



# NRS

100% Employee Owned

## IMPACT REPORT

2023 Update



## BUILT TO SERVE

As a 100% employee-owned business, we cultivate an ownership culture that informs how we approach our work each day. Thinking like owners means pulling together toward common goals. The central theme uniting those goals is the bedrock of our company: **service.**

Our founder, Bill Parks, started NRS in 1972 with a vision of treating his customers the way he would like to be treated. As the company grew, his concept of service expanded. Bill made sure NRS worked not only to benefit its customers, but also its business partners, employees, our local and global communities, and conservation.

Today, we are reimagining service for a new era, putting all our resources to work for customers and community, people and the planet. Purpose drives progress, and our forward stroke has never felt stronger. We're gaining on our goals each day, building better and more sustainable products, supporting stakeholders upstream and down, improving operations, and making an impact at the grassroots.

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# SERVING COMMUNITY

Serving the health and well-being of people and the planet by making human-powered outdoor recreation more accessible, safe, sustainable, and enjoyable—this mission gives meaning to the work we do each day. Our efforts start with providing the equipment and expertise that empower adventures on the water, and we're now serving customers with more inclusive products and expanded sizing. And through our LEAD athlete and ambassador program, NRS supports the work of individuals and organizations breaking down barriers to outdoor participation to build a more inclusive and representative paddlesports community.

## COMMUNITY GOALS

- Build a broader, more inclusive paddlesports community to promote human wellness and sustain businesses.
- Lower barriers to entry for new participants and build pathways for progressing in the sport.
- Support a broader range of paddlers with more inclusive products and expanded sizing.
- Diversify representation in marketing media on both sides of the lens.
- Cooperate with brands and retailers to maintain a vibrant and thriving paddlesports industry.



## LEADing THE WAY

Beginning in 2021, NRS shifted the focus of our athlete ambassador program to prioritize community engagement and activism, launching the NRS LEAD program. LEAD stands for Leaders in Environment, Access and Diversity. Through our LEAD athletes and ambassadors, we support the work of community builders and activists promoting access to the outdoors, broadening participation, and developing the next generation of conservation advocates.

### Rios to Rivers

Ríos to Rivers facilitates place-based educational experiences to empower the next generation of river stewards in Indigenous river-based communities in North, South and Central America. As a program within a program, 'Paddle Tribal Waters' is focused on training Indigenous youth to kayak, so they can become the first people to paddle the Klamath River from source to sea. The dam removal on the Klamath will be the largest in U.S. history, restoring free flow for the first time in more than a century.



### Zorbari Nwidor – Chicago Adventure Therapy

A former Chicago Adventure Therapy youth participant, Zorbari brings a decade of coaching experience and British Canoeing certifications in stand-up paddleboarding and kayaking to her work with CAT and the West Michigan Coastal Kayak Association Symposium. Zorbari is dedicated to creating a world where every young person, regardless of race, gender, or socioeconomic status, can experience the transformative power of the outdoors and adventure sports.

### Ann Gillard – The Venture Out Project

Ann Gillard is a volunteer and board member for The Venture Out Project and founder of Pride on the River. The Venture Out Project envisions a world where queer, trans, and LGBTQ+ youth and adults create community, develop leadership skills, and gain confidence through the shared experience of outdoor adventure and physical activity. As of 2023, the Venture Out project has led more than 50 adventures for upwards of 500 LGBTQ+ participants around the world.

### Ian Smith – The Watersmith Guild

Through his work as a guide and director of the Watersmith Guild, Ian Smith shares his passion for stand-up paddleboarding, filmmaking, and conservation to inspire positive change. He designs and implements programs like First Waves to empower underserved communities with the knowledge, access, and opportunities to improve and enjoy local waterways. First Waves achieves these goals through educational workshops, outreach, and content creation that promotes healthy and active lifestyles, watershed conservation, education in the art of filmmaking and STEAM fields, and diversity in outdoors recreation.

