



ESG (ENVIRONMENT, SOCIAL AND GOVERNANCE) SUSTAINABILITY REPORT

Life Fitness is committed to improving the workplace, our communities and the world.



HEALTH & SUSTAINABILITY

At Life Fitness, health is what we live and breathe. We strive to enhance the overall health of exercisers, the communities where we live and the customers we serve. Our ultimate goal is to not only inspire healthier lives, but a healthier world.

By taking a close look at how we interact with People, Planet and Products, we create solutions for the betterment of our customers, our company, and the world.

SUSTAINABILITY-GOVERNANCE

SOCIAL

ENVIRONMENTAL



PEOPLE
CSR



PLANET
OPERATIONS



PRODUCTS



SUSTAINABILITY MATTERS TO THE WORLD'S CONSUMERS.

As leaders in the global fitness industry, Life Fitness has a responsibility to do what's best for our customers, our employees and the communities where all of us live.



PERCENT SAY SUSTAINABILITY IS MORE IMPORTANT TO THEM TODAY THAN IT WAS 12 MONTHS AGO



PERCENT SAY THEY'VE PAID A PREMIUM FOR PRODUCTS BRANDED AS SUSTAINABLE

Source: IBM 2022



STRIVING FOR A HEALTHIER WORLD

THERE'S AN URGENT NEED TO MINIMIZE OUR IMPACT ON THE ENVIRONMENT. WE'RE APPROACHING THAT BY APPLYING A GLOBAL SUSTAINABILITY STRATEGY THAT ENCOMPASSES **PEOPLE, PLANET AND PRODUCTS.**

We embrace global carbon neutral strategies and are working toward a 2050 timeline for implementation. This report reflects the key initiatives Life Fitness is taking to attain our 2050 plan.



PEOPLE

The Life Fitness “Green Team” was formed in 2020 to empower employees and encourage them to give back to the community by organizing events that promote social and eco-friendly responsibility.

Around the globe, Life Fitness employees are learning about sustainability and doing more through planning and participating in green events.

»» EARTH DAY

Outdoor cleanup events are held at our Franklin Park, Illinois headquarters and our plant in Owatonna, Minnesota. Employees are also informed of tips and actions they can take to make a difference.



IN ADDITION TO UTILIZING SUSTAINABILITY RESOURCES TO EMPOWER OUR TEAMS TO PARTICIPATE IN GREEN EVENTS,

Life Fitness provides educational materials and opportunities to learn more about sustainability.

Whether you work in product development, finance, sales, supply chain, field service or are part of our global operations and manufacturing teams, each of us impacts the planet and the products we provide to our customers.

INVESTING IN THE HEALTH OF OUR COMMUNITIES

We are committed to the overall health of the communities where we live. Life Fitness adopted a Corporate Social Responsibility program in 2020 to ensure continued, meaningful progress in being a trusted business partner and responsible corporate citizen. The program helps Life Fitness remain socially accountable to itself, its stakeholders, and the public.

WHAT WE'RE DOING:

- The Life Fitness Foundation encourages employees to give back to the community through volunteering and donation opportunities. The creation of the Life Fitness Foundation Fund provides monetary contributions to our communities and financial assistance to our employees and their families through scholarships and/or hardship relief.
- Championing fair labor practices and fair compensation.
- Striving for diversity and equality in the workplace. We are committed to fostering an inclusive working environment, so that all Life Fitness employees feel connected valued, and heard.
- Providing excellent and safe working conditions. We have a clear safety strategy that includes an all-employee safety perception survey, energizing site/safety committees with a focus on day-to-day safety, and deploying work practices that encourage continuous improvement through employee ideas and solutions.

»» RECOGNITION

Life Fitness earned the KPS Safety Award in 2021 which recognizes the most improved safety performance among KPS portfolio companies.

