

## 2022 ESG REPORT



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\*The Infrastructure Solutions segment was divested on September 30, 2022, AZZ now has a 40% interest in these businesses through a Joint Venture Agreement with Fernweh Group LLC.

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## ABOUT THIS REPORT

This is AZZ Inc.'s ("AZZ" or the "Company") 2022 Environmental, Social and Governance Report ("ESG Report"), which provides our stakeholders with an overview of our corporate sustainability initiatives and progress. This report provides details on AZZ's fiscal year 2022 ("FY2022"), which includes the period from March I, 2021 to February 28, 2022 as compared to the previous two years, unless otherwise indicated. Going forward, we will continue to refine our data collection and expand on our sustainability disclosures to provide additional details on our methodology, performance goals, targets and strategy for achievement.

The data contained in this ESG Report includes AZZ's domestic and international locations. In preparing this ESG Report we referenced the Global Reporting Initiative ("GRI") Sustainability Reporting Standards and the Sustainability Accounting Standards Board ("SASB") Standards for the Industrial Machinery and Goods Industry, as relevant to our operations for the period covered by this report. An index for our GRI and SASB disclosures can be found beginning on page 45.

For questions or comments about this ESG Report, please contact Tara D. Mackey, Chief Legal Officer and Corporate Secretary or David Nark, Senior Vice President - Marketing, Communications, and Investor Relations at:

#### AZZ Inc.

One Museum Place 3100 West 7th Street, Suite 500 Fort Worth, TX 76107 Telephone: 817-810-0095 Email: info@azz.com



# MESSAGE FROM THE **PRESIDENT & CEO**



DearValued Stakeholders:

AZZ Inc. ("AZZ") is pleased to share with you our 2022 Environmental, Social and Governance (ESG) Report. This is our second ESG Report, which provides our stakeholders with further insight on AZZ's progress towards its ESG initiatives as we strive for continuous improvement. In fiscal year 2022 ("FY2022") we generated another record year of financial results, made substantial strides in our safety records and recently completed two transformational mergers and aquisition transactions. This reflects the hard work and dedicated commitment of our leadership team and employees, while managing through labor shortages, supply chain disruptions, and inflationary pressures.

In our first ESG report in 2021, we outlined the ESG topics we believed to be critical to AZZ. We also provided stakeholders with baseline performance metrics from which to measure our carbon impact. For our 2022 ESG Report, we expanded our utility and GHG emissions and intensity measurements to include our international locations. Our FY2022 ESG efforts focused on evaluating alternative opportunities to improve our energy consumption, carbon emissions and to increase workplace safety, and strengthened our employee engagement and diversity, equity and inclusion efforts.

In May 2022, we added Mr. David Kaden to our Board of Directors (the "Board"), resulting in three new directors being added to the

Board since 2021 and four directors having a tenure of five years or less, demonstrating AZZ's commitment to board refreshment and bringing additional diversity of thought, age, ethnicity, gender and experience to the Board.

On May 13, 2022, we announced the acquisition of the Precoat Metals businesses ("Precoat Metals"), a leading independent provider of metal coil coating solutions in North America. On September 30, 2022, we announced the divestiture of the majority interest in our Infrastructure Solutions segment. These transactions represent AZZ's transition from a diverse holding company to a focused metal coating solutions company to provide sustainable, unmatched metal coating solutions that extend the longevity and appearance of buildings, products and infrastructure that are essential to everyday life.

While AZZ has had a long-standing emphasis on recycling its packaging and production by-products, investing in energy efficient improvements, and focusing on the safety of its employees, we have recently engaged a strategic ESG consultant to help AZZ in further creating and capturing maximum value for our stakeholders. Our focus will be to enhance our ESG performance by (i) developing and setting targets for AZZ's material ESG topics; (ii) enhancing strategies for performance efficiency improvements; and (iii) evaluating our clean technology investment opportunities consistent with our corporate strategy.

For fiscal year 2023 we are working to integrate Precoat Metals into our sustainability initiatives and communicate our updated key performance indicators, ESG goals and long-term strategy to deliver on our commitment to build a more sustainable future for our business. We are dedicated to advancing ESG as a strategic priority across our organization while staying focused on driving growth, enhancing shareholder value, reducing our impact on the environment, and continuing to invest in our employees and the communities in which we live and work.

1. + **Tom Ferguson** 

President and Chief Executive Officer

## **OUR HISTORY**

## 1956 📍

## Aztec Manufacturing establishes its headquarters in Fort Worth, Texas

Aztec Manufacturing designs and distributes steel, iron, metal, and plastic products for the oil field industry.

### 1966

#### Galvanizing provides a strong base for growth

Additional state-of-the-art galvanizing facilities are built in:

- Jackson, Mississippi (1970)
- Houston, Texas (1975)
- Waskom, Texas (1982)
- Moss Point, Mississippi (1985)

1990

#### Galvanizing expands Aztec's portfolio

Aztec builds its first hot-dip galvanizing plant in Crowley, Texas.

## 1970-85



#### A new direction leads to new acquisition

Seeking to expand into adjacent industries, Aztec acquires Rig-A-Lite Inc., a leading manufacturer of industrial lighting for oil, gas, and other hazardous environments.

### The Calvert Company becomes part of Aztec's growth plan

Acquisition of The Calvert Company takes Aztec into the field of electrical bus duct systems design and installation.

## 1993

#### Expansion and consolidation spur growth

With a total of eight galvanizing operations, Aztec establishes itself as the largest galvanizing company in the U.S.

1999



Aztec is listed on the NYSE and becomes AZZ Incorporated

2001

#### Galvanizing operations continue to grow

AZZ acquires North American Galvanizing Company which operates 11 facilities in eight states.

## 2012-13

#### The Electrical Product Platform is born

By combining Atkinson, Calvert and Rig-A-Lite Inc., The Electrical Products Platform is formed and Aztec moves into fabricated enclosure systems.

## 1994-96

#### Compressed Gas Insulated Transmission (CGIT) business takes AZZ into new territory

AZZ acquires a CGIT business and becomes involved in long-distance power transmission.

## 2000

## Central Electric Manufacturing is added to AZZ's portfolio

With the acquisition of Central Electric Manufacturing, AZZ adds metal-clad switchgear to its growing electrical product portfolio.

## 2010

## AZZ galvanizing locations increase to 36; Becomes the largest galvanizer in North America

Galvcast Manufacturing, and G3 Galvanizing along with Galvan Metal of Quebec is added to the AZZ portfolio.

#### Nuclear solutions are added to AZZ's service offering

Nuclear Logistics Inc., the leading supplier of parts and services to the nuclear power industry, is acquired by AZZ.



#### AZZ Enclosure Systems LLC is formed

AZZ acquires Maryland-based Power Electronics Inc, strengthening its position in the fabrication of custom electrical enclosures, and forms AZZ Enclosure Systems LLC.



#### AZZ Enclosure Systems - Chattanooga LLC is formed

AZZ acquires certain assets of Tennessee-based Lectrus Corporation, strengthening its position in the fabrication of custom electrical enclosures, and forms AZZ Enclosure Systems – Chattanooga LLC.



#### AZZ Divests Nuclear Logistics LLC

AZZ, seeking to focus on its core business units, sells Nuclear Logistics LLC to Paragon Energy Solutions.

2021

### AZZ Galvanizing further extends its operations in the Southeast Region of the US

AZZ acquires Steel Creek Galvanizing and will operate the new facility as AZZ Galvanizing –South Carolina, extending AZZ's ability to support customers in the Southeast U.S.

#### Strategic Acquisition Expands AZZ's Metal Coatings Capabilities into Western Canada

AZZ adds DAAM Galvanizing, Western Canada's most trusted provider of hot-dip galvanizing services, to its well-established and successful metal coatings operation.

## 2012

#### Welding strengthens AZZ's portfolio

AZZ acquires Aquilex SRO; adds Welding Services Inc (WSI) and Southeastern Mechanical Service, two leading providers of machine weld overlay, to its growing portfolio.

2016

#### AZZ expands Metal Coatings Solutions

AZZ opens first powder coating operation in Crowley, Texas and strategically expands its metal coatings product portfolio beyond galvanizing.

Switchgear offering bolstered with the acquisition of Powergrid Solutions Inc.

Strategic acquisition expands AZZ's switchgear portfolio, manufacturing capacity and market reach.

#### Enhanced Powder Coating Ltd. acquired

AZZ acquired Enhanced Powder Coating Ltd (EPC), a NADCAP certified provider of powder coating, plating and anodizing services based in Gainesville, Texas.

2018

#### Tennessee Galvanizing Inc. acquisition adds Chattanooga location

AZZ acquires Tennessee Galvanizing Inc., in Chattanooga, TN.

#### AZZ Surface Technologies adds locations

AZZ Surface Technologies acquires K2 Partners, Inc., NucZinc, LLC., and Preferred Industries, Ltd. expanding the number of locations in Dallas-Fort Worth to six and one in Tampa, FL.

### 2020

### Acme Galvanizing acquisition adds Milwaukee, WI location

AZZ acquires Acme Galvanizing, Inc., along with their well-established metal coatings operation, to form AZZ Galvanizing and Plating-Milwaukee.

2022

## ABOUT AZZ INC. AS OF FY2022

AZZ Inc. is a holding company incorporated in the state of Texas and listed on the New York Stock Exchange (NYSE: AZZ). AZZ is headquartered in Fort Worth, Texas.

As of fiscal year end 2022, AZZ had operations in the United States, Brazil, Canada, China, the Netherlands, Poland and Saudi Arabia. AZZ is a global provider of metal coatings solutions, welding solutions, specialty electrical equipment and highly engineered services. For over 65 years, AZZ has been committed to developing innovative products and solutions to address the challenge of aging infrastructure and to create corrosion-resistant structural assets for bridges, highways, stadiums, sports and recreation, agriculture, and transportation. Our Infrastructure Solutions segment provides equipment and highly engineered solutions for power generation, electricity transmission and distribution, which are inherently safe, sustainable and efficient.

#### **Industries Served**



#### **Metal Coatings**

AZZ's Metal Coatings segment is a leading provider of metal finishing solutions for corrosion protection, including hot-dip galvanizing, spin galvanizing, powder coating, anodizing and plating to the North American steel fabrication industry. This business segment generated 57% of our annual sales in FY2022.

#### Infrastructure Solutions

AZZ's Infrastructure Solutions segment is comprised of two platforms: Electrical and Industrial. This segment is dedicated to delivering safe and reliable transmission of power from generation sources to end customers, and automated weld overlay solutions for corrosion and erosion mitigation to critical infrastructure in the energy and waste management markets worldwide. This business segment generated 43% of our annual sales in FY2022. As of September 30, 2022, AZZ's Infrastructure Solutions segment was divested. AZZ now owns a 40% interest in these businesses through a Joint Venture Agreement with Fernweh Group LLC.

# OPERATIONS METAL COATINGS



**The Metal Coatings segment** provides hot-dip galvanizing, powder coating, anodizing and plating, and other surface coating applications to the steel fabrication and other industries. Hot-dip galvanizing is a metallurgical process in which molten zinc is applied to steel. The zinc alloying renders corrosion protection and strength to fabricated steel for periods of up to 75 years. Sustainability is intrinsic to hot-dip galvanized steel as both zinc and steel are 100% recyclable, which makes hot-dip galvanized steel an infinitely renewable building material with an extended lifecycle. Utilizing hot-dip galvanized steel ensures that fewer natural resources are consumed, fewer emissions are produced, in the future and with minimal environmental impact over the life of a customer's project.

The American Galvanizer's Association (AGA) has developed an industry-wide, third-party verified Environmental Product Declaration (EPD) for hot-dip galvanized steel after fabrication, based on a life-cycle assessment (LCA) to meet ISO 14025, 14040, 14044 standards. The EPD is available from AZZ or by contacting the AGA. AZZ is a member of the AGA's Carbon/Climate Task Group.



As of February 28, 2022, we operated 39 galvanizing plants and six surface technologies plants in various locations throughout the U.S. and Canada.



# OPERATIONS INFRASTRUCTURE SOLUTIONS



**The Infrastructure Solutions segment** is a leading provider of specialized electrical products and services designed to support primarily industrial and electrical applications. This segment's product offerings include custom switchgear, electrical enclosures, medium and high voltage bus ducts, explosion proof and hazardous duty lighting and tubular products. AZZ's Infrastructure Solutions segment also focuses on life-cycle extension for power generation, refining, waste management and industrial infrastructure, through providing automated weld overlay solutions for corrosion and erosion mitigation. As of February 28, 2022, we operated 16 facilities in the U.S., Brazil, Canada, Poland, the Netherlands, China and Saudi Arabia.



# OPERATIONS **VISION & VALUES**

## Creating a culture through values

Our employees want their work to be personally fulfilling, to be treated with respect and dignity, and to take pride in their company. AZZ understands the importance of employees who feel valued and united through shared beliefs and guiding principles. Our values shape our corporate culture, attract high performing individuals, and encourages talent development programs to increase engagement and growth.

#### **Our Mission**

AZZ continues to create superior value in a culture where people can grow and TRAITS matter.

We are diverse, collaborative, and service-minded, operating in a culture of Trust, Respect, Accountability, Integrity, Teamwork, and Sustainability.



#### **Guiding Values**

We Value Our Dedicated Employees by fully training and equipping them, and providing a safe environment to grow professionally, personally and spiritually.

We Value Our Customers by providing them with reliable high-quality products and solutions while providing outstanding customer service.

We Value Our Shareholders by consistently providing outstanding returns above our peer group and, preferably, above all industrial indices.



#### Together, we can make a difference

The AZZ Cares Foundation provides charitable support and assistance to AZZ employees and their families when an emergency, disaster, or personal hardship occurs. The Foundation is also able to provide support to other 501(c)(3) organizations that serve the communities in which our employees live and work. To learn more, visit AZZCaresFoundation.org.

A@F AZZ CARES FOUNDATION

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## **AZZ OPERATIONS MAP**



## **AZZ OPERATIONS MAP**

CHINA

POLAND

SAUDI ARABIA

### OVER 3,800 EMPLOYEES LOCATED IN 7 COUNTRIES

With 60 locations strategically located across four continents, AZZ Inc. maintains a strong global presence. Through state-of-the-art facilities and a worldwide network of sales representatives, AZZ's business segments deliver essential products and services reliably and efficiently.

## GOVERNANCE

AZZ is committed to sound governance principles. Our Board of Directors (the "Board") believes that strong corporate governance is a prerequisite to the continued success of the Company. The Board has adopted formal written Corporate Goverance Guidelines designed to strengthen AZZ's corporate governance practices and to promote the effective functioning of our Board, its committees and the Company. The Board believes that strong corporate governance is critical to achieving long-term growth and to maintaining the trust and confidence of our stakeholders.

For a more detailed discussion of the Company's corporate governance practices, please see our 2022 Proxy Statement beginning on page 19. Our 2022 Proxy Statement can be found on our website at <u>www.azz.com/investor-relations</u> or <u>www.sec.gov</u>.

#### **Board Committees**

The Board has established three standing board committees: the Audit Committee; the Compensation Committee; and the Nominating and Corporate Governance Committee ("NCGC"). Each board committee is governed by a charter that is reviewed annually and revised as deemed necessary. A copy of each charter is available on the Company's website at <u>www azz.com</u>.

The Audit Committee oversees (i) the integrity of the Company's financial statements; (ii) the independent auditor's qualifications and independence; (iii) the performance of the Company's independent auditors internal audit function; (iv) the Company's compliance with legal and regulatory requirements; and (v) cybersecurity and other information technology risks.

The Compensation Committee oversees the risks relating to the Company's compensation philosophy and programs and regularly evaluates any potential effect the Company's compensation structure may have on management risk taking. The Compensation Committee reviews the recommendations of its compensation consultant and the management team regarding adjustments to the Company's executive compensation programs.

The NCGC (i) identifies potential individuals qualified to become members of the Board consistent with criteria approved by the Board; (ii) recommends director nominees to the Board for each Board committee and the chair of the Board; (iii) is responsible for establishing and overseeing AZZ's Corporate Governance Guidelines, Code of Conduct and the director nomination process; and (iv) provides oversight of the Company's ESG policies and sustainability practices, including climate-related risks and opportunities.



Pictured from left to right. First row: Danial Berce, Paul Eisman, Daniel Feehan, Thomas Ferguson, and Clive Grannum Second row: Carol Jackson, David Kaden, Venita McCellon-Allen, Ed McGough, and Steven Purvis.

Board of Directors	Age	Director Since	Independent	Nominating & Corporate Governance Committee	Audit Committee	Compensation Committee	Other Public Company Boards
<b>Daniel E. Berce</b> President and CEO, General Motors Financial Company	68	2000	✓		2	2	2
Paul Eisman Former President and CEO, Alon USA Energy, Inc.	66	2016	✓	2	<b>£</b>		_
<b>Daniel R. Feehan</b> Chairman of the Board, AZZ Inc. and First Cash, Inc.	71	2000	✓	8		2	2
Thomas E. Ferguson President and CEO, AZZ Inc.	65	2013					_
<b>Clive A. Grannum</b> President, Performance Materials, Materion Corporation	56	2021	✓		<b>.</b>	2	_
<b>Carol R. Jackson</b> President, CEO and Chairman of the Board, HarbisonWalker International	50	2021	✓	<b>£</b>		2	I
<b>David M. Kaden</b> Managing Director, Blackstone Tactical Opportunities Group	38	2022	✓				_
<b>Venita McCellon-Allen</b> Former President and CEO, Southwestern Electric Power Company	62	2016	✓		2	2	_
<b>Ed McGough</b> Senior Vice President, Head of Global Manufacturing and Technical Operations, Alcon, Inc.	61	2017	✓	2		2	—
<b>Steven R. Purvis</b> Former Trustee & Portfolio Manager, Luther King Capital Management	57	2015	✓	2	2		_

Q Chair Member

#### **Board Membership, Composition and Diversity**

The Board regularly assesses the Company's long-term strategic objectives and selects nominees in accordance with the procedures and qualification criteria set forth in AZZ's Corporate Governance Guidelines. The Board seeks a diverse group of candidates who possess the background, skills and expertise to make a significant contribution to the Board and challenge the Company's management team. Candidates for director are expected to be free of conflicts of interest and relationships that may interfere with the performance of their duties. While the Board does not have a formal policy on diversity, it has always been an element of the Board's recruiting process. The Board considers business experience, education, functional skills, gender, race, ethnicity and cultural backgrounds as critical components of diversity.



#### KEY STATISTICS REGARDING OUR DIRECTORS

#### **Board Oversight of Risk Management**

AZZ's Board has responsibility for the effective oversight of AZZ's enterprise risk, whether financial, operational or strategic. This oversight function focuses on the most significant risks facing the Company and is deemed an important priority by the Board. The Board does not view the Company's business risks in isolation, but rather, tries to manage risk holistically as a proper component of the Company's short-term and long-term strategy. The Board does not believe it is possible, nor even desirable, to eliminate all business risk. Reasonable and calculated risk-taking by senior management is deemed appropriate and necessary for the Company to remain competitive and successful in its markets. One of the Board's primary responsibilities is to oversee and interact with senior management regarding key aspects of the Company's business, including annual enterprise risk assessments and monitoring and mitigating risk. Our Board meets at least quarterly with our senior management team to discuss operations and any identified key risks that the Company may face.

#### Communicating with the Board

The Board has established a process by which shareholders can send communications to the Board. All interested parties are able to communicate directly with the Chairman of the Board of Directors or with non-employee directors as a group by sending written communications to one or more members of our Board at the address noted below:

Mr. Daniel R. Feehan Chairman of the Board c/o AZZ Inc. One Museum Place, Suite 500 3100 West 7th Street Fort Worth, Texas 76107 info@azz.com



#### **Board Oversight Over ESG**

AZZ is committed to growing its business in a sustainable and socially responsible manner. We have organized our sustainability efforts using a framework that focuses on environmental stewardship, social responsibility, and corporate governance and AZZ has integrated its sustainability strategy and initiatives into AZZ's overall business strategy. The Company's Chief Legal Officer ("CLO") formed a Sustainability Council with members selected based on their knowledge of sustainability issues, functional expertise and their ability to integrate sustainability into AZZ's operations and corporate culture. The Board's NCGC provides oversight to the Company's ESG policies and sustainability practices. AZZ regularly updates the NCGC on the progress of the Company's sustainability efforts and the Sustainability Council's recommendations on continuing to improve the Company's ESG initiatives. With Board oversight of the program and executive-level sponsorship, sustainability has the highest level of support and is considered a company-wide priority.



**ESG Oversight Structure** 

#### **Executive Compensation**

AZZ's goal for its executive compensation program is to attract, motivate and retain key high performance executives who provide consistent leadership and collaborative team efforts to contribute to the Company's continued success in the highly competitive markets in which it operates. We seek to accomplish this goal by rewarding performance and aligning the long term interests of our executives with our shareholders. The Board's Compensation Committee oversees the executive compensation program and has the responsibility for establishing, implementing and continually monitoring adherence to the Company's compensation philosophy.

AZZ's executive compensation program is designed to link performance and executive pay and aligns the interests of AZZ's executives with the interests of its shareholders. The Compensation Committee monitors market and peer group pay practices and engages with our shareholders and other stakeholders to ensure that our executive compensation program continues to support the Company's strategy and remains competitively positioned and appropriately structured to align pay and performance. Our executive compensation program has three key elements: base salary; annual cash incentive compensation; and long-term incentive compensation consisting of time-based and performance-based equity awards. Additional details regarding our executive compensation programs can be found in our 2022 Proxy Statement, which is located on our Company website at <u>www.azz.com/investor-relations</u>.

#### **Global Ethics Alertline**

The AZZ Alertline allows employees, customers, vendors, contractors, or any other third parties to anonymously report unsafe, illegal, unethical behavior and harassment or any other concerns related to the operations of our business. Our global hotline is available twenty-four hours a day, seven days a week, and in multiple languages to address employees or others who may have concerns in various countries in which we operate. We maintain reports regarding any concerns reported on the hotline and any related investigations. Our Chief Legal Officer provides a summary report to the Audit Committee of our Board each quarter regarding the number and nature of all claims reported.

Calls to the AZZ Alertline and electronic submissions can be made pursuant to the following:

AZZ Alertline: (855) 268-6428

AZZ Alertline Website: https://azz.alertline.com

Email: AZZ Chief Legal Officer at TaraMackey@azz.com

#### **Corporate Policies**

AZZ has strong beliefs on ethics, business conduct and compliance with the law. Adherence to our corporate policies is the key in maintaining our corporate integrity. Our most important policies related to corporate integrity include:

- Code of Conduct
- Vendor Code of Business Conduct
- Environmental, Health and Safety Policy
- Human Rights Policy
- Gifts and Entertainment Policy

- Anti Corruption Policy
- Export Management and Compliance Policy
- Insider Trading Policy
- Conflict Minerals Policy
- Related Party Transaction Policy

All of AZZ's corporate policies may be found at <u>www.azz.com/investor-relations</u>.

#### Code of Conduct

AZZ is committed to the highest standards of honest and ethical behavior and integrity in carrying out its business activities. Our Code of Conduct reflects our commitment to compliance and corporate citizenship at every level of the Company. The Board's Nominating and Corporate Governance Committee annually reviews the Code of Conduct relating to any recent developments in the law, so that the appropriate revisions can be made.

All of our employees must follow our Code of Coduct and comply with all applicable laws and regulations in connection with our business activities and operations. Additionally, all employees are required to review and acknowledge their understanding of the Code of Conduct and agree to abide by its principles upon hiring and once every three years.

See the full policy at <u>www.azz.com/investor-relations</u>.



#### Anti – Corruption Policy

AZZ is committed to being a responsible corporate citizen and conducting all of its business transactions with integrity and transparency. It is essential for AZZ, its employees and any third parties who are engaged to act on AZZ's behalf to comply with all applicable laws and regulations in the jurisdictions in which we conduct business. Employees who have international, financial, bookkeeping or sales responsibilities receive bi-annual training on anti-bribery, anti-corruption and trade compliance. Prior to the engagement of third parties to conduct business on AZZ's behalf internationally, we conduct pre-screening due diligence and require contractual compliance with U.S. and international anti-corruption and anti-bribery laws. Our Legal Department and Internal Audit Department also conduct periodic testing and audits of our processes for compliance with domestic and foreign transactions in an effort to mitigate enterprise risks.

Our Anti – Corruption Policy is available at <u>www.azz.com/esg</u>.

#### Human Rights

Respecting human rights in the workplace is a fundamental principle in AZZ's operations. We are committed to conducting our business in a manner that includes respecting the dignity and worth of all individuals, encouraging all individuals to reach their full potential and providing equal opportunity for both personal and professional development to all employees. Specifically, AZZ recognizes its responsibility with regards to:

- Workplace health and safety
- The prohibition of forced labor and child labor
- A workplace free from harassment or any form of discrimination
- Freedom of association and collective bargaining
- Complying with all applicable wage, work hours, overtime and benefits laws
- Employee privacy

AZZ respects international human rights principles, and our commitment to human rights is guided by the United Nations Global Compact and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

Our Human Rights Policy is available at <u>www.azz.org/esg</u>.

#### Cybersecurity and Information Technology

As cyber threats grow more frequent and complex globally, AZZ acknowledges that we continuously must improve the protection of our data and systems. AZZ's Audit Committee is responsible for overseeing the Company's risk exposure. Our Chief Information Officer ("CIO") manages AZZ's policies and procedures and areas related to cybersecurity and information technology. Annually, the CIO provides the Audit Committee with an update on cybersecurity risks and the Company's action plan to mitigate these risks.

AZZ's IT department monitors, detects and responds to potential threats and proactively takes steps to maintain a secure environment. A third-party cybersecurity assessment using the National Institute of Standards and Technology Framework (NIST) is performed annually to supplement AZZ's internal controls and procedures. AZZ's formal cyber-response plan follows the NIST incident response program and includes cyber risk insurance and offsite backup for all computer systems. Acceptable use of AZZ's software, applications and technology for employees is outlined in our information security policies, including formal policies for Cybersecurity, Data Protection, Acceptable Use, Access Control and Data Retention. AZZ's cybersecurity's policies are posted on AZZ's intranet and are updated as new advances in technology and solutions are established. During FY2022, more than 86% of AZZ's employees completed cybersecurity training, which includes annual online security awareness training such as email security, physical security and mobile security. Randomized phishing tests of all employees and contractors have been performed since 2019. Additionally, AZZ has strengthened its password complexity standards and now requires a multifactor authentication. AZZ also encourages employees to notify the IT department of any suspected threats or for any other additional security reporting.



More than **86%** of our employees completed cybersecurity training.



## ENVIRONMENT

AZZ is pledging its commitment to move towards a low carbon economy, to manage its business in an environmentally responsible manner, and to create ways to minimize the environmental impact of its operations. All AZZ employees are expected to provide high quality products and services while maintaining compliance with environmental regulations, and using raw materials in an environmentally conscientious and sustainable manner.

To monitor and measure our environmental impact on greenhouse gas emissions, energy use and water consumption, we use a third-party software system to collect and manage our environmental usage data. The software provides us with the ability to analyze progress and assist us with prioritizing areas for greater operating efficiencies. As we acquire or divest businesses our number of active sites fluctuate, which creates challenges in accurately making year-to-year comparisons and have been noted in this report where applicable.

The results below include Scope 1 and Scope 2 consumption for FY2022 as compared to those values from FY2020 and FY2021. Data for FY2020 through FY2021 included our U.S. locations only. In FY2022 we expanded the geographic scope of our environmental data collection to include our international locations. At the end of FY2022, our Metal Coatings segment had 42 U.S. locations and 2 Canadian locations, and our Infrastructure Solutions segment had 10 U.S. locations and 4 international locations.

Looking ahead to fiscal year 2023, AZZ has recently engaged a third-party vendor to assist with improving supply chain sustainability and developing Scope 3 emissions reporting.

#### **Definitions:**

**Scope I** - Direct emissions: occur from sources that are controlled or owned by AZZ (e.g. emissions associated with fuel combustion).

Scope 2 - Indirect emissions: occur from the purchase of electricity, steam, heat or cooling.

**Intensity** - A measurement of the total usage of each resource per pounds of galvanized steel for the Metal Coatings segment or per total revenue for the Infrastructure Solutions segment.



#### **Energy Usage and Intensity**

Natural Gas (Scope I) (MMBtu)	FY2020 Usage	FY2021 Usage			
	US	US	US	% Change	International
Metal Coatings Segment <sup>(1)</sup>	1,421,518	I,439,087	I,456,023	+1.2%	2,0
Infrastructure Solutions Segment	52,328	57,883	42,375	-26.8%	1,496
Enterprise Total	1,473,846	I,496,970	I,498,398	+0.1%	3,507

(1) In our Metal Coatings segment, the hot-dip galvanizing process utilizes 48 kettles, which are powered with natural gas furnaces. Prefabricated steel is dipped into a kettle of hot molten zinc.

Natural Gas Intensity	FY2020	FY2021	FY2022			Unit
	US	US	US	% Change	International	
Metal Coatings Segment	0.00092	0.00102	0.00097	-4.6%	0.00119	MMBtu/lbs. of steel galvanized
Infrastructure Solutions Segment	0.00016	0.00022	0.00014	-35.6%	0.00002	MMBtu/total
						revenue



Natural Gas Intensity - Metal Coatings





Natural Gas Usage - Total

#### Energy Usage and Intensity (continued)

Electric Power (Scope 2) (MVVh)	FY2020 Usage	FY2021 Usage	FY2022 Usage		
	US	US	US	% Change	International
Metal Coatings Segment	41,801	44,487	45,747	+2.8%	2,933
Infrastructure Solutions Segment	12,002	11,072	10,876	-1.8%	2,575
Enterprise Total	53,803	55,559	56,623	+1.9%	5,508

Electric Power Intensity	FY2020	FY2021	FY2022			Unit
	US	US	US	% Change	International	
Metal Coatings Segment	0.00003	0.00003	0.00003	-3.1%	0.00003	MWh/lbs. of steel galvanized
Infrastructure Solutions Segment	0.00004	0.00004	0.00004	-13.6%	0.00003	MWh/total revenue





#### **Emissions**

Natural Gas (Scope I) (MT CO2e)	FY2020 Usage	FY2021 Usage	FY2022 Usage		
	US	US	US	% Change	International
Metal Coatings Segment	75,503	76,436	77,336	+1.2%	5,949
Infrastructure Solutions Segment	2,779	3,074	2,251	-26.8%	79
Enterprise Total	78,282	79,510	79,587	+0.1%	6,028

Electric Power (Scope 2) (MT CO2e)	FY2020 Usage	FY2021 Usage	FY2022 Usage		
	US	US	US	% Change	International
Metal Coatings Segment	19,881	18,544	18,993	+2.4%	51
Infrastructure Solutions Segment	5,645	4,614	4,731	+2.5%	I,652
Enterprise Total	25,526	23,158	23,724	+2.4%	I,703



AZZ has coordinated with suppliers to develop and deploy fume suppressant additives for galvanizing process tanks which have been demonstrated to reduce potential emissions by **95%**.

#### **Total Carbon Emissions and Intensity**

Total Carbon Emissions (Scope I and 2) (MTCO2e)	FY2020	FY2021	FY2022		
	US	US	US	% Change	International
Metal Coatings Segment	95,384	94,980	96,329	+1.4%	6,001
Infrastructure Solutions Segment	8,425	7,688	6,891	-9.2%	1,732
Enterprise Total	103,809	102,669	103,310	+0.6%	7,733

Emissions Intensity	FY2020	FY2021	FY2022			Unit
	US	US	US	% Change	International	
Metal Coatings Segment	0.00006	0.00007	0.00006	-4.4%	0.00006	Kg CO2e/lbs. of steel galvanized
Infrastructure Solutions Segment	0.00003	0.00003	0.00002	-20.1%	0.00002	Kg CO2e/total revenue







#### Water Usage

Water (Gallons)	FY2020 Usage	FY2021 Usage	FY2022 Usage		
	US	US	US	% Change	International
Metal Coatings Segment	57,844,222	72,944,890	87,437,466	+19.9%	1,493,100
Infrastructure Solutions Segment	I,825,893	3,750,519	2,288,064	-39.0%	325,108
Enterprise Total	59,670,115	76,695,409	89,725,530	+17.0%	1,818,208

Water consumption is primarily used in our Metal Coatings segment. Water used in the Infrastructure Solutions segment is primarily for personal use.



The majority of the increase in total water usage between FY2021 and 2022 is attributed to the acquisition of ACME Galvanizing in FY2022 (a galvanizing and plating operation) and a significant increase in production at our SurfaceTechnologies facility in Garland,Texas. Both of these facilities utilize water intensive manufacturing processes in their plating operations.



#### **Recycling Zinc Compounds**

The hot-dip galvanizing process generates recyclable products such as ferrous sulfate crystals caused from sulfuric pickle solution, zinc oxide skims that are removed from the surface of the galvanizing bath and zinc iron ally dross that has been removed from the bottom of the galvanizing bath.



#### Galvanizing Plant Zinc Compound Recycling Summary (in Tons)

#### Infrastructure Solutions Metals Recycling

Through product fabrication and specialty welding, our Infrastructure Solutions segment generates a large amount of metal that is collected, segregated and recycled for reuse.



#### Infrastructure Metals Recycling (in Tons)

We do not transport hazardous waste

#### Significant Spills and Environmental Compliance

	FY2020	FY2021	FY2022
Metal Coatings Segment			
Significant Spills*	0	0	l (on-site only)
Notices of Violation	15	12	7
Infrastructure Solutions Segment			
Significant Spills*	0	0	0
Notices of Violation	3	4	0

\*For the purposes of the metrics above, AZZ defines a "significant spill" as any spill required to be reported pursuant to the jurisdictions in which we operate.



No bodies of water were significantly affected by water discharges in our operations



## RESEARCH & DEVELOPMENT

#### **Digital Galvanizing System**



AZZ continues to enhance its proprietary Digital Galvanizing System ("DGS") which is used by both galvanizing operations and sales. Implementation of DGS has enhanced and streamlined a broad number of our internal and external processes by reducing administrative duties for plant personnel, improving reporting and analytics, monitoring the efficient use of zinc, creating customer quotes and providing real-time project status updates to customers.

**Operations and Environmental Benefits** – DGS allows the operations teams to monitor the use of zinc for improved forecasting which ultimately lowers levels of zinc inventories. The use of paper by plant personnel has been virtually eliminated with the use of DGS on hand-held devices.

**Customer Benefits** – DGS enables AZZ plants to provide real-time project status updates and generates ready-to-ship notifications to customers, as well as faster communications across several functions while production projects are in process.

**Sales Benefits** – DGS generates automated quotes and enhances customer communications resulting in faster quoting to customers and higher levels of customer service including sending customer satisfaction surveys. The sales team is able to save fuel by efficiently planning sales routes in DGS. FY2022 enhancements to DGS will allow the sales team to replace the existing third party CRM system which will result in significant financial savings in the future.



## **RESEARCH & DEVELOPMENT (CONTINUED)**



#### Texas A&M Material Science and Engineering Department Projects

Each year, hundreds of engineering students at the Texas A&M Material Science and Engineering Department participate in senior capstone projects as part of their degree requirements. Senior capstone projects provide students with opportunities to collaborate on team projects sponsored by various industries and apply their knowledge and skills in developing design solutions which meet sponsor requirements. AZZ has partnered with Texas A&M since 2019 to conduct R&D for improvements in our hot-dip galvanizing process with the goal of designing more efficient production processes, including the reduction of resource usage and emissions mitigation. The results of the research have been tremendous, leading to the mitigation of corrosion and degradation of the metallic fixtures that occur during the pickling process, and reductions in the usage of chemicals, kettle additives, natural gas and zinc.

The research conducted by the students at Texas A&M and the AZZ engineering group has led to improved standard operating procedures utilized by our Metal Coatings facilities impacting safety for our employees, increased product quality, increased fixture lifespan, reduced usage and replacement costs and reduced disposal of valuable resources. AZZ anticipates that incorporating ongoing R&D into our already robust emissions mitigation will yield benefits to the environment, improved emissions technology and increased profitability to AZZ.



## SUPPLY CHAIN

A well-managed supply chain is crucial to AZZ's long-term success. We are committed to engaging with our suppliers as valued partners and expect our suppliers to comply with our commitment to corporate social responsibility. Suppliers working with AZZ are responsible for knowing and understanding our corporate vendor policies and Code of Conduct, and ensuring that those policies are reflected in their daily business activities. Suppliers have the responsibility to report any non-compliance that they may observe. AZZ reserves the right to audit its supplier records, including on-site inspections of their facilities to ensure that they are in compliance with our Vendor Code of Business Conduct.

Moving forward, AZZ will improve its supply chain sustainability engagement and developing scope 3 emissions reporting capabilities. Through a partnership with a third-party vendor, leveraging their ESG module, AZZ will survey suppliers on their climate impact to understand where they currently are with emissions reporting, and build a foundation from which to elevate their maturity on the topic. In turn, this engagement will facilitate AZZ's ability to reliably quantify and report on its overall emissions to our key stakeholders.

#### Vendor Code of Business Conduct

We seek to maintain high ethical standards and to comply with all applicable laws and regulations, which extends to all of our vendors, suppliers, representatives, agents, contractors and other third parties acting on AZZ's behalf. All AZZ vendors are expected to adhere to our Environmental Health and Safety Policy and Vendor Code of Business Conduct to help AZZ maintain its ethical and socially responsible culture.

OurVendor Code of Business Conduct is available at <u>www.azz.com/ESG</u>.

#### **Conflict Minerals Policy**

AZZ supports efforts to end human suffering and environmental harm associated with certain minerals that may have originated in the Democratic Republic of Congo (the "DRC") and adjoining countries, and we are committed to the ethical sourcing of all minerals used in our manufacturing processes and supply chain. AZZ is dedicated to comply with all legislative and regulatory requirements to help end civil conflict and human rights abuses in the DRC region.

The process of tracing the origin and chain of custody of minerals through a global supply chain is sometimes challenging because some component suppliers or sub-suppliers state they lack the resources to trace minerals all the way back to their source. AZZ endeavors in good faith to continue to have its suppliers exercise reasonable due diligence to evaluate their respective supply chains to reduce the risk that minerals in our supply chain come from mines that finance or benefit armed groups in the DRC region. We evaluate our suppliers annually and report our findings to the Securities and Exchange Commission.

Our Conflicts Mineral Policy and Form SD filings are available at <u>www.azz.com/ESG</u>.

## **SOCIAL** EMPLOYEES

As of February 28, 2022, our fiscal year end, AZZ had 3,885 employees worldwide (which excluded 795 variable workforce employees), with 3,314 of them employed in the U.S. and 571 employed outside of the U.S.

Employees	FY2020	FY2021	FY2022	
Total <sup>(1)(2)</sup>	4,550	3,883	3,885	
Salary	1,010	833	972	
Hourly	3,540	3,050	2,913	
Employees, Union/Non-Union				
Total <sup>(1)(2)</sup>	4,550	3,883	3,885	
Union	288	343	278	
Non-Union	4,262	3,540	3,607	
Employees By Region				
Total <sup>(1)(2)</sup>	4,550	3,883	3,885	
United States	4,024	3,341	3,314	
Brazil	32	100	133	
Canada	217	204	174	
China	33	19	13	
Netherlands	33	23	30	
Poland	211	195	220	
Saudi Arabia	0	I	l	
Full-Time	80.5%	99.5%	98.8%	
Variable Workforce (not included in employee information above)				
Total	1,254	868	795	

<sup>(1)</sup> Employee totals exclude variable workforce employees related to our weld overlay business for FY2020, FY2021 and FY2022, respectively. These variable workforce employees fluctuate by season and size of projects within our Industrial Platform of the Infrastructure Solutions segment.

<sup>(2)</sup> The decrease in the total number of employees from FY2020 to FY2021 was primarily due to the disposition of two of our subsidiaries in our Infrastructure Solutions segment in February 2020 and October 2020. For more information on dispositions acquisitions and any shuttering of facilities to optimize operational efficiencies, please see our 2022 Annual Report at <u>www.azz.com/investor-relations</u>.

4.2 Years is the Average AZZ Employee Tenure

## MEMBERSHIP ASSOCIATIONS

A list of the main industry associations and organizations to which we belong in the United States includes:



American Galvanizers Association (AGA)



American Petroleum

American Petroleum Institute (API)



American Society of Mechanical Engineers (ASME)



American Society of Safety Professionals (ASSP)



American Welding Society (AWS)



### Advancing Technology for Humanity

Institute of Electrical and Electronics Engineers (IEEE)



Manufacturers Alliance for Productivity and Innovation (MAPI)

Please see our website for more details on additional memberships and/or groups we support and participate in at <u>www.azz.com/accreditations</u>.

## EMPLOYEE COMPENSATION & BENEFITS

We believe that economic growth is only inclusive and sustainable when our employees receive fair and living wages. We are committed to continue to pay our employees competitive and fair compensation that is commensurate with their experience, position and performance and is competitive in the markets in which they work. We conduct regular surveys of the market rates for our positions to ensure that our compensation and benefits are competitive within our industry and the geographic locations in which we operate. We offer annual merit-based increases, as well as annual short- and long-term incentive packages that are aligned with the Company's key business objectives and are intended to motivate high performance and reward superior shareholder return.

Our employees are critical to the success of our business and we structure our benefits package to attract and retain a highly talented and engaged workforce. We are continuously evaluating our programs to adapt to market trends, and to provide comprehensive health, wellness and quality of life benefits to our employees' and their families. Our programs vary slightly by location, but most include the following benefits:

Health	Financial	Work/Life
Medical, Dental and Vision	Competitive Base Salaries	Company/Voluntary Life Insurance
Medical Insurance Premium Reduction	Hourly Overtime & Shift Differential Pay	Paid Time Off, Holiday Pay, & Flexible Work Arrangements
Health Screenings & Flexible Spending Account	Cash Incentive Program (annual)	Accidental Death & Dismemberment
Prescription Drug Coverage	Employee Stock Purchase Plan	Paid Short-Term & Long-Term Disability
24/7/365 Virtual & Telehealth Services	100% 401(k) match for the first 1% & 50% match between 2% & 6%	Paid Sick & Safe Leave
Annual Flu Immunizations & Free COVID Testing & Vaccinations	Pre-tax & Roth IRA Contributions to Eligible Savings Accounts	Family Medical Leave
Employee Assistance Program	Tuition Reimbursement	Military Leave



**60%** of our employees take advantage of our company 401K



**69%** of our employees opt into AZZ sponsored health insurance
## DIVERSITY, EQUITY & INCLUSION

We embrace the diversity of our employees, customers, vendors, suppliers, stakeholders and consumers, including their unique backgrounds, experiences, creative solutions, skills and talents. Everyone is valued and appreciated for their distinct contributions to the continued growth and sustainability of our business.

Equal Opportunity Employment is a fundamental principle of our Company, where employment and applications for employment are evaluated based upon a person's capabilities and qualifications without discrimination based on actual or perceived race, color, religion, sex, age, national origin, disability, genetic information, marital status, veteran status, sexual orientation, or any other protected characteristic as established by applicable local, state, federal or international laws. Equal opportunity and inclusion is incorporated into all of AZZ's policies and procedures relating to recruitment, hiring, retention, promotions, compensation, benefits, discipline, termination and all of AZZ's other terms and conditions of employment. We continuously seek to improve our hiring, talent development, advancement and retention of a diverse talent pool and increase our overall diversity representation across all of our facilities.

Race/Ethnicity	FY2020	FY2021	FY2022
White	53.3%	54.0%	53.3%
Hispanic	32.5%	33.0%	31.6%
African American	9.7%	8.4%	10.6%
Asian	1.9%	1.4%	1.6%
Multi-Racial	1.6%	1.6%	1.9%
American Indian or Alaska Native	0.84%	0.67%	0.90%
Native Hawaiian or Other Pacific Islander	0.16%	0.93%	0.10%

For FY2020 through FY2022, our U.S. employees had the following race and ethnicity demographics:

Approximately **47**% of our employees are diverse, as reported to the Equal Employment Opportunity Commission on an annual basis.

For FY2020 through FY2022, globally, our employees had the following gender and age demographics:

		Women			Men	
	FY2020	FY2021	FY2022	FY2020	FY2021	FY2022
US Employees	13.4%	13.3%	16.0%	86.6%	86.7%	84.0%
Global Employees	7.3%	12.4%	15.1%	92.7%	87.6%	84.9%

AZZ's percentage of women in the global workforce increased over 106% from fiscal years 2020 to 2022.

Age	Total Employees FY2020	Total Employees FY2021	Total Employees FY2022
Under 20	0.1%	1.4%	0.7%
20 - 29	14.4%	18.3%	13.7%
30 - 39	26.3%	25.1%	28.7%
40 - 49	26.5%	24.9%	24.2%
50 - 59	21.0%	21.0%	20.6%
60>	11.7%	9.3%	12.1%

## **GROWTH & DEVELOPMENT**

We invest in and provide ongoing development and continuous learning opportunities for all AZZ employees. AZZ supports enterprise-wide training and development by offering a variety of instructor-led and self-paced learning programs ranging in audience from individual contributors to supervisors and executive leadership. We also provide a variety of resources to help our employees grow professionally and personally and build new skills, including (i) online development courses containing unlimited access to more than 4,500 learning modules, (ii) continuing education credits, and (iii) learning preferences such as in-person seminars, videos and webinars. AZZ also provides a tuition assistance program for employees enrolled in higher education programs directed at improving their performance or helping them prepare for future leadership roles within the Company. We also emphasize individual development training as part of our annual performance goal setting process.

Annually, all employees have the opportunity and are encouraged to provide feedback on their employee experience through an anonymous and confidential employee survey. The feedback received through this survey is used to drive actions that will improve the overall experience for employees across the Company, as well as to support continuous improvement in leader effectiveness and to continuously enhance our corporate culture.

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**100%** of our full-time employees received performance and career development reviews in FY2022.



**827** professional development courses were completed in FY2022 in several categories including leadership, communication and computer skills.



Health and Safety Training Hours Completed: Metal Coatings: **29,577** Infrastructure Solutions: **27,924** 

## HEALTH & SAFETY

Core to our corporate values, AZZ emphasizes the safety of our people and fostering a culture of safety awareness that promotes the well-being of our employees, contractors and business partners. We maintain a safety culture grounded on the premise of eliminating workplace incidents, risks and hazards, while operating and delivering our work responsibly and sustainably. AZZ has created and implemented training, audit processes, and incident learning communications to help mitigate safety events and to reduce the frequency and severity of accidents in the future. AZZ has safety teams and a formal mentor training program that includes a diverse group of management and hourly employees that contribute to the safety focused culture of our facilities.

In fiscal years 2020 through 2022, we continued to demonstrate excellence in safety, with zero work-related employee fatalities at over 60 locations worldwide, and incident rates as indicated below:



Lagging indicators include the Occupational Safety & Health Administration:

- (i) Total Recordable Incident Rate ("TRIR");
- (ii) Lost Time (or Lost Workday) Incident Rate ("LTIR") based upon the number of incidents per 100 employees (or per 200,000 work hours); &
- (iii) Days Away, Restricted or Transferred Rate ("DART").

### **Metal Coatings Segment**

47% reduction in TRIR, 47% reduction in LTIR and 51% reduction in DART from FY2020 to FY2022.

### Infrastructure Solutions Segment

57% reduction in TRIR, 65% reduction in LTIR and 59% reduction in DART from FY2020 to FY2022.

## HEALTH & SAFETY (CONTINUED)

### Safety Initiatives for Metal Coatings:

Safety Teams established at all Metal Coatings facilities to solicit employee suggestions and feedback on their work environment.

Mentor Program for new hires to supplement formalized safety and operations training.

Injury Rate Improvement Plan (IRIP) to improve overall safety program quality, efficiency, and efficacy at targeted facilities.

**Custom Safety Training** for specific job skills and hazard training utilizing actual incidents. A state-of-the-art Learning Management System assigns training and tracks results of required comprehension tests to ensure all locations are complying with training protocols.

**Regional Monthly EHS Calls** are conducted to discuss injury and incident trends, provide further program training, and to develop local plant EHS coordinators.

### Zero Fatalities

We had zero work-related fatalities in our business operations during FY2020, FY2021 and FY2022.

### **Injury-Free Facilities**

	FY2020	FY2021	FY2022
Metal Coatings Segment	4	9	
Infrastructure Solutions Segment	3	4	7



# COMMUNITY INVOLVEME

Our commitment to supporting people extends beyond just our employees. Our employees are connected to the communities where we operate. AZZ and its employees donate money, time, skills and resources to support many organizations and programs in communities in which they live and work.

## **F** AZZ CARES FOUNDATION

Caring is our culture. After Hurricane Harvey, AZZ established the AZZ Cares Foundation in 2018 dedicated to providing charitable support and assistance to AZZ employees and their families when impacted by an emergency, disaster, or personal hardship. To date, the Foundation has provided assistance to over 100 employees and their families.





#### Texas A&M Scholarship (Engineering Program)

We recognize the need to invest in the next generation of industry professionals. That commitment led AZZ to establish two fellowships in the Department of Materials Science and Engineering at Texas A&M University. The AZZ Faculty Fellowship in Materials Science and Engineering and the AZZ Graduate Fellowship in Materials Science and Engineering provides funds to support faculty and students in the department.

### Make-A-Wish Foundation

Since 1980, Make-A-Wish has granted hundreds of thousands of one-of-a kind wish experiences worldwide. It is because of generous donors, dedicated volunteers and valuable partners in the medical community that each wish



becomes a reality here in Texas. Last year, Make-A-Wish of North Texas granted 304 wishes with the help of volunteers, donors and the community. Each wish journey is an opportunity to make a lasting impact on a child and their family. Each wish can open a child's eyes to all the possibilities that lie in their future. Each wish can bring a family, and the broader community together. The organization has two major fundraisers every year – Wranglers and Wishes, and Wish Upon a Par. AZZ Inc. has been contributing to these fundraisers for the past several years, in addition to, other requests from time-to-time. In addition to being a wish grantor, AZZ's SeniorVice President of Marketing has served as a Council Member on the Southwest Regional Council of Make-A-Wish for over a decade.



### Ronald McDonald House Charities of Fort Worth

Ronald McDonald House of Fort Worth is a local charitable organization Ronald McDonald House<sup>•</sup> that provides a home away from home for families with critically ill children that are admitted into one of the local hospitals in Fort Worth. The

Ronald McDonald House co-located with the Cook Children's Hospital in Fort Worth frequently hosts families of hospitalized children for meals and a gathering place when not at the hospital with their child. Additionally, the Ronald McDonald House has two major fundraisers every year – Roadhouse and Wild Game Dinner for which AZZ Inc. is a contributor.

## COMMUNITY INVOLVEMENT (CONTINUED)

The AZZ Care Team (ACT) is a network of site formed teams of servant leaders who discern the personal, professional and spiritual needs of their co-workers, their families and communities, and channel support to meet those needs when possible and appropriate. The purpose of ACT is to demonstrate unconditional

care to every employee to foster a culture in which people have an opportunity to grow spiritually, personally and professionally.

Throughout the year, Care Teams in the U.S., Canada, Europe and Brazil donated funds, goods and or hours to the following community organizations:

- School supply drives
- Nursing homes
- Community food banks
- Toys for Tots
- Adopt-A-Highway
- Natural disaster relief
- Winter Clothing Campaign
- Cancer Fundraisers
- Construction of ADA ramps at senior citizen centers
- Salvation Army Angel Tree Clothing and Toy Drive



AZZ Galvanizing - Tulsa, Food Drive



AZZ Lighting - Houston, Back to School Drive



AZZ Enclosures - Chattanooga, Back to School Drive



AZZ Switchgear - Oshkosh, Back to School Drive



AZZ Corporate, Back to School Drive

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## COMMUNITY INVOLVEMENT (CONTINUED)









WSI – Brazil, Christmas Gifts for the Community



WSI – Brazil, Warm Clothing Campaign



AZZ Bus Systems - Richland, Stuff a Truck



WSI – US, Salvation Army Angel Tree Clothing and Toy Drive



WSI – Brazil, Breast Cancer Campaign

# **STAKEHOLDER ENGAGEMENT**

Our key stakeholders include our employees, customers, investors and the members of the communities in which we live and work. We engage with our stakeholders on an ongoing basis and we utilize the feedback that we receive to provide both the Board of Directors and the management team with deeper insights into the topics that are important to our stakeholders.

We believe that maintaining an active dialogue with our stakeholders is important to our commitment to deliver sustainable, long-term value to our shareholders. Our Chairman of the Board and members of our executive management team regularly engage with shareholders on various topics, including business initiatives and results, strategy and capital allocation, carefully considering the feedback we receive and taking action when appropriate. During FY2022, we engaged in over 117 investor relations conference calls as well as participated in virtual and in-person investor road shows to address investor questions and provide perspective on the Company's strategic direction. The feedback we receive from our shareholders provides the Board of Directors and management with insights into the scope of topics important to our shareholders.

	Employees	Customers	Investors	Community	
	Employee Surveys	Informal Conversations	Investor Calls and one- on-one meetings	Volunteering	
	Internal Social Media	Customer Satisfaction Surveys	Investor Conferences and Events	Philanthropy	
Method of	Annual Performance Reviews	Social Media	Annual Shareholders Meeting	Disaster Preparedness	
Communication	Employee Bulletins	Company Website	Quarterly Earnings Calls	Social Media	
	Intranet	Negotiations	Company Website		
	Digital Signage	Industry Associations	Press Releases	Company Website	
	Direct Mail	Industry Associations	SEC Filings		
	Benefits	Customer Service	Financials		
	Compensation	Products	Capital Investments	Volunteering	
Topics	Safety	Pricing	Market Trends and Company Strategy	Volunteering	
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102-49	Changes in reporting	None
102-50	Reporting period	Identified where data is disclosed throughout the report.
102-51	Date of most recent report	November 2022
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409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	None				
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