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About This Report

This 2022 ESG Report is an annual report highlighting AZEK's business performance, corporate activities and environmental, social and governance (ESG) data for the period October 1, 2021 to September 30, 2022, unless otherwise noted.

Our data collection, measurement and reporting activities are informed by industry-leading frameworks, including the United Nations Global Compact (UNGC), the United Nations Sustainable Development Goals (UNSDGs), the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB).

This ESG Report reports information as of September 30, 2022, except as otherwise noted. This ESG Report should be read in conjunction with The AZEK Company's Annual Report on Form 10-K for the year ended September 30, 2022, which contains additional information about our company. The accounting and activity metrics contained in this report

relating to sustainability topics, including the metrics described in this Appendix and included in SASB's reporting recommendations, are not financial measures determined in accordance with generally accepted accounting principles and have not been the subject of an audit, examination or review by our independent auditors. Matters described in this report, including matters described as "important" or "material," or using similar words, are matters that are deemed important in the context of our ESG measurement and reporting activities, and may not necessarily be deemed material for purposes of securities laws or for purposes of our financial statements and financial reporting.



FORWARD LOOKING STATEMENTS

This ESG Report contains forward-looking statements, including statements regarding our ESG goals, commitments, programs and aspirations and other business plans, initiatives and objectives.

These statements are typically accompanied by the words "believe," "will," "may," "anticipate," "intend," "could," "would," "expect," "aim," "hope," "target," "estimate," "plan," "aspire" or similar words or the negatives of such words. Such forward-looking statements are subject to a number of risks, uncertainties and assumptions, any of which could cause future events, trends and achievements to differ materially from those anticipated or implied by these forward-looking statements. For more about the risks and uncertainties associated with our forward-looking statements, please refer to the "Forward-Looking Statements" and "Risk Factors" sections of our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q and other information we file with the Securities and Exchange Commission (SEC). None of the content in this ESG Report shall be deemed to be incorporated by reference in any documents we have filed or will file with the SEC. We undertake no obligation to update or revise any forward-looking statements, except as required by law.

Our Purpose

Revolutionize Outdoor Living to Create a More Sustainable Future

A Responsibility to Sustainability

At The AZEK Company, we've enlisted thousands of hands to assist in an incredibly ambitious sustainability initiative we call FULL-CIRCLE™. All of us here embrace it with full hearts, full energy and full commitment. In a nutshell, it's all about closing the loop—and opening the door to tremendous repurposing possibilities.

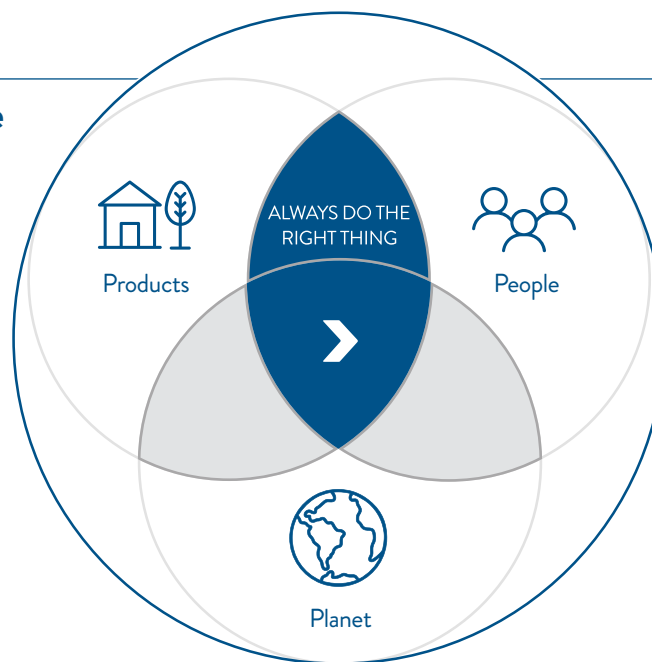
It's a calling that is intrinsically AZEK: because we are in a unique position—with the help of an unrivaled collective of employees, customers, dealers, suppliers and contractors all across the nation—to advance the 'circular economy' by turning scrap and waste into sustainably manufactured outdoor living and home exterior products. In other words, by creating goods that do good.

FULL-CIRCLE's high-reaching objective is to use one billion pounds of recycled material annually in the manufacturing of our products. Now, is that an aggressive goal? Absolutely. But on this 'path to a billion,' we've already made some monumental strides forward.

Our FULL-CIRCLE Initiative

We are leveraging our R&D strengths to introduce sustainable wood-alternative outdoor living products.

Products that increasingly utilize recycled materials instead of wood—thereby saving trees and reducing deforestation—and are recyclable at the end of their useful lives through our FULL-CIRCLE Recycling programs. Using approximately 500 million pounds of waste and scrap in fiscal 2022 for a total of about 1.7 billion pounds since 2019. And continuously expanding our in-house capabilities to use and process more recycled—and less virgin—content.



We are tapping our culture to positively impact employees, customers and communities alike.

Setting the standard for service, experience, quality and safety performance. Formalizing and launching a Diversity, Equity and Inclusion Framework as part of our Bringing Forward the Best of AZEK initiative that is centered on fostering a culture that champions diversity, ensures equity and celebrates inclusion. Tying executive compensation awards to FULL-CIRCLE goals. And by creating more vibrant and sustainable communities through outreach and philanthropic activities.

We are building a more sustainable, circular future.

By committing to reduce the carbon footprint across The AZEK Company's value chain—including product lifecycles—and committing to set ambitious greenhouse gas reduction targets in alignment with climate science. Committing to improving the energy efficiency profile across our manufacturing facilities and increasing our use of renewable energy. And engaging with suppliers on ESG and sustainability stewardship.

THE AZEK COMPANY

We are proud to be on this journey at AZEK and pleased to share the progress we've made in the last year. We wholeheartedly believe that FULL-CIRCLE reflects our commitment to always doing the right thing. Taking the necessary steps towards healing the planet. Towards repurposing with a purpose. And towards a brighter, more eco-friendly future.

A Letter From our Chairman, and President and CEO

TO OUR STAKEHOLDERS:

At AZEK, we believe that being a great company is one that employees want to work for, customers want to buy from and investors want to invest in. Great companies are also driven by a set of core values, which are essential to making decisions, building relationships, solving problems and driving success.

We have dedicated ourselves to not only building a great company, but a great company where sustainability is at the core of our business strategy and our purpose: to revolutionize outdoor living to create a more sustainable future. By extension, our commitment to ESG stewardship is fundamental to the products and innovations we bring to market, the people we employ and our unique position as both a recycler and consumer of hundreds of millions of pounds of otherwise landfill-bound waste and scrap each year.

Within this FULL-CIRCLE ESG Report, you will see how we continue to raise the bar across our ESG initiatives as well as the progress we have made as a team in the last year. Today, we reflect on both our business and ESG achievements not only with a sense of pride and gratitude, but also with the view that this is simply the next step in our journey of building a great company.

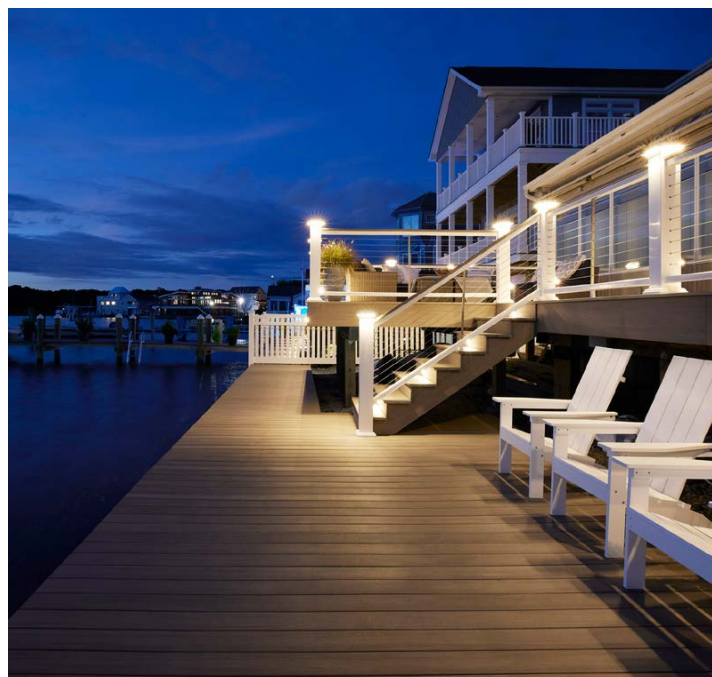
SUSTAINABILITY IS CORE TO OUR BUSINESS

We exist at the intersection of wood conversion, sustainability and the creation of nature-inspired, high-performance and low-maintenance outdoor living products—products that are sustainably engineered to last beautifully and inspire homeowners to live their best lives outdoors.

Since 2019, we have used nearly 1.7 billion pounds of otherwise landfill-bound waste and scrap to manufacture products across our industry-leading portfolio of outdoor living products. With approximately 500 million pounds of waste and scrap used in fiscal 2022 alone, we are halfway to our goal of using one billion pounds of recycled material annually by the end of 2026. Our focus on increasing the use of recycled plastic material not only helps solve a broader societal problem of plastic waste, but also reduces the lifecycle environmental impacts of our products, lowers our carbon footprint and reduces our raw material costs.

