2020

pf PURPOSE

IMPACT REPORT





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### **LETTER FROM CHRIS RONDEAU, CHIEF EXECUTIVE OFFICER**



Each year we reflect on and celebrate our collective efforts to positively impact the communities where we live and work...and work out. As a brand and business, we have always

led with purpose. Our stores have created a nonintimidating, low-cost / high-value model that not only revolutionized the gym industry, but also continues to create a sense of community that gets more people moving regardless of their fitness level.

This past year has further shown the importance of fitness and physical activity, as research from the Centers for Disease Control has shown that 78% of people who have been hospitalized, needed a ventilator or passed away from COVID-19 have been overweight or obese.

We believe everyone should have access to fitness, and with our approach, we have seen firsthand the incredible things that happen when people feel like they belong — and we are proud to have inspired millions to get healthy, stay active and, most importantly, feel good.

For the last five years, we have been working to end the judgement and bullying facing today's youth through our award-winning philanthropy initiative — the Judgement Free Generation®. As part of this effort, we have contributed \$5 million to Boys & Girls Clubs to help create a culture of kindness and acceptance.

In reflecting upon 2020, a year like no other, I am prouder than ever of our work to support the societal issues facing our members, employees and neighbors. We've made a concerted effort to evolve our approach to Corporate Social Responsibility (CSR), expanding beyond our philanthropic endeavors to include our overarching business decisions and brand-driven programs and commitments – from the way we continue to support our team members, to how we invest in our members and communities, and impact the planet.

As part of this effort, we underwent a process to identify material environmental, social, and governance (ESG) issues and topics relevant to our business. And, in partnership with cross-functional internal working groups, we are assessing our policies and programs across those topics, identifying our impact, and developing strategies to measure progress and improve performance over the long-term.

#### INTRODUCING PF PURPOSE

We are excited to share PF Purpose – our comprehensive Corporate Social Responsibility platform and our mission to enhance people's lives and create a healthier world. As a fitness brand, we have always operated with health at the center of our business, so it is natural that health is at the heart of our CSR strategy. In addition to efforts in past years, in 2020 we have achieved many milestones of which we are extremely proud, including:

- >> PHYSICAL HEALTH: We're committed to democratizing fitness and breaking down the social and financial barriers to getting active, giving more people an affordable, high-quality, and welcoming place to work out. In 2020, even with extended club closures across our system due to COVID-19, Planet Fitness members conducted more than 250 million workouts. We brought our signature Judgement Free Zone® to members and nonmembers alike through our United We Move™ initiative to keep people moving and active while they were stuck at home. From March through the end of 2020, we provided more than 250 free workouts on this platform generating 83 million views across 36 different countries around the world, giving people a way to work out safely while socially and emotionally connecting to others. We firmly believe that exercise is for everyone, not just for the fitness elite or the privileged.
- >> **EMOTIONAL HEALTH:** Physical activity plays a vital role in mental health, from helping to reduce stress and depression to boosting memory and improving sleep. Our mission at PF is all about being inclusive and engaging while fostering a Judgement Free Zone®, so that everyone

can get healthy, get happy and improve their overall physical and mental wellbeing in a comfortable, feel-good space. In addition, we extend this mission from our stores to our communities through our Judgement Free Generation® charitable initiative focused on promoting kindness and inclusion in partnership with Boys & Girls Clubs of America.

>>> PLANET HEALTH: Since identifying relevant environmental issues through our materiality assessment, we have begun to actively address the impacts of our business and operations across energy/GHG emissions, water, waste and recycling. In 2020, we conducted our first-ever assessment of our baseline Scope 1 and 2 emissions for our headquarters and corporate-owned stores, which will help us to establish relevant goals to work toward in reducing our environmental impact.

The past year has underscored that fitness is essential in maintaining overall physical and mental health. I could not be prouder of the Planet Fitness team's efforts to adapt in an ever-changing environment and commitment to operate our business safely and responsibly during the COVID-19 crisis. Looking ahead, we are more excited than ever to support our members on their journey to better health.

My best,

Chris Rondeau

### **OUR COVID-19 RESPONSE**

We are living in a time of unprecedented change, and Planet Fitness has had to adapt our business practices accordingly. To fulfill our mission, we continue to prioritize the health and safety of our key stakeholder groups who have been and may continue to be impacted by this crisis – including our team members, members, and communities.

Team members: We launched the Clean Thumb Club™ to underscore our commitment to keeping our stores safe and clean for our employees, franchisees and our members. Our policies to keep people safe include requiring all employees wear masks at all times, mask requirements for members and guests, touchless check-in via the Planet Fitness mobile app, COVID-19 wellness questions in the app upon check-in, enhanced cleaning and sanitization using disinfectant effective against COVID-19, equipping stores with electrostatic sprayers, and physical distancing measures throughout our facilities. Further, we consulted global medical expertise in developing our operations policies to ensure the highest safety standards.

We also developed Planet Fitness University training courses to ensure our franchisees and team members are up to date on the latest safety guidance and protocols. For more information, check our <u>Club Cleanliness</u> page.

**Planet Fitness Headquarters:** To protect the health and safety of our team members at our headquarters, we instituted enhanced cleaning policies, remote working policies and provided increased flexibility to allow team members to balance family obligations.

**Franchisees:** Planet Fitness worked closely with franchisees to help navigate the pandemic-related closures and regulations so that they could maintain their business in a way that aligned with public health guidelines, while also continuing to provide access to fitness for our members.