WE HAVE A DEDICATED TEAM FOCUSED ON DIVERSITY, EQUITY & INCLUSION (DE&I). THIS TEAM HAS THREE SUBCOMMITTEES, WHICH ARE RESPONSIBLE FOR:

1. Education and communication to the global employee population regarding DE&I topics.
2. Attraction, development and retention efforts that support a diverse, equitable and inclusive workforce. This includes outreach activities, internal mentorship programs, professional development opportunities and more.
3. Establishing employee resource groups to provide support and build allyship for BIPOC, female, LGBTQIA and disabled employees.





PLANET

IT'S IMPORTANT FOR US TO BE ACUTELY AWARE OF HOW WE OPERATE AND HOW OUR BUSINESS AFFECTS THE ENVIRONMENT.

WHAT WE'RE DOING:

- Measuring and monitoring our environmental impact with a focus on energy and water usage and solid waste management. These metrics are normalized to reflect forecast and demand variations.
- Reducing waste. Through sustainable manufacturing practices, Life Fitness plants globally, limit waste to landfill by reducing, reusing and recycling component materials and packaging.



»» REDUCING WASTE

Our factories in Ramsey, Minnesota and Kiskoros, Hungary recently completed projects reducing both raw materials and waste disposal.

In Kiskoros, the plant operations team decreased scrap metal from their laser operation to <2.8 kg.per earned hour. Redesigning parts laser programs and reusing partial metal sheeting are just a few of the contributing factors to this reduction of scrap.

»» SUSTAINABLE MANUFACTURING

At our Ramsey, Minnesota plant, the team took advantage of a county level recycling grant program and expanded in-house recycling. By combining recycling and trash containers, employees can easily recycle paper, cans, and bottles into a single-sort container, sending less trash to the landfill.



269.3

tons of waste has been collected

100.00%

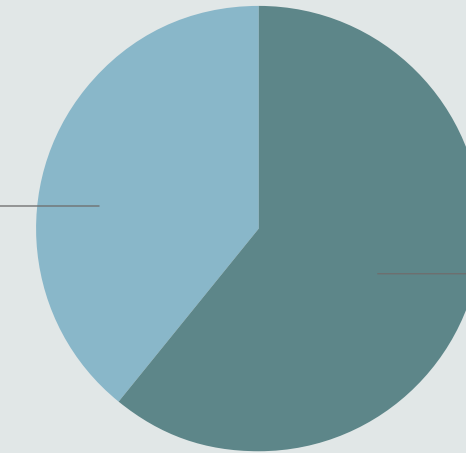
of your waste has been diverted from landfill