Increasingly, homeowners are taking ESG strategies into consideration when making purchase decisions about products for their homes. We are proud to offer wood-alternative outdoor living products like TimberTech decking, which has a lower life cycle carbon footprint than traditional wood decking, is made from up to 85% recycled materials, is low-maintenance and durable, lasts a lifetime and is recyclable at end-of-life through our FULL-CIRCLE Recycling™ programs. We will continue to launch new product innovations purposefully designed with sustainability in mind that we believe will continue to meet and exceed customer expectations.

In fiscal 2022, we committed to set emissions reduction targets, in alignment with the Science Based Targets Initiative (STBi), to further reduce the environmental impact across our operations and value chain. While we are currently in the process of completing our feasibility analysis to identify various upstream and downstream reduction levers we can pursue to achieve our intended science-based goals, the actions we have taken over the last several years already show progress towards lowering AZEK's carbon footprint. For example, since 2019 we have reduced our carbon intensity by 29% (as measured in metric tons of carbon dioxide equivalent emissions per \$1M net sales), primarily as a result of increasing our use of recycled materials from approximately 290 million pounds in fiscal 2019 to approximately 500 million pounds in fiscal 2022 and transitioning to emissions free energy for the majority of our operations. Our ongoing commitment to meaningfully reduce our environmental impact is a continuous point of positive engagement and inspiration not only to our employees, but also to our customers, business partners, investors and other stakeholders. We will continue to lead and communicate our progress in this area.



BRINGING FORWARD THE BEST OF AZEK

At AZEK, our people are the cornerstone of our winning culture and the foundation of our company. As such, we understand the importance of investing in and engaging our employees. Annually, we conduct anonymous employee-wide engagement surveys, which allows us to identify areas of strength and opportunities for improvement. Our latest survey demonstrates that we have moved into the top quartile of company engagement scores, with an overall score of 78 (out of a possible score of 100). The continued improvement of our engagement scores year after year are a reflection of our commitments and actions to create a culture where our employees feel engaged, respected and valued.

We also made significant progress in our diversity, equity and inclusion journey during 2022, strengthening our culture of belonging, increasing diversity across various levels of our workforce, increasing our spend with diverse suppliers and enhancing our employee training, development and engagement offerings.

In recognition of AZEK's leadership in driving positive change for our people, our customers, our communities and the planet through impactful ESG initiatives, we are honored to have been named a 2022 Gamechanger in ESG by CohnReznick. We are also proud to be named to the list of America's Most Trusted Companies by Newsweek based on fair treatment of employees, opportunities for career development and employee compensation, and trust in the company's values, leadership and customer-facing communications. In recognition of our culture of collaboration and authenticity and a commitment to helping employees advance in their careers, AZEK was recognized for the second consecutive year as one of Chicago's Top Workplaces. This award is based on the direct input and feedback of our employees, and it reflects the strong culture we have built—and continue to build—together.

WELL POSITIONED FOR LONG-TERM GROWTH AND SHARED VALUE CREATION

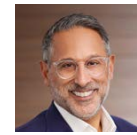
We continue to be excited and energized by the opportunity to drive real and lasting change with a sustainable, profitable business well positioned for long-term growth and shared value creation for all our stakeholders. We would also like to extend a huge thank you to our world-class team of dedicated employees who helped drive AZEK forward in 2022 and have already made incredible contributions so far in 2023. As a team and as a company, we have ambitious goals for the future and believe that there is so much more we can accomplish together.

Thank you for being part of our journey to create a better, brighter, more sustainable future.

Sincerely,



Gary Hendrickson
Chairman of the Board



Jesse Singh
President, CEO and Director

August 2023



About AZEK



We leverage our material science expertise to create premium-branded, outdoor living products that are stylish, long-lasting, low-maintenance and sustainable.

Our Vision

At AZEK, we have an opportunity to drive real and lasting change with a sustainable, profitable business well positioned for long-term growth and success.

Our vision is to be the leading sustainable outdoor living company in North America.



BEAUTIFULLY ENGINEERED TO LAST

Over our nearly 40-year history, The AZEK Company has grown into the industry-leading designer and manufacturer of beautiful, low-maintenance and environmentally sustainable outdoor living and building products led by our TimberTech®, AZEK® Exteriors, Versatex® and StruXure™ brands. We participate in large and growing markets that are experiencing a long-term secular trend of converting away from wood and towards our types of sustainable, long-lasting, low maintenance and high-quality materials.

Our innovative portfolio includes products that have been purposefully designed to utilize increasing amounts of recycled material and are sustainably engineered to last beautifully. Made from up to 90% recycled material, our products help customers create nature-inspired, sustainable outdoor living spaces that they can enjoy for decades to come.

We believe we are uniquely positioned to accelerate the use of recycled material, our largest raw material input, and thus, keep hundreds of millions of pounds of waste and scrap out of landfills each year. In doing so, we believe that we are acting on our promise—our corporate purpose—to revolutionize our industry to create a more sustainable future.

TimberTech

AZEK
EXTERIORS

STRUXURE

VERSATEX

INTEX
MILLWORK SOLUTIONS

ULTRALOX
INTERLOCKING TECHNOLOGY

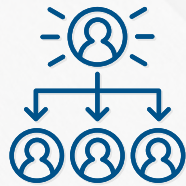
VYCOM

SCRANTON
PRODUCTS

RETURN
POLYMERS
POLYMER RECYCLE & RECOVER

Headquartered in Chicago

~2,000
Employees



14

U.S.-based manufacturing and recycling facilities



~60%
Executive diversity¹

~50%
Board diversity¹

\$1.36B

FY 2022 net sales

\$301M

FY 2022 adjusted EBITDA³

15%

Net sales growth year over
year FY 2021 to FY 2022



10%

Adjusted EBITDA³ increase year
over year FY 2021 to FY 2022

~500 million pounds
of scrap and waste diverted from landfills
in fiscal 2022

~99%

of the scrap generated in our manufacturing process is re-used

The Innovation Leader in Outdoor Living and Exteriors

We hold the #2 or #1 position in composite decking and
PVC exterior trim²



¹ As of the date of this report

² According to 2021 Principia Consulting, LLC Supply Builder Reports

³ The information above represents a snapshot of certain financial metrics for our fiscal year ended September 30, 2022. Adjusted EBITDA is a non-GAAP financial measure and is not intended to be considered in isolation or as a substitute to the financial information prepared and presented in accordance with GAAP. Please refer to the Appendix of this report for a reconciliation of Adjusted EBITDA to its most comparable GAAP measure.



As of 2022, The AZEK Company received an MSCI ESG Rating of 'A.'



As of May 2023, The AZEK Company had an ESG Risk Rating of 14.8 and was assessed by Sustainalytics to be at LOW risk of experiencing material financial impacts from ESG factors.



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Who We Are at Our Core

Our core values guide how we work—influencing our decisions, our interactions with colleagues and customers and our standards for behavior. It is in part due to our fundamental commitment to living our core values that our employees are inspired to be part of our winning team and culture.



Always Do the Right Thing

We make decisions according to what is right, not what is cheapest, fastest or easiest. We always operate with integrity, transparency and courage. This core value is the foundation of AZEK's overarching commitment to environmental, social and governance (ESG) stewardship.

It Starts and Ends with the Customer

For every action we take, we ask ourselves, "How will this affect our customers?" Our responsibility is to understand their expectations, then surpass them.

Value Every Individual

We strive to truly understand our colleagues' everyday realities and empathize with their challenges and aspirations. We are committed to providing an inclusive culture where every individual feels engaged, safe, respected and supported with the necessary tools to be successful.

Lead Through Innovation

We consistently bring unique, high-tech and environmentally sustainable products to market. We invest in the art of the impossible, creating new solutions to address needs customers don't yet know they have.

The Best Team Wins

Our goal is to win, period. We hire and develop the most talented individuals, with a focus on bringing diverse perspectives together in pursuit of this shared goal.

Better Today Than Yesterday

We always ask, "How can we do this better?" We accomplish every goal by rigorously implementing the AZEK Integrated Management System (AIMS). Our continuous improvement methodology includes Policy Deployment, Lean Six Sigma, Sales and Operations Planning, Stage Gate and Digital.

AZEK VALUES COMMITTEES: CREATING A WORKPLACE ALIGNED TO OUR VALUES

Our manufacturing plants have local Values Committees created to promote and drive AZEK's intended culture and encourage a workplace where all team members can thrive. These committees are comprised of a cross-functional team that ensure different voices within the company are heard, creating cohesion across various departments, and serve as catalysts for action that drive programming related to company culture, diversity, equity and inclusion, and engagement.