Members: With our members' best interest in mind, we proactively froze all memberships upon temporary store closures and did not bill members their monthly membership fees while their clubs were closed. To keep people active, we launched United We Move™ home workouts to bring the benefits of physical activity directly to our members through Facebook and YouTube, and developed new and engaging fitness content for our free mobile app to bring the gym to their pocket.

**Communities:** For 20+ years, Planet Fitness has served pizza to members on the first Monday of each month to build community in our stores. With stores temporarily closed, we decided to pay this tradition forward for healthcare heroes, while also supporting local pizza shops in partnership with a nonprofit campaign, <u>Pizza vs. Pandemic</u>. In honor of Pizza Monday, Planet Fitness donated more than 10,000 pizza slices – valued at \$25,000 – to essential workers on the frontlines of the pandemic.

### PF PURPOSE CSR APPROACH

Health is at the heart of all that we do. With PF Purpose, our company-wide CSR platform, we stand for enhancing people's lives and creating a healthier world by advancing three core issues: Physical Health, Emotional Health, and Planet Health.

## pf PURPOSE

### **OUR MISSION:**

To enhance people's lives and create a healthier world.

### PHYSICAL HEALTH:

We increase access to <u>physical</u> <u>health</u> for our members and for underserved populations by breaking down social and financial barriers to fitness.

### **EMOTIONAL** HEALTH:

We advance the emotional health of our members, team members, and the next generation by fostering an inclusive, engaged and judgement free culture across our stores and our communities and promoting the mental health benefits of fitness.

### PLANET HEALTH:

We are committed to protecting planet health by reducing our environmental impacts and partnering with our franchisees to make efficient, sustainable decisions across our operations.

#### BUSINESS HEALTH:

In service of our mission to create a healthier world, our foundational focus on <u>business health</u> commits to operating consistently, ethically and with integrity, through sound policies, leadership and oversight, while providing value to all of our stakeholders.

### **BUSINESS HEALTH**



We are committed to increasing access to physical health and fitness by removing social and financial barriers across the communities where we live and work. The only way we can deliver on our mission is by operating our business consistently, ethically and with integrity through sound policies, leadership and oversight.

In our efforts to ensure our gyms are a unique environment where anyone can be comfortable, we prioritize sound corporate governance practices to drive our business.

#### **ABOUT PLANET FITNESS**

We are one of the largest and fastest-growing franchisors and operators of fitness centers in the United States by number of members and locations, with a highly-recognized national brand. Our company mission is to enhance people's lives by providing a high-quality fitness experience in a welcoming, non-intimidating environment, which we call the Judgement Free Zone°.

We offer a differentiated fitness experience at only \$10 per month for our standard membership. We and our franchisees fiercely protect Planet Fitness's community atmosphere—a place where you do not need to be fit before joining and where progress toward achieving your fitness goals (big or small) is supported and applauded by our staff and fellow members.



# ESG AT PLANET FITNESS: MATERIALITY & STAKEHOLDER ENGAGEMENT

In 2018, we conducted a materiality assessment, engaging both internal and external stakeholders to identify the environmental and social issues and topics most material to Planet Fitness.

- Identified current best practices around sustainability, industry trends and learnings from peers to understand the landscape.
- Conducted interviews with internal and external subject matter experts.
- Assessed which issues impact Planet Fitness's business and defined the context for why the issue is material to our company.
- Prioritized issues, developed working groups, and began benchmarking on progress to address these issues.



Our process included establishing cross-functional CSR working groups to address and integrate strategies into our policies and programs to measure progress and improve performance over the long-term. Our materiality assessment prioritized issue topics in alignment with the <u>Sustainability Accounting Standards Board (SASB)</u>'s industry-specific disclosures for leisure facilities. The outcome of the assessment helped to inform the development of the pillars of our CSR platform and will be used to guide the evolution of our ESG strategy and approach over the coming years.

As determined by our materiality assessment, we are prioritizing the following topics based on impact to our business and key stakeholders. For more information on key governance factors, please review our Proxy statement <a href="here">here</a>.



### **ENVIRONMENTAL TOPICS**

Energy & Greenhouse Gas (GHG) Emissions Waste & Recycling

Water Use



### **SOCIAL TOPICS**

Diversity, Equity & Inclusion

Employee Engagement &

Workplace Culture

Employee & Member Safety

Long-term Health & Wellbeing



### **GOVERNANCE TOPICS**

Board Composition
Data Security & Privacy
Economic Performance
Ethics & Transparency

Planet Fitness actively engages with our stakeholders throughout the year in a variety of ways, such as franchisee and PFHQ virtual meetings, town halls, employee satisfaction surveys, member surveys, and more. Each of our stakeholder groups – team members, members, franchisees, and communities – are essential to our business and we are committed to understanding their views and expectations.



### **CORPORATE GOVERNANCE**

Our corporate governance strategy starts with our Board of Directors, who provide oversight of the management of our business and exercise their business judgement to act in the best interest of the company. Our CSR team provides periodic updates to the Nominating and Corporate Governance Committee of the Board, which oversees our CSR initiatives and progress. In 2020, our Board was comprised of six members with diverse backgrounds and experience, each of whom serve a critical role in developing and guiding our company's long-term strategy:

- Stephen Spinelli, Jr. (Ph.D.), Chair
- Chris Rondeau, Chief Executive Officer
- Enshalla Anderson
- Craig Benson
- · Cammie Dunaway
- · Frances Rathke

## DIVERSITY, EQUITY & INCLUSION TASK FORCE

As home of the Judgement Free Zone®, we strive to expand and champion diversity, equity and inclusion in our organization and in our communities, and we know we must play an even more active role to create a more equitable future.