60.87%

of your waste has been recycled

TOTAL WASTE: 269 TONS

WASTE TO ENERGY:
105 TONS

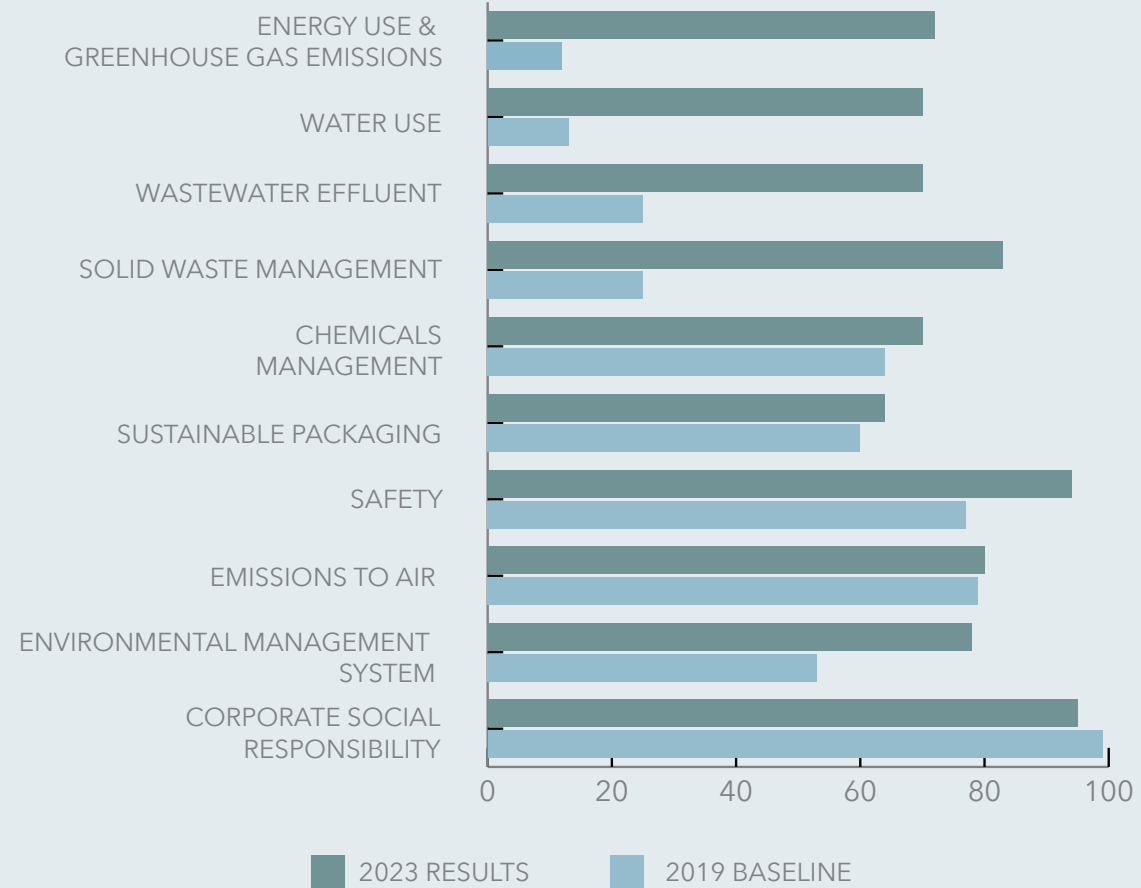


WASTE RECYCLED:
164 TONS

ZERO WASTE TO LANDFILL - UK CUSTOMER INSTALLATION - PACKAGING WASTE

On average, 61% of these waste materials are recycled and the remaining are sent to an Energy Recovery Facility (ERF). The final ashes generated from the energy recovery system are used to build roads. This means 100% of the product packaging wastes are diverted from landfill. What a great partnership to manage our waste and take care of the environment and communities where we live and work.

SUSTAINABILITY INDEX



LIFE FITNESS CONDUCTS AN ANNUAL THIRD-PARTY SUSTAINABILITY INDEX SURVEY WITH ALL OPERATIONS TEAMS WITH FOCUS ON:

- Measuring / monitoring energy and water consumption and solid waste
- Assessing current practices and identifying reduction projects
- Executing projects and monitoring reduction results



»» SUSTAINABILITY INDEX PERFORMANCE - ALIGNING TO INDUSTRY BEST PRACTICES

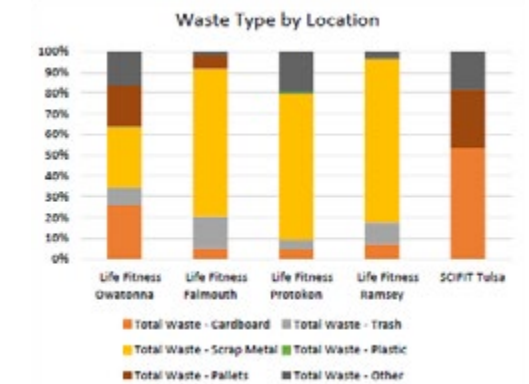
| SI CATEGORY | BASELINE '19 | 2022 YE | (- +) |
|-------------|--------------|---------|---------|
| ENERGY/GHG | 12 / 100 | 67 /100 | + 55 |
| WATER USE | 13 / 100 | 61 /100 | + 49 |
| SOLID WASTE | 25 / 100 | 81 /100 | + 56 |

REDUCING THE LIFE FITNESS ENVIRONMENTAL FOOTPRINT

Through identifying and executing continuous improvements to manufacturing practices and new projects, with a lens for reducing solid waste, Life Fitness is reducing and diverting waste from landfill disposal..

