



April 14, 2022

Dear Championship Tour Surfers

Today, we received an official petition, via WPS, on behalf of the Championship Tour surfers, asking for the mid-season cut-off format to be reconsidered and disregarded. I want to frame this letter in a transparent, open way so that everyone can have the same facts and information that you, your coaches or anyone feels you need to better understand where we are as a league and the future of our sport. Before I get into the substance of what's happening, I want everyone to know that our Tours and Competition team, Strategy and Operations executives and myself are 100% accessible to all of you. Our doors are always open. To this end, I'm inviting you to join Jessi Miley-Dyer, myself and other members of the WSL team for what I hope will be a robust candid question and answer session tomorrow night at 6:30 in the VIP area on our event site. Anyone that is credentialed as a team or athlete guest is welcome to join.

First, I want to address, at a high level, the health of the company, the sport and the industry. Working with all of you and WPS since early 2020, the redesigned tour structure has been met by the industry and fans with genuine excitement and significantly increased engagement. Our sport is growing! The season long narratives, the quality of breaks for both the CT and Challenger Series as well as the sponsorship engagement has the WSL in the best position for continued growth in the history of the sport. While we still have work ahead, I'm confident in saying that we are within sight of having a healthy, long-term sustainable tour for the CT and a competitive pathway for pro surfing for generations to come.

I want to be very clear that it is inconceivable that we could, should or would eliminate the mid-season cut, which is the foundation of our redesigned Championship Tour. The redesign of the tour was a joint decision with WPS and the surfer representatives in July 2020 and was made after considerable discussion among the WSL, WPS and the surfers. I want to be very clear on this point, that WPS has not only been across, but has co-developed and agreed to every change and enhancement we have made to the Championship Tour format. Now, a group of surfers are trying to disrupt the tour and everything that we have worked so hard to build together. I think it is important to remind everyone why this change was adopted and why this is a cornerstone to the redesign of the CT. Our events are too long, often having to run in conditions that are not ideal and with the mid-season events lacking any real stakes. The mid-season cut (1) ensures that events can run within one optimal swell cycle, (2) creates a dynamic season long narrative, and (3) drives fan engagement with strong narratives for each event, thereby increasing the value of our events to our sponsors, allowing us to drive more revenue so we can continue to invest in the platform of the world's best surfing - in all of you. And, it is working exactly as designed and we are already seeing significant benefits from these

narratives - when we look at Bells 2022 compared to 2019 (the last time the event ran) consumption is up about 35% through today. This, as we have continued to discuss with you as our partners, is essential if we're going to be in a position to continue to support surfing at the highest levels. This is good for fans, sponsors, the sport, and therefore, for all of us.

You may not realize that the redesign of the Championship Tour has already become firmly embedded in our business and everything we do. We have (1) reoriented our entire Championship Tour strategy around the redesign and devoted significant resources to ensure its success, (2) changed all of our partnership pitches, generating some of the highest levels of interest that we have ever seen due to the stakes this introduces, (3) entered into significant new deals that were predicated on the redesign, many of which are multi-year deals, (4) shortened event windows for several of our CT events this season, which have been permitted based on the reduced fields, (5) aligned our marketing and promotion around the redesign, and (6) invested in the development of a suite of digital and broadcast products to accommodate the redesign. Again, all of these changes are designed to improve the health of the business so we can continue to invest in the platform of the world's best surfing, and the results are already indicating success.

I want to reiterate that it is not feasible to make a change, and even if we wanted to make a change (which we don't) it would be truly destructive to the company and our sport. Eliminating the mid-season cut would, at this time, put the WSL in breach of several significant contracts, jeopardize relationships with sponsors and government partners, and put multiple events at risk of being canceled. In short, this would be devastating to the progress we have all worked so hard to achieve.

I feel obligated to say that the petition was painfully untrue in many respects - and wrongly attempted to portray an adversarial relationship. I will address this in person as I have a lot to say about this. I believe that we have strong personal relationships and we want to continue to develop deeper and stronger bonds. We appreciate you speaking out but wish this was not the form in which you chose to do so. That being said, we will move forward together.

I want to be clear that I and the entire WSL leadership team recognize that you have a hard job - it is demanding, stressful and challenging, and introduction of this new competitive layer makes it more challenging. We discussed this with WPS and many of you before we joined hands and made this decision for the betterment of our sport. We were not surprised that concerns are being raised as we move forward toward the first mid-season cut. However, we truly believe that we have created a structure that accommodates surfers and presents the best opportunity in the history of the sport to re-qualify for the tour in the same year as the mid-season cut. We remain supremely confident that we will come through this together with a more sustainable tour and better opportunities for surfers.

Finally, I want to reiterate that we are in the best position we have ever been - now is not the time to change course.

A handwritten signature in blue ink, appearing to be 'E. Kelly', with a long horizontal flourish extending to the right.