through our products, environmental management, and community stewardship.



“[Kohler Co. founder] John Michael Kohler believed in the dignity and discipline of work, in the need of wholesome recreation with an interest in music, drama, and the arts. He respected the rights of others and wanted all to share in the beauty of the world and, by precept and example, showed that happiness is found in a life of service to others.”

Spoken by his daughter Marie Christine Kohler in 1929 at the dedication of the Waelderhaus.

# The Power of Partnerships

Kohler and our partners are committed to a better tomorrow.





**Data Tables**

Environmental Metrics	2021	2022	2023
<b>Energy (Megawatt Hours)</b>			
<b>Energy Consumption</b>	3,114,077*	2,892,467	2,676,448
Change in Energy Consumption	11%	-8%	-7%
Change in Energy Consumption Since 2008	12%	2%	-5%
<b>Scope 1 Energy Consumption</b>	2,303,083	2,035,574	1,913,963
Fuel Oil	89	28	17
Gasoline	13,435	11,122	11,175
Jet Fuel	14,891	15,954	20,330
Lamp Oil (Kerosene)	444	474	492
Liquefied Natural Gas	16,200	8,014	6,223
Natural Gas	2,070,267	1,801,056	1,702,346
Propane	117,493	106,437	72,336
Wood Fuel (Wood and Wood Residuals)	21	63	46
Diesel	66,769	89,416	82,619
Hydrotreated Vegetable Oil	-	-	1,053
On-Site Renewable Generation	3,457†	2,991	17,327
<b>Scope 2 Energy Consumption</b>	820,360	757,670	762,485
Purchased Electricity	817,000	754,986	756,000
Purchased Steam	3,360	2,684	6,484
Percentage Grid Electricity (Global)	49%	46%	50%
Percentage Renewable Electricity (Global)	51%	54%	50%
Percentage Renewable Electricity (U.S. and Canada)	100%	100%	100%
Renewable Electricity Consumption	414,076	407,662	376,331
Change in Renewable Electricity Consumption	7%	-1%	-8%
<b>Energy Intensity</b>			
Energy Intensity (Megawatt Hours / \$M Revenue)	375	323	288
Change in Energy Intensity	-11%	-15%	-11%
Change in Energy Intensity Since 2008	-30%	-41%	-47%

\*Adjusted in 2022 to reflect owned on-site solar recalculation.

†Recalculated in 2022.

Environmental Metrics	2021	2022	2023
<b>GHG Emissions (Metric Tons of CO<sub>2</sub>e)*</b>			
<b>Scope 1 GHG Emissions</b>	433,125	390,800	359,701
<b>Scope 2 GHG Emissions (Location-Based)</b>	433,253	404,438	400,096
<b>Scope 2 GHG Emissions (Market-Based)</b>	208,148	185,681	198,974
<b>Change in GHG Emissions, Scopes 1 + 2</b>	6%	-8%	-4%
<b>Change in GHG Emissions Since 2008, Scopes 1 + 2</b>	-1%	-9%	-13%
<b>GHG Emissions Intensity, Scopes 1 + 2 (MTCO<sub>2</sub>e / \$M Revenue) †</b>	104	89	82
Change in GHG Emissions Intensity	-14%	-15%	-8%
Change in GHG Emissions Intensity Since 2008	-38%	-47%	-51%
<b>Net GHG Emissions Intensity, Scopes 1 + 2 (MTCO<sub>2</sub>e / \$M Revenue)</b>	77	64	60
Change in Net GHG Emissions Intensity	-10%	-17%	-6%
Change in Net GHG Emissions Intensity Since 2008	-54%	-62%	-64%
<b>Water (Megaliters)</b>			
<b>Water Withdrawal ‡</b>	4,250	4,130	3,440
Change in Water Withdrawal	-14%	-3%	-17%
Change in Water Withdrawal Since 2008	-23%	-25%	-38%
Total Water Withdrawal in Areas With High Water Stress	-	1,693	1,023
<b>Water Withdrawal Intensity (Megaliters / \$M Revenue)</b>	0.51	0.46	0.37
Change in Water Withdrawal Intensity	-7%	-10%	-20%
Change in Water Withdrawal Intensity Since 2008	-52%	-57%	-65%
<b>Water Withdrawal by Source</b>			
Surface Water	-	411	205
Areas of High Water Stress	-	267	205
Groundwater	-	1,029	570
Areas of High Water Stress	-	314	234

\*Our baseline year is 2008 and the GHG Protocol Corporate Accounting and Reporting Standard was used in the calculation of energy use and GHG emissions. All energy sources are included in intensity calculations. In 2023 we added estimated Scope 1 data for natural gas and process emissions, and Scope 2 data for electricity in minor facilities where actual data was not available. Gases covered in GHG emissions calculations include CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O. Global warming potentials are obtained from the Intergovernmental Panel on Climate Change Fifth Assessment Report. The chosen consolidation approach for emissions is locations under Kohler Co. operational control. Kohler Co. has no emissions from biogenic sources.

†The Scope 2 emissions reflected in this calculation are location-based.

‡ Water withdrawal data is sourced from direct measurement or third-party invoices, where available. Where actual data is not available, square footage is obtained from lease agreements and multiplied by water intensity factors published by the U.S. EIA for offices, showrooms, and warehouses, or the water intensity factor published by the Sustainable Hospitality Alliance for hospitality locations. No estimates were necessary for production locations as actual data was available. Approximately 5% of the reported water withdrawal was estimated.

Environmental Metrics	2021	2022	2023
<b>Water (Megaliters)</b>			
Seawater	-	0	0
Areas of High Water Stress	-	0	0
Produced Water	-	10	34
Areas of High Water Stress	-	2	34
Third-Party Water	-	2,288	2,631
Areas of High Water Stress	-	719	550
<b>Water Discharge*</b>	-	1,653	1,818
Water Discharge to Areas With High Water Stress	-	438	519
<b>Water Discharge by Source</b>			
Surface Water	-	190	242
Areas of High Water Stress	-	46	151
Groundwater	-	501	607
Areas of High Water Stress	-	54	148
Seawater	-	0	0
Areas of High Water Stress	-	0	0
Third-Party Water	-	893	968
Areas of High Water Stress	-	180	220
Volume of Third-Party Water Sent for Use to Other Organizations	-	0	0
<b>Water Discharge by Treatment</b>	-	468	1,818
No Treatment	-	-	898
Primary Treatment	-	285	300
Secondary Treatment	-	0	405
Tertiary Treatment	-	183	214
<b>Water Consumption†</b>	-	2,155	1,623
Water Consumption From Areas With High Water Stress	-	1,022	504

\*Water discharge data is sourced from third-party invoices or Kohler-maintained water discharge meters, where available. Where actual data is not available, it is assumed 100% of the withdrawn water is consumed, and the water discharge amount is zero.