# SERVING CONSERVATION

NRS was born on the river, and water is our lifeblood. The future of our sport and business depends on public access to clean and healthy rivers, lakes and oceans. NRS supports the work of organizations large and small fighting for responsible resource management. We not only make financial and in-kind contributions but utilize the full resources of our company to help do the work. Whether lobbying decision makers, producing media, educating the public, or filling bags at streamside cleanups, we roll up our sleeves and get after it.

## CONSERVATION GOALS

- Keep wild rivers flowing free and eliminate obsolete, unnecessary and detrimental dams.
- Maintain and expand public recreational access to the waters that belong to us all.
- Ensure the outdoor recreation community has a seat at the table in policy discussions.
- Support healthy aquatic ecosystems and biodiversity.
- Protect vital habitat, reduce pollution, and preserve biodiversity.
- Reduce recreational impacts by encouraging ethical use and promoting leave-no-trace principles.



## WORKING TOGETHER

### Protecting the places we play

At NRS, you'll find passionate rafters, whitewater kayakers, sea kayakers, stand up paddlers, and fly fishers whose lives and livelihoods are intimately connected with water. Our future depends on healthy waters where our customers and we can recreate, recharge and reconnect with nature. NRS is committed to building strong, durable relationships with those out there doing the hard work to make lasting change. Our approach is not to just write a check and check a box, but to roll up our sleeves and work meaningfully with our partners to succeed together.

River miles protected: 4,000+

Volunteers recruited: 74,330

Volunteer hours: 6,540

Grants/scholarships awarded: 98

Acres of protected land: 12 million+

Comments to lawmakers: 3,087+

Pounds of trash removed: 402,978

People engaged in events: 12,912

Dams removed: 67



**6,540**

volunteer hours



**74,330**

volunteers recruited



**3,087+**

comments sent to lawmakers



**4,000+**

river miles protected



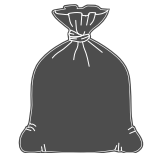
**12 million+**

acres of protected land



**402,978 lbs.**

of trash removed



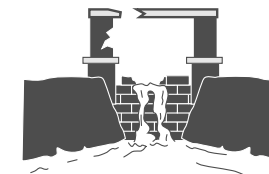
**98**

grants and scholarships awarded



**67**

dams removed



**12,912**

people engaged at events





## IMPACT PARTNERS

### US National

- American Rivers
- American Whitewater
- Backcountry Hunters & Anglers
- The Conservation Alliance
- Diversify Whitewater
- Trout Unlimited
- The Venture Out Project

### International

- Balkan River Defence // Slovenia; Europe
- Chicas al Agua // Chile
- Free Rivers Fund // Austria; Europe
- Ganga Kayak Festival // India
- Kayak Kaki // Malaysia
- Nepal Kayak Club // Nepal
- Project Canoe // Ontario, Canada
- The River Collective // Netherlands; Europe
- Rios to Rivers // USA; Chile
- Save Our Rivers // United Kingdom; Europe

### Western US

- CFI Native Teens Guide-In-Training // Utah
- Columbia Gorge Junior Kayak Club // Washington
- DARE to Kayak // Idaho

- Grand Salmon Project // Idaho; Montana
- Idaho Rivers United // Idaho
- LEAP // Oregon
- OARS Guide School Scholarship // CA, AZ, UT, ID
- PTSD Adventure Athletes // Idaho
- Redside Foundation // Idaho; Montana
- River Newe // Idaho
- White Salmon Boat Library // Washington

### Central US

- Austen's Autistic Adventures // Texas
- Chicago Adventure Therapy // Illinois

### Eastern US

- First Waves // Pennsylvania
- Hargrove Adventures, Team River Runner // Ohio
- Mind Body Adventure // North Carolina
- NOC Founder's Scholarship // North Carolina
- Northern Forest Canoe Trail // Vermont

### Moscow, Idaho

- Palouse Land Trust
- Palouse Clearwater Environmental Institute
- Enabling Explorers with Disability



# BUILDING BETTER

## Product Sustainability

We have a long way to go toward reaching our sustainability goals, but we are making progress each day and every year. In recent years, we've made some of our biggest strides by moving to more sustainable materials and processes, reducing plastic used in packaging, and by making our operations more resource efficient. This has not only helped lower our environmental impact but has also led to new innovations in our products and business practices.