To help us advance these efforts, we formed a Diversity, Equity & Inclusion (DE&I) Task Force of representatives across our business to evaluate our current DE&I initiatives and build a strategic plan with near- and long-term priorities in 2021.



Our goal is to have a balanced and diverse Board, with members whose skills, background and experience are complementary, and together, cover the spectrum of areas that impact our business. Planet Fitness was recognized by 2020 Women on Boards for achieving 20+% of women on the Board by 2020. At year end 2020, 50% of our Board and 25% of our senior leadership team were comprised of women.

>> More information about our Board of Directors can be found in our most recent Proxy Statement and our Board of Directors page.

### EMPLOYEE ENGAGEMENT & WORKPLACE CULTURE

Providing an affordable, high-quality fitness experience for our members requires a team of inspiring and motivated employees throughout our business. That's why we are committed to engaging our employees in meaningful ways to promote a healthy and productive culture that attracts and retains great talent.

Our talent strategy is designed to meet the professional and personal needs of every individual by providing opportunities for learning, development and progression, while fostering a culture where all employees are included and engaged.

It all starts with recruiting the best talent to join our company while providing the growth and skills-training opportunities throughout each step of their career at Planet Fitness. Our career development programs range from ongoing professional-level workshops led by our training department to online courses through Planet Fitness University (PFU). We currently offer over 80 courses through PFU to all of our employees and unlimited access to professional development courses for PFHQ employees.

Our talent strategy is largely informed and adjusted by team member feedback, ranging from confidential pulse surveys to Town Hall meetings with leadership and small group conversations designed to improve culture and foster collective feedback. Engagement is also a top priority of our Chief People Officer, who has established a program to meet with our employees in small settings to encourage direct feedback and identify key themes to share with senior leaders. We also launched a special email address through which our team members can share any engagement ideas openly with senior management teams.

Our senior management teams are also committed to addressing employee feedback. In 2019, we updated key employee benefits based on such feedback, including expansions to our medical and wellness benefits and greater flexibility in work schedules. Looking forward, the Human Resources team is continuing to assess new programs and channels to continue to engage employees in meaningful ways.



#### CHAMPIONING DIVERSITY

We are committed to continuing to increase diversity of thought, background, and experience across our organization and across leadership levels. As the home of the Judgement Free Zone®, one of our core brand values is inclusion – which means celebrating individuality and welcoming people of all races, ethnicities, genders, sexual orientations, ages, abilities, religions and more.

At the senior leadership level, three of 11 members of the senior leadership team are women, representing more than 25% gender diversity at the company leadership level. Planet Fitness is committed to increasing the diversity of our workforce and fostering equitable, inclusive behavior at work through unconscious bias training for employees.

This year has shed a light on the urgency that we must push for racial justice and equity not only at all levels of our organization and in our gyms, but in our communities as well. While we have always strived to take responsibility for our business operations and the communities in which we operate, we recognize that there is much work to be done, and we are actively working to develop a comprehensive Diversity, Equity and Inclusion (DE&I) strategy that will plan for both short- and long-term activities and become our blueprint moving forward.

### **EXTENDING OUR VALUES FROM OUR STORES TO OUR COMMUNITIES**

Many of the injustices we have seen in 2020 have underscored the systemic nature of racism in our society and placed even greater emphasis on our Judgement Free Zone® philosophy and policies. Now more than ever, Planet Fitness stands unwavering in our beliefs that everyone should be included and celebrated regardless of race, ethnicity, gender, sexual orientation, age, ability, religion and more. These are not just words. These are our principles that we've committed to putting into action. In 2020, we emphasized our commitment to supporting and standing with the Black Community and are identifying actions we can continue to take in close collaboration with our newly-formed DE&I Task Force.

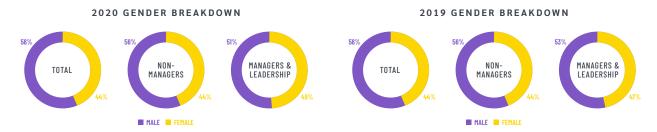
In June, following George Floyd's tragic death, we made an additional \$100,000 donation to our longstanding partner, the Boys & Girls Clubs of America, to help fund inclusivity programming for youth and impact future change. The organization serves a member base of 4.6 million youth, representing almost 2.9 million diverse youth. Further, 57% of Boys & Girls Club's members are from low-income families. Our long-standing partnership has sought to create an inclusive culture where all youth feel a sense of belonging, aiming to stop negative behavior before it starts. Through this long-standing partnership and beyond, we will continue to do our part to help create a brighter future because hate has no place in the world or in the Judgement Free Zone®.

We have enacted policies in our stores to ensure that the judgement free philosophy extends to all members. These include policies in place that accommodate members with disabilities and, in addition, consider the experiences of transgender members in our stores. All of our policies are in line with federal laws and we are committed to being an Equal Opportunity employer. For more, check out our <u>Code of Ethics</u>.

### **EMPLOYEE DIVERSITY DATA**

Representation data is a critical factor in measuring our performance as we work to build a truly inclusive workforce. For the first time, we are including gender and ethnic breakdown for calendar years 2019 and 2020, as informed by EEO-1 reporting, covering two segments of our workforce across our corporate-owned clubs and PFHQ.

