

GARMIN.

2020 CORPORATE
SUSTAINABILITY
REPORT



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Dedication to our mission to be an enduring company means that sustainability themes are woven throughout all aspects of our business practices.

Garmin embraces five key strategies that build upon our successes while pointing us toward the future. These strategies include our people, products, operations, and plans for growth and sustainability. Each of these strategies drive to the heart of the best practices of sustainability and corporate responsibility. In this report, we'll spotlight our efforts from the past year in each area of strategic focus and identify how we will build on these strategies.

GARMIN MISSION

**TO BE AN ENDURING
COMPANY BY CREATING
SUPERIOR PRODUCTS FOR
AUTOMOTIVE, AVIATION,
MARINE, OUTDOOR AND
SPORTS THAT ARE AN
ESSENTIAL PART OF OUR
CUSTOMERS' LIVES.**

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2020:

\$4.19 BILLION CONSOLIDATED REVENUE**\$2.48 BILLION**

Consolidated gross profit

\$1.05 BILLION

Consolidated operating income

\$5.17 GAAP EPS**\$5.14 PRO FORMA EPS**For reconciliation of non-GAAP financial measures, please refer to our [2020 Earnings Form 8-K](#)**\$2.98 BILLION**

Balance of cash, cash equivalents and marketable securities at the end of fiscal year

\$450.6 MILLION

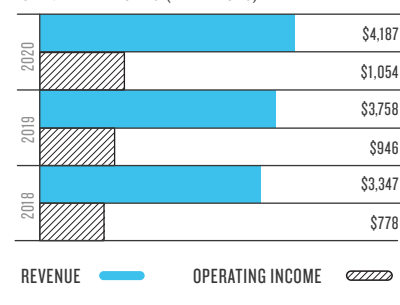
Cash dividends paid in 2020

For further detail on our fiscal year 2020 financial results, please visit our [Investor Relations website](#). Our quarterly and annual earnings reports and annual reports can be found on our [Investor Relations - Earnings website](#).

\$0.00

Debt at the end of fiscal year 2020

OVERALL FINANCIALS (IN MILLIONS)

**2020 FINANCIAL HIGHLIGHTS**

It was a year unlike any other in our history. The COVID-19 pandemic and the uncertainty it brought affected both supply chains and consumer behavior throughout 2020. The initial impact was significant and threatened to derail the growth we had experienced over the past few years. During the most challenging early days of the pandemic, the strength of our balance sheet gave us confidence that we could weather a more significant downturn. This allowed us to make decisions that were in the best long-term interest for employees, customers, partners and shareholders.

The pandemic also created many new opportunities, as interest in health and wellness, fitness, outdoor recreation and active lifestyles surged. We were well positioned to seize these opportunities with a strong product lineup, and our vertically integrated business model gave us flexibility to meet rapidly changing demands. During this crisis, we maintained our focus on R&D, which allowed us to introduce many innovative new products throughout the year. Remarkably, what was a very challenging year also became the best year in our history as we achieved record revenue and operating profit. This strong financial performance gives us the confidence to propose an increase to our annual dividend of approximately 10%, to \$2.68 per share.

“PITCHING A TRIP TO ARKANSAS FOR MOUNTAIN BIKING AT 4 P.M. ON A FRIDAY, THEN LOADING UP AND HITTING THE ROAD BY 7 P.M. ... PRICELESS.”

WALTER SUMMERS:

WHEELS UP FOR WELL-BEING

When travel and leisure activities went on lockdown at a time we needed them most, Walter Summers, marketing project manager, looked for an opportunity. How could he combine his love for bikes, trail time with his buddies and making memories with his young family? Solution: a converted van with enough room for bikes, beds, and enough food and supplies to last the weekend. During his van life/bike life adventures, Walter shared social media content as an ambassador for the Garmin cycling channel.



COVID RESPONSE

As we reflect on 2020 — an unprecedented year by any standard — we saw many opportunities to help people cope with the challenges of the pandemic. As the world grappled with COVID-19, individuals were forced to change their normal routines and behaviors, including the way they interacted with others, and businesses had to alter the way they operated. We remained adaptable, resilient and focused on achieving the goals we established for the company. A few highlights included delivering record sales and profits, achieving Federal Aviation Administration (FAA) certification of the revolutionary Autoland system and opening two new facilities to further expand our manufacturing capabilities.

The COVID-19 pandemic and the restrictions implemented to control its spread created significant shifts in the way we conducted business. Our highest priority in responding to COVID-19 was to ensure the health

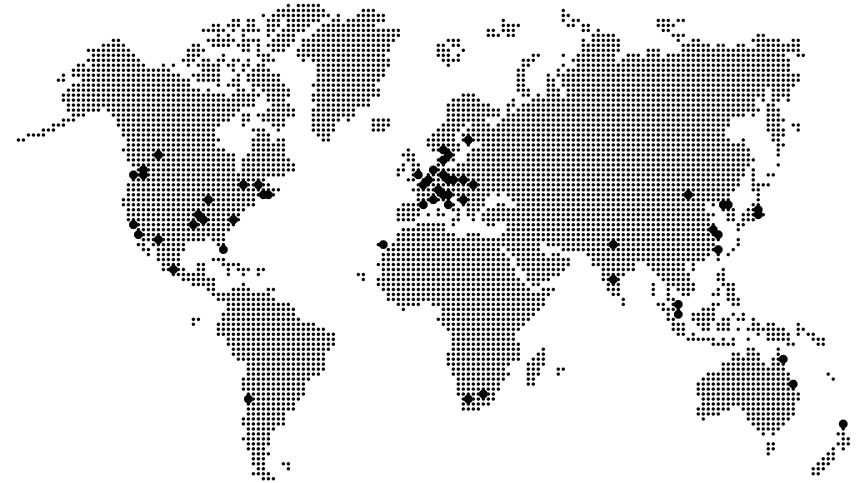
and safety of our employees. Many had to quickly establish workspaces at home while simultaneously balancing family life upended by the pandemic. We increased flexible work arrangements for employees, which extended beyond governmental stay-at-home orders and offered new leave benefits in some countries to those impacted by COVID-19. Employees who were unable to perform their jobs at home continued working in our factories, warehouses and offices while adapting to new safety protocols. To ensure their health and safety, we implemented measures such as social distancing, provided employees with face masks, increased cleaning and sanitation of our facilities, and installed additional equipment to aid in sanitation throughout facilities. To support our commitment to well-being, employees were also provided with increased resources for mental health support and counseling. Our employees faced these challenging circumstances with courage, determination and teamwork, which is reflected in our

