

An aerial photograph of a coastal industrial facility, likely a paper mill or pulp plant. The facility features large, conical piles of white material, possibly wood chips or lime, and a rectangular concrete structure. A conveyor system extends from the land into the water. The facility is bordered by a dense forest of green trees. The water is a deep blue-green color. The image is partially obscured by a large orange graphic element on the left side.

ARCOSA

2023

SUSTAINABILITY REPORT

**BUILDING A
STRONGER, MORE
SUSTAINABLE
FUTURE.**

FORWARD-LOOKING STATEMENTS

Some statements in this report, which are not historical facts, are “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about Arcosa’s estimates, expectations, beliefs, intentions or strategies for the future. Arcosa uses the words “anticipates,” “assumes,” “believes,” “estimates,” “expects,” “intends,” “forecasts,” “may,” “will,” “should,” “guidance,” “strategy,” “plans,” and similar expressions to identify these forward-looking statements. Forward-looking statements speak only as of the date of this report, and Arcosa expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, except as required by federal securities laws. Forward-looking statements are based on management’s current views and assumptions and involve risks and uncertainties that could cause actual results to differ materially from historical experience or our present expectations including, but not limited to, assumptions, risks and uncertainties regarding the impact of pandemics, epidemics, or other public health emergencies on Arcosa’s sales, operations, supply chain, employees, and financial

condition; Arcosa’s ability to identify, consummate, or integrate acquisitions of new businesses or products, or divest any business; market conditions and customer demand for Arcosa’s business products and services; the cyclical and seasonal nature of the industries in which Arcosa competes; competition and other competitive factors; governmental and regulatory factors; changing technologies; availability of growth opportunities; market recovery; ability to improve margins; the impact of inflation and costs of materials; assumptions regarding achievements of the expected benefits from the Inflation Reduction Act; the delivery or satisfaction of any backlog or firm orders; and Arcosa’s ability to execute its long-term strategy, and such forward-looking statements are not guarantees of future performance. For further discussion of such risks and uncertainties, see “Risk Factors” and the “Forward-Looking Statements” section of “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Arcosa’s Form 10-K for the year ended December 31, 2023 and as may be revised and updated by Arcosa’s Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

NON-GAAP FINANCIAL MEASURES

This report contains financial measures that have not been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Reconciliations of non-GAAP financial measures to the closest GAAP measure are included in the Appendix.

COVER PHOTO:

Pictured on the cover and throughout the report, you will see one of Arcosa’s Specialty Materials limestone aggregate facilities, located on Texada Island in British Columbia, Canada. Made from high-quality deposits of limestone, and meeting exacting chemical and physical properties, Arcosa Specialty Materials has a broad range of crushed limestone aggregate products that provide high-performance, cost-effective, and environmentally friendly attributes for the construction industry. Our limestone aggregate is commonly used for roadbuilding, oilfield locations, and a variety of engineering projects.



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A LETTER FROM OUR CEO

In 2023, Arcosa celebrated its fifth anniversary as a stand-alone public company. Reflecting over the past five years, we have made significant progress embedding sustainability into the fabric of our corporate culture. From completing the foundational activities needed for an Environmental, Social, and Governance (ESG) program, to fostering engagement and dedicated collaboration among our colleagues, to implementing consistent reporting and business-focused initiatives, we continue to integrate sustainability into our daily activities and long-term strategy. On the horizon, we anticipate heightened regulation and are confident in our readiness to meet it due to the important groundwork we have laid. Looking forward, we believe we are well-positioned to continue advancing our sustainability program to meet the diverse needs of our stakeholders.

Our ARC 100 program, which we established early on in our ESG journey, continues to govern our safety culture at Arcosa. Since 2019, we have implemented numerous continuous improvement initiatives, including expanded new-employee training, employee safety mentorship, focused injury reduction campaigns, and stronger communication channels for daily safety engagement. These initiatives have positively impacted our safety metrics, with reductions in severity and frequency of workplace incidents.

Additionally, we have made significant strides in reducing our Greenhouse Gas (GHG) Emissions intensity, in line with our stated goal of a 10% reduction of GHG Emissions intensity by 2026 compared to our 2020 baseline. To date, we have achieved a 17% reduction in our emissions intensity compared to 2020. As we strategically grow our company, both organically and through disciplined acquisition, we strive to identify and implement impactful initiatives to improve our emissions efficiency. Our team is focused on new technologies and process improvements to reduce energy consumption, energy efficient asset replacements, and facility energy audits to plan for future projects.

Arcosa employees are our biggest asset, and we continue our efforts to build a strong, stable, and resilient workforce. In addition to employee-focused safety initiatives and talent development practices, we conducted our second employee survey in 2023. The survey helps us identify what keeps our team engaged and provides another outlet for listening to and taking action on behalf of our workforce. We purposefully broadened the audience in our second survey and were pleased to see, once again, a good response rate and an overall favorable company rating. Strengthening employee engagement, as we continue making Arcosa an employer of choice, helps us build a more sustainable workforce.

Our workforce focus extends to the future as well. In 2023, we continued investing in our communities, with emphasis on supporting education to elevate families and enable the next generation to complete school and successfully enter the workforce.

Our employees dedicated their time in local schools by providing supplies, painting walkways, reading to classes, participating in field days, and hosting workshops for underserved and underrepresented youth. Arcosa is proud to support the communities where we live and work.

I am pleased to share with you Arcosa's 2023 Sustainability Report, the fourth annual compilation of the activities advancing our commitment to integrate ESG into our daily activities and long-term strategy. Inside we bring into focus our ESG strategy, provide an update on key environmental and social metrics, and highlight the great work taking place at our businesses led by our passionate team. Together we are unified in enhancing the resilience of our Company, driving sustainable growth, and building a better world.



ANTONIO CARRILLO
President & Chief Executive Officer



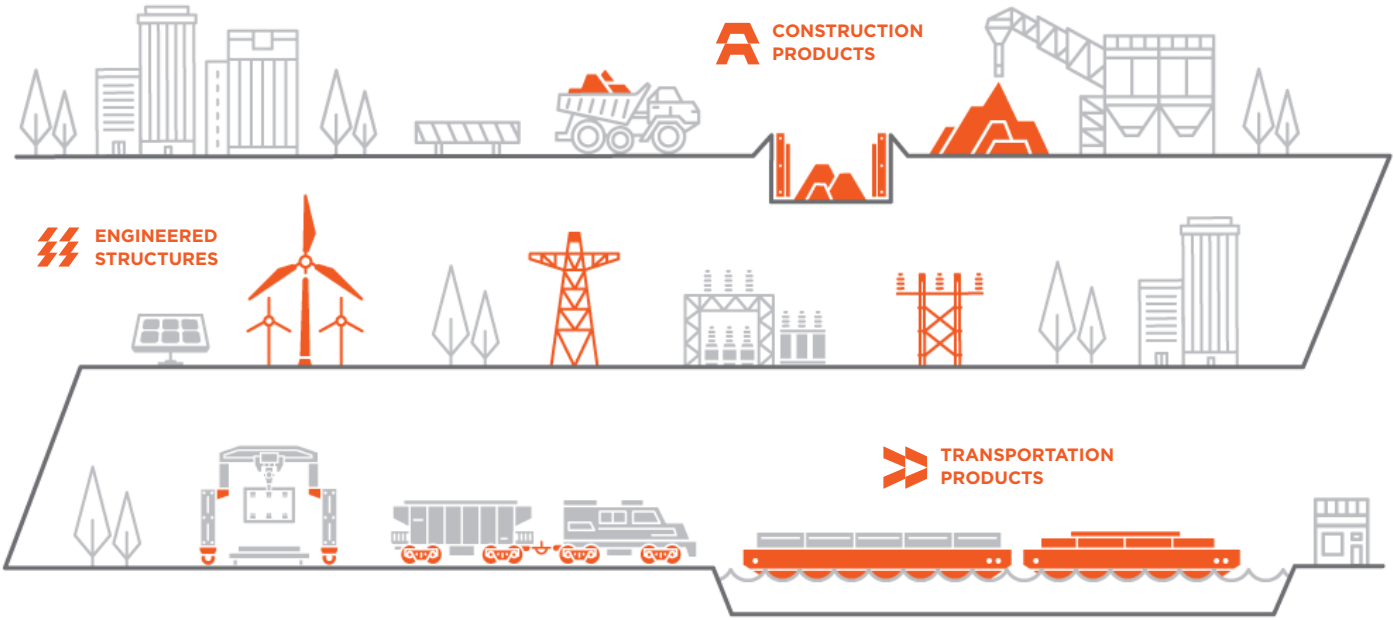
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ARCOSA AT A GLANCE

OUR THREE BUSINESS SEGMENTS



\$2.3B

Revenues

\$159M

Net Income

\$368M

Adjusted EBITDA

~6,075

Employees

85+

Years of Operating History

3

Infrastructure-Related Segments

Revenues, Adjusted EBITDA, Net Income and employee count are for the fiscal year ended 12/31/2023. See Adjusted EBITDA reconciliation in Appendix.



2023 YEAR IN REVIEW

5

Celebrated Arcosa's milestone anniversary as a stand-alone public company

2

Invested in a new concrete utility pole plant in Florida and a new wind tower facility in New Mexico

17%

Emissions intensity reduction vs. baseline

4

Years since the launch of safety culture initiative ARC 100



Conducted Second Employee Engagement Survey with favorable overall company rating

\$2.3B

Revenue supports healthy financial performance in line with stated Company targets

\$120M

Bolt-on acquisitions in Florida, Texas, and Arizona to strengthen Construction Products portfolio

22%

Water intensity reduction vs. prior year

60%

Year-over-year decline in total lost workdays due to injuries

50%+

Participants in LEAD cohort promoted into plant leadership roles

BUSINESS OVERVIEW

Arcosa's three segments are made up of leading businesses that serve critical infrastructure markets.

CONSTRUCTION PRODUCTS



NATURAL &
RECYCLED AGGREGATES



SPECIALTY MATERIALS



CONSTRUCTION
SITE SUPPORT

ENGINEERED STRUCTURES



UTILITY & RELATED
STRUCTURES



WIND TOWERS



TRAFFIC & TELECOM
STRUCTURES

TRANSPORTATION PRODUCTS



BARGES



MARINE COMPONENTS



STEEL COMPONENTS

LONG-TERM STRATEGY



GROW

in attractive markets where we can achieve sustainable competitive advantages



REDUCE

the complexity and cyclicity of the overall business



IMPROVE

long-term returns on invested capital



INTEGRATE

Environmental, Social, and Governance (ESG) initiatives into our long-term strategy

VISION

UNIFIED IN OUR COMMITMENT TO BUILD A BETTER WORLD

VALUES

We advance a safety-focused and ESG-driven culture

We are committed:
innovative, focused, results-oriented

We make things happen:
agile, driven, passionate

We act with integrity:
principled, honest, fair

We win together:
collaborative, dedicated, united

PROMISE

At Arcosa:

- > **We activate** the potential of our people
- > **We care** for our customers
- > **We optimize** operations
- > **We integrate** sustainability into our daily practices as well as our long-term strategy
- > **We promote** a results-driven culture that is aligned with long-term value creation

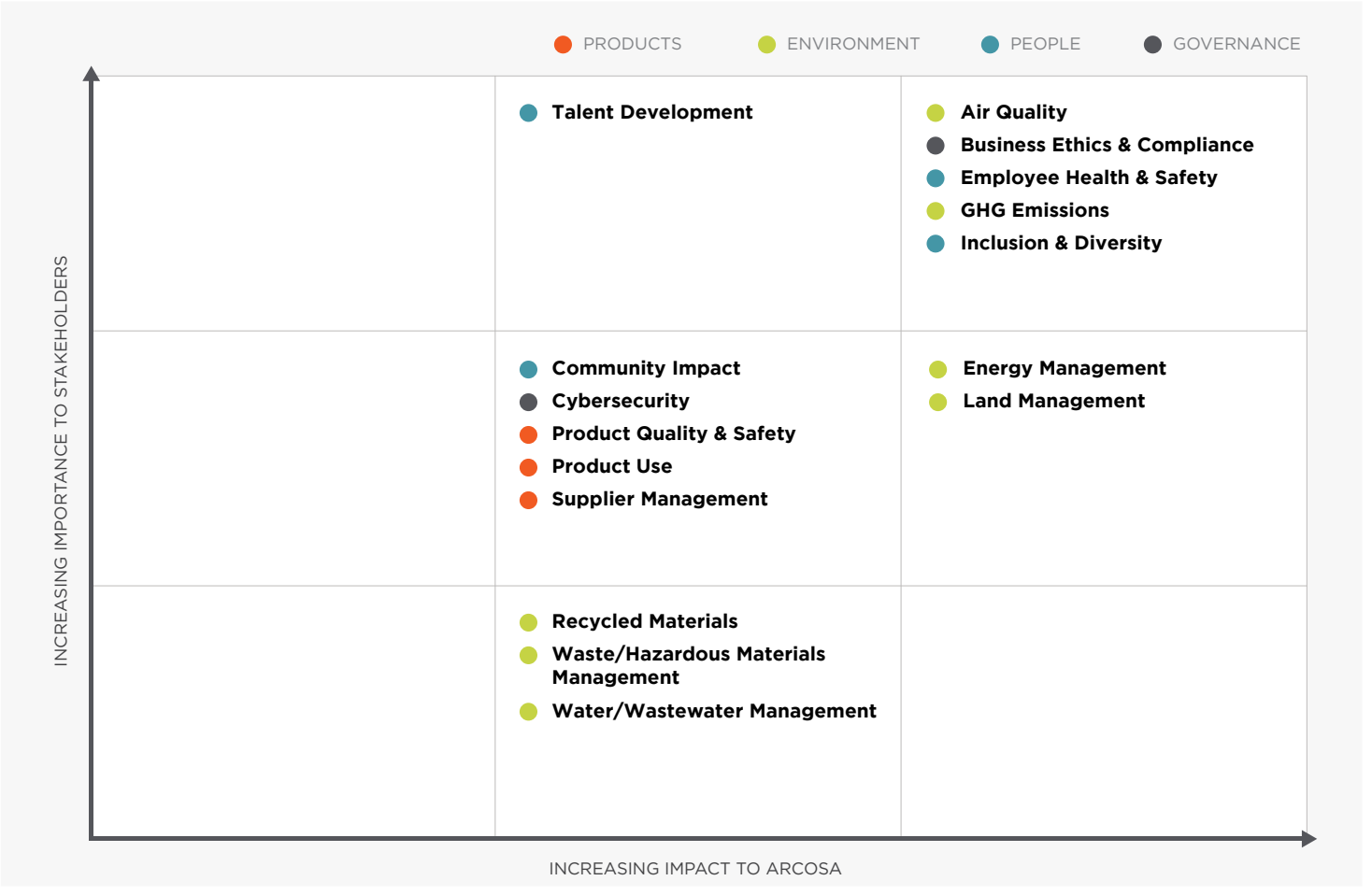
MATERIALITY MATRIX

Arcosa’s materiality matrix is the foundation of our ESG roadmap. Developed with the help of outside consultants, we partnered with key internal and external stakeholders to understand the sustainability issues most important to them and with high impact to Arcosa. The Sustainability Accounting Standards Board (SASB) standards helped align our reporting efforts with material topics identified.

Topics with the highest importance to our stakeholders and with greatest impact to our business are shown in the top right corner of the matrix:

- > Air quality
- > Business ethics and compliance
- > Employee health and safety
- > Greenhouse gas (GHG) emissions
- > Inclusion and diversity

Arcosa’s matrix was developed with an extensive assessment in late 2019. Each year, topics are monitored, and the matrix may be adjusted according to feedback from key stakeholders. In 2024, we plan to perform a refreshed consultant-driven materiality assessment to inform our ESG strategy over the near- and long-term.



Topics have been ordered alphabetically within their ranking boxes.



ESG STRATEGY: BUSINESS-FOCUSED WORLD CHANGERS

Arcosa’s sustainability strategy has been developed over the last five years integrating input from a wide range of stakeholders, including our Board and executive team, investors, customers, suppliers, and our employees. Finding the right balance between aspirational leadership and business-focused growth has been critical to defining our go-forward plan. Arcosa is committed to integrating ESG into our daily practices and long-term vision.

Our strategy is to implement business-practical initiatives in high-impact areas, with direct benefits for our plants and people and far-reaching benefits for our communities and the environment.

Our strategy centers on three impact areas:



Governance excellence through high standards of ethics and compliance in all we do



Collaborative environmental action at our sites to preserve and protect air, water, and land for future generations



Inclusive social engagement that leads to a strong workforce, strong relationships, and strong communities

With these impact areas in mind, and in collaboration with our 2024 ESG materiality assessment, we will continue to build on our strong sustainability foundation established over our first five years as a public company.



Seeing daily efforts translate to big-picture change is not always easy. At Arcosa, one of our goals is to educate employees at all levels within the organization on the simple and complex ways their daily actions can contribute to our overall sustainability strategy. We connect the dots between the practical and the world changing. When explaining the concept to employees, we use the example of an LED lightbulb. Many of our plants have converted to LED lighting, and it drives a reduction in overall electric consumption and plant overhead costs, but it also improves visibility for mobile equipment operators (strong workforce) and reduces plant Scope 2 emissions (air protection).



ESG STRATEGY: IN ACTION

2023 in British Columbia, Canada saw a very dry spring and summer. For Arcosa's Specialty Materials aggregates mines, which are heavily dependent on the use of collected surface water for production at wash plants, a dry season can negatively impact efficiency, make physical labor harder for employees, and halt the ability to produce material completely. To address depleted water reserves, our mine management team collaborated with Arcosa's downstream Seattle, WA plant to reimagine the water-intensive crushing process from start to finish. Crushing is essential for forming materials into appropriate grades for infrastructure construction applications. The team spent time evaluating the many implications of water in the crushing process and how to eliminate the wash plant from the primary production line. After significant planning and vetting, the mine teams implemented a new process to "dry" crush, while still maintaining quality, sizing, and production rates.

The new process has numerous benefits, many intended and some unplanned:

- > Reduces water requirements for crushing material; expect monthly reduction of nearly 1 million gallons of water.
- > Reduces natural gas consumption in downstream production process to dry oversaturated material at sister site; reduces operating costs and Scope 2 emissions.
- > Creates a cleaner site with less mud; improves cleanliness of conveyors, reduces downtime for blockages, and requires less manual labor for cleaning efforts.
- > Improves labor efficiency through reduced materials handling.
- > Improves material efficiency through reduced over-crushing, extending mine reserve life. Material loss has been reduced from 30% to nearly 0% since implementation.

The collaborative innovation and sustainability lens used by our teams for this project epitomizes Arcosa's commitment to build a better world. Arcosa is proud of the leaders in our organization and their continued efforts to implement business-practical initiatives in high impact areas, with direct benefits for our plants and people and far-reaching benefits for our communities and the environment.



As part of Arcosa's commitment to governance excellence, we publish a series of formal policy statements to our website. These statements bring into focus our stance on important issues identified by our stakeholders.

ENVIRONMENTAL

- > Statement on Air Quality
- > Statement on Biodiversity
- > Statement on Climate Change
- > Statement on Environmental Responsibility
- > Statement on Waste Management
- > Statement on Water Management

SOCIAL

- > Statement on Diversity
- > Statement on Human Rights
- > Statement on Occupational Health & Safety
- > Statement on Suppliers
- > Supplier Code of Conduct

GOVERNMENT

- > California Transparency in Supply Chains Act of 2010 Corporate Disclosure
- > Categorical Standards of Director Independence
- > Arcosa Code of Conduct
- > Corporate Governance Principles
- > Whistleblower Policy

GOVERNANCE & ETHICS

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A LETTER ON BEHALF OF THE BOARD

Arcosa achieved an important milestone in 2023, successfully closing out our first five years as an independent public company. A key foundational pillar of Arcosa's vision is to integrate ESG into the long-term strategy of the Company. The Board of Directors has been pleased to see the transformation of that vision into action over the past five years. We have matured along the way and believe we have set well-balanced priorities aligned on business-focused sustainability activities and initiatives that contribute to the overall success of Arcosa.

Early on, the Board of Directors recognized the growing importance of sustainability at Arcosa and charged the Governance and Sustainability Committee with specific oversight of sustainability topics within the organization. This refreshed committee receives regular ESG updates, reviews our public sustainability disclosures, and evaluates our climate-related risks and opportunities.

Board refreshment has also been a consideration as we focus on the future. Since our inception five years ago, we have added seven new directors to the Board, including three female directors. Each director brings a unique perspective and strong leadership to Arcosa's Board.

Arcosa's management team has established a sustainability framework that allows for agility in an ever-changing landscape.

Foundational activities — including ESG committees at multiple levels within the organization, regular reporting cadences, and adherence to global standards and frameworks — have helped us align internal processes with stakeholder preferences.

Our portfolio of businesses continues to make progress in key areas, balancing growth and continuous improvement to achieve results.

- > The integration of the ARC 100 safety culture initiative has led to improvement in safety measurables, including a more than 60% reduction in Arcosa's Total Recordable Incident Rate (TRIR) since 2019.
- > Since establishing our baseline in 2020, Arcosa has reported a 17% reduction in Scope 1 and 2 greenhouse gas emissions intensity with respect to revenues, surpassing our published goal of a 10% reduction by 2026. We continue to focus on ways to further improve our emissions footprint.
- > Arcosa has expanded into new, environmentally friendly product lines, including the production of recycled aggregates with operations in Texas, Southern California, Arizona and, most recently, in Florida.
- > The Inflation Reduction Act, passed in 2022 to support the development of the United States' renewable energy infrastructure, provides a catalyst for our utility structures and wind towers businesses as we seek to participate in the build-out.

In our 2023 Sustainability Report, we highlight a selection of initiatives that exemplify the positive impact Arcosa is making toward its commitment to build a better world. You will read about our engaged workforce and investments we are making in our facilities and mine sites that benefit our business and the communities where we operate. We believe incorporating sustainability into our daily activities and long-term strategy, in business-focused ways, creates opportunities for long-term, profitable growth.

On behalf of Arcosa and our Board of Directors, thank you for your interest in our 2023 Sustainability Report.

RHYS J. BEST
Chairman of the Board



GOVERNANCE HIGHLIGHTS

Our organizational structure is aligned with stakeholder value creation.

We are committed to strong corporate governance practices, which we believe recognize shareholder interests and support the success of our enterprise.

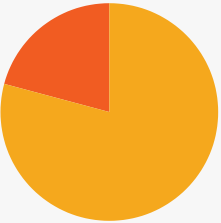
Arcosa’s Board of Directors oversees the Company’s management for the benefit of shareholders, and in support of that role operates three fully independent committees that provide oversight in specific, targeted areas.

Because ESG-related topics span multiple functions and expertise areas, each committee plays a part in ESG governance:

- > Audit Committee oversight of certain risk mitigation practices, including a formal Enterprise Risk Management program
- > HR Committee oversight of labor practices and social issues impacting the workforce
- > Governance & Sustainability Committee oversight of climate-related issues, corporate governance, and other ESG activities

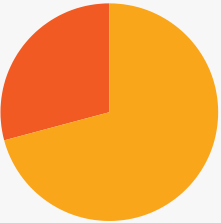
Independent Board Chairman	9 of 10 current Board members are independent	New York Stock Exchange compliant clawback policy in place
Limits on other public company board service	Regularly scheduled executive sessions of independent Board members	Extensive shareholder engagement program
Majority voting policy for uncontested director elections	Culture that values ESG responsibility	Annual Board and Committee self-performance evaluations
Shareholders’ ability to nominate directors through proxy access	Enterprise Risk Management program with full Board and Committee oversight	Robust director and senior officer stock ownership requirements
100% Independent Audit, Human Resources, and Governance and Sustainability Committees	Policies prohibiting short sales, hedging, margin accounts, and pledging of Arcosa stock	50% of Board members identify as diverse

Board Racial & Ethnic Diversity



20% NON-WHITE 80% WHITE

Board Gender Diversity



30% FEMALE 70% MALE



TALENTED GROUP OF LEADERS WITH C-SUITE & PUBLIC COMPANY BOARD EXPERIENCE

Arcosa's Board includes nine Independent Directors, eight Directors with CEO experience, and seven new Directors since 2018.

- Independent Chair
- Independent Director
- Audit Committee
- Governance & Sustainability Committee
- Human Resources Committee
- New Director Since 2018



Joseph Alvarado
Former Chairman & CEO, Commercial Metals Company

Significant management experience; provides the Board with additional perspective on the Company's operations, including construction products and steel-fabrication businesses.



Rhys J. Best
Chairman (Non-Executive) of the Board of Directors, Arcosa, Inc.

Extensive experience managing and leading significant industrial enterprises; provides the Board with additional perspective on the Company's operations, including construction products and engineered structures businesses.



Antonio Carrillo
President & CEO, Arcosa, Inc.

Significant knowledge and understanding of Arcosa's products, services, operations and business environment and has experience leading a significant industrial enterprise in Mexico, where Arcosa has a number of operations.



Jeffrey A. Craig
Former Executive Chairman, Meritor, Inc.

Significant management experience; provides the Board with additional perspective on the Company's operations, including transportation products businesses.



Steven J. Demetriou
Former Executive Chairman & CEO of Jacobs Solutions, Inc.

Significant experience in senior management roles; provides the Board with additional perspective on the Company's operations, including its engineered structures businesses, and driving ESG initiatives.



Ronald J. Gafford¹
Retired Chairman, CEO, and President, Austin Industries, Inc.

Broad experience managing and leading a significant industrial enterprise; provides the Board with additional perspective on the Company's operations, including construction products businesses.



John W. Lindsay
CEO, President, and Director, Helmerich & Payne, Inc.

Significant management experience; provides the Board with additional perspective on the Company's operations, including engineered structures businesses.



Kimberly S. Lubel
Former Chairman, President & CEO, CST Brands, Inc.

Significant management experience and diverse background across multiple industries; provides the Board with additional perspective on the Company's operations.



Julie A. Piggott
Former EVP & CFO, BNSF Railway Company

Significant management experience; provides Board with additional perspective on the Company's operations, including transportation products businesses.



Melanie M. Trent
Former EVP, General Counsel & Chief Administrative Officer, Rowan Companies PLC

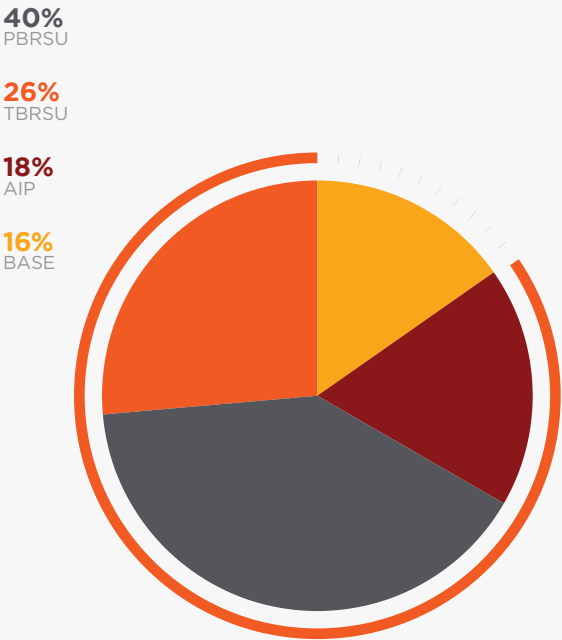
Significant legal and management experience, diverse background and knowledge of oil and gas industry; provides the Board with additional perspective on the Company's operations.

EXECUTIVE COMPENSATION PLANS

Arcosa’s 2023 incentive plans further align executive compensation with long-term stakeholder value creation while driving accountability in all levels of the organization.

	COMPONENT	PURPOSE	DESIGN
<div> <div>FIXED</div> <div>AT-RISK</div> </div>	<div> <div>Base Salary</div> <div>CASH</div> </div>	Attract, retain and motivate key executives by providing market-competitive fixed compensation	Reviewed at least annually to consider changes in responsibility, experience, individual performance, and market competitiveness.
	<div> <div>Annual Incentive Compensation (AIP)</div> <div>CASH</div> </div>	Short-term, at-risk pay designed to motivate achievement of annual performance goals across the entire organization and within business units in support of our strategic priorities	<p>Market-competitive targets and goals established for executives:</p> <ul style="list-style-type: none"> > Specific financial metrics for Corporate and Group President plans > Accountability for execution of strategic initiatives (ESG including safety, Growth, Working Capital) <p>There are no payouts when performance falls below financial thresholds and there is a failure to execute strategic initiatives.</p>
	<div> <div>Long-Term Incentive Compensation (LTI)</div> <div>EQUITY</div> </div>	Long-term, at-risk pay designed to balance short-term, at-risk pay; enhance alignment between executives and shareholders; and support our strategic priorities and long-term shareholder value creation	<p>Our executives receive their LTI compensation in two parts:</p> <p>1) 60% of LTI in performance-based restricted stock units (PBRSU): Awards linked to achievement of Pre-Tax Return on Capital, Adjusted Cumulative Earnings per Share, and Total Shareholder Return relative to the performance of the S&P SmallCap 600 index. Payouts in Arcosa Common Stock are made at the end of a three-year performance period and can range from 0%-200% of target. No payouts if performance is below threshold.</p> <p>2) 40% of LTI in time-based restricted stock units (TBRSU): Awards vest three years ratable, 1/3 each, 2024, 2025, and 2026.</p>

2023 TARGET CEO PAY: 84% AT RISK



KEY POLICIES & STATEMENTS	OBJECTIVE	APPROACH
Arcosa Code of Conduct	Ensure employees are trained periodically on expected behavior related to policies, laws, and regulations	<ul style="list-style-type: none"> > Annual Code training and certification > Easy access to Code and anonymous reporting channels
Health & Safety	Maintain standards and practices that protect the health and safety of stakeholders	<ul style="list-style-type: none"> > Advance a safety culture through ARC 100 program > Tailored Occupational and Process Safety procedures > Examine contractor safety programs
Environmental Responsibility	Publish, educate, and incentivize workforce to develop environmental awareness and reduce environmental footprint	<ul style="list-style-type: none"> > ESG training for employee knowledge-building and to spark day-to-day innovation > Strategic business initiatives driven by leadership teams across Arcosa
Foreign Corrupt Practices Act (FCPA)	Zero tolerance toward acts of corruption (prohibition of facilitation payments), and prohibition of providing benefits to public officials	<ul style="list-style-type: none"> > Train impacted employees > Train impacted agents and third parties representing Company interests > Thorough vetting of international suppliers > Audit of international financial transactions
Diversity & Anti-Harassment	Provide an inclusive and diverse workplace free from retaliation and discrimination or harassment	<ul style="list-style-type: none"> > Initial training occurs during employee onboarding > Key topic in Code of Conduct training > Targeted, periodic civil treatment training
Cybersecurity	Ensure confidentiality, integrity, and availability of the Company's computer networks, applications, devices and data	<ul style="list-style-type: none"> > Audit committee oversight > Additional risk mitigation through cybersecurity insurance > Externally audited under CIS standard > Multiple layers of security > Robust technology training for employees > No material security breaches in the last three years



Key items addressed in Arcosa policies and statements, including the Code:

- > Adhere to all laws and regulations
- > Health and safety paramount
- > Treat others with dignity and respect
- > No tolerance for harassment or discrimination
- > Prohibition of anti-competitive practices
- > Anti-corruption: Forbid giving or receiving bribes
- > Maintain whistleblowing HelpLine and HelpSite; no tolerance for retaliation

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WE ACTIVATE THE POTENTIAL OF OUR PEOPLE



150+

Locations Across
North America
in 2023

~6,075

Employees
as of December
31, 2023

\$1M

Employee
Development
Investment
in 2023

52%

U.S. Employees
with Tenure
Exceeding
3 years

EMPLOYEE HEALTH & SAFETY

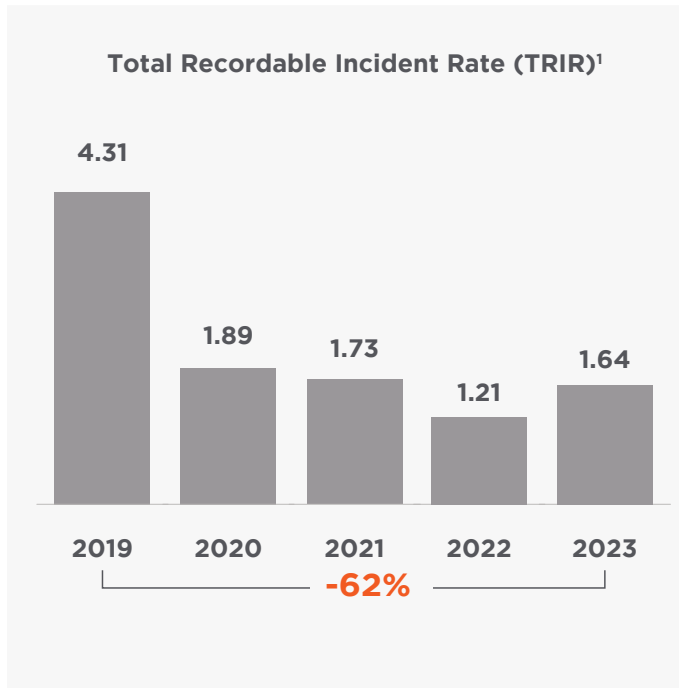
Arcosa remains committed to high safety standards across our operations. To us, building a better world includes a strong culture of safety, with employees, contractors, and visitors working safely every day.

Since 2019, we have seen significant improvement in our Company-combined Total Recordable Incident Rate (TRIR). 2022 was a record-setting safety year and, reflecting on 2023, multiple factors contributed to a TRIR uptick:

- > Divestment of our storage tank business, impacting the overall TRIR calculation
- > Ramp-up of production in our Transportation Products segment, with higher proportions of new employees

While we always aspire to drive year-over-year improvement in safety metrics, we believe our continued efforts have driven favorable safety measurables outside of standard calculations such as TRIR. In 2023, Arcosa's severity rate remained low, with specific categorical improvements, including:

- > **More than 60%** decline in total lost workdays
- > **Nearly 10%** decline in total restricted workdays
- > **50%** decline in hospitalizations



¹ Due to the nature and complexity of case management for work-related injuries and illnesses, non-material inputs could minimally affect year-end numbers.



During 2023, Arcosa's cyclical businesses were ramping production capacity, and we completed the acquisition of six businesses in the Construction Products segment, resulting in a significant number of new employees. During that time, our Enterprise Safety Steering Team identified an opportunity to improve our safety culture onboarding program to better equip employees to be safety-minded. Refreshed curriculum was implemented, and all locations received training to enable successful facilitation for new employees. With growth as a pillar of Arcosa's long-term vision, and in anticipation of the many future employees who will join our team, we have established a day-one priority of safety excellence.

ARC 100: BUILDING A SAFETY CULTURE

Launched in 2019, ARC 100 is Arcosa's safety culture initiative, aimed at building a positive and proactively engaged culture of safety excellence to enhance safety progress and awareness throughout the company. ARC 100 is inspired by the voices of front-line employees, driven by cross-functional teams, and actively supported by visible commitment from senior leaders.

Key elements of ARC 100 include:

- > Collaboration from employees at all levels to hold each other accountable for safe actions every day
- > Development and implementation of new processes, procedures, and initiatives to strengthen our safety culture
- > Commitment to an evolving system of continuous safety improvement

Each unique business builds cross-functional teams to address specific safety issues identified by an informed steering team.

The following selection of initiatives have been developed or refined by continuous improvement teams under ARC 100.

Essential to ARC 100 is training employees to understand what it means to have a culture of safety. To broaden and deepen our employees' understanding, in 2023 we began delivering Safety Culture Workshops that facilitate in-depth learning about ARC 100 culture and methodologies. Our goal is for all Arcosa employees to participate in this hands-on workshop.

Daily discussions of core safety values reinforce skills built over time. Arcosa Safety Briefings were developed as intentional time spent at regular intervals during the work week to present and talk through at least one safety topic. Initially developed in Arcosa's Natural Aggregates business in 2019 and rolled out across many others since, these briefings have grown into a leading indicator of employee engagement in safety.

For Arcosa, proactively approaching safety includes identifying near-misses. A near-miss is a potential hazard or incident in which no property was damaged and no injury was sustained but, given a slight shift in circumstance, damage or injury could have occurred. Kicked off in 2022, Arcosa's Specialty Lightweight Aggregates team developed a new system of reporting near-misses, with specific ways to address complexities associated with these types of incidents, including:

- > An anonymous submission process
- > Specific guidelines for defining a near-miss
- > Follow-up integrated into Safety Briefing process

We believe this process enhances our safety culture and will reduce reportable incidents in the future.

In 2021, Arcosa's Meyer Utility Structures business found that while the existing safety orientation training was essential, on-the-job training and follow-up needed improvement. Thus, the Safety Mentorship Program was born. The program pairs new hires with trained volunteer safety mentors who provide job-specific training and tools. Benefits of the program include higher safety acumen for new employees, higher employee retention, reduced injuries for new hires, and higher engagement for mentors. In 2023, this program was expanded to additional locations and other businesses throughout Arcosa.



INCLUSION & DIVERSITY: BY THE NUMBERS

Arcosa continues to build a culture supporting our Vision, Values, and Promise. We live our value of winning together by leveraging the diversity of our employees. We believe different backgrounds and many perspectives make us a stronger, more resilient company. Our commitment to inclusion and diversity begins at the Board and senior leadership level.

- > Females represent 30% of our Board of Directors, with Melanie Trent serving as Chair of the Governance and Sustainability Committee.
- > Females represent more than 35% of our Senior Management team, including Chief Financial Officer, Chief Human Resources Officer, and Senior Vice President, Corporate Administration.
- > Females represent 32% of our salaried workforce, including leadership positions in Operations, Finance, Accounting, Internal Audit, Human Resources, Information Technology, Investor Relations, Environmental, Legal, and ESG.

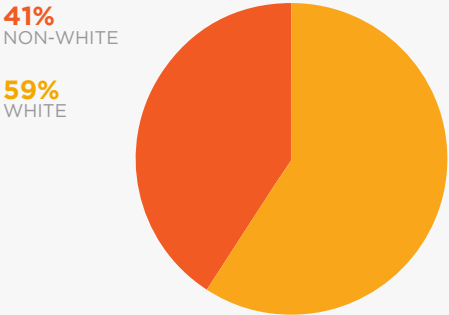
We are committed to improving the diversity of our workforce and creating an inclusive environment through the following initiatives:

- > Execute listening strategies to hear what our employees say about our company and leadership.
- > Foster an inclusive workplace that inspires trust, creativity, and empowerment.
- > Drive a diverse slate of internal and external candidates for hiring.
- > Invest in our employees through development actions that promote frontline workers, women, and people of color.
- > Improve diversity among our professional- and management-level positions.

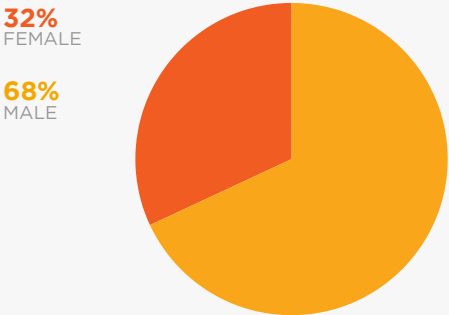
We believe these initiatives expand our Company's inclusion and diversity efforts from compliance to long-term competitive advantage.