»» WASTE MANAGEMENT / ENVIRONMENTAL FOOTPRINT - DIVERSION

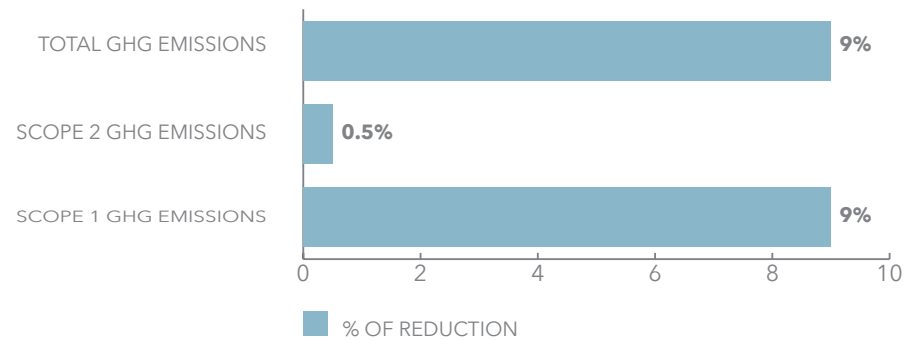
Cardboard, plastics, scrap metal, pallets, shrink wrap, foam, product wraps, and other industrial wastes are diverted from landfill and are recycled and/or reused.



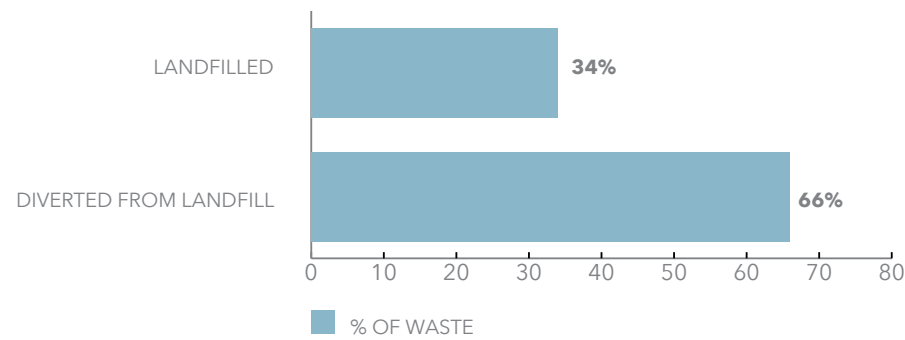
REDUCING THE LIFE FITNESS ENVIRONMENTAL FOOTPRINT

Through identifying and executing continuous improvements to manufacturing practices and executing efficiency projects, with a lens for reducing energy and water and generation of solid wastes, Life Fitness is accomplishing results:

GREENHOUSE GAS EMISSIONS (GHG) - EMISSIONS REDUCTION (2021-22)



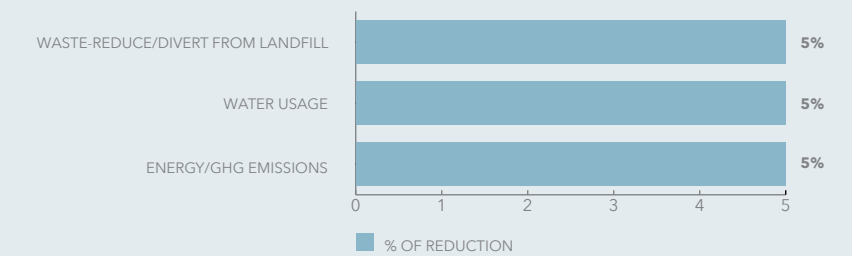
MANUFACTURING - SOLID WASTE MGMT. (2021-22)



Life Fitness continues to execute our roadmap towards carbon neutral status. Over the past four years: manufacturing, supply chain, procurement, packaging design and innovation of recycling end-of-life packaging materials have deployed focused initiatives to reduce energy, water consumption and generation/management of solid wastes

.In 2024, Life Fitness has established aggressive goals:

2024 ENERGY, WATER, SOLID WASTE REDUCTION GOALS





PRODUCTS

EXAMINING EACH STEP OF OUR PRODUCT DEVELOPMENT PROCESS ENABLES LIFE FITNESS TO DEPLOY CONTINUOUS IMPROVEMENT INITIATIVES. THESE ENSURE WE'RE DESIGNING, MANUFACTURING, PACKAGING AND DELIVERING PRODUCTS THAT KEEP SUSTAINABILITY TOP OF MIND.