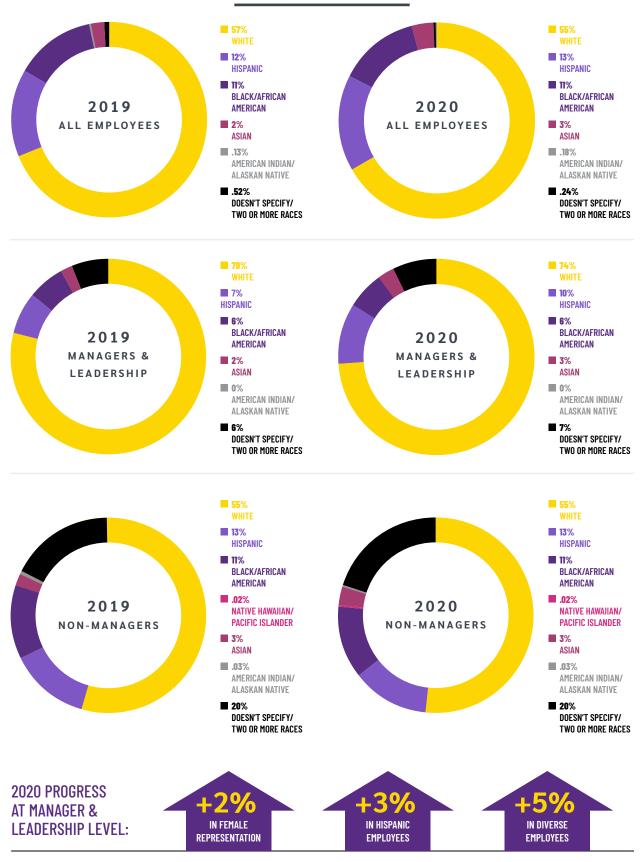
### **GENDER DIVERSITY**



Non-managers include club staff, administrative support, professional staff (e.g., analysts and accountants) and managers of process, not people.

Managers & Leadership include club managers, managers, directors and vice presidents and above.

### RACIAL/ETHNIC DIVERSITY





### **DATA SECURITY & PRIVACY**

Preserving the trust, privacy and security of our members and employees is paramount. We have a dedicated strategy to ensure data security and privacy, with a focus on consistent, efficient policy updates as needed, frequent trainings and audits and a centralized approach to protecting the personal and financial information of our members and employees.

To protect against unnecessary risk, we have taken a system-wide approach with a multi-step process to ensure compliance. In 2017, Planet Fitness mandated data security standardization across all stores and PFHQ and in 2018, we conducted an enterprise-wide audit to assess gaps and opportunities. Each year we conduct service audits to ensure compliance with our data security requirements.

Because keeping our system secure is a team effort, Planet Fitness regularly conducts required security training for employees including an annual breach drill and has engaged a third-party vendor for round-the-clock monitoring. In 2019, we established an internal committee tasked with assessing what data we manage internally and what is shared externally with partners. This group also established a governance policy to ensure compliance with federal, state and foreign data privacy laws and regulations, such as the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).

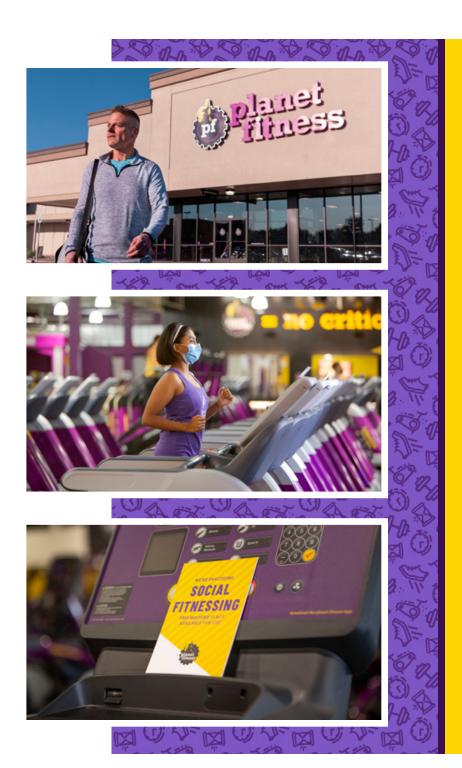
### PHYSICAL HEALTH

At our core, Planet Fitness serves to increase access to fitness across the communities where we live and work by removing social and financial barriers and by promoting health and safety within our stores. From our low-cost membership, to our judgement free policies, to community investment, we strive to democratize fitness by encouraging a variety of groups to get more active. This includes everyone from first-time gym-goers and teens, to veterans and seniors.

We work to meet a wide variety of members where they are on their fitness journey to provide support and help sustain fitness goals at all stages through free on-site training and digital offerings.

Our established CSR working groups are actively developing long-term strategies to elevate and address health-related topics material to our business, including Long-term Health & Wellbeing and Employee Engagement & Workplace Culture. For more information, see our <u>ESG at Planet Fitness</u> sub-section.

In 2020, the COVID-19 pandemic caused a barrier for individuals across the world to access fitness. We believe that fitness is essential and that gyms are part of the solution. As such, we work to provide much needed access for people to exercise and stay healthy. The first step to promoting physical health is to ensure that we are working hard to keep our employees and members healthy and safe while in our stores. For more information, see our Club Cleanliness page.





### JUDGEMENT FREE VALUES & REDUCING SOCIAL BARRIERS TO FITNESS

Through our Judgement Free Zone® and our welcoming in-store experience, we provide a comfortable, safe and energetic environment where everyone can feel accepted and respected regardless of fitness levels.