outstanding results for the year. Our operations were well positioned to overcome the challenges we faced in 2020. We stayed focused on our five key strategies and had the support of preexisting fundamentals such as direct online sales through our web shops, direct fulfillment arrangements with certain retailers, a strong cash, cash equivalents and marketable securities position, market and product diversity, a vertically integrated business model and ample inventory on hand. These factors helped mitigate the initial impacts of COVID-19. We were able to quickly implement additional measures to address the prolonged impacts of COVID-19 and to meet the strong worldwide demand for our products. We believe that focusing on our key strategies has positioned us to endure future challenges and will continue to be a differentiator for our long-term success.

Our strategic focus on people is the key to every success. We hire the best talent and provide our employees with competitive compensation, generous benefits, career growth opportunities, and a fun and engaging work environment that encourages long-term contributions. We employ over 16,000 individuals in more than 30 countries, each of whom contributes to our success.

WORKFORCE STRATEGY

We value all employees and aspire to bring out their best. Our recruiting strategy is focused on hiring the top candidates who embrace our mission, embody our values, and have diverse experiences, skill sets and talents. We invest significant resources in our talent development programs to provide employees with the training and education they need to achieve their career goals, build relevant skills and bring value to their teams. We've created a work environment that encourages employees to pursue their passions. We believe providing employees with fulfilling career opportunities with great benefits will empower them to have a greater impact on society and a deeper connection with their communities. We've found our workforce strategy to be successful at retaining talented employees and creating business stability.



AMERICAS		EUROPE, MIDDLE EAST AND AFRICA		ASIA-PACIFIC	
6,000	31	2,200	29	7,800	22
Associates	Locations	Associates	Locations	Associates	Locations

HEALTH, SAFETY AND HUMAN RIGHTS

Ensuring the health and safety of employees is a top priority for Garmin. We've established protocols and procedures to promote a safe work environment for all employees and visitors of our facilities. We continually evaluate and improve our working environment by identifying potential hazards and mitigating or removing them as necessary. Our manufacturing sites in Asia have achieved ISO 45001 certification, an internationally recognized certification for management systems of occupational health and safety. Employees receive annual health and safety training to ensure knowledge,

responsibility and accountability for safety measures necessary for their specific job functions.

Through our [Supplier Code of Conduct](#), we set expectations of our suppliers to conduct business ethically and responsibly and enforce the same high standards we hold ourselves to, including topics such as health and safety and human rights. The extension of these beliefs throughout our supply chain supports our position on human rights and that all individuals shall experience safe, fair and nondiscriminatory working conditions. To view our global policies and standards, refer to our [Reports and Policies website](#).

“IT WAS A DEVASTATING SEASON. THREE-THOUSAND HOMES, 17 MILLION HECTARES AND OVER A BILLION ANIMALS WERE LOST. I DUG HOLES, CLEARED GROUND, PULLED HOSE AND STARED INTO 65-FOOT FLAMES.”



KRISTINA SAVIC:

FIGHTING BUSHFIRES

Australia faced some of the most devastating bushfires in history beginning in late 2019 and continuing into early 2020. Garmin associate Kristina Savic, product support consultant, has been a volunteer firefighter with the New South Wales Rural Fire Service for six years. Kristina volunteered her time to help fight bush fires and assist those affected by the fires. The work was physically and emotionally draining, but Kristina was happy to lend a hand to help her community.

SERVING OUR COMMUNITIES

Garmin and our employees are actively involved in supporting our communities. Collectively, we work to address some of the greatest challenges in our communities and throughout the world. Here are a few highlights of how we impacted local communities in 2020:

Our team in South Africa helps manage and fund a mobile health vehicle that serves schools and learning centers in underprivileged areas. They use a decommissioned delivery vehicle that was retrofitted with customized medical equipment to perform eye exams and basic dental services. Though the COVID-19 pandemic caused a disruption to scheduled services, our team continued to search for ways to assist those in need. Supplies that were originally purchased for use during service visits were packaged and donated to the Nelson Mandela Children’s Hospital, Herfsakker Retirement Home and CHOC Foundation.

In Spain Garmin partnered with Casco Antiguo, a specialty dive shop with several locations throughout Europe and America, to create a dive event focusing on the cleanup of underwater debris in the Mediterranean Sea at Sierra Gelada Natural Park. This effort, with the help of volunteers from other local businesses, resulted in 1,500 kg of trash removed from the seafloor. Collaborating with Casco Antiguo on this event was an opportunity to improve the spaces in which our products are used while showing

our respect for the community and environment.

