



2H20 Management Incentive Plan

2H20 Management Incentive Plan Overview

The S&G Management Incentive Plan (MIP) has been restated for 2H20, with the Net Revenue and Adj EBITDA targets equal to the 2H20 Reforecast values, and the same Trigger and Maximum thresholds as % of Target as in the original full-year MIP:

- Net Revenue Trigger thresholds set at 85% of Target
- Net Revenue Maximum thresholds set at 110% of Target
- Adj EBITDA Trigger thresholds set at 85% of Target
- Adj EBITDA Maximum thresholds set at 110% of Target

The Net Revenue and Adj EBITDA metrics are each given a 25% weight (down from 35% in the original MIP, to account for greater uncertainty in the financial outlook), and the individual strategic goals are given a 50% weight (up from 30% in the original MIP)

The payout timing and eligibility requirements for the 2H20 MIP bonuses remains unchanged:

- Bonus payouts will be made following the end of the fiscal year and the completion of the audited financial statements (typically 120 days after the end of the fiscal year)
- Eligibility requirements:
 - Minimum 3 months employment, with proration based upon tenure if < 1 year of employment
 - Must be employed at time of payout

The 2H20 MIP remains self-funding, so all payouts are included in the calculation of the Adj EBITDA performance

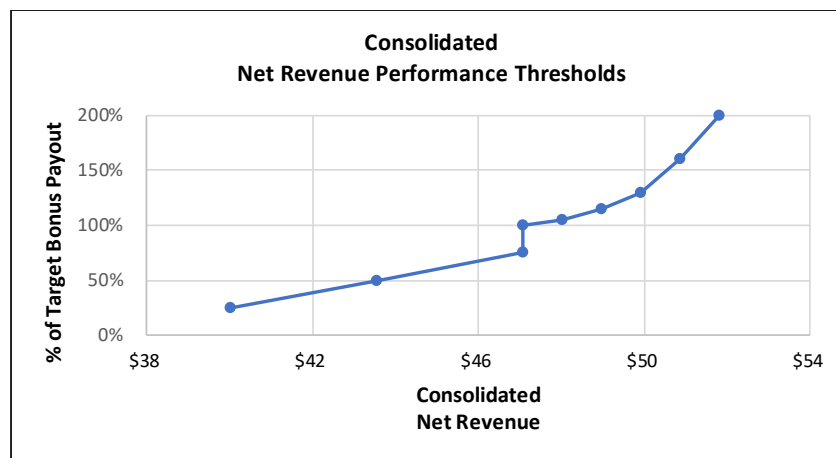
Note: Adj EBITDA refers to PF Adj EBITDA for S&G and Consolidated, and AOP refers to the Revised AOP



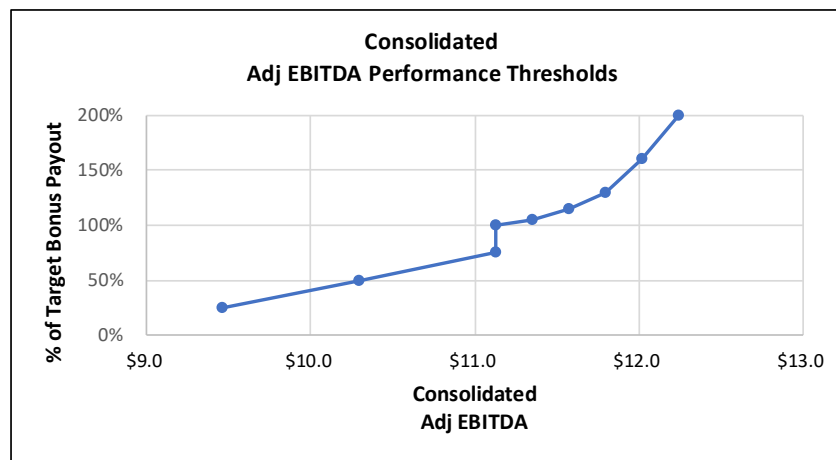
2H20 MIP Financial Performance Metric Thresholds: Consolidated

- Payout above 100% of Target for any one consolidated performance metric requires that all consolidated financial performance metric Targets are met
- Payout between Trigger and Target thresholds scales linearly between 25% and 75%
- Any consolidated bonus payout under the MIP requires that all consolidated financial performance metric Triggers are met; no MIP bonus payout if the Company performs below the Trigger threshold for either consolidated financial performance metric

Consolidated Net Revenue Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$51.8	110.0%	200%
160% Payout	\$50.8	108.0%	160%
130% Payout	\$49.9	106.0%	130%
115% Payout	\$49.0	104.0%	115%
105% Payout	\$48.0	102.0%	105%
Target	\$47.1	100.0%	100%
75% Payout (\$1 below Target threshold)	\$47.1	100.0%	75%
50% Payout	\$43.5	92.5%	50%
Trigger	\$40.0	85.0%	25%
Below Trigger	<\$40.0	<85.0%	0%



Consolidated Adj EBITDA Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$12.24	110.0%	200%
160% Payout	\$12.02	108.0%	160%
130% Payout	\$11.79	106.0%	130%
115% Payout	\$11.57	104.0%	115%
105% Payout	\$11.35	102.0%	105%
Target	\$11.13	100.0%	100%
75% Payout (\$1 below Target threshold)	\$11.13	100.0%	75%
50% Payout	\$10.29	92.5%	50%
Trigger	\$9.46	85.0%	25%
Below Trigger	<\$9.46	<85.0%	0%

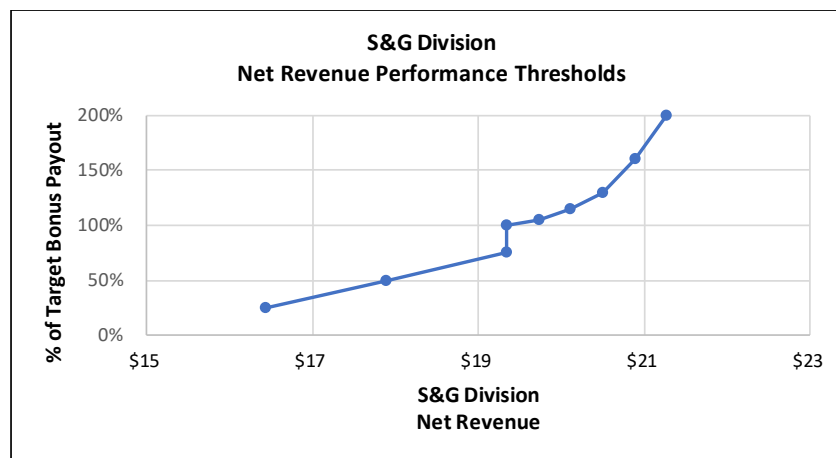


2H20 MIP Financial Performance Metric Thresholds:

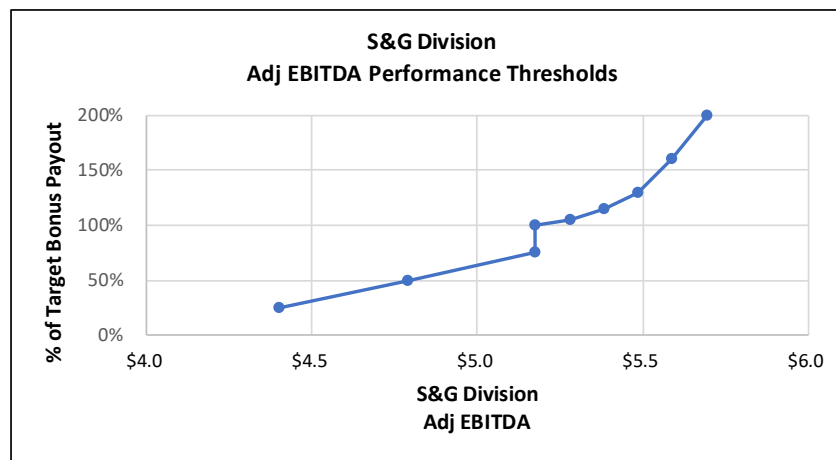
S&G

- Payout above 100% of Target for any one S&G division performance metric requires that all consolidated and S&G financial performance metric Targets are met
- Payout between Trigger and Target thresholds scales linearly between 25% and 75%
- Any S&G division bonus payout under the MIP requires that all consolidated and S&G financial performance metric Triggers are met (both consolidated and S&G); no MIP bonus payout if the Company or the S&G division performs below the Trigger threshold for either consolidated financial performance metric