We live the judgement free philosophy by providing access to the right tools for fitness. This includes helping members achieve their individual goals through free on-site training, quality equipment and technology-based offerings while always providing an access point to enable more people to take full advantage of both the physical and emotional benefits of exercise. We take great pride that approximately 40% of our member base are first-time gymgoers, and that they are empowered to start their fitness journey at Planet Fitness.

#### LOW-COST HIGH-QUALITY MODEL

Beyond removing social barriers, we believe that highquality fitness should be accessible for all regardless of potential financial barriers as well. Planet Fitness offers affordable memberships, which include free fitness training, to encourage all people to get more active. Our commitment to increasing access to fitness is particularly important in areas considered lower income. According to a 2019 report from the Sports & Fitness Industry Association, nearly 50% of American households making less than \$25,000 per year reported being totally physically inactive. Through our low-cost, high-value model, we create opportunities for individuals to get active and healthy in an affordable, accessible way. In total, approximately 25% of Planet Fitness stores are in markets where household income is less than \$50.000.

Additionally, almost 13% of our stores serve areas where more than 30% of the community's household income is less than \$25,000, which also tend to be areas with greater diversity. Further, the <u>Centers</u> for <u>Disease Control</u> reports that Hispanic and Black populations are less physically active than non-Hispanic whites, making them more vulnerable to health risks.

As of 2020, we currently have approximately 13.5M members, representing the largest member base of any health and fitness centers in the country. Planet Fitness is one of the largest and fastest-growing franchisors and operators of fitness centers in the United States by number of members and locations.



#### **DIFFERENTIATED & DIGITAL OFFERINGS**

While we remove societal and financial barriers for members to gain access to fitness, we also believe strongly in delivering a high-quality experience once they join us.

We are committed to engaging with and supporting our members wherever they are on their fitness journey through both in-club and digital fitness offerings, because we believe the future of the fitness industry is truly "bricks with clicks" – the powerful combination of brick and mortar fitness and the community support and variety it provides, with the digital offerings that allow members to engage with our brand inside and outside our stores.

These offerings are an essential part of the Planet Fitness experience. With so many of our members being first-time or casual gym-goers, we are committed to providing the support and guidance they need.

For our in-club programming, we offer PE@PF, small group fitness training offered at no additional fee to our members. Through this program, our certified trainers introduce members to the gym, provide instructions for machines and help our members meet their own fitness goals. In response to COVID-19, PE@PF programs have been adapted to adhere to physical distancing requirements and to keep Planet Fitness members and team members safe.

In addition to in-club programs, we have enhanced our digital fitness offering on our PF App, which provides more than 500 free workouts for all fitness levels. As app adoption continues to increase, we continue to provide high quality educational tools, resources and fitness tracking. With these offerings, the PF App is one of the top free fitness apps available, reenforcing that Planet Fitness is a trusted source in health and wellness.

To achieve our mission of removing barriers and increasing access to physical fitness, we also have specific efforts aimed at providing our PFHQ employees with fitness-focused benefits. These include a gym reserved for employees at PFHQ, free Black Card memberships, and ongoing fun fitness challenges that spark friendly competition and keep us moving. In 2020, 271 team members from PFHQ participated in five different fitness challenges, which included a team step challenge and a virtual 5K.

As we continue to grow, we are always looking for innovative ways to enhance the employee and member experience. For example, we test new fitness equipment at our PFHQ in New Hampshire, where our team members can try out the latest technology in health and fitness as we evaluate new equipment offerings to best meet the evolving needs of our members.

### COMMUNITY INVESTMENTS & IN-KIND DONATIONS

In addition to providing an accessible experience for gym-goers, we are also dedicated to bringing the benefits of physical activity to the next generation and communities in need through equipment donations and providing free or discounted memberships.

Together with our franchisees and team members, we bring our Judgement Free Zone® to Boys & Girls Clubs in select locations across the country, by building small-scale replications of our fitness centers and donating equipment, offering safe and non-intimidating gym spaces where youth can get active and encourage one another. As of 2020, we have built over 35 Mini Judgement Free Zones (Mini JFZs) across the country, to reflect our mission and remind youth that they belong.

In 2019, we launched the inaugural Teen Summer Challenge initiative by opening our doors across Planet Fitness locations in the U.S. and Canada to enable teens ages 15-18 to work out for free – all summer long. In the inaugural year, we had over 925,000 teen sign-ups and 5.5 million workouts logged across our stores. As the COVID-19 pandemic caused us to temporarily close our stores in 2020 and adapt our operations practices, we were unable to conduct the program during summer 2020 as we had originally planned. However, we are aiming to continue the Teen Summer Challenge in future years, as we are able. Our Teen Summer Challenge initiative allows teens to advance their physical and emotional wellness during the summer months, and to help build healthier habits that can last a lifetime.



For more information on our Mini JFZs and Teen Summer Challenge, check out our 2019 Impact Report.

We understand the importance of responsibly replacing used equipment and upcycling when possible. As such, we regularly donate our used equipment that is still in excellent condition to select Boys & Girls Clubs throughout the U.S. for our Mini JFZs. If we are unable to find a good match with Boys & Girls Clubs, we aim to donate equipment to other community partners, such as local shelters, fire departments and police stations when possible. Visit our Planet Health section for more information on our approach.



### PIZZA TO THE POLLS AND STRESS-RELIEF FOR VOTERS

We believe everyone should exercise their right to vote. To encourage voting in the 2020 election, we teamed up with <u>Pizza to the Polls</u> to bring 5,000+ pizzas to polling locations nationwide.