WHAT WE'RE DOING:

- Attention to eco-friendly product design. Life Fitness participates in Design for Health to enhance quick and easy sourcing of suppliers committed to environmental health.
- Developing sustainable packaging. Life Fitness's corrugate is 100% recyclable. We continuously assess and redesign our product packaging to decrease raw materials and waste by 30 to 40%.
- The continued innovation and creation of self-powered fitness equipment like Hammer Strength Performance Trainers, Heat Rowers and ICG Indoor Cycles that require no external energy.



»» SUSTAINABLE BEST PRACTICES

Life Fitness earned a Leader Level MindClick rating three years in a row through for our expanded efforts to utilize recyclable packaging, renewable raw materials and sustainable manufacturing practices.

| MSAP MINDCLICK SUSTAINABILITY ASSESSMENT PROFILE | | Scoring Methodology | | MINDCLICK | |
|--|---|---------------------|--|---------------|--|
| RAW MATERIALS | Leader Life Fitness uses 100% renewable materials. Corrugate is 100% recyclable and made from recycled materials. Life Fitness uses 100% renewable materials. | ENVIRONMENT | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. |
| CHEMICALS OF HIGH CONCERN | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. |
| MANUFACTURING - ENVIRONMENTAL | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. |
| MANUFACTURING - SOCIAL | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. |
| PACKAGING | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. | HEALTH | Leader Life Fitness uses 100% renewable materials. Life Fitness uses 100% renewable materials. |

* Product family is defined as all products which share the same material and chemical profile

DESIGNING SUSTAINABILITY INTO LIFE FITNESS PRODUCTS

Life Fitness understands and exceeds the needs of our business partners through product design and innovation. Through a sustainability lens, an important characteristic of our products is optimizing the energy consumption, including the power mode features to minimize reliance on external energy.

WHAT IS HYBRID MODE AND WHY IS IT IMPORTANT?

Hybrid mode is a foundational component of all exerciser-driven Life Fitness cardio products (upright bikes, recumbent bikes, cross-trainers, and Arc trainers). With this feature, an internal generator utilizes the rotational motion created by the exerciser, efficiently transforming their mechanical energy into electrical energy.

This process mimics the same principles inside wind turbines, hydroelectric dams, and regenerative brakes in electric vehicles. Within Life Fitness products, the generator plays a crucial role in minimizing the reliance on external power sources. In many cases, exercisers generate enough power with their body alone to fully power the cardio console and base, pulling little to no power from the wall.

WHAT MAKES THE SYMBIO RUNNER SO EFFICIENT?

The Symbio Runner is powered by a best-in-class brushless DC motor and optimized power factor correction circuitry. This motor offers precision speed control, a quick response to changes in load, and most importantly, significant energy efficiency benefits. Symbio Runner combines the benefits of a brushless DC motor with power factor correction technology to create a far more efficient treadmill, consuming 22% less power than traditional AC motors.



LIFE FITNESS IS CALCULATING POWER CONSUMPTION

The Life Fitness electrical engineering team has developed a testing method to collect uniform power consumption data across the cardio portfolio. While the fitness industry does not have uniform power consumption testing standards, we've created our own, realistic test cases to enable us to calculate the customer's energy consumption needs.

IMPORTANT WORK AHEAD

Life Fitness's vision is to provide solutions that get the world moving and help people lead active and healthy lives. Consistent with this, we are committed to providing products and experiences in a manner that minimizes our impact on the environment and ensures the environmental sustainability of all of our business operations.

Life Fitness embraces continuous improvement and our sustainability mission and ongoing initiatives reflect significant strides to inspire healthier lives around the world.

Stay tuned for regular updates. We look forward to sharing our sustainability journey with you.