S&G Division Net Revenue Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$21.3	110.0%	200%
160% Payout	\$20.9	108.0%	160%
130% Payout	\$20.5	106.0%	130%
115% Payout	\$20.1	104.0%	115%
105% Payout	\$19.7	102.0%	105%
Target	\$19.3	100.0%	100%
75% Payout (\$1 below Target threshold)	\$19.3	100.0%	75%
50% Payout	\$17.9	92.5%	50%
Trigger	\$16.4	85.0%	25%
Below Trigger	<\$16.4	<85.0%	0%



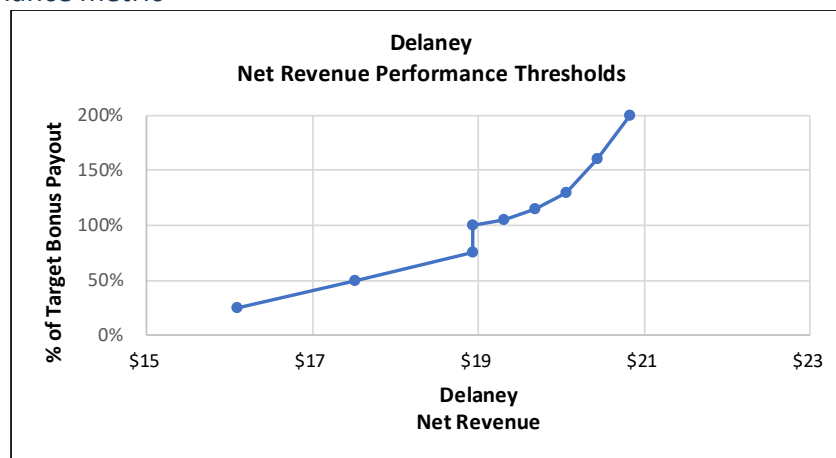
S&G Division Adj EBITDA Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$5.69	110.0%	200%
160% Payout	\$5.59	108.0%	160%
130% Payout	\$5.49	106.0%	130%
115% Payout	\$5.38	104.0%	115%
105% Payout	\$5.28	102.0%	105%
Target	\$5.18	100.0%	100%
75% Payout (\$1 below Target threshold)	\$5.18	100.0%	75%
50% Payout	\$4.79	92.5%	50%
Trigger	\$4.40	85.0%	25%
Below Trigger	<\$4.40	<85.0%	0%



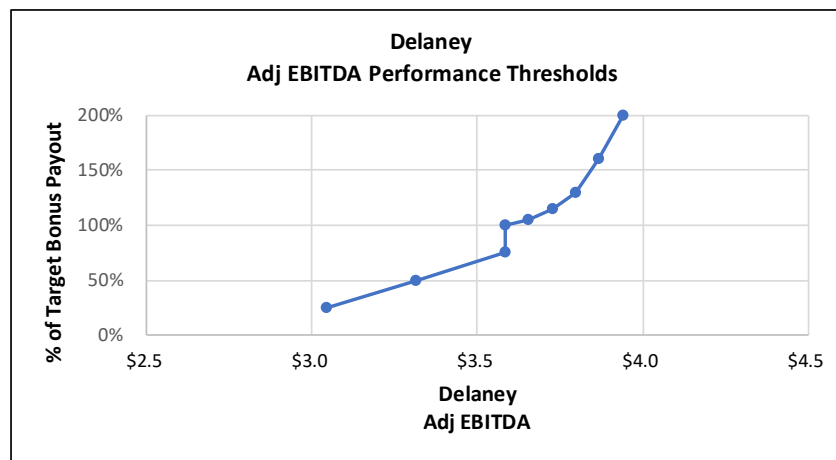
2H20 MIP Financial Performance Metric Thresholds: Delaney

- Payout above 100% of Target for any one Delaney division performance metric requires that all consolidated and Delaney financial performance metric Targets are met
- Payout between Trigger and Target thresholds scales linearly between 25% and 75%
- Any Delaney division bonus payout under the MIP requires that all consolidated and Delaney financial performance metric Triggers are met (both consolidated and Delaney); no MIP bonus payout if the Company or the Delaney division performs below the Trigger threshold for either consolidated financial performance metric

Delaney Net Revenue Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$20.8	110.0%	200%
160% Payout	\$20.4	108.0%	160%
130% Payout	\$20.1	106.0%	130%
115% Payout	\$19.7	104.0%	115%
105% Payout	\$19.3	102.0%	105%
Target	\$18.9	100.0%	100%
75% Payout (\$1 below Target threshold)	\$18.9	100.0%	75%
50% Payout	\$17.5	92.5%	50%
Trigger	\$16.1	85.0%	25%
Below Trigger	<\$16.1	<85.0%	0%



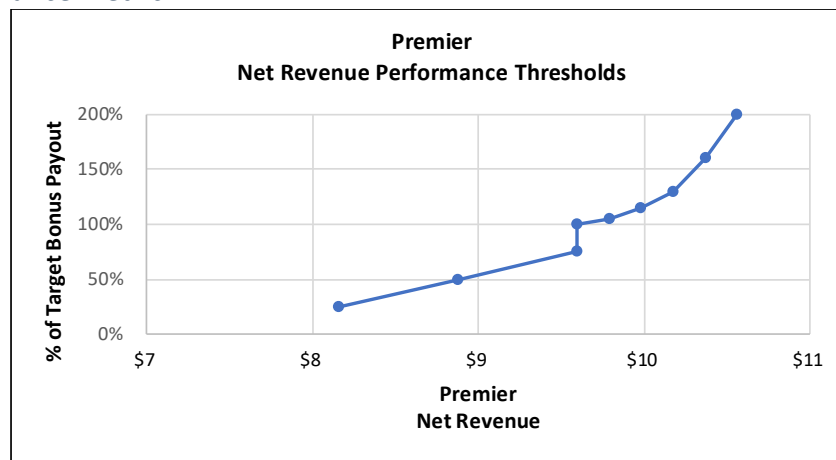
Delaney Adj EBITDA Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$3.94	110.0%	200%
160% Payout	\$3.87	108.0%	160%
130% Payout	\$3.80	106.0%	130%
115% Payout	\$3.73	104.0%	115%
105% Payout	\$3.65	102.0%	105%
Target	\$3.58	100.0%	100%
75% Payout (\$1 below Target threshold)	\$3.58	100.0%	75%
50% Payout	\$3.31	92.5%	50%
Trigger	\$3.04	85.0%	25%
Below Trigger	<\$3.04	<85.0%	0%



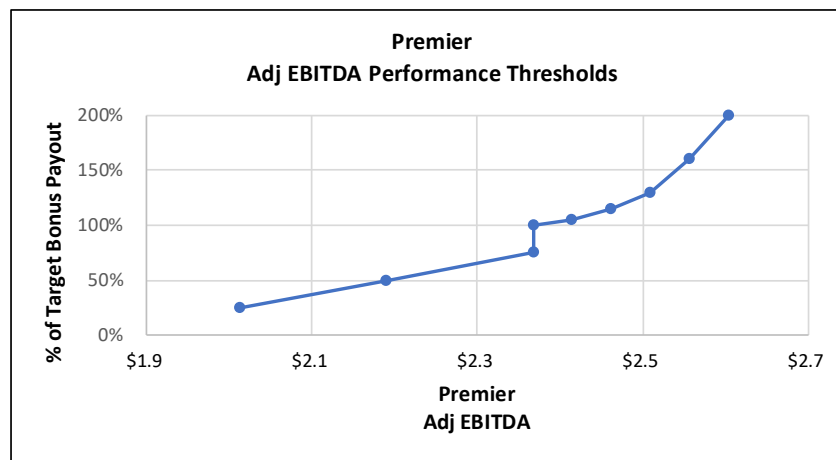
2H20 MIP Financial Performance Metric Thresholds: Premier