Not only did we provide pizza, but we also offered a free workout and hydromassage during the week of November 3rd to help anyone who voted relieve stress and stay active.

### **EMOTIONAL HEALTH**

At the heart of our business is the belief in advancing an inclusive, engaged, judgement free culture among members, team members, and the next generation.

With our approach to accessible fitness, we have seen firsthand the incredible things that happen when people feel like they belong. Our judgement free policies have inspired millions to get healthy, stay active and, most importantly, feel good. We are proud to help members build a positive relationship with fitness so that they can unlock the many emotional benefits of exercise – from reducing stress and anxiety to increasing self-esteem and confidence.

We promote emotional health not only through the inclusive culture that we create in our stores, but also through the ways we engage our team members in volunteerism throughout the year and through our signature philanthropic initiative – the Judgement Free Generation®.

We will continue to engage with working groups to identify and address material topics such as our community investment, member experience and employee engagement.

We promote emotional health not only through the inclusive culture that we create in our stores, but also through the ways we engage our team members in volunteerism throughout the year and through our signature philanthropic initiative – the Judgement Free Generation®





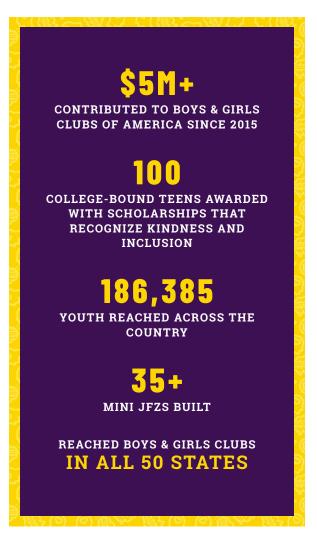
#### **JUDGEMENT FREE GENERATION®**

As the home of the Judgement Free Zone®, Planet Fitness is in a unique position to address the all too common issue of bullying. That's why, in 2015, we launched the Judgement Free Generation® (JFG) — our signature philanthropic initiative designed to prevent bullying and promote kindness through nonprofit partnerships, corporate giving, fundraising and in-kind donations.

Through the initiative, we have partnered with Boys & Girls Clubs of America to take our inclusive culture from our stores to our communities and empower a generation to contribute to a more judgement free planet – a place where everyone feels accepted and like they belong.

As part of our partnership, we provide evidence-based tools and trainings that promote social-emotional skills for Boys & Girls Clubs professionals and youth to establish more positive environments.

The development and nurturing of these skills through our programming ultimately helps to create an environment that fosters empathy and positive interactions among peers, where bullying is far less likely to happen.





We are proud to offer scholarships that recognize youth across the country not solely for athletics or academics, but for promoting acceptance and inclusion in their communities. In 2020, Planet Fitness awarded 45 deserving youth from Boys & Girls Clubs with \$5,000 scholarships for their efforts to create a brighter, more accepting future. 2020 marked a major milestone, as the program reached its 100th scholarship awarded to date.

### ADAPTING OUR PROGRAMMING FOR COVID-19

Due to COVID-19, many Boys & Girls Clubs across the country had to close and the team had to respond in unanticipated ways. Boys & Girls Clubs recognized that many youth experienced high level of stress, and in some cases trauma, as a result of COVID-19 and the associated shutdowns. In response, the team leveraged the Planet Fitness programming to provide support for the emotional wellbeing of Club youth and helped youth turn recovery into resiliency.

As youth return to Boys & Girls Clubs, the social and emotional trainings become an even more essential piece for them to build trusting relationships and empathy with peers, and adapting to the new normal together. The Planet Fitness programming, which has included a series of youth-led conversations around the importance of kindness in the wake of COVID-19 and the elevated conversation on racial justice, aims to support this transition and to foster empathy.





# FOSTERING A CULTURE OF COMMUNITY ENGAGEMENT FOR TEAM MEMBERS

At Planet Fitness, we aim to inspire and encourage our team members to give back to their communities through volunteer opportunities and volunteerfriendly policies. We are proud to have a network of passionate franchisees and team members who dedicate their time and resources to support local communities. At PFHQ, we offer our team members opportunities to volunteer in our local community as part of Flexing for Good® - our annual week-long volunteer event. In addition, we offer two days of paid time off for employees to volunteer with organizations of their choice or participate in civic engagement. For more on volunteer efforts, visit our 2019 Impact Report.

### **PLANET HEALTH**

As a growing company with more than 2,000 locations, we have a responsibility to make environmentally sustainable decisions across operations, while also partnering with our franchisees to better manage and reduce our environmental footprint.

Our current environmental strategy focuses on addressing and reducing the impacts of our business and operations across energy/GHG emissions, water, waste and recycling. We identified these topics based on our materiality assessment and are currently addressing these impacts through internal Environmental Working Groups, while also developing strategies to measure and reduce our environmental impact over time. Our initial focus is on our corporate-owned stores and PFHQ, where we have operational control, as well as communicating and promoting our efforts system-wide to encourage our franchisees to adopt similar practices in their stores.

Franchisees play an important role in our sustainability strategy, which is why we provide them with tools and resources to make informed choices and select vendors that offer more sustainable solutions. This includes sharing information about energy-efficient lighting vendors, energy management solutions, and ecofriendly materials such as recycled rubber flooring.

