Planet Fitness

EMPLOYEE STOCK PURCHASE PROGRAM

PROGRAM OVERVIEW

EMPLOYEE STOCK PURCHASE PROGRAM

An Employee Stock Purchase Plan (ESPP) is a company-sponsored program that allows employees to purchase Planet Fitness stock (PLNT) at a discounted price through payroll deduction. It is a way for you own a piece of the company!

The stock you purchase is the same stock traded on the stock market; you just get to purchase it at a discount.

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ESPP Details

- We offer two option periods during the year:
  - January – June
  - July – December
- You may elect to withhold between 1% and 10% of your total compensation each pay period.
  - Withholdings are done on an after-tax basis.
- Funds deducted from your paycheck are held in an account until the end of the option period.
- PLNT shares are purchased at 85% of the closing share price on the beginning or ending date of the option period, whichever is lower, and issued to your Shareworks account.
  - Only whole shares can be purchased.
- Once shares are purchased, they are fully vested shares of the Company with no restrictions outside the Company's Insider Trading Policy, blackout periods (if applicable) and applicable securities laws.
- We partner with Shareworks to administer our ESPP *(they also go by Morgan Stanley and/or Solium).*

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Who is eligible?

- All employees who regularly work at least 20 hours per week and have at least 90 days of service are eligible to participate.

How does it work?

- Prior to the start of each option period, eligible employees will receive an email from Planet Fitness Club Support Center with instructions and deadlines on how and when to enroll or make changes for the upcoming option period.
- If you do not currently have an account with Shareworks, you will also receive an account activation email directly from Shareworks on how to set up an account.
- If you are currently enrolled, you will automatically be enrolled at the same percentage contribution for the new option period if you do not log in and make changes.
- Elections and changes must be made on the Shareworks website directly prior to the deadline noted in the email.

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Enrollment Rules

- Once you have opted in and the open enrollment window is closed, your contribution percentage cannot be changed.
- You may elect to cancel participation, in entirety, up to 10 business days prior to the end of the option period upon which accumulated funds will be returned through payroll.
- Your enrollment will automatically renew for each new option period unless you choose to opt out before the next period begins.
- Funds remaining that were insufficient to purchase one whole share at the end of the period will be rolled into the next period, unless you opt out, in which case funds will be returned.

Taxable Gains

- Once shares are purchased, the gains on that purchase will be processed through the next payroll for tax purposes.
    - You will receive an email noting the pay date the gains will be processed.
- Additional taxes may apply depending on when you sell your shares.
    - We do not provide tax or investment advice on the sale of your shares – please seek advice prior to investing.

TAXATION ON GAIN: AN EXAMPLE

Assume a base salary of $50,000 with an election of 10% for the option period of July 1 – December 31.

- A 10% deduction from your total compensation is taken each pay period through December 31. The amount is calculated before taxes but deducted on an after-tax basis and held by the Company to purchase shares on January 1.
- In this example, by December 31, $2,500 has been with held.

Assume the PLNT stock closing price on July 1 is $40.00 and on December 31 is $45.00. The Plan allows you to purchase shares at a 15% discount of the closing price on either the first or last day of the option period, whichever is lower.

- In this case, the lowest closing price in $40.00 and you may purchase the stock at 85%, equal to $34.00.
- Assuming the stock price is $45.00 on the date of purchase, at a purchase price of $34.00, the $2,500 account balance will buy 73 shares, which would be worth $3,285 on the day of purchase.
  - Note: any sale of shares is subject to insider trading rules, Company blackout restrictions (if applicable) and applicable securities laws.

TAXABLE GAIN: A taxable gain will be calculated at the ending price less purchase price multiplied by number of shares ($45-$34 multiplied by the 73 shares) – which yields a gain of $803.00 which will be taxed.

- At a sample 25% tax rate, $200.75 would be withheld from this employee's first paycheck in January.

This is an example. Please seek out professional tax and investment advice.

STOCK OWNERSHIP AND SALES

Once the employee has purchased the shares, there are no restrictions outside insider trading rules, blackout periods (if applicable) and applicable securities laws.

Certain employees are subject to blackouts and cannot sell their shares during blackout periods.

- These employees have signed a form acknowledging this and should know who they are.
- If you are subject to blackouts, you must obtain pre-clearance from legal prior to trading by completing the Pre-Clearance Request form.

All employees are prohibited from selling their ESPP shares if they are in possession of material non-public information.

- If you're unsure about whether you have material non-public information, please contact the legal department.

Employees who have determined they are eligible to trade, and have obtained trading clearance if applicable, can do so electronically within *Shareworks*.

Shareworks will provide 1099 tax forms after an employee sells shares through *Shareworks.*

Employees can transfer shares out to their own brokerage if they desire.