- Payout above 100% of Target for any one Premier division performance metric requires that all consolidated and Premier financial performance metric Targets are met
- Payout between Trigger and Target thresholds scales linearly between 25% and 75%
- Any Premier division bonus payout under the MIP requires that all consolidated and Premier financial performance metric Triggers are met (both consolidated and Premier); no MIP bonus payout if the Company or the Premier division performs below the Trigger threshold for either consolidated financial performance metric

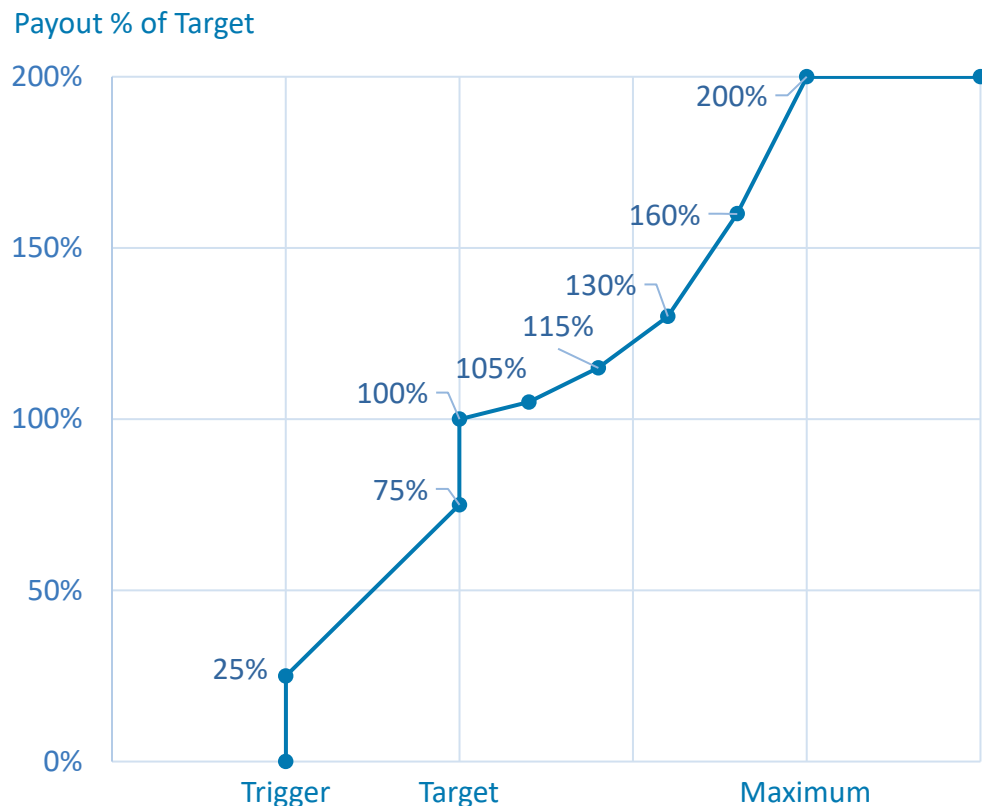
Premier Net Revenue Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$10.6	110.0%	200%
160% Payout	\$10.4	108.0%	160%
130% Payout	\$10.2	106.0%	130%
115% Payout	\$10.0	104.0%	115%
105% Payout	\$9.8	102.0%	105%
Target	\$9.6	100.0%	100%
75% Payout (\$1 below Target threshold)	\$9.6	100.0%	75%
50% Payout	\$8.9	92.5%	50%
Trigger	\$8.2	85.0%	25%
Below Trigger	<\$8.2	<85.0%	0%



Premier Adj EBITDA Performance Thresholds			
Performance Level	Performance Threshold	% vs Target Threshold	% of Target Bonus Payout
Maximum	\$2.60	110.0%	200%
160% Payout	\$2.56	108.0%	160%
130% Payout	\$2.51	106.0%	130%
115% Payout	\$2.46	104.0%	115%
105% Payout	\$2.41	102.0%	105%
Target	\$2.37	100.0%	100%
75% Payout (\$1 below Target threshold)	\$2.37	100.0%	75%
50% Payout	\$2.19	92.5%	50%
Trigger	\$2.01	85.0%	25%
Below Trigger	<\$2.01	<85.0%	0%



MIP Financial Performance Metric Payout Curve



- For each financial performance metric:
 - A similar bonus payout curve is defined to incentivize achievement
 - The Trigger must be achieved to have a payment of 25% of Target for that metric
 - Performance above Trigger but below Target allows a bonus of up to 75% of Target for that metric
 - Payout jumps to 100% upon meeting Target for that metric
 - Payout is capped at 200% of Target
- The Trigger for all financial performance metrics must be met to achieve any bonus payout
- The Target for all financial performance metrics must be met to achieve a payout in excess of 100% for any individual performance metric

2H20 MIP Considerations

Consolidated Payout Thresholds (applicable to all MIP participants)

- Minimum consolidated Net Revenue of \$40.0M (85% of Target) and Adj EBITDA of \$9.46M (85% of Target) for any bonus to be paid
- Minimum consolidated Net Revenue of \$47.1M (100% of Target) and Adj EBITDA of \$11.13M (100% of Target) for any above-Target bonus to be paid

S&G Division Payout Thresholds (applicable only to S&G division specific MIP participants)

- Minimum S&G division Net Revenue of \$16.4M (85% of Target) and Adj EBITDA of \$4.40M (85% of Target) for any bonus to be paid
- Minimum S&G division Net Revenue of \$19.3M (100% of Target) and Adj EBITDA of \$5.18M (100% of Target) for any above-Target bonus to be paid

Delaney Division Payout Thresholds (applicable only to Delaney division specific MIP participants)

- Minimum Delaney division Net Revenue of \$16.1M (85% of Target) and Adj EBITDA of \$3.04M (85% of Target) for any bonus to be paid
- Minimum Delaney division Net Revenue of \$18.9M (100% of Target) and Adj EBITDA of \$3.58M (100% of Target) for any above-Target bonus to be paid

Premier Division Payout Thresholds (applicable only to Premier division specific MIP participants)

- Minimum Premier division Net Revenue of \$8.2M (85% of Target) and Adj EBITDA of \$2.01M (85% of Target) for any bonus to be paid
- Minimum Premier division Net Revenue of \$9.6M (100% of Target) and Adj EBITDA of \$2.37M (100% of Target) for any above-Target bonus to be paid

Payout timing

- The MIP will be calculated and paid following the end of the calendar month during which the Company's audited financial statements for the relevant fiscal year are completed

Governance

- The S&G Board of Directors will approve all plans and all payouts and reserves the right to make appropriate discretionary adjustments (upward or downward) to the Targets, objectives, formulas and payments under the MIP in its sole and absolute discretion

Note: Adj EBITDA refers to PF Adj EBITDA for S&G and Consolidated



2H20 MIP Participants

Name	Division	Title	Financial Metrics Designation
Mark LeMire	S&G	Chief Executive Officer	Consolidated
Matt Williams	S&G	VP Sales	Consolidated
Devon Ratliff	S&G	Engineering Manager	Consolidated
Craig Saunders	S&G	Plant Manager	S&G
Christine Flannery	S&G	Human Resources Manager	Consolidated
Bryan Callihan	S&G	Controller	Consolidated
Kelly Edney	S&G	Marketing Manager	S&G
Mary Cox	S&G	Financial Analyst Senior	Consolidated
Patrick Cunningham	S&G	Product Manager	S&G
Michael Rose	S&G	Supply Chain Manager	S&G
Sean Barnes	S&G	IT Manager	S&G
Libby Zappala	Delaney	President, Delaney	Consolidated
Milan Vora	Delaney	Chief Financial Officer	Consolidated
Kathryn Towns	Delaney	VP Marketing	Consolidated
Bethany Preston	Delaney	VP HR	Consolidated
Tammy Fontenot	Delaney	Accounting Manager	Consolidated
Sabina Dedic	Delaney	Warehouse Manager	Delaney
Dennis James	Delaney	Supply Chain Manager	Delaney
Jennifer Payne	Delaney	Customer Service Manager	Delaney
Steve Grimsley	Delaney	Business Development Director	Delaney
Jennica Haskell	Delaney	Sales & Marketing Manager	Delaney
Joey Meggs	Premier	President, Premier	Consolidated
Dale McGarrah	Premier	VP Manufacturing	Premier
Joe Chisholm	Premier	VP Finance / HR Manager	Premier



2H20 Individual Strategic Goals



2H20 Individual Strategic Goals: Mark LeMire

Core Individual Strategic Goals

Goal Weight

Identify and execute on synergies across S&G, Delaney and Premier toward the generation of revenue and Adj. EBITDA growth, per the 2H20 Reforecast.