We also support franchisee efforts to test and explore innovative solutions to environmental challenges, such as exploring alternative, low-energy cooling systems. While they are in the early stages and we are still assessing feasibility, these efforts highlight the importance of engaging with franchisees to reduce our environmental impacts at the store level while also prioritizing new and innovative ways to create a healthier planet.



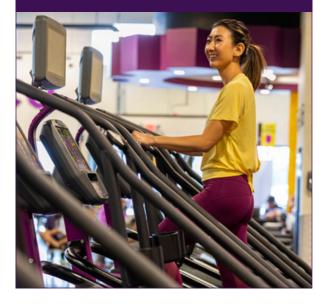
### MEASURING OUR FOOTPRINT



While 2020 proved a challenging year for many, we did not lose sight of our goal to establish water, waste, energy and Scope 1 & 2 emissions baselines across our PFHQ and 80 corporate stores for calendar year 2019 through the help of an external consultancy.

Establishing these baselines will help our operations teams and internal Environmental Working Groups identify reduction strategies and initiatives that can be rolled out and further expanded to franchisees system-wide.

We intend to track our performance year over year while expanding our efforts to include franchisees in future years to account for Scope 3 emissions.



#### **ENERGY**

We recognize that energy use is one of the largest contributors to GHG emissions and therefore climate change. Given the nature of our business and the overall footprint of our locations across North America, we are focused on finding efficiencies to both reduce costs and energy.

In 2015, we implemented an energy- and cost-savings initiative to convert existing lighting to LED, including high bay lights on the main floor, recessed lighting in Black Card Spa areas, locker rooms and circuit rooms and exterior sign lighting throughout all our stores, leading to an estimated \$10,000 in annual savings per store and a combined 4,172,406.9 kwh saved from 2015-2018. Today, we require any franchisee-owned stores built after 2015 to use LED lighting.

In 2017, we installed Save Energy Systems in all corporate stores to centralize energy management. This has cut down energy usage and expenses by approximately 20% while allowing management greater visibility across the system.

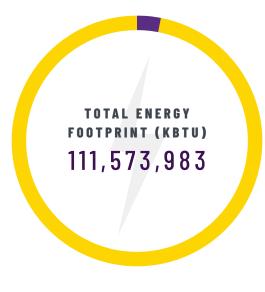
### 2019 PF ENERGY USE

■ SCOPE 1 (METRIC TONS CO2E)

■ SCOPE 2 (METRIC TONS CO2E) (MARKET-BASED METHOD)\*



\*Total scope 2 location-based method is 14,913



■ PFHQ: 3,705,981

**■ CORPORATE CLUBS: 107,868,002** 

We also installed tankless water heaters across all new corporate stores where feasible, which in turn has contributed to energy conservation by generating hot water only when needed.

As part of our commitment to reduce our environmental impact over time, in 2020 we partnered with outside consultants to measure our 2019 energy and GHG emissions, in addition to water usage and waste, across PFHQ and corporate clubs to establish environmental baselines for our corporate corporate clubs.

The outcomes of our environmental footprint assessment are being reviewed by our operations team and environmental Working Groups to assess expanding current initiatives, uncovering new efficiency initiatives and expanding our overarching sustainability strategy. Moving forward, we will include year-over-year data to track progress and performance over time.

OUR NORMALIZED ENERGY FOOTPRINT OF PFHQ EQUATES TO 63 KBTU PER SQUARE FOOT AND THE NORMALIZED ENERGY FOOTPRINT OF CORPORATE CLUBS EQUATES TO 96 KBTU PER SQUARE FOOT, AVERAGING 95 KBTU PER SQUARE FOOT ACROSS OUR CORPORATE-OWNED PROPERTIES.

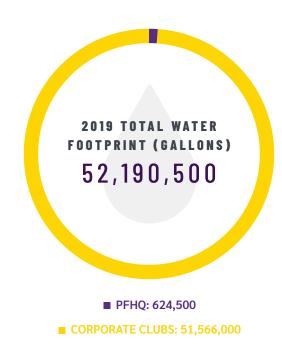
### **WATER**

Water usage at Planet Fitness stems from member and employee handwashing, toilet use, showering, drinking fountains and water fill stations across our stores and headquarters.

In 2016, Planet Fitness underwent a water savings project to reduce water use in stores, primarily by installing low-flow, high-pressure shower heads. To date, every corporate store and at least 100 franchisee-owned stores have been converted, leading to an estimated 20,000 gallons saved annually per club.

In partnership with suppliers, we have both assessed and communicated the cost and water reductions of the low-flow shower heads to franchisees to promote increased conversion system-wide. As water usage and reductions are an important aspect of our sustainability strategy, we continue to assess new initiatives broadly.

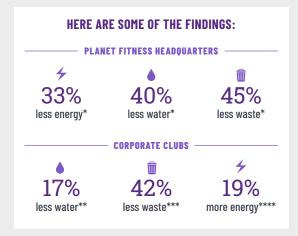
In addition to measuring and setting baselines for energy and Scope 1 and 2 GHG emissions, in 2020 we also measured our 2019 water usage across PFHQ and corporate clubs to establish baselines and assess opportunities to improve performance over time.



WE NORMALIZED WATER USE BY SQUARE FOOT AT PFHQ, TOTALING 9.1 PER SQUARE FOOT. ACROSS OUR CORPORATE CLUBS WE NORMALIZED WATER USAGE BY MONTHLY CHECK-INS, TOTALING 25 GALLONS PER MONTHLY CHECK-IN.\*

### **OUR ENVIRONMENTAL FOOTPRINT IN CONTEXT**

As an extension of our Carbon Assessment conducted in 2021, IEc also assessed our headquarters and corporate club environmental footprints and how they compare to other, similar businesses. Our headquarters was compared against the average office in New England and our corporate clubs were compared against recreation centers including gymnasiums, health clubs, bowling alleys, ice rinks, field houses and indoor racquet sports, both as defined by CBECS, as very few of our direct peer set in the fitness industry publicly disclose such data.



