

# 2024 Corporate Governance and Sustainability Report

NWI Aerostructures



NWI

# MESSAGE FROM OUR CEO



**Walt Sirmans**  
CEO

I am pleased to present our 2024 Corporate Governance and Sustainability Report, which builds on NWI's foundational work established over the past few years. Consistent with NWI's Mission, our commitment to value creation through long-term profitable growth remains our core business focus. Ultimately, the value we create must benefit not only our shareholders but also our customers, suppliers, employees, and the communities where we live.

To succeed at this Mission, we are implementing sustainable manufacturing practices across the enterprise wherever feasible. These steps are taken with the understanding that our customers view manufacturing sustainability as not just a priority – it is essential for maintaining our license to operate in the global aerospace industry.

In the governance area, one notable accomplishment this year involved our Nashville site, which successfully passed an extensive Office of Federal Contract Compliance (OFCC) audit with zero findings. This audit focused on our annual Affirmative Action Plan, highlighting NWI's action-oriented programs to recruit more women, minorities, and other protected classes, which was recognized as significant in fostering a diverse and inclusive workforce.

I want to express my appreciation to all stakeholders for their ongoing support of NWI as we continue to progress to an increasingly more sustainable way of conducting business.

## Our Mission

Our duty is to create long-term profitable growth to produce value for our shareholders, security for our employees, and solutions for our customers and business partners.

## Our Values

*We believe in...*

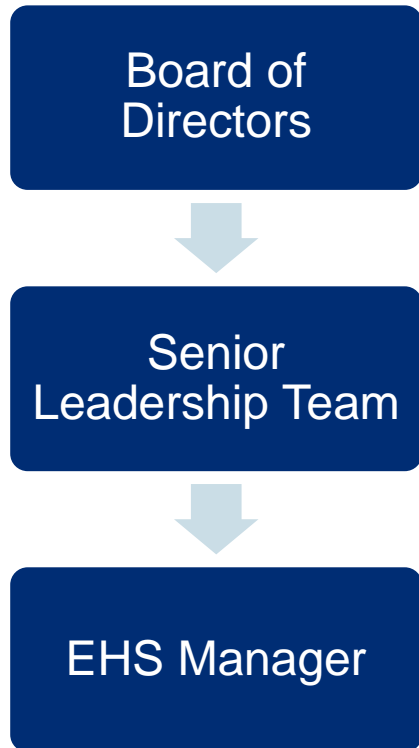
- Absolute Integrity and Ethics
- Focus on the Customer
- Merit-Based Workplace
- Safe Working Environment
- Goal-Oriented Actions
- Socially and Environmentally Responsible

# GOVERNANCE HIGHLIGHTS

## BOARD OVERSIGHT

NWI Aerostructures' Board is comprised of five members, which is responsible for overseeing strategy and performance.

NWI Aerostructures' EHS Manager oversees and executes Corporate Governance and Sustainability strategies.



## PRODUCT SAFETY POLICY

Six Principles govern our approach to product safety.

### Leadership Commitment and Accountability

NWI leadership champions product safety and prioritizes it so that safety-related tasks receive attention, time, and resources. We make accountability for product safety clear and ensure company associates understand their level of responsibility.

### Level of Product Safety

Our products are manufactured, processed, and assembled to achieve a high level of safety consistent with their application, legal regulatory, and industry requirements. We assess what could go wrong and implement controls to meet the required safety levels to reduce safety risks so far as reasonably practicable.

### Maintaining and Improving Product Safety

We are committed to continuously improving product safety and actively engaging in setting industry standards and good practices. We measure our performance and rigorously investigate and resolve safety-related issues, systematically embedding the learning from these back into our procedures and processes. Employees are encouraged to report any product safety concerns.

### Conforming Product

Robust quality is an essential building block of product safety, and by following our processes, we ensure that our products and those of our suppliers conform to their specifications.

### Safety Awareness and Competence

NWI employees share the responsibility for product safety. Annual product safety training is provided so employees understand the NWI Aerostructures' Product Safety Policy and processes and can fulfill their collective and personal responsibility.

