

The background of the entire image is a composite of a Nashville skyline at sunset and a large, semi-transparent acoustic guitar. The skyline features the AT&T Building and other downtown structures. The guitar is positioned diagonally across the frame. A central white rectangular box with a distressed border contains the event information.

★ NASHVILLE, TN ★

BEC

CONFERENCE

★ MARCH 1-3, 2020 ★

NGA

NATIONAL GLASS ASSOCIATION with GANA



JOE PUISHYS, CEO

APOGEE ENTERPRISES, INC.
BEC Conference | Nashville | March 2020

About Apogee

1949

year founded, headquartered in Minneapolis, MN

9

operating companies

4

countries of operation - primarily w. hemisphere

~7,000

employees

~\$1.4B

annual revenue

Bridgestone HQ, Nashville

Segments that span the value chain

Architectural Glass



Segments that span the value chain

Architectural Glass



Framing Systems



Alumicor
BUILDING EXCELLENCE

TUBELITE
DEPENDABLE



EFCO



WAUSAU
WINDOW AND WALL
SYSTEMS

LINETEC

SOTA'ALL

Segments that span the value chain

Architectural Glass



Framing Systems



Installation Services



Segments that span the value chain

Architectural Glass



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Alumicor
BUILDING EXCELLENCE

TUBELITE
DEPENDABLE



LINE TEC



WAUSAU
WINDOW AND WALL
SYSTEMS

SOTA WALL

Installation Services



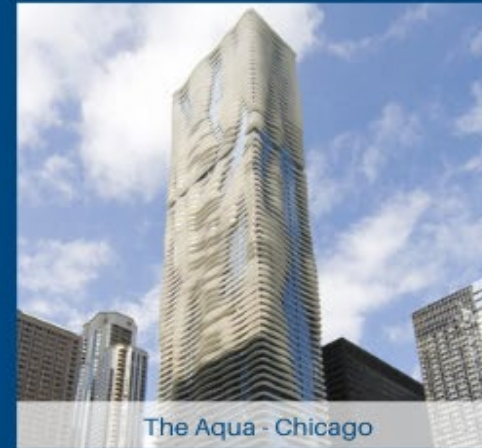
apogee renovation



One World Trade Center - NYC



FMC Tower - Philadelphia



The Aqua - Chicago

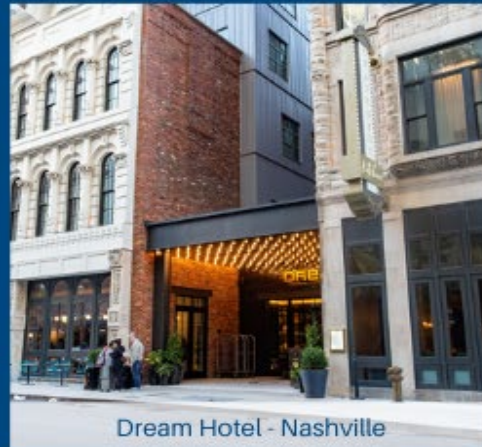


Woolworth Tower - NYC

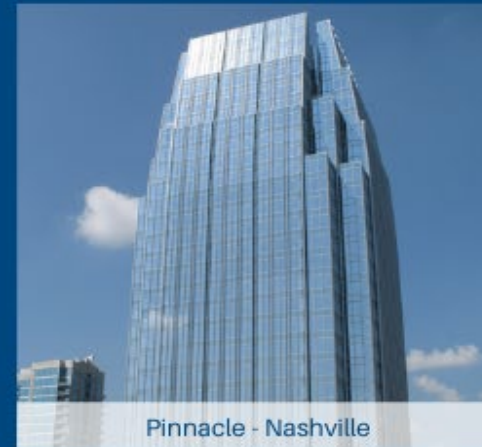
Trusted with a range of premier projects