\*On a per square footage basis \*\*In the U.S. on a per square footage basis \*\*\*On a per check-in basis compared to the average fitness club in California.

\*\*\*\*Our corporate clubs used more energy than the average U.S. fitness club or recreational facility, showcasing an opportunity for our Energy Working Group to consider ways to decrease energy use at the club level. This figure may also be higher as the competitive set used to analyze this data does not specify if such facilities have the same operating hours as our corporate clubs are open 24/7, thus potentially leading to a higher comparison.

#### **WASTE & RECYCLING**

Our Environmental Working Group is focused on addressing waste across our operations. Store operations do generate waste, particularly at member touch points such as the sale and use of plastic water bottles, as well as the use of paper towels. Where possible, we encourage the use of refillable water bottles for hydration to reduce plastic waste. Waste also extends to our equipment as we replace and upgrade equipment after it has aged out of our stores. This can include donations to partner organizations or resale.

40 of our corporate stores offer recycling, which is tracked through the Engie system; meanwhile, many franchisee-owned stores operate in leased spaces, with shared waste and recycling services that Planet Fitness does not control. This presents a unique challenge in measuring and assessing waste – something that is currently being addressed by our operations team and Waste & Recycling Working Group.

At our Planet Fitness HQ, recycling is collected and delivered to the Rochester, NH landfill, a cogeneration facility. Recycling brought to the facility is sold or held in storage for a fee if the market need is low. Trash and waste are hauled to the Wheelabrator Technology plant in Concord, NH, where it is incinerated in a waste-to-energy process, producing electricity and steam, which is in turn sold to utilities servicing our area. Metal alloy and ash, by products of the incineration process, are sold for recycling.

Currently, 5 of our corporate stores are undergoing a pilot program through Compology to better determine potential cost savings in trash and recycling by ensuring that bins are full prior to pick-up and disposal. While further analysis of the pilot program results is necessary, such technology may also offer sustainability insights.

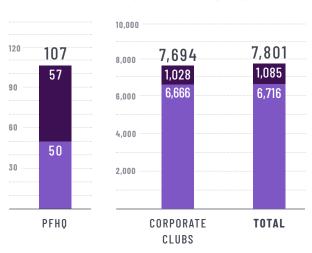
With the help of third-party consultants, we worked to assess and establish waste and recycling baselines for 2019 across our corporate clubs and PFHQ. We will measure and assess this data year over year to identify key trends and opportunities to improve baselines while also reviewing key findings of the assessment with our Waste & Recycling Working Group.



#### 2019 PF TRASH/RECYCLING

■ RECYCLING (TONS)\*

■ TRASH (TONS)\*



\*Contracted disposal quantity

WE NORMALIZED OUR TOTAL WASTE FOOTPRINT AT PFHQ, TOTALING .002 TONS PER SQUARE FOOT. ACROSS OUR CORPORATE CLUBS WE NORMALIZED OUR WASTE FOOTPRINT BY MONTHLY CHECK-INS, TOTALING .004 GALLONS PER MONTHLY CHECK-IN.

### SUSTAINABLY SOURCED MATERIALS

Assessing and sourcing sustainable materials is an important focus area of our sustainability strategy. We use and promote the use of vendors and suppliers offering eco-friendly features and prioritize the use of recycled materials where possible, such as recycled paper towels and rubber flooring made from recycled materials.

Our Planet Fitness procurement team tracks the percentage of purchases with environmental features, meaning products that include recycled, partially or fully post-consumer waste or are labeled or certified (by FSC, SFI, EcoLogo, Cradle to Cradle or EPA design for Environment). From Jan. 1, 2019 – Aug. 13, 2019, 37% of all materials for our headquarters and corporate clubs had an environmental feature, meanwhile 65% of paper products had an environmental feature.

Sourcing sustainable products also extends to materials found in both our franchisee- and corporate-owned stores, including rubber flooring which contains 62% post-consumer recycled content.

From Jan. 1, 2019 - Aug. 13, 2019, 37% of all materials had an environmental feature.



Meanwhile, 65% of paper products had an environmental feature.

# SUSTAINABILITY AT PLANET FITNESS HEADQUARTERS

Sustainability is a focus of both our employees and leadership at our headquarters in Hampton, New Hampshire.

Food waste at Planet Fitness
Headquarters is either composted
or transported to a local farm to
feed animals. Meanwhile, recycling
efforts at our headquarters include
collecting comingled recyclables
such as paper, cardboard, plastic,
cans and bottles from copy rooms,
kitchen areas and desks.



### CONCLUSION

Since we opened our doors in 1992, Planet Fitness has made it our mission to create a non-intimidating, low-cost model that would not only revolutionize the gym industry, but create a community that would get more people moving and make high-quality fitness accessible for all. As our company has grown, so has our commitment to serve not only members, but all our people, communities and our shared planet.

Thank you to our franchisees, team members, and members for supporting us to get where we are today in our CSR journey. With PF Purpose, we aim to leverage our scale and our judgement free approach to fitness to enhance people's lives and create a healthier world. For more information, please visit our <u>PF Purpose webpage</u>.