Our team members in Taiwan are often involved with humanitarian efforts that assist impoverished communities. In 2020, a group of Garmin employees volunteered at the Genesis Social Welfare Foundation’s year-end banquet. The banquet celebrates the end of the lunar year and serves hot meals to disadvantaged groups in Taiwan. A separate effort was organized by a group of Garmin employees to collect clothes, shoes and backpacks. The items were donated to impoverished areas in East Africa through the organization Step30.

An annual United Way campaign is the highlight of our U.S. philanthropic efforts. In a year in which many in our communities were in need of assistance, Garmin and our employees raised over \$1.6 million for the United Way. Employees in various offices in the U.S. could designate their donations to support their local community and charities of choice. Creative solutions and virtual fundraising efforts led to 2020 being our largest United Way campaign to date. Our contributions and involvement in philanthropic engagement were recognized by being a recipient of United Way of Greater Kansas City’s Pinnacle Award.

“WE REGULARLY COMMUNICATE WITH OUR EXECUTIVE SPONSORS ON WAYS TO MAKE GARMIN A MORE INCLUSIVE PLACE TO WORK.”



JULES BRACKINS:

WORKING FOR INCLUSION

As an aviation software engineer working on the user interface team, Jules knows a thing or two about designing systems and environments that meet everybody’s needs. That same drive for inclusion carries into her involvement with two Garmin employee resource groups. She serves as secretary for the newest ERG, Black EnterPR.I.S.E., and also is active in fundraising, speaking on corporate panels and more for the LGBTQ+ Allies group.

WORKPLACE EQUALITY

Equality, inclusion and teamwork have been hallmarks of our business since the beginning. With more than 16,000 employees in over 30 different countries, fostering an inclusive and collaborative workforce has been a key to our success. We continue to integrate diversity and inclusion into our normal daily operations. Employees frequently collaborate with fellow employees in other offices around the world, so understanding and respecting different cultures is essential to successful teamwork. Additionally, with sales in over 100 countries worldwide, we create products that appeal to a variety of different markets, interests and local preferences. We have seven Employee Resource Groups (ERGs) that provide employees a forum to connect and provide mentorship. More information on Employee Resource Groups at Garmin and other diversity and inclusion efforts can be found on our [Careers - Diversity and Inclusion website](#).

EMPLOYEE RESOURCE GROUPS

BLACK ENTERPR.I.S.E.

DIVERSITY AND INCLUSION

EMERGING PROFESSIONALS

GPSVETS

JUNTOS

LGBTQ+ ALLIES

WOMEN’S BUSINESS FORUM

EMPLOYEE WELLNESS

Garmin realizes that our people are a valuable resource, so we take employees’ health and well-being seriously. Each Garmin office offers various wellness initiatives that support the physical and mental health of employees. In the United States, employees can participate in a well-being rewards program, emotional and mental health programs, and nutritional guidance. The well-being rewards program offers participants incentives for achieving different monthly and quarterly activity challenges. In Europe the Garmin health program encourages employees to participate in a wellness step challenge. Employees throughout our European offices organized into teams and participated in the challenge. The challenge included individual rewards, with a grand prize of 5,000€ donated to a charity of the winning team’s choice. In Asia, we arrange for on-site doctor and physical therapist visits at our manufacturing facilities. We also offer employees a variety of workshops and seminars to support their mental and physical health.

**“I’M PASSIONATE
ABOUT BEING ON
THE INSIDE OF
THIS INNOVATION.
I KNOW THE IMPACT
OF THE WATCH ON
MY WRIST.”**

Amy Regan
Engineering Business Development Program Manager

Ran in the 2020 Trials, Atlanta



GARMIN VALUES

THE FOUNDATION OF OUR CULTURE IS HONESTY, INTEGRITY AND RESPECT FOR ASSOCIATES, CUSTOMERS AND BUSINESS PARTNERS. EACH ASSOCIATE IS FULLY COMMITTED TO SERVING CUSTOMERS AND FELLOW ASSOCIATES THROUGH OUTSTANDING PERFORMANCE AND ACCOMPLISHING WHAT WE SAY WE WILL DO.

“I HAD MY ICE AXE IN MY HAND AND TRIED TO SELF-ARREST BUT COULDN’T SLOW MYSELF DOWN. I JUST KEPT SLIDING.”



INREACH RESCUE:

CANADIAN MOUNTAINEER SUSTAINS LIFE-THREATENING INJURIES IN FALL

On Aug. 5, 2020, Vi Pickering joined three other seasoned scramblers for a climb up Mt. Rae in Kananaskis, Alberta. The foursome chose a challenging route to the peak, successfully navigating a ridge with sheer drop-offs and loose scree. On their descent, once past the final slope, they joined an easy trail. Vi briefly thought of removing her helmet. Soon they encountered a mix of ice and snow. In one fateful step, Vi hit an icy patch and went down. She slid 60-80 meters, losing her ice axe and finally coming to a halt on a 45-degree slope. She was badly cut and beaten up but still able to access her Garmin inReach® to activate the SOS¹.

Approximately one hour later, a helicopter rescue team arrived. Once stabilized and strapped to a board secured to a longline, Vi was whisked off the mountain to a waiting ambulance and trauma team. Her injuries were a broken neck at C2, a crack at L2, cuts and a broken finger. Vi is grateful for the quick action of the emergency response team. “I really don’t think I would have remained conscious for much longer. Overall, I feel very fortunate to be alive.”

We are strategically focused on offering superior products with essential utility, leading-edge technologies, compelling features and exceptional ease-of-use to create clear differentiators our customers appreciate and desire. Last year we sold more than 15 million products, for a total of over 235 million products sold since Garmin was founded. Going forward, we will continue to innovate and develop new, compelling products in our endless pursuit of being an essential part of our customers’ lives.

