



CORPORATE RESPONSIBILITY REPORT

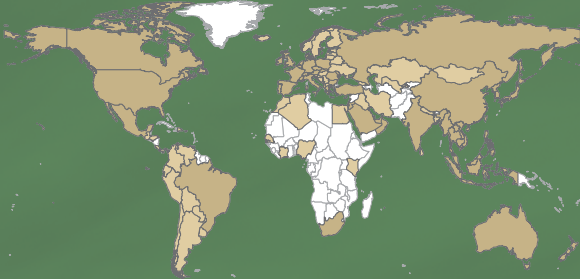
Our People. Our Planet. Our Practices.

Discover how it all comes together at Johnson Health Tech.

Johnson Health Tech — the parent company of Matrix, Vision, Horizon, BowFlex and Schwinn brands — is one of the largest and fastest-growing fitness equipment manufacturers in the world. But when we were first established in 1975 in Taichung, Taiwan, we didn't just want to be the biggest in the fitness industry. We wanted to be the best, and that meant doing things right when it came to our people, our planet and our practices.

An International Powerhouse

With over **30 global subsidiaries** and around **8,900 employees**, we're committed to bringing superior fitness and wellness experiences to all of our world's diverse cultures. In this brochure, you'll get a snapshot of our commitment to being a responsible corporate citizen at our manufacturing facilities and at a selection of our global offices.



Global Reach

A network of more than **60 distributors spread across the globe** lets us serve fitness and wellness needs from dense urban centers to remote island getaways and everywhere in between.

Third-party Evaluation

JHT prepares and issues an annual Sustainability Report based on standards provided by the Global Reporting Initiative 2021 and the Sustainability Accounting Standards Board. The Task Force on Climate-Related Financial Disclosures framework is also included. For a copy of this report, contact your local JHT office.

Our People

JHT does more to support our employees around the world, while also contributing to local community-building organizations.

Protecting our People

To safeguard the wellbeing of people who work for JHT, a global human resources policy monitors all of our facilities for child labor, discrimination, forced labor and freedom of association. We also strictly adhere to all minimum age provisions and applicable laws and regulations. With these measures in place, we're **doing our part to eliminate human trafficking** and all forms of compulsory labor, including the exploitation of children.

Encourage Active Living

At our North American headquarters (JHTNA), employees have access to our **world-class fitness facility** and can take advantage of daily group fitness opportunities such as yoga, bootcamps, running, cycling, basketball, volleyball, cross-country skiing, and snowshoeing, depending on the season. JHT UK teams pay for employee gym memberships up to a set amount.

Valuing Education

Named for our founder, the Peter Lo Scholarship Program honors his vision of corporate philanthropy by awarding **\$10,000 worth of scholarships annually** to employee dependents at JHT. JHT Japan provides financial support for employees to learn Chinese or English. Most of our subsidiaries contribute financial support for employees' continued education and degrees.

Volunteering on Company Time

At JHT UK, employees are given three days per year of **paid company time to volunteer**, improving their communities, supporting charities and championing non-profit causes.

Backing Community Causes

All JHT subsidiaries **support local charities or foundations** by volunteering their time, donating products or hosting fundraising events. Additionally, our Johnson retail stores around the world are committed to engaging with their local communities

Supporting Health & Wellbeing

To promote a fit, productive workforce, every month JHT UK contributes funds toward the **healthy activities of all employees**. This could include health club memberships, personal trainer fees, dance classes, sport clubs, martial arts classes and more. JHT Germany checks employee work stations for optimum ergonomics. They offer onsite eye exams and contribute to the purchase of reading glasses.

Protecting Everyone's Mental Health

JHT Australia goes beyond just advocating for physical fitness by supporting Beyond Blue, a nonprofit dedicated to improving the lives of individuals, families and communities affected by anxiety, depression and suicide. JHT UK provides their employees with access to the wellbeing app 'Wisdom.' The app offers remote support and guidance through professional counseling, health programs, mood trackers, and medical treatment. JHT UK also uses **MHI, a globally acclaimed Continuing Professional Development platform**. MHI has a team of experts and professionals that present research studies relating to mental health and wellbeing. All JHT UK employees have access to MHI.

Healthier & Smarter

In addition to organizing clinic days at the office once every quarter so employees can get regular checkups, JHT Benelux gives employees the chance to take a variety of **online and on-site classes**. In North America, JHTNA offers employees comprehensive health and wellness coaching through Treo Wellness.

A Healthier Work Week

At most JHT subsidiaries, employees are encouraged to use the **on-site fitness facilities** for two hours during every work week. At JHT Vietnam, employees are offered 30–45 minutes every afternoon — in addition to their lunch break — for exercise. This helps employees stay fit and healthy while preventing burn-out and actually increasing productivity. JHT Spain partners with a local customer to give their employees free access to their gyms.



Committed to Diversity

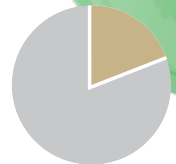
As an Equal Opportunity/Affirmative Action employer, our workforce at JHTNA is 28% female, 5% female minority and 17% male minority. In Australia, our workforce features a 65/35 male/female split. We review these numbers regularly, as **we strive to be more balanced and diverse**.