†Includes water consumption by locations present in areas of high or extremely high-water stress as defined by the World Resources Institute’s Aqueduct Water Risk Atlas tool (Version 4.0).

Environmental Metrics	2021	2022	2023
<b>Waste* (Metric Tons)</b>			
<b>Waste Generated</b>	412,254	358,132 <sup>†</sup>	294,596
Hazardous Waste	-	-	10,066
Nonhazardous Waste	-	-	284,555
<b>Percent Waste Diverted From Disposal ‡</b>	57%	59%	58%
<b>Waste Diverted From Disposal ‡</b>	234,464	210,166	170,650
Hazardous Waste	-	-	5,475
Recycling	-	-	4,139
Incineration (With Energy Recovery)	-	-	1,336
Nonhazardous Waste	-	-	165,175
Recycling	-	-	164,284
Incineration (With Energy Recovery)	-	-	891
<b>Waste Directed to Disposal</b>	177,804	147,806	123,972
Change in Net Waste	26%	-17%	-16%
Change in Net Waste Since 2008	-13%	-28%	-40%
Hazardous Waste	-	-	4,591
Incineration (Without Energy Recovery)	-	-	3,344
Landfilling	-	-	1,247
Nonhazardous Waste	-	-	119,380
Incineration (Without Energy Recovery)	-	-	346
Landfilling	-	-	119,035
<b>Net Waste Intensity (Metric Ton / \$M Revenue)</b>	21	16	13
Change in Net Waste Intensity	2%	-23%	-19%
Change in Net Waste Intensity Since 2008	-46%	-58%	-66%

\*Waste data excludes sites for which Kohler does not directly manage waste disposal. Kohler is in the process of developing methodology for estimating waste for these sites.

†Adjusted in 2023 upon identification of an error that resulted in an overstatement in the 2022 reporting period.

‡Our calculations for waste diversion include recycled waste and waste incinerated with energy recovery.

Social Metrics	2021	2022	2023
<b>Employment*</b>			
<b>Global Head Count</b>	40,756	39,034	38,346
<b>Head Count by Associate Classification</b>			
Number of Exempt Associates	10,172	11,147	11,796
Number of Administrative Nonexempt Associates	5,891	6,171	5,771
Number of Manufacturing Associates	24,693	21,716	20,779
<b>Talent Acquisition †</b>			
<b>Percent of U.S. Talent Acquisitions by Race and Ethnicity</b>			
Hispanic or Latino	6.7%	7.1%	7.7%
White	35.2%	30.9%	42.9%
Black or African American	19.2%	18.8%	26.7%
Native Hawaiian or Other Pacific Islander	0.2%	0.5%	0.2%
Asian	1.9%	2.7%	4.5%
American Indian or Alaska Native	0.4%	0.7%	0.4%
Two or More Races	4.0%	2.8%	2.2%
Not Specified	32.0%	36.6%	15.2%
<b>Global Talent Acquisitions by Gender</b>			
Female	4,385	3,999	3,136
Male	10,778	7,778	5,756
Not Specified	2	2	1
<b>Percent of Global Talent Acquisitions by Gender ‡</b>			
Female	29%	34%	35%
Male	71%	66%	65%
Not Specified	<0.1%	<0.1%	<0.1%

\*Associates are classified as: active, inactive (except for specific inactive categories of associates), full-time, part-time, interns, and casual in SAP, and exclude acquired entities. Refer to our Management Assertion for our full definition.

†At Kohler “talent acquisition” is the term used for external hires.

‡Percentages do not add up to 100% due to rounding.

Social Metrics	2021	2022	2023
<b>Rate of Global Talent Acquisitions by Gender *</b>			
Female	42%	38%	29%
Male	36%	27%	21%
Not Specified	100%	200%	25%
<b>Global Talent Acquisitions by Age</b>			
Under 30 Years Old	8,786	6,355	4,792
30–50 Years Old	5,688	4,747	3,564
Over 50 Years Old	691	676	537
<b>Percent of Global Talent Acquisitions by Age</b>			
Under 30 Years Old	58%	54%	54%
30–50 Years Old	38%	40%	40%
Over 50 Years Old	5%	6%	6%
<b>Rate of Global Talent Acquisitions by Age *</b>			
Under 30 Years Old	78%	73%	60%
30–50 Years Old	25%	21%	15%
Over 50 Years Old	10%	9%	7%
<b>Global Talent Acquisitions by Region</b>			
Americas	8,069	7,461	6,320
Asia Pacific	6,322	3,213	1,610
Europe, Middle East, and Africa	774	1,104	963
<b>Percent of Global Talent Acquisitions by Region</b>			
Americas	53%	63%	71%
Asia Pacific	42%	27%	18%
Europe, Middle East, and Africa	5%	9%	11%
<b>Global Rate of Talent Acquisitions by Region *</b>			
Americas	47%	45%	38%
Asia Pacific	34%	19%	10%
Europe, Middle East, and Africa	15%	21%	17%

\*Rate was calculated based on the head count of the category’s respective associate population at year’s end.

Social Metrics	2021	2022	2023
<b>Turnover</b>			
<b>Global Associate Turnover by Gender</b>			
Female	2,769	3,464	2,709
Male	6,937	8,378	6,115
Not Specified	0	0	0
<b>Global Rate of Associate Turnover by Gender*</b>			
Female	26%	33%	25%
Male	23%	29%	22%
Not Specified	0%	0%	0%
<b>Global Associate Turnover by Age</b>			
Under 30 Years Old	5,229	5,748	3,771
30–50 Years Old	3,626	4,944	3,878
Over 50 Years Old	851	1,150	1,176
<b>Global Rate of Associate Turnover by Age*</b>			
Under 30 Years Old	46%	66%	47%
30–50 Years Old	16%	21%	17%
Over 50 Years Old	12%	16%	16%
<b>Global Associate Turnover by Region</b>			
Americas	6,069	7,029	5,338
Asia Pacific	3,056	3,968	2,720
Europe, Middle East, and Africa	581	845	767
<b>Global Rate of Associate Turnover by Region*</b>			
Americas	35%	42%	32%
Asia Pacific	17%	23%	17%
Europe, Middle East, and Africa	11%	16%	13%

\*Rate was calculated based on the head count of the category’s respective associate population at year’s end.

