



CORPORATE RESPONSIBILITY REPORT

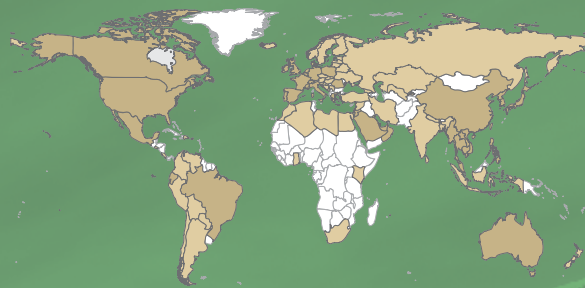
Our People. Our Planet. Our Practices.

Discover how it all comes together at Johnson Health Tech.

Johnson Health Tech — the parent company of Matrix, Horizon and Vision 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 nearly **30 global subsidiaries** and around **5,300 employees**, we're committed to bringing superior fitness and wellness experiences to all of our world's diverse cultures. In this report, you'll get a snapshot of our commitment to being a responsible corporate citizen at both 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

Johnson Health Tech (JHT) is proud to have earned an "Achiever" level sustainability score for our environmental, manufacturing and social practices in a 2019 MSAP (Marriot Sustainability Assessment Program) evaluation conducted by **the Mind Click Group** (mindclick.com). With this established as a baseline, we can set a clear course of action and benchmark our annual improvement in all areas.



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.

Rewarding Active Living

At our North American headquarters (JHTNA), employees earn reward points for using our **world-class fitness facility** and can take advantage of daily small group functional training, yoga, Zumba, running, cycling, lunch hour basketball, ice skating, cross-country skiing and snowshoeing, depending on the season.

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 our North American headquarters.

Day of Caring

During our annual Day of Caring, JHTNA employees **volunteer their skills to worthy causes**, all on paid company time.

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.

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.

A Healthier Work Week

At JHT Benelux, all employees are encouraged to use the **on-site fitness facilities** for two hours during every work week. This helps employees stay fit and healthy while preventing burn-out and actually increasing productivity.

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.



Tracking Diversity Goals

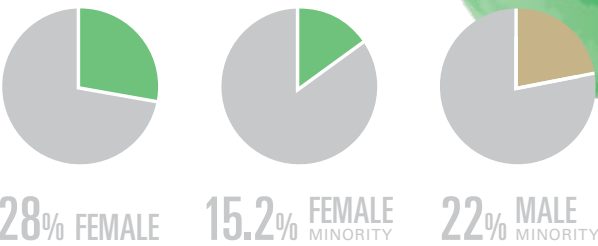
JHT Benelux uses comprehensive Human Resources software called "Dear Lucy" that provides **real-time information about diversity** within their business units. In addition to providing a complete picture of the Benelux workforce, it also helps identify areas where the mix of people could and should be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

Committed to Diversity

As an Equal Opportunity/Affirmative Action employer, our workforce at JHTNA is 28% female, 21% female minority and 17% male minority, numbers that grow yearly as we strive to be more diverse.



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

JHT France operates out of a **newly constructed head office** featuring a cafeteria offering healthy meals, indoor and outdoor relaxation areas to help employees refresh and a new 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.

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 facilities, earning us EMS-ISO 14001 certification. For instance, we monitor water usage at all JHT facilities, 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

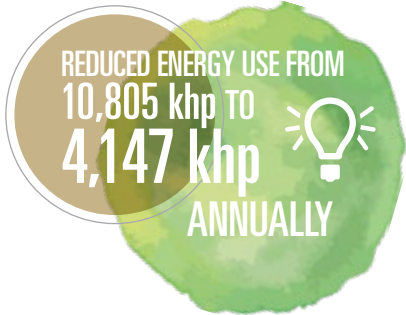
In an effort to optimize our packaging and reduce its environmental impact, all of our packaging contains some level of bio-based and/or post-consumer materials. Interior packaging is partially recyclable, while our exterior packaging is 100% recyclable. We’re also proud to debut our new **100% Styrofoam-free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

Holistic Energy Conservation

In 2008, our North American headquarters installed de-stratification fans, programmable thermostats and lighting occupancy sensors, and we switched our heating from electricity to natural gas. Since then, **electricity use has decreased by 20%** without increasing our natural gas use.

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 has also made the switch to energy-efficient LED lighting, saving energy and reducing consumable costs while providing better illumination with fewer fixtures.

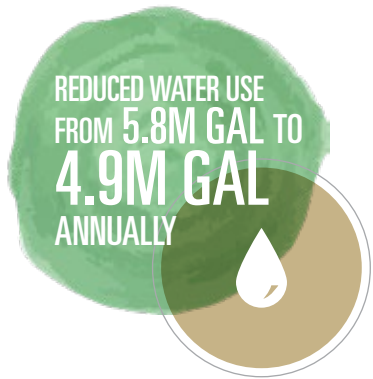


Storm Water Management

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.



Green Purchasing

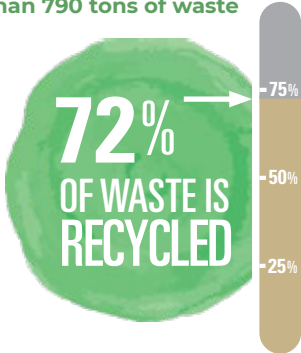
At JHTNA and JHT Canada, we use 100% recycled printer paper, 100% recycled paper towels, Energy Star Qualified appliances and **environmentally preferable** cleaning products.

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 72% of waste materials, **eliminating more than 790 tons of waste** from landfills. JHT Benelux recycles 100% of all cardboard, plastic, metal and wood waste, and their European Distribution Center recycles 100% of the Styrofoam they use.



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**.

Healthier Products

Third-party testing awarded JHT the highest marks possible for contributing to user health through products **proven to contain reduced toxins**.

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 has recently added an enclosed bike rack to their headquarters. In North America, JHTNA employees are rewarded for biking to work and carpooling through the FitBucks program. Measures like these 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**, JHT Germany offers three 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.

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 hanad dryers, **eliminating paper towel waste** from their facilities entirely.

Soaking up the Sun

JHT Germany has a complete solar panel system projected to save 40% in annual energy costs 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.



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

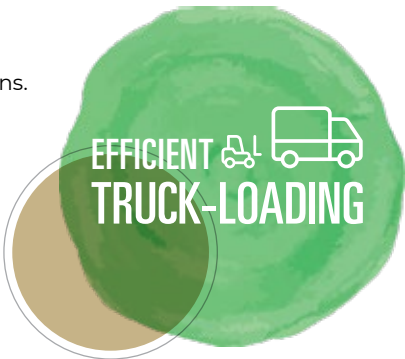
We understand that the materials purchased from our suppliers ultimately become part of our products. That's why we **hold suppliers to the same high standards** as we hold ourselves, especially with regards to Chemicals of High Concern.

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

In 2018, we switched from shipping assembled commercial equipment on wooden pallets to 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.**

Superior Lifecycle Solutions

The JHT commercial brand, 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 US by our product, significantly **reducing our carbon footprint.**