Recycling

~500 million pounds

of scrap and waste diverted from landfills through our recycle programs and re-manufactured into our products

~56%

of extruded materials is manufactured from recycled material



100%

of the wood fibers we use is from recycled sources

#1

Largest vertically integrated recycler of PVC in the United States

~99%

of scrap generated in our manufacturing facilities is re-used

~85%

Increased the percentage of recycled content in TimberTech Composite decking to approximately 85%, up from ~80% in fiscal 2021

~60%

Increased the percentage of recycled content in TimberTech Advanced PVC decking to approximately 60%—the highest recycled content of PVC decking on the market today—up from ~50% in fiscal 2021

Environmental

29% lower carbon intensity

Our carbon intensity (tCO₂e per \$1 million net sales) decreased by 29% between fiscal 2019 and fiscal 2022

TimberTech outperforms wood

TimberTech decking has a lower carbon footprint than both its pressure-treated pine and Brazilian tropical IPE alternatives according to the results of our peer reviewed Life Cycle Assessments



Pursuing LEED certification

at our new 355,000 square foot Boise manufacturing facility

Zero waste to landfill

Achieved zero waste to landfill certification for the TimberTech Championship, a PGA Tour Champions event—the first and only event in PGA Tour Champions history



Social

~9% improvement

Achieved in safety performance year over year

~50% board diversity

Gender and/or race/ethnicity diversity

~60% executive diversity

Gender and/or race/ethnic diversity

- Signed onto the CEO Action for Diversity and Inclusion initiative
- Launched our first two Employee Resource Groups: Women at AZEK and Veterans at AZEK
- Launched Employee Charitable Match Program

Named...



One of Chicago Tribune's **Top Workplaces** for the second year in a row in 2022

One of **America's Most Trusted Companies** by Newsweek

A 2022 **Gamechanger in ESG** by CohnReznick

Governance

Committed to being aligned with investment community best practice



ESG is a component of individual performance under our 2022 management annual incentive plan

Board oversight of ESG



Implemented an Employee Stock Purchase Plan in 2022

Our FULL-CIRCLE Ambitions

Reduce the Carbon Footprint across The AZEK Company value chain and set ambitious targets in alignment with climate science

Aspire to **Use One Billion Pounds of Recycled Material** annually by the end of 2026

Positively impact our employees, customers and communities through **Purposeful & Inclusive Engagement**



Awards & Recognitions

CORPORATE RECOGNITIONS



PRODUCT RECOGNITIONS



#2 Brand Most Used for Composite Decking*



#1 Brand Most Used for Exterior Trim*



TimberTech Advanced PVC Decking & AZEK Exteriors Captivate Prefinished Siding & Trim



TimberTech Advanced PVC Decking



TimberTech won Houzz's Best of Design for six years in a row (2017-2022)



TimberTech Landmark Collection in French White Oak



AZEK Exteriors' Captivate Prefinished Siding & Trim

*According to 2021 Principia Consulting, LLC Supply Builder Reports



The Company We Keep

The AZEK Company takes part in several industry organizations and peer networks focused on corporate responsibility and sustainability topics.

Key memberships include:

- United Nations Global Compact signatory
- National Association of Home Builders
- North American Deck & Railing Association
- US Green Building Council—Gold Member
- Green Biz Circularity Network
- Vinyl Sustainability Council
- Health Product Declaration® Collaborative
- The Board Challenge Pledge Partner
- CEO Action for Diversity and Inclusion Signatory
- Women's Business Enterprise National Council

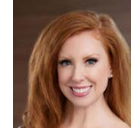
Source: 2022 BUILDER Brand Use Report by Zonda (categories ranked include Decking: Composite/PVC and Exterior: Decorative Molding/Trim/Columns).

Engaging Our Stakeholders

WHAT'S AT STAKE FOR OUR STAKEHOLDERS

Cultivating relationships, building trust and loyalty and increasing transparency are some of the goals of AZEK's stakeholder engagement approach. By maintaining open dialogue and communication with our valued stakeholders, we are able to drive meaningful, successful and sustainable outcomes.

"At AZEK, we seek to create long-term value for all our stakeholders. Through regular engagement, solicitation of feedback and inclusive collaboration, we can continuously examine our actions to ensure that we are creating a positive and lasting impact."



Amanda Cimaglia
Vice President
ESG and Corporate Affairs

How We Engage

Stakeholder Group	Example
Employees	<ul style="list-style-type: none"> • Core Values, Code of Conduct, Leadership Behaviors • Engagement surveys conducted annually • Performance reviews and feedback • Town Hall meetings • Lunch and Learns • Training programs • Safety policies, procedures, training and goals • AZEK Academy, a learning management system for tailored learning curricula aligned to role responsibilities and personal development
Dealers and Customers	<ul style="list-style-type: none"> • Customer service interaction, including contact through dealers, distributors, websites, conferences, events and media (TV, magazines, social media, etc.) • AZEK University, a training program designed for distributors, dealers, architects and contractors • AZEK FULL-CIRCLE Recycling program education
Suppliers	<ul style="list-style-type: none"> • Supplier Code of Conduct, Position Statement on Human Rights • Engagement on various ESG stewardship matters • Annual review of suppliers
Investors	<ul style="list-style-type: none"> • Quarterly earnings calls • Annual and quarterly financial disclosures • Key industry conferences and events • Non-deal roadshows • Direct interactions (meetings, phone, email) • Annual ESG Report
Communities	<ul style="list-style-type: none"> • Donations and community outreach • Partnerships and sponsorships • The AZEK CARES Foundation





Advancing the United Nations Sustainable Development Goals

In 2020, The AZEK Company became a signatory to the United Nations Global Compact, a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support the United Nations Sustainable Development Goals (SDGs).





Seventeen goals in total, the SDGs represent the biggest and most complex global challenges of our time—challenges that demand innovation, leadership and action. The private sector has an important role to play in advancing a more sustainable, resilient and inclusive future. At AZEK, our true north is embodied in our core value of Always Do the Right Thing.

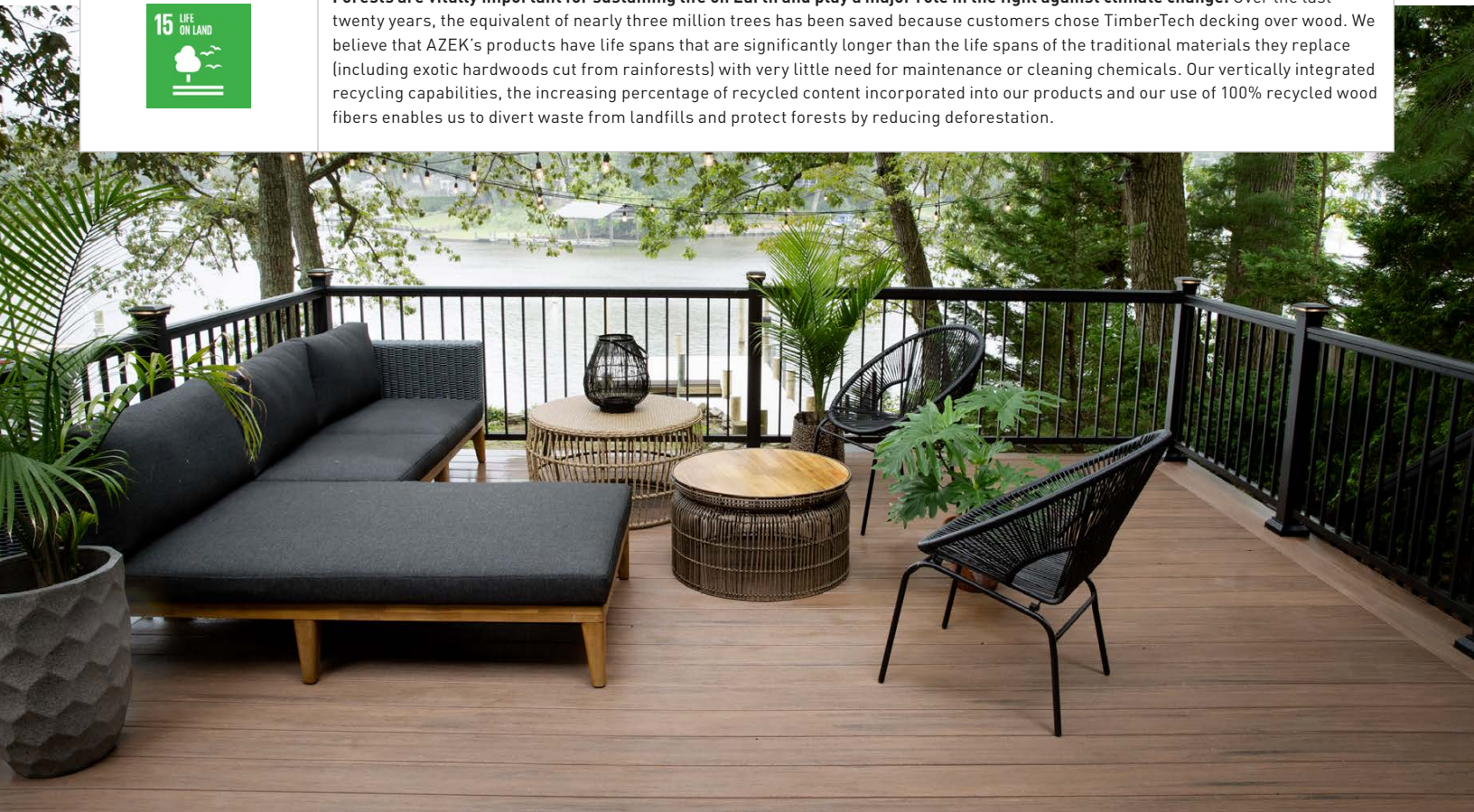
We believe that our operations, values and impact are most closely aligned with the SDGs discussed below, but we acknowledge that this is a journey. The AZEK Company will always strive to be Better Today Than Yesterday. Through this report, our CEO, Jesse Singh, reaffirms his support of AZEK’s ongoing commitment to the United Nations Global Compact (UNGC).

SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals	AZEK Commentary
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>People are at the heart of everything we do. AZEK offers comprehensive benefits, wellness services and support for all employees through company culture, policy and access to resources that foster and promote their physical, emotional and cognitive health. Consistent with our core value of Always Doing the Right Thing, our first priority has been and will continue to be the safety and well-being of our employees, our partners and our communities.</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p>A more circular, sustainable economy means reducing contamination of ecosystems, and increasing the treatment, recycling and safe reuse of wastewater as a source of water, energy and nutrients. That’s why we have implemented closed-loop water filtration systems that recycle approximately 95% of water used annually in our Wilmington, Ohio; Boise, Idaho; and Scranton, Pennsylvania facilities.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Sustained and inclusive economic growth can drive progress, create good jobs for all and improve living standards. We strive to cultivate a diverse and inclusive workplace at AZEK, where employees feel empowered, respected, valued and inspired to bring their full, authentic selves to work. We achieve sustainable growth through serving our customers, fulfilling their need for quality, sustainable products. In addition, our new \$140 million manufacturing facility that opened in Boise in 2022 has brought approximately 70 new jobs to the Treasure Valley community and expects to support a total of about 150 jobs.</p>
 <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p>	<p>We are building a more sustainable future and our relentless commitment to innovation is a key differentiator for AZEK. Over the past 30 years, our focus on innovation, new product development, material science and research and development has enabled us to capitalize on favorable secular growth trends that are accelerating material conversion away from traditional materials such as wood, to our types of sustainable, low-maintenance outdoor living and building products. During fiscal 2022, we launched several new product innovations, including AZEK Exteriors’ Captivate™ Prefinished Siding and Trim, a new light-toned color in our TimberTech Advanced PVC Landmark Collection, a new dark-cocoa color in our TimberTech Composite Collection, and Cabana X, a non-permanent, high-quality, high-tech cabana now available in the StruXure portfolio. We also expanded our FULL-CIRCLE Recycling Program infrastructure to collect construction and demolition PVC waste through a new alliance with DTG Recycle, the largest regional C&D recycler in the Pacific Northwest. The alliance represents a new recovery channel for PVC waste and scrap that might be otherwise destined for landfills.</p>

Advancing the United Nations Sustainable Development Goals (continued)

Sustainable Development Goals	AZEK Commentary
	<p>Green homes and buildings are the fabric of sustainable communities and cities. They are healthier, more productive places for us to live, learn, work and play—and place less stress on the environment as well. Several AZEK products are Leadership in Energy and Environmental Design (LEED) credit eligible, meaning they satisfy certain environmental criteria necessary for materials used in construction or retrofitting of buildings and homes that can facilitate LEED certification. Several of our TimberTech decking collections meet compliance with the Wildland Urban Interface (WUI) code, meaning they meet the code requirements to protect against fire exposure and resist ignition by burning embers. AZEK’s corporate headquarters is LEED certified in a building that is LEED Platinum certified, the highest certification in environmental sustainability awarded by The U.S. Green Building Council (USGBC). In addition, we have purposefully integrated sustainability into the design and construction of our new 355,000 square foot retrofitted facility in Boise and we are currently pursuing LEED certification for that manufacturing facility.</p>
	<p>We have created an operating platform that is centered around sustainability designed to reduce waste and where otherwise landfill-bound plastic waste is diverted and re-purposed into our long-lasting, beautiful products, thus, supporting the global transition to a circular economy. This extends across our value chain from product design to raw material sourcing and manufacturing. We are committed to expanding our recycling programs and introducing sustainable products that increasingly utilize recycled materials, reduce deforestation and are recyclable at the end of their useful lives. In fiscal 2022, we diverted approximately 500 million pounds of scrap and waste from entering landfills, with an ambition to divert and utilize one billion pound annually in the future. We strive to hold our suppliers to the same environmental and social standards we hold ourselves and have recently formalized a Supply Chain ESG program. In addition, AZEK is now a member of WBENC (Women’s Business Enterprise National Council) as part of our journey to support a more diverse and inclusive supplier base.</p>
	<p>In the United States, the Industry sector accounts for 23% of total greenhouse gas emissions. (Source: EPA) AZEK believes that all industries can—and should—play a role in taking climate action. In 2020, we conducted our first ever corporate-wide greenhouse gas (GHG) inventory to assess the emissions footprint across our operations and value chain. In addition, we have completed a Life Cycle Analysis of our TimberTech decking collections as compared to wood alternatives, including pine and lpe.</p>
	<p>Forests are vitally important for sustaining life on Earth and play a major role in the fight against climate change. Over the last twenty years, the equivalent of nearly three million trees has been saved because customers chose TimberTech decking over wood. We believe that AZEK’s products have life spans that are significantly longer than the life spans of the traditional materials they replace (including exotic hardwoods cut from rainforests) with very little need for maintenance or cleaning chemicals. Our vertically integrated recycling capabilities, the increasing percentage of recycled content incorporated into our products and our use of 100% recycled wood fibers enables us to divert waste from landfills and protect forests by reducing deforestation.</p>



Environmental Sustainability



At AZEK, we look at the FULL CIRCLE and we believe that the world needs companies like AZEK to lead the way by making sustainability a core part of their mission, process and products.

AZEK is committed to pursuing initiatives that positively impact our products, our people and our planet. In alignment with this commitment, we have created an operating platform that is centered around sustainability, which extends across our value chain from product design to raw material sourcing and manufacturing, and we increasingly utilize

plastic waste, recycled wood and scrap in our products. Because of our unique position as both a recycler and consumer of hundreds of millions of pounds of otherwise landfill-bound waste and scrap each year, we believe that we can fulfill our promise to revolutionize outdoor living to create a more sustainable and circular future.

Environmental Sustainability

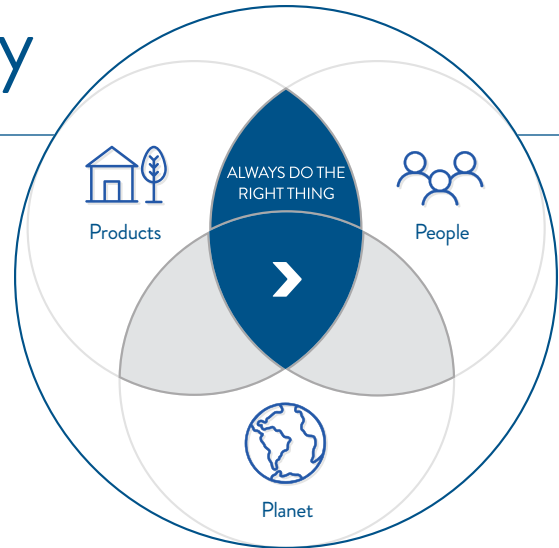
Our FULL-CIRCLE Ambitions

Be a world class leader in recycling...

aspiring to use one billion pounds of recycled material annually

Build a more sustainable, circular future...

by reducing the carbon footprint across our value chain, including product life cycles, and setting ambitious targets in alignment with climate science



Investing in the Art of the Impossible

Over our nearly 40-year history, we believe we have developed a reputation as the industry-leading innovator by leveraging our differentiated manufacturing capabilities, material science and research and development, or R&D, expertise to capitalize on favorable secular growth trends that are accelerating material conversion from traditional building materials such as wood, to sustainable, low-maintenance engineered materials.



We Lead Through Innovation

Our product managers and marketing team actively analyze proprietary consumer research and work with architects, contractors and consumers to identify and develop new products that incorporate consumer feedback, expand our portfolio and extend the range of style and design options we offer. Our R&D team then designs, prototypes and tests these new products prior to full scale production. Sustainability considerations are critical to the design phase of the R&D process. This is true for both designing new products to incorporate recycled materials and re-formulating existing products to include more recycled content. Our rigorous R&D process then incorporates in-house analytical capabilities and comprehensive product testing with more than 260 distinct tests, including accelerated weathering, to ensure optimal performance and longevity.

During fiscal 2022, we launched several new product innovations, including:

- AZEK Exteriors Captivate™ Prefinished Siding and Trim
- French White Oak, a new light-toned color in our TimberTech Advanced PVC Landmark Collection
- Dark Cocoa, a new warm brown color in our TimberTech Composite Prime+ Collection
- Cabana X, a non-permanent, high-quality, high-tech cabana now available in the StruXure portfolio

The new offerings from TimberTech, AZEK Exteriors and StruXure give homeowners more design options to better reflect their personal style with products made for performance and engineered for the long-term.