- Realize capability, capacity and best practice enhancement through the alignment of core functions.
 - \$350k OPEX reduction in HC and outsourcing with consolidated back office (Marketing, Finance, HR)
- Leverage S&G Engineering capabilities toward optimizing new product development planning, project management, and launch across the combined businesses.
 - Successful launch of the S&G New Keypad and Delaney MF Smartlock by end of 2020. Demonstrate combined quote opportunity totaling \$250k.
- Drive Netsuites, with CRM, implementation at S&G (Jun-2020 launch) and Delaney (Dec-2020 launch)

25%

Generate and execute a S&G product portfolio strategy that captures profitable growth across the high-security lock market, per the organic growth target in 2H20 Reforecast.

- Implement a comprehensive market strategy, business case, product development plan and commercialization schedule across the S&G electronic product platform as well as at least 2 new adjacent markets
- Hire and effectively on-board IMM's for the identified adjacent markets (Healthcare, Transportation) realizing a measurable growth (~\$100k) in each by end of 2020

30%

Drive S&G salesforce effectiveness through improving talent, optimizing regional coverage, training on the value-selling approach and incentivizing toward profitable growth.

- Execute on Sales/Channel capability assessment, Sales Incentive Program ('SIP'), CRM utilization and the Value Selling Framework.
- Demonstrate organic growth (new account) capture generating \$933k in 2020 sales

20%

Drive S&G Quality improvement as measured by established QMS KPI's of Warranty, Scrap & Internal Rework resulting in a combined \$300k YoY annualized savings

- Recruit, Hire and successfully on-board Quality Manager to drive and maintain QMS

25%

TOTAL CORE

100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Mark LeMire

Stretch Individual Strategic Goals

Goal Weight

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met

Achieve 2H20 Reforecast target net revenue and Adj. EBITDA for all three divisions.	30%
Complete the S&G electronic product portfolio strategy execution and commercialization roll-out. Demonstrate success in \$273k organic growth with Tier I, new digital keypad.	35%
Demonstrate deployment of salesforce effectiveness of S&G direct sales team by ensuring each rep achieves their assigned Q4 sales target.	35%
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Bryan Callihan

Core Individual Strategic Goals

Goal Weight

Complete and close timely transitional tasks: <ul style="list-style-type: none"> Governance and Internal Control, Monthly Financial Reporting Treasury, Transactional, Legal and Tax, Concur (Travel & Expense) Business Insurance Financial Audit & Tax – Prepare audit schedules and tax accrual to reduce audit costs 	45%
Achieve S&G 2H20 Reforecast target net revenue and Adj. EBITDA <ul style="list-style-type: none"> Sales support for pricing/profitability/price increase, Identify and support Mfg productivity cost reductions and quality improvements, Spending/Cost Controls-identify controllable expenses for reduction or elimination 	20%
Transition from SAP & WinEur to NetSuite: <ul style="list-style-type: none"> AP/AR process transition from SBD shared service to Delaney resources Transition from SBD financial services GL transactions, reconciliations, tax reporting to S&G. 	35%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met

Stretch Individual Strategic Goals

Goal Weight

Disposition of excess and obsolete inventory: <ul style="list-style-type: none"> Identify, market, and generate revenue for stale inventory Recover optimal scrap value from unsaleable and nonreworkable items 	35%
Develop processes and internal controls: <ul style="list-style-type: none"> Document processes to identify controls and provide basis for improvement cost reduction Establish policies for related parties and intercompany transactions 	35%
Support Sales, Admin, and Mfg departments: <ul style="list-style-type: none"> Product cost review, Mfg variance analysis for improvements (PPV, Labor, Freight/Duties, Scrap/Quality) Pricing, New products, Payroll, 401K, Benefits , NAFTA/CUSMA Certification 	30%
TOTAL STRETCH	100%

2H20 Individual Strategic Goals: Mary Cox

Core Individual Strategic Goals

Goal Weight

Lead NetSuite Implementor: Timely submission of source data, Design tasks and testing on-time, Process mapping and implementation. Support to Sales team in regards to CRM and dashboard creation	50%
Build out framework (via core models) of consolidated financial and business reporting tools and processes: Monthly Flash, iLevel Submission, Monthly & Quarterly Operating Reviews, Sales, Operating Budget, AOP	25%
Support Milan's transition into the CFO role for S&G and its subsidiary companies. <ul style="list-style-type: none"> Work with Milan as well as the other finance members at Delaney and Premier on current workload and areas of improvement. Realize capability, capacity and best practice enhancement through the alignment of finance function. 	25%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met

Stretch Individual Strategic Goals

Goal Weight

Achieve the consolidated 2H20 Reforecast target net revenue and Adj. EBITDA for all three divisions by helping identify any risks in overspend and working with functional teams to help mitigate.	40%
Implement PCBS (NetSuite Planning and Analysis Tool) to create a more dynamic budget model that allows for multiple scenarios (revenue haircuts). <ul style="list-style-type: none"> Build a bottom up budget with functional leader ownership. Model should provide functional leaders the ability to easily identify areas where cuts can be made with different revenue scenarios. 	30%
Create business case model to track and assess growth opportunities across the entire organization. Examples – Premier capacity and CAPEX model and Kyle's business cases scenarios for strategic sales growth.	30%
TOTAL STRETCH	100%

2H20 Individual Strategic Goals: Matt Williams

Core Individual Strategic Goals

Goal Weight

<p>Generate and execute a S&G product portfolio strategy that captures profitable growth across the global high-security lock market and achieve 2H20 Reforecast target net revenue</p> <ul style="list-style-type: none"> Develop and deploy a comprehensive market strategy to meet and exceed sales performance goals with Channel and Direct partners and penetrate at least 2 adjacent markets Hire and effectively on-board IMM's for the identified adjacent markets (Healthcare, Transportation) realizing a measurable growth (~\$100k) in each by end of 2020 	40%
<p>Drive S&G salesforce effectiveness through improving talent, optimizing regional coverage, training on the value-selling approach and incentivizing toward profitable growth.</p> <ul style="list-style-type: none"> Execute on Sales/Channel capability assessment, Sales Incentive Program ('SIP'), CRM utilization and the Value Selling Framework. Demonstrate organic growth (new account) capture generating \$933k in 2020 sales 	35%
<p>Establish robust VoC process to understand market opportunities and intelligence, customer expectations, product and process improvements, and targeted feedback on experience with S&G</p> <ul style="list-style-type: none"> Optimize input and output of key capture target areas through various techniques (Virtual, Surveys, F2F Meetings) for alignment to initiatives of Sales, Marketing, and Engineering 	25%
TOTAL CORE	100%