26% FEMALE



6% FEMALE MINORITY



21% MALE MINORITY

Tracking Diversity Goals

JHT Benelux uses comprehensive Human Resources software called "Dear Lucy" that provides **real-time information about diversity** within their business units. In addition to providing a complete picture of the Benelux workforce, it also helps identify areas where the mix of people could and should be more diverse.

Supporting Sports for All

JHT Benelux works with various Dutch and European organizations to support **physical fitness challenges at primary schools**, encouraging young children to live an active lifestyle. Our Benelux offices also participate in an eight-week program that uses rugby to help prepare young adults for life in the workplace.

Coffee for a Cause

The offices of JHT Benelux serve Holy Beans Coffee, the proceeds of which are used to **support young men and women** with criminal records as they strive to reintegrate back into society and make a positive impact.

A Healthier, Happier Headquarters

The JHT France head office features a cafeteria offering healthy meals, indoor and outdoor relaxation areas to help employees refresh and a product showroom where they host employee sporting competitions.

Standing up for Better Health

To reduce the unhealthy effects of sitting all day, 50% of JHT Canada employees use **hydraulic standing desks** with cushioned mats to help keep them fit and avoid the aches and pains of a sedentary lifestyle. Standing desks are standard at the JHTNA office.

Our Planet

No matter where we operate, we're always striving to find new ways to conserve our natural resources, whether that means reducing energy consumption, protecting our water supply or repurposing waste materials.

Checking our Environmental Footprint

An internal audit has **evaluated the environmental footprints** of all JHT factories, earning us EMS-ISO 14001 certification. For instance, we monitor water usage at all JHT factories, breaking it down into administrative use (restrooms, break rooms, etc.), housekeeping (cleaning) and production (boilers, steam, cooling, etc.). Ultimately, measurements like these help us set targets for energy, waste and water reduction going forward.

Managing Chemicals of Concern

To ensure JHT products are in compliance with Reach and ROHS Chemicals of High Concern (CoHC) lists, we have processes in place for identifying high-hazard chemicals. We use multiple tools to screen out hazardous chemicals, and we have methods for comparing processes and **identifying safer chemical alternatives**.

Sustainability in Packaging

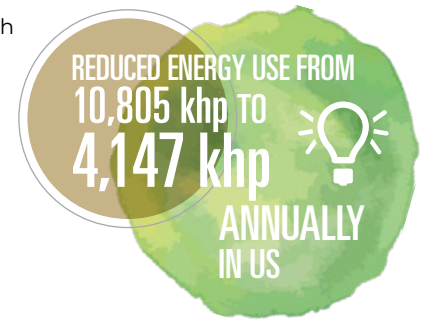
In an effort to optimize our packaging and reduce its environmental impact, all of our packaging contains some level of bio-based and/or post-consumer materials. Interior packaging is partially recyclable, while our exterior packaging is 100% recyclable. We proudly debuted our new **100% Styrofoam-free packaging** for our Matrix brand in 2020, greatly reducing waste with every commercial product we ship.

Holistic Energy Conservation

Our North American headquarters installed de-stratification fans, programmable thermostats and lighting occupancy sensors, and we switched our heating from electricity to natural gas. As a result, **electricity use has decreased by 20%** without increasing our natural gas use. JHT Spain uses a fully cloud-based IT system, eliminating the need for a physical server, which reduces power consumption and energy costs since continuous refrigeration and electrical cooling are no longer required.

A Bright Idea for Lighting

A combination of "daylighting" and switching from fluorescent bulbs to cooler LED bulbs has helped JHTNA reduce the electricity needed to light and air condition our building by **6,658 kilowatt hours of power per year**. JHT Canada and JHT Italy have also made the switch to energy-efficient LED lighting, saving energy and reducing consumable costs while providing better illumination with fewer fixtures.



Storm Water Management

At our North American headquarters, native vegetative swales, wet ponds, a "green wall" and rooftop infiltration areas collect and filter storm water, **reducing runoff** in local lakes and rivers and providing habitats for native species.

Reducing Water Consumption

Low-flow shower heads and other water-saving measures reduced consumption at JHTNA by approximately **883,000 gallons** and reduced per employee consumption by approximately **3,904 gallons** per year.

Sustainable Water Management

JHT factories adhere to advanced water quality and wastewater standards based on scientifically validated environmental monitoring and pollution control procedures. By reducing water discharge and improving efficiency, JHT factories **decreased total water usage by approximately 6%** from 2021 to 2023.

Bee-ing Environmentally Responsible

Doing their part to reduce pollinator decline, JHT France welcomed 45,000 bees to their headquarters. They've even been harvesting 50 kg of honey each year.

Green Purchasing

At JHTNA and JHT Canada, we use 100% recycled printer paper, 100% recycled paper towels, Energy Star Qualified appliances and **environmentally preferable** cleaning products.

0% Styrofoam & Scrap Wood Waste

All Styrofoam and scrap wood waste from JHTNA is processed and repurposed by local businesses, so it **never ends up in a landfill.**

Maximized Recycling

In recent years, the operation at our North American headquarters has recycled approximately 77% of waste materials, **including batteries and electrical components that would otherwise be thrown in the trash, eliminating more than 800 tons of waste** from landfills.

JHT Benelux recycles 100% of all cardboard, plastic, metal and wood waste, and our European Distribution Center recycles 100% of the Styrofoam they use. JHT Hellas actively recycles electrical appliances and packaging as members of the EOAN (Hellenic Recycling Energy Organization).

Green Master & LEED Certified

JHTNA has earned Green Master certification for **sustainability** and LEED certification for creating a healthy, highly efficient and cost-saving **green building.**

Reducing the Environmental Impact of Customers

JHT makes it easy for fitness facilities we serve to reduce their environmental impact. Our free weights, selectorized strength products and accessories do not consume energy or water, and our cardio portfolio meets EC regulation 1275/2008 and even offers self-powered options. And of course, **we never leave any packaging or waste behind** at installation.

Promoting a Healthier Commute

To encourage employees to bike to work, JHT Germany and JHTNA added an enclosed bike rack to their headquarters. Simple steps like this improve employee cardiovascular health while **reducing the carbon footprint** of all who participate.



Joining the E-Car Revolution

To accommodate employees with **environmentally friendly electronic cars**, both JHT Germany and JHT Benelux offer power stations. Now employees striving to reduce their carbon footprint through smart vehicle choices can easily charge their e-cars while they work and enjoy a cleaner ride home. JHT Germany and JHT Italy are adding hybrid and/or e-cars to their pool of company cars.

Trading Paper for a Breath of Fresh Air

JHT Germany has implemented an initiative to replace all paper towel dispensers in their office and warehouse buildings with hot air hand dryers, **eliminating paper towel waste** from their facilities entirely.

Soaking up the Sun

JHT Germany has a complete solar panel system that saves 80% in annual energy costs and powers their e-car charging stations while providing an environmentally friendly power supply.

JHT Benelux has installed approximately 7,000 solar panels on company buildings, sharing the energy gathered to **provide electricity for around 600 households.**

JHT Italy and others have followed suit.



Our Practices

We empower our employees and stakeholders around the world to make incremental changes that improve our products while protecting our planet and our people.

Vetting Suppliers

We understand that the materials purchased from our suppliers ultimately become part of our products. That's why we **hold suppliers to the same high standards** as we hold ourselves, especially with regards to Chemicals of High Concern.

A Smart Way to Distribute

Matrix, the commercial brand of JHT, is a participant in the **SmartWay transportation program**. This gives us all the tools necessary to reduce carbon emissions by measuring, benchmarking, and improving the transportation efficiency of Matrix-branded equipment.

Smarter by the Truckload

Rather than ship assembled commercial equipment on wooden pallets, we use a "donut" system, which allows for more equipment on each truck. This reduces trucks on the road, minimizing our greenhouse gas emissions. The wooden planks are even returned to the warehouse to be used multiple times, **shrinking our environmental footprint even further**.



Responsibly Sourced & Processed

We own our factories and control manufacturing **from raw materials to finished products**, so we can make sure that all of our materials are responsibly sourced and processed in environmentally preferable ways.

Robotics & Skilled Workers

An intricate mix of robotics and highly skilled employees helps **minimize mistakes and injuries** while maximizing the quality and consistency of our products.

A Breath of Fresh Air

Our manufacturing facilities feature some of the industry's most **advanced air purification systems** to keep everyone who works there healthy and breathing cleanly.



Giving Employees a Lift

Lift-assist devices help employees at our manufacturing facilities accomplish their tasks more efficiently while **avoiding major injuries** and reducing general aches and pains.

A Better, Safer Weld

Precise robotic welding techniques **improve the quality and consistency** of our products while reducing the number of employees involved in this high-risk step in our manufacturing process.

Meeting the Highest Standards

Thanks to our international reach, we're able to **benchmark best practices** from market to market and evaluate everything we manufacture against the strictest international regulations.

Minimizing Plastics

JHT France has commissioned an exhaustive audit of their operation with the goal of reducing the consumption of polystyrene and protective plastics. With a clear picture of how these materials are being used, they'll be able to **target new reduction and recycling options.**

Optimizing Energy Efficiency

The JHT factory in Shanghai reconstructed their injection molding machines to improve energy efficiency. This reduced the average hourly consumption of the factory from 17.6kW to 6kW, **reducing overall energy usage by approximately 65%.**

Superior Lifecycle Solutions

Matrix earned high scores from third-party evaluators with regards to end-of-life solutions for our products that reduce the waste generated by junking gently used equipment. Everything Matrix is reusable, **recyclable or can be returned** as part of our take-back program. Recovered equipment is then reconditioned and given another chance to shine.

Minimizing Miles Traveled

Our East Coast, Central and West Coast warehouses are strategically positioned to minimize the miles traveled across the U.S. by our product, significantly **reducing our carbon footprint.**



