

**2021
SUSTAINABILITY REPORT**

**LAYING THE FOUNDATION FOR
A MORE SUSTAINABLE FUTURE.**

ARCOSA





COVER PHOTO:

Pictured on the cover and throughout the report, you will see one of Arcosa's North Texas recycled aggregates facilities. By recycling concrete, Arcosa is able to divert material from landfills and repurpose it into a usable product. Recycled aggregates are an ideal, cost-effective alternative to natural aggregates and are authorized for use in roadbeds, drainage projects and a variety of other applications by the state departments of transportation that Arcosa serves.

FORWARD-LOOKING STATEMENTS

Some statements in this presentation, 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," "outlook," "strategy" and similar expressions to identify these forward-looking statements. Forward-looking statements speak only as of the date of this presentation, 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 Arcosa's ability

to successfully integrate Environmental, Social and Governance initiatives ("ESG") into our long-term strategy; Arcosa's stakeholders and others' response to Arcosa's ESG strategy and progress; market conditions and customer demand for Arcosa's business products and services; the cyclical nature of, and seasonal or weather impact on, the industries in which Arcosa competes; competition and other competitive factors; governmental and regulatory factors; changing technologies; availability of growth opportunities; 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, 2021, 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 presentation 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 provided in the Appendix.



TABLE OF CONTENTS

CEO Letter	4	Governance & Ethics	11	Our Environment	32
		Chairman's Letter	12	TCFD Disclosure	34
COVID-19 Update	5	Governance Highlights	13	Energy Management &	
		Board of Directors	14	GHG Emissions	46
Executive Summary	6	Incentive Compensation Plans	15	Water Management	47
Arcosa at a Glance	7	Ethics & Compliance	16		
Business Overview	8	Cybersecurity	17	Our Products	48
Long-Term Strategy	9	ESG Statements Disclosure	18	Recycled Aggregates]	50
Materiality Matrix	10			Wind Towers	51
		Our People	19	Marine	52
		Employee Health & Safety	21	Shoring Products	53
		Inclusion & Diversity	23		
		Employee Engagement	25	Appendix	54
		Talent Development	26		
		Community Impact	27		
		Designations & Recognition	30		

A LETTER FROM OUR CEO

2021 was a productive year for Arcosa, highlighted by strategic actions that further strengthened our resiliency and better positioned our portfolio for sustainable, long-term growth. Building on the foundation we laid over the previous two years, Environmental, Social and Governance (ESG) is becoming part of our daily conversations within Arcosa. Developing our ESG culture takes time and we have made solid progress by having frequent and robust dialogue surrounding ESG matters at Arcosa.

To accelerate the transformation of Arcosa's ESG culture, we are taking a top-down approach with bottoms-up initiatives. The top-down approach starts with Board discussions, oversight and strategic planning that focus on risks and opportunities for Arcosa surrounding ESG topics. Bottoms-up initiatives start with employee surveys, empowered continuous improvement teams and front-line employee ESG champions.

The safety and well-being of our employees remains the highest priority for Arcosa. Despite operating in a pandemic for the past two years, our employees demonstrated resilience through their tireless effort in hard times and commitment to working safely. The ARC 100 safety initiative we launched three years ago is creating a solid cultural foundation, putting safety at the center of every decision we make. Through continuous improvement teams led by front-line employees, we have seen innovative change translate to higher engagement and improvement in safety incident rates.

While we have more progress to make advancing our safety culture, I am very pleased to see the measurable safety improvement we have made evidenced by the 60% reduction in our incident rate (TRIR) since 2019.

Diversity was at the forefront of our social action, with significant changes taking place over the course of the year. In addition to naming Gail Peck as Arcosa's CFO this year, we increased gender diversity on the Board of Directors with the appointments of Kimberly Lubel and Julie Piggott, both of whom bring a wealth of experience and strategic insight to the business. Our Board diversity, as measured by ethnic and gender diversity, has increased to 50%. We also made progress promoting diverse candidates to management positions.

Positively impacting the communities where we operate continues to be a high priority for Arcosa and our employees. We mobilized to provide community support after severe weather events, in support of important causes, and to build strong schools and cities in a year when many people continued to struggle through economic uncertainty. Our resilient team members did not waver in their commitment to support each other and the communities where we operate.

Arcosa's governance over sustainability continues to mature as we build on the steps we have taken since our spin-off in late 2018. We established ESG committees at multiple levels of the company to integrate an ESG-driven culture and collaboration throughout the organization. Prioritizing structure and ESG data, we invested in system infrastructure to support ESG metric and initiative tracking. Our committees have operationalized the more readily available data to better integrate ESG into strategic thinking and planning.

As the world pursues carbon reductions to address global climate impact, greenhouse gas (GHG) emissions remain a high-priority focus for Arcosa. We used baseline data gathered and published in our 2020 Sustainability Report to focus our facilities on energy conservation in areas of high impact. This specific focus allowed us to continue a favorable overall emissions trend and develop a near-term target and plan for emissions reduction. Pursuing continuous improvement in emissions, we have established a goal of 10% reduction in Scopes 1 and 2 emissions intensity by the end of 2026, compared to 2020 levels. This Company-wide goal reiterates our commitment to positively impacting the world around us.

We have enhanced our annual disclosure to include a deeper look at the impact of cybersecurity on our business, a fresh perspective on employee wellness and engagement, a meaningful look at the positive impact our employees have on communities, and an expanded integration of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) framework. I am pleased to share with you Arcosa's 2021 Sustainability Report, highlighting the many ways Arcosa and our people are working to lay a foundation for a more sustainable future. At Arcosa, we are unified in our commitment to build a better world.



ANTONIO CARRILLO
President & Chief Executive Officer



COVID-19 UPDATE

Arcosa's businesses support critical infrastructure sectors that are deemed essential within the United States. Throughout the pandemic, our plants have continued to operate to support our customers, our communities and the infrastructure needs of our country. Our business resilience during the past two years is due in part to our prioritization of employee health and safety and our employees' vigilance.



EMPLOYEE HEALTH

In 2021, the health and safety of our employees remained Arcosa's priority.

We implemented, evaluated and maintained up-to-date safeguard measures at our plant and office locations to meet or exceed the standards set forth by guidelines.

Arcosa's collaborative leadership team continues to monitor and align practices with current guidance, prioritizing the health and safety of our employees.

COMMUNITY SUPPORT

2021 brought new opportunities for us to support the communities in which we operate.

2021 was a year of realization and acceptance for many communities as cities and towns across America opened for business, both to aid in local economies and in pursuit of a sense of normalcy.

Arcosa's employees continued to build strong communities through safe participation in local food and toy drives, school supply donation events, highway cleanups and tree plantings.

Community events may not look exactly as they did before the pandemic, but creative thinking has helped Arcosa stay engaged in building better communities.

BUSINESS RESILIENCE

Arcosa's operations, built on a foundation of sustainability, demonstrated their resilience in the face of challenges in 2021.

Our employees demonstrated relentless dedication and effort to keep our operations safe as we delivered critical infrastructure products and services across North America.

Arcosa continued to build a "cash culture," allowing us to remain agile and invest in attractive acquisitions despite continued COVID-19-related economic uncertainty.

ESG remained a high priority as Arcosa's businesses integrated sustainability into daily activities and long-term strategy, aligning operations with environmental action and awareness of our impact to the world around us.

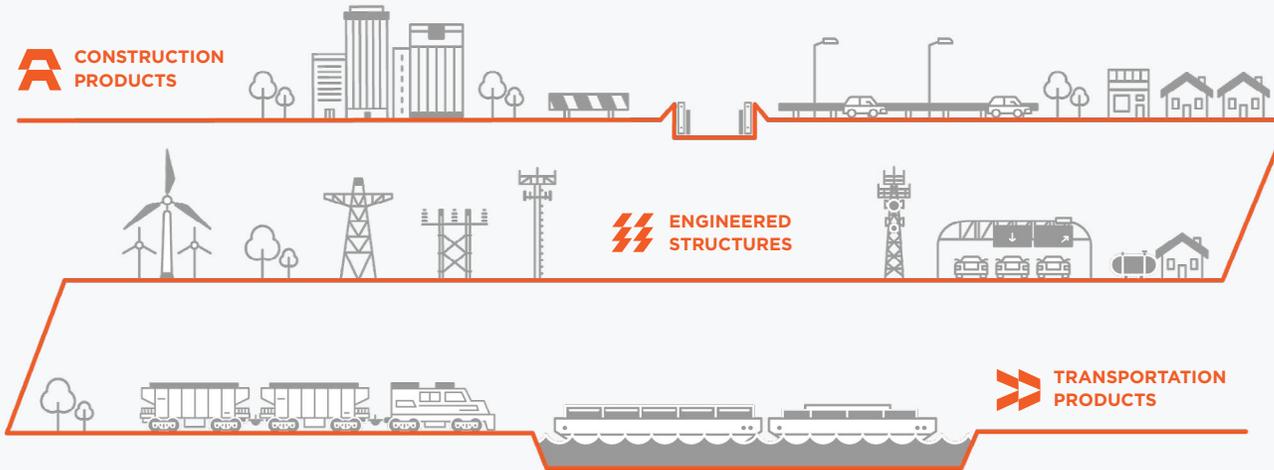


EXECUTIVE SUMMARY

Arcosa at a Glance	7
Business Overview	8
Long-Term Strategy	9
Materiality Matrix	10

ARCOSA AT A GLANCE

OUR THREE BUSINESS SEGMENTS



\$2.0B

Revenues

\$70M

Net Income

\$283M

Adjusted EBITDA

6,170

Employees

85+

Years of Operating History

3

Infrastructure-Related Segments

Revenues, Adjusted EBITDA, Net Income and employee count are for the fiscal year ended 12/31/2021. See Adjusted EBITDA reconciliation in Appendix.

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 STRUCTURES



WIND TOWERS



TRAFFIC STRUCTURES



TELECOM STRUCTURES



STORAGE TANKS

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

VALUES

PROMISE

UNIFIED IN OUR COMMITMENT TO BUILD A BETTER WORLD

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

At Arcosa:

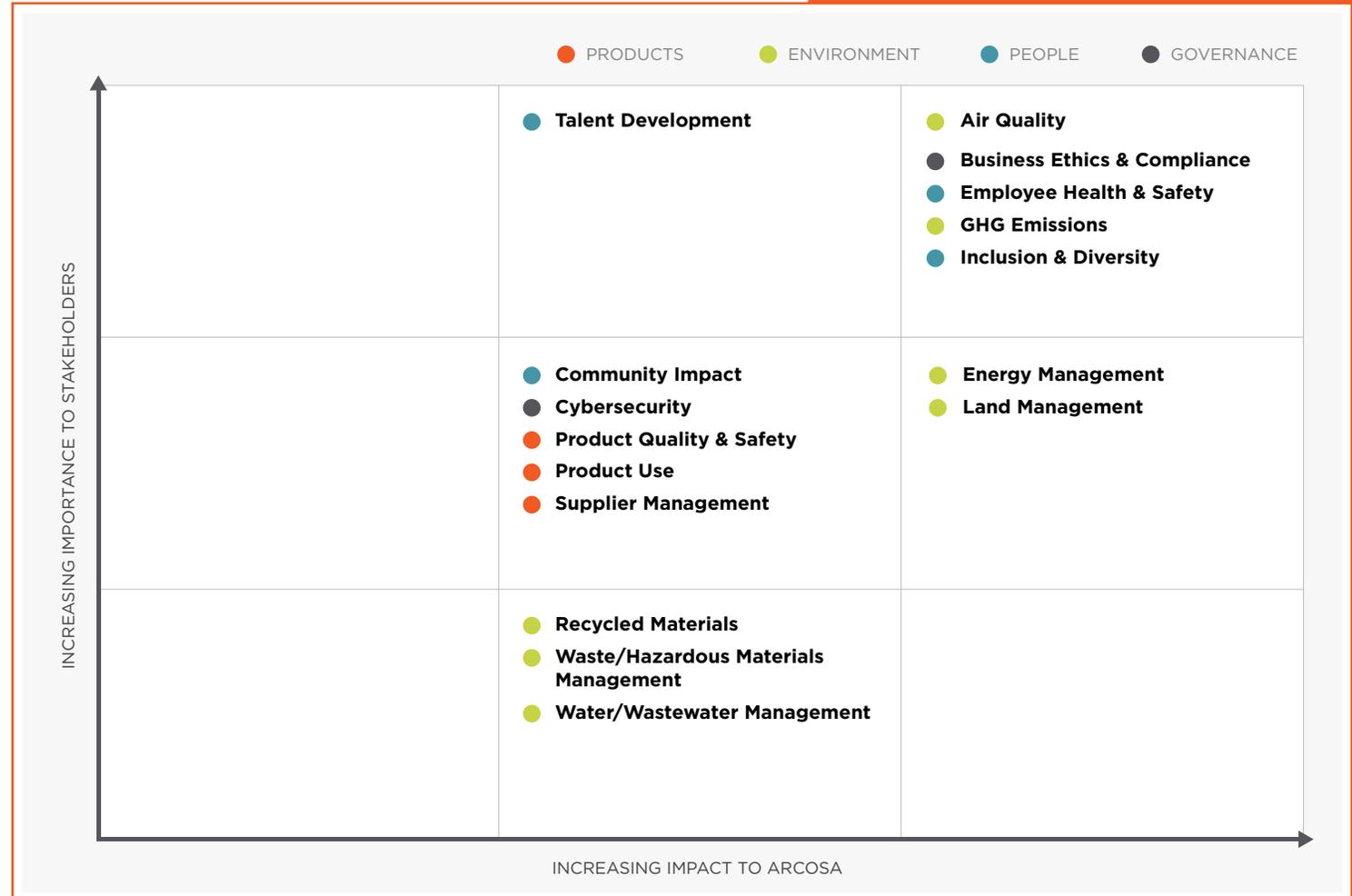
- > **we activate** the potential of our people
- > **we care** for our customers
- > **we optimize** operations
- > **we integrate** sustainability into our daily practices as well as our long-term strategy
- > **we promote** a results-driven culture that is aligned with long-term value creation

MATERIALITY MATRIX

Arcosa's materiality matrix is foundational to our ESG Program. The matrix is built on an ESG materiality assessment developed with outside consultants. We partnered with key internal and external stakeholders to understand the sustainability issues that most affect our businesses. The Sustainability Accounting Standards Board (SASB) standards helped align the basis for our reporting approach and our materiality assessment.

Topics rated highly important to stakeholders and highly impactful to Arcosa are in the top right of the matrix, with Air Quality, Business Ethics and Compliance, Employee Health and Safety, GHG Emissions, and Inclusion and Diversity as our highest priorities in the near term.

The matrix is the result of Arcosa's first assessment, performed in late 2019. We continue to monitor, assess and discuss high-priority topics with both internal and external stakeholders. Based on feedback during 2021, we have escalated GHG Emissions to higher importance to stakeholders, and have added Cybersecurity as a relevant topic to our overall ESG program.



Topics have been ordered alphabetically within their ranking boxes.





GOVERNANCE & ETHICS

Chairman's Letter	12
Governance Highlights	13
Board of Directors	14
Incentive Compensation Plans	15
Ethics & Compliance	16
Cybersecurity	17
ESG Statements Disclosure	18



CHAIRMAN'S PERSPECTIVE ON SUSTAINABILITY

On behalf of Arcosa, thank you for your interest in our 2021 Sustainability Report. Arcosa is a provider of infrastructure-related products and solutions with leading brands serving construction, engineered structures and transportation markets. We remain focused on the four pillars of our long-term vision: grow in attractive markets where we can achieve sustainable competitive advantage, reduce the complexity and cyclicity of the overall business, improve long-term returns on invested capital, and integrate ESG initiatives into our long-term strategy.

Below are some highlights from 2021 that reflect our progress advancing the integration of ESG initiatives into our long-term strategy:

- > Further expanded our diversity on the Board of Directors with the appointments of Kimberly Lubel and Julie Piggott, increasing total Board gender and ethnic diversity to 50%
- > Appointed Gail Peck as Chief Financial Officer, further progressing our commitment to inclusion and diversity
- > Published Arcosa's inaugural annual Sustainability Report, integrating TCFD framework and supporting SASB metrics, including safety, greenhouse gas emissions and water consumption metrics

- > Established ESG Committees at multiple levels throughout the organization to further ESG culture and collaboration
- > Invested in system infrastructure for ESG metrics and initiative tracking
- > Established Scope 1 and 2 GHG emissions reduction goals

Globally, over the past year, there has been further evolution in the ESG landscape resulting in heightened stakeholder expectations for more aligned and informed ESG disclosures. We continue to position Arcosa for this evolving landscape with the foundational work accomplished since Arcosa's inception in late 2018. Our efforts in this space are part of a long-term journey, and we intend to continue to build on our progress in the future.

Contained within this report are select initiatives that capture the resilient spirit of Arcosa and our people, with efforts that positively impact our world. As our ESG journey continues in 2022, we are optimistic for the progress we can make together. At Arcosa, we are unified in our commitment to build a better world.

"We continue to position Arcosa for this evolving landscape with the foundational work accomplished since Arcosa's inception in late 2018."

RHYS J. BEST
Chairman of the Board



GOVERNANCE HIGHLIGHTS

Our policies are aligned with stakeholder value creation.

In 2021, Arcosa's Board continued to prioritize ESG and its impact to the Company. The Governance and Sustainability Committee met five times, with 100% attendance.

BOARD COMPOSITION

Independent Board:
9 of 10 directors are independent

Independent Committees

- > Audit
- > Human Resources
- > Governance and Sustainability

Separate CEO and Independent Board Chair

BOARD PRACTICES

Regular executive sessions with independent directors

Board oversees risk management activities including annual Enterprise Risk Management assessment

Examples of ESG activity oversight and guidance provided through all three committees

- > Audit Committee oversight of certain risk mitigation practices
- > HR Committee oversight of labor practices and social issues impacting the workforce
- > Governance and Sustainability oversight of climate-related and other ESG activities

Annual Board and Committee self-performance evaluations

ACCOUNTABILITY

Extensive shareholder engagement program

Majority voting for uncontested director elections

Board to be declassified as of the 2022 annual meeting

COMPENSATION

"Pay for performance" compensation structure

Robust stock ownership requirements for senior management and directors

Prohibition of hedging and pledging of our shares

Clawback policy in place

No perquisites plan

BOARD OF DIRECTORS

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

Four of the six new Directors added since Spin have further diversified our Board

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



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



Ronald J. Gafford
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
Retired EVP & CFO, BNSF Railway Company

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



Douglas L. Rock
Retired Chairman, CEO, and President, Smith International, Inc.

Broad experience managing and leading a significant industrial enterprise; provides the Board with additional perspective on the Company's operations, including engineered structures 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



INCENTIVE COMPENSATION PLANS

Arcosa's 2021 incentive plans align compensation with long-term stakeholder value creation while driving accountability at the business level.

	COMPONENT	PURPOSE	DESIGN
FIXED	Base Salary CASH	Attract, retain and motivate key executives by providing market-competitive fixed compensation	Reviewed at least annually to consider changes in responsibility, experience and market competitiveness
	Annual Incentive Compensation (AIP) CASH	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	Market-competitive targets and goals established for executives: > Specific financial metrics for Corporate and Group President plans > Accountability for execution of strategic initiatives (ESG, Safety, Growth) There are no payouts when performance falls below financial thresholds and there is a failure to execute strategic initiatives.
AT-RISK	Long-Term Incentive Compensation (LTI) EQUITY	Long-term, at-risk pay designed to balance short-term, at-risk pay, enhance alignment between executives and shareholders, support our strategic priorities and long-term shareholder value creation	Our executives receive their LTI compensation in two parts: 1) 60% of LTI in performance-based restricted stock units (PBRSU): Awards linked to achievement of Pre-Tax Return on Capital and Adjusted Cumulative Earnings per Share goals. Payouts in Arcosa Common Stock are made at end of a three-year performance period and can range from 0%-200% of target. No payouts if performance is below threshold. 2) 40% of LTI in time-based restricted stock units (TBRSU): Awards vest three years ratable, 1/3 each, May 2022, 2023 and 2024.

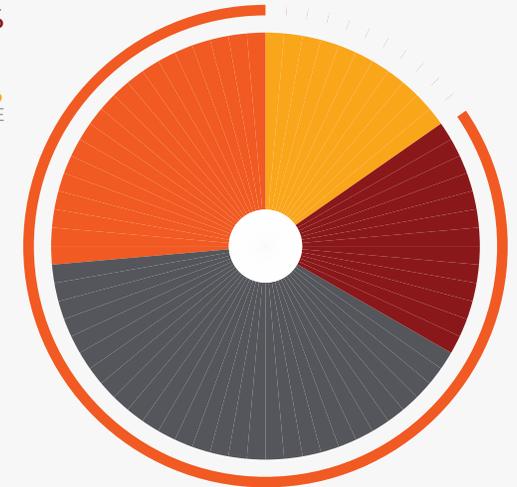
2021 TARGET CEO PAY: 83% AT RISK

27%
TBRSU

40%
PBRSU

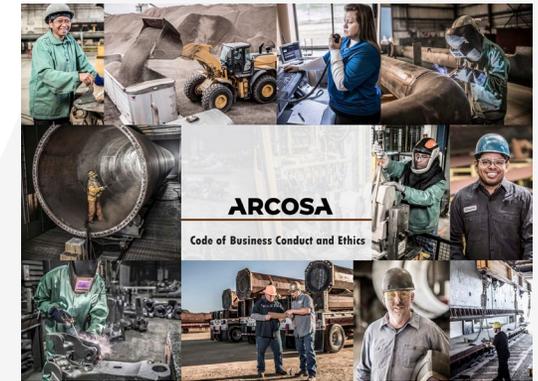
16%
API

17%
BASE



ETHICS & COMPLIANCE

KEY POLICIES & STATEMENTS	OBJECTIVE	APPROACH
Code of Business Conduct & Ethics	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 environment 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
Diversity & Anti-Harassment	Provide an inclusive and diverse workplace free from retaliation and unlawful 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 > Training to end unconscious bias
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 > Defense in depth approach; multiple layers of security > Robust technology training for employees > No material security breaches in -3 years as a public company



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

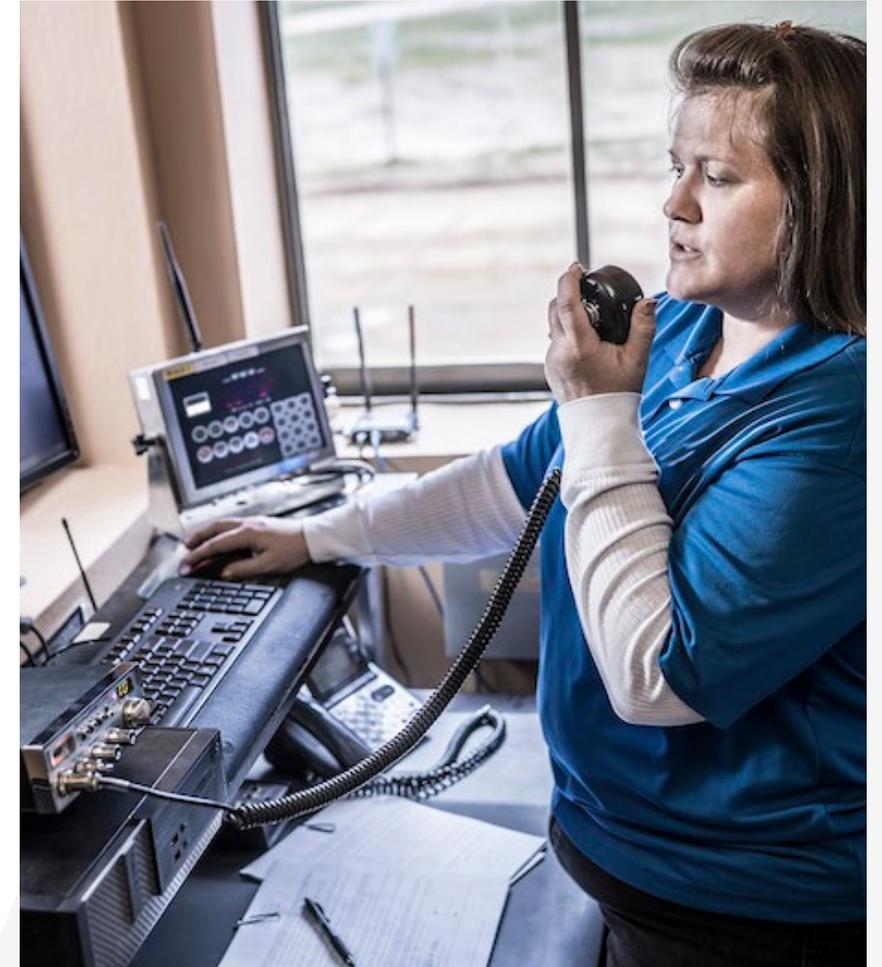


CYBERSECURITY

The cyber threat landscape continues to evolve, becoming increasingly pervasive and sophisticated. As such, cybersecurity continues to be a top priority for Arcosa. Our strategy is designed to maintain a relentless focus on protecting the company's informational assets. We devote significant resources to protecting and continuously improving the security of our systems. Our Information Security policies and standards provide the foundation of our cybersecurity program, which is focused on protecting the confidentiality, integrity and availability of the company's infrastructure, resources and information. Through these policies and standards, we inform our employees about their responsibilities to protect our information and the security of our systems. We also require that our third-party vendors provide certain minimum security and control standards. Our Information Security team, in partnership with select third-party partners, identifies technology and cybersecurity risks and is responsible for the intelligence-driven delivery and operation of controls that enable us to effectively manage these threats. We closely assess changes in the global threat landscape and monitor our operations through world-class intelligence and 24/7 operations to protect against, detect and respond to potential threats. And because every employee serves as the first line of defense, we educate, train and test all our employees on how to identify potential cybersecurity risks and protect the company's resources and information.

Layers of oversight include:

- > Mandatory security awareness training for employees
- > Information Security activity oversight by management at multiple levels
- > Internal and external audit review of our IT programs and processes
- > Audit Committee review of our Information Security Program and recommended changes, cybersecurity policies and practices, ongoing efforts to improve security, and efforts regarding significant cybersecurity events



ESG STATEMENTS DISCLOSURE

Furthering Arcosa's commitment to integrate Sustainability into our short-term priorities and long-term strategy, we have published a series of formal policy statements to our website www.arcosa.com/sustainability. 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



GOVERNANCE

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





OUR PEOPLE

Employee Health & Safety	21
Inclusion & Diversity	23
Employee Engagement	25
Talent Development	26
Community Impact	27
Designations & Recognition	30



WE ACTIVATE THE POTENTIAL OF OUR PEOPLE



150+

Locations Across
North America
in 2021

6,170

Employees
as of December
31, 2021

\$1.3M

Employee
Development
Investment
in 2021

50%

U.S. Employees
With Tenure
Exceeding
5 years



EMPLOYEE HEALTH & SAFETY: BUILDING A SAFETY CULTURE

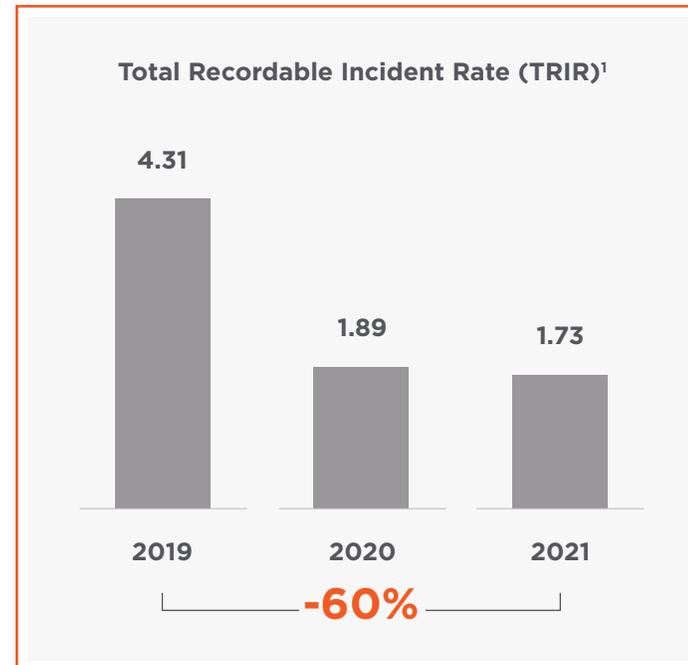
Arcosa is committed to safety across our operations. From front-line workers to plant visitors to office staff, we take pride in our safety training and procedures, settling for nothing less than safety excellence.

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

ARC 100 highlights include:

- > Employees from all levels of the organization collaborate to define, implement and hold each other accountable for safe actions every day.
- > Front-line employees developed and successfully implemented new processes and procedures in every segment of the company, as well as launched new initiatives that will continue to build on their success in 2022.
- > We are committed to an evolving system in which all employees contribute to continuous safety improvements.

During 2021, we continued to build the fundamentals of ARC 100 into our business, with the goal of further expanding its functional structure in 2022. Safety-related metrics were positively impacted in line with our persistent safety focus, including a year-over-year improvement in TRIR. The foundational steps achieved in 2020 and 2021 positively position us in our continued pursuit of a sustainable safety culture across the Company.



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



In 2021, the ARC 100 Safety Steering Team for Arcosa's Meyer Utility Structures business identified the need to elevate the safety onboarding process. This cross-sectional group of business leaders and hourly employees found that while the existing safety orientation training was meaningful, on-the-job training and follow-up needed to be stronger as they pursued a positive and proactive safety culture. Out of this need, the Safety Mentorship Program was born. The program has been implemented at each of seven plants, pairing all new hires with a trained volunteer safety mentor who provides job-specific training and tools to new hires and gives feedback to supervisors and Human Resources. As a result, we've seen both intended and unexpected benefits including higher safety acumen for new employees; higher employee retention as new employees build quick partnership with mentors; reduced injuries for new hires; and higher engagement for mentors as they take ownership within their roles.

The ARC 100 purpose is to spark positive, measurable change in our safety culture by empowering employees to take active ownership in making safety the cornerstone of our lives.

EMPLOYEE HEALTH & SAFETY: PRIORITIZING THE HEALTH OF OUR PEOPLE

While we continue to build a culture of safety at Arcosa, we also want to ensure long-term resilience by pursuing health and wellness for our employees. A healthy workforce can be more productive and engaged, but at the end of the day the people we work alongside are our team members, our friends, our family.

Arcosa's benefits team has partnered with a benefits consultant to develop innovative, member-centric short- and long-term solutions to close access gaps and support the ongoing health and productivity of our diverse workforce. We are committed to ensuring every employee has equal access to high-quality, affordable healthcare to meet their unique healthcare needs and align with their financial means.

> We have partnered with outside resources to better understand health equity within our employee population. We address health disparities by offering competitive healthcare programs tailored to our employees.

- > We are connecting people with affordable healthcare by improving access to primary care through workforce investments and leveraging a national network through providers.
- > Plan design enhancements were made to encourage preventive and primary care visits by introducing lower copays to primary care office visits and free virtual visits.
- > We expanded our prescription drug coverage plan with the intent to keep members compliant with their medications and, ultimately, improve their costs. This program enhancement is offered to employees with little to no out-of-pocket costs.
- > We are committed to lowering the cost of care and improving clinical outcomes for our employees. Arcosa offers a clinical program where, when appropriate, employees are eligible to receive concierge treatment at a nationally recognized healthcare center for certain conditions. Additionally, the Company will pay the travel costs for employees to receive care at one of the designated healthcare centers. Through this program, we expect to see lower healthcare costs as well as better outcomes for our employees.



INCLUSION & DIVERSITY

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 perspectives make us a stronger, more resilient company. Our commitment to inclusion and diversity begins at the Board and senior leadership level, with notable actions in 2021.

- > March 25, 2021 — WE-AR: Women of Arcosa established as Arcosa's first employee resource group
- > May 27, 2021 — Gail Peck announced as Chief Financial Officer
- > October 11, 2021 — Refreshed Blind Spot training to combat unconscious bias
- > November 1, 2021 — Kimberly Lubel elected to serve on the Company's Board of Directors
- > December 10, 2021 — Julie Piggott elected to serve on the Company's Board of Directors

Females represent more than 35% of our Senior Management team, including:

- > Chief Financial Officer
- > Chief Accounting Officer
- > Chief Human Resources Officer

Females represent 30% of our salaried workforce

- > Directors in Finance, Accounting, Human Resources, Information Technology, Investor Relations, Environmental, and ESG

We are committed to improving the diversity of our workforce and our managerial team through the following initiatives:

Deliver training to bring awareness and educate against unconscious bias

Drive a diverse slate of internal and external candidates for hiring

Invest in our employees through development actions that promote women and people of color

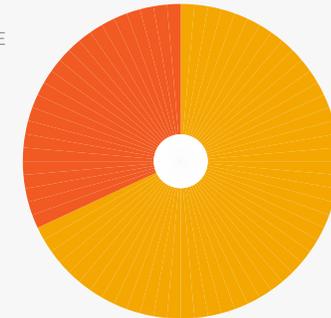
Improve the diversity among our professional- and management-level positions

We believe these initiatives grow our Inclusion and Diversity program from compliance to long-term competitive advantage.

Race & Ethnic Diversity
US Workforce¹ as of December 31, 2021

36%
NON-WHITE

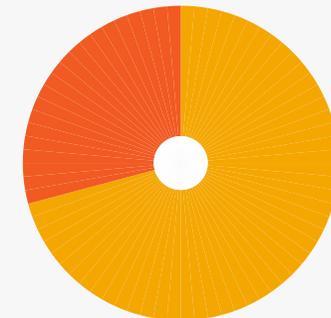
64%
WHITE



Gender Diversity
Salaried Workforce as of December 31, 2021

30%
FEMALE

70%
MALE



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



INCLUSION & DIVERSITY: DRIVING INNOVATIVE CHANGE



Women of Arcosa: Leading the Charge in Constructing a Purpose-Driven Culture

2021 was an exciting year for celebrating inclusion and diversity at Arcosa as we launched our first employee resource group (ERG): WE-AR: Women of Arcosa.

WE-AR launched on March 25, 2021, with over 375 enthusiastic employees in attendance, both virtually and in our plants, who heard a message from our CEO and an introduction to the WE-AR steering team. Over the course of the year, WE-AR provided two networking events and two educational sessions for its members, with the goal of empowering women to own their careers and make a difference in the workplace. Arcosa operates in multiple industries where women are underrepresented at various levels of the organization. To pursue a different trend within our business, WE-AR was born out of a vision to connect women and allies in the workplace. We believe giving women a place to be heard elevates a culture of inclusivity and drives stronger employee engagement for a vital group of employees.

WE-AR is committed to an inclusive environment that supports and encourages women to connect, mentor and develop personally and professionally. We empower women to find and use their VOICE to reach their professional goals, leadership potential and career aspirations. Through our actions, we aim to align with Arcosa Values and be industry leaders by attracting and retaining women in operations.



“By launching this first employee resource group, we’re communicating to employees that there’s a community at Arcosa for all individuals and different types of shared ideas and interests. It doesn’t matter your background, gender, race, sexual orientation or age; beginning with the Women of Arcosa ERG, employees can find their place at Arcosa.”

Brie Davis, Director of Human Resources, and member of WE-AR Steering Committee



“The days of everything looking the same are a thing of the past and I am proud to be part of the movement to change that at Arcosa. Our future relies on our ability to be inclusive and recognize the positives in our differences. Everyone needs a support system and WE-AR is that support system for the Women of Arcosa!”

Renee Heath, Senior Director of Human Resources, Transportation Products Segment, and member of WE-AR Steering Committee



EMPLOYEE ENGAGEMENT: ENHANCING EMPLOYEE EXPERIENCE

For many people, 2021 was an echo of 2020. A year driven by immense focus on pandemic mitigation: keeping business doors open, people safely in jobs and the economy moving. Employees continued to work in non-routine locations and struggled to stay engaged.

At Arcosa, we experienced many of the hardships other companies face; but in a year where others struggled to survive, we seized the opportunity to listen to our people.

In April, Arcosa launched its inaugural Cultural Climate Employee Engagement Survey. The survey had a 72% response rate and over 2,200 comments received. We consider this a solid foundation for understanding the needs of an important stakeholder group. The information gathered from the survey has been transformed into concrete action plans throughout the Company.

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 cyclicality, improve the long-term returns on invested capital, and integrate ESG into our culture. We believe fostering a more inclusive environment through employee engagement and corporate action will make Arcosa a better company.



TALENT DEVELOPMENT: EMPOWERING EMPLOYEE POTENTIAL

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

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

Reduce future risk for our stakeholders

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

FORMAL PROGRAMS

- > Harvard “Leading with Finance” online certificate program
- > Business Acumen training
- > Positive Management Leadership (PML Experience®) seminar
- > Interaction Management® (DDI) leadership development program for front-line leaders
- > Civil Treatment® (ELI) flagship training program for leaders and employees
- > Women in Manufacturing (WIM™) professional development programs
- > Young Professionals and Leadership programs through local Chambers of Commerce

FINANCIAL SUPPORT

- > Tuition reimbursement at educational institutions
- > Professional society memberships
- > Professional conference and symposia registrations
- > Other educational courses that enhance learning

COMMUNITY IMPACT: PARTNERS IN HEALTH

Arcosans are building a better world and making our communities better places to live and work. We do this with our dollars, time and, most importantly, with heart.



Arcosa's Protecting the Hearts We Love Campaign

For the second straight year, Arcosa participated companywide in the American Heart Association's ("AHA") annual Heart Walk. Our goal is to engage and encourage employees across the Company to increase their activity, with the hope that it positively impacts health and wellness, one of our ESG focus areas.

For the month of August 2021, Arcosa encouraged employees to log their daily steps in the Company's digital platform to compete in a friendly intercompany competition. Pedometers were provided as needed and employees were encouraged to protect the hearts they love by walking while tracking their steps. Prizes were awarded for both individuals and plant teams.

The Arcosa version of the AHA's Heart Walk inspired 645 Arcosans in the U.S., Mexico and Canada to walk a combined total of 117,443,270 steps (58,722 miles). Arcosa and its employees also donated directly to the AHA in honor of the Protecting the Hearts We Love campaign, supporting the AHA mission to be a relentless force for a world of longer, healthier lives.



Arcosa Dallas walks for longer, healthier lives

It was a picture-perfect day in downtown Dallas, Texas, as Arcosa participated in the 2021 American Heart Association's Dallas Heart Walk on Saturday, Sept. 11. Arcosa employees from the Dallas office, along with friends and family, gathered to show their commitment to raising awareness in fighting cardiovascular disease.

Antonio Carrillo, the 2021 Dallas Heart Walk Chair and President and CEO of Arcosa, delivered opening remarks. "The Dallas Heart Walk is a powerful and exciting event that brings us together to make Dallas a healthier, stronger community," said Carrillo. "Moving more is critical to the physical and mental health of our employees and our community. Together we are taking important steps in supporting research and preventative programs that will save and improve lives."



COMMUNITY IMPACT: MAKING A DIFFERENCE EVERY DAY

BRANCHING OUT

Trees play a vital role in improving our everyday lives; they provide us with clean air to breathe, filter the water we drink and provide a home to wildlife. In one year, a mature tree absorbs almost 50 pounds of carbon dioxide from the atmosphere and releases oxygen in exchange. On Arbor Day 2021, we celebrated the life-giving importance of trees.

The Arcosa Heart Team partnered with a regional college to help celebrate and provide resources for a tree-planting event at a local high school. The tree planting event at the Dallas, Texas, campus was attended by Arcosa staff who were able to learn the do's and don'ts of planting a tree to maximize its growth.

Arcosa's Meyer Utility Structures, with multiple locations across the country, celebrated by planting trees at their plants on April 30, 2021. Employee teams at each location researched, identified and planted the type of tree that would most benefit their area.

BACK TO SCHOOL

Arcosa employs people from various backgrounds and seasons of life, but one value unites us: We Win Together. In preparation for the 2021-2022 school year, we had plants across North America come together to help our communities win through local back-to-school efforts.

On August 6, Arcosa's Pennsylvania-based Axle Forging business sent an employee team for a volunteer project at the local high school. Our team was comprised of employees from different departments, from sales and engineering to production and maintenance. The team spent time honing their painting skills by relining the parking lot, refreshing the exterior base of the school and painting the football concession stand. Over the course of the day, our team learned more about the local schools, the surrounding local neighbors and each other.

In late September, the Arcosa Tank plant in Monclova, Mexico, delivered 90 school supply kits to the United Americas School in Frontera, Mexico. The kits, donated by employees, provided essential school supplies to improve learning opportunities for kids in the local community.

LAYING THE GROUNDWORK

Many of Arcosa's Natural Aggregates plants reside near small, rural towns where community is essential and neighbors lend a helping hand. In 2021, we opened a new location in a small town in Central Texas. With the high-quality sand and gravel produced at this location, we identified an opportunity to partner with the local high school to provide and install a parking area for a newly renovated building. This building would house the Future Farmers of America (FFA) Club, and a reliable parking lot is essential for animal trailers and other small equipment. In mid-August, the material was delivered for the foundation of the parking lot. The grounds crew got to work and the project was successfully completed in late September, in line with the building renovation.

FOOD FOR THOUGHT

When the pandemic began nearly two years ago, most of those hit the hardest were those who were already struggling. And for those struggling, it can cut to the core of the most basic need: food. As a result, there were not many better ways to wrap up 2021 than with local food drives.

In late fall of 2021, Specialty Materials joined forces with all their locations to collect and donate food to those less fortunate in their communities. To be a bit more competitive, each location tallied their food donations in weight, and the most food collected by a location won bragging rights. While a mine location in Southern Oklahoma took away the prize for most food donated at 640 pounds, the total food collected across all locations was 4,670 pounds — more than 2 tons!

Every year, Cherry Companies hosts its annual Cherrygiving event, a food and donation drive that allows Cherry employees to give back to those most in need in the Houston, Texas, community during the holiday season. This year, Cherry employees were able to collect and donate 240 pounds of food, nine jackets, seven blankets and two boxes of diapers. The food donations were made to the Houston Food Bank, where they distribute food and other essentials to those in need through a network of more than 1,800 community partners.

COMMUNITY IMPACT: WHEN DISASTER STRIKES



On Sunday, August 29, the 16th anniversary of Hurricane Katrina, Hurricane Ida made landfall in Louisiana as a mammoth Category 4 storm, with sustained winds of 150 miles per hour and gusts up to 170 mph. Ida delivered a disastrous blow on arrival, tearing roofs off buildings, flooding homes and leaving the entire region in the dark.

This left many Arcosa employees and their families with no electricity, no cell service, no running water, damaged homes and lost belongings. Once the storm had passed, the leadership teams started to assess the damage at our plants and to determine next steps. Business leaders in the region spent time on the phone contacting employees in the affected area to ensure they were

safe and coordinating mobilization of supplies with sister plants in Tennessee and Missouri. Working together, teams formed to marshal the resources needed to get supplies to impacted employees and their families. In the Louisiana-based Arcosa Marine plant, a team established a supply storefront to provide employees at Arcosa Aggregates and Arcosa Marine locations basic necessities following the storm.

From across the region, Arcosa plants collaborated to take care of our families. Mobilizing and delivering supplies over the next week, we were able to support both our Arcosa team and the communities impacted by the storm.

> September 2, Arcosa Marine's Tennessee plant's Materials Manager arrived at the Louisiana location to deliver the first shipment of supplies.

> September 3, more trucks arrived, including a truck stocked with an abundant supply of bottled water, bread, peanut butter, jelly, snacks and tarps to keep lingering rain out of homes. That afternoon, a second truck arrived from our Arcosa Aggregates plant in North Texas. It delivered supplies collected from Texas and Louisiana Aggregates locations, including canned food, paper products, garbage bags, construction plastic, roofing tabs, diapers, sanitizing wipes and more. As a final good gesture for the day — and with 99 percent of local gas stations without fuel — the Louisiana plant provided gasoline to those in need.

> September 8, as the storm moved out and up the East Coast, another supply truck, from Arcosa's Wintech Marine Components business, arrived at the Louisiana plant. The Wintech truck delivered sports drinks, beef jerky, paper towels, reinforced garbage bags, kid-friendly meals, canned food, baby formula and diapers, and much-needed plasticware.

> September 9, another truck from Arcosa Marine's Tennessee plant arrived with a large shipment of vital supplies, including non-perishable food items, more water, bread and tarps. As help continued to pour in, the Louisiana plant received two 18-wheelers packed with supplies from Arcosa vendors.

The Aggregates team was instrumental as they provided generators and fuel to impacted employees who lost power to their homes and local transportation during the gas shortage due to storm impacts.

After our employees' needs were met, the team reached out to the local community and donated water, bread and other supplies to local churches, food pantries and retirement communities.

Ida may have torn down trees and homes, leaving mounds of stirred and twisted debris, but she brought out the gale-force courage and stamina of Arcosans, who were determined to show that We Win Together.

CELEBRATING OUR PEOPLE & BUSINESS IMPACT



Sarah Bond, Mine Manager at Imperial Limestone in Vananda, British Columbia, Canada, is the 2021 Powell River Women in Business Employee of the Year. The nonprofit organization presents the award to acknowledge and encourage women who put effort,

time and knowledge into their businesses, which benefits and strengthens the entire community. Sarah is dedicated to the encouragement and support of women in the field of engineering, chairing a committee with others who have the same passion. She is also a successful mine manager, one of the only female mine managers in Canada at this time. She has reenergized the quarry, increasing production by a third in just over a year.



Bryson Person, VP of Operations for Arcosa Marine Products, was named one of Inland Marine Expo's (IMX) 2021 40 Under 40. In its fourth year, the IMX 40 Under 40 Award recognizes young professionals for their hard work

and dedication to the inland marine industry. The award is presented to 40 men and women under the age of 40 who have made outstanding contributions to the inland marine transportation industry in various fields.



Arcosa Marine won the 2021 American Waterways Operators (AWO) Safety Award for the TBOT Tank Barge. Winners of this award made an improvement in equipment and/or processes to enhance the safety of tankering during cargo operations and while in transit. Arcosa received this award for the design and construction of its new ARC-TB-30K (30K Clean Tank Barge), the goal of which is to enhance personnel safety and environmental protection through physical barge improvements and a new technology platform.

The barge improvements include highlighting edges, steps and platforms, making the wing wall wider, adding flush hatches, fall protection, and more. Other improvements were made, such as data-collecting features and additional cameras to show multiple deck angles.



Cemefi ESR Distinction: 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 strong commitment to these areas of ESG and the recognition of their efforts is another positive step on Arcosa's sustainability journey.



ISO 45001 Certification: As ESG efforts continued to be a high priority across Arcosa in 2021, the Arcosa Wind Towers' manufacturing facilities continued to pursue excellence in their safety program by maintaining their ISO 45001 certification for the second straight year. ISO 45001 aims to aid companies in providing a safe and healthy workplace for employees and visitors by establishing an effective occupational health and safety management system. Certification against this standard exemplifies our commitment to furthering the culture of safety at Arcosa.



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 12 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.



CELEBRATING OUR PEOPLE & BUSINESS IMPACT

Newsweek has unveiled its list of America's Most Responsible Companies 2022 and, for the first 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 500 most responsible companies in the United States, from among 2,000 evaluated.

Antonio Carrillo, President and CEO, said, "We are honored to be recognized as one of Newsweek's most responsible companies for 2022. We are grateful to our employees, partners and all of those involved who bring their unique and diverse experiences to work every day. This is how we strengthen our culture and truly make Arcosa a responsible and safe place to work for all."

The companies were selected based on publicly available key performance indicators (KPIs) derived from their Sustainability Reports, as well as an independent survey. The KPIs focused on company ESG performance, while the independent survey asked U.S. citizens about their perception of company activities related to corporate social responsibility.





OUR ENVIRONMENT

TCFD Disclosure	34
Energy Management & GHG Emissions	46
Water Management	47



WE SUPPORT THE SUSTAINABILITY OF OUR ENVIRONMENT

Arcosa is building a better world by integrating ESG into our daily practices and long-term strategies. As we integrate ESG competencies throughout our organization, we have aligned our climate-related disclosures with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). Building upon our inaugural climate disclosure published last year, in 2021 we refined and updated our disclosure in line with shifts in business composition and global priorities.

Climate impacts, while often viewed through a lens of risk, also present Arcosa with opportunities for growth. Over the past two years, our acquisition growth into Recycled Aggregates exemplifies our commitment to environmental action. We are optimistic that the Company's structure and our business fundamentals position us to thrive in an uncertain future.

The following pages provide an update on each of the four core recommendations of the TCFD: Governance; Strategy; Risk Management; Metrics and Targets.



In 2021, Arcosa's natural aggregates business in the Texas region evaluated and replaced select articulated trucks with newer, more fuel-efficient models, translating to diesel savings and reduced Scope 1 emissions.



During the past year, Arcosa Wind Towers implemented a formal recycling program at its facilities, with the aim of identifying and reducing waste to landfill from production and administrative processes.

TCFD OVERVIEW

In the following pages we provide disclosures aligned with the TCFD framework, including responses under each of the four pillars.

GOVERNANCE

Disclose the organization's governance around climate-related risks and opportunities

Disclosures

Pg 35 — Describe the board's oversight of climate-related risks and opportunities.

Pg 36 — Describe management's role in assessing and managing climate-related risks and opportunities.

STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material

Disclosures

Pg 37-42 — Describe the climate-related risks and opportunities the organization has identified over the short, medium and long terms.

Pg 37-42 — Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

Pg 43 — Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

RISK MANAGEMENT

Disclose how the organization identifies, assesses and manages climate-related risks

Disclosures

Pg 44 — Describe the organization's processes for identifying and assessing climate-related risks.

Pg 44 — Describe the organization's processes for managing climate-related risks.

Pg 44 — Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

METRICS & TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

Disclosures

Pg 45-47, 56-57 — Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Pg 56-57 — Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Pg 45 — Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

TCFD GOVERNANCE: BOARD OF DIRECTORS

Arcosa's **Board of Directors (Board)** has ultimate responsibility for risk oversight, 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 Committee** oversees on behalf of the Board risks related to our governance structure and director compensation programs and provides oversight and reviews and assesses the Company's activities and practices regarding ESG-related matters.

The **Audit Committee** oversees on behalf of the Board material financial, legal and regulatory risk exposures and steps taken by management to address the same. The Audit Committee's responsibilities include, but are not limited to: oversight of the integrity of the Company's financial statements and related disclosures; the Company's compliance with legal and regulatory requirements; the Company's independent auditing firm; the

performance of the Company's internal audit function; the Company's internal accounting and disclosure control systems; the Company's procedures for monitoring compliance with its Code of Business Conduct and Ethics; the review and assessment of information technology and cybersecurity risk exposures and the steps taken to monitor and control those exposures; and risks identified during the internal and external auditors' risk assessment procedures.

The **Human Resources Committee** oversees on behalf of the Board risks related to a broad range of social issues, including but not limited to oversight of the Company's inclusion and diversity program; management of succession planning and awards under the Company's incentive compensation and equity-based plans; evaluation of the leadership and performance of the Company's CEO, with compensation recommendations to the Company's independent directors; and compensation review and approval for the other named executive officers.



TCFD GOVERNANCE: MANAGEMENT

Arcosa's senior management team has implemented multiple strategies for assessing and managing climate-related risks and opportunities.

Enterprise Risk Management (ERM): Arcosa's Internal Audit team facilitates a proactive, structured process for identifying and mitigating market, operational, climate-related, financial, infrastructural and reputational risk. The Audit Committee is responsible for direct oversight of the ERM process, with the entire Board providing overall review and guidance.

Compensation: A portion of the compensation of named executive officers and a number of additional employees is linked to progress of ESG initiatives.

Director of ESG, Business Unit ESG Leads: The development and execution of Arcosa's ESG program companywide includes initiatives and activities aimed at sustainability improvements in many categories, including but not limited to reductions in GHG emissions related to climate change. The ESG team is responsible for ensuring visibility to the executive team, and subsequently to the Governance and Sustainability Committee. Additionally, the ESG team proactively communicates and advocates corporate sustainability initiatives to the stakeholder base, including those related to energy management.

ESG Committees and Functional Groups: In 2021, Arcosa's ESG Executive Committee continued its high-priority focus on ESG integration at all levels of the organization. This team meets monthly to review current events, internal progress and

communication plans. Additionally, Arcosa's ESG Functional Teams, comprised of business segment leadership, built momentum as they focused on strategic ESG initiatives, operational impacts and measurement of ESG-related metrics.

New this year, with the support of the ESG Executive Committee and the ESG Functional Teams, Arcosa established an ESG Champions Committee. This team includes a broad range of highly engaged members, including corporate functional and business unit employees from multiple industries and backgrounds. This group meets monthly to brainstorm strategy and ESG initiatives that impact all levels of the organization.

VP of EHS and Business Unit EHS Directors: Arcosa's Environmental Health and Safety team includes corporate leadership and environmental subject-matter experts who provide direct guidance throughout the business. This team provides oversight of environmental matters, including but not limited to regulatory compliance and reporting and environmental initiative action plans.

Employees: Arcosa's employees are crucial to the success of the ESG program. Employees are encouraged to identify continuous improvement opportunities through process knowledge and innovative thinking. Arcosa's employees have championed many initiatives directly aimed at reducing energy consumption and GHG emissions.



TCFD STRATEGY: RISKS & OPPORTUNITIES

Arcosa's Board and executive management team have established a layered structure for identifying companywide risks and opportunities. Using a formal Enterprise Risk Management process, along with business leader expertise, we identify risks across the organization. Frequent strategic planning aids in identification of opportunities to make the company more resilient.

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Risk Mitigation Strategy and Opportunities
					< 5	5-10	10+	
Transition Risks - Policy & Regulatory								
Carbon tax - emissions limits	Potential increase in tax expense, operating costs to achieve emissions reductions, or investment in emissions-reducing asset	Likely	Minor	Moderate	●	●		<p>Mitigation Strategy: GHG emissions reduction through energy conservation is one of Arcosa's ESG focus areas in 2021 and beyond. We implemented focused reduction efforts throughout our businesses, with high focus in business lines with proportionally higher emissions footprints. Additionally, a transition to emissions limits in the U.S. may present opportunities for partnerships with renewable energy providers for energy procurement as well as possible carbon offsets.</p> <p>Opportunity: As the market looks for low-carbon alternatives, certain Arcosa product lines may benefit from the transition to more efficient modes of transportation. Added demand to strengthen infrastructure across the U.S. to support clean energy may also present growth opportunities for our wind tower and transmission structures businesses.</p>
Stricter regulation of sustainability reporting	Potential additional administrative, compliance, and legal costs	Very Likely	Moderate	High	●			<p>Mitigation Strategy: In 2021, Arcosa invested in system infrastructure to better organize data and structure control over ESG reporting. Additionally, our ESG reporting aligns with SASB standards and the TCFD recommendations.</p> <p>Opportunity: We have begun to leverage Arcosa's current governance strengths, such as structure and controls, to align with the changing ESG regulatory environment.</p>



TCFD STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Risk Mitigation Strategy and Opportunities
					< 5	5-10	10+	
Mandates on and regulation of existing product lines	Potential additional administrative, compliance and legal costs	Possible	Moderate	Moderate	●	●		Mitigation Strategy: Arcosa demonstrated our ability to grow in low-emissions product lines through our entrance into recycled aggregates, a new product category for Arcosa, through two acquisitions in 2020.
Transition Risks - Technology								
Cost of transition to lower emissions technology	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, 2021 planning cycles presented the opportunity for evaluation of purchases that will aid in emissions reductions. Opportunity: Opportunity exists as possible regulatory incentives alleviate the cost differential between purchase options.
Electricity grid reliability, availability and pricing due to higher usage with increasing 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 any material standstill. As the limits of the electricity grid are tested, internal ESG efforts focused on electricity conservation through production efficiency counter potential grid instability. Opportunity: Arcosa's utility structures business benefits from infrastructure builds to support higher volumes of US energy consumption, and Arcosa Tank provides propane storage in regions with demand for reliable backup energy supply.

TCFD STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Risk Mitigation Strategy and Opportunities
					< 5	5-10	10+	
Price increases due to transition to renewable sources	Potential higher operating costs to invest in cleaner energy	Likely	Moderate	Moderate	●	●		Mitigation Strategy: Arcosa, with strategic internal and external consultation, is working to develop a renewable energy road map to best position itself for the future of purchased energy. We believe this road map will help us better assess our renewable energy outlook and procurement.
Transition Risks - Market								
Increased cost of raw materials	Potential higher operating costs	Likely	Minor	Moderate	●	●	●	Mitigation Strategy: We see opportunities to leverage our purchasing power to mitigate some of the potential impact of material cost increases. Our innovative and strategic focus on eliminating possible waste in our production processes also present opportunity for cost reductions.
Unreliable supply chain	Potential higher operating costs for backup suppliers or rush shipments	Possible	Minor	Low	●	●		Mitigation Strategy: Opportunities exist to diversify 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.



TCFD STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Risk Mitigation Strategy and Opportunities
					< 5	5-10	10+	
Change in customer behaviors	Potential revenue loss	Possible	Significant	Moderate	●	●		<p>Mitigation Strategy: Arcosa's plan, as part of our long-term strategy, is to integrate ESG into everything we do. We believe our ESG action positions us to meet the needs of our customers who pursue sustainability within their supply chain.</p> <p>Opportunity: As customers shift to find energy efficiency and lower emissions options, opportunities arise for our low-emissions product lines such as recycled aggregates and wind towers.</p>
Transition Risks - Reputation								
Accelerated stakeholder expectation of public commitment to low-carbon economy	Potential impact to share price and revenue loss	Likely	Significant	High	●			<p>Mitigation Strategy: We have responded to stakeholder expectations by developing and disclosing a goal of 10% Scope 1 and 2 GHG emissions reduction per million dollars of revenue by 2026, compared to 2020 Scope 1 and 2 emissions per million dollars of revenue. Also, with the assistance of outside experts, we are developing a renewable energy road map.</p>
Stigmatization of less "green" production processes and products	Potential revenue loss	Possible	Moderate	Moderate	●	●		<p>Mitigation Strategy: Diversification of products across Arcosa allows us to maintain a balanced emissions portfolio.</p> <p>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 carbon credit initiatives should allow us to reduce our carbon footprint overall.</p>

TCFD STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Risk Mitigation Strategy and Opportunities
					< 5	5-10	10+	
Physical Risks - Acute								
Increased severity of natural disaster impacts and insurance coverage	Potential revenue loss or delay due to weather-related production and shipment	Possible	Moderate	Moderate	●			<p>Mitigation Strategy: At Arcosa, we have the opportunity to leverage EHS-driven business continuity plans to ensure resilience across our operating facilities. Geographic diversity allows us to adapt to high and low temperatures at intervals, rather than at all locations at once. We also see the opportunity to mitigate operational risks by improving production efficiency and reliability as part of routine strategic planning.</p> <p>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 demolition, recycled and natural aggregates businesses.</p>
Extreme temperatures limit operating hours or days	Potential increase in operating costs from insurance premiums and claim volumes	Possible	Moderate	Moderate	●			
Extreme temperatures affect employee health and safety		Possible	Significant	Moderate	●	●	●	
Higher rainfall and intense wind affect production and delivery schedules		Possible	Moderate	Moderate	●	●	●	



TCFD STRATEGY: RISKS & OPPORTUNITIES

Climate-Related Risks	Potential Financial Impact Without Mitigation	Likelihood	Impact	Severity	Years			Risk Mitigation Strategy and Opportunities
					< 5	5-10	10+	
Physical Risks - Chronic								
Changes in precipitation patterns and extreme variability in overall weather	Potential revenue loss or delay due to weather-related production and shipment	Likely	Significant	High	●	●		Mitigation Strategy: Medium- or long-term weather and climate impacts bring opportunities to evaluate acquisition and organic growth in lower-risk regions, to effect change by investing in new technologies and to rely on the resilience we are building through sustainable operational practices.
Rising average temperatures	delays. Potential increase in operating costs from	Likely	Significant	High	●	●		
Rising ocean and river levels and increased flooding may adversely impact operations	higher insurance premiums and claim volumes, higher transportation costs, and	Likely	Significant	High	●	●		
Inconsistent access to reliable electricity supply	asset maintenance and replacement costs	Likely	Significant	High	●	●		

In a rapidly changing world, we believe our resilience is built through adaptability to meet the evolving needs of our stakeholders. The climate-related risks we identified could be detrimental to our businesses if not addressed; however, these risks are at the forefront of our business and financial strategy and are addressed through thoughtful collaboration by our business leaders and Board of Directors. We are optimistic for the future as we explore opportunities to accelerate organic and acquisition growth in low-emission product lines, to position existing environmentally friendly businesses for future success, and to build a resilient and geographically diverse company.

TCFD STRATEGY: SCENARIO ANALYSIS

To understand the impact climate change could have on Arcosa, we performed a high-level review of the impact of a 2°C global warming scenario. This scenario was developed based on global temperature increases expected by 2100.

Over the next 80 years, gradual environmental changes may occur that impact our businesses. With this concept in mind, we reviewed a shorter 10-year horizon to see impacts possible by 2030. We excluded not-yet-executed outside opportunities in this scenario.

Under this scenario, Arcosa could have financial risk without action taken; however, it does not materially change the fundamentals of our business strategy. Our strength is visible in the diversification of our portfolio and the established governance of our operating strategy.

2°C CLIMATE IMPACT SCENARIO

Assumptions:

- > Rapid and aggressive action to address climate change including regulations of GHG emissions, restrictions on deforestation, and water conservation initiatives.
- > Physical impact of climate change minimized.

Business Impact:

- > Carbon pricing enacted as an emissions management alternative, subsequently raising operating costs and costs along the supply chain.
- > Increasing transition to electrification and renewable energy outpaces grid infrastructure, resulting in gaps in available clean energy and price volatility.
- > Arcosa benefits from market transition to lower-emissions product offerings in current portfolio and market transition to more efficient modes of transportation.





TCFD RISK MANAGEMENT

Identification and assessment of risk is a routine part of any business. Arcosa operates in multiple, complex industries where opportunities and risks cannot always be separated. We believe it is important to regularly review both the risks and opportunities of our businesses and to strategize for future success.

Arcosa's Risk Management Team provides direct input at both the Arcosa corporate level and the individual business level to manage climate-related risks through evaluation, selection and review of appropriate insurance coverage; organic risk mitigation strategy collaboration, including capital spend planning; and risk prevention strategies. During 2021, our risk management and EHS teams formalized Business Continuity Plans (BCP) at our major facilities. The BCPs provide assurance to external stakeholders, while formalizing internal planning and processes. The annual BCP process can improve insurance costs, and it elevates our physical climate risk preparedness.

Arcosa's Legal Team provides mitigation and prevention strategies and overall expert guidance across the business in response to ESG risks, opportunities and strategic direction.

Arcosa's Senior Management Team monitors for micro and macro trends in the industries where we operate to actively identify and prepare for climate-related impacts. From monthly business reviews to annual strategic planning, business unit leadership and senior management build business processes to address changes to supply chain resilience, customer preferences, industry norms, workforce reliability, weather patterns and new technology.

Arcosa's Enterprise Risk Management Process is a proactive, structured process for identifying and mitigating market, operational, climate-related, financial, infrastructural and reputational risk. We identify and assess climate-related risks through the ERM process, with input from both internal and external sources. Arcosa's ERM framework is dynamic in its application across all business units and risk-related topics, supporting management in the effective management of risk. 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. The formal ERM process is designed to enable consistent and frequent communication between accountable management, executive leadership and the Board.

TCFD METRICS & TARGETS

At Arcosa, we believe we can play a role in addressing the global climate challenge through strategic management of energy consumption and resulting GHG emissions as well as water conservation. We remain dedicated to developing and implementing initiatives to support reduction efforts as these efforts lead directly to climate improvement, improved financial returns and organizational resilience.

After building solid baseline data for our first annual ESG disclosure, in 2021 Arcosa took action to operationalize data and focus our plants where they could be most effective in reducing environmental impact. Each business reviewed trend data and was asked to prioritize impactful projects and efforts. In line with the plants' conservation focus, we are building a company-wide renewable energy roadmap as we move towards a low-carbon economy.

Paired with these initiatives, we are reaffirming our commitment to environmental responsibility by establishing an initial, short-term emissions reduction goal for Arcosa. We are targeting a 10% reduction in Scope 1 and 2 emissions intensity by the end of 2026 compared to 2020 levels¹.

¹Scope 1 and Scope 2 emissions intensity reduction targets do not include Scope 3 emissions.

Our calculation includes a combination of direct energy source carbon dioxide equivalent (CO₂e) of Scope 1 emissions and market-based CO₂e of Scope 2 indirect emissions, divided by millions of dollars of revenue.

**10%
REDUCTION**

**in Scope 1 and 2
emissions intensity**
over the next 5 years,
compared to 2020



ENERGY MANAGEMENT & GHG EMISSIONS

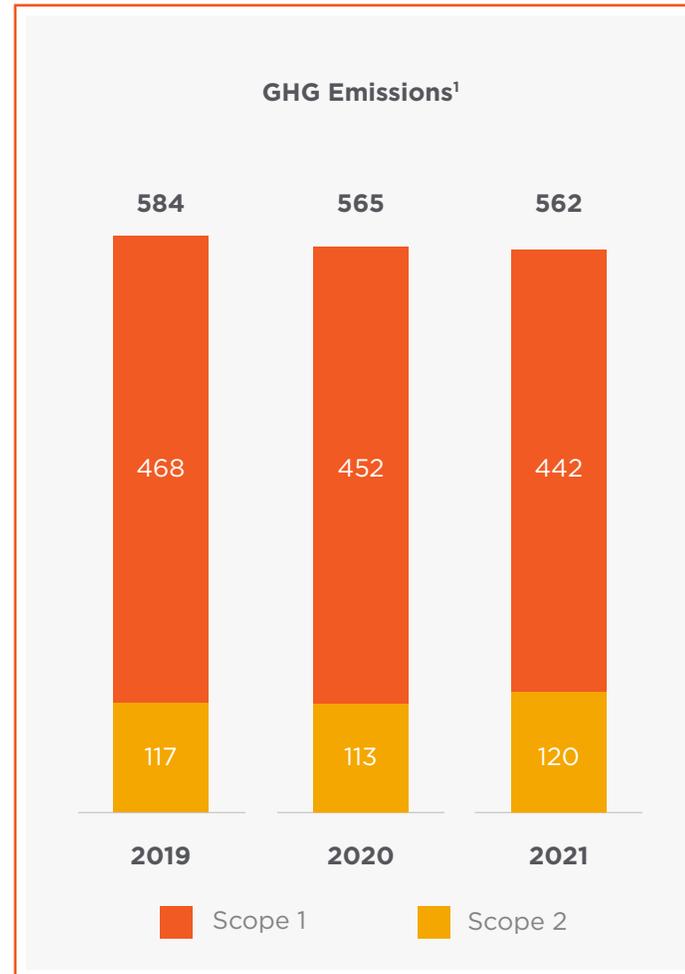
After two full years of data tracking and our first annual publication, in 2021 we resolved to focus our facilities on initiatives that could make measured improvements to positively impact our emissions footprint. Each facility aligned its largest emissions type with projects and initiatives to drive efficiency and conservation efforts, ultimately resulting in improvements in 2021.

Throughout the year, our facilities made improvements in energy management with projects including optimized lighting upgrades, energy efficient asset replacement purchases, focused production scheduling to minimize consumption in down time, and energy audits to identify and plan for future energy reduction projects. Through conservation-focused projects, we realized overall emissions and emissions intensity reductions year over year.

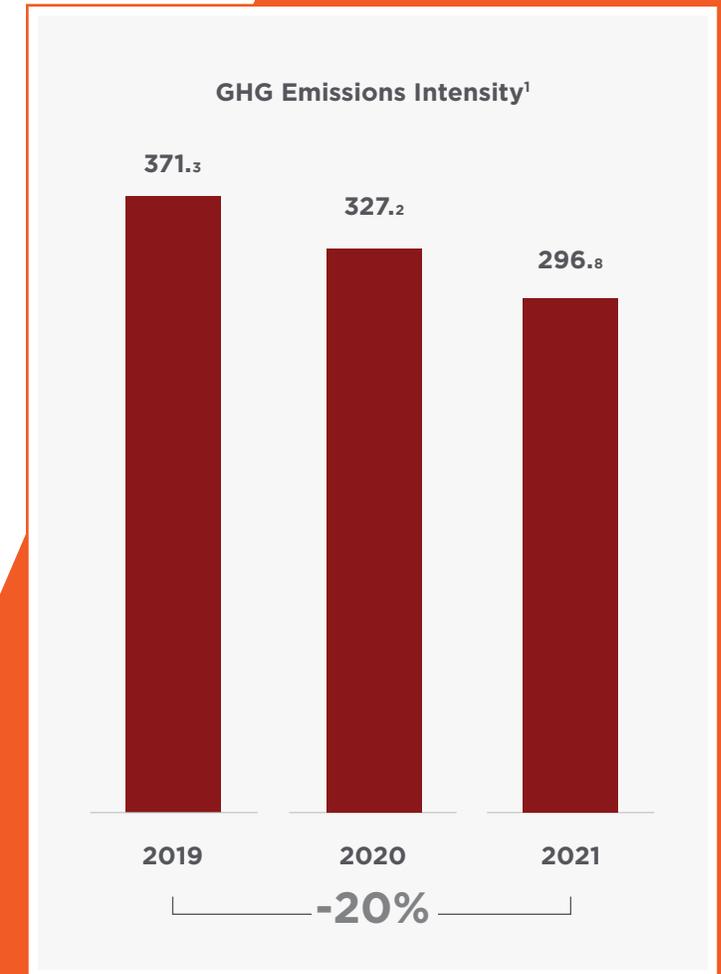
As a result of a nighttime self-inspection, Arcosa's Specialty Materials plant in Seattle, Washington, determined exterior lighting would need an upgrade. Because some of the more remote locations around the plant could not be reached with current wiring, and installation of new wiring could be physically invasive and costly, the team researched the effectiveness of solar-powered lighting. Partnering with an electrical contractor who had successfully installed solar lighting in remote national park areas, the team installed clean, cost-effective exterior solar lighting across the facility, including areas previously unlit.

We believe changes of all sizes can make an impact over time, and we celebrate the impactful efforts of this and our many other facilities across North America.

¹Excludes revenue and emissions of acquisitions completed in 2021, while these acquisitions are integrated into our emissions reporting systems.



Metric Tonnes of CO₂ equivalent in Thousands



Metric Tonnes of CO₂ equivalent / Revenue in Millions



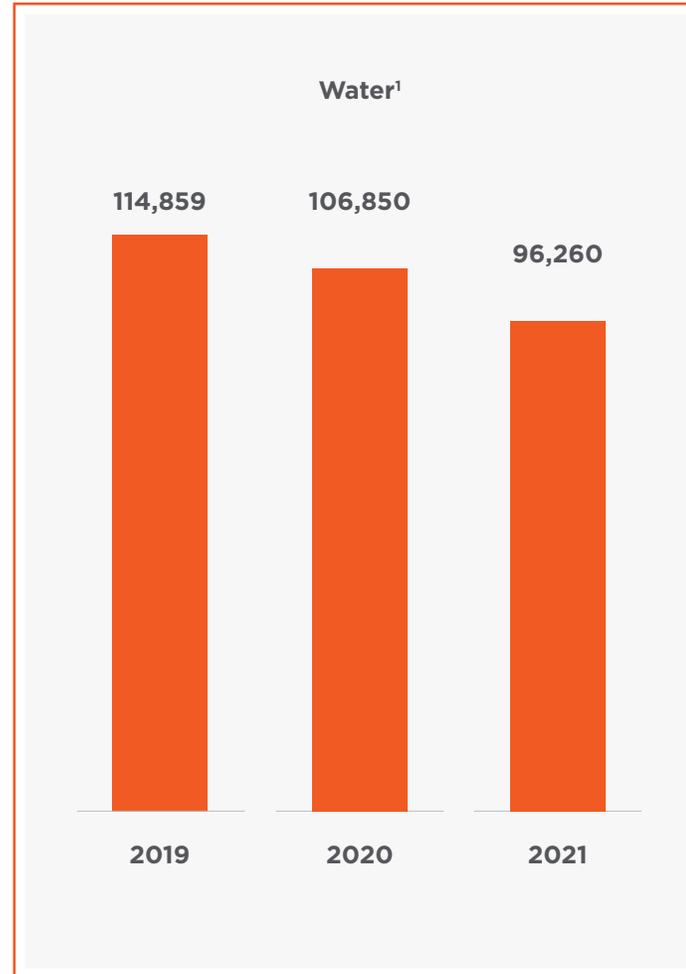
WATER MANAGEMENT

Water is an essential part of Arcosa's environmental footprint. We use water in both manufacturing and manufacturing 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:

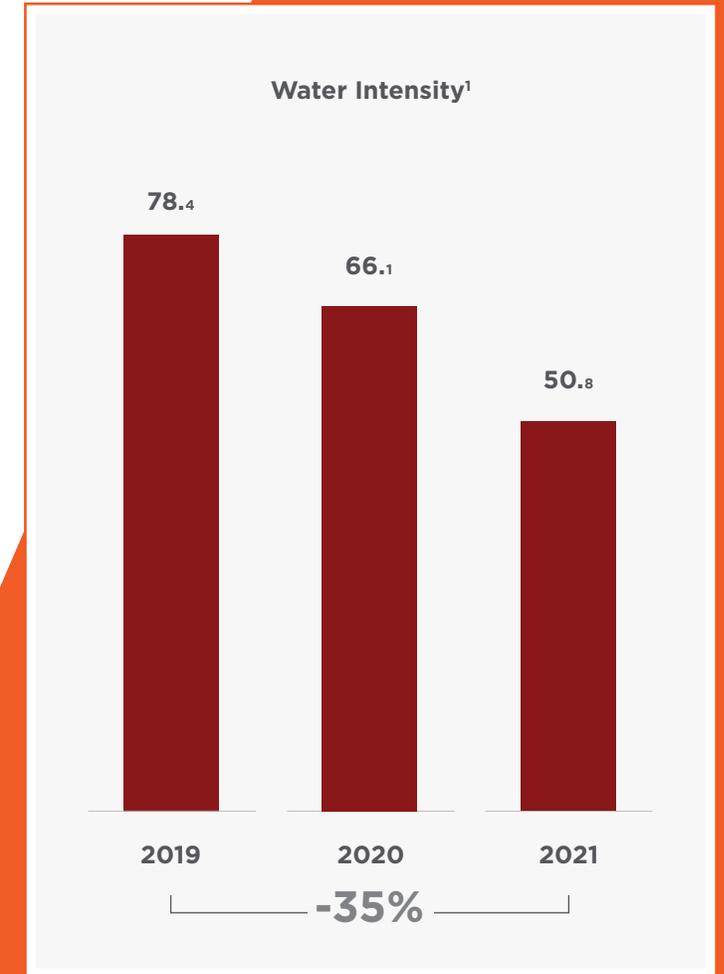
- > Building efficiencies in our production processes
- > Broadening use of water recycling processes where they do not yet exist
- > Operationalizing data to drive action in locations of high water use

In 2021, Arcosa's Specialty Materials Lightweight facility in Central Indiana identified water consumption as a high-priority focus for the year. After years of using municipal-supplied water to cool heating equipment in the production process, the plant installed a closed loop system that uses and recycles glycol to cool. The process change translated to significant water consumption reduction as well as operations cost savings.

¹Excludes revenue and water consumption of acquisitions completed in 2021, while these acquisitions are integrated into our emissions reporting systems.



Kilogallons



Kilogallons / Revenue in Millions



OUR PRODUCTS

Recycled Aggregates	50
Wind Towers	51
Marine	52
Shoring Products	53



OUR PRODUCTS

Our products are used in essential, environmentally friendly industries

Arcosa operates across multiple industries, many of which positively contribute to environmental protection.



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



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



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.



Utility structures manufacture engineered, tubular, and lattice steel structures 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.



RECYCLED AGGREGATES

In 2020, our construction products footprint grew through two recycled aggregates acquisitions: Cherry Industries and Strata Materials. Arcosa's Recycled Aggregates business plays an integral role in our ESG program. 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[†]
- > 73% of C&D debris is recycled[†]
- > 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

[†]Sources: Environmental Protection Agency; C&D Recycling Association (CDRA); National Asphalt Pavement Association



Annually, Arcosa Recycles

**OVER 3 MILLION TONS
OF CONCRETE FOR USE IN
ROAD BASE MATERIAL**

**NEARLY 120,000 TONS
OF RECLAIMED ASPHALT FOR
USE IN ROAD APPLICATIONS**

**OVER 35,000 TONS
OF STEEL TO FABRICATE
NEW STEEL PRODUCTS**

WIND TOWERS

As a leading wind tower manufacturer with over 14,000 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.



305M

Metric tons of CO₂ emissions avoided annually through wind energy; equivalent to 66 million cars' worth of emissions.

65,000+

Wind turbines operate across the United States, generating enough wind power to serve the equivalent of 34 million American homes.

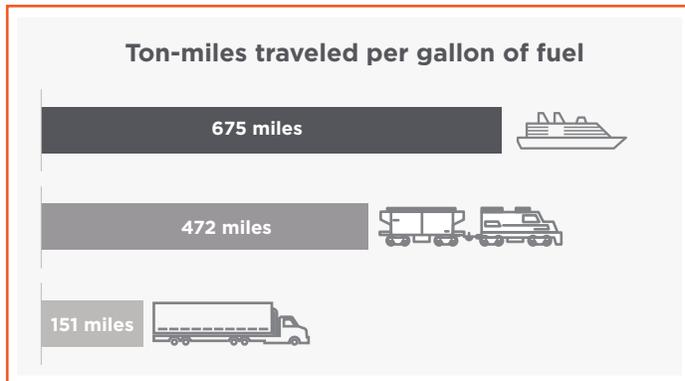
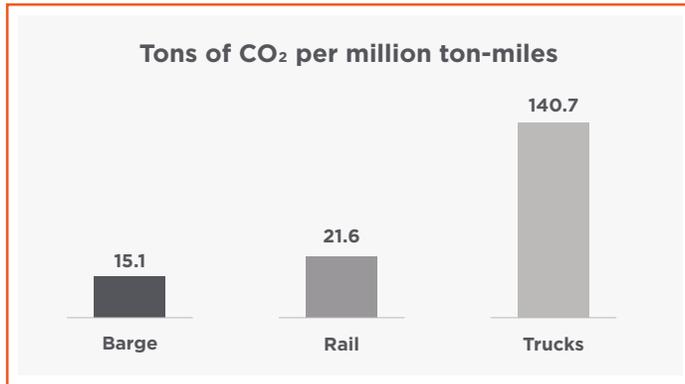
\$25B

Industry investments in new wind projects in 2020.

Source: [American Clean Power](#)

MARINE

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



Source: [National Waterways Foundation](#)



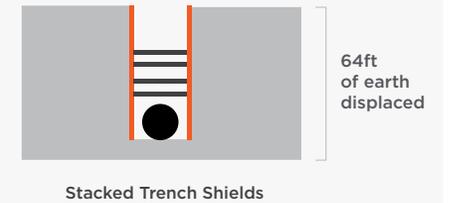
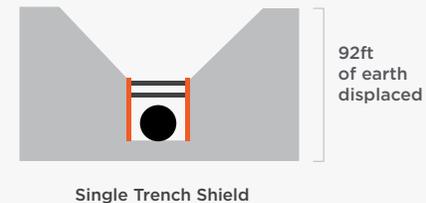
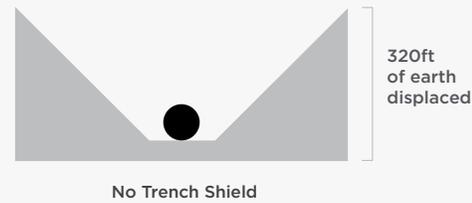
SHORING PRODUCTS

Arcosa provides a valuable product to the underground construction market as a leading provider of steel and aluminum trench shields. Our products provide value to the environment as well as to our customers' workforce and operations.

Trench Shield benefits include improved employee health and safety, higher productivity, reduced transportation costs and emissions, and minimized land displacement.



Increasingly sustainable with minimized land displacement



APPENDIX



APPENDIX

At Arcosa, sustainability means strengthening 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 response, we have included a broadened set of 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.

The tables also reference select United Nations Sustainable Development Goals (UN SDGs).

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	Disclosure Commentary	SASB Code	UN SDG	Pg
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (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			
Energy Management	(1) Total energy consumed	(1) Gigajoules (GJ)	1) 6,942,180	1) 6,976,517	1) 7,118,550		RT-IG-130a.1		
	(2) percentage renewable	(2) Percentage	2) In Process	2) In Process	2) In Process		EM-CM-130a.1		
GHG Emissions	(1) Gross global Scope 1 emissions	(1) Metric tons (t) CO ₂ -e	1) 467,856	1) 451,977	1) 441,792		EM-CM-110a.1		46
	(2) percentage covered under emissions-limiting regulations	(2) Percentage	2) In Process	2) In Process	2) In Process				
	Gross global Scope 2 emissions	Metric tons (t) CO ₂ -e	116,570	113,419	120,201				46
	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				Emissions target established in current report. Further discussion and measurement against target are in process for future disclosure.	EM-CM-110a.2		

REFERENCE TABLE — ENVIRONMENTAL

Environmental Topic	Metric	Unit of Measure	2019	2020	2021	Disclosure Commentary	SASB Code	UN SDG	Pg
Land Management	Number of Sites Reclaimed	(1) Number of Sites (2) Discussion				In process			
Recycled Materials	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%	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. During 2021, we recast our trended recycled percentages using more detailed vendor-supplied composition data.			
Waste/Hazardous Materials Management	Description of initiatives to reduce waste and properly manage hazardous materials	Discussion				In process			
Water & Wastewater Management	(1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	(1) Thousand cubic meters (m ³) (2) Percentage (3) Percentage	1) 434.8 2) In Process 3) In Process	1) 404.5 2) In Process 3) In Process	1) 364.4 2) In Process 3) In Process	Disclosure includes purchased water across US operations.	EM-CM-140a.1		47

REFERENCE TABLE — SOCIAL

Social Topic	Metric	Unit of Measure	2019	2020	2021	Disclosure Commentary	SASB Code	UN SDG	Pg
Employee Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	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		RR-WT-320a.1 RT-IG-320a.1 EM-CM-320a.1		21
Talent Management	Talent Recruitment Activities	Discussion				In process			
	Talent Development Activities	Discussion				Disclosure included in report			26
Community Engagement, Social Investment	Amounts contributed to charitable and non-profit organizations for the betterment of our communities.	Dollars				In process			
	Employee volunteer hours	Number of hours	12,036	2,939	3,229	Due to the COVID-19 pandemic and the continued minimization of in-person events, volunteer hours remained low in 2021.			
Diversity	Employee (1) race/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%	Race/ethnic diversity includes only US operations in order to eliminate dilution from our Mexico operations. Total workforce without exclusion: 42% White, 58% Non-White		 	23

REFERENCE TABLE — GOVERNANCE

Governance Topic	Metric	Unit of Measure	2019	2020	2021	Disclosure Commentary	SASB Code	UN SDG	Pg
Corporate Governance	Independent Board Members	Percentage	89%	89%	90%				14
	Board Ethnic Diversity	Percentage	22%	22%	20%				14
	Board Gender Diversity	Percentage	11%	11%	30%				14
	Board Oversight of ESG	Discussion				The Arcosa Board of Director's Governance and Sustainability committee is responsible for oversight of the Company's initiatives in relation to ESG matters.			35
	Business Ethics and Compliance Training	(1) Number and (2) Percentage of Employees Trained		1) 6,275 2) 100%	1) 6,410 2) In Process	1) 6,170 2) In Process	Operating in the regular course of business, employees complete annual training and certification for Arcosa's Code of Business Conduct and Ethics. In 2021, due to COVID-19 safety precaution limitations on class size for in-person training, percentage is still in process and may decline slightly overall.		 (1) 20 (2) 16

NON-GAAP MEASURES

Reconciliation of Adjusted EBITDA

(\$'s in millions) (unaudited)

Year Ended
December 31, 2021

Net Income	\$69.6
Add:	
Interest expense, net	23.4
Provision for income taxes	14.0
Depreciation, depletion and amortization expense ¹	144.3
EBITDA	251.3
Add:	
Impact of acquisition-related expenses ²	20.1
Impairment charge	2.9
Legal settlement	8.7
Other, net (income) expense ³	0.3
Adjusted EBITDA	\$283.3

“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, which can vary significantly depending on many factors. “Adjusted EBITDA Margin” is defined as Adjusted EBITDA divided by Revenues.

¹ Includes the impact of the fair value markup of acquired long-lived assets.

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

³ Included in Other, net (income) expense was the impact of foreign currency exchange transactions of \$0.6 million for the year ended December 31, 2021.

ARCOSA

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