As of September 30, 2022, we had...

~375

trademark registrations

~167

issued patents and pending patent applications

Our competitive advantages enable us to create award-winning products and back them with some of the industry's longest warranties, such as the 50-year fade & stain warranty that we offer on our TimberTech Advanced PVC decking product line. We are committed to continuing to invest in our R&D capabilities to further strengthen our ability to regularly introduce new products that set us apart from our competition and accelerate future growth.

At The AZEK Company, the Environment is Our World

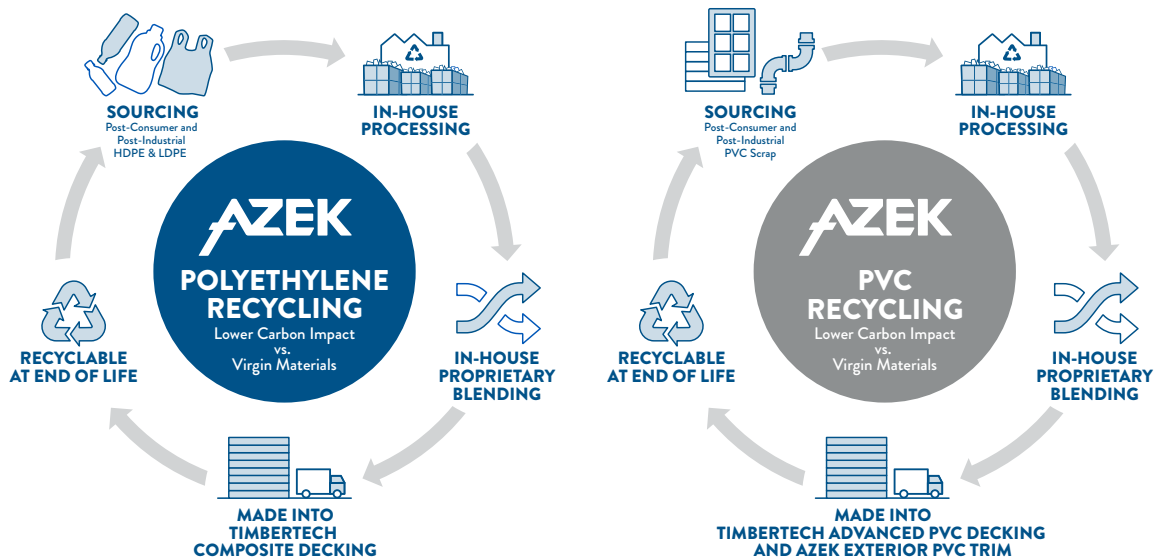
The plastic waste crisis is one of the greatest challenges facing Planet Earth. Thus, our commitment to revolutionize outdoor living to create a more sustainable future is more critical than ever.

At AZEK, not only are we recycling hundreds of millions of pounds of plastic waste each year, but we are also uniquely positioned to consume that amount and more.

Recycled material is the largest raw material input we use, and we have two distinct capabilities in plastics recycling: polyethylene plastic and PVC plastic. In fact, today, we are the largest vertically integrated recycler of PVC plastic in the United States. Not only does recycled plastic typically represent up to a 50% cost savings compared to virgin plastic, but its carbon footprint is also 75% to 80% lower. Our team

continues to seek out new recovery channels for plastic waste and scrap that might be otherwise destined for landfills as we continue our path towards a billion pounds.

Across our industry-leading portfolio, we are proud to offer a number of high-quality products made from up to 90% post-consumer and post-industrial recycled materials. In addition, the majority of our TimberTech, AZEK Exteriors and Versatex products are recyclable at the end of their useful lives via our FULL-CIRCLE Recycling Programs, meaning they can be transformed into a usable raw material, made into new products with lifespans up to 50 years and kept out of landfills.



When we say that the environment is our world, we mean that we are thinking about sustainability at every point in our journey because we want to create a better tomorrow. Today.

Vertically Integrated Recycling Capabilities

In 2018, AZEK transformed its business strategy to incorporate the use of recycled materials in our products: changing operations, formulations of our products and the technology we used. Today, AZEK is the largest vertically integrated recycler of PVC in the United States.

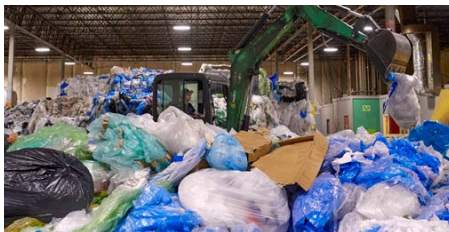
In 2019, we unveiled our 100,000-plus square foot cutting-edge polyethylene recycling facility in Wilmington, Ohio. This dedicated eco-friendly facility accepts post-consumer and post-industrial recycled polyethylene materials from retailers, waste management companies and municipalities for reprocessing into multiple product lines.

In 2020, AZEK acquired Return Polymers, a leader in PVC recycling and compounding. This acquisition has enabled AZEK to accelerate

its sustainability mission by in-housing PVC recycling capabilities leveraged by its TimberTech, AZEK Exteriors, Versatex and Vycom brands and products. With nearly 30 years of operating history, Return Polymers brings full-service recycled material processing, sourcing, logistical support and scrap management programs to AZEK's expanding capabilities. In 2019, Return Polymers was named the first-ever Vinyl Recycler of the Year by the Vinyl Sustainability Council.

TimberTech Decking is Made From Mostly Recycled Materials...

From otherwise landfill-bound waste...



In-house Polyethylene (PE)
Recycling Facility, Wilmington, OH



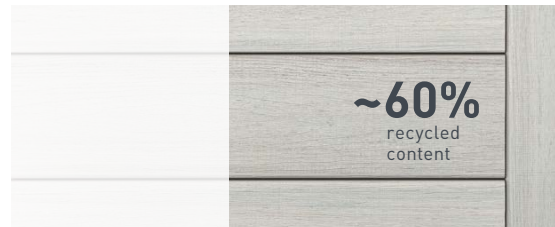
to beautiful, low-maintenance and sustainable decking



TimberTech
COMPOSITE
BY AZEK



In-house Return Polymers (PVC)
Recycling Facility, Ashland, OH



TimberTech
ADVANCED PVC
BY AZEK

...and is Recyclable at End of Life Through our FULL-CIRCLE Recycling Programs

~500 million
pounds of scrap and waste

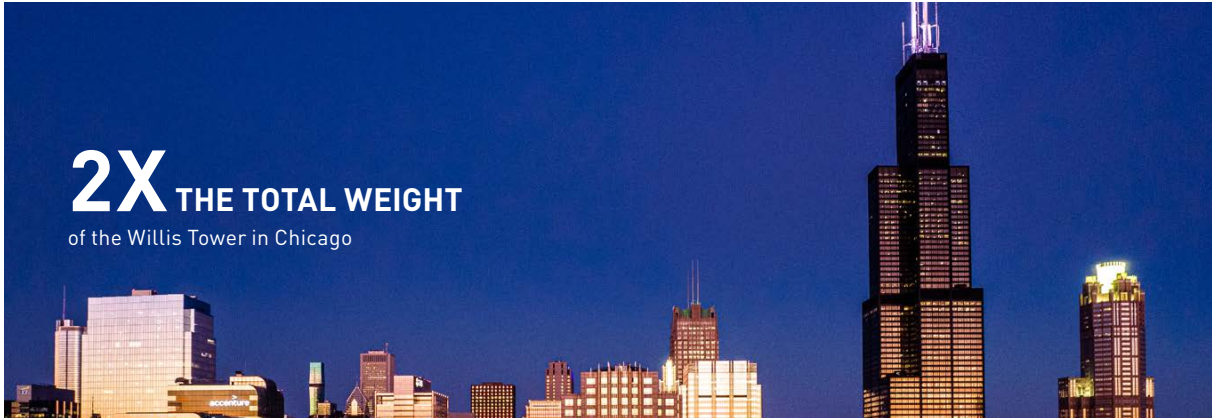
In fiscal 2022, we incorporated approximately 500 million pounds of scrap and waste into the manufacturing of our products, thereby diverting that material from landfills through our recycling programs.

~56%
recycled inputs

Combined across all our extruded products, we utilized approximately 56% of recycled inputs and we believe there is an opportunity to increase this percentage in the future.

Our Goal: Use One Billion Pounds of Recycled Material Annually by the End of 2026

1 BILLION POUNDS =



AZEK's FULL-CIRCLE Recycling Programs

ADVANCING THE CIRCULAR ECONOMY BY BRINGING IT FULL CIRCLE

Exterior building products like trim, moldings, decking and siding are commonly made out of PVC material due to its durability, versatility and flame-resistant properties, but one concern has always been the lack of proper disposal for jobsite scraps and cuts-offs. The same concern is true for end-of-life PVC building materials like vinyl siding, flooring and pipe, which often ends up in a landfill. Anything as long lasting as PVC does not belong in a landfill, which is why we created and launched AZEK's FULL-CIRCLE PVC Recycling program in 2020.