Stretch Individual Strategic Goals

Goal Weight

Enhance global pricing strategy to impact annual margin gains and overall bottom-line revenue for 2020	35%
Identify and demonstrate a measured level of success through deployment of salesforce effectiveness by ensuring each Region achieves their assigned Q4 sales target	35%
Successfully identify and convert new business with existing and new products to achieve AOP booking goals of 5.2% in 2020	30%
TOTAL STRETCH	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Devon Ratliff

Core Individual Strategic Goals

Goal Weight

<p>Successfully deliver the new Tier-based keypad strategy, meeting performance and cost targets as defined in the 2020 Product Pipeline; supportive of a future configuration approach strategy</p> <ul style="list-style-type: none"> Successful launch of the S&G New Keypad by end of 2020. Demonstrate quote opportunity totaling \$200k. 	30%
<p>Successfully deliver the rationalized/modularized lock body strategy, meeting performance and cost targets as defined in the 2020 Product Pipeline; supportive of a future configuration approach strategy</p>	30%
<p>Define NPD vs Sustaining Engineering technical competencies, process, and capacity allocation requirements to successfully deliver on the NPD Roadmap and Sustaining Engineering demand</p>	25%
<p>Leverage S&G Engineering capabilities toward optimizing new product development, project management and launch across S&G portfolio companies</p> <ul style="list-style-type: none"> Complete the Engineering requirements to allow for a successful launch of the Delaney MF Smartlock as defined by end of 2020. Demonstrate quote opportunity totaling \$50k. Complete Engineering assessment/design to replace current PHI Panic Bar with Delaney Panic Bar 	15%
TOTAL CORE	100%

Stretch Individual Strategic Goals

Goal Weight

<p>Leverage Innovative Product Development Strategy to identify and develop credible product adjacency opportunities.</p> <ul style="list-style-type: none"> Identify a strategy and develop working prototypes for a trigger lock and handgun safe and utilizes core S&G technologies (examples: biometric and Bluetooth) 	40%
<p>Identify and prioritize joint product development opportunities with S&G/Open Gate Portfolio companies and strategic development partners</p>	30%
<p>Collaborate with Marketing and Sales to develop a strategy to leverage the LCD Touchscreen of the new Tier 1 keypad to improve overall usability and customer experience.</p>	30%
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Christine Flannery

Core Individual Strategic Goals

Goal Weight

Standardize HR programs, policies and procedures across divisions <ul style="list-style-type: none"> Employee Handbook S&G (10%) Job Descriptions across all divisions (10%) Check Lists and On-boarding/Off-Boarding (10%) Identify and track KPI's (10%) 	40%
Performance Reviews across all 3 divisions <ul style="list-style-type: none"> Self appraisal, management appraisal, calibration sessions Talent Management Program to be established Realize success in recruiting and on-boarding required talent to achieve business objectives (i.e. IMM's) 	35%
Implementation of Succession Planning at S&G <ul style="list-style-type: none"> Utilize Succession Templates for Performance, Ultimate Potential and Readiness – Document Hi-Pos, determine under performers Create Skill Pools 	25%
TOTAL CORE	100%

Stretch Individual Strategic Goals

Goal Weight

Create and Deploy an Employee Survey to determine baselines for all core programs, mission and vision with the ability to monitor progress over the next 3 to 5 years	30%
Create Compa-Ratios and Pay Bands across all 3 divisions	35%
Build a robust professional development program <ul style="list-style-type: none"> Create catalogue of learning and development programs (exempt & non-exempt) Build vs. Buy 	35%
TOTAL STRETCH	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Craig Saunders

Core Individual Strategic Goals

Goal Weight

Drive quality improvement culture <ul style="list-style-type: none"> QMS metrics (internal / external) established in Q2 and measurably impactful to business financials and customer satisfaction by end-of-year Deliver 25% reduction in YOY warranty costs (Savings of \$186,631) Warranty target = <\$560K Net Promoter Score ('NPS') > 50 Drive Continuous Improvement culture / waste elimination leveraging Yellow/White Belt training 	25%
Support revenue growth and deliver to operating costs, per 2H20 Reforecast (\$10,462K) <ul style="list-style-type: none"> Improve tracking for on time delivery (vs promise / vs customer required delivery) 98% goal Scale COGS and OPEX to ensure delivery of EBITDA (%) (Leverage Netsuite / SIOP) 	30%
Successfully implement New Product (including new keypad). Success KPI's to include targets of NPD schedule, product cost, OTD, and defect free measured by warranty and NPS score. Establish verification testing process, replicating customer application.	25%
Execute SKU rationalization plan (SKU reduction & Lock Body Consolidation) <ul style="list-style-type: none"> Coordinate Inventory management plan (transition period) – Cost improvements in 2020 AOP (measured in inventory value) Implement inventory management plan (late configurable) - Cost improvements in 2020 AOP (measured in inventory value) 	20%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.

Stretch Individual Strategic Goals

Goal Weight

Prosecute plan to perform Make Vs Buy category analysis and execution (Data analysis showing internal costs vs purchased components) – Provide data driven recommendation for action.	30%
Create VSM model for optimized assembly validation/testing, packing, shipping. (execute on new keypad) –Manufacturing tool implementation and standardization.	30%
Deliver quality improvements realizing increased reduction in Cost of Poor Quality and increased Customer Satisfaction as measured in Warranty cost reduction of 50% (\$300K) and a Net Promoter Score >65.	40%
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Kelly Edney

Core Individual Strategic Goals

Goal Weight

Build, define, execute impactful phased rollout strategy for brand refresh launch by June '20.	
<ul style="list-style-type: none"> Researchitect the S&G website, and introduce new tools, to improve user experience and site navigation, improving website KPIs including monthly traffic, time on site, and pages/visit. Establish phased rollout plan to update existing marketing materials and customer touchpoints by end of Q3. 	30%
Develop market-leading, customer-focused digital marketing strategy to drive organic growth.	
<ul style="list-style-type: none"> Formalize lead generation strategy by identifying lead opportunities & process map to capture, quantify, score leads. Create ongoing social media content and advertising strategy to drive awareness, followers, engagement. Develop digital advertising strategy to optimize SEO and drive users to the site. Optimize website to provide ongoing thought leadership via case studies/white papers and education via blog. 	25%
Define and execute 360 degree commercialization strategy, including product rationalization, for 2020 new products.	
<ul style="list-style-type: none"> Create standardized launch template of deliverables for each tiered launch as defined by revenue potential. Draft compelling messaging to support product value proposition, resonating w/customers. 	25%
Develop comprehensive e-commerce strategy to drive end user awareness and growth.	
<ul style="list-style-type: none"> Optimize Amazon presence by strengthening pricing position through MAP implementation. Partner with key retailers for expanded online presence. 	20%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met

Stretch Individual Strategic Goals

Goal Weight

Optimize product instructions, in collaboration w/ CS & ENG, to improve user experience by end of Q4.	
<ul style="list-style-type: none"> Create standard product instructions template to be used across products for consistent look and feel. Implement Quick Start Guide for quick, easy reference. Streamline copy and leverage visual elements obtained through CAD/line drawings to optimize appearance. 	30%
Develop thought leadership strategy to expand brand awareness and reach by end of Q4.	
<ul style="list-style-type: none"> Identify key influencers (or micro-influencers) to leverage for safe locking education & new keypad endorsement. Create ongoing calendar of white paper, case study, blog submission, targeting at least one every two months. 	30%
Complete the S&G electronic product portfolio strategy execution and commercialization roll-out. Demonstrate success in \$273k organic growth with Tier I, new digital keypad.	40%
TOTAL STRETCH	100%

- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Patrick Cunningham

Core Individual Strategic Goals

	Goal Weight
Drive Continuous Improvement culture <ul style="list-style-type: none"> Deliver the project plan to convert the plant to a value stream strategy. This plan will focus on high volume products. (6128, 6800 family, etc.) Deliver an Operation Plan to promote the CI culture addressing a reduction in lead time, an increase in On Time delivery and improving FPY for high volume products. Create and launch a submittal program to facilitate Organization-Wide participation in Continuous Improvement 	30%
Support 2020 performance <ul style="list-style-type: none"> Deliver \$1.0M in cost reduction projects based on 4-Wall Costs and calculated using Protrak software, equivalent to 5% reduction in 4 Wall Cost. There are currently 63 Active Cost Reduction Projects (06/16/2020) SKU rationalization Project consisting of: 50% reduction in Core Product Keypads, Lock Body Consolidation and New Keypad consolidation of legacy keypads Create Business plan and timeline for keypad and lock body consolidation 	35%
Successfully implement New Product (including new keypad). Success KPI's to include targets of NPD schedule, product cost, OTD, and defect free. <ul style="list-style-type: none"> Conduct Kaizen Events focused on achieving the OPS NPD KPI's Include these new products into the OPS plan for the Value Stream Strategy 	35%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.