235 MILLION PRODUCTS SOLD GLOBALLY SINCE INCEPTION

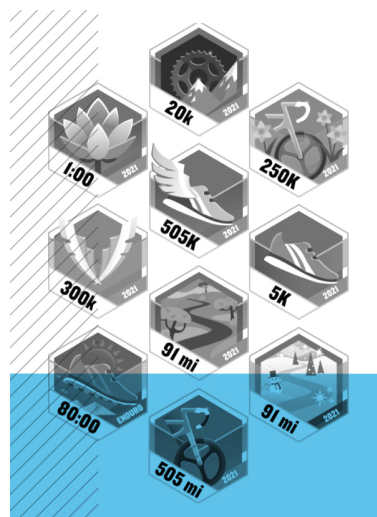
RENEWED EMPHASIS ON HEALTH AND WELLNESS

Well before the world was turned upside down due to COVID-19, our wearables offered customers a way to track health and wellness metrics from their wrist. Many of those devices include a wrist-based heart rate monitor and pulse oximeter, allowing the device wearer to see their heart rate and oxygen levels. Our products are not designed or intended to diagnose, monitor or treat medical conditions², but as the pandemic unfolded in 2020, we saw the opportunity to partner with medical professionals, scientists and hospitals to allow them to research any correlation between metrics tracked by our wearables and diseases. These medical studies have indicated that monitoring heart rate and pulse oxygen



levels may help with early detection of respiratory illnesses, including COVID-19. [Read more](#) about our work with the Stanford Healthcare Innovation Lab.

Beyond metrics to track their health and wellness, our wearables are packed with features that help our customers achieve their personal fitness goals. Features like Body Battery™, stress level tracking, respiration rate, advanced sleep monitoring and VO2 max provide customers a range of data they can use in tracking health and fitness levels². Our team continually thinks of unique ways to encourage our customers to stay active such as new badge challenges on our Garmin Connect™ app. These virtual badges provide our customers with additional motivation to achieve monthly step, running or cycling goals, while also creating a sense of virtual social interaction.



We continually evaluate what health and wellness information our customers will find useful and ways we can integrate it into our products. In 2019 we launched women's health tracking features, including menstrual cycle tracking. In 2020, we added pregnancy tracking to the women's health features in Garmin Connect. Expecting mothers can now manually log and track information such as pregnancy timeline, baby movement and physical symptoms throughout the pregnancy term. This feature puts useful information at an expecting mother's fingertips, right alongside her other health and wellness information in Garmin Connect.

In 2020 we also announced our partnership with Alzheimer's Research UK to raise awareness for reducing dementia risk through consistent cardiovascular exercise. Alzheimer's Research UK is a leading dementia research charity dedicated to the diagnosis, prevention, treatment and cure of the disease. Exercise and physical activity have been associated with many health benefits, and we are excited to support Alzheimer's Research UK by encouraging and empowering the public to stay active, reducing their risk of developing dementia. Our involvement will include supporting sports-based fundraising efforts and leveraging our wearables and products to motivate individuals to stay active and track their physical activity.

PRODUCTS DESIGNED TO GO REMOTE

In a year where social distancing measures were enforced throughout the world, our products were used more than ever. For those practicing social distancing on the water, our marine products make nautical navigation more accessible and fishing more enjoyable. For those staying active through the pandemic, our fitness products allow customers to record activities, track progress toward personal fitness goals, and monitor health and wellness metrics. For those exploring the great outdoors during the pandemic, the navigational and safety features available on our outdoor products provide customers and their loved ones with additional peace of mind.

With the increased interest in at-home fitness equipment, we were well positioned to support the trend with our Tacx® indoor cycling trainers. Beyond providing our customers a tool to exercise indoors from the comfort of their home, we found ways to encourage and excite customers to ride inside. Our Never Stop Cycling campaign organized a series of virtual rides with professional athletes through the cycling platform Zwift. To further promote and provide excitement toward indoor cycling, we sponsored the first-ever e-sports indoor cycling championship in collaboration with Zwift. With many of the 2020 professional cycling events and tours canceled, this virtual event featured many of the world's most elite cyclists. Our Tacx NEO 2T Smart trainers were the official trainers used by all participants for the event.

“THE DEVELOPMENT OF TRANSPARENT SOLAR PANELS CHANGED EVERYTHING. WE KNEW WE COULD IMPLEMENT THAT TECHNOLOGY TO MAKE BEAUTIFUL WATCHES THAT WERE INDUSTRY-LEADING IN POWER EFFICIENCY.”

Jon Hosler
Senior Product Manager

INNOVATION

Innovation is the cornerstone of all that we do. We know we can achieve our mission by creating innovative products that allow our customers to have a more fulfilling experience while engaging in their favorite activities. Many of our employees are also passionate participants in these same activities, allowing them to intimately understand the needs of our customers. This passion leads to innovative new products and game-changing technologies. Two great examples of innovation from within are the product releases of fēnix® 6X Pro Solar and Autoland.

The fēnix 6X Pro Solar was our first wearable to incorporate solar charging capabilities. The successful implementation of this innovative technology led us to expand our solar charging wearables collection to additional models of the fēnix 6 series, the Instinct® Solar series and the tactix® Delta. Our wearables, which were already known for their battery longevity, now have the

benefit of prolonging battery life by harvesting energy from the sun. Instinct Solar provides unlimited battery life under certain modes with adequate solar exposure.