This innovative and first-of-its kind PVC recycling program further expands AZEK's recycling initiatives and creates a new end market for post-construction PVC material, thereby diverting material that would otherwise likely be disposed of in landfills and turning it into new, long-lived AZEK and TimberTech products.

AZEK's FULL-CIRCLE RECYCLING™ Program is an on-site collection program for contractors, dealers, lumberyards, recycling centers and mill shops that provides a real solution to PVC disposal concerns.

Our partners deliver collapsible totes (for scraps and cutoffs) or large bins (for vinyl siding) to customers and once full, the scraps are brought to Return Polymers, our vertically integrated recycler. Return Polymers then sorts and processes the PVC and supplies clean recycled material back to our manufacturing plants for reuse across multiple product lines.

Establishing this program and the infrastructure to support will also enable us to collect end-of-life TimberTech decking and AZEK Exterior trim when the time comes.



1,200+ FULL-CIRCLE Bins and Totes in Circulation Throughout the U.S.

Totes to collect PVC scrap, waste and cutoffs



Large bins to collect end-of-life vinyl siding or flooring and construction and demolition PVC waste + scrap



Partnerships Advancing Our Recycling Goals

THE AZEK COMPANY AND THREDUP ANNOUNCE PLASTIC RECYCLING PARTNERSHIP

In November of 2022, AZEK announced a recycling partnership with thredUP, one of the largest online resale platforms for apparel, shoes and accessories, to responsibly transform plastic waste into long-lasting, low-maintenance outdoor living products.

Through this recycling partnership, AZEK is collecting 100% of thredUP's polyethylene plastic Clean Out Bags after the contents have been processed by thredUP, as well as thredUP's post-industrial plastic film waste, and transport them to AZEK's vertically integrated polyethylene recycling facility in Wilmington, Ohio. There, the materials are processed and incorporated into new TimberTech Composite decking, AZEK's premium composite decking line that offers the natural beauty of wood, is made from approximately 85% recycled material and engineered to last a lifetime.

Circular Fashion Meets Sustainable Building Products



ThredUp's bags processed at AZEK's Recycling Plant

"It is unique collaborations with innovative and like-minded companies such as thredUP that will help us meet our goal of recycling one billion pounds of material annually by the end of 2026. We are two companies revolutionizing two industries—fashion and building products—to create a more sustainable future, each of us with a FULL CIRCLE commitment to have an outsized impact on the world, while growing a sustainable business. We are proud to have thredUP join us as a partner. Together, we are saving trash and saving carbon."

Jesse Singh
CEO of The AZEK Company

"While thredUP's mission is rooted in circularity, we are also focused on ways to ensure our own operations are as sustainable as possible. We are proud to partner with AZEK and support their ambitious goal to recycle one billion pounds of material annually. This partnership is an exciting opportunity to level up our previous bag recycling program and create long-lasting premium products that people can enjoy and feel good about."

Alon Rotem
Chief Legal Officer of thredUP

Product Life Cycles: The FULL CIRCLE

To build a more sustainable future, we must understand the environmental impacts of our products at all stages of their life—from design and manufacturing to use and maintenance to end-of-life recovery. In other words, the FULL CIRCLE.

Illustrative Life Cycle of AZEK Products

We are committed to producing increasingly sustainable products and validating our work through science-based, peer-reviewed evaluations.



We must also understand where improvements can be made to reduce our impact. To that end, we have completed science-based Life Cycle Assessments (LCA) on some of our core decking products to better quantify the environmental impacts associated with a product's life cycle, identify areas of improvement and more clearly differentiate our products' environmental performance when compared to traditional materials such as wood.

As in all of our business decisions, we are guided by a core set of beliefs that start with Always Doing the Right Thing. Another example of how we live our values, our commitment to continuous improvement drives our behavior to be Better Today Than Yesterday. The objective results of an LCA help us prioritize our most important environmental initiatives so that we can take impactful actions to lower the life cycle environmental impacts of our products, and, by extension, our corporate footprint.

Currently, our end-of-life take-back process is somewhat informal in nature mostly due to the longevity of our products, some of which can last upwards of 50 years (or more). Through our FULL-CIRCLE Recycling Program, we have the infrastructure in place to take back end-of-life composite decking, railing and trim. While end-of-life recycling is not the primary purpose of the recycling program today, we expect that need to grow in time. In either case, our goal is to continuously close the loop by recycling those products into new versions of themselves or other high-value products.



To better understand the environmental impacts of our composite decking and conventional treated wood decking, AZEK commissioned the first ever peer-reviewed comparative Life Cycle Assessment (LCA) of these materials.

TimberTech

vs.

ACQ Treated Pine

vs.

Brazilian Tropical Ipe

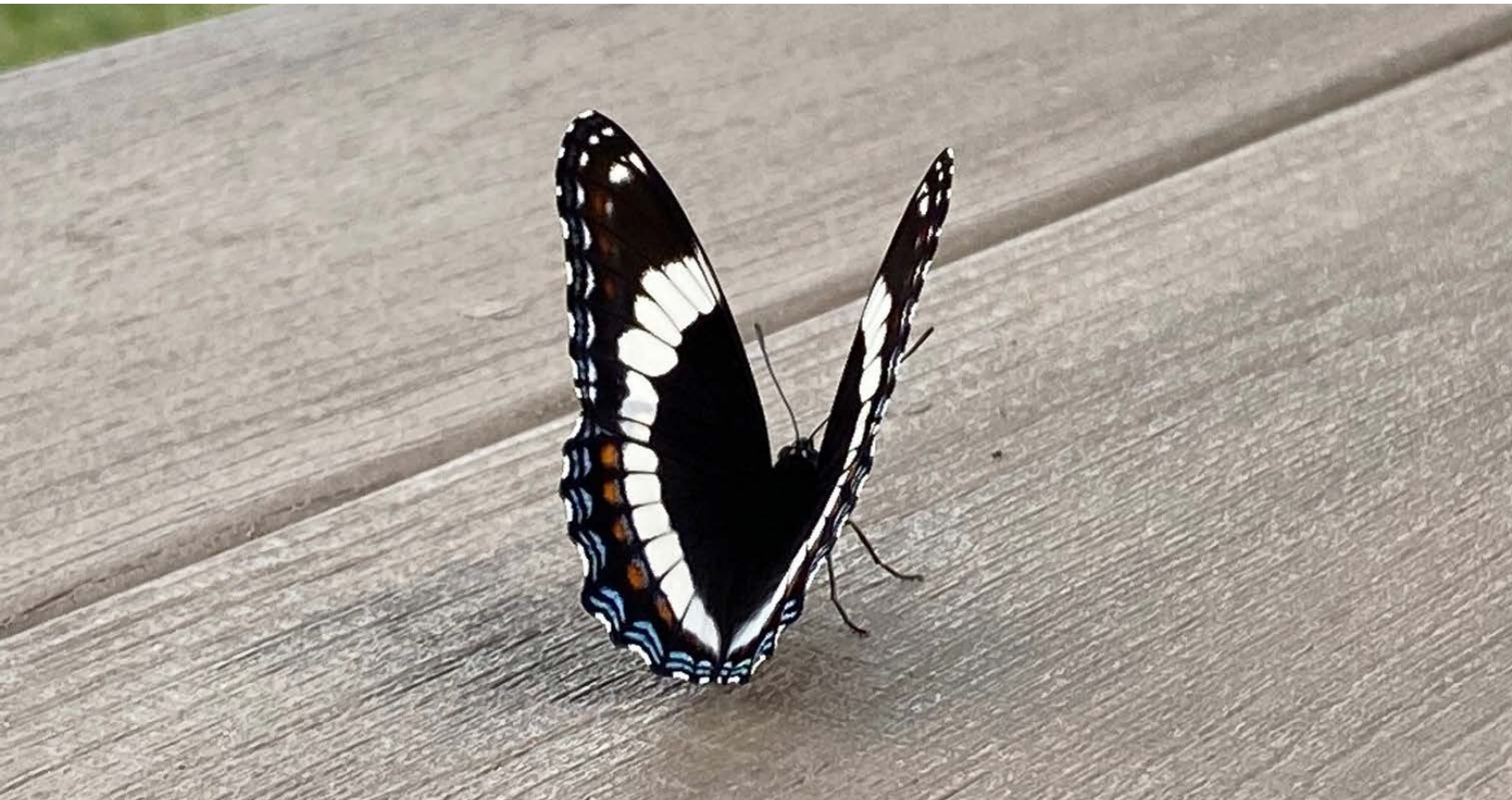
LCAs are a standardized, well-defined practice used to model environmental impacts, which in this case, evaluated the “cradle-to-grave” performance of our TimberTech decking products, including TimberTech capped wood composite decking and TimberTech capped polymer decking, compared to sustainably harvested alkaline copper quaternary (ACQ) treated pine—a popular wood decking material. The LCA was conducted in accordance with the ISO 14044, the globally recognized standard for life cycle assessments and critically reviewed by a panel of three independent experts.