### Just and Fair Culture

Our just and fair culture will provide an atmosphere of trust in which workers are encouraged to provide essential safety information and recognize those workers promoting continued safe work practices and positive reporting of error capture.

# SUSTAINABILITY POLICY

## POLICY

NWI Aerostructures is committed to reducing its impact on the environment. We will strive to improve our environmental performance over time and initiate additional projects and activities to reduce our environmental impacts further.

Our commitment to the environment extends to our customers, our staff, and the communities in which we operate.

## VISION

NWI Aerostructures contributes to a robust, equitable, and environmentally sustainable society. Through this policy, the organization reinforces its commitment to fostering a culture of sustainability in our manufacturing operations, research, community engagement, and corporate practices.

## SCOPE

All staff, visitors, and contractors should be aware of this policy when they are engaged in the organization's activities or provide products and services to the organization.

## RESPONSIBILITIES

The Executive Staff and Site Senior Leadership Teams are committed to sustainability principles. Managers and Supervisors are responsible for sustainability and ensuring compliance with this policy within their control area.

The organization's Sustainability Plan includes objectives, targets, and associated accountabilities.

## PROCEDURE

The organization will strive to improve its sustainability practices in its corporate practices, manufacturing operations, research, and community engagement activities.

### Leadership in Corporate Practices

NWI Aerostructures will effectively manage sustainability by:

- Implementing and maintaining a structure that ensures systematic sustainability management through its manufacturing sites
- Training all staff on our environmental programs and empower them to contribute and participate
- Complying with all statutory environmental regulations and requirements
- Minimizing its environmental impact and managing its carbon footprint

- Minimizing the use of natural resources
- Embedding sustainability in decision-making processes
- Providing appropriate training in sustainability for all staff, contractors, and visitors
- Communicating our environmental commitment and efforts to our customers, staff, and the communities where we do business
- Showcasing the organization as the best sustainable practice model to the local and global community
- Continually improving over time by striving to measure our environmental impacts and setting goals to reduce these impacts each year

### Leadership in Community Engagement

NWI Aerostructures will:

- Share and exchange sustainability knowledge and experience with other manufacturing organizations, community groups, and public and private sectors
- Foster engagement of the organization's community and the broader community in sustainability
- Develop strategies to create knowledge and leadership in sustainability among local, national, and international communities

# HEALTH, SAFETY, AND ENVIRONMENTAL POLICY

At NWI Aerostructures we will conduct our business with respect for the safety of all employees and with respect for the environment. NWI Aerostructures will comply with all safety and environmental legislation, regulations, and additional voluntary best management practices to which our company subscribes.

NWI Aerostructures is committed to providing a safe and healthy workplace and to protecting and preserving the environment of the Earth by minimizing environmental impacts concerning our activities, products, and services. To accomplish this, NWI Aerostructures shall:



**E**ducate, train, and motivate employees to conduct tasks in a safe and an environmentally responsible manner

**A**dhere to all applicable legal and procedural requirements which relate to NWI's manufacturing and support activities

**R**educe waste, prevent pollution, and minimize the over consumption of natural resources

**T**ake initiative to embed safety and environmental protection in the company's and employees' culture and strive to influence customers and suppliers to do the same

**H**ave consideration for safety and environmental issues in all business strategies and initiatives

NWI Aerostructures is committed to continual improvement of safety and environmental performance by continually working to eliminate hazards and reduce risks. To fulfill this commitment, NWI Aerostructures will develop and implement objectives and shall consult with workers and encourage their participation in these projects as well as risk assessment activities whenever possible. This policy will be communicated to all staff, contractors, and suppliers and will be available to the public through selected media.

# SAFETY RESPONSIBILITIES

In order to maintain a safe workplace, every employee must understand and accept their responsibilities. Everyone's personal safety performance must be monitored and assessed. Any failure to fulfill responsibilities must be corrected immediately.

## Top Management Responsibilities:

- Establish the overall safety policy and expectations.
- Ensure that each facility has the financial and technical support necessary to protect the health and safety of all employees.
- Lead formal assessments at each facility to ensure all expectations are met.

## General Manager Responsibilities:

- Maintain a constant awareness of all safety issues throughout the facility.
- Promote safety excellence through assignment of personal accountability to every company employee, contractor, and visitor. Reward positive performance and immediately correct poor performance.

- Assign a qualified staff member to oversee the safety programs and ensure that all elements of the safety programs are followed.
- Investigate each accident and near miss, ensuring that all corrective actions are adequate and are effected quickly.

## All Staff, Managers, and Supervisors Responsibilities:

- Communicate - Proactively present safety as a core value of the NWI workplace.
- Train - Provide initial and refresher safety training for each employee covering the potential safety hazards of their job as well as all safe work operating practices and procedures.
- Inspect - Provide continual surveillance of their area looking for any EHS issues, reporting all such issues, and making suggestions for correction wherever possible.
- Enforce - Ensure that all workers follow established safe work practices and procedures. Issue safety warnings and safety reprimands to any individuals not following these practices and procedures.
- Investigate - Thoroughly and promptly investigate and report all accidents and near misses occurring in their area of jurisdiction.

## Each Employee's Responsibilities:

- Assume individual responsibility for working safely at all times.
- Perform their jobs in accordance with all established safe work practices and procedures.
- Practice good housekeeping to eliminate potential hazards.
- Report all workplace hazards, unsafe conditions, accidents, and near misses.
- Bring safety improvement ideas to management for consideration.



# ENVIRONMENTAL HIGHLIGHTS

## Green Business Benchmark Partner

NWI Nashville partnered with the Green Business Benchmark to accelerate their sustainability impact by 2027. NWI Wichita and NWI Nashville both



achieved a Bronze Rating with a goal of a Silver Rating in 2025.

## Ecovadis Achievement

Achieved Ecovadis Committed Sustainability Rating for 2024 with a goal of a Bronze Rating in 2025.



## NWI Nashville Water Reuse Rate

77,562,600 gallons received  
72,338,900 gallons returned for reuse  
 5,223,700 gallons sent to sanitary sewer  
**93% return**

Reduction of 936,805 gallons sent to sewer from 2022 to 2023  
**15% decrease**  
 in gallons sent to sanitary sewer

## Recycling Programs

NWI Nashville implemented a Recycling Program with Terracycle. Current efforts include batteries, lightbulbs, e-waste, and PPE with plans to add aerosol cans 4<sup>th</sup> quarter of 2024.



## VelocityEHS Accelerate Chemical Management & Water Module

Utilizing Chemical Management and Water Modules with VelocityEHS Accelerate platform to manage safety data sheets, chemical storage data, stormwater and sanitary sewer testing, and usage metrics.

## VelocityEHS GHG & Energy Management & Materiality Assessment Modules

Implementing Velocity EHS Modules to automate collection, validation, and reporting of greenhouse gas and energy data 4<sup>th</sup> quarter of 2024.

Implementing a comprehensive materiality assessment module to identify risks, ensure transparency, and align with partner global supply chains 4<sup>th</sup> quarter of 2024.

## 2023 Title V Air Permit Program Emissions

Pollutants	NWI Nashville 2023 Emissions	Max (Allowed by Permits)
Particulate Matter (PM)	1.23 Tons	31.2 Tons
Sulfur Dioxide (SO <sub>2</sub> )	0.23 Tons	1.7 Tons
Nitrogen Dioxide (NO <sub>x</sub> )	12.91 Tons	175.4 Tons
Carbon Monoxide (CO)	9.86 Tons	142.7 Tons
Volatile Organic Compounds (VOC)	9.84 Tons	239.3 Tons

# BUSINESS CONTINUITY HIGHLIGHTS

NWI Aerostructures considers prevention as a critical risk-reduction method. Since not all risks can be avoided, Business Continuity Management reduces the potential impacts to an acceptable level and provides the capability for an effective response to incidents that safeguards the interests of its key stakeholders, reputation, brand, and value-creating activities. Furthermore, it increases the organization's resilience.

## SCOPE

This Business Continuity Management Program is deployed at NWI Nashville and NWI Wichita, known as the business units. The Business Continuity Management Program is aligned with the site-specific Emergency Response Plans and prepares for and deals with Incident Management, site recovery, IT disaster recovery for locally owned systems, and continuity of operations.

## COMMITMENT AND RESPONSIBILITY

The Executive Group is committed to making advance arrangements to respond to incidents. It demonstrates a commitment by supporting the program (human resources and funding).

Business Units are responsible for developing and maintaining up-to-date Business Continuity strategies and plans related to their area of responsibility with the support of the Corporate EHS Manager who is the Business Continuity Leader.

## BUSINESS INTEGRATION

The Company strives to integrate business continuity considerations into business planning, decision-making, management practices, and daily activities. The organization will consider business continuity preparedness when selecting outsourcers and suppliers.

## BUSINESS CONTINUITY PLAN MANAGEMENT SYSTEM

The Company implements and maintains organizational structures and plans which enable it to prevent and reduce its exposure to significant risks and to be informed of any major incidents, allowing the Company to respond quickly to related issues and to take appropriate corrective actions in a timely manner, ensuring that business continuity is maintained.

## COMMUNICATION

The Company disseminates and promotes this Policy Statement and its principles to its employees and stakeholders. It also communicates expected actions at the time of an incident and provides appropriate training.

## CONTINUOUS IMPROVEMENT

Appropriate, regular exercises and post-incident reviews ensure the effectiveness of the Business Continuity Management arrangements. The Company regularly reviews conformance to the Policy and the Business Continuity Management Program with the business continuity industry's guidelines to ensure continued relevance to current and future situations and to stimulate continuous performance improvement.



# EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is the policy of NWI Aerostructures to provide equal employment opportunity to all individuals regardless of their race, color, religion, sex (including pregnancy, sexual orientation, and gender identity), age (40 or older), national origin, disability, genetic information, veteran status, or any other characteristic protected under local, state, or federal law. NWI Aerostructures is strongly committed to this policy and believes in the concept and spirit of the law. NWI Aerostructures is further committed to assuring that:

- All recruiting, hiring, and placement decisions made by the organization's supervisors and managers will be based solely on job-related qualifications and abilities. All selection, job assignment, compensation, transfer, promotion, demotion, discipline, termination, and layoff decisions will be made without regard to or consideration of, and will not be based on or because of, any protected characteristic.
- All personnel practices, including compensation, benefits, training, discipline, tuition reimbursement, safety and health programs, as well as social and recreational programs are administered without regard to or consideration of, and will not be based on or because of, race, color, religion, sex (including pregnancy, sexual orientation, and gender identity), age (40 or older), national origin, disability, genetic information, veteran status, or any other characteristic protected under local, state, or federal law.
- We will make reasonable accommodations for qualified individuals with known disabilities, unless doing so would result in an undue hardship or direct threat. This policy covers all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.
- It complies with all affirmative action obligations it has under applicable laws.

NWI Aerostructures believes in and practices equal opportunity and affirmative action.

# PEOPLE HIGHLIGHTS

Annual labor market benchmark analysis is completed to assure competitive pay and benefits in our labor markets.

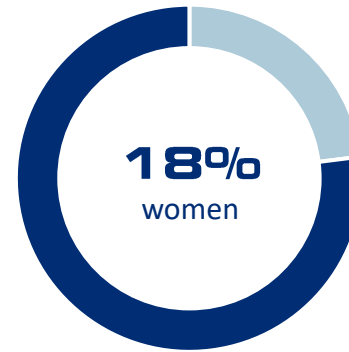
NWI Aerostructures offers a competitive average hourly wage of \$28.21, **3.9 times** the national minimum wage.

NWI Aerostructures supports employee development and skill enhancement through the following programs and activities:

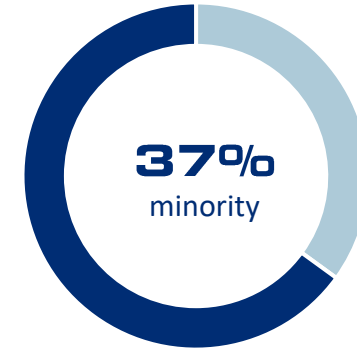
- Expansion of internal Assembly School training program, completing **7 classes**
- Initiated a leadership development program with mentoring opportunities for future leaders
- Introduced a formalized Succession Planning process to identify development needs
- Implemented the **Trakstar** performance management system for salaried employees to measure goal attainment
- Educational partnerships with Tennessee College of Applied Technologies, Wichita Public Schools' Future Ready Center, and McGavock High Schools' Academy of Aviation and Transportation in Nashville

NWI WICHITA

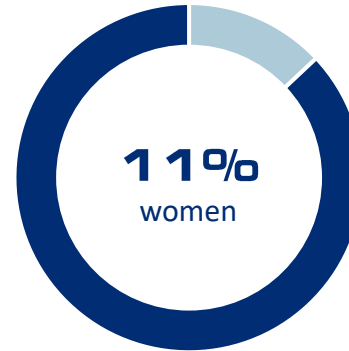
GENDER



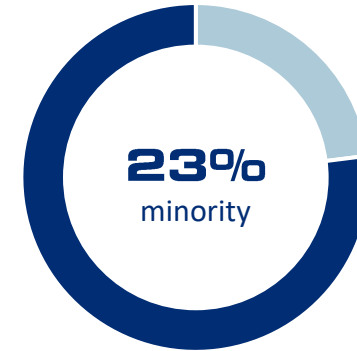
RACE & ETHNICITY



NWI NASHVILLE



■ Women ■ Men



■ Minority ■ White

**31** environmental, health, and safety training courses available.

Successful completion of OFCCP Affirmative Action Plan Audit in Nashville.

Improved minority representation from 14% to 23% in Nashville.

Continued progress towards ISO 14001 certification.

# COMMUNITY IMPACT

At NWI Aerostructures, we believe that the opportunity to do business in a community is a privilege that comes with the responsibility to give back. We are committed to actively volunteering and raising funds as a way to connect with and support the people around us, helping to foster growth and resilience within our communities.

The Glass Foundation serves as our charitable partner to support nonprofit organizations in the communities we serve. NWI Aerostructures founder, Ken Glass, and his wife, Nancy, created this foundation as a vehicle to improve their community in several key areas.

We have proudly supported organizations including United Way, Metro Nashville Public Schools, Wichita Public Schools, YMCA, Habitat for Humanity, Catholic Charities, United Methodist Open Door, Culture Creations, Toys for Tots, and the Salvation Army. Each of these partnerships reflects our dedication to addressing critical needs and promoting community development.

Through these efforts, NWI Aerostructures is proud to contribute to the betterment of our community, reflecting our core value of being both socially and environmentally responsible.



10

organizations supported

269

hours volunteered

14

fundraising/  
volunteer events

\$85,451

donated in our communities



# CYBERSECURITY

As a supplier in the Defense Industrial Base (DIB), we are required to follow the Cybersecurity Maturity Model Certification (CMMC)/NIST 800-171 and their 110 security controls to protect customer data. We accomplish this by focusing on the three pillars of cybersecurity: people, processes, and technology. Each plays a different but equally important role in ensuring adequate cyber-hygiene. This is important because many organizations believe cybersecurity is a technology puzzle to be solved, and it is much more than that. We need to ensure our people are properly trained, we have repeatable processes in place, and we have the proper tools (technology) in place to support the first two pillars. This allows us to take a defense in-depth approach that is required in cybersecurity, preventing the reliance upon one safety mechanism for security.

The table outlines the composition of each pillar.

People	Processes	Technology
Security awareness, CUI, and insider threat training for all users	Appropriate policies and management systems	Firewalls, email, and web filtering; Attack surface management via Citrix VDI
Adequately skilled members of the IT and Security teams	The use of proven frameworks like NIST 800-171 and CSF	Multi-factor authentication, Mobile Device Management
Sufficient monitoring of systems and systems use	Planning audits and reporting on audit findings	Endpoint Detection and Response, anti-malware and controlled use of USB and portable storage devices
	Risk assessments, vulnerability management, incident response	Third party penetration tests, vulnerability scanner