Our Autoland system, a solution within our Autonomi™ family of aviation safety solutions, allows a general aviation aircraft to safely land itself in the case of pilot inability or incapacitation. In 2020, the Autoland system received FAA certification on general aviation aircrafts Piper M600 and Daher TBM 940 and jet aircraft Cirrus Vision Jet. Autoland was named one of 2020's greatest innovations by Popular Science and won a Top Flight Award from Aviation International News. Autoland can be enabled by a pilot or passenger by pressing a guarded button or automatically if the system detects a lack of response from the pilot. Once Autoland is activated, the system takes over the aircraft and guides it toward the nearest airport for an automated landing. For pilots and their passengers, Autoland can prove to be a life-saving technology³.

ADVANCING ENVIRONMENTAL SUSTAINABILITY

The use of the Global Positioning System (GPS) and GPS technology contributes to environmental sustainability. Precise and efficient routing with our navigation products can reduce travel time, leading to savings on fuel consumption and exhaust emissions. These benefits have been realized in the automotive, aviation and marine industries with the use of Garmin products. Additionally, our avionics products incorporating GPS and Automatic Dependent Surveillance-Broadcast (ADS-B) technology are integral to the FAA's Next Generation Air Transportation System goals of improving flight efficiency and reducing fuel use and aircraft exhaust emissions.



**“MY FIRST TIME
FLYING AUTOLAND
WAS EXCITING
BECAUSE I GOT
TO SEE SOMETHING
WE’D ALL BEEN
WORKING ON FOR
SO MANY YEARS
COME TO FRUITION.”**



BAILEY SCHEEL:

INNOVATING IN AVIATION

Bailey Scheel, senior aviation systems engineer, was exposed to the world of aviation by her grandfather and uncle, both of whom were commercial airline pilots. Bailey was soon hooked on the freedom of flight and earned her private pilot’s license at age 17, before she had her driver’s license. She knew the life of an airline pilot wasn’t for her, so she studied mechanical engineering with an emphasis in aerospace engineering and interned for Garmin. Working at Garmin, she’s been able to surround herself with aviation and bring to life projects that excite her, like Autoland.

GAME-CHANGING TECHNOLOGY

Many of our products incorporate features to enhance a user’s peace of mind. For cyclists we have tail lights with an integrated radar that detects approaching cars and displays it right on their Garmin bike computer. For runners we have wearables that provide incident detection and assistance features⁴. For divers we have watch-style computers and oxygen tank transmitters. During 2020, Garmin International Emergency Response Coordination Center (IERCC) and our Autonomí aviation solutions marked notable highlights that exemplify our assistance and safety-enhancing technologies, respectively.

Our inReach satellite communicators¹ are popular with adventurers

and explorers. inReach handhelds are small, portable devices that provide GPS navigation combined with communication, even in areas where cell phone service is unavailable. What sets inReach apart is the dedicated emergency SOS button that triggers two-way communication with the Garmin IERCC. This technology has aided many rescue missions, and in 2020, a milestone 5,000th rescue was triggered using an inReach device. Read the story on the [Garmin Blog](#).

Autonomí is a family of Garmin aviation solutions that adds automated, safety-enhancing tools for pilots and passengers. In addition to Autoland, the Autonomí family also includes the Smart Rudder Bias safety solution. Smart Rudder Bias was introduced in 2020

for select twin-engine piston aircrafts. With this safety solution appropriately equipped, Smart Rudder Bias can provide pilots with additional assistance in maintaining control of the aircraft in the event of an engine failure. When the system is activated, the affected engine can be quickly identified, and the system can provide control inputs to help give the pilot time to stabilize the aircraft, potentially helping the pilot to prevent a fatal crash. Smart Rudder Bias, along with the rest of the Garmin Autonomí family, reflects our dedication to provide active, safety-enhancing technologies.

“OUR NEW FACILITY IN POLAND IS BREEAM-CERTIFIED AND HAS STATE-OF-THE-ART MANUFACTURING AND DISTRIBUTION SPACE DEDICATED TO PRODUCTION OF INFOTAINMENT SYSTEMS AND OTHER AUTOMOTIVE ELECTRONICS.”

Kristi Puder
Director of Auto OEM
Manufacturing

Since our inception, we have embraced a vertically integrated business model with strategic design, manufacturing, distribution, sales and support centers around the world. While many companies focus on outsourcing and downsizing their operations, we are focused on insourcing and creating jobs. We hire talented individuals who contribute to the Garmin culture and help us maximize our value to customers and shareholders. Investments in our own operations and manufacturing facilities and processes have enabled us to reduce risk, focus on opportuni-

ties and remain flexible in changing environments. By controlling the entire product process from design and manufacture through distribution, sales, marketing and support, we have limited our dependency on third parties throughout the process. We have a clear understanding of manufacturing lead times and are in a better position to manage inventory costs. This was particularly valuable for Garmin during the COVID-19 pandemic as many others struggled to operate as efficiently due to product manufacturing being out of their direct control.

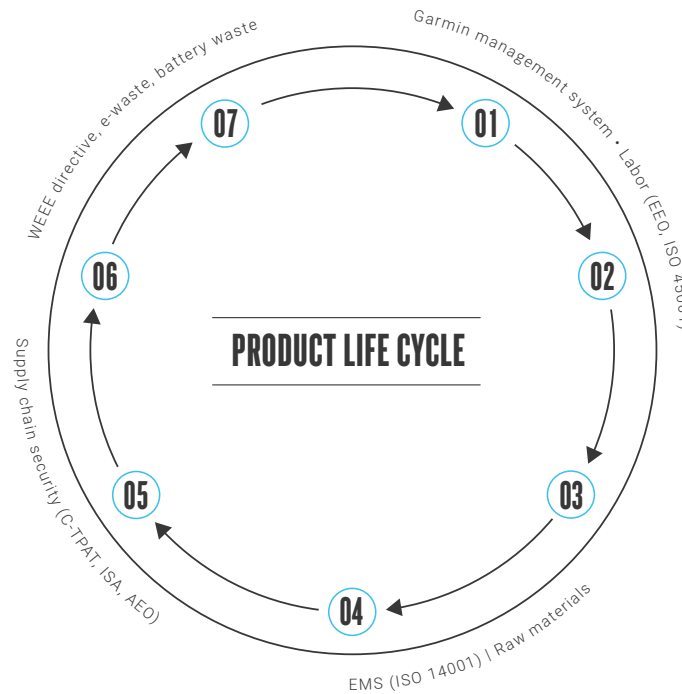
Our vertical integration model also allows us to provide opportunities across a wide range of departments including engineering, operations, manufacturing, information technology, finance, sales, marketing and human resources. As of Dec. 26, 2020, we employed approximately 4,900 individuals worldwide in engineering, research and development positions and approximately 6,100 individuals worldwide in manufacturing and manufacturing process engineering positions.

ENVIRONMENTALLY RESPONSIBLE FACILITIES

As an electronics manufacturer with global operations, we are cognizant of our environmental and social impacts through operations.

Our manufacturing and distribution facility in Olathe, Kansas, features lots of natural light and a lighting control management system with LED lights. The building also has higher efficiency HVAC equipment and low-flow water systems.

Our new manufacturing site in Wroclaw, Poland, expands our production capabilities for automotive OEM products. The building was certified to the international building environmental performance standard BREEAM (Building Research Establishment Environmental Assessment Method). This achievement highlights the building’s efficiency and sustainability-focused design and performance. Additionally, we selected Wroclaw, Poland, for our new site due to its location and efficient distribution access across Europe.



- | | | |
|---------------------------------------|-------------------------------------|--|
| 01 RESEARCH AND DEVELOPMENT | 04 MARKETING AND ADVERTISING | 06 PRODUCT SUPPORT AND REPAIR |
| 02 DESIGN AND ENGINEERING | 05 SALES AND DISTRIBUTION | 07 PRODUCT RECYCLING AND DISPOSAL |
| 03 MANUFACTURING AND PACKAGING | | |

The new Poland manufacturing facility now joins several other Garmin facilities that have achieved energy and environmental certification or have implemented energy-reduction measures to reduce environmental impacts.

OTHER NOTABLE GARMIN FACILITIES

LEED GOLD-CERTIFIED BUILDING USING RENEWABLE SOLAR ENERGY IN CHANDLER, ARIZONA

LEED GOLD-CERTIFIED BUILDING HOUSING OUR BREA, CALIFORNIA, OFFICE

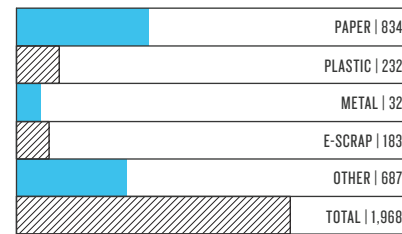
100% RENEWABLE WIND ENERGY SUPPORTS OUR SALEM, OREGON, OFFICE

RENEWABLE SOLAR ENERGY SUPPORTS OUR YANGZHOU, CHINA, MANUFACTURING FACILITY

RECYCLING

Recycling has been a corporate initiative for many years. We've seen the positive effects of encouraging our employees to reuse and recycle whenever possible. This effort has led to minimized waste and increased recycling at our offices. During 2020 we collected and recycled over 1,950 metric tons of materials, including paper, cardboard, plastic and electronic waste at our facilities.

RECYCLING BY MATERIAL (TONS)



At our Olathe, Kansas, campus, our commitment is to be landfill-free. Beyond reducing, reusing and recycling, we've also incorporated composting. We've diverted an additional 94 metric tons of waste from landfills since 2018 by means of composting. Any residual waste that is not recycled and composted is sent to a waste-to-energy facility where the waste is processed to generate clean electricity. We've also worked with contractors on extending our waste management and recycling policies and practices to their operations when conducting business on Garmin property.

GARMIN VISION

WE WILL BE THE GLOBAL LEADER IN EVERY MARKET WE SERVE AND OUR PRODUCTS WILL BE SOUGHT AFTER FOR THEIR COMPELLING DESIGN, SUPERIOR QUALITY AND BEST VALUE.

“I’M PROUD TO WORK FOR A COMPANY THAT ADAPTED QUICKLY AND IMPLEMENTED NEW SAFETY MEASURES IN RESPONSE TO THE PANDEMIC.”

Fanny Lin,
SMT Team Assistant

OPERATIONAL AND MANAGEMENT CERTIFICATIONS

We have integrated best practices and achieved internationally recognized certifications for our business processes and operations. These areas of certification include occupational health and safety, environmental management systems and quality management systems. These certifications support our sustainable business measures, reduce risks, and ensure focus on continuous innovation and improvement. For a comprehensive list of certifications achieved and locations for which they are applicable, please refer to our [Certifications site](#).

PRODUCT SUPPORT

Exceptional product support is a strategic differentiator for Garmin, and we are committed to addressing and resolving any issues a customer may have. It is for this commitment that we have invested heavily in our own product support team of over 1,000 Garmin employees around the world who are native speakers of the local language. Our product support staff are users of our products, giving them intimate knowledge of the products they help customers troubleshoot. Our team authors helpful content for customers to access via the web to answer common questions or resolve common issues. Customers needing further help can contact our support team through chat, phone and email on our website or by calling our support team in their

local region. Through any of these methods, customers can be assured they are speaking to a Garmin employee who knows their product and is integrated with our engineering and quality teams to resolve any issue they may experience.