Gulch Crossing - Nashville



Dream Hotel - Nashville



Pinnacle - Nashville



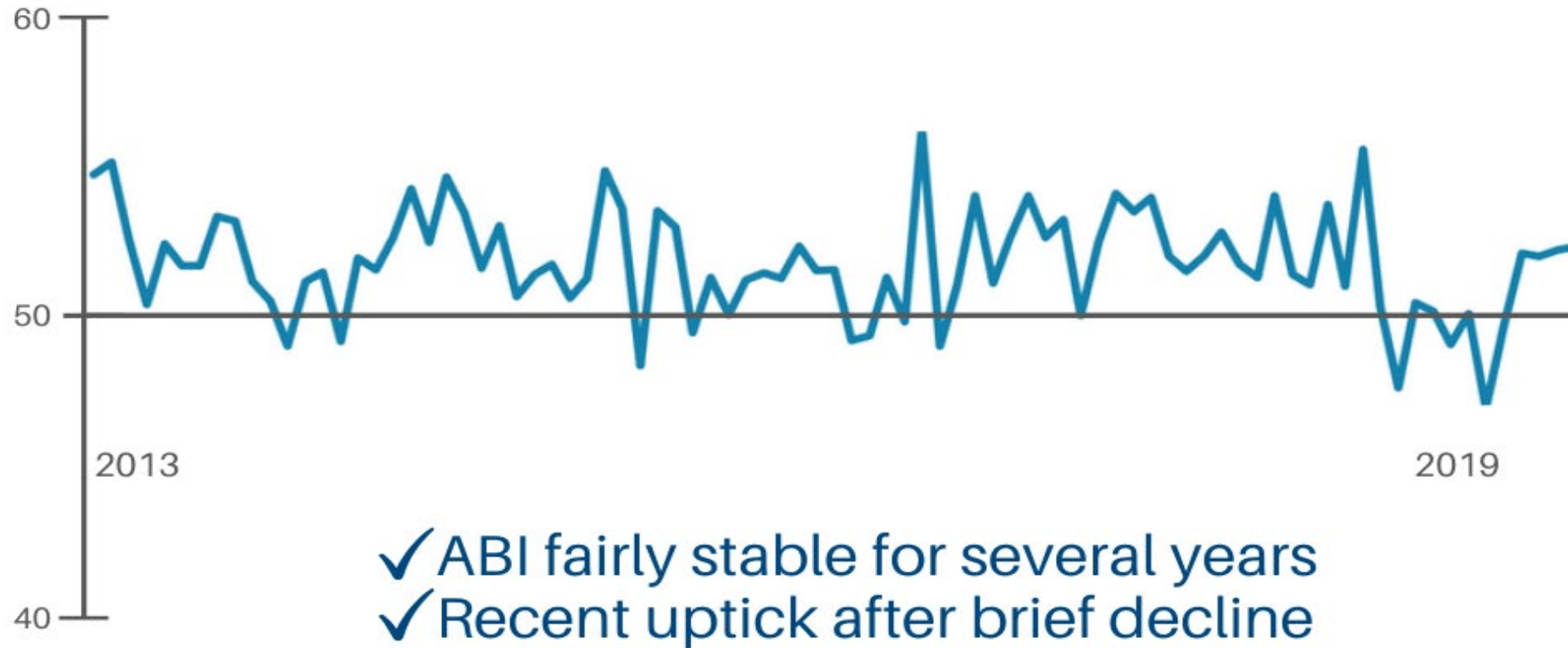
Vanderbilt campus bldg - Nashville



We are operating in the backdrop of a

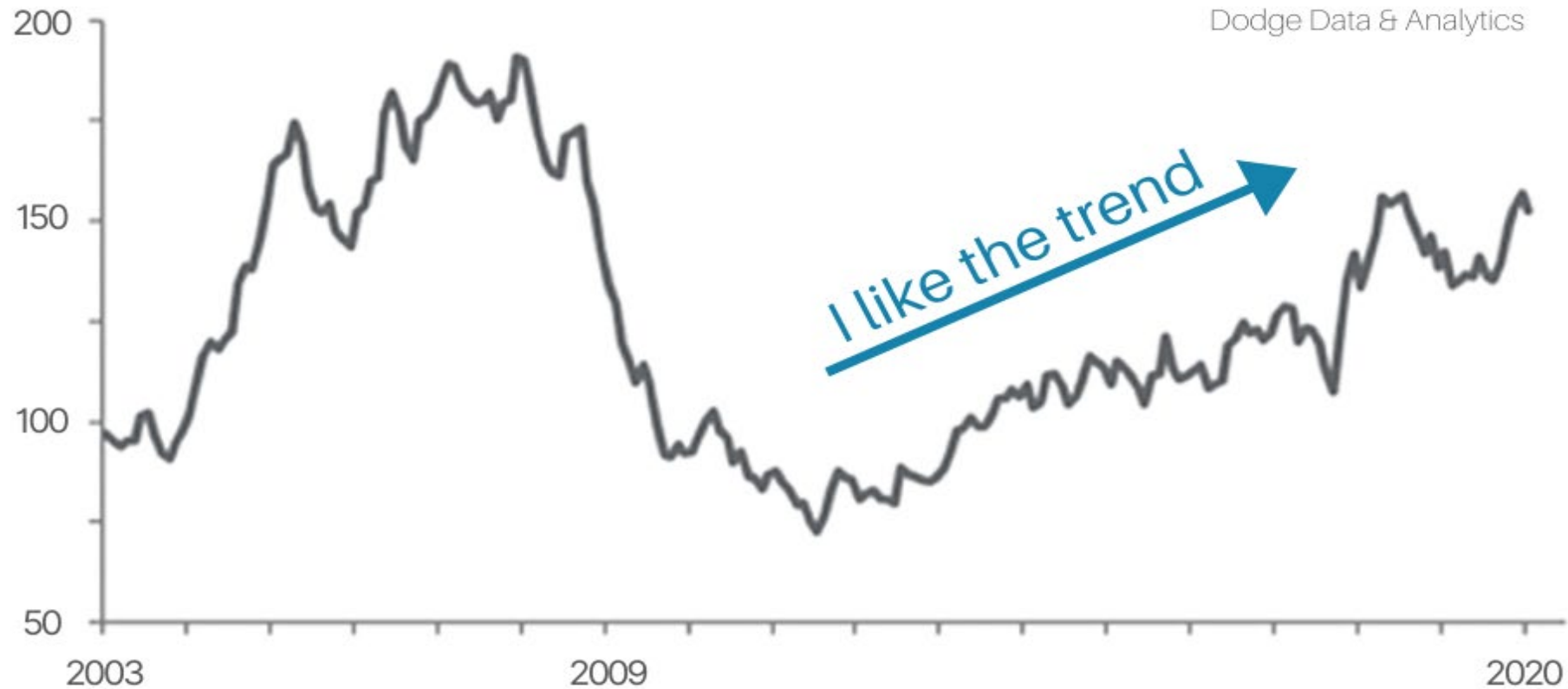
robust (?) market

Architectural Billings Index



www.aia.org - American Institute of Architects

Dodge Momentum Index

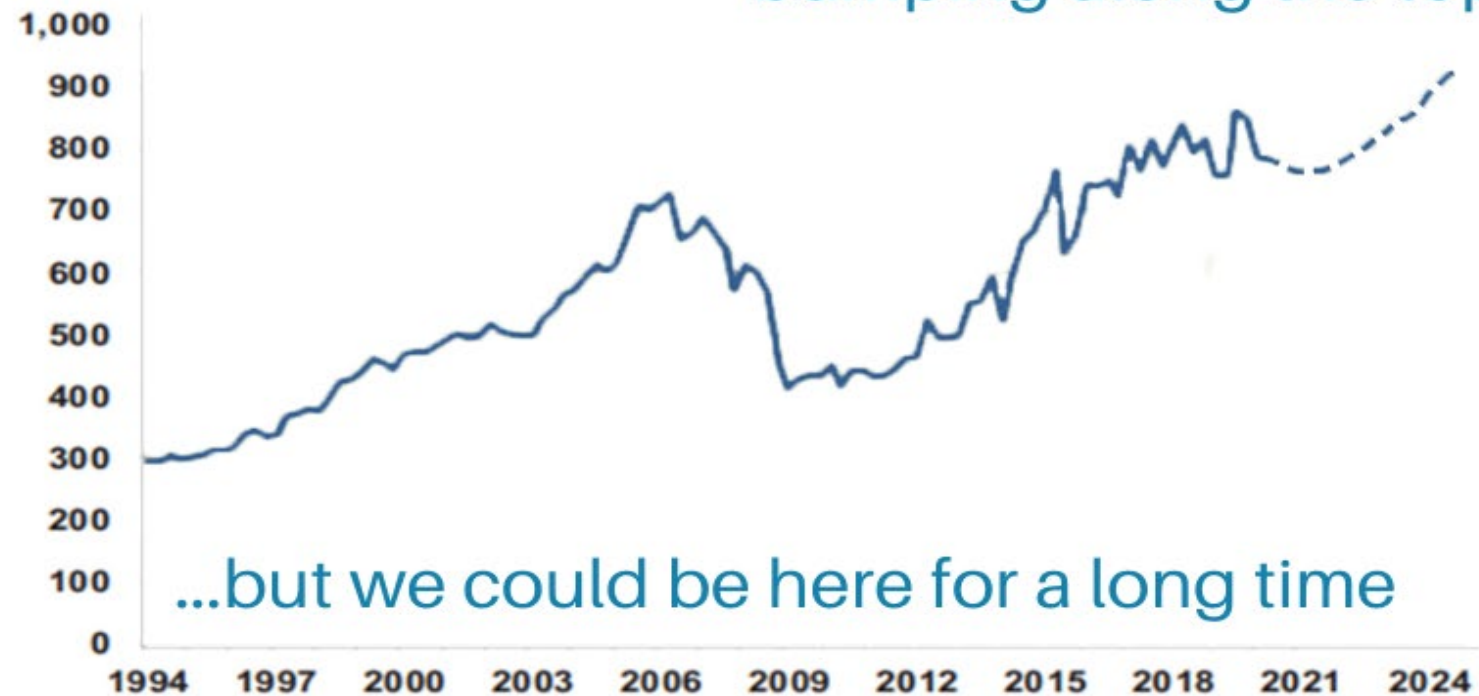


Long up-cycle but still below prior peak

Construction Starts

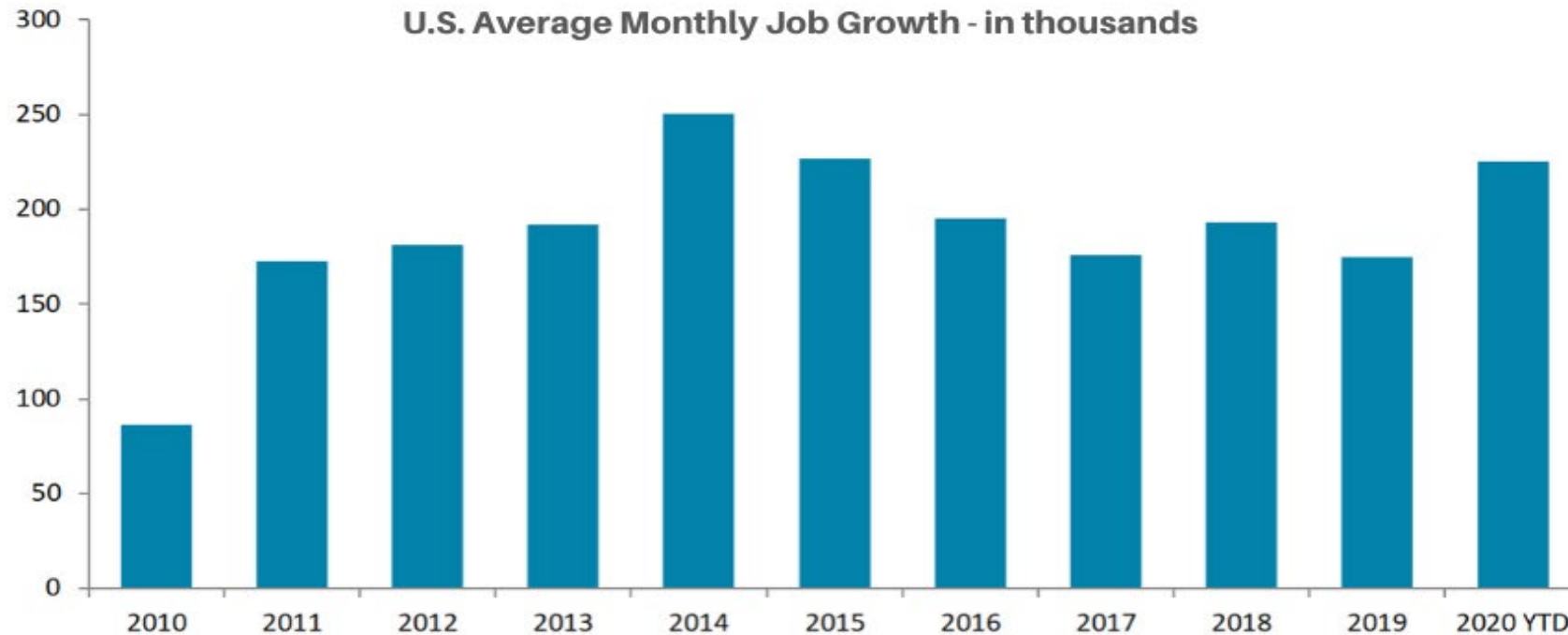
Total U.S. Construction Starts

billions of dollars



Dodge Data & Analytics

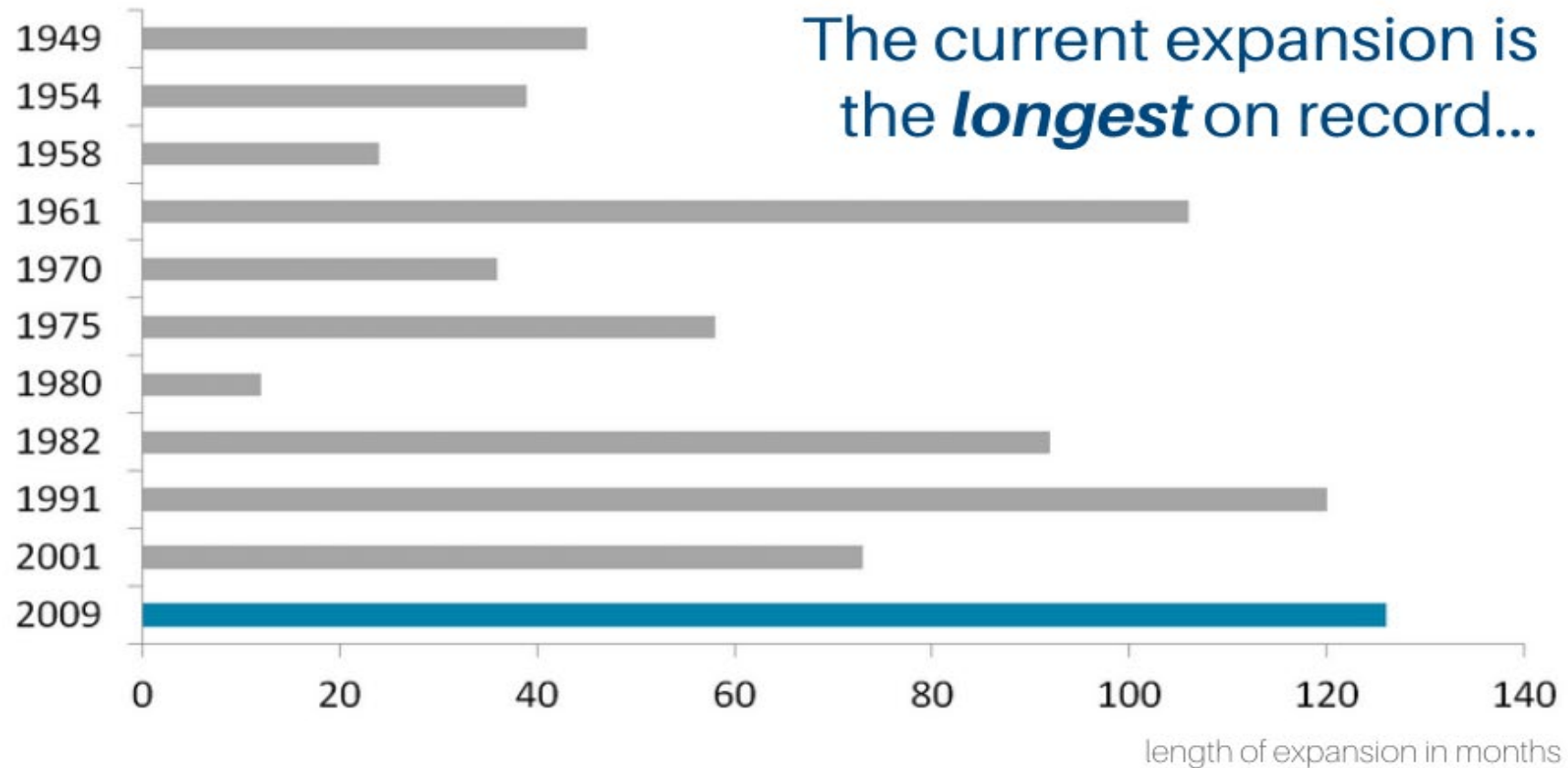
Job Growth



Continued strong employment growth
Particularly in office occupying sectors, education & healthcare

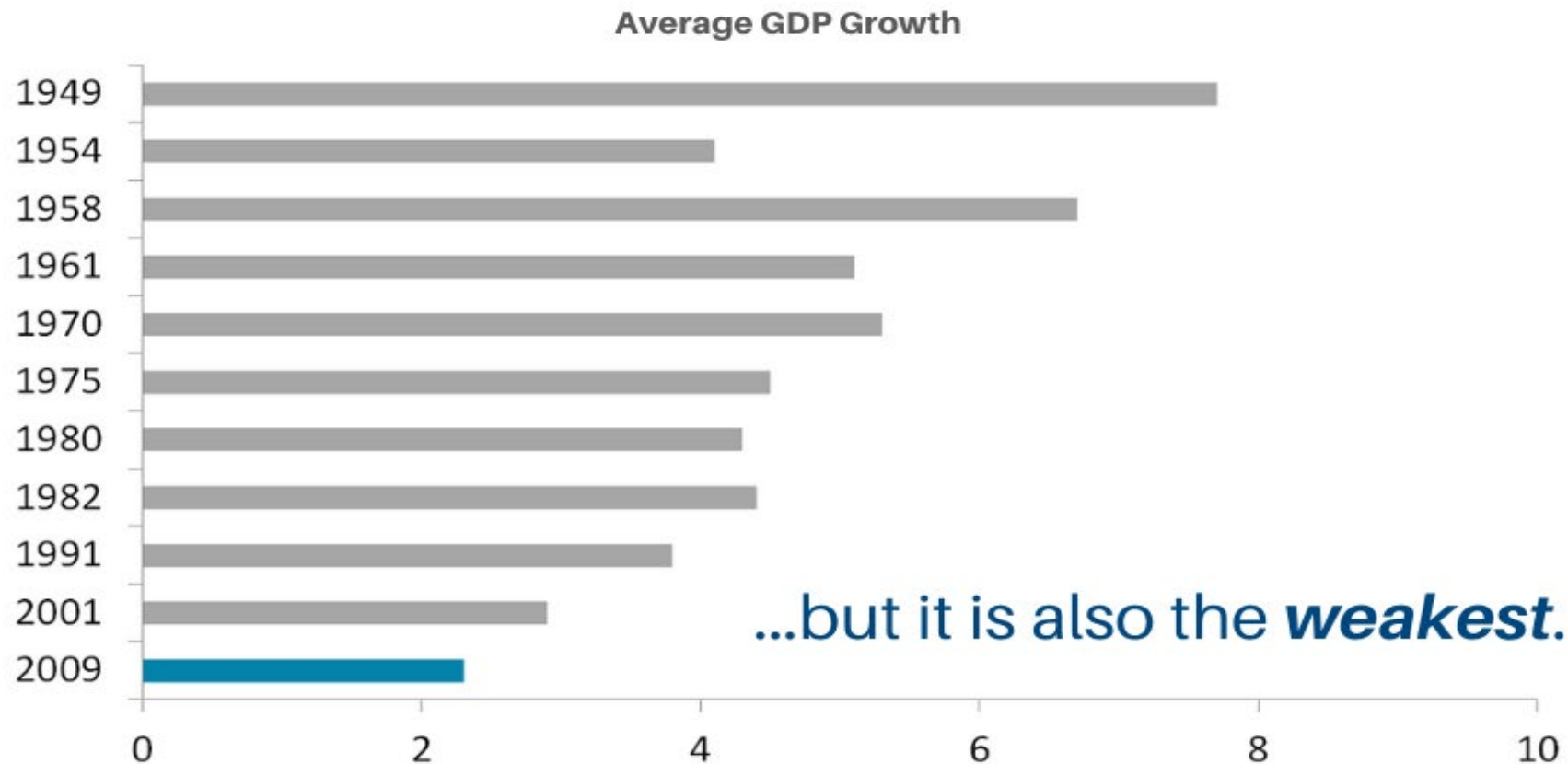
Bureau of Labor Statistics

Length of U.S. Expansion



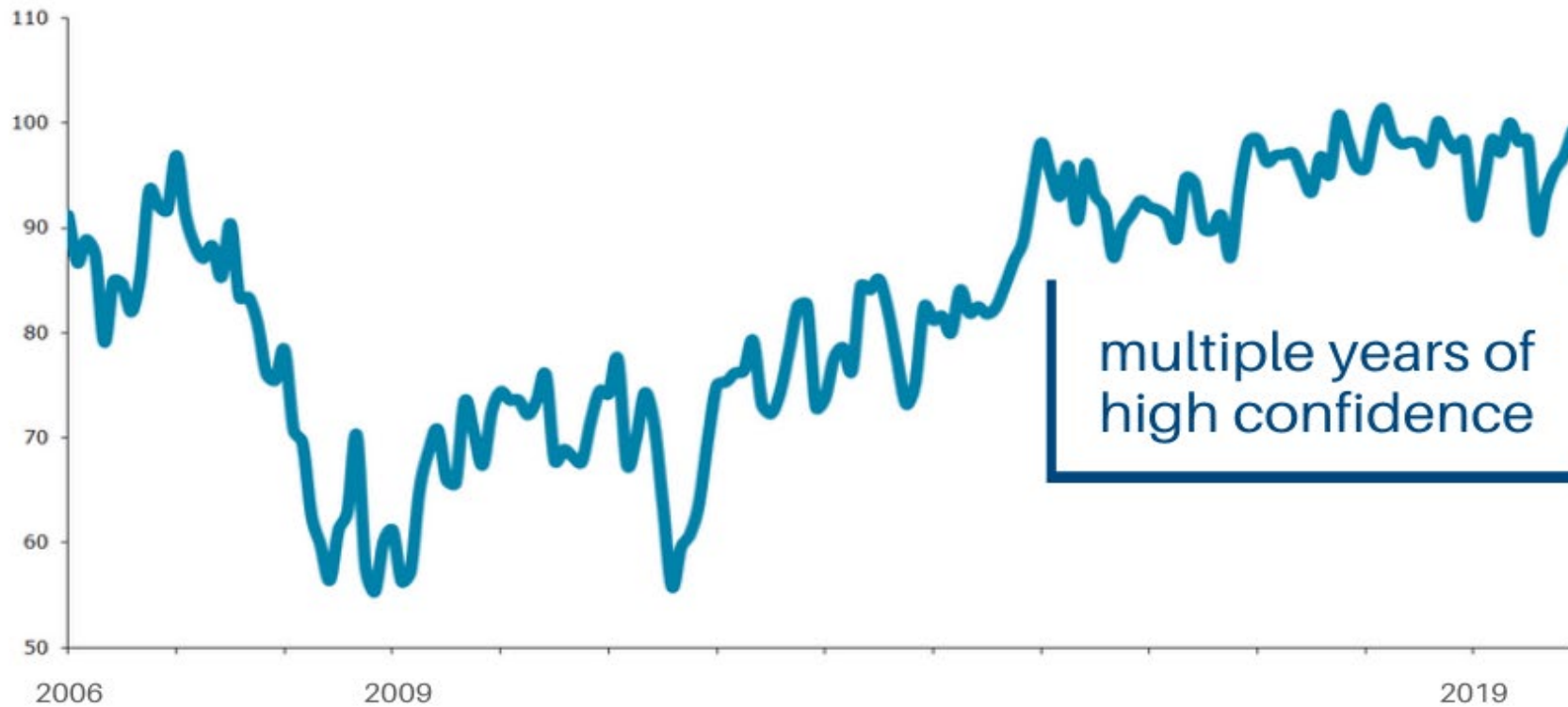
U.S. Department of Commerce, National Bureau of Economic Research and Wells Fargo Securities

Strength of U.S. Expansion



U.S. Department of Commerce, National Bureau of Economic Research and Wells Fargo Securities

Consumer Sentiment

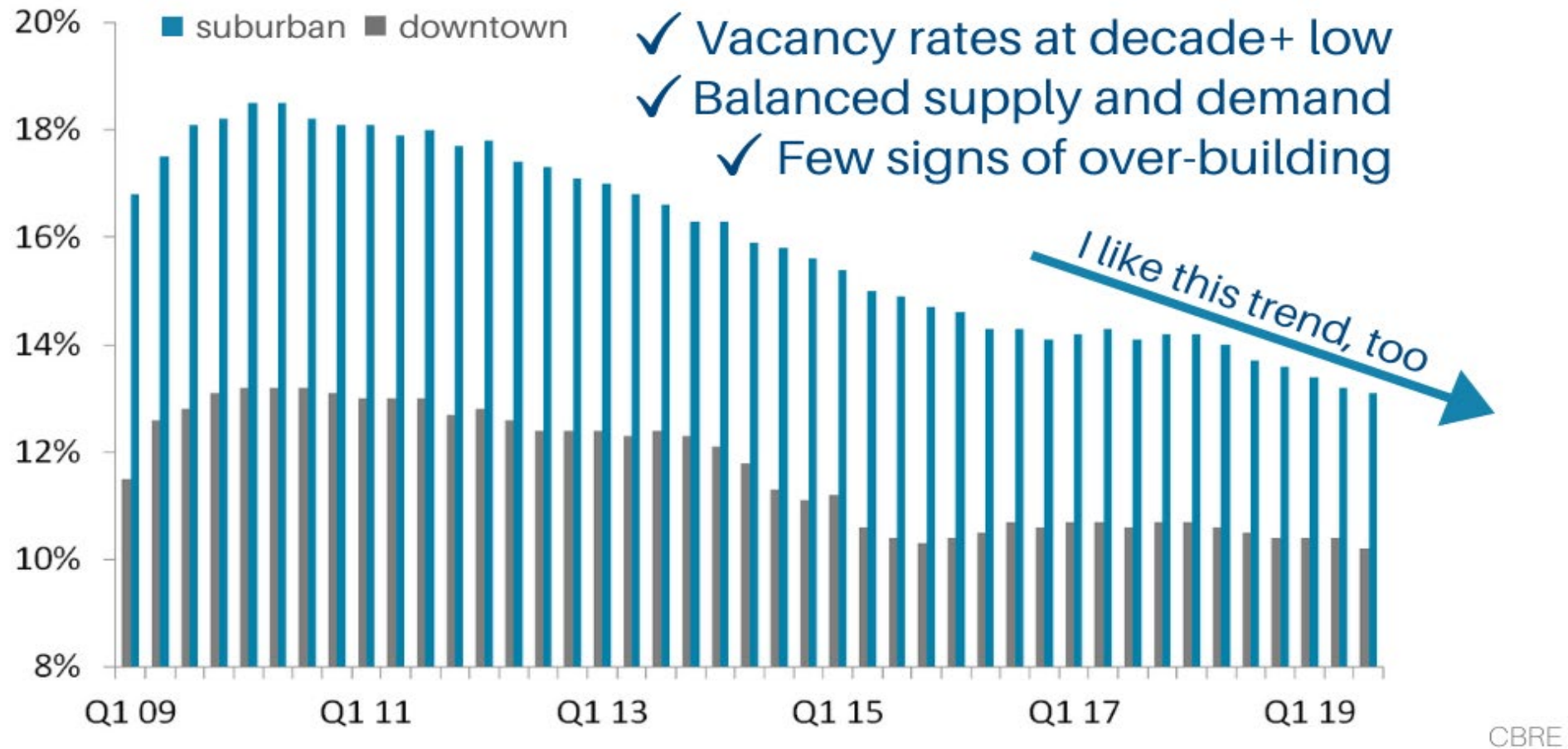


multiple years of
high confidence

consumer sentiment remains **strong**

Thomson Reuters

CBRE Vacancy Rates





**Overall, a healthy market
where companies can**

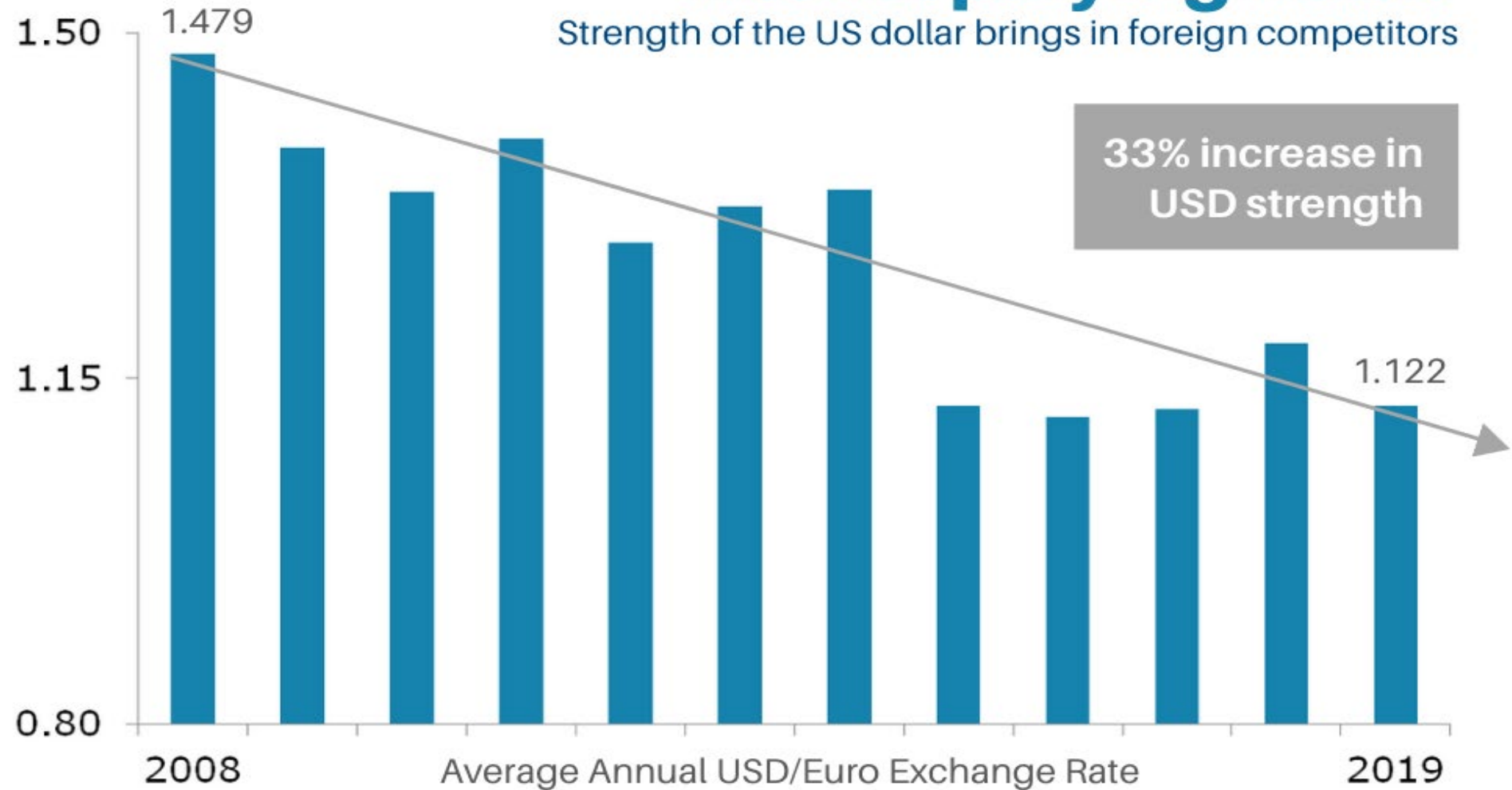
grow

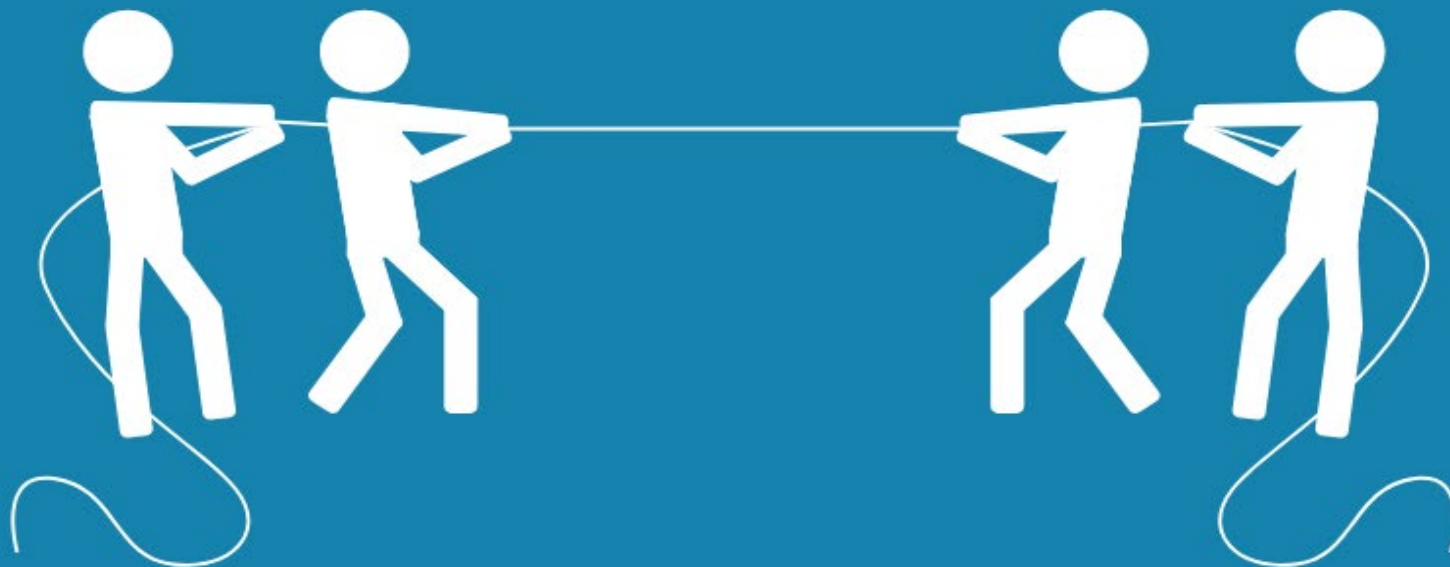
The competitive landscape has **changed dramatically**



A level playing field?

Strength of the US dollar brings in foreign competitors





Welcome to

competition

New technologies are

emerging



efficiency
standards



glass trends



environmental
protection



Energy efficiency standards evolve

New York City - Climate Mobilization Act

- Strict carbon emissions limits for buildings 25,000+ sq ft
- By 2024, buildings will face significant fines for noncompliance

And more...

- 2015 Seattle Energy Codes
- 2017 California's Net Zero Mandate
- 2019 California's Title 24
- Ontario's U-Value Standards

Very appealing to our entire industry

Our industry is responding with **innovative solutions**

High-performing technology

Thermally-enhanced spacers

Two Low-e coatings and triple-pane insulating units

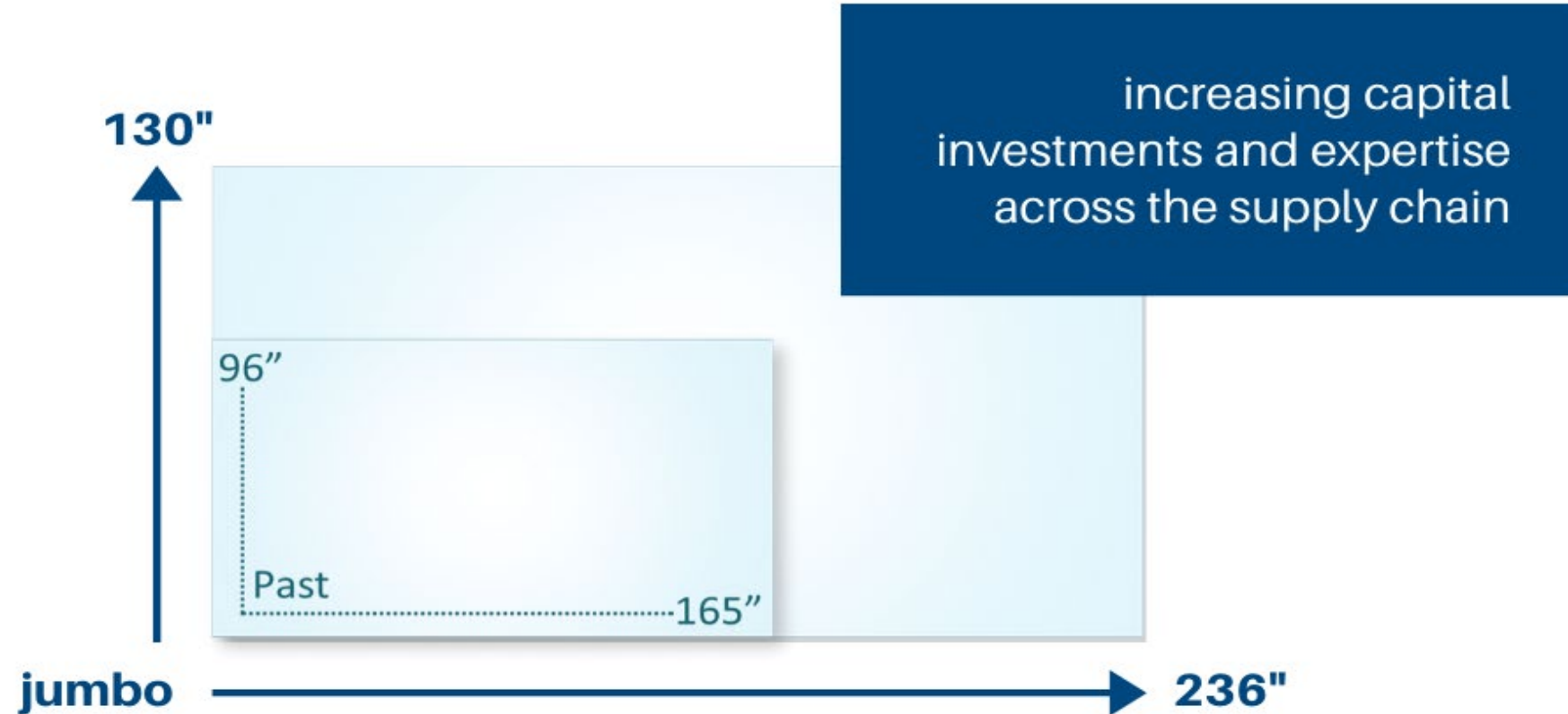
Vacuum insulating glass

High-performing thermal framing systems

And many others



Oversize continues to grow





Complexity

increases



And architects want even **bigger**



Minimizing impact on nature



birds

Bird-friendly standards established -
California, New York, Illinois, Canada



turtles

Turtle code established - Florida

But we always focus on
new construction...





Why not
upgrade
the envelope?



Aesthetics and image



Aesthetics and image

Energy efficiency



Aesthetics and image

Energy efficiency

Reduced maintenance



Aesthetics and image

Energy efficiency

Reduced maintenance

Protective upgrades



Aesthetics and image

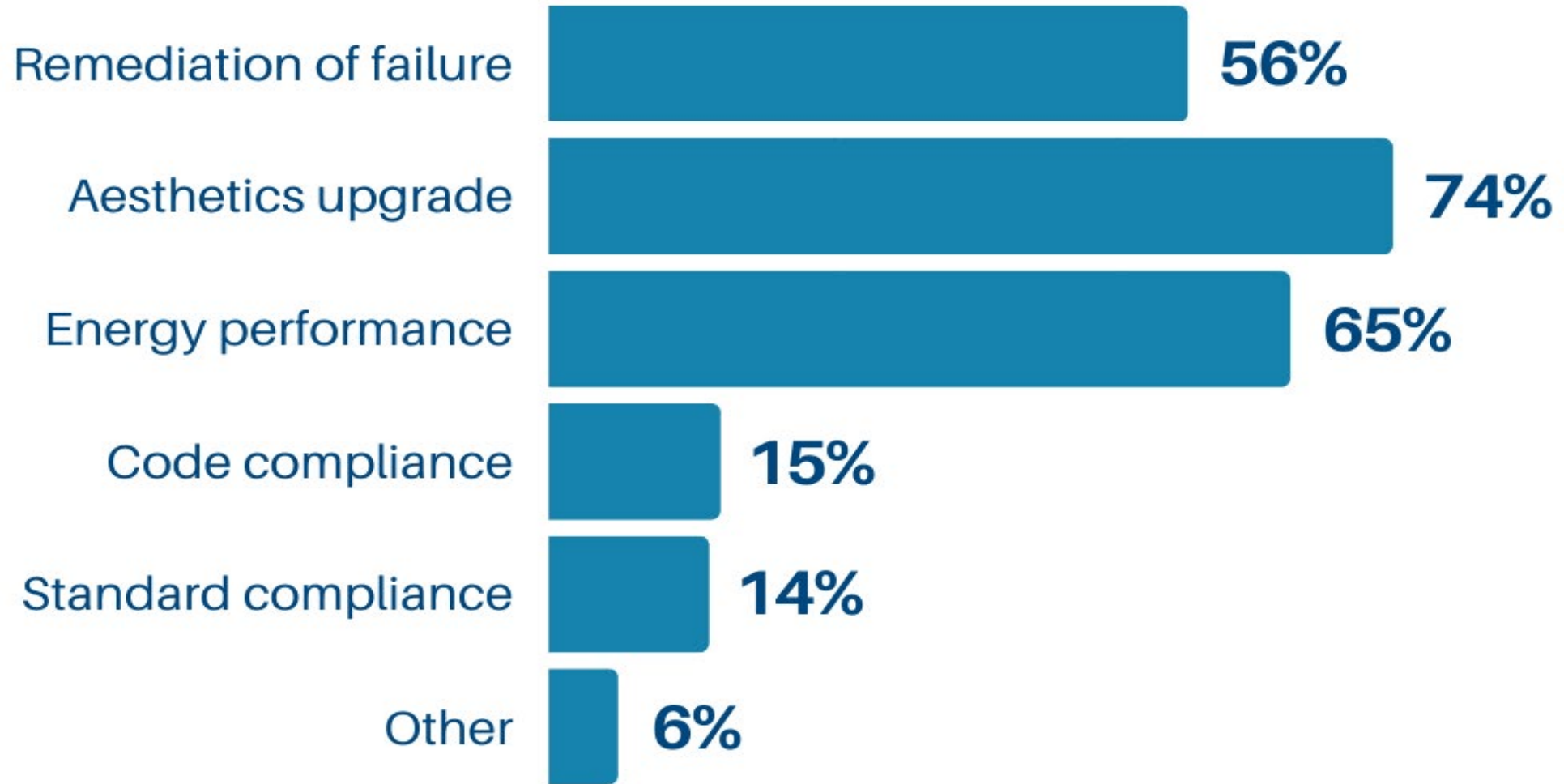
Energy efficiency

Reduced maintenance

Protective upgrades

Perimeter use & productivity

Triggers for renovation





U.S. commercial building market

5M commercial buildings

70B square feet

40%

of energy
consumption

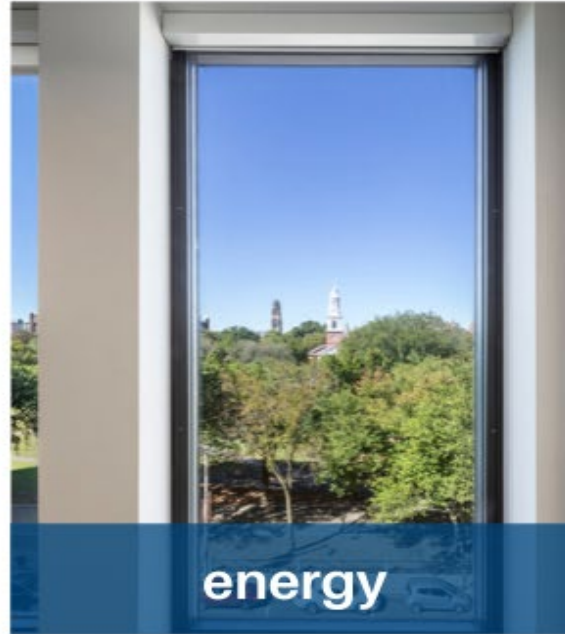
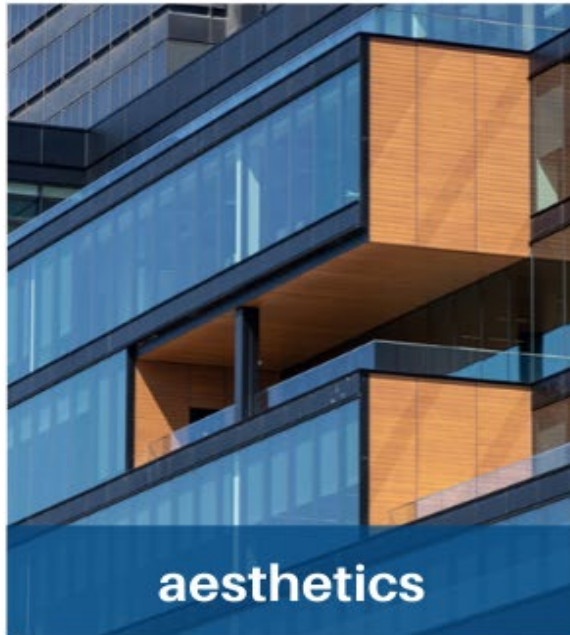
60-70%

built prior to Low-e
glass and framing
advances

50%

do not have
insulated glass

Big market **opportunity**



1% of existing buildings
is as large as the construction market

Change of command



U.S. Pacific Command - Photo by Petty Officer 2nd Class James Mullen



50%

Percentage of the workforce
made up by millennials

*PricewaterhouseCoopers

**A particularly painful
challenge for our industry...**

...due to heavy reliance on:



experience



relationships

Significant leadership changes

Major leadership and ownership changes at top 20 glaziers in the last four years alone

Company A	New president named in 2018
Company B	New president named in 2016
Company C	New leadership in 2020
Company D	New leadership in 2020
Company E	Company sold, new leadership in 2016
Company F	Transitioned to ESOP in 2019

In it for the ride



In it for the ride

- Another recession ...



In it for the ride

- Another recession ... ???



In it for the ride

- Another recession ... ???
- Tighter standards ...



In it for the ride

- Another recession ... ???
- Tighter standards ... absolutely



In it for the ride

- Another recession ... ???
- Tighter standards ... absolutely
- Global playing field ...



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- Another recession ... ???
- Tighter standards ... absolutely
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In it for the ride

- Another recession ... ???
- Tighter standards ... absolutely
- Global playing field ... no question
- Demographics ...



In it for the ride

- Another recession . . . ???
- Tighter standards . . . absolutely
- Global playing field . . . no question
- Demographics . . . work in our favor



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- Demographics . . . work in our favor
- From mfg to service economy . . .



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A roller coaster ride? . . .



In it for the ride

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A roller coaster ride? . . . of course





THANK YOU