In 2021, we commissioned a second LCA study. This time, for Ipe, a tropical hardwood harvested both legally and illegally from the Brazilian Amazon and one of the most sought-after materials for premium hardwood decks. Also the first study of its kind, the AZEK team set out to address the lack of credible life cycle inventory data on tropical Ipe hardwood, produce an LCA, and make the data widely available for all practitioners. To do that, we knew we needed a partner based in Brazil

that had worked in the sector. After some effort, we were pleased to identify a suitable partner in local practitioner ACV Brasil. Additionally, ACV Brasil retained Marco Lentini, a widely published expert in tropical hardwood certification, for an independent peer review.

For background, illegal harvesting is a widely known issue in tropical hardwood markets. The chain of custody from remote forest to sawmill to ocean freight is long, the number of ports is large, and oversight can be difficult. As much as 30 percent or more of the tropical hardwood that is marketed worldwide is illegally harvested, which is the baseline used in our LCA study.

The results shown on the following page illustrate the environmental impacts associated with all stages of each product’s life cycle, including raw material supply and product manufacturing, distribution to market, installation, maintenance and end-of-life.

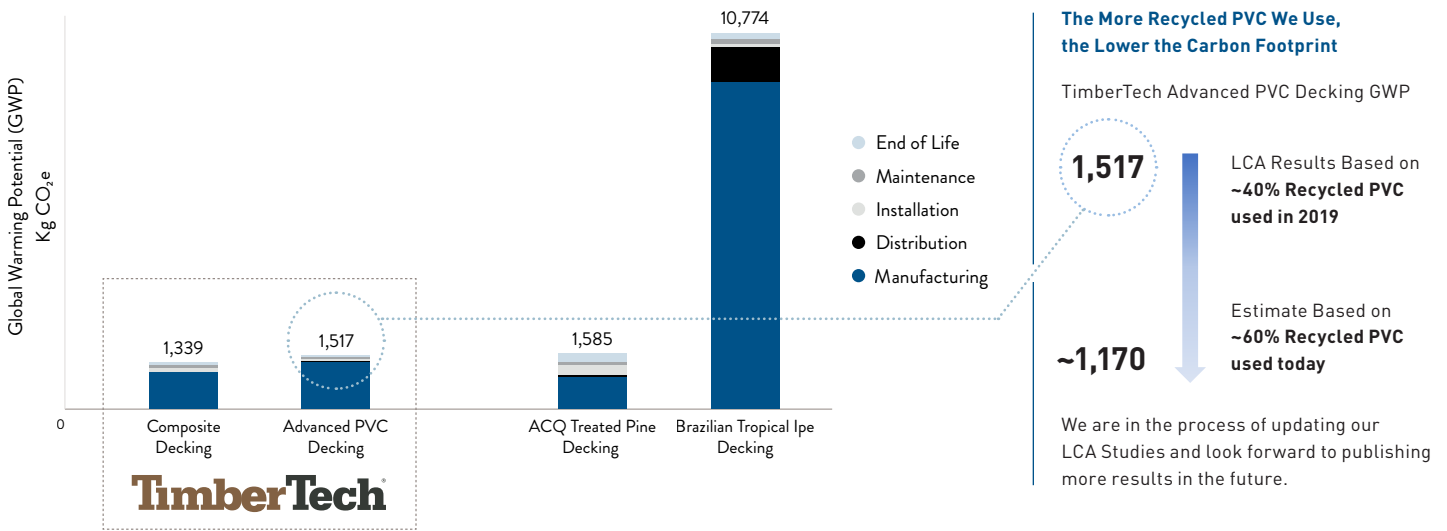


Life Cycle Assessment (LCA) Results

TIMBERTECH OUTPERFORMS WOOD

The results of the LCA study are both compelling and informative. When evaluated side by side, the TimberTech products outperformed both sustainably harvested ACQ treated pine and Ipe tropical hardwood on a 100-year total Global Warming Potential (GWP) basis, i.e., the global warming or climate change impacts of those products over a 100-year time horizon.*

Comparative LCA Results on Decking



As an engineered decking material, TimberTech is a much more eco-friendly choice than traditional wood alternatives thanks to our commitment to sustainability which includes using recycled materials, embracing sustainable manufacturing and ensuring maintenance is both safe and environmentally friendly. On top of that, consumers who choose TimberTech decking get all of the benefits of our industry-leading technology and warranties.

TimberTech decking is everything wood should be:

- ✓ Natural, nuanced beauty
- ✓ Impressive durability for a long lifespan
- ✓ Long-term value with minimal maintenance
- ✓ A sustainable choice that's better for you and the planet



* The LCA studies assume a net area of 1,000 ft², a 50-year lifetime for TimberTech capped polymer decking, an average 27.8-year lifetime for TimberTech wood composite decking, a 25-year lifetime for Ipe decking and a 10-year lifetime for pine decking. The LCA study on IPE decking assumes a base case of 30% illegal harvesting and includes emissions associated with land-use change. For TimberTech decking, the location-based method was used to measure the emissions from electricity use in the manufacturing phase of the LCA. A location-based method reflects the average emissions intensity of the electrical grid on which energy consumption occurs. This method is the most conservative approach.

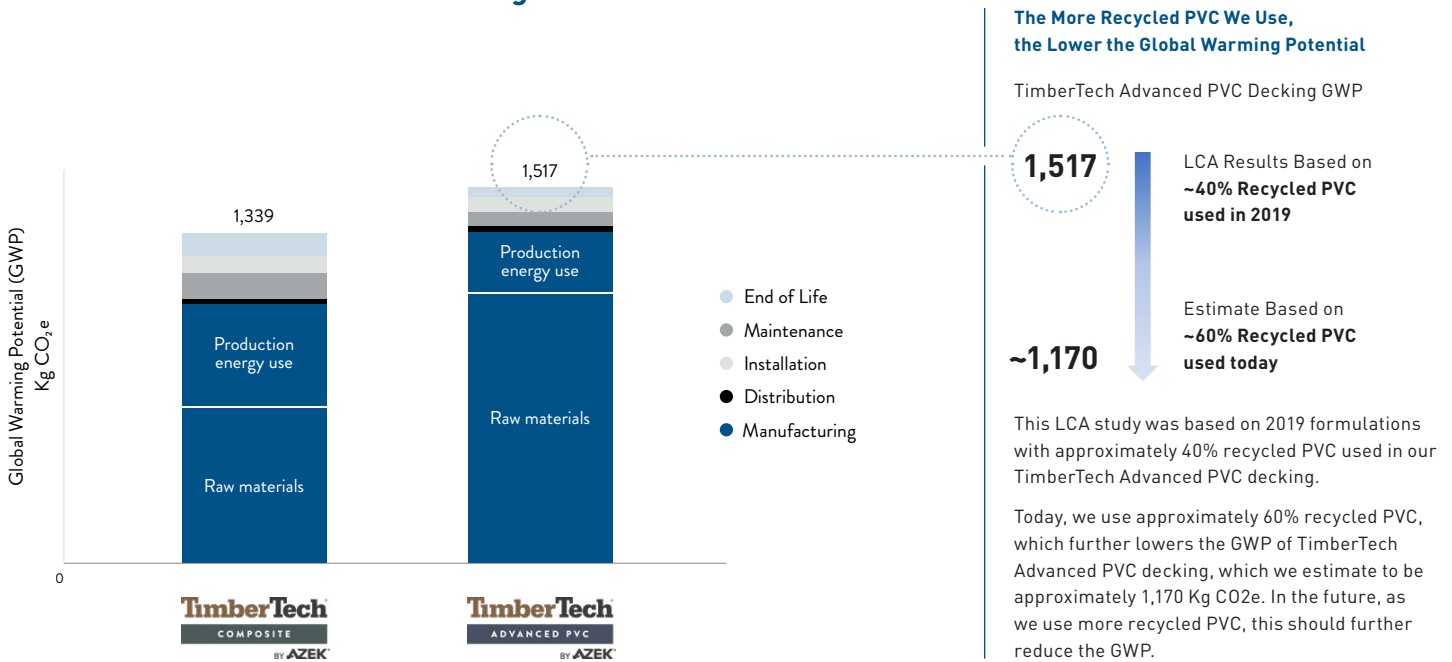
Improving Product Stewardship: Our Journey Ahead

As we seek to act on our FULL-CIRCLE ambitions to create a more sustainable future, our product life cycle assessment revealed that the greatest opportunity to reduce the carbon and environmental impacts of our products is concentrated in the manufacturing phase, which makes up more than 75% of each product’s carbon footprint.

When the manufacturing phase is split out between raw material inputs, inbound transportation and production energy use, the chart below illustrates that a reduction in GWP of TimberTech Composite decking is greatest in the areas of raw material supply and electricity use in manufacturing, suggesting further increases in the use of recycled polymers and reduction of energy intensity or increasing

the share of electricity from renewable resources would result in further improvement. The single greatest reduction potential in GWP of TimberTech Advanced PVC decking is represented by raw material inputs, specifically, virgin-polymer supply, suggesting further increases in the use of recycled polymers would provide even greater benefits.