Stretch Individual Strategic Goals

	Goal Weight
Deliver \$1.2M Cost Reduction Projects based on 5% reduction in 4-Wall Costs	30%
Create Make Item Pull System and Supermarket for high volume components to reduce internal part shortages by 25%	40%
As a component of cost reduction: Reduce Hours of Waste by 4000 hours (Measuring Waste Reduction)	30%
TOTAL STRETCH	100%

- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.



2H20 Individual Strategic Goals: Michael Rose

Core Individual Strategic Goals

Goal Weight

Drive \$300K in full-year Supplier PPV <ul style="list-style-type: none"> Create Buying Power Through Supplier Consolidation and Review Spend by Supplier/Commodity Leverage NetSuite RFQ Capability and Increase Quoting with Alternate Suppliers Partner with Engineering for Alternate Components and BOM Consolidation 	30%
Reduce Base Inventory By 10% YOY Excluding NPD <ul style="list-style-type: none"> Improve Overall Internal and External Component Lead Time by Driving VMI, Consignment, and Local Warehousing Eliminate Items Through SKU Rationalization Process Implement and Execute Make v Buy Strategy 	30%
Leverage 3 rd Party to Develop Standalone Freight Management System <ul style="list-style-type: none"> Track / Trend KPIs by Incorporating NetSuite Processes Create Process for Freight Quoting 	20%
Mitigate 70% of Section 301 Tariff Costs	20%
TOTAL CORE	100%

Stretch Individual Strategic Goals

Goal Weight

Improve ERP Utilization <ul style="list-style-type: none"> Implement Paperless Factory – Automated routings / drawings / Inspection Points Improve Warehouse Management by Increasing Barcoding Throughout Manufacturing 	30%
Drive full-year Material PPV of \$400K	35%
Improve On-Time Delivery (KPI's trending appropriately) <ul style="list-style-type: none"> Leverage NetSuite Capacity Planning Improve SIOP Trending and Presentation with CRM Tools 	35%
TOTAL STRETCH	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Sean Barnes

Core Individual Strategic Goals

Goal Weight

Structure the IT equipment as total standard and deployment without individualized setup. <ul style="list-style-type: none"> Vendor centralization for ordering and support for S&G/Delaney/Premier Deployment system usage to make sure that all systems are using the same platform and base applications for replacements and new user deployment. Better ordering power with the larger number of users between sites. Evaluate and negotiate office equipment replacement leasing and annual costs <ul style="list-style-type: none"> Printers / Laptops / Networking equipment and all needed accessories. 	35%
Complete NIST 800-171 and PCI-DSS security requirements for all user accounts and access. <ul style="list-style-type: none"> Creating all required security components within the Office 365 environment. Validating the network security and configurations are compliant. 3rd party validation for record of compliance or additional needs to be compliant. 	30%
E-Commerce store connection to the new website to be connected and working through the NetSuite page for ordering. <ul style="list-style-type: none"> Connecting the NetSuite pages to the new website to make sure that the online ordering can be completed. Setting up monitoring of the new website and the connections to have a 99.9999 uptime without any interruptions or security issues. 	25%
<ul style="list-style-type: none"> Single Sign-on for Users and 3rd party applications and direct sign-on IDs and PWs. 	10%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met

Stretch Individual Strategic Goals

Goal Weight

Combine all user access to Single Sign on to limit users from having to create multiple logins. <ul style="list-style-type: none"> Find solution and implement for all systems to be single ID and PW for users. 	35%
Dashboarding displays within the plants for live information And-on styled dashboards for manufacturing for live requirements of inventory levels.	20%
User training and evaluation process and documentation. <ul style="list-style-type: none"> Setup user training platform for all users. Create an evaluation matrix for baseline knowledge and growth. 	30%
Helpdesk and user support for users and system automation. Setup automation request completion with Office 365 for user management.	15%
TOTAL STRETCH	100%

- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Libby Zappala

Core Individual Strategic Goals

Goal Weight

Achieve Delaney 2H20 Individual target net revenue and Adj. EBITDA	35%
Drive revenue growth by providing sales leaders with the tools and resources required to execute on their strategic initiatives and improve their effectiveness. <ul style="list-style-type: none"> Create documented strategy plan that is executable for Sales Initiatives: Share of Wallet Penetration Strategies (Region 1, Region 2, and MF) and Bravura, National Accounts & Builders Action Plans Forecast addressable market growth gain for 2021 	30%
Develop geographic expansion strategy and plan <ul style="list-style-type: none"> Identify potential acquisitions Evaluate current Regional Management structure Perform Westward expansion study 	20%
Successful launch of the MF Smartlock by end of 2020. Demonstrate quote opportunity totaling \$50k.	15%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals

Stretch Individual Strategic Goals

Goal Weight

Develop continuous improvement culture <ul style="list-style-type: none"> Create a roadmap to capture opportunities, assign committees to evaluate Complete LSS Yellow Belt certification & schedule Green Belt training across identified team members Complete at least 1 DMAIC project (if possible, given COVID-19 situation) 	35%
Leverage business systems to provide optimal metrics to measure the business performance. <ul style="list-style-type: none"> Create dashboards, reporting, and process to utilize metrics to manage business 	35%
Identify scalable organization structure	30%
TOTAL STRETCH	100%

- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.



2H20 Individual Strategic Goals: Milan Vora

Core Individual Strategic Goals

Goal Weight

<p>Transition into the CFO for S&G and its subsidiary companies.</p> <ul style="list-style-type: none"> Work with Mary & Bryan at S&G as well as the other finance members at Delaney and Premier on current workload and areas of improvement. Realize capability, capacity and best practice enhancement through the alignment of finance function toward achieving \$275k OPEX reduction in HC and outsourcing with consolidated back office 	40%
<p>Use the business systems (including the workbench) to help generate reporting that provides insightful information to drive business performance towards AOP.</p> <ul style="list-style-type: none"> Become acclimated with S&G NetSuite system to better understand the business as well as understand system capabilities. Evaluate NetSuite to determine the fit and benefits for Delaney. Implement NetSuite, with CRM, at Delaney on the agreed upon timeline (Dec-2020). 	30%
<p>Optimize finance team and processes to best meet the needs of the entire organization.</p> <ul style="list-style-type: none"> Existing direct staff should cover the following areas of finance: Bryan – Controller of S&G, Tammy – Accounting Manager for Delaney and A/R, A/P Oversight for S&G, Mary – Financial Analyst and FP&A for all divisions. Ensure that the finance needs are being met for each division as well as for Open Gate. 	30%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.

Stretch Individual Strategic Goals

Goal Weight

Achieve the consolidated 2020 Reforecast target net revenue and Adj. EBITDA for all three divisions.	40%
<p>Create a more dynamic budget model that allows for multiple scenarios (revenue haircuts).</p> <ul style="list-style-type: none"> Build a bottom up budget with functional leader ownership. Model should provide functional leaders the ability to easily identify areas where cuts can be made with different revenue scenarios. 	30%
<p>Create business case model to track and assess growth opportunities across the entire organization.</p> <p>Examples – Premier capacity and CAPEX model and Kyle's business cases scenarios for strategic sales growth.</p>	30%
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Kathryn Towns

Core Individual Strategic Goals

Goal Weight

Implement growth-driven marketing strategy & action plan to achieve 2020 sales goals & increase brand awareness (metric to reach EBITDA & AOP target) <ul style="list-style-type: none"> Develop an effective lead generation program to identify and capture new dealers & builders within existing territories, new customers for national expansion & new Bravura customers. Execute a successful go-to-market strategy and commercialization plan for 2020 new products to deliver increased sales and new partner opportunities Create and implement comprehensive marketing action plan to enhance Bravura's representation for increased sales and brand awareness (new website, e-commerce strategy, digital advertising & awareness campaign.) –Investment dependent Assist in strategy & execution of S&G's main marketing goals of brand refresh, website launch & lead generation 	40%
<p>Grow Delaney e-commerce business 35% to \$3M in full-year sales (Incremental \$800K) / Optimize S&G e-commerce within existing partners (Amazon) as well as establish on new partners such as Lowes for increased sales</p> <ul style="list-style-type: none"> Enhance catalog breadth offered online & merchandising with top 5 e-commerce partners Strengthen relationship with top online partner (Home Depot, Lowes, Wayfair & Build) & get Delaney the ability to participate in promotions and department pushes Establish S&G on Lowes and develop plan for optimizing S&G on Amazon channel to increase online sales. 	30%
<p>Optimize communication and marketing support tools for dealers, sales reps and inside sales teams to increase sales opportunities, drive growth and enable sales efficiencies.</p> <ul style="list-style-type: none"> Create sales web-based tool repository & new sales support tools like dealer planogram programs for increased effectiveness & opportunities. Enhance Delaney website with new functionality, product information and educational tools to deliver market-leading customer experience for increased lead conversion 	20%
<p>Launch commercialization of Multi-Family Smartlock, Develop plan to obtain key MF IoT alliances & partners as well as awareness campaign within Multi-Family segment – Incremental \$1M over 12 month period (product completion dependent)</p>	10%
TOTAL CORE	100%

Stretch Individual Strategic Goals

Goal Weight

<p>Develop and grow a talented marketing team that produce approx. 90% of all marketing activities in-house for S&G family of brands (including graphic design, communication/social media, POP/planograms, lead generation, photography, etc.) to decrease marketing creation spend and increase efficiencies.</p>	40%
<p>Launch the S&G E-Commerce platform on the www.sargentandgreenleaf.com website to drive new sales and awareness</p>	40%
<p>Optimize product training and video support to enhance EPIC user experience and demonstrate market expertise.</p>	20%
TOTAL STRETCH	100%

2H20 Individual Strategic Goals: Bethany Preston

Core Individual Strategic Goals

Goal Weight

<p>Standardize programs, policies, and procedures across divisions.</p> <ul style="list-style-type: none"> Review, revise, and update current company handbook to ensure up-to-date compliance as well as unity across divisions (where applicable). Review, revise, and/or create job descriptions for all Delaney positions. Implement and automate (where possible) on-boarding procedures to align with EPIC employee experience and allow new hires to more quickly acclimate to Delaney culture & contribute to overall company success. 	40%
<p>Develop performance management processes that are aligned with and optimally support our employees' performance with the goals of the organization.</p> <ul style="list-style-type: none"> Identify & align performance standards to support org goals and communicate standards to employees. Evaluate current PA methodologies and compare them to current trends in Performance Management to determine value in moving from annual reviews to more current system of constant/regular feedback. Automate revised performance appraisals to include self appraisal, manager appraisal, goal setting & review, and follow-up. 	40%
<p>To conduct a review and comparison study of our payroll and benefits package and present results on harmonizing and/or aligning options to Sr. Executives and advise C-level leadership on recommendations.</p>	20%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved

- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met

Stretch Individual Strategic Goals

Goal Weight

<p>Learn and implement 9-box grid talent review tool as a means to track progress and diagnose developmental needs across employee base.</p>	20%
<p>Increase employee loyalty and improve corporate culture by strengthening employee engagement.</p> <ul style="list-style-type: none"> Obtain management level buy-in on importance in keeping staff engaged, motivated, and happy. Initiate more frequent interactions with employees, as a whole and by functional area. Implement positive feedback system that engages all employees and managers across functional area. 	40%
<p>Implement Compa-Ratios and Pay Bands across divisions to create a foundation for pay equity and act as guardrails for hiring and employee raises.</p>	40%
TOTAL STRETCH	100%

- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals

- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Tammy Fontenot

Core Individual Strategic Goals

	Goal Weight
Implementation of NetSuite for Delaney <ul style="list-style-type: none"> Continue participation in evaluating NetSuite for Delaney Work with the NetSuite Team to cleanup Existing data and establish reporting features Meet Implementation Deadlines for the department 	40%
Transition into the newly added responsibilities of A/R and A/P Oversight/Backup for S&G <ul style="list-style-type: none"> Learn the NetSuite AR and AP systems and how they apply to S&G business. Get Familiar with S&G collection processes and Customers and Vendors Assist with Training New Hire to take over the A/R, A/P, Collections for S&G 	40%
Support the VP-Finance during the transition into the CFO for S&G and its subsidiary companies. <ul style="list-style-type: none"> Work with Milan to take over various reporting responsibilities 	20%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.

Stretch Individual Strategic Goals

	Goal Weight
Streamline Month-End close to be completed on or before the 5 th business day of each month	40%
Create a master spreadsheet/report to speed up the reconciliation process of the AP Suspense and Drop Ship Inventory GL Accounts	30%
Evaluate existing accounting team and arrange for needed training/cross training	30%
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Steve Grimsley

Core Individual Strategic Goals

Goal Weight

Increase share of wallet w/current national accounts & buying groups through expanding product categories & footprint penetration in all locations <ul style="list-style-type: none"> • Increase sales 10% above AOP • Work closer with OSR's on field accountability and outlining sales commitment objectives with each location 	40%
Penetrate top 200 Home Builders <ul style="list-style-type: none"> • Focus on obtainable market opportunity, builder size , scope, and needs with 1-3 Builders • Secure 1 Builder in Top 40 • Add additional product categories with each builder program (bath & barn door) 	40%
Select top new market segment channels and create Delaney involvement to increase full-year revenue by \$500K through new channels .	20%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals

Stretch Individual Strategic Goals

Goal Weight

Continue reaching for High Level Builder obtainable markets <ul style="list-style-type: none"> • Capitalize on contractual timeline opportunities • Additional success through brand awareness builder efforts 	35%
New Market Segments <ul style="list-style-type: none"> • Lowes & Home Depot S/O and Pro-desk • Menards Special Order Vendor- 337 Stores • Menards Container direct into Mid-West Mfg. DC 500K 	30%
Develop and engage business focus in Canada <ul style="list-style-type: none"> • Secure business with leaders in identified markets 	35%
TOTAL STRETCH	100%

- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.



2H20 Individual Strategic Goals: Sabina Dedic

Core Individual Strategic Goals

Goal Weight

Complete Analyze and Design Phase of NetSuite Implementation <ul style="list-style-type: none"> Participate actively in all workshops. Conduct a review of existing processes & optimize processes for NetSuite. Identify and document process gaps in Warehouse and Keying. 	30%
Complete Validation Phase of NetSuite Implementation <ul style="list-style-type: none"> Gain employee confidence and acceptance of new platform. Prepare for and execute testing as it relates to WH/Keying functions. 	30%
Complete Deployment Phase of NetSuite Implementation <ul style="list-style-type: none"> Create training plan that allows continued operation. Execute & manage employee training and optimization. 	40%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met

Stretch Individual Strategic Goals

Goal Weight

Identify & deploy an improved process for online order fulfillment/shipping.	00%
Identify & upwardly communicate scalable warehouse personnel structure. <ul style="list-style-type: none"> Identify & report on current state & future state staff needs based on projected growth. Identify & report on leadership roles needed to carry out business objectives that are inline with succession plan. 	50%
Identify & upwardly communicate scalable keying personnel structure. <ul style="list-style-type: none"> Identify & report on current state & future state staff needs based on projected growth. Identify & report on leadership roles needed to carry out business objectives that are inline with succession plan. 	50%
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Dennis James

Core Individual Strategic Goals

Goal Weight

Maintain supply and minimize supply shortages in order to achieve the Delaney 2H20 Reforecast target net revenue and ADJ. EBITDA.	25%
Develop plan to pursue immediate sourcing savings opportunities. Identify potential alternative suppliers. Work with our current suppliers to reduce cost and improve overall process.	25%
Lead/Participate in the Analyze & Design Phase for the NetSuite implementation.	25%
Lead/Participate in the Deployment Phase for NetSuite.	25%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals

Stretch Individual Strategic Goals

Goal Weight

Complete LSS Yellow Belt certification & sign up for Green Belt training Complete at least 1 DMAIC project (if possible, given COVID-19 situation)	40%
Work with key dealers and the outside sales reps to gather forecasts and key sales trends.	30%
Identify substitute products that can be used to fill customer backorders. Make sure this information is available in our ERP system for customer service and the warehouse.	30%
TOTAL STRETCH	100%

- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.



2H20 Individual Strategic Goals: Jennifer Payne

Core Individual Strategic Goals

Goal Weight

Complete Analyze and Design Phase of NetSuite Implementation <ul style="list-style-type: none"> Participate actively in all workshops. Conduct a review existing processes & optimize processes to NetSuite. Identify and document process gaps in Customer Service / Data Entry. 	30%
Complete Validation Phase of NetSuite Implementation <ul style="list-style-type: none"> Prepare for and execute testing as it relates to CS/Data Entry functions. 	30%
Complete Deployment Phase of NetSuite Implementation <ul style="list-style-type: none"> Gain employee confidence & acceptance of new platform. Create training plan that allows continued operation & user training. Execute & manage employee training and optimization. 	40%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met

Stretch Individual Strategic Goals

Goal Weight

Define and develop KPIs that can be used to evaluate business performance. <ul style="list-style-type: none"> Department KPI's related back to business growth. Individual Employee KPI's related back to performance standards 	50%
Contribute to continuous improvement culture. <ul style="list-style-type: none"> Identify areas where process improvements are required. Perform at least one Kaizen event related to Customer Service / Data Entry. 	50%
TOTAL STRETCH	100%

- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2020 Individual Strategic Goals: Jennica Haskell

Core Individual Strategic Goals

Goal Weight

Develop EPIC Customer Onboarding Experience <ul style="list-style-type: none"> Develop and deploy an accessible, flexible, and repeatable onboarding experience that engages customers and enables them to fulfill their buying goals as quickly and as smoothly as possible. 	35%
Develop & Communicate Upward, and Implement Plan for Driving Sales Internally <ul style="list-style-type: none"> Define and implement true Inside Sales Rep roles, responsibilities, expectations. Gain support of new department structure from President Interview and hire/promote employees into new Sales Roles by EOY. 	35%
Lead Generation: Create a process for managing lead generation which would include: <ul style="list-style-type: none"> Develop and execute plan to increase lead gen with new with new business on existing national accounts. Identify and manage process for new leads attained through Hub Spot and other online and/or digital methods. Institute a cold-prospecting strategy that is executed by new Inside Sales roles. 	30%
TOTAL CORE	100%

Stretch Individual Strategic Goals

Goal Weight

Contribute toward continuous improvement culture. <ul style="list-style-type: none"> Complete LSS Green Belt Training (if practical given COVID situation) Complete at least one Kaizen event in each functional area: WH, Keying, Customer Service, Accounting. Contribute actively to one DMAIC project (if practical given COVID situation) 	20%
Manage the planning, coordinating, training, and deployment of NetSuite and CRM as it relates to Inside Sales.	50%
Design and gain approval on a sales-based compensation plan for ISR's for 2021.	30%
TOTAL STRETCH	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both financial performance metric Triggers are met



2H20 Individual Strategic Goals: Joey Meggs

Core Individual Strategic Goals

Goal Weight

Execute strategy for current and new customers to drive growth in core and new products and geographies per 2H20 Reforecast	35%
<ul style="list-style-type: none"> Create buying programs and tiered pricing plans to drive growth and increase sales opportunities. 	
Identify and hire SBDM and expand commissioned rep coverage into four to six states.	25%
<ul style="list-style-type: none"> Targeted rep coverage in AL, MS, OK, AR, NC, & SC 	
Broaden and drive established KPI's for optimal performance	25%
<ul style="list-style-type: none"> Align production and demand with business case scenario 	
Strategically source and leverage supply chains to ensure continued competitiveness and favorable margins.	15%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.

Stretch Individual Strategic Goals

Goal Weight

Exceed Premier 2H20 Reforecast tgt. for Adj EBITDA by 5-10%	40%
<ul style="list-style-type: none"> COGS containment/savings/production efficiencies 	
Facilitate improved social media and refresh of both printed and digital media and incorporate into website for better accessibility.	30%
<ul style="list-style-type: none"> Catalog updates and installation videos loaded on website 	
Enlarge role at SDI for more opportunities to lead and influence code revisions that affect our industry.	20%
<ul style="list-style-type: none"> White paper and potential committee assignments 	
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Dale McGarrah

Core Individual Strategic Goals

Goal Weight

EBITDA	35%
<ul style="list-style-type: none"> Achieve 2H20 Reforecast target for EBITDA 	
Performance KPIs	35%
<ul style="list-style-type: none"> Achieve ratioed AOP performance KPI targets for 2020 (doors/man hr, frames/man hr, safety, DL/part, external quality, overtime) 	
Strategic Projects	30%
<ul style="list-style-type: none"> Complete finite strategic project date objectives per timeline 2020. 	
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals
- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.

Stretch Individual Strategic Goals

Goal Weight

EBITDA	40%
<ul style="list-style-type: none"> Exceed EBITDA 2H20 Reforecast by 5% 	
Product Line Capability	30%
<ul style="list-style-type: none"> Design and deploy custom fully painted system to drive key account share and expand product offering by EOY 2020 	
COGS	30%
<ul style="list-style-type: none"> Beat AOP 2020 COGS by 5% through a combination of productivity improvement, inventory management, labor, and facility costs. 	
TOTAL STRETCH	100%



2H20 Individual Strategic Goals: Joe Chisholm

Core Individual Strategic Goals

Goal Weight

Complete the monthly financial close process in a timely and accurate manner. Prepare financial analysis that supports senior management. Be flexible and responsive to the new financial alignment.	40%
Maintain proper staffing levels with the necessary skill sets for continued production efficiency.	25%
Support all employees with accurate benefits and payroll administration. Strengthen communication flow between the plant/warehouses and management.	25%
Promote teamwork and best practices with my counterparts at Delaney and S&G.	10%
TOTAL CORE	100%

- Payout between 0% and 100% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core Individual Strategic Goals that are achieved
- Payout above 100% of Target for the Individual Strategic Goals performance metric is achieved only if all Core Individual Strategic Goals are achieved and both financial performance metric Targets are met
- Payout between 100% and 200% of Target for the Individual Strategic Goals performance metric is equal to the sum of the goal weights of the Core and Stretch Individual Strategic Goals

Stretch Individual Strategic Goals

Goal Weight

Exceed Premier 2H20 Reforecast tgt. for Adj EBITDA by 5-10% • COGS containment/savings/production efficiencies	40%
Make sure policies and procedures are followed by all employees and enforced by management in an ethical and consistent manner to promote employee satisfaction and avoid litigation.	40%
Pursue eligible tax credits such as WOTC and Families First Response Act. Scrutinize all payables for discounts and pricing. COGS analysis.	20%
TOTAL STRETCH	100%

- Any bonus payout under the MIP requires that both consolidated financial performance metric Triggers are met. For division-specific participants, this also requires that both division financial performance metric Triggers are met.
- Any bonus payout above Target under the MIP requires that both consolidated financial performance metric Targets are met. For division-specific employees, this also requires that both division financial performance metric Targets are met.