In 2023, Arcosa continued its listening strategy approach by conducting numerous focus groups at plants with higher-than-average turnover. The feedback received from plant groups is essential to build trust, combat turnover, and drive inclusion with our employees.

Racial & Ethnic Diversity
U.S. Workforce¹ as of December 31, 2023



Gender Diversity
Salaried Workforce as of December 31, 2023



¹ Mexico operations not included in U.S. workforce metrics in order to highlight U.S.-only diversity



INCLUSION & DIVERSITY: ENGAGEMENT SURVEY

In 2023, Arcosa completed its second Employee Engagement Survey. During the inaugural survey in 2021, focus areas were identified, action plans built, and change enacted. Because of the hard work of our leaders, the second survey reflected consistent improvement in all focus areas. We have made measured progress over the past two years, but recognize we still have work to do.

Our goal is to have our employees' thoughts and perceptions in mind as we continue to execute on the four pillars of our long-term strategy: grow in attractive markets, reduce cyclicity, improve long-term returns on invested capital, and integrate ESG into our long-term strategy. We believe fostering a more inclusive environment through employee engagement and leadership action will make Arcosa a better company.

Results of our second survey included:

FAVORABLE

**overall
company rating**



INCLUSION & DIVERSITY: ENGAGEMENT AND BEYOND



WE-AR Growing

2023 marked the third year of WE-AR: Women of Arcosa

employee resource group (ERG). WE-AR is committed to an inclusive environment that supports and encourages women to connect, mentor, and develop personally and professionally. Members from all job levels and locations take insight from learning sessions to develop within their current roles and to prepare for future roles.

During the past year, WE-AR provided programming geared toward building confidence in the workplace, breaking down barriers, and the importance of allyship. The highlight of the year was an illuminating executive roundtable session, where members heard from Arcosa leaders about allyship in the workplace. These business leaders provided a vulnerable look at what allyship means, why it is important, and how to build an ally network. We are excited about WE-AR's impact and anticipate an exceptional 2024.



Acing the Test

In its second year, the Arcosa Celebration of Excellence (ACE) program continues

to successfully spread inclusion and recognition across the Company. ACE is used by employees and managers to recognize service anniversaries, send e-cards for large or small accomplishments, and give peer-to-peer recognition. Milestone anniversary gifts, electronic encouragement cards, and an online recognition wall highlight the great contributions of our people.

In 2023:

- > Over 350 employees were specifically recognized by their peers for excellent work.
- > Nearly 2,000 e-cards were sent through the system to recognize or celebrate one another.
- > More than 5,500 recognition activities were driven by the ACE program.



Celebrating All

In 2020, Arcosa's Dallas office established a Cultural Awareness Team.

This diverse, cross-functional team meets regularly to drive a culture of inclusion and diversity through recognition of cultural holidays during the year.

Key functions of this team include:

- > Research and recommend cultural holidays celebrated by our employee base and similar companies to recognize at Arcosa.
- > Identify ways to celebrate cultural holidays enterprise-wide.
- > Create content and communications cadence within the corporate communications plan.

As we closed out 2023, Arcosa employees organized a Diwali celebration in the Dallas office. Diwali, a "festival of lights," celebrates the triumph of light over dark, good over evil, and the blessings of victory, freedom, and enlightenment. Our employees celebrated with a potluck of authentic Indian food and lively conversation over lunch.

TALENT DEVELOPMENT

We position Arcosa for growth by developing a broad, deep bench of talent.

Career growth for our employees

Develop knowledge and capabilities to engage, retain, and prepare employees for future roles.

Talent to best serve our customers

Offer experiences for employees to take on a variety of roles and responsibilities.

Reduce future risk for our stakeholders

Identify successors to fill key positions and retain top talent within Arcosa.

Launched in 2022, Arcosa's LEAD program was developed to identify and retain high-performing, high-potential internal talent who have demonstrated broader leadership skills in plant management and to grow our bench of qualified future leaders. The program includes concrete development plans for mining and manufacturing tracks, with emphasis on leadership soft skills and technical job skills.

MORE THAN 50% OF PARTICIPANTS FROM OUR ORIGINAL LEAD COHORT HAVE BEEN PROMOTED TO PLANT LEADERSHIP ROLES.

EXTERNAL PROGRAMS	INTERNAL PROGRAMS	FINANCIAL SUPPORT
Harvard "Leading with Finance" online program	Business Acumen training	Tuition reimbursement at educational institutions
Positive Management Leadership (PML Experience®) seminar	Interaction Management * (DDI) leadership development program for frontline leaders	Professional society memberships
Women in Manufacturing (WIM™) professional development programs	Civil Treatment * (ELI) flagship training program for leaders and employees	Professional conference and symposia registrations
Young professional and leadership programs through local Chambers of Commerce	Annual employee evaluation and goal development	Other educational courses that enhance learning
	Arcosa Leadership, Exploration, and Development (LEAD) cohort	

COMMUNITY ACTION

CLASS IS IN SESSION

A primary focus of Arcosa's corporate responsibility strategy is education support in the communities where we live and work. We believe when we invest in education, we can elevate families, kids, and teens to a higher likelihood of completing school and successfully entering the workforce. We support through targeted giving as well as volunteer projects aimed at building strong schools, strong families, and strong communities.

Tucked away on a small island in British Columbia, Canada, Arcosa's Specialty Materials mine at Texada Island has close ties to the local school. With a small population on the island, Arcosa employees' kids make up almost 25% of the local elementary school's population. In 2023, the elementary school requested support for their physical education program, and the Arcosa team answered the call. We provided disc golf supplies and weekly training sessions with the kids and, at the end of the semester, our team sponsored a field trip to the disc golf course at the local park. Arcosa continues to invest in the school and the community because we see the tangible connection between strong schools and successful kids.

In December, students from multiple schools across Dallas, TX, were invited by the American Heart Association to participate in a fun-filled day of Science, Technology, Engineering, and Math (STEM)-related activities, with local business sponsors including Arcosa.

As part of the STEM event, volunteers from our Arcosa Wind Towers group and the Arcosa Dallas office led multiple engaging activities, including student-created wind tower builds, product and career path discussions, and fun prizes and giveaways for the 300 students who attended. We were impressed by the creativity and curiosity of the students and look forward to the impact they will make in their schools and communities in the future.

In May, with school winding down and summer soon approaching, Arcosa's Dallas, TX, office partnered with a local non-profit for an employee-led book drive and an energetic outdoor playday at Jubilee Park's preschool program. Leading up to an in-person volunteer event, employees were challenged to donate new or gently used children's books that would be used at the Jubilee Park Community Center. In all, our Dallas team collected nearly 200 books for Jubilee. Arcosa volunteers delivered the books and spent the rest of the day playing games and reading to the children who attend the preschool. Arcosa is grateful to partner with Jubilee, which provides educational enhancements through the highest quality afterschool and summer programs and helps families and other members of the community identify and access resources that help provide stability and enhance quality of life. Arcosa is also a proud sponsor of Jubilee's Summer Camp, which provides summer-long academic programming, daily nutrition, and enrichment activities to children of families in an underserved part of the city.



COMMUNITY ACTION

FOOD FOR THOUGHT

Food insecurity continues to be a harsh reality for many families across America. From children to senior adults, this epidemic is far-reaching and has been further impacted by the rising cost of food. Arcosa plants continue to support our communities through food donations and volunteer time.

The Arcosa Stabilized & Recycling team in Houston, TX, partnered with a local non-profit to meet a need for underserved local children. In May 2023, Arcosa's team stepped up to make a difference as they decorated, packed, and delivered 400 lunch bags in collaboration with Kids' Meals. Kids' Meals is a non-profit organization with a mission to end childhood hunger in Houston by delivering free, healthy meals to food-insecure children and providing their families with resources to help end the cycle of poverty.

Arcosa Wind Towers' Oklahoma manufacturing facility challenged its employees to outpace a 2022 food drive by setting a 2023 food donation goal of 500 pounds to support Iron Gate, a local non-profit soup kitchen and grocery pantry. Our outstanding employees exceeded the goal and were able to donate 677 pounds to help underserved families in the area.

With a spirit of healthy competition and inter-business collaboration, Arcosa's Specialty Materials businesses held an annual joint food drive in late October. Each plant was tasked with selecting a local food pantry, bringing in food donations, and reporting back total collection weight. The largest collection amount belonged to our administrative office and lab in Oklahoma, with nearly 1,000 pounds of food collected. Congratulations to the entire team for collecting 1.7 tons of food for donation in communities across North America.



HONORING OUR VETERANS

Arcosa celebrates our country's veterans; the commitment they make to serve our country and the leadership qualities they bring to the workforce. Across the United States, our plants take time to support family and friends who have served.

Arcosa's Oklahoma wind tower leadership team honored local veterans by hosting its second annual "Day at the Ballpark" in late summer. Veterans were invited to attend a college baseball game, with food and drinks provided and T-shirts gifted to attendees. The leadership team was honored to spend the day showing love and support to the veteran community.

In the fall, Arcosa's lightweight aggregates facility in Texas teamed up to support troops stationed overseas. When plant leaders heard about individual care packages being sent to an employee's son, and the needs of the other members of the unit, they jumped into action to fill the gap and show support. The plant employees gathered and shipped care packages full of protein-rich snacks, drink mixes, and toiletries to the employee's son and his unit. We are grateful to be able to support our troops and the family of our employee.

On Veterans Day, we get to say thank you to those who served and sacrificed for our country. In honor of Veterans Day, Arcosa's Dallas office purchased supplies and packed 100 hygiene kits for local homeless veterans. Employees formed an assembly line to pack the kits, then shared snacks and conversation with Arcosa employees who are veterans.

CELEBRATING OUR PEOPLE & BUSINESS IMPACT



We Are Committed: In 2023, Frank Woodley, Arcosa's Senior Director, Payroll and Assistant Treasurer, was nominated by J.P. Morgan for an Adam Smith Award (an international treasury award). Mr. Woodley was one of 320 participants from 34 different countries and finished in second place as a Highly Commended Winner of the Best Cash Flow Forecasting Solution. Frank and his team orchestrated a digital transformation across Arcosa to embrace emerging technologies through data analytics and machine learning. The team streamlined multiple cash flow processes to improve cash efficiency and forecasting transparency. Arcosa applauds our employees' innovation, focus, and business excellence.

Newsweek unveiled its list of America's Most Responsible Companies of 2024 and, for the second time, Arcosa made the cut. This prestigious award is presented by Newsweek and Statista Inc., a leading statistics portal and industry ranking provider. The final list recognizes the top 600 most responsible companies in the United States, from among 2,000 evaluated. The ranking focuses on a holistic view of corporate responsibility that considers all three pillars of ESG: Environment, Social, and Corporate Governance. The analysis is based on two metrics: Quantitative data from KPI research (more than 30 KPIs from the three areas of CSR were considered for the ranking); and CSR reputation of each company from an extensive survey among U.S. residents.



GREEN MARINE gains: Announced in August 2022, Arcosa Marine Products joined Green Marine, the largest voluntary environmental certification program for North America's maritime industry. To maintain Green Marine certification, in 2023 both Arcosa shipyards — one in Tennessee and the other in Missouri — received independent verification of their environmental performance based on the program's applicable indicators, which address air pollutants and greenhouse gases, spill prevention, waste management, community impacts, and environmental leadership. Both assessments returned positive results, with Arcosa shipyards scoring well and maintaining Green Marine certification.



VPP OSHA STAR Standouts: Arcosa's Pennsylvania-based McConway & Torley steel foundry and Standard Forged Products manufacturing facility have maintained VPP OSHA STAR designations for the past 14 years. VPP is OSHA's Voluntary Protection Program that recognizes superior safety and health performance by a facility and its workers. OSHA Star is the highest level of recognition under VPP and designates our facilities as outstanding protectors of employee safety and health.



ISO 45001 Certification: Arcosa Wind Towers' facilities in Iowa and Oklahoma have maintained their ISO 45001 certification for the fourth consecutive year. ISO 45001 aids companies in providing a safe and healthy workplace for employees and visitors by establishing an effective occupational health and safety management system. We also plan to pursue ISO 45001 certification in our New Mexico facility as production comes online. Additionally, Arcosa Wind Towers has started the certification process for ISO 14001 for all locations. We believe ISO certifications complement our high prioritization of a safe and sustainable culture for our employees and those who visit our plants.



Cemefi ESR Distinction: For the fourth consecutive year, Arcosa Mexico received the Empresa Socialmente Responsable (ESR) badge from the Mexican Center for Philanthropy (Cemefi) and AliaRSE. The badge acknowledges a company's exceptional commitment to employee well-being, business ethics, environmental management, and community impact after a thorough review of company practices. Our Mexico team's continued strong commitment to these areas of ESG and the recognition of their efforts is another positive step on Arcosa's sustainability journey.

OUR ENVIRONMENT

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WE SUPPORT THE SUSTAINABILITY OF OUR ENVIRONMENT

Arcosa is building a better world by integrating ESG into our daily practices and long-term strategies.



17%

Emissions intensity improvement vs. 2020 baseline

22%

Water intensity improvement vs. prior year

4 YEARS

Providing disclosures and metrics aligned with TCFD and SASB

5

ESG Committees turning strategy into action at Arcosa



CLIMATE OVERSIGHT STRUCTURE

The shifting ESG landscape and emerging regulatory requirements remain top of mind as we refine our reporting. To date we have aligned our voluntary climate-related disclosures with the Task Force on Climate Related Financial Disclosures (TCFD), including supporting metrics aligned with the Sustainability Accounting Standards Board (SASB). We remain cautious as we evaluate risks, but we are also optimistic that Arcosa's structure and business fundamentals make us resilient in an uncertain future.

Arcosa's climate-related governance structure includes Board oversight driving sustainability and climate vision for the Company. From this vision, management oversees and cascades strategy throughout the organization via ESG committees, functional departments, leadership teams, and employees who transform strategy into action. In the following pages we provide disclosures aligned with the TCFD framework, including further details about the many teams who participate in climate-related activities at Arcosa.



CLIMATE GOVERNANCE: BOARD OF DIRECTORS

Arcosa's Board of Directors (Board) has ultimate responsibility for risk oversight aligned with the vision of the Company, including but not limited to climate-related risk. Management reviews and discusses risks and opportunities with the Board as part of the business conducted at each of the regular meetings of the Board. While the Board has primary responsibility for overseeing the Company's risk management, each committee of the Board also considers risk within its area of responsibility. Each committee regularly reports back to the Board on its risk oversight activities. Specifically, the Governance and Sustainability and Audit Committees oversee specific types of climate-related risks and opportunities.

The Governance and Sustainability (G&S) Committee has oversight responsibility for our governance and sustainability programs, including but not limited to:

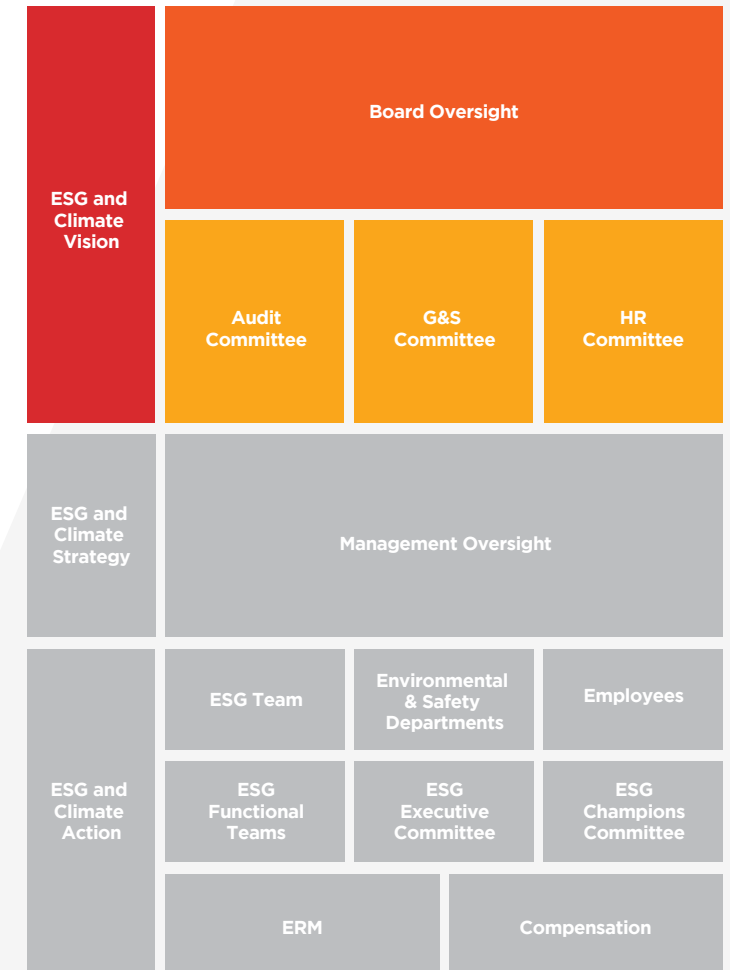
- > Director nominations and planning, including committee assignments, compensation and benefits, and continuing education
- > Annual Director review
- > Review of Corporate Governance Principles and Code of Conduct
- > Review of Arcosa's activities and practices in sustainability and ESG matters, including climate-related matters
- > Review of publicly disclosed sustainability materials, including Arcosa's Annual Sustainability Report, TCFD disclosures, and climate-related risks and opportunities

The Audit Committee oversees, on behalf of the Board, the integrity of Arcosa's financial statements and related disclosures, including but not limited to:

- > Arcosa's Annual Sustainability Report
- > Compliance with legal and regulatory requirements
- > The qualifications, independence, and performance of Arcosa's independent auditing firm
- > The performance of the internal audit function as well as internal accounting and disclosure control systems
- > Procedures for monitoring compliance with our Code of Conduct
- > Risk assessment, management, and mitigation policies and procedures, including climate-related risks. The enterprise risk management process resides in this focus area

The Human Resources (HR) Committee oversees, on behalf of the Board, risks related to a broad range of social issues, including but not limited to:

- > Oversight of Arcosa's inclusion and diversity program
- > Management of succession planning and awards under the incentive compensation and equity-based plans, with ESG-related considerations included
- > Evaluation of the leadership and performance of the CEO, with compensation recommendations to independent directors
- > Compensation review and approval for other named executive officers



CLIMATE GOVERNANCE: MANAGEMENT

Arcosa's senior management team has created multiple processes for managing climate-related risks and opportunities. The ESG and climate strategy established by leadership drives action across the organization through the following functions:

ESG Department Focus

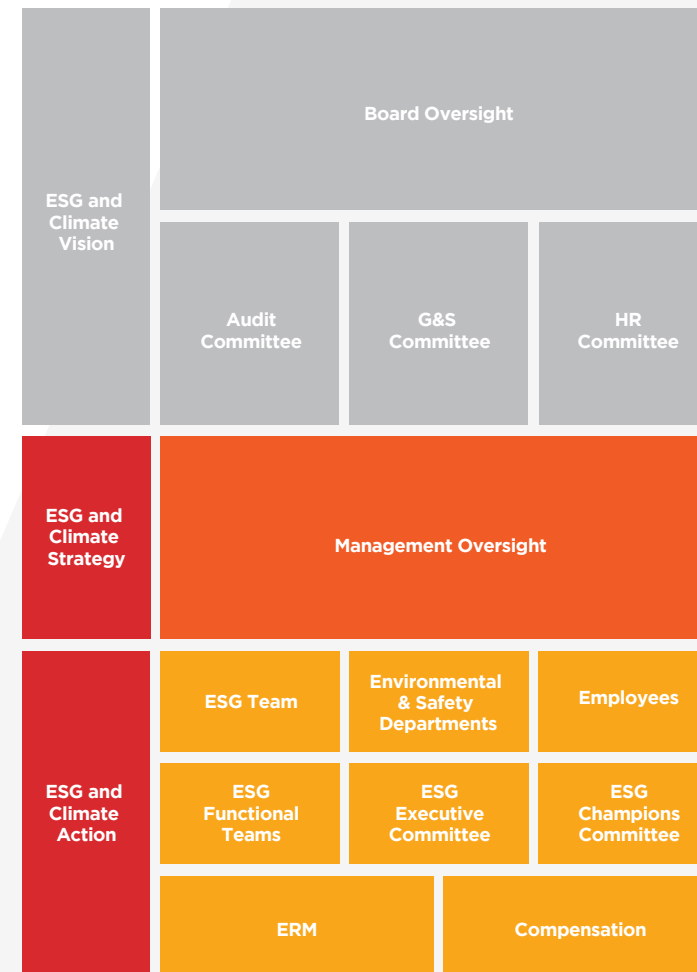
- > Research and development of climate-related risks and opportunities.
- > Climate-related updates to senior leadership and the G&S Committee, including internal impacts and external regulatory changes.
- > Advocate for business-specific, high-impact ESG projects, including those related to energy management and emissions reductions.
- > Consistent, comparable internal and external sustainability reporting.

ESG Committees' Focus

- > *ESG Executive Committee* — Meets monthly to focus on integration and expansion of the sustainability program at all levels of the organization, including climate-related strategic planning.
- > *ESG Functional Teams* — Comprised of business-segment leadership focused on strategic ESG initiatives, operational impacts, and measurement of ESG-related metrics.
- > *ESG Champions Committee* — Comprised of members from corporate functional groups and business units, drives ESG and climate action through focus on specific ESG initiatives that impact all levels of the organization.

Company-Wide Focus

- > *Environmental and Safety Department* teams provide direct environmental and safety compliance guidance throughout the business, including regulatory tracking and reporting.
- > *Employees* identify continuous improvement opportunities through process knowledge and innovative thinking.
- > A portion of *compensation* is linked to progress on ESG initiatives for named executive officers and a number of additional employees.
- > *Enterprise Risk Management (ERM)* process is a proactive, structured process for identifying and mitigating market, operational, climate-related, financial, infrastructural, and reputational risk.



CLIMATE RISK MANAGEMENT

Climate-related risk management at Arcosa impacts our various businesses and locations in different ways due to complex industries and varied geographic locations. Multiple internal departments, as well as the Board, support the risk management process, including risk identification, assessment, and management.

Enterprise Risk Management (ERM) Process

Facilitated by Internal Audit, with oversight from the Audit Committee, Arcosa's formal ERM process addresses market, operational, climate-related, financial, infrastructural, and reputational risk. ERM uses input from internal and external sources to research, identify, evaluate, and mitigate key business risks, with continuous reporting to the Board and management. Climate-related risk is a large part of the ERM process, as we are focused not only on Arcosa's impact on the environment, but also the environment's impact on Arcosa.

Risk Management Department

The Risk Management team provides direct input at both the corporate and business levels to manage climate-related risks through:

- > Management of appropriate insurance coverage
- > Risk mitigation strategy, including capital spend planning
- > Risk prevention strategies

Business Continuity Plans (BCP) are a key tool in external risk assurance and solidify internal planning and processes for unplanned down-time events. The annual BCP process can improve insurance costs, and it elevates our physical climate risk preparedness.

Senior Management Team

Significant industry and business expertise enables Arcosa's senior management team to provide leadership across business strategy and operations to actively identify and prepare for business risks, including climate-related impacts. From regular business reviews to strategic planning for long-term impacts, leadership teams build processes to address changes to supply chain resilience, customer preferences, industry norms, workforce reliability, weather patterns, and new technology.

Legal Department

With high levels of risk and business ecosystem expertise, Arcosa's legal team provides mitigation and prevention strategies and overall expert guidance across the business in response to the formal ERM process, including climate-related risk mitigation. The team monitors and informs on key regulatory changes, including climate-related reporting requirements.

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Arcosa’s Board and senior leadership team have established a layered approach for identifying company-wide risks and opportunities. Using a formal, comprehensive ERM process, in collaboration with formal input from business leaders with industry expertise, we identify risks across the organization — including climate-related risks. The following grid outlines applicable transition and physical climate risks we have identified through our review.

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
Transition Risks: Policy & Regulatory								
As policy actions and climate regulations continue to evolve, the implementation of carbon-limiting activities, such as a carbon tax or emissions limits, could impact businesses.	Potential increase in tax expense, operating costs to achieve emissions reductions, or investment in emissions-reducing assets.	Likely	Minor	Moderate	<div><div></div><div></div></div>	<div><div></div><div></div></div>	<p>Mitigation Strategy: GHG emissions reduction through conservation remained a business priority in 2023. We implemented reduction efforts throughout our businesses, with high focus in business lines with proportionally higher emissions footprints. Additionally, our businesses are building and implementing renewable energy strategies to reduce Scope 2 emissions.</p> <p>Opportunity: As demand for low-carbon alternatives increases, certain Arcosa product lines may benefit from the transition to more efficient modes of transportation, including in our inland barge and rail components businesses. Further infrastructure build-out to support clean energy across the U.S. may also present growth opportunities for our transmission structures and construction materials businesses.</p> <p>In support of Arcosa’s influx of wind tower orders received and driven by the U.S. Inflation Reduction Act, we have opened a new wind tower manufacturing facility in Belen, NM, to supply wind energy expansion projects currently underway in the Southwest United States. We continue to remain attentive to opportunities to expand our climate-friendly product lines.</p>	

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
					< 5	5-10	10+	
The ESG regulatory landscape continues to shift, with stricter regulation over climate-related reporting.	Potential additional administrative, compliance, and legal costs.	Very Likely	Minor	Moderate	●			<p>Mitigation Strategy: Arcosa continues to focus on and plan for heightened regulation over climate-related reporting and internal controls. We currently report climate-related information under the TCFD framework, using supplemental SASB metrics, in line with stakeholder preference, with continued monitoring of emerging regulatory requirements.</p> <p>Opportunity: We continue to leverage Arcosa's current governance strengths, such as public company reporting structure and controls, to align with the changing regulatory environment. Where needed, we seek outside counsel from trusted consultants.</p> <p>We continue to see signals of expanded climate-related regulation in the United States:</p> <ul style="list-style-type: none"> > In 2023, California state legislation was passed to expand climate-related reporting for many U.S. companies. > In 2024, federal climate-related disclosure regulations were issued by the Securities and Exchange Commission.
The United States government has begun evaluating climate-related regulations over the past year to support a transition to a low-carbon economy. Possible additional climate-related mandates on and regulation of existing product lines could impact our businesses.	Potential additional administrative, compliance, and legal costs.	Possible	Moderate	Moderate	●	●		<p>Mitigation Strategy: Arcosa's core mitigation strategy is to decarbonize production processes, where possible, in current product lines to contribute to a low-carbon economy, and we expect to grow in environmentally friendly product lines.</p> <p>Arcosa's 2023 expansion of our Recycled Aggregates footprint into Florida via acquisition further strengthens our existing California, Arizona, and Texas operations in a business contributing to the circular economy.</p>

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
					< 5	5-10	10+	
Transition Risks: Technology								
As companies look to upgrade to more energy-efficient equipment, or as new carbon capture technology becomes mainstream, company asset infrastructure costs could rise.	Potential increase in operating, engineering, and asset costs.	Likely	Moderate	Moderate	●	●		Mitigation Strategy: Arcosa drives long-term strategic planning to include asset infrastructure purchases, including lower emissions technology. For proportionally higher emissions facilities, planning cycles for the near term included opportunities for investments that will aid in emissions reductions. Opportunity: We are currently evaluating and implementing strategies that align energy-efficient equipment purchases with regulatory incentives that alleviate cost pressures.
Electricity grid reliability, availability, and pricing due to higher usage could impact operations or operating costs as many companies transition to electrification and renewable energy.	Potential higher operating costs for backup and emergency energy reserves (fuel and other alternatives).	Likely	Significant	High	●	●		Mitigation Strategy: Arcosa’s resilience is evident in our geographic diversity, with plants in varying regions across North America, ensuring mitigation against grid outages or power shortages. As the limits of the electricity grid are tested, internal efforts focused on electricity conservation through production efficiency counter potential grid instability. Where possible, our facilities work with utility providers to ensure grid stability through demand response programs and load monitoring. Opportunity: Arcosa’s utility structures business benefits from infrastructure investment to support higher volumes of U.S. energy transmission and consumption.
Price increases from energy providers, due to their investment in transition to renewable sources, could negatively impact the Company.	Potential higher operating costs due to higher energy prices.	Likely	Moderate	Moderate	●	●		Mitigation Strategy: Arcosa, with strategic internal and external consultation, is exploring business-practical renewable energy solutions within our businesses to maximize emissions reductions and offsets with cost-neutral and cost-favorable projects.

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
					< 5	5-10	10+	
Transition Risks: Market								
Potential for increased cost of raw materials exists as supply chain participants also look to decarbonize through energy investments.	Potential higher operating costs.	Possible	Minor	Low	●	●	●	Mitigation Strategy: We see opportunities to leverage our purchasing power to mitigate some of the potential impact of material cost increases. Innovative and strategic focus to eliminate possible inefficiency in our production processes also present an opportunity for cost mitigation.
Vendor resilience may be tested during the transition, leading to an unreliable supply chain.	Potential higher operating costs for backup suppliers or rush shipments.	Possible	Minor	Low	●	●		Mitigation Strategy: Opportunity exists to diversify our supplier base to rely on sustainability-focused suppliers, which are often more resilient. Opportunity: As climate change increasingly impacts companies in our markets, Arcosa provides reliability where other, less diversified companies may be challenged.
As markets shift to prioritize low-carbon products and services, it is possible we will see a change in customer behaviors.	Potential revenue loss.	Possible	Significant	Moderate	●	●		Mitigation Strategy: Arcosa’s plan, as part of our long-term strategy, is to integrate sustainability into everything we do. We believe our environmental actions position us to meet the needs of our customers that pursue sustainability within their supply chain. Opportunity: As customers shift to find energy efficiency and lower emission options, opportunities arise for our low-emission product lines such as recycled aggregates, inland barges, and wind towers.

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
					< 5	5-10	10+	
Transition Risks: Reputation								
Accelerated stakeholder expectation of public commitment to a low-carbon economy could impact reputations of companies that do not keep pace.	Potential impact to share price and revenue loss.	Possible	Significant	Moderate	<div><div></div></div>			Mitigation Strategy: In 2021, we responded to stakeholder expectations by developing and disclosing a goal of 10% GHG emissions reduction per million dollars of revenue by the end of 2026 compared to 2020. As of 2023, we have exceeded our Scope 1 and 2 emissions target ahead of schedule, with a slight increase from 2022 to 2023 related to divestiture of our emissions-efficient storage tank business in late 2022. With a change in business composition over the past two years, we are analyzing the emissions impact of planned growth activities to evaluate establishing additional goals in a future reporting cycle. In addition to actions aligned with our established goal, with the assistance of outside experts, we are reviewing and evaluating emissions reduction and renewable energy projects at select business locations.
Stigmatization of less "green" production processes and products is possible in some industries.	Potential revenue loss combined with potential increase in operating, engineering, and asset costs.	Possible	Moderate	Moderate	<div><div></div><div></div></div>			Mitigation Strategy: Diversification of products across Arcosa allows us to maintain a balanced emissions portfolio. Opportunity: Opportunity exists for further acquisitions into low-emissions products and platforms, as well as investment in technology to reduce energy and water consumption in current production processes. Additionally, participation in energy reduction programs and renewable energy solutions should allow us to reduce our carbon footprint overall.

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
					< 5	5-10	10+	
Physical Risks: Acute								
Climate event-driven risks may result in physical impact to our businesses, including but not limited to: > Increased severity of natural disaster impacts and insurance coverage > Extreme temperatures limit operating hours or days > Extreme temperatures affect employee health and safety > Higher rainfall and intense wind impact normal business operations	Major business interruptions could cause revenue loss from weather-related production and shipment delays. Potential increase in operating costs from larger investment in employee health and safety care, higher property insurance premiums and claim volumes, higher transportation costs, and asset maintenance and replacement costs.	Likely	Moderate	Moderate	●	●	●	Mitigation Strategy: At Arcosa, we have the opportunity to leverage business continuity plans to ensure resilience across our operating facilities. Geographic diversity also allows us to adapt to high and low temperatures at intervals, rather than at all locations at once. We see opportunity to mitigate operational risks by improving production efficiency and reliability as part of routine strategic planning. Opportunity: Arcosa is favorably positioned to support reconstruction in the market during times of severe weather patterns through our engineered structures product lines and construction product lines, including recycled and natural aggregates businesses that support infrastructure construction.

CLIMATE STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Climate-Related Mitigation and Opportunities
					< 5	5-10	10+	
Physical Risks: Chronic								
Long-term shifts in climate conditions may result in factors that negatively impact our businesses, including but not limited to: > Changes in precipitation patterns and extreme variability in overall weather > Rising average temperatures > Changing ocean and river levels > Inconsistent access to reliable electricity supply	Major business interruptions could cause revenue loss from weather-related production and shipment delays. Potential increase in operating costs from higher insurance premiums and claim volumes, higher transportation costs, and asset maintenance and replacement costs.	Likely	Significant	High	●	●		Mitigation Strategy: Medium- or long-term weather and climate impacts bring opportunity to evaluate acquisition and organic growth in lower risk regions, to affect change by investing in new technologies, and to rely on the resilience we are building through sustainable operational practices. We are committed to participating in the carbon transition and continue to evaluate and implement business-practical changes in the near-term, while mindfully planning for longer-term change.

Arcosa remains committed to meeting the evolving needs of our stakeholders through operational resilience built by adapting to and planning for climate-related impacts. The risks we identified on the preceding pages could be detrimental to any business if not addressed; however, these risks are at the forefront of our business and financial strategy and are addressed through thoughtful collaboration by our employees, business leaders, and Board of Directors. We are optimistic for the future as we explore opportunities to accelerate organic and acquisition growth in low-emissions product lines, to position existing environmentally friendly businesses for future success, and to build a resilient and geographically diverse company.



To consider the impact climate change could have on Arcosa, we performed a high-level, qualitative review of the impact of a 1.5°C global warming scenario in 2023. This scenario was developed based on global temperature increases expected by 2100 and the need to impact the trajectory of decarbonization in the near term, in this case by 2030, with net zero achieved by 2050. This scenario is not used to determine or assess climate-related risks in Arcosa's formal risk assessment processes but is used as an illustration of the resilience of the Company.

The following principles presented in the International Energy Agency's (IEA) 2023 Global Energy and Climate (GEC) Model¹ were taken into consideration:

- > A wide portfolio of clean energy technologies is deployed, with decisions about technology driven by costs, technology maturity, market conditions, available infrastructure, and policy preferences.
- > All countries cooperate towards achieving net zero emissions worldwide.
- > An orderly transition across the energy sector.

In our scenario, the largest assumption remains a need for rapid and aggressive action to address climate change, including but not limited to government intervention, investment in decarbonization technology, and cost-structure implications. We could possibly see financial risks if no action is taken; however, these risks do not significantly change the fundamentals of our operations or business strategy. Our strength is visible in the diversification of our portfolio and the established governance of our operating strategy.

1.5°C CLIMATE SCENARIO

Assumptions:

- > Rapid and aggressive action taken to address climate impacts, including regulation of GHG emissions, restrictions on deforestation, and water conservation initiatives.
- > Decarbonization technology is available but remains capital intensive.
- > Physical impact of climate change successfully minimized.

Business Impact:

- > Operating and supply chain costs are impacted by:
 - Greening of the grid, with trickle-down infrastructure costs from utility companies.
 - Carbon pricing enacted as an emissions management alternative.
 - Decarbonization technology implemented in phased approach to reduce emissions.
 - Transition to renewable fuels.
- > Increasing transition to electrification and renewable energy outpaces grid infrastructure, resulting in gaps in available clean energy and price volatility.
- > Arcosa product lines important to the energy transition, including wind towers and utility structures, benefit from electrification and renewables infrastructure build out.
- > Arcosa benefits from market transition to lower emissions product offerings in current portfolio, and market transition to more efficient modes of transportation.



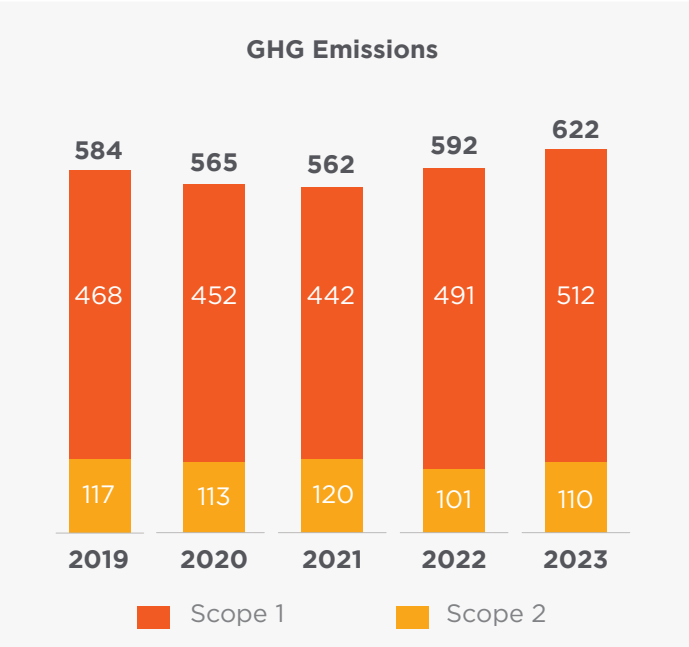
ENERGY MANAGEMENT METRICS & TARGETS

Arcosa's sustainability program is driven by the belief that practical, business-focused energy management is the foundation for sustainable GHG emissions reductions. We can play a role in addressing the global climate challenge by strategically implementing projects that improve energy efficiency, with gains in both operating costs and environmental impact. While we understand energy management will not eliminate all emissions, it remains our first focus. In addition to our overall focus on reducing energy consumption, we are evaluating renewable energy solutions for our proportionally higher emissions businesses, where applicable and practicable.

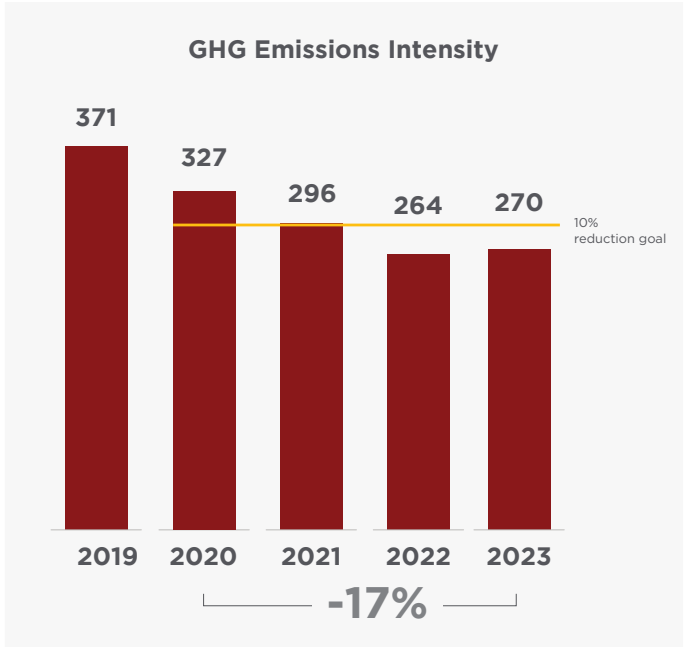
Published in 2021, in affirmation of our commitment to environmental responsibility, we announced our first, short-term emissions reduction goal. We remain committed to our target of a 10% reduction in Scope 1 and 2 emissions intensity by the end of 2026, compared to 2020 levels.

In 2023, we remain on target to meet our Scope 1 and 2 emissions intensity target by 2026. Year over year, we saw a slight increase in intensity driven by the divestiture of our emissions-efficient storage tank business.

Our overall reduction, compared to baseline, was achieved through efforts to minimize increases in absolute emissions in a period of growth through acquisition and production ramp-up in our cyclical businesses. We continue to analyze the impact of organic and acquisition growth activities and will evaluate establishing additional goals in the future.



Metric Tonnes of CO₂ equivalent, in Thousands



Metric Tonnes of CO₂ equivalent / Revenue in Millions

Arcosa is committed to the efficient use of natural resources and energy, and we strive to identify and implement ways to reduce emissions and waste in our processes.

A major energy source for Arcosa's Natural and Recycled Aggregates business is fuel for our heavy haul equipment. We continue to monitor and evaluate electrification options and are hopeful for technological advancements in that space over the long term. In the meantime, we look for alternative measures to move product, such as conveyor lines that have been installed at some facilities but, in many cases, haul trucks are the practicable solution. To manage and positively impact equipment-related emissions, our teams evaluate and plan for replacements to newer, more fuel-efficient equipment in line with replacement cycles. Our Houston, Texas-based Recycled Aggregates business works with the State of Texas to secure funding to support our equipment replacement plan. Under the program, the state aims to remove outdated vehicles and equipment from roads, job sites, and fields with the goal of cutting emissions and reducing impacts on the environment. Each year Arcosa plants participate in the program, and the equipment we replace contributes to improved fuel economy and overall emissions reductions in the business unit.

For Arcosa's manufacturing facilities, eliminating waste from production processes remains a high priority as we look to reduce emissions and stay competitive in mature markets. Arcosa views improvements in production efficiency as a large part of our emissions reductions plan and our manufacturing locations remain focused on energy savings initiatives.

Over the last two years, Arcosa's Inland Barge facilities identified, researched, and implemented a project with far-reaching impacts to energy management and production efficiency. The team's evaluation started with a need to improve a bottleneck on the production line as market demand began to drive increased production. They determined that upgrades to specific welding equipment would drive improvement within the line and realized improvements in multiple other areas, including:

- > Production time reduced through more agile welding equipment
- > Energy consumption lowered during production
- > New power-save mode utilized when equipment not in use; reduced overall energy consumption
- > Weld wire consumption optimized; improved operating cost and resource consumption
- > Newer technology supports better diagnostics and preventative maintenance; improved downtime and costs
- > Rework time and materials minimized

Arcosa and our facilities continue to look for ways to positively impact our world through practical, business-focused energy management initiatives. We are committed to improvements that allow us to continue to do the right thing every day, are supported by our wide range of stakeholders, and help us build a better world.



WATER MANAGEMENT

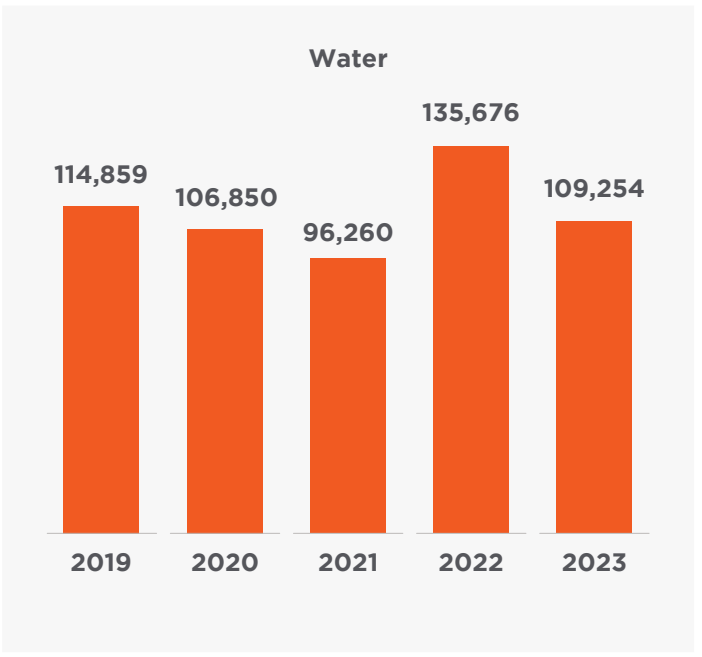
Water is an essential part of Arcosa’s environmental footprint. We use water in materials processing, manufacturing operations, and support processes — aiding in the safety and quality of our products.



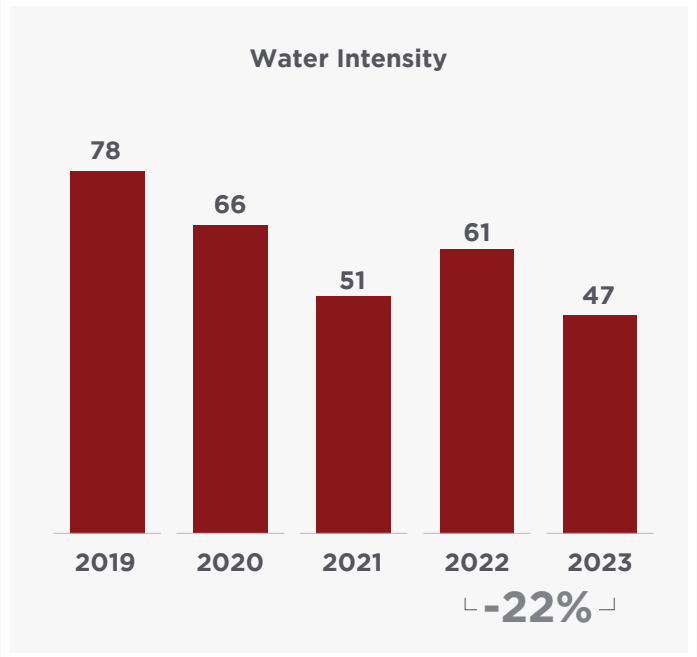
We understand the importance of water as a limited natural resource and have focused our conservation efforts accordingly:

- > Building efficiencies in our production processes
- > Broadening use of water recycling processes where they do not yet exist
- > Eliminating water waste
- > Operationalizing data to drive action in locations with high water use

From 2022 to 2023, Arcosa saw a significant decline in water consumption and water intensity. Prior-year water demand was driven by acquisitions in our natural aggregates business. With a water conservation focus and capital investments in site infrastructure, we saw normalization of water consumption in 2023. We believe this positive trend will continue as we pursue water conservation at our high-impact facilities.



Kilogallons



Kilogallons/Revenue in Millions



OUR PRODUCTS

Recycled Aggregates	49
Wind Towers	50
Barges	51



OUR PRODUCTS

Our products are used in essential, environmentally friendly industries and applications

Arcosa operates across multiple industries, many of which positively contribute to environmental protection, including decarbonization and land preservation.

CONSTRUCTION PRODUCTS

Recycled aggregates provide an alternative to using natural resources by recycling concrete, asphalt, steel and asphalt shingles, which minimizes landfill use and reduces roadway traffic and vehicle emissions.

Shoring products, including the trench shield, support the underground construction market through land-saving, safety-enhancing barrier structures.

We produce wind towers to support our customers' advancement of America's wind energy infrastructure.

ENGINEERED STRUCTURES

Utility structures manufacture engineered, tubular, and lattice steel structures and pre-stressed concrete poles for electricity transmission and distribution from wind, solar, and other environmentally friendly resources.

Steel components manufacture railcar components for the fuel-saving and efficient movement of commodities across the country.

We build barges for the fuel-saving and efficient movement of commodities across the country's inland and coastal waterways.

TRANSPORTATION PRODUCTS

RECYCLED AGGREGATES

In 2023, we added a Florida-based, six-location Recycled Aggregates business to our existing industry-leading platform. Arcosa's Recycled Aggregates business plays an integral role in building our culture of ESG. Our business sources the majority of raw materials from Construction and Demolition (C&D) debris, aligning with Arcosa's goal of environmental responsibility through increased use of recycled materials in our production processes.

C&D debris recycling:

- > According to the EPA, 600 million tons of C&D debris were generated in 2018.[†]
- > Recycled asphalt saves U.S. taxpayers ~\$3.3B annually.[†]
- > Recycled C&D debris saves landfill space, conserves natural resources, reduces greenhouse gas emissions, creates jobs, and decreases road congestion.

Annually, Arcosa Recycles

NEARLY 4 MILLION TONS
OF CONCRETE FOR USE IN
ROAD BASE MATERIAL

OVER 150,000 TONS
OF RECLAIMED ASPHALT FOR
USE IN ROAD APPLICATIONS

NEARLY 25,000 TONS
OF STEEL TO FABRICATE
NEW STEEL PRODUCTS



Arcosa's Construction Products segment contributes to many parts of the circular economy. Its natural aggregates and specialty materials businesses responsibly mine, process, and supply raw materials for road base and other infrastructure construction applications, while the recycled aggregates business provides demolition services, transportation and processing, and redistribution of recycled raw materials in the markets they serve.

WIND TOWERS

As a leading wind tower manufacturer with more than 15,000 towers produced, Arcosa plays an important role in the development of America's wind energy infrastructure. In addition to emissions avoidance, wind energy allows for water conservation compared to thermal power plants.

With wind energy expansion projects in the Southwest United States on the horizon, in March 2023 Arcosa announced plans to open a manufacturing facility in Belen, NM. The new facility strengthens our position in the wind tower market and demonstrates the long-term positive impact of the Inflation Reduction Act (IRA) to drive the transition to clean energy and create new jobs in America.

In August, we were proud to host President Joe Biden at our newest facility to celebrate the impact of the IRA and commemorate the hard work of so many people in the drive toward green energy expansion and job creation.

336M

Metric tons of CO₂ emissions avoided annually through wind energy; equivalent to 73 million cars' worth of emissions

70,000+

Wind turbines operate across the United States, generating enough wind power to serve the equivalent of 46 million American homes

\$13B

Industry investments in new wind projects in 2023



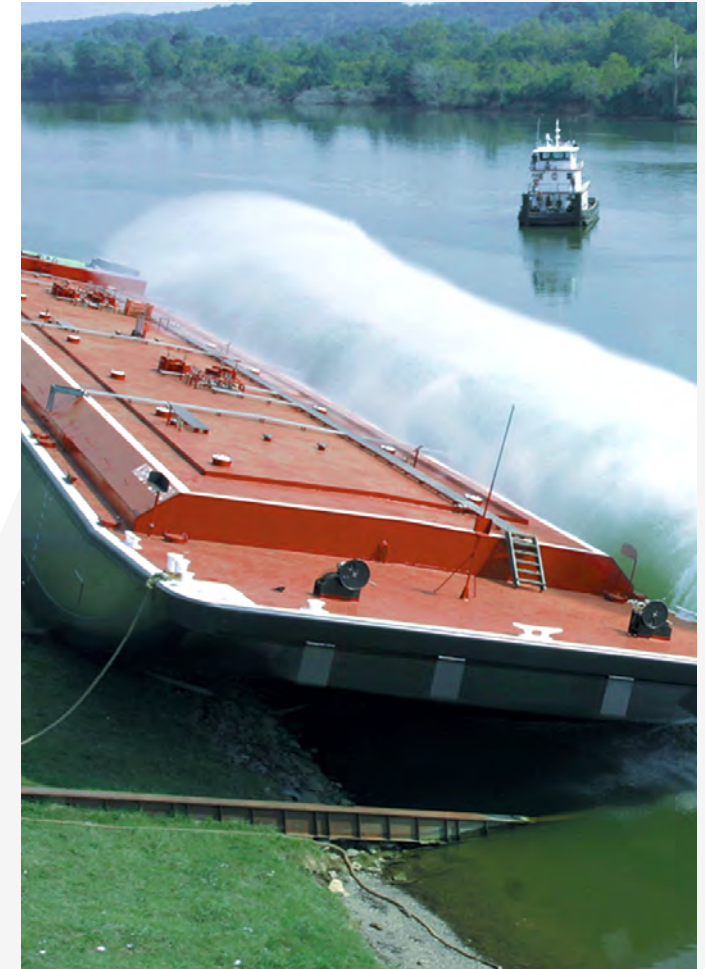
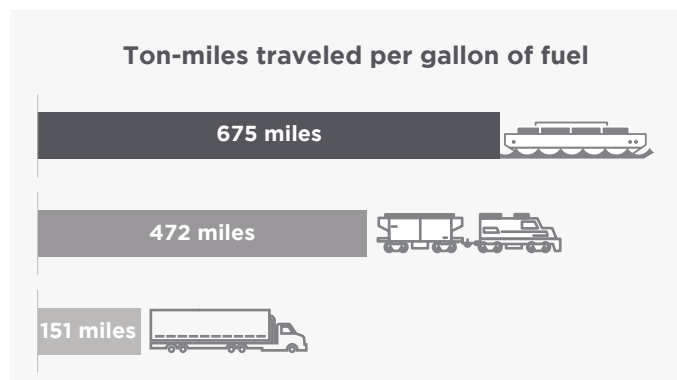
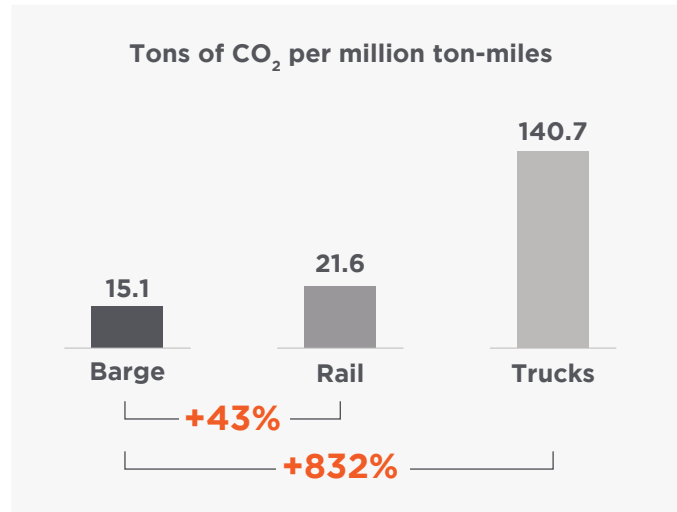
BARGES

Arcosa builds barges for the fuel-saving and efficient movement of commodities across America's inland and coastal waterways.

As noted in Arcosa's 2023 annual earnings release, our Inland Barge business saw higher revenue driven by pricing and volume increases during the year. With higher production to support demand in 2023 and into 2024, the barge team addressed increased energy needs through emissions efficiency projects, including:

- > Building modernizations to optimize natural gas consumption
- > Shift from facility-wide to local compressors to reduce overall compressor load
- > Equipment upgrades integrating newer technology for auto shutoffs and energy efficiency

For Arcosa, emissions efficiency projects are essential to improve our impact on the environment and create long-term value for the business.



APPENDIX



APPENDIX


At Arcosa, our sustainability focus remains to strengthen the positive interactions we have with the world around us to drive long-term value and corporate resilience. As a provider of infrastructure-related products and solutions with leading positions in construction, engineered structures, and transportation markets, we believe we can create long-term value for our broad range of stakeholders by driving a culture that values ESG responsibility.



The following reference tables contain disclosures relevant to Arcosa's ESG program. In correlation with our TCFD disclosure, we have included select metrics from SASB, including standards for the multiple sectors in which we operate:

1. Extractives & Minerals Processing — Construction Materials Sector;
2. Resource Transformation — Industrial Machinery & Goods Sector; and
3. Renewable Resources & Alternative Energy — Wind Technology & Project Developers Sector.


We continue to monitor the rapidly evolving ESG regulatory landscape to ensure we meet the needs of our stakeholders while also remaining compliant in the jurisdictions where we operate.


The tables also reference select United Nations Sustainable Development Goals (UN SDGs) we aspire to align with, including:

 Good Health and Well-Being (3) — reflected through our commitment to the health, safety, and well-being of our employees and the communities in which we live and work.

  Gender Equality (5) and Reduced Inequalities (10) — demonstrated as we plan and implement initiatives for further inclusion and diversity across the Company.

 Responsible Consumption and Production (12) — driven by conscientious selection of materials used in our products and our compliance with sourcing regulations.



 Climate Action (13) — shown in our commitment to environmental responsibility in our operations and a published goal to reduce emissions intensity across the Company.

 Peace, Justice and Strong Institutions (16) — seen in the strong governance and ethical operations of the Company.

We keep ESG at the forefront of our priorities, understanding the actions we take today can have broad and far-reaching impact for future generations. At Arcosa, we are unified in our commitment to build a better world.





REFERENCE TABLE — ENVIRONMENTAL

Environmental Topic	Metric	Unit of Measure	2019	2020	2021	2022	2023	Disclosure Commentary	SASB Code	UN SDG	Pg
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O), (2) SOx, (3) particulate matter (PM10), (4) dioxins/furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals	Metric Tons (t)						In process	EM-CM-120a.1	 	
	Number of air permits	Number						In process			
	Dollars spent on air quality	Dollars						In process			
Biodiversity	Description of environmental management policies and practices for active sites	Discussion and analysis						In process	EM-CM-160a.1		
	Terrestrial land area disturbed, percentage of impacted area restored	Hectares (ha), Percentage (%)						In process	EM-CM-160a.2		
Energy Management	(1) Total energy consumed	(1) Gigajoules (GJ)	1) 6,942,180	1) 6,976,517	1) 7,118,550	1) 7,489,714	1) 8,951,987		EM-CM-130a.1		
	(2) Percentage grid electricity	(2) Percentage	2) 13%	2) 13%	2) 14%	2) 11%	2) 10%		RT-IG-130a.1		
	(3) Percentage alternative	(3) Percentage	3) in process	3) in process	3) in process	3) in process	3) in process				
	(4) Percentage renewable	(4) Percentage	4) 0%	4) 0%	4) 0%	4) 0%	4) 0%				
	(1) Total electricity consumed	(1) Gigajoules (GJ)	1) 901,809	1) 880,425	1) 975,115	1) 856,174	1) 900,695				
	(2) Percentage renewable	(2) Percentage	2) 0%	2) 0%	2) 0%	2) 0%	2) 0%				





REFERENCE TABLE — ENVIRONMENTAL

Environmental Topic	Metric	Unit of Measure	2019	2020	2021	2022	2023	Disclosure Commentary	SASB Code	UN SDG	Pg
GHG Emissions	(1) Gross global Scope 1 emissions (2) percentage covered under emissions-limiting regulations	(1) Metric tons (t) CO ₂ -e (2) Percentage	1) 467,856 2) In Process	1) 451,977 2) In Process	1) 441,792 2) In Process	1) 489,233 2) In Process	1) 512,369 2) In Process	Arcosa contracts with a third-party provider to calculate its Scope 1 and 2 greenhouse gas emissions based on usage/activity data collected from utilities, internal tracking of consumption, and modeling of proxy data — applying the applicable published emission factors and the global warming potential (GWP) values published by the Intergovernmental Panel on Climate Change (IPCC). The greenhouse gas emissions inventory is prepared in alignment with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHGP Corporate Standard).	EM-CM-110a.1		44
	Gross global Scope 2 emissions	Metric tons (t) CO ₂ -e	116,570	113,419	120,201	100,594	109,701	Disclosed market-based Scope 2 emissions			44
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion						We have provided mitigation strategies and relevant business opportunities for each climate-related risk identified in our TCFD commentary section.	EM-CM-110a.2		44


REFERENCE TABLE — ENVIRONMENTAL

Environmental Topic	Metric	Unit of Measure	2019	2020	2021	2022	2023	Disclosure Commentary	SASB Code	UN SDG	Pg
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion						For our manufacturing businesses, the management of steel at the source is an important way we can manage waste. We believe we can reduce landfill use by sourcing steel that is made from recycled metals.	RR-WT-440a.1 RT-IG-440a.1		
	Analysis of composition of steel purchased (recycled versus non-recycled material)	Percentage	Recycled Steel 60.1%; Non-Recycled Steel 39.9%	Recycled Steel 60.6%; Non-Recycled Steel 39.4%	Recycled Steel 59.9%; Non-Recycled Steel 40.1%	Recycled Steel 65.5%; Non-Recycled Steel 34.5%	Recycled Steel 60%; Non-Recycled Steel 40%	Arcosa has partnered with our steel suppliers to focus on material management for our manufacturing operations. We target 50% or greater acquisition of recycled steel for our steel manufacturing processes.			
Waste/Hazardous Materials Management	(1) Amount of waste generated (2) Percentage hazardous (3) Percentage recycled	(1) Metric tons (t) (2) Percentage						In process			
Water & Wastewater Management	(1) Total water withdrawn (2) Total water consumed (3) Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress (4) Percentage of water consumed in regions with High or Extremely High Baseline Water Stress	(1) Thousand cubic meters (m³) (2) Thousand cubic meters (m³) (3) Percentage (4) Percentage	1) 434.8 2) In Process 3) In Process 4) In Process	1) 404.5 2) In Process 3) In Process 4) In Process	1) 364.4 2) In Process 3) In Process 4) In Process	1) 501.7 2) In Process 3) In Process 4) In Process	1) 413.5 2) In Process 3) In Process 4) In Process	(1) includes purchased water across operations.	EM-CM-140a.1		46

REFERENCE TABLE — SOCIAL

Social Topic	Metric	Unit of Measure	2019	2020	2021	2022	2023	Disclosure Commentary	SASB Code	UN SDG	Pg
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Rate	1) 4.31 2) In Process 3) In Process	1) 1.89 2) In Process 3) In Process	1) 1.73 2) In Process 3) In Process	1) 1.21 2) In Process 3) In Process	1) 1.64 2) In Process 3) In Process	Reported TRIR reflects direct employees today. We are evaluating the impact of including contract employees as part of this metric in the future.	EM-CM-320a.1 RR-WT-320a.1 RT-IG-320a.1	 	21
	Number of reported cases of silicosis	Number						In process	EM-CM-320a.2		
Talent Management	Talent Recruitment Activities	Discussion						Disclosure included in report			23
	Talent Development Activities	Discussion						Disclosure included in report			26
Community Engagement, Social Investment	Employee volunteer hours	Number of hours	12,036	2,939	3,229	3,451	9,672	In 2023, we saw a rebound in hours as COVID-19 concerns diminished and more in-person events were attended. Our plants and employees continue to support local communities and non-profit organizations.			
Diversity	Employee (1) racial/ethnic and (2) gender diversity	Percentage	(1) White 67%, Non-White 33% (2) Male 88%, Female 12%	(1) White 63%, Non-White 37% (2) Male 89%, Female 11%	(1) White 64%, Non-White 36% (2) Male 89%, Female 11%	(1) White 62%, Non-White 38% (2) Male 88%, Female 12%	(1) White 59%, Non-White 41% (2) Male 88%, Female 12%	Racial/ethnic diversity includes only U.S. operations in order to monitor dilution from our Mexico operations. Total workforce without exclusion: 47% White, 53% Non-White		 	23
	Salaried employee gender diversity	Percentage			Male 70%, Female 30%	Male 68%, Female 32%	Male 68%, Female 32%				23

REFERENCE TABLE — GOVERNANCE

Governance Topic	Metric	Unit of Measure	2019	2020	2021	2022	2023	Disclosure Commentary	SASB Code	UN SDG	Pg
Corporate Governance	Independent Board Members	Percentage	89%	89%	90%	90%	90%				15
	Board Ethnic Diversity	Percentage	22%	22%	20%	20%	20%				15
	Board Gender Diversity	Percentage	11%	11%	30%	30%	30%				15
	Board Oversight of ESG	Discussion						The Arcosa Board of Directors Governance and Sustainability committee is responsible for oversight of the Company's ESG strategy and initiatives. See further discussion in report.			33
	Business Ethics and Compliance Training	(1) Number and (2) Percentage of Employees Trained	1) 6,275 2) 100%	1) 6,410 2) 100%	1) 6,170 2) 100%	1) 5,202 2) 100%	1) 6,075 2) 100%	Operating in the regular course of business, employees complete annual training and certification for Arcosa's Code of Conduct.	RT-IG-000.B		6



NON-GAAP MEASURES

Reconciliation of Adjusted EBITDA

(\$s in millions) (unaudited)

Year Ended
December 31, 2023

Net Income	\$159.2
Add:	
Interest expense, net	23.4
Provision for income taxes	36.7
Depreciation, depletion and amortization expense ¹	159.5
EBITDA	378.8
Add (less):	
Gain on sale of storage tanks business	(6.4)
Impact of acquisition and divestiture-related expenses ²	2.2
Benefit from reduction in holdback obligation	(5.0)
Other, net (income) expense	(2.0)
Adjusted EBITDA	\$367.6

“EBITDA” is defined as net income plus interest, taxes, depreciation, depletion, and amortization. “Adjusted EBITDA” is defined as EBITDA adjusted for certain items that are not reflective of the normal earnings of our business. GAAP does not define EBITDA or Adjusted EBITDA and they should not be considered as alternatives to earnings measures defined by GAAP, including net income. We use Adjusted EBITDA to assess the operating performance of our consolidated business, as a metric for incentive-based compensation, as a measure within our lending arrangements, and as a basis for strategic planning and forecasting as we believe that it closely correlates to long-term shareholder value. As a widely used metric by analysts, investors, and competitors in our industry, we believe Adjusted EBITDA also assists investors in comparing a company's performance on a consistent basis without regard to depreciation, depletion, amortization, and other items that can vary significantly depending on many factors.

¹ Includes the impact of the fair value markup of acquired long-lived assets, subject to final purchase price adjustments.

² Expenses associated with acquisitions and divestitures, including the cost impact of the fair-value markup of acquired inventory, advisory and professional fees, integration, separation, and other transaction costs.



ARCOSA

500 N. Akard Street, Suite 400
Dallas, Texas 75201
(972) 942-6500
www.arcosa.com/sustainability