PRODUCT SUPPORT AWARDS 2020

MANUFACTURER OF THE YEAR BY NATIONAL MARINE ELECTRONICS ASSOCIATION (NMEA)

6th consecutive year

NO. 1 FLIGHT DECK AVIONICS SUPPORT BY AVIATION INTERNATIONAL NEWS

17th consecutive year

NO. 1 AVIONICS PRODUCT SUPPORT SURVEY BY PRO PILOT

17th consecutive year

“I HAVE BEEN A MOTORSPORTS ENTHUSIAST FROM A YOUNG AGE AND WHILST LIVING IN ENGLAND, I MADE A REGULAR PILGRIMAGE TO LE MANS TO WATCH THE 24-HOUR RACE.”



ADAM SPENCE:

HIS DRIVE GIVES GARMIN THE WINNING EDGE

Adam Spence, senior team lead core engineering, has had a longstanding love of motorsports. Now that love has become part of his career. Adam started driving at the first opportunity and has not looked back since. That passion led to an incredible innovation opportunity at Garmin, where Adam led product development for the Garmin Catalyst driving performance optimizer. Garmin Catalyst gathers performance data and gives real-time audible cues and immediate post-session analysis to help drivers work to improve.

We relentlessly pursue innovation to create new products and markets that lead to growth opportunities. This commitment requires a significant investment in R&D as well as the patience to see emerging ideas blossom into needle-moving opportunities.

COMMITMENT TO INNOVATION

We are able to grow because we focus on the long term and invest heavily in research and product development. This investment in ourselves ensures that we will continue developing creative ideas that lead to innovative products that become essential parts of our customers' lives. In 2020, our research and development expense was 17% of total consolidated net sales.

R&D EXPENSE (IN THOUSANDS)

2020	17% OF NET SALES	\$705,685
2019	16% OF NET SALES	\$605,366
2018	17% OF NET SALES	\$567,805

NEW MARKETS

We seek opportunities to expand into new markets with revolutionary and innovative products. In 2020 we were able to deliver products to several new markets and audiences.

One new market we were able to serve is the motorsports industry with the introduction of the Garmin Catalyst™ driving performance optimizer⁵. We built on our extensive experience with auto navigation to deliver a specialized product for

“WITH THE ACQUISITION OF GEOS, GARMIN IS NOW ABLE TO PROVIDE EVEN MORE PEACE OF MIND TO OUR INREACH USERS.”

Brad Trenkle
Vice President, Outdoor Segment

motorsports drivers. Garmin Catalyst is a real-time coaching tool that sets itself apart from any other product available for motorsports drivers. Its True Optimal Lap™ feature collects data metrics and driving tendencies in real time and identifies opportunities for an optimal lap time that racers can truly achieve. This is unique because the industry standard for theoretical fastest lap has been to split each lap into a number of sectors, take the fastest time from each sector, and then add it up to generate the user’s theoretical fastest lap time, which could be unachievable.

For years we’ve created revolutionary products for mariners and anglers. In 2020 while more consumers were finding ways to spend time enjoying the outdoors, we introduced STRIKER™ Cast, a castable sonar device. When paired with the STRIKER Cast app, STRIKER Cast displays live sonar on compatible mobile devices, allowing the user to see where the fish are under water. The introduction of this product now provides shoreline anglers a device they can use to spot fish. STRIKER Cast is also great for individuals new to fishing, because it can provide a more rewarding experience for their introduction to the sport.

NEW PRODUCTS

Growth comes from our ability to launch new, innovative products on a consistent basis. We introduce approximately 100 new products across our six operating segments annually, which is the realization of

our commitment to R&D. Our focus on growth — along with our strategic focus on operations and vertical integration — worked in sync to allow us to continue delivering over 100 new products to the market during such an unprecedented and challenging year.

STRATEGIC ACQUISITIONS

We focus on strategic acquisitions that bring a complementary product or technology into our portfolio. During calendar year 2020, we were able to welcome the Firstbeat Analytics Oy (“Firstbeat”) and the Garmin International Emergency Response Coordination Center (“IERCC”) businesses to the Garmin family. Firstbeat is a leading provider of physiological analytics for consumer devices, with a strong team of physiologists, scientists and engineers. The acquisition of Firstbeat strengthens our ability to provide physiological analytics and advanced health and performance data across our product lines. We acquired the Garmin IERCC and certain other assets from GEOS Worldwide Limited and its affiliates. The Garmin IERCC provides emergency response coordination to individuals who activate an SOS signal through their Garmin inReach device. The acquisition of the Garmin IERCC reinforces our commitment to helping our active lifestyle customers have peace of mind during their adventures. We are excited to add Firstbeat and the Garmin IERCC to the Garmin family, ensuring continuity and longevity of these services for our customers.



We embrace a broad definition of sustainability to cover our environmental impact as well as the long-term health and vitality of our company. We continually reinvest in people, facilities and equipment to focus on long-term success and stability.

MANUFACTURING AND OPERATIONS

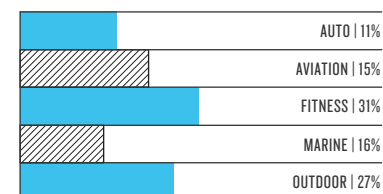
A significant portion of our sustainability story is driven by our vertically integrated operations. Having our own manufacturing facilities allows us to have more control of our output and be in a better position to react to any changes in the marketplace. In 2020 we were able to expand our manufacturing footprint by opening two new manufacturing sites. This brought our company-wide manufacturing space to approximately 2.1 million square feet across eight different locations. Our new Tacx manufacturing site in the Netherlands expands our production capabilities for indoor cycling equipment. Our new manufacturing site in Poland expands our production capabilities for auto OEM products.

8 FACILITIES | **2.1 MILLION** MFG SQUARE FOOTAGE

DIVERSIFIED MARKETS

Diversification of our business has ensured steady and sustained growth for our company. Our revenue comes from five reported segments, which brings a powerful element of diversity to our revenue stream. This allows us to have multiple paths to consolidated company growth, which is particularly important in years where certain segments may experience headwinds. The diversity of our business has also opened opportunities in a variety of niche markets, which allows us to explore new products and technology. We look forward to this continued exploration in the future, while bringing innovative and disruptive technologies to the marketplace.

2020 PERCENT TOTAL SALES BY SEGMENT



INDUSTRY 4.0

We continually seek opportunities for process improvement, which supports our mission to be an enduring company. We critically evaluate our manufacturing processes to identify areas where we can more efficiently and effectively use valuable resources. We've implemented automated processes and leading technology into certain parts of our operations and manufacturing. This has increased precision, reduced the risk of human error, improved efficiency of resource utilization and has allowed for employees to contribute at a greater level. For example, at our North America distribution center, we've invested in an automated warehouse storage and retrieval system. This system has increased efficiency and reduced fulfillment times. It has also provided flexibility for evolving order profiles as a result of direct fulfillment arrangements with certain retailers while helping us keep up with growing demand for Garmin products. Implementing automation also supports our health and safety policies by reducing or eliminating potential hazards.

**WE WILL STAY TRUE TO OUR MISSION,
VISION AND VALUES. MAKE DECISIONS
WITH AN EYE ON LONG-TERM SUCCESS.
REMAIN ENVIRONMENTALLY CONSCIOUS
AND RESPONSIBLE. NEVER TAKE SHORTCUTS
OR SKIMP ON QUALITY. AND OF COURSE,
NEVER STOP INNOVATING.**

GARMIN

INVESTMENTS FOR OUR FUTURE

Our strategy to reinvest in our business provides stable and sustainable growth. One of our core strengths and business strategies is maintaining a strong balance sheet, allowing us to maintain our commitments even in times of economic downturn or crisis. We remain focused on the future and invest in opportunities that result in long-term success. We continue to make decisions that allow us to better serve our customers, while also preparing for growth, which supports our commitment to creating a sustainable, enduring company.

EMPLOYEE CODE OF CONDUCT

Our associate code of conduct is an extension of our Garmin values, which are the foundation of our business. It sets the expectations of our associates for conducting business with our customers, business partners, the public and each other. A copy of the employee code of conduct can be found on [our website](#).

SUPPLIER CODE OF CONDUCT

We hold our suppliers to the same high standards we hold ourselves to. From issues such as ethical sourcing to human rights, we expect our suppliers to conduct themselves in a manner that aligns with our corporate values. A copy of our supplier code of conduct can be found on [our website](#).

CONFLICT MINERALS

Conflict minerals is an issue of not only responsible harvesting of natural resources, but also an issue of human rights. We strive to only source from socially responsible suppliers and require our suppliers to comply with our supplier code of conduct. To view the Garmin conflict minerals report, please view [our website](#).

PRODUCT DESIGN AND MATERIALS

Restrictions of hazardous materials offers our consumers additional product health safety assurances and reduces our environmental impact. We ensure compliance with the European Union's Restriction of Hazardous Substances (RoHS) directive and support the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation. For additional information on our product design and material standards, please visit [our website](#).

PRIVACY AND SECURITY

We incorporate a "privacy and security by design approach," meaning we incorporate appropriate privacy and security measures in the design of our products, services and applications. We are transparent about the types of personal data we process and the ways we use it, in compliance with applicable privacy laws and regulations. We also have a responsibility to be good stewards of that data, and we protect it in accordance with widely recognized cybersecurity frameworks. Our privacy and security teams are updated on current trends and practices through annual trainings and collaborating with industry groups. To learn more about our privacy practices, visit [our website](#).

FORWARD-LOOKING STATEMENTS

This Corporate Sustainability Report contains forward-looking statements that are based on management's current expectations. Such statements can often be identified by the use of forward-looking terminology, such as "may," "believe," "hope," "anticipate," "goal," "forecast," "intended," "estimate," and similar words or phrases. No forward-looking statement can be guaranteed, and actual results may differ materially. Forward-looking statements speak only as of the date on which they are made, and Garmin undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

¹Active satellite subscription required. Some jurisdictions regulate or prohibit the use of satellite communication devices. It is your responsibility to know and follow all applicable laws in the jurisdictions where the satellite communication device is intended to be used.

²This is not a medical device and is not intended for use in the diagnosis or monitoring of any medical condition; see [Garmin.com/ataccuracy](#). Pulse Ox not available in all countries.

³See [Garmin.com/ALuse](#) for Autoland system requirements and limitations

⁴When paired with a compatible smartphone; see [Garmin.com/ble](#). For safety and tracking features requirements and limitations, see [Garmin.com/safety](#).

⁵This device is intended only for recreational use in a circuit environment. Never use this device on public roadways. Failure to follow this warning may result in an accident causing property damage, serious personal injury, or death. You are responsible for using this device in a safe and prudent manner.