Social Metrics	2021	2022	2023
<b>Parental Leave</b>			
<b>Number of U.S. Associates That Were Entitled to Parental Leave by Gender *</b>	10,410	10,781	10,076
Female	3,655	3,829	3,800
Male	6,755	6,952	6,276
<b>Number of U.S. Associates That Took Parental Leave by Gender</b>	188	249	238
Female	61	68	110
Male	127	181	128
<b>Number of U.S. Associates That Returned to Work in the Reporting Period After Parental Leave Ended by Gender</b>	182	231	220
Female	60	66	103
Male	122	165	117
<b>Rate of U.S. Associates That Returned to Work in the Reporting Period After Parental Leave Ended by Gender</b>			
Female	98%	97%	94%
Male	96%	91%	91%
<b>Number of U.S. Associates That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return to Work by Gender</b>	134	155	N/A
Female	45	50	N/A
Male	89	105	N/A
<b>Rate of U.S. Associates That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return to Work by Gender</b>			
Female	75%	76%	N/A
Male	73%	64%	N/A

\*Data represents number of associates in a classification which makes them eligible for parental leave regardless of whether or not the associate had a qualifying event (birth, adoption, foster placement, etc.)



Social Metrics	2021	2022	2023
<b>Diversity *</b>			
<b>Diversity of Global Associates by Gender†</b>			
Female	26%	27%	29%
Male	74%	73%	71%
Not Specified	<0.1%	<0.1%	<0.1%
<b>Diversity of Global Associates by Age</b>			
Under 30 Years Old	28%	22%	21%
30–50 Years Old	55%	59%	60%
Over 50 Years Old	17%	19%	19%
<b>Diversity of U.S. Associates by Gender†</b>			
Female	38%	39%	40%
Male	62%	61%	60%
Not Specified	<0.1%	<0.1%	<0.1%
<b>Diversity of U.S. Associates by Age</b>			
Under 30 Years Old	26%	23%	24%
30–50 Years Old	43%	45%	46%
Over 50 Years Old	31%	31%	31%
<b>Diversity of U.S. Associates by Race and Ethnicity†</b>			
Hispanic or Latino	7.8%	8.4%	8.7%
White	65.4%	65.5%	65.8%
Black or African American	14.2%	15.6%	15.7%
Native Hawaiian or other Pacific Islander	0.1%	0.2%	0.2%
Asian	2.7%	3.2%	3.8%
American Indian or Alaska Native	0.3%	0.4%	0.4%
Two or More Races	1.8%	2.1%	2.0%
Not Specified	8.0%	4.6%	3.5%

\*Associates are classified as: active, inactive (except for specific inactive categories of associates), full-time, part-time, interns, and casual in SAP, and exclude acquired entities. Refer to our Management Assertion for our full definition.

†Percentages do not add up to 100% due to rounding.

Social Metrics	2021	2022	2023
<b>Diversity of U.S. Exempt Associates by Gender</b>			
Female	37%	38%	37.4%
Male	63%	62%	62.5%
Not Specified	0%	0%	0.1%
<b>Diversity of U.S. Exempt Associates by Age</b>			
Under 30 Years Old	15%	13%	12.5%
30–50 Years Old	57%	58%	59.4%
Over 50 Years Old	28%	29%	28.2%
<b>Diversity of U.S. Exempt Associates by Race and Ethnicity</b>			
Hispanic or Latino	4.0%	4.6%	5.8%
White	83.7%	79.1%	80.0%
Black or African American	3.2%	3.7%	3.5%
Native Hawaiian or other Pacific Islander	0.1%	0.1%	0.2%
Asian	5.0%	5.3%	6.6%
American Indian or Alaska Native	0.1%	0.1%	0.1%
Two or more races	0.8%	1.7%	1.5%
Not Specified	3.2%	5.4%	2.3%
<b>Diversity of U.S. Manufacturing Associates by Gender</b>			
Female	28%	28%	29.5%
Male	72%	72%	70.5%
<b>Diversity of U.S. Manufacturing Associates by Age</b>			
Under 30 Years Old	26%	21%	19.6%
30–50 Years Old	40%	43%	43.8%
Over 50 Years Old	34%	36%	36.6%

Social Metrics	2021	2022	2023
<b>Diversity of U.S. Manufacturing Associates by Race and Ethnicity</b>			
Hispanic or Latino	10.8%	11.1%	11.0%
White	47.2%	49.2%	48.3%
Black or African American	26.1%	31.1%	33.3%
Native Hawaiian or Other Pacific Islander	0.1%	0.3%	0.2%
Asian	1.4%	1.9%	2.1%
American Indian or Alaska Native	0.4%	0.5%	0.4%
Two or More Races	1.4%	1.5%	1.4%
Not Specified	12.7%	4.5%	3.3%
<b>Diversity of U.S. Administrative Nonexempt Associates by Gender</b>			
Female	61%	61%	61.1%
Male	39%	39%	38.9%
Not Specified	0%	0%	0.0%
<b>Diversity of U.S. Administrative Nonexempt Associates by Age</b>			
Under 30 Years Old	41%	42%	43.2%
30–50 Years Old	33%	34%	32.1%
Over 50 Years Old	26%	24%	24.7%
<b>Diversity of U.S. Administrative Nonexempt Associates by Race and Ethnicity</b>			
Hispanic or Latino	5.9%	8.4%	8.6%
White	82.8%	77.7%	76.2%
Black or African American	1.9%	2.5%	2.8%
Native Hawaiian or Other Pacific Islander	0.1%	0.2%	0.1%
Asian	2.5%	2.9%	3.1%
American Indian or Alaska Native	0.4%	0.7%	0.5%
Two or More Races	3.9%	3.9%	3.4%
Not Specified	2.5%	3.8%	5.2%

Social Metrics	2021	2022	2023
<b>Occupational Health and Safety*</b>			
<b>Work-Related Injuries for Global Associates †</b>			
Fatalities as a Result of Work-Related Injury	0	0	0
Rate of Fatalities as a Result of Work-Related Injury	0	0	0
High-Consequence Work-Related Injuries (Excluding Fatalities)	43	33	26
Rate of High-Consequence Work-Related Injuries (Excluding Fatalities)	0.10	0.08	0.07
Recordable Work-Related Injuries	386	384	320
Rate of Recordable Work-Related Injuries/Incidences	0.95	0.96	0.88
Main Types of Work-Related Injury			Strains/Sprains
Rate of Main Types of Work-Related Injuries			0.23
Total Serious Injury or Fatality Recordable Work-Related Injuries	43	33	26
Total Serious Injury or Fatality All Incidences	57	40	
Number of Hours Worked	80,816,907	79,950,797	72,992,190
<b>Work-Related Ill Health for Global Associates *</b>			
Fatalities as a Result of Work-Related Ill Health	0	0	0
Rate of Fatalities as a Result of Work-Related Ill Health	0	0	0
Cases of Recordable Work-Related Ill Health	3	19	6
Rate of Cases of Recordable Work-Related Ill Health	0.01	0.02	0.02
Work-Related Near Misses	1,407	2,294	1,782
Frequency Rate for Work-Related Near Misses	3.51	5.73	4.88
Economic Metrics	2021	2022	2023
<b>Local Procurement</b>			
<b>Percentage of Direct Spending in Region</b>			
Asia Pacific	96%	96%	94%
Europe, Middle East, Africa	78%	82%	81%
North America	73%	73%	78%
South America	90%	95%	96%

\*Associates are classified as: active, inactive (except for specific inactive categories of associates), full-time, part-time, interns, and casual in SAP, and include acquired entities. Refer to our Management Assertion for our full definition.