LCA Results on TimberTech Decking



In summary, with an organization-wide commitment to continuous improvement, it is through a portfolio of actions, informed by the scientific outcomes of the LCA, that we can lower the carbon footprint of our products.

- First, our aspirations to use one billion pounds of recycled material by the end of 2026 is expected to help us significantly lower the carbon footprint of our raw material procurement.
- Second, our team is committed to developing and implementing an energy roadmap to lower the carbon footprint of our manufacturing and recycling facilities by improving energy efficiency and sourcing renewable energy, among other actions.
- And, third, assessing our suppliers through supplier ESG surveys and scorecards to identify where the greatest environmental impacts in our supply chain occur and prioritizing our engagement activity accordingly.

Beyond these examples, we are always researching new and innovative materials that will help us lower our environmental impact, and we intend to conduct product life cycle assessments on an ongoing periodic basis to track progress. All with a purpose to revolutionize outdoor living to create a more sustainable future.

Fire-Resistant TimberTech Decking

Wildfires are among the worst natural and man-made disasters currently facing the United States, especially in the wildland urban interface (WUI), that area where structures and other human development meet or intermingle with undeveloped wildland.



Here's a list of TimberTech products specifically engineered to reduce flame spread:

TimberTech Collection	Compliance
Vintage Collection®	Class A Flame Spread Rating WUI compliant
Landmark Collection™	Class A Flame Spread Rating
Harvest Collection®	WUI-Compliant
Porch Collection	
Reserve Collection (Fire-resistant reserve SKUs only)	

More than 46 million residences in 70,000 communities are at risk from WUI fire, with the highest concentration of homes in California. Today, factors such as climate change and reduced land management practices are significantly contributing to the cause, the increasing frequency and the greater intensity of wildfires, particularly in the WUI.

Wildland fire codes like the Wildland-Urban Interface Code (WUI Code) help increase a community's resilience to wildland fire with standards specifically designed to mitigate the risks to life and property. Some jurisdictions designated as Wildlife Urban Interface (WUI) areas, especially in California, Colorado, and Nevada, require that certain building products meet the Class A Flame Spread Index rating. A flame spread rating measures how fast and far a flame spreads over a certain material. A Class A Flame Spread Index of 25 or less is the best possible rating awarded to fire-resistant building products.

When it comes to decking, wood, even when treated with fire-resistant chemicals, is often not the best choice for fire-prone areas. It is important to understand that no wood or composite decking is truly fireproof. However, with WUI-Compliant and Class A Flame Spread Rating options from TimberTech, consumers have a better choice for homes in fire zones.

Sources: International Code Council, U.S Forest Service, U.S. Fire Administration

We Keep a Tight Lid on Chemicals and Emissions

Throughout The AZEK Company, we believe our responsibility is not only to our customers and stakeholders, but also to the planet. Our concern and respect for the environment is evident through our continued efforts to design and produce sustainable products with long life spans.

In some cases, our decking products last upwards of 50 years—significantly longer than the traditional materials they replace. This ultimately limits Volatile Organic Compounds (VOC) emissions by requiring a minimal amount of maintenance or cleaning with harsh chemicals, and ensures that we deliver products that are versatile and recyclable at the end of their useful lives.

Several of the products in our Commercial portfolio that are used indoors, including Scranton Products bathroom partitions and lockers, for example, have received the GREENGUARD Gold certification.

GREENGUARD Certification is an internationally recognized product emissions certification labeling program for manufacturers of low-emitting indoor products, furnishings and materials. When products meet the Gold standard, it means they meet stricter certification criteria,

considering safety factors to account for sensitive individuals (such as children and the elderly), and ensures that the product is acceptable for use in environments such as schools and healthcare facilities. Products that meet the Gold standard have emission limits that meet and exceed the California Department of Public Health Standard Method.

The AZEK Company is a proud member of the **Health Product Declaration Collaborative**. HPDC members champion the continuous improvement of the building industry's material health performance through transparency, openness and innovation in the practices of ingredient reporting, disclosure, specification and selection. Health Product Declaration information is available in our LEED Playbook and in the HPD Repository.



SPECIFYING FOR LEED

The LEED® Green Building Rating System is a voluntary, consensus-based, market-driven program that provides third-party verification of high-performance, energy-efficient sustainable buildings. LEED® is the preeminent program for the design, construction, maintenance and operations of high-performance green buildings.

LEED V4.1 is the newest version of LEED, but V4 is still in use since many projects are long term and began prior to implementation of V4.1. It is designed to better focus on the materials used in a project, specifically looking at their effects on human health and the environment, as well as their overall performance. This is where AZEK fits in. Many of the products in AZEK's portfolio can help project teams achieve LEED credits, thus, enabling architects, designers and specifiers to reach their LEED certification goals.



AZEK's LEED Playbook details the environmental attributes of some of AZEK's most popular products. Please visit our website www.azekco.com for more detail.



LEED®, and its related logo, is a trademark owned by the U.S. Green Building Council® and is used with permission.



Environmental, Health and Safety: Pursuing Best Practices

The AZEK Company is committed to leadership and excellence in Environmental, Health and Safety (EHS) throughout our operations, businesses and products. In order to fulfill this commitment, we develop, implement and work to continually improve our global management systems, EHS standards and performance measures.

In pursuit of EHS Excellence, we are committed to the following:

- Workplace Safety and Responsibility
- Compliance
- Training
- Employee Engagement
- Business Integration
- Best-in-Class Work Practices
- Sustainability
- Customers
- Community
- Reporting
- Continuous EHS Improvement



"It is very unique to be part of an organization that lives its core values and creates an excellent environment to work in."

AZEK employee

Promoting EHS Awareness Through Training and Engagement

We train our employees so they have the awareness, knowledge and skills to work in a safe and environmentally responsible manner.

We continually review and improve our EHS performance through ongoing training, objectives and management systems. We support open communication and provide opportunities for our employees to take an active role in EHS Management. We integrate work practices into all our

business processes, products and facilities that promote Environmental, Health, Safety and Wellness initiatives. We encourage our employees to report to management any behavior inconsistent with our EHS policies and to express ideas on how our EHS performance might be improved.

LEED Certified Corporate HQ

In late 2018, The AZEK Company moved its headquarters to a LEED Gold Certified building in Chicago's thriving Fulton Market neighborhood.

LEED is the most widely-used green building rating system in the world. LEED provides a framework for healthy, highly efficient and cost-saving green buildings. In 2019, the building was recertified LEED Platinum, the highest certification in environmental sustainability awarded by The U.S. Green Building Council (USGBC).

Our Turf, Our Terms



The 20,000 square foot office features an open, functional design that is conducive to collaboration and environmentally friendly and also features a 2,200 square-foot training center where AZEK University sessions are often held. We often hold corporate happy hours and gatherings in our rooftop garden, which also serves as a home to our building's own honey bee hive.

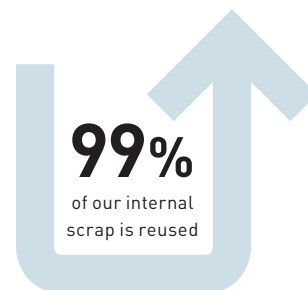
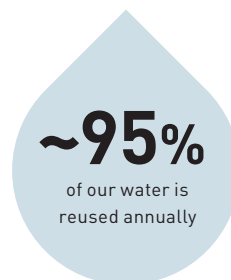


Sustainable Manufacturing Practices

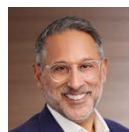
Our facilities in Wilmington, Ohio; Scranton, Pennsylvania; and Boise, Idaho employ a closed-loop water filtration system that reuses and recycles millions of gallons of water every day, constituting approximately ~95% of our water use annually. Additionally, our plants use energy-efficient systems for power, water, heating/cooling and LED lighting.

PURSuing LEED AT OUR NEWEST MANUFACTURING FACILITY IN BOISE

In October of 2022, we officially opened our newest manufacturing facility in Boise, Idaho—our first facility in the western part of the United States. When we originally announced Boise as our new location, we also committed to investing the time and resources required to design, retrofit and operate this 355,000 square foot facility in alignment with the superior energy and environmental requirements necessary to pursue LEED certification. Some of the specific initiatives we implemented at this facility include LED lighting upgrades, installation of efficient water-cooled chillers, gender-neutral bathrooms, a state-of-the-art AZEK University training center, rainwater harvesting systems, bicycle facilities, electric vehicle charging stations and a robust construction and demolition waste management and recycling plan.



“When deciding on a location, we looked for a city that matched our values by putting sustainability at the heart of its operations and growth, as well as one that offered a highly skilled pool of candidates to join the AZEK family. We are excited to partner with the state of Idaho and the city of Boise and support their forward-looking commitment to addressing climate change, while strengthening AZEK’s geographic presence in the region, bringing new manufacturing jobs to the community, and meeting the strong demand for our beautiful, low-maintenance and sustainable outdoor living products for years to come.”



Jesse Singh
Director, President and CEO

PACKAGING THAT DOESN'T BOX IN THE ENVIRONMENT

Sustainable packaging is another important factor in reducing the environmental impact across our value chain. For example, Cornerboards, one of the packