

2022 Sustainability Report

by



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about this report

This report is the second sustainability report released by National Guard Products. The last report was published in 2015. Since then, a new manufacturing location opened in Las Vegas, NV and a handful of new products have been introduced. Other than that, there have been no significant changes since the 2015 report. This report was compiled with feedback from stakeholders representing our local community, raw material suppliers, customers, design professionals, and National Guard Product employees. This report boundary is for all NGP owned companies for the calendar year 2021.

This report meets the requirements of LEED V.4 Materials and Resources (MR), Building product disclosure and optimization - sourcing of raw materials by providing:

Option 1: Raw Material Source and Extraction Reporting

National Guard Products is providing this report as a third party verified corporate sustainability report that includes the environmental impacts of extraction operations and activities associated with National Guard Products supply chain. This report was created using the Global Reporting Initiative (GRI) Sustainability Reporting framework.

AND

Option 2: Leadership Extraction Practices

Extended producer responsibility. Products purchased from National Guard Products are eligible to participate in the NGP Extended Producer Responsibility program managed by National Guard Products. Additionally, the percent of raw materials utilized in and contained in NGP products is disclosed.

Our GRI Index is located on page 16.

For questions about this report or for additional LEED information, please contact Roger Skold at <u>rogers@ngp.com</u>

a few words

It has been 86 years since my grandfather founded the Memphis Window Guard Company in 1935 to help homes and businesses protect themselves from unwelcomed outside elements. In 1960, the Memphis Window Guard Company become National Guard Products and in 1997, my father, Chuck Smith, led the expansion into new facilities with new products, people and processes.

6 years ago, I joined the company, making NGP a three-generation business. I'm proud to now lead as we continue to expand our offerings as a full-service door product manufacturer. While few things remain the same after 86 years in business, NGP holds firm in our unwavering commitment to the values that have underpinned our company since my grandfather's founding.

#1 DELIVER RESULTS: At NGP we reward and celebrate results and follow through

#2 BE RELENTLESS IN IMPROVEMENT: At NGP we are not satisfied with the status quo - we regularly reevaluate and find ways to improve.

#3 DELIVER LEGENDARY CUSTOMER EXPERIENCE: At NGP we anticipate and solve problems before they happen; we create loyalty by being proactive.

#4 SPEAK STRAIGHT: We speak honestly and have created a culture where our team feels confident to ask questions, share ideas, and raise any issues.

#5 CELEBRATE SUCCESS: We regularly extend meaningful acknowledgement and appreciation when people do things the right way - the NGP Way.

These values drive our decision-making day in and day out. This is the second publication of our National Guard Products Sustainability Report, and I am proud of our company for its continued effort to understand its impacts and take action to ensure the long-term success of NGP. At the heart of our company is a spirit of conservation, stewardship, and

Sincerely Lewis Smith

responsibility. National Guard Products was built to help people be more comfortable in their homes and businesses all while being more responsible with natural resources required to heat cool, and protect the spaces we inhabit.

We thank you for taking the time to read this report and learn more about our commitment to sustainability.

with Lewis Smith

Speak Straight is one of NGPs core values that promotes speaking up about ethical or unlawful behavior within our organization. As a family run business, organizational integrity is a core belief of our owners.

National Guard Products, Inc is known as a leading manufacturer of weather-stripping, threshold products, lite kits, louvers and glass for commercial wood and steel doors. Founded in 1935 NGP has become an ever advancing industry innovator, manufacturing a complete line of door hardware, door seals, door thresholds, hinges, gasketing, intumescent fire seals, smoke seals, sound seals, flood shields, fire door accessories, door sweeps, door shoes, automatic door bottoms, lite kits, louvers, metal edges, astragals, security solutions, and finger quard products.

National Guard Products is a family owned and operated Tennessee Corporation with locations in Memphis, Tennessee (HQ) and Las Vegas, Nevada and has no subsidiaries or joint ventures. For this report, the reporting period covered is 2021. Unless otherwise noted, all data is for calendar year 2021. Since our last report in 2015 the company was sold to Lewis and Foster Smith; there have been no significant changes in structure; the new Las Vegas facility expanded the company size, providing "light manufacturing" capabilities; and new products have been added to the company's offerings including Continuous Hinges, GapGuard solutions for fire doors, and Sliding Hardware. National Guard Products are sold in USA, Canada, Mexico, MENA (Middle East North Africa) specifically UAE, Saudi Arabia, Qatar, Kuwait, Egypt, Oman, and Philippines, PRC (China), Costa Rica, Nicaragua, and Peru.



National Guard Products in Memphis, Tennessee



stakeholder MATERIALITY

We began our reporting process back in 2015 (currently aiming for biennial reporting cycle) by engaging external stakeholders to learn more about their expectations for NGP's sustainability program and the content of our reports. We continue to actively engage with our stakeholders, including employees, suppliers, customers and members of the community. In an effort to expand our understanding of materiality, for this report we extracted the top 4 material topics for the Industrial Machinery & Goods industry at-large, as defined by the SASB Materiality Finder.

1

Energy Management 2

Employee Health & Safety 3

Product Design & Lifecycle Management

4

Materials Sourcing & Efficiency

There is strong alignment observed when comparing the material topics identified through direct stakeholder engagement and those identified above through SASB's broader materiality process. This serves as positive reinforcement that the ESG initiatives being pursued, such as disclosure around recycled content of our materials and tracking metrics associated with a healthy work environment. Our Stakeholder Engagement process will continue to repeat bi-annually with new stakeholders being selected each period to ensure new perspectives and honest dialogue is being had with stakeholders actively engaged with National Guard Products.

^{*} No external assurance has been undertaken for this report

in the **COMMUNITY**

National Guard Products has been a part of the Memphis community for over 86 years. In 2021 we expanded, opening a new location in Las Vegas, Nevada and are excited to embed ourselves into this community, as we have done in Memphis. As a corporate citizen we are responsible for employing almost 330 employees (with 98 new hires in 2021 alone!), purchasing goods and services from over 100 suppliers, and operating a global business from our Memphis and Las Vegas locations.



42 Suppliers are based in the Memphis MSA

Over 41% of PO spend with local suppliers in 2021

326 Employees in 2021* 61% Men 39% Women

9 of 11 Senior Leaders hired from local communities 100% return to Work Rate after parental leave

> 12 Annual injuries or lost days in 2021+

30+ hours of Training per year per employee NGP Supports
Advance Memphis
both financially and
as a partner. The
mission of Advance
Memphis is to serve
adults in the
Cleaborn/Foote
community of inner
city Memphis by
empowering
residents to acquire
knowledge,
resources, and skills
to be economically
self-sufficient.



^{+ 7} lacerations, 2 lower back strains, 2 finger punctures, 1 finger bruise

GP WORKPLACE

The Top Workplaces are determined based solely on employee feedback. The employee survey is conducted by Workplace Dynamics LLP, a leading research firm on organizational health and employee engagement. Workplace Dynamics conducts regional Top Workplaces programs with 40 major publishing partners across the United States. Over the past years, more than 5,000 organizations, and 1 in every 88 employees in the U.S. have turned to Workplace Dynamics to better understand what's on the minds of their employees. Through its workplace improvement offerings, Workplace Dynamics provides solutions, training and tools to help clients improve their workplace.



National Guard Products is members in multiple industry associations. These associations are considered key stakeholders for NGP as they help direct and advance the industry's sustainability initiatives.





















NGP was named by the Memphis Commercial Appeal as a Top Place to Work in 2014, 2015, 2016, 2018, 2019, and 2021.

managing impact on the

ENVIRONMENT

Environmental Programs

National Guard Products is committed to being a responsible corporate citizen while conducting business with stewardship and conservation in mind. Managing National Guard Products impact on the environment has always been priority and is steadily becoming a management function. All Sustainability Issues are managed at the Owner/Board Level. We have been astonished at the value of establishing a data collection process to manage our impact on the environment. Through tracking our electricity, natural gas, waste, water and recycling we have identified major opportunities for improvement.

Additionally, National Guard Products created "The NGP Environmental Statement" in 2014 to serve as company guidelines for our response to environmental management. This also serves as a holistic description of our values, principles, standards, and norms of behavior as a company.

THE NGP ENVIRONMENTAL STATEMENT

At NGP, we are committed to providing products and services that are environmentally sound throughout the entire production process and the product life cycle.

Our environmental sustainability policy states:

- #1 We meet or exceed legal requirements and act with integrity, honesty, and transparency in everything we do.
- #2 We develop strategies to reduce consumption of resources, prevent pollution by understanding how our decisions and actions affect the continued long-term success of the company.
- #3 We continuously seek ways to improve the environment and to reduce risks that can cause accidents and pollution and expect the same of our suppliers.
- #4 We engage in open communication of sustainability programs with our stakeholders and adapt to the needs of our customers, associates, suppliers and vendors.

NGP does
not formally apply
the precautionary
principle to decision making
across all of our activities.
However, it has influenced our
thinking. For example, in
considering carbon and
material health issues, we
have employed this
principle.

managing impact on the

ENVIRONMENT

In 2014, National Guard Products set ambitious goals for reducing our impact on the environment. To account for our company growth, we now track these goals indexed against production, allowing us to ensure that for each product sold our use of energy, natural has and water is as efficient as possible.

In 2014, National Guard Products consumed 3.9 million gallons of water and in 2021 this was reduced to 2.3 million gallons, despite increased manufacturing capacity.



In 2014, NGP landfilled 0.0089 tons of waste for every \$1,000 of product sold. In 2021, this number increased to 0.019 tons/\$1,000. Recycling initiatives are key for waste reduction and cost savings.

National Guard Products reduced reliance on natural gas by 5% since 2014 (on a ccf/\$ basis).



Through efficiency and energy reduction projects, NGP has reduced electricity consumption by 0.04 kWh per dollar of production.

In 2021, National Guard Products recycled over 1.6 million pounds of mixed metal material for a value of \$351,210.







70% Reduction in Indexed Water Consumption

Key Focus Area for 2022: Reduction in Waste to Landfill

5% Reduction in Indexed Natural Gas Usage

58% Reduction in Indexed Electricity

21% Increase in Indexed Recycling Efforts



Beyond our operational impacts, we also recognize material usage has important impacts on the environment. The majority of our material usage is aluminum and

steel / stainless steel. To lower the environmental impact, we source materials with pre- and post-consumer recycled content (see Page 13) and offer a take back service to manage end of life impacts (see Page 15).

Material Type	% of Total Material Usage
Aluminum	66%
Steel / stainless steel	20%
Bronze	11%
Plastic	2%
Rubber	1%
Silicone	<1%
Brass	<1%
Other	<1%



NCP



National Guard Products has completed Type III Product Specific Environmental Product Declarations (EPD) for its Threshold, Gasketing, Lite Kits, Louvers and Continuous Geared Hinge products. The EPDs can be found at the following link: http://www.ngp.com/epds/. These EPDs have been third party certified by UL Environment and credibly disclose detailed information regarding product sustainability. Each EPD is based on a lifecycle assessment (LCA) that considers the environmental impacts of each product from cradle to grave (Hinge LCA is cradle to gate with options). The LCA process allows National Guard Products to better understand its products' environmental impact and provides the data needed to make informed decisions about future product development and design.

Additionally, this information meets the requirements of LEED V.4 Materials and Resources (MR), Environmental Product Declarations.





selling products that contribute

to ENVIRONMENTAL PERFORMANCE



NGP



National Guard Products has completed Health Product Declarations (HPD) on its Threshold, Gasketing, Lite Kits and Louver products. The HPDs can be found at the following link: http://www.ngp.com/hpds/. Health Product Declaration (HPDs) provide a full disclosure of the potential chemicals of concern in products by comparing product ingredients to a wide variety of "hazard" lists published by government authorities and scientific associations. Each HPD discloses detailed information regarding product health risks and hazards. Each HPD is based on a products ingredients list down to 100ppm or 0.01% and considers the human health risks and hazards of each ingredient.

Additionally, this information meets the requirements of LEED V.4 Materials and Resources (MR). Building product disclosure and optimization - material ingredients.



selling products that contribute

to ENVIRONMENTAL PERFORMANCE



NCP



Through the production of this document, National Guard Products is able to provide a third party reviewed corporate sustainability report that includes the environmental impacts of extraction operations and activities associated with National Guard Products supply chain. This report was created using the Global Reporting Initiative (GRI) Sustainability Reporting framework. This information meets the requirements of LEED V.4 Materials and Resources (MR), Building product disclosure and optimization - sourcing of raw materials.

For Option 2 of the credit, products purchased from National Guard Products are eligible to participate in the NGP Extended Producer Responsibility program, RE-NGP managed by National Guard Products (see page 15). Additionally for Option 2 of the credit, the percentage of recycled content materials in NGP products is disclosed (see page 13).



selling products that contribute

to ENVIRONMENTAL PERFORMANCE

sustainability in the

SUPPLY CHAIN

NGP tracks the use of recycled and environmentally preferable products coming from our suppliers. We also are constantly researching opportunities that allow us to purchase more recycled and other environmentally preferable raw materials. When applicable, these findings are communicated to purchasing decision makers for evaluation and purchase.

National Guard Products uses a blend of pre and post consumer recycled materials in a variety of our products. The table below highlights the amount of recycled content in each product category.

	% Post Consumer Recycled Content	% Pre-Consu Recycled Cor	
Aluminum Thesholds, Rain Drip Guards	0%	28%	
Architectural Bronze Thresholds, Rain Drip Guards	70%	25%	
Stainless Steel Thresholds, Rain Drip Guards	25%	3%	
Rubber Ramps	0%	0%	
Gasketing with Aluminum Retainers	0%	21%	
Gasketing with Bronze Retainers	52%	19%	
Gasketing with Stainless Steel Retainers	19%	2%	
Self-Adhesive Gasketing	0%	0%	
Finger Guard 2248	0%	21%	
Finger Guard 2252	0%	0%	
Metal Edge / Astragal sets (Steel)	25%	3%	
Lite Kits & Louvers (Steel)	15%	5%	
Aluminum Lite Kits & Louvers	0%	28%	
Stainless Steel Lite Kits	25%	3%	End
Continuous Geared Aluminum Hinges	0%	28%	- He

National Guard Products also works with its suppliers to collaborate on new ideas for product sustainability. A few examples of National Guard Products and supplier collaboration are found on the next page. NGP also endorses many external sustainability initiatives (see box to the right).

Stainless Steel Continuous Hinges

Endorsed External Initiatives:

Health Product Declaration
 Collaborative (HPDC)

3%

- Global Reporting Initiative (GRI)
- The International Living Future Institute (ILFI)
- Declare Label, Red List and Watch List
- United States Green Building Council (USGBC)

25%



Located exactly 1 mile from National Guard Products HQ in Memphis, Jordan Aluminum Company is a sister company to NGP providing aluminum extrusion capabilities for NGP's thresholds, lite kits, and other products. Jordan Aluminum Company operates a state of the art Anodizing Finishing facility and is known as the premier anodize supplier in Southeast.

In 2016, Jordan Aluminum participated with 10 other North American extruders – all members of the Aluminum Extruders Council – to produce two Environmental Product Declarations (EPDs) documenting the environmental impact of aluminum extrusion production. From the EPDs it was revealed that recycled materials accounted for nearly 55% of the total raw material consumed. Also, the extrusion process itself is a minimal contributor to the environmental impact of extrusions, with the largest driver of environmental burden being the aluminum raw material (billet). Finishing – either painting or anodizing – only adds modest burden. Joran Aluminum is committed to continuing to support EPD work as the AEC begins the process of updating the data to produce up-to-date EPDs in 2022.



Reed Rubber Products is a St. Louis, Missouri based manufacturer of environmentally friendly and custom extruded thermoplastic rubber extrusions, seals, and gaskets. After almost 100 years serving the industry, Reed is still owned and operated by the Reed family.

The durability of thermoplastic extrusions (TPE) is an environmental bonus. Window seals made from other materials warp over time, creating air leaks in buildings and making HVAC systems work harder. Warped seals also have to be replaced, consuming more energy and waste in the production of new seals. TPE parts, on the other hand, preserve their quality for much longer and under much harsher treatment.

Reed Rubber works hard to minimize their impact every day including recycling 99.75% of their production scrap and recycling all of their cardboard and paper. Additionally, the company transitioned to a CO2 laser marking system to eliminate the harsh solvents used with inkjet printing systems and invested in a VFD air compressor over a standard blow-down rotary screw air compressor to save over 100,000 kWh of energy annually.



United Plastics Corporation (UPC) has been a leader in sustainable plastics manufacturing since 1946 and the environment is a top priority at UPC. United Plastics products contain recycled materials and are recyclable at end-of-life. UPC engineers use reclaimed plastics from their own manufacturing processes to make some of NGP's products. United Plastics integrates recycled material from other manufacturers, as well. Making new products with recycled plastics requires 66% less energy than using raw plastic materials (based on plastics industry as a whole). As an alternative to sending the material to landfills, United Plastics transforms it into useful products.

United Plastics utilizes over 80,000 pounds of recyclable material each day that would otherwise end up in landfills. All of this helps NGP and United Plastics do their part for the environment when doing business together.

managing our products

END OF LIFE

National Guard Products designs its products to last. However, we also realize that in time our products along with other door and window products reach the end of their useful life.

National Guard Products offers our customers the opportunity to use our Product Reclamation Program called RE-NGP. With this program we facilitate the reclamation of used NGP Products and guarantee that it will not reach a landfill.

Product reclamation is continuing to grow as more and more people realize the importance of diverting this valuable material from landfill for use in new products. As a continuation of our commitment to the environment, National Guard Products RE-NGP program is the first of its kind product reclamation program for the builders hardware industry.

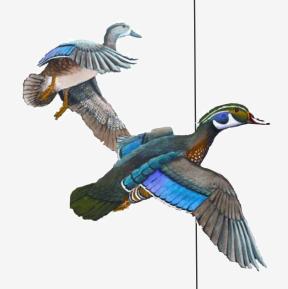
RE-NGP

Beginning your Re-NGP reclamation program is easy.

Step 1: Call RE-NGP Account Management at 901.546.8105

Step 2: Get a quote within 48-72 hours.

Step 3: We'll facilitate the containers and shipping and provide you with a detailed certificate of recycling.





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