## INTENTIONAL DESIGN

We approach every new and revised NRS product around three design pillars: performance, longevity and sustainability. Each of these three qualities drives—and depends on—the others, creating a virtuous cycle of innovation.

## NRS TERRAPRENE™

Greener neoprene for a cleaner planet.

Neoprene has historically been one of the least eco-friendly paddlesports product categories. NRS has been working for years to change this. All NRS neoprene products are now built with greener petroleum-free Terraprene.



### PETROLEUM-FREE

Natural limestone replaces petrochemicals used in the production of conventional neoprene.



45

plastic bottles recycled per wetsuit

### RECYCLED FACE FABRICS

Face fabrics are knitted with polyester yarn made from recycled water bottles, reducing plastic waste and lowering material consumption.



60%

reduced water and energy consumption

### DOPE-DYED YARNS

Dope dyeing yarns used in face fabrics infuses dye pigments into the material, saving large amounts of water while greatly lowering water pollution and energy consumption.



72%

less CO<sub>2</sub> emissions per wetsuit

### RECYCLED RUBBER

Using recycled rubber significantly reduces energy consumption and greenhouse gas emissions.

600g

of VOCs eliminated per wetsuit

### WATER-BASED ADHESIVES

Water-solvent laminating adhesives eliminate the harmful volatile organic compounds (VOCs) emitted by conventional glues.

7,003,014

kg less CO<sub>2</sub> emissions per year

### SOLAR-POWERED MANUFACTURING

NRS neoprene products are manufactured in a state-of-the-art solar-equipped facility.

6,038,486 kilowatt hours of clean energy generated per year

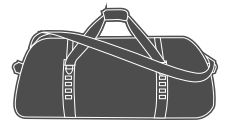


## NEW FOR 2024

All new and revised life jackets now made with 100% recycled face fabrics, waste 30% less foam in production, and are 100% PVC and PFAS free.

## NEW FOR 2024

All Dry Duffels now built with 100% PVC-free polyurethane-coated nylon.



## NEW FOR 2024

All sleeping pads now made with 100% PVC-free polyurethane-coated nylon.

## IGNITOR SERIES

NRS Ignitor Series neoprene is made with 100% recycled interior and exterior face fabrics



## RECYCLED GORE-TEX®

NRS GORE-TEX technical outerwear features 100% recycled face fabrics.



## PACKAGING IMPROVEMENTS

NRS is working systematically to reduce packaging volume and eliminate single-use plastics. With each new or revised product, we examine the packaging and look for ways to improve.

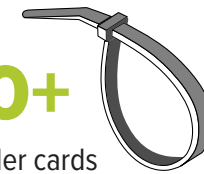


**485,000+**

annual poly-bag savings

**750,000+**

plastic zip ties and header cards saved per year with NRS strap packaging.



**100%**

recycled hang tags. Recyclable and biodegradable cartons.

## COMING ADVANCEMENTS

- Individual polybags will be eliminated for splash wear and neoprene

## 2021

- Eliminated poly bags from all non-commercial footwear packaging
- Re-designed strap packaging using zero single-use plastics

## 2022

- All NRS dry wear packaged in recyclable, biodegradable cartons
- 100% recycled hang tags on Guide Wear with vegetable-based inks and cotton thread
- Guide Wear and H2Core™ rolled and tied to reduce carton size and eliminate poly bags
- Wetsuit hang tags attached without plastic security loops
- Removed individual poly bags from life jacket shipments
- Removed poly bags from glove packaging

## 2023

- SUP and IK boxes redesigned to greatly reduce ink usage and improve biodegradability
- HydroSkin™ and wetsuits changed to 100% recycled hang tags with vegetable-based inks and cotton thread

# THINKING GLOBALLY

## Responsible Practices

If there's one thing that five decades in business has taught us, it's that progress is not about reaching a destination, it's about continually improving and pursuing larger goals. Being a leader comes with great responsibility, and we aim to put our values into action at every level of our organization, and at every stage of our supply chain. We have a long way to go toward meeting our goals, but we're committed to improving each day.



### CLIMATE COMMITMENT

As a company rooted in the outdoors, we have witnessed firsthand how increasingly erratic and severe weather patterns affect our communities, our sport and our environment. While solving the climate crisis will require large-scale systemic change, we believe that businesses have a responsibility to help initiate that change. NRS conducted its initial greenhouse gas inventory in 2023 to establish a baseline year of 2022.

#### 2023 Climate Efforts

- Create an initial Greenhouse Gas (GHG) emissions inventory
- Conduct Lifecycle Analysis (LCA) for key NRS product categories
- Create a long-term GHG measurement and reduction plan
- Set targets and timelines for reduction and offsetting

#### 2024 Climate Efforts

- Measure 2023 carbon footprint using GHG protocol.
- Begin moving from spend-based data to more accurate activity-based data.
- Work with factories using HIGG Factory Environmental Module (FEM).
- Establish emissions reduction plan.

### CHEMICAL COMPLIANCE

NRS maintains and enforces a Restricted Substances List (RSL) governing which harmful substances are banned or restricted in finished NRS products. NRS uses the American Apparel and Footwear Association's RSL. This is the industry standard for chemical compliance and meets or exceeds all applicable regulatory requirements.

### FACTORY CONDITIONS

All NRS manufacturing partners adhere to the NRS Manufacturer's Code of Conduct to ensure safe and respectful employment conditions.

Our Code of Conduct covers:

- Transparency
- Non-Discrimination
- Harassment and Abuse
- Recruitment and Hiring
- Freedom of Association and Collective Bargaining
- Hours of Work
- Compensation
- Health and Safety
- Environment
- Community

We enforce our Manufacturer's Code of Conduct through a combination of NRS-directed inspection through third-party testing as well as independent audit reports from partner factories.

## MINDFUL MANUFACTURING

Over the course of more than four decades, NRS has built a network of trusted manufacturing partners to complement our own factories. We choose partners who share our values and work together with them to implement those values in factory operations.

## EFFICIENT DISTRIBUTION

Centers in Canada, Netherlands and U.S.A. reduce door-to-door shipping distances.



NRS MOSCOW



NRS TECATE

NRS UK



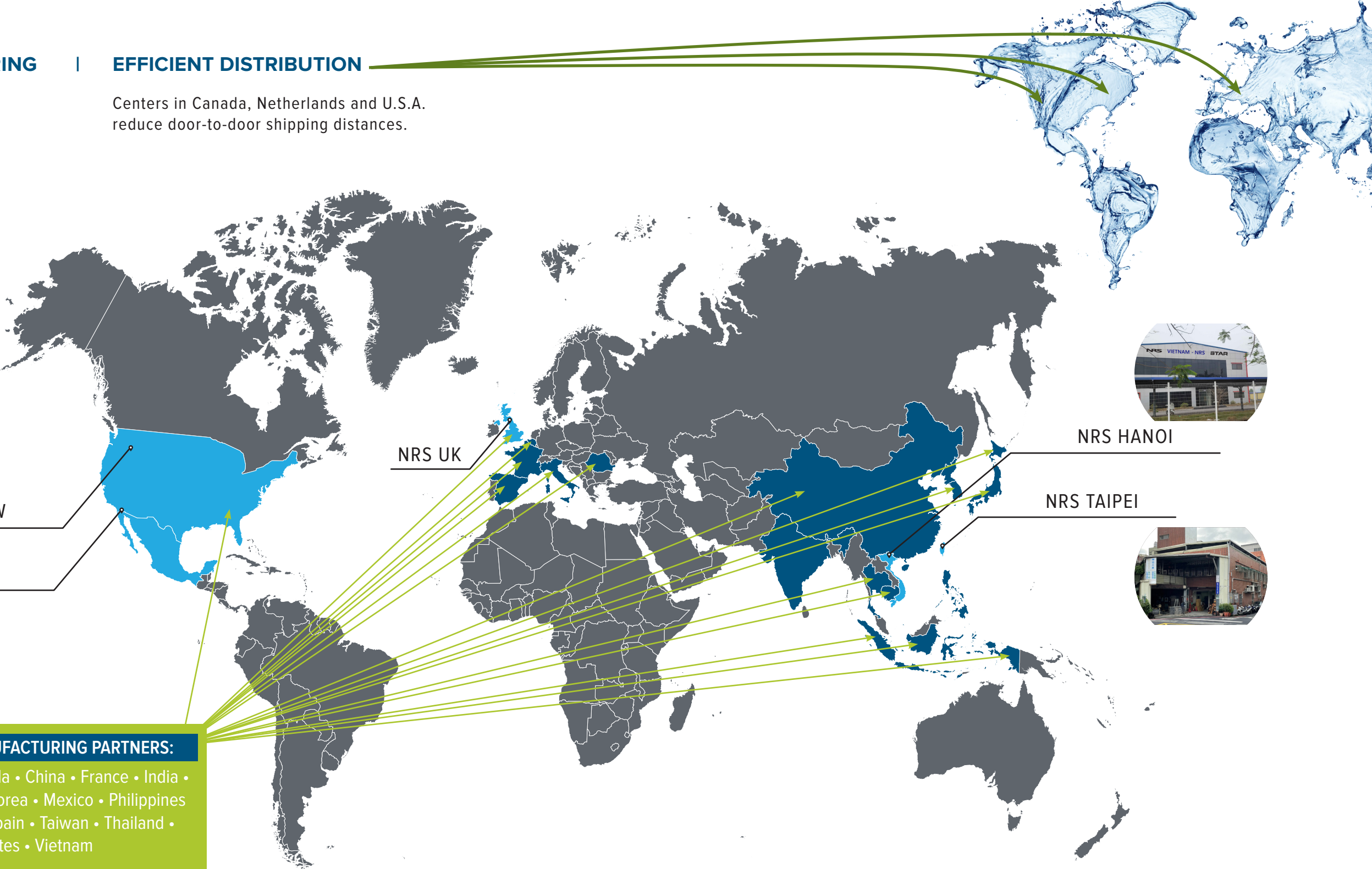
NRS HANOI



NRS TAIPEI

### ADDITIONAL GLOBAL MANUFACTURING PARTNERS:

Belgium • Cambodia • Canada • China • France • India • Indonesia • Italy • Japan • Korea • Mexico • Philippines • South Korea • Romania • Spain • Taiwan • Thailand • United Kingdom • United States • Vietnam



# IMPROVING OPERATIONS

## Internal Initiatives

As a 100% employee-owned business, we challenge each member of our team to consider the bigger picture in their day-to-day activities. Throughout the company, we constantly examine systems, processes and products to improve our performance. Advancements large and small add up over time to move NRS closer to our goals for sustainability, efficiency, and the customer experience. Making progress makes work fun, and we strive to move forward every day.



## SHIPPING ADVANCEMENTS

### Local and Recycled

In 2022, NRS collaborated with a local supplier on a pilot program to develop 100% post-consumer recycled packing dunnage for NRS shipments. Our partner, Revolve Print and Pack, is an offshoot of our regional family-owned newspaper. Working together, we leveraged their expertise in sourcing and printing to help support independent journalism and our local economy while reducing our environmental impact. We will now help Revolve expand distribution to other companies in the outdoor industry.

- 100% post-consumer recycled content
- Non-toxic vegetable-based inks
- Chemical-free processing
- Locally sourced

### Resource Efficient

In our constant effort to improve processes and reduce waste, our shipping staff identified a pain point (literally)—securing pallets for shipping with shrink wrap. Wrapping pallets was not only a bottleneck in preparing shipments but also a back-breaking task for our staff. The solution? To invest in our first NRS robot. The new technology improved our efficiency, relieved employees, and dramatically reduced our plastic usage by stretching shrink wrap rolls more than ten times further.

- Reduced physical stress for staff
- Faster and more efficient
- Tighter, more secure freight shipments
- 90% reduction in plastic usage

## REPAIR, REUSE, RECYCLE

### Repair, Not Replace

In 2019, NRS constructed a state-of-the-art repair facility at our headquarters in Moscow, Idaho. Since then, we have expanded our capabilities, adding zero-waste water testing technology for dry wear. In 2022, we purchased a larger facility adjacent to our headquarters where, beginning in 2023, we will add the capability to repair inflatable watercraft.

- Zero-waste water testing detects 100% of leaks in dry wear
- In-house taping machines allow permanent repairs to holes, tears and failed seams
- New gasket replacement technology eliminates chemicals and VOCs
- Inflatable repair center will keep boats and boards on the water longer

**500+** dry suits repaired each year

### Restore and Reuse

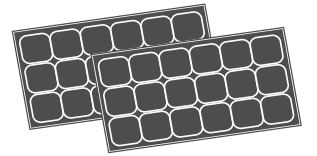
To complement our repairs program, NRS launched a new program in 2020 to offer serviceable used goods to our customers online. This program allows us to repair and refurbish many warranty items and provide them at a discount to our community. Over time NRS Used will allow us to keep many thousands of gear items on the water and out of the landfill.

**2,500+** used items resold

### Recycle2Win

Beginning in 2021, NRS implemented an internal program to recycle plastic bags and film to be converted into building materials. Plastic from shipments and operations, as well as employees' households, is collected, weighed, and donated to the Recycle2Win program, benefitting schools. With help from NRS, our local partner, Moscow Charter School, currently ranks third amongst schools in the nation for plastic recycling.

**5,000+** lbs. of plastic bags and film recycled



**6,038,486**

kilowatt hours of clean energy generated per year in solar-powered manufacturing facilities.



**\$\$**

Pay incentives for human-powered commutes.



### Ugly Box

Re-using cartons for shipping products greatly reduces reliance on virgin cardboard.



# TAKING OWNERSHIP



## Workplace Culture

As a 100% employee-owned business, we cultivate an ownership culture that informs how we approach our work each day. Thinking like owners means pulling together toward common goals. The central theme uniting those goals is the bedrock of our company: **service**. NRS exists to serve its customers and community, people and the planet. Our commitment to service starts at home with how we treat one another, how we conduct ourselves in our daily activities, and how we interact with our local community.

## EMPLOYEE OWNERSHIP

Our 100% employee-owned business model helps address one of the most pressing issues of our time: wealth inequality. Employee ownership provides a way for eligible employees to share in the success of the company. We're one of only about 8,000 such businesses, and it's key to our commitment to service. Having a stake in the outcome empowers our team to think like owners—to go above and beyond to help solve problems, improve processes and delight our customers.

**\$1.34 million in NRS stock contributed to employees in 2021.**



**Like a raft team running rapids, we cooperate to overcome challenges and reach our destination, with every team member doing their part. We are crew, not passengers.**





## COMMUNITY CARE

As one of the largest employers in our region, NRS supports approximately 140 households in North-Central Idaho. How we treat our workforce impacts the local economy and the health and wellbeing of hundreds of people. As NRS has expanded its workforce throughout the United States and beyond, we have maintained the same workplace principles that began in our hometown of Moscow, Idaho.

### Employee Benefits

- Employee stock ownership plan (esop)
- 401(K) retirement plan with employer match
- Profit sharing
- Medical, dental, and life insurance
- Long-term disability plan
- Paid personal leave
- Paid parental leave
- Paid holidays

### Employee Wellness

- Employee use recreational equipment
  - Rafts and catarfts
  - SUPs
  - Kayaks
  - Oars and paddles
  - Coolers and dry boxes
  - Camping equipment
  - Life jackets and safety
  - Dry suits and wetsuits
  - Pumps and accessories
- Sustainable commute incentives
  - Employees earn extra when commuting by walking, cycling, or riding e-bikes and scooters
- Indoor bike parking, locker rooms, and showers
- Health club discounts
- Free access to professional counseling



# LOOKING FORWARD

As we lead NRS into the future, we remain committed to our foundational values. Serving customers and community, people and the planet, will always be our north star. While there is no fixed destination, we will continue moving forward with dedication to continual improvement. We are grateful for your trust and glad to share this journey with you.