†Rates calculated based on 200,000 hours worked.

**GRI Content Index**

**Statement of Use**

Kohler Co. has reported the information cited in this GRI content index for the period January 1 to December 31, 2023, with reference to the GRI Standards.

**GRI 1 Source**

GRI 1: Foundation 2021

Disclosure	Location	Omission Explanation
<b>General Disclosures</b>		
<b>Organizational Profile</b>		
<b>GRI 2: General Disclosures 2021</b>		
2-1 Organizational details	Appendix, pg. 78	
2-2 Entities included in the organization’s sustainability reporting	Introduction, pg. 2	
2-3 Reporting period, frequency, and contact point	Introduction, pg. 2	
2-4 Restatements of information	Appendix, pg. 78	
2-5 External assurance	Appendix, pg. 78	
2-6 Activities, value chain, and other business relationships	Introduction, pg. 2 Accountability, pg. 70	
2-7 Employees	Data Tables, pg. 81	
2-9 Governance structure and composition	Accountability, pg. 70 <u>2023 CDP Climate Change Response, C1.1, C1.2</u> <u>2023 CDP Water Security Response, W6.2, W6.3</u>	
2-10 Nomination and selection of the highest governance body	The Kohler Leadership Team (KLT) is the highest governing body for sustainability within Kohler Co.	
2-11 Chair of the highest governance body	The KLT is chaired by Kohler Co.’s Chair and Chief Executive Officer.	
2-12 Role of the highest governance body in overseeing the management of impacts	Accountability, pg. 70	
2-13 Delegation of responsibility for managing impacts	Accountability, pg. 70	
2-14 Role of the highest governance body in sustainability reporting	Accountability, pg. 70	
2-15 Conflicts of interest	<u>Code of Conduct: Conflicts of Interest</u>	
2-16 Communication of critical concerns	<u>Code of Conduct: Reporting Concerns</u>	As a privately held company, Kohler Co. does not report this metric due to its confidentiality.
2-17 Collective knowledge of the highest governance body	<u>2023 CDP Climate Change Response, C1.1</u>	

Disclosure	Location	Omission Explanation
2-19 Remuneration policies	-	
2-20 Process to determine remuneration	-	
2-21 Annual total compensation ratio	-	As a privately held company, Kohler Co. does not report this metric due to its confidentiality.
2-22 Statement on sustainable development strategy	Introduction, pg. 2	
	Protecting the Planet, pg. 7	
	Accountability, pg. 70	
	<u><a href="#">Code of Conduct: Sustainability and Our Communities</a></u>	
2-23 Policy commitments	Accountability, pg. 70	
	<u><a href="#">Code of Ethical Conduct</a></u>	
	<u><a href="#">Global Human Rights Policy</a></u>	
	<u><a href="#">Modern Slavery and Human Trafficking Statement</a></u>	
2-24 Embedding policy commitments	Accountability, pg. 70	
	<u><a href="#">Code of Ethical Conduct</a></u>	
	<u><a href="#">Global Human Rights Policy</a></u>	
	<u><a href="#">Modern Slavery and Human Trafficking Statement</a></u>	
2-25 Processes to remediate negative impacts	Accountability, pg. 70	
	Protecting the Planet, pg. 7	
	<u><a href="#">Global Human Rights Policy</a></u>	
	<u><a href="#">Code of Ethical Conduct</a></u>	
2-26 Mechanisms for seeking advice and raising concerns	Accountability, pg. 70	
	<u><a href="#">Code of Conduct: Reporting Concerns</a></u>	
2-27 Compliance with laws and regulations	-	As a privately held company, Kohler Co. does not report this metric due to its confidentiality.

Disclosure	Location	Omission Explanation
2-28 Membership associations	Accountability, pg. 70 The Power of Partnerships, pg. 80 <a href="#">2023 CDP Climate Change Response</a> , C12.3 <a href="#">2023 CDP Water Security Response</a> , W6.5	
2-29 Approach to stakeholder engagement	Strengthening Communities, pg. 27 Accountability, pg. 70	
<b>Economic Topics</b>		
<b>Procurement Practices</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Accountability, pg. 70	
<b>GRI 204: Procurement Practices 2016</b>		
204-1 Proportion of spending on local suppliers	Data Tables, pg. 81	
<b>Environmental Topics</b>		
<b>Energy</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Protecting the Planet, pg. 7	
<b>GRI 302: Energy 2016</b>		
302-1 Energy consumption within the organization	Protecting the Planet, pg. 7 Data Tables, pg. 81	
302-3 Energy intensity	Data Tables, pg. 81	
302-4 Reduction of energy consumption	Protecting the Planet, pg. 7 Data Tables, pg. 81	
302-5 Reductions in energy requirements of products and services	Protecting the Planet, pg. 7	
<b>Water and Effluents</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Protecting the Planet, pg. 7	

Disclosure	Location	Omission Explanation
<b>GRI 303: Water and Effluents 2018</b>		
303-1 Interactions with water as a shared resource	Protecting the Planet, pg. 7 Strengthening Communities, pg. 27 <a href="#">2023 CDP Water Security Response</a>	
303-2 Management of water discharge-related impacts	Protecting the Planet, pg. 7 <a href="#">2023 CDP Water Security Response</a> , W3.1	
303-3 Water withdrawal	Protecting the Planet, pg. 7 Data Tables, pg. 81	
303-4 Water discharge	Data Tables, pg. 81	
303-5 Water consumption	Data Tables, pg. 81	
<b>Emissions</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Protecting the Planet, pg. 7	
<b>GRI 305: Emissions 2016</b>		
305-1 Direct (Scope 1) GHG emissions	Protecting the Planet, pg. 7 Data Tables, pg. 81	
305-2 Energy indirect (Scope 2) GHG emissions	Protecting the Planet, pg. 7 Data Tables, pg. 81	
305-4 GHG emissions intensity	Protecting the Planet, pg. 7 Data Tables, pg. 81	
305-5 Reduction of GHG emissions	Protecting the Planet, pg. 7 Data Tables, pg. 81	
<b>Waste</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Protecting the Planet, pg. 7	
<b>GRI 306: Waste 2020</b>		
306-2 Management of significant waste-related impacts	Protecting the Planet, pg. 7	
306-3 Waste generated	Data Tables, pg. 81	



Disclosure	Location	Omission Explanation
306-4 Waste diverted from disposal	Data Tables, pg. 81	
306-5 Waste directed to disposal	Protecting the Planet, pg. 7	
	Data Tables, pg. 81	
<b>Supplier Environmental Assessment</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Accountability, pg. 70	
	<u>Supplier Sustainability Guide</u>	
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
308-1 New suppliers that were screened using environmental criteria	Accountability, pg. 70	

Disclosure	Location	Omission Explanation
<b>Social Topics</b>		
<b>Employment</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Empowering People, pg. 43	
<b>GRI 401: Employment 2016</b>		
401-1 New employee hires and employee turnover	Data Tables, pg. 81	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Empowering People, pg. 43	
401-3 Parental leave	Data Tables, pg. 81	
<b>Occupational Health and Safety</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Empowering People, pg. 43	
<b>GRI 403: Occupational Health and Safety 2018</b>		
403-1 Occupational health and safety management system	Empowering People, pg. 43	
403-2 Hazard identification, risk assessment, and incident investigation	Empowering People, pg. 43	
403-4 Worker participation, consultation, and communication on occupational health and safety	Empowering People, pg. 43	
403-5 Worker training on occupational health and safety	Empowering People, pg. 43	
403-6 Promotion of worker health	Empowering People, pg. 43	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<u>Supplier Code of Conduct</u>	
403-8 Workers covered by an occupational health and safety management system	Empowering People, pg. 43	
403-9 Work-related injuries	Data Tables, pg. 81	
403-10 Work-related ill health	Data Tables, pg. 81	
<b>Training and Education</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Empowering People, pg. 43	
<b>GRI 404: Training and Education 2016</b>		
404-1 Average hours of training per year per employee	Empowering People, pg. 43	

Disclosure	Location	Omission Explanation
404-2 Programs for upgrading employee skills and transition assistance programs	Empowering People, pg. 43	
404-3 Percentage of employees receiving regular performance and career development reviews	Empowering People, pg. 43	
<b>Diversity and Equal Opportunity</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Empowering People, pg. 43	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
405-1 Diversity of employees	Empowering People, pg. 43	
	Data Tables, pg. 81	
<b>Local Communities</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Strengthening Communities, pg. 27	
<b>GRI 413: Local Communities 2016</b>		
413-1 Operations with local community engagement, impact assessments, and development programs	Strengthening Communities, pg. 27	
<b>Supplier Social Assessment</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Accountability, pg. 70	
	<u>Supplier Code of Conduct</u>	
<b>GRI 414: Supplier Social Assessment 2016</b>		
414-1 New suppliers that were screened using social criteria	Accountability, pg. 70	
414-2 Negative social impacts in the supply chain and actions taken	Accountability, pg. 70	
<b>Public Policy</b>		
<b>GRI 3: Material Topics 2021</b>		
3-3 Management of material topics	Accountability, pg. 70	
	<u>Code of Conduct: Sustainability and Our Communities</u>	
<b>GRI 415: Public Policy 2016</b>		
415-1 Political contributions	Accountability, pg. 70	

**Assurance Statement**



**Report of Independent Accountants**

To the Board of Directors of Kohler Co.

We have reviewed the accompanying management assertion of Kohler Co. (Kohler) that the employment and diversity, occupational health and safety, energy, greenhouse gas (GHG) emissions, water, and new product development metrics (collectively, the “metrics”) as of or for the year ended December 31, 2023 in management’s assertion are presented in accordance with the assessment criteria set forth in management’s assertion. Kohler’s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics. Our responsibility is to express a conclusion on management’s assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management’s assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management’s assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The firm applies the Statements on Quality Control Standards established by the AICPA.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, performed tests of mathematical accuracy of computations on a sample basis, read relevant policies to understand terms related to relevant information about the metrics, reviewed supporting documentation in regard to the completeness and accuracy of the data in the metrics on a sample basis, and performed analytical procedures.

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

The preparation of certain energy and water metrics requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

Based on our review, we are not aware of any material modifications that should be made to Kohler’s management assertion in order for it to be fairly stated.

Milwaukee, Wisconsin

June 27, 2024

## Management Assertion

### Overview

With respect to the employment and diversity, occupational health and safety, energy, greenhouse gas (GHG) emissions, water, and new product development metrics (collectively, the “metrics”) reported by Kohler Co. (Kohler) as of or for the year ended December 31, 2023 (fiscal year 2023), Kohler’s management asserts that such metrics are presented in accordance with the assessment criteria set forth below.

Management is responsible for the completeness, accuracy, and validity of the metrics and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics. The selection by management of different but acceptable measurements could have resulted in materially different amounts or metrics reported herein.

### Employment and Diversity

Global reported metrics and U.S. reported metrics in the table below includes data for Kohler associates, which includes associates classified as: active, inactive (except for specific inactive categories of associates), full-time, part-time, interns, and casual in SAP. Active is defined as employed and working, inactive is defined as employed, but not working or on leave (e.g., maternity, illness), full-time is defined as working 40 hours per week, part-time is defined as working less than 40 hours per week, interns are defined as a full-time associate in a temporary role (10-12 weeks) and casual is defined as an associate who works during peak seasons (e.g., three months of the year) in our hospitality businesses.

The following groups of associates were excluded from the employment and diversity metrics: contract associates, working retirees, inactive associates due to reasons of assignment ended, lay-off, long-term disability, military, special, strike, or work compensation, and data related to acquired entities, which there was one in 2023, are included from the date of acquisition.

#### Fiscal 2023 Metric and Metric Value (as of or for the year ended December 31) (Amounts may not sum due to rounding)

#### Management Assessment Criteria

#### Global Head Count

Global Head Count	38,346
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#### Diversity

##### Diversity of Global Associates by Gender

Female	29%
Male	71%
Not Specified	<0.1%

Gender is reported according to the gender (female, male, not specified) self-reported by the associate, as recorded in SAP.

##### Diversity of Global Associates by Age

Under 30 Years old	21%
30-50 Years old	60%
Over 50 Years old	19%

Age is reported according to the age as of December 31, 2023 and was calculated based on the date of birth self-reported by the associate, as recorded in SAP.

Race and ethnicity of U.S. associates is reported according to the race and ethnicity self-reported by the associate, as recorded in SAP.

##### Diversity of U.S. Associates by Gender

Female	40%
Male	60%
Not Specified	<0.1%

Country is based on the employee work location, as recorded in SAP.

Fiscal 2023 Metric and Metric Value (as of or for the year ended December 31) (Amounts may not sum due to rounding)	Management Assessment Criteria
<b>Diversity of U.S Associates by Age</b>	
Under 30 Years old	24%
30-50 Years old	46%
Over 50 Years old	31%
<b>Diversity of U.S Associates by Race and Ethnicity</b>	
Hispanic or Latino	8.7%
White	65.8%
Black or African American	15.7%
Native Hawaiian or other Pacific Islander	0.2%
Asian	3.8%
American Indian or Alaska Native	0.4%
Two or More Races	2.0%
Not Specified	3.5%
<b>Talent Acquisition</b>	
<b>Global Talent Acquisitions by Gender</b>	
Female	3,136
Male	5,756
Not Specified	1
<b>Percent of Global Talent Acquisitions by Gender</b>	
Female	35%
Male	65%
Not Specified	<0.1%
<b>Global Talent Acquisitions by Age</b>	
Under 30 Years old	4,792
30-50 Years old	3,564
Over 50 Years old	537

Talent acquisition is the term used for external associates hired during the fiscal year. External associates who were hired and whose assignment ended or were laid off during the same fiscal year are included.

Gender is reported according to the gender (female, male, not specified) self-reported by the associate, as recorded in SAP.

Age is reported according to the age as of the date of hire, not as of December 31, 2023, and was calculated based on the date of birth self-reported by the associate and the date of hire, as recorded in SAP.

Region is based on the employee work location by country, as recorded in SAP, which is then mapped to the three reported regions.

**Fiscal 2023 Metric and Metric Value (as of or for the year ended December 31)**  
 (Amounts may not sum due to rounding)

**Management Assessment Criteria**

**Percent of Global Talent Acquisitions by Age**

Under 30 Years old	54%
30-50 Years old	40%
Over 50 Years old	6%

**Global Talent Acquisitions by Region**

Americas	6,320
Asia Pacific	1,610
Europe, Middle East, and Africa	963

**Percent of Global Talent Acquisitions by Region**

Americas	71%
Asia Pacific	18%
Europe, Middle East, and Africa	11%

**Occupational Health and Safety**

Kohler considers the Global Reporting Initiative (GRI) Standards to report its occupational health and safety metrics. Reported metrics in the table below includes data for global associates, as defined in the “Employment and Diversity” section above, except that data related to acquired entities, which there was one in 2023, are included from the date of acquisition.

Reported metrics are based on data obtained from the Kohler Safety Management System (KSMS), unless otherwise indicated.

Fiscal 2023 Metric and Metric Value (as of December 31)		Management Assessment Criteria
<b>Work-Related Injuries for Global Associates</b>		
Fatalities as a Result of Work-Related Injury	0	Fatalities are defined using the Occupational Safety and Health Administration (OSHA) recordability criteria as an employee death resulting from a work-related incident or exposure; in general, from an injury caused by or related to a workplace hazard.
Recordable Work-Related Injuries	320	Recordable work-related injuries are defined using the OSHA recordability criteria as any work-related fatality and any work-related injury that results in one of the following: loss of consciousness, days away from work, restricted work, or transfer to another job.
Number of Hours Worked	72,992,190	The number of hours worked includes the total hours worked, including overtime, by global associates as obtained from SAP and the hourly time system. Administrative full-time associate hours are estimated, assuming 8 hours/day for 20 days/month.
<b>Work-Related Ill Health for Global Associates</b>		
Fatalities as a Result of Work-Related Ill Health	0	Fatalities are defined using the OSHA recordability criteria as an employee death resulting from a work-related incident or exposure; in general, from an illness caused by or related to a workplace hazard.
Cases of Recordable Work-Related Ill Health	6	Cases of recordable work-related ill health are defined using the OSHA recordability criteria as any work-related illness that results in one or more of the following: loss of consciousness, days away from work, restricted work, or transfer to another job.
Rate of Cases of Recordable Work-Related Ill Health	0.02	Calculated using the following formula outlined by OSHA: (Total number of Cases of Recordable Work-Related Ill Health * 200,000)/Number of Hours Worked.
Work-Related Near Misses	1,782	A near-miss is defined using the OSHA recordability criteria as an unplanned event that did not result in injury, illness, property damage/loss, or environmental damage/impact, but under different circumstances had the potential to do so.
Frequency Rate for Work-Related Near Misses	4.88	Calculated using the following formula outlined by OSHA: (Total number of Work-Related Near Misses * 200,000)/Number of Hours Worked.



**Energy and Greenhouse Gas (GHG) Emissions**

Kohler uses the operational control approach as outlined in the World Resources Institute (WRI) and the World Business Council for Sustainable Development’s (WBCSD) The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, and GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard (from here on referred to as the “GHG Protocol”) to report energy consumption and direct and indirect GHG emissions. This includes office, warehouse, showroom, hospitality, and production locations (collectively referred to as “locations”) as well as the vehicle fleet and aircraft. Data related to acquired entities, which there was one in 2023, are included from the date of acquisition.

Kohler considers the principles and guidance of the GHG Protocol to guide the criteria to assess, calculate, and report energy consumption and direct and indirect GHG emissions.

**Fiscal 2023 Metric and Metric Value (for the year ended December 31)**

**Management Assessment Criteria**

**Energy Consumption**

Energy consumption (Megawatt Hours (MWh))	2,676,448	Relates to the Scope 1 energy consumption and Scope 2 energy consumption
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**Scope 1 Energy Consumption**

Scope 1 Energy Consumption (MWh)	1,913,963	Relates to the sources of energy directly contributing to the Scope 1 GHG emissions (direct GHG emissions), which includes fuel oil, gasoline, jet fuel, lamp oil (kerosene), liquified natural gas (LNG), natural gas, propane, wood fuel (wood and wood residuals), diesel, and owned onsite solar. Scope 1 energy consumption excludes waste oil as it is less than 1% of the scope 1 energy consumption  Data is obtained from invoices and meter readings, where available. Our estimation methodology is described in the Estimation Methodology section
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**Scope 2 Energy Consumption**

Scope 2 Energy Consumption (MWh)	762,485	Relates to the sources of energy directly contributing to the Scope 2 GHG emissions (indirect GHG emissions), which includes purchased electricity and steam.  Data is obtained from invoices and meter readings, where available. Our estimation methodology is described in the Estimation Methodology section.
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Percentage Renewable Electricity (Global)	50%
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Percentage Renewable Electricity (U.S. and Canada)	100%
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Renewable Electricity Consumption (MWh)	376,331	Percentage of renewable electricity (global) is calculated as follows:  (Global renewable electricity consumption in MWh)/(Global total purchased electricity consumption in MWh) X 100.  Percentage of renewable electricity (U.S. and Canada) is calculated as follows:  (U.S. and Canada renewable electricity consumption in MWh)/(U.S. and Canada total purchased electricity consumption in MWh) X 100.
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Energy and Greenhouse Gas (GHG) Emissions		
Fiscal 2023 Metric and Metric Value (for the year ended December 31)		Management Assessment Criteria
<b>Energy Intensity</b>		
Energy Intensity (Megawatt Hours/\$M Revenue)	288	Calculated as follows: Global total energy consumption (Scope 1 Energy Consumption + Scope 2 Energy Consumption) in MWh/ Consolidated Net Sales for fiscal year 2023 in million U.S. dollars from the 2023 Annual Report.
<b>Scope 1 GHG Emissions</b>		
Scope 1 GHG Emissions (Metric tons of carbon dioxide equivalent emissions (mt of CO <sub>2</sub> e))	359,701	<p>Direct GHG emissions result from the energy sources listed in the “Scope 1 Energy Consumption (MWh)” metric above multiplied by their associated emissions factor and global warming potential (GWP). The reported Scope 1 GHG emissions exclude emissions related to refrigerants from HVAC units at Kohler’s locations due to lack of primary data.</p> <p>GHGs included as part of the reported Scope 1 GHG emissions are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O). The other GHGs of hydrofluorocarbons (HFCs), sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), and nitrogen trifluoride (NF<sub>3</sub>) are excluded or not emitted by Kohler.</p> <p>Our emissions factors and estimation methodology are described in the Emissions Factors and Estimation Methodology sections.</p>
<b>Scope 2 GHG Emissions (Location-Based)</b>		
Scope 2 GHG Emissions (Location-Based) (mt of CO <sub>2</sub> e)	400,096	<p>Indirect GHG emissions result from the energy sources listed in the “Scope 2 Energy Consumption (MWh)” metric above multiplied by their associated emissions factor and GWP.</p> <p>GHGs included as part of the reported Scope 2 GHG emissions are CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. The other GHGs of HFCs, SF<sub>6</sub>, PFCs, and NF<sub>3</sub> are excluded or not emitted by Kohler.</p> <p>Our emissions factors and estimation methodology are described in the Emissions Factors and Estimation Methodology sections.</p>
<b>Scope 2 GHG Emissions (Market-Based)</b>		
Scope 2 GHG Emissions (Market-Based) (mt of CO <sub>2</sub> e)	198,974	<p>Indirect GHG emissions result from the energy sources listed in the “Scope 2 Energy Consumption (MWh)” metric above.</p> <p>Renewable electricity from off-site renewable electricity generation (utility contracts) and renewable electricity associated with renewable energy certificates (RECs) secured by power purchase agreements (PPA) or virtual power purchase agreements (vPPA) was treated as zero emissions. Any remaining electricity consumption not associated with a utility contract or REC was converted to emissions using the location-based emissions factors and GWP. The RECs applied to fiscal year 2023 have been purchased and retired by Kohler.</p> <p>Our emissions factors and estimation methodology are described in the Emissions Factors and Estimation Methodology sections.</p>
<b>GHG Emissions Intensity</b>		
GHG Emissions Intensity, Scopes 1 + 2 (mt CO <sub>2</sub> e/\$M Revenue)	82	Calculated as follows: (Scope 1 GHG emissions + Scope 2 GHG emissions (location-based))/Consolidated Net Sales for fiscal year 2023 in million U.S. dollars from the 2023 Annual Report.
<b>Net GHG Emissions Intensity</b>		
Net GHG Emissions Intensity, Scopes 1 + 2 (mt of CO <sub>2</sub> e/\$M Revenue)	60	Calculated as follows: (Scope 1 GHG emissions + Scope 2 GHG emissions (market-based))/Consolidated Net Sales for fiscal year 2023 in million U.S. dollars from the 2023 Annual Report.

**Emissions Factors**

Carbon dioxide equivalent emissions are determined by multiplying actual or estimated activity data by relevant emissions factors and global warming potentials (GWPs) from the Intergovernmental Panel on Climate Change Fifth (AR5) Assessment Report. The table below outlines the emissions factor sources used in the fiscal year 2023 GHG emissions calculations.

Metrics	Emissions Source Type	Emissions Factor Employed
<b>Scope 1</b>	Fuel Oil, Gasoline, Jet Fuel, Lamp Oil (Kerosene), Liquefied Natural Gas, Natural Gas, Propane, and Wood Fuel (Wood and Wood Residuals)	United States (U.S.) Environmental Protection Agency (EPA) Center for Corporate Climate Leadership, Emissions Factors for Greenhouse Gas Inventories (September 2023)
<b>Scope 2 (Location-Based and Market-Based)</b>	Purchased Steam (All countries)	U.S. EPA Center for Corporate, Climate Leadership, Emissions Factors for Greenhouse Gas Inventories (September 2023)
<b>Scope 2 (Location-Based)</b>	Purchased Electricity (U.S.)	U.S. EPA Emissions & Generation Resource Integrated Database (eGRID) with 2022 data (January 2024)
<b>Scope 2 (Location-Based)</b>	Purchased Electricity (All other countries)	International Energy Agency (IEA) Emissions Factors 2023 with 1990 to 2021 data (September 2023)

**Estimation Methodology**

Estimation was used to determine GHG emissions data where activity data is not readily available as noted in the table below. These estimates account for approximately 1% of reported Scope 1 GHG emissions and approximately 3% of reported Scope 2 GHG emissions (location-based) and approximately 3% of reported Scope 2 GHG emissions (market-based) emissions (representative of emissions after contractual agreements have been applied).

Metric & Emissions Source Type	Estimation Methodology
<b>Scope 1 (Natural gas)</b>	Consumption for natural gas only was estimated using the energy use intensity (EUI) factors from the 2012 Commercial Buildings Energy Consumption Survey (CBECS) published by the U.S. Energy Information Administration (EIA) and the square footage (from lease agreements) of the location. No estimates were necessary for the other fuel sources as actual data was available.
<b>Scope 2 (Purchased electricity)</b>	Consumption for purchased electricity only was estimated using the EUI from the 2012 CBECS published by the U.S. EIA and the square footage (from lease agreements) of the location. No estimates were necessary for purchased steam as actual data was available.

**Uncertainty**

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data.

The preparation of certain energy metrics requires management to establish the criteria, make determinations as to the relevancy of the information to be included, and make assumptions that affect reported information

**Water**

Kohler considers the GRI Standards to report its water metrics for locations where Kohler has operational control. This includes office, warehouse, showroom, hospitality, and production locations (collectively referred to as “locations”).

The preparation of certain water metrics requires management to establish the criteria, make determinations as to the relevancy of the information to be included, and make assumptions that affect reported information

Fiscal 2023 Metric and Metric Value (for the year ended December 31)		Management Assessment Criteria
<b>Water Withdrawal</b>		
Water Withdrawal (Megaliters)	3,440	Water withdrawal is sourced from surface water, groundwater, seawater, produced water, and third-party water. Water withdrawal data is sourced from direct measurement or third-party invoices, where available. Where actual data is not available, square footage is obtained from lease agreements and multiplied by water intensity factors published by the U.S. EIA for offices, showrooms, and warehouses, or the water intensity factor published by the Sustainable Hospitality Alliance for hospitality locations. No estimates were necessary for production locations as actual data was available. Approximately 5% of the reported water withdrawal was estimated.
Total Water Withdrawal in Areas With High Water Stress (Megaliters)	1,023	Includes water withdrawal by locations present in areas of high or extremely high-water stress as defined by the World Resources Institute’s Aqueduct Water Risk Atlas tool (Version 4.0).
<b>Water Withdrawal Intensity</b>		
Water Withdrawal Intensity (Megaliters/\$M Revenue)	0.37	Calculated as follows: Water Withdrawal (megaliters)/Consolidated Net Sales for fiscal year 2023 in million U.S. dollars from the 2023 Annual Report.
<b>Water Discharge</b>		
Water Discharge (Megaliters)	1,818	Water is discharged to surface water, groundwater, seawater, and third-party water. Water discharge data is sourced from third-party invoices or Kohler-maintained water discharge meters, where available. Where actual data is not available, it is assumed 100% of the withdrawn water is consumed, and the water discharge amount is zero.
Water Discharge to Areas With High Water Stress (Megaliters)	519	Includes water discharge by locations present in areas of high or extremely high-water stress as defined by the World Resources Institute’s Aqueduct Water Risk Atlas tool (Version 4.0).
<b>Water Consumption</b>		
Water Consumption (Megaliters)	1,623	Calculated as the difference between water withdrawal and water discharge.
Water Consumption from Areas With High Water Stress (Megaliters)	504	Includes water consumption by locations present in areas of high or extremely high-water stress as defined by the World Resources Institute’s Aqueduct Water Risk Atlas tool (Version 4.0).

**New Product Development**

Kohler’s Design for Environment (DfE) program was implemented in fiscal year 2022 and is a process followed by Kohler in the development of Kitchen & Bath North America (KBNA) and Energy business products.

All new products are recorded in Kohler’s project management system and those products that are eligible for the DfE program are designated as “DfE-eligible” within the project management system (for Energy) or identified through a manual reconciliation (for KBNA). The following types of new products are excluded as eligible projects: line extensions (where a very small part of the product is changing, but the product itself is not changing), finish extensions (introducing a new color or finish to an existing product), software updates (updates to the product’s software), new market releases (existing products released in new geographic markets), and canceled projects that are not released on the market.

Under the DfE program, eligible products (defined within the table for each business) are to go through a DfE strategy session before the product is released for public sale.

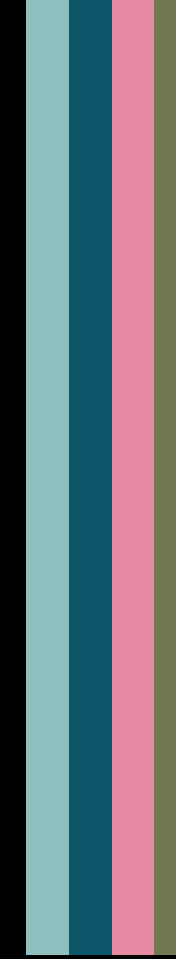
For purposes of this assertion:

- A DfE strategy session (i) had to have occurred as evidenced by a calendar invite and (ii) had to have meeting materials as evidenced by a powerpoint presentation or strategy document which included at least the following information: each step of the DfE process and internal assessment of that step.
- Release for public sale had to have occurred during fiscal year 2023 as evidenced by a first shipment occurring during 2023 in SAP (for KBNA) or market release letter dated during 2023 to Kohler Power Systems Distributors (for Energy).

**Fiscal 2023 Metric and Metric Value (for the year ended December 31)**

**Management Assessment Criteria**

<b>% Integration of Design for Environment (DfE) for Kitchen &amp; Bath North America (KBNA) Business</b>	100%	<p>Calculated as the total number of DfE eligible products in North America that were released for public sale during fiscal year 2023 and that completed a DfE strategy session (numerator) divided by the total number of DfE eligible products in North America released for public sale during fiscal year 2023 (denominator).</p> <p>For purposes of the KBNA metric, DfE eligible products are defined as a new product that:</p> <ol style="list-style-type: none"> <li>1. Is listed as DfE-eligible in Kohler’s project management system and</li> <li>2. Product development began in 2022 or later, after the DfE program was implemented at Kohler.</li> </ol>
<b>% Integration of Design for Environment (DfE) for Energy Business</b>		
North America	80%	The Energy business DfE metric includes only new products within the Kohler Power Generator Systems business. Other groups within Kohler Energy complete the DfE process but are excluded from the metric.
EMEA	40%	Calculated as the total number of DfE eligible products in the stated region that were released for public sale during fiscal year 2023 and that completed a DfE strategy session (numerator) divided by the total number of DfE eligible products in the stated region that were released for public sale during fiscal year 2023 (denominator).
Other Regions	50%	<p>For purposes of the Energy business metric, DfE eligible products are defined as a new product that is listed as DfE eligible in Kohler’s project management system.</p> <p>Note, in calculating the Energy business DfE metric, new products released for public sale during fiscal year 2023 may have completed the design phase prior to Kohler’s implementation of the DfE program in 2022, and as a result, those new products are included in the denominator since they were released for public sale during fiscal year 2023, but would not meet the requirements necessary to be included in the numerator as a strategy session required as part of the DfE program took place prior to fiscal year 2022, the year of implementation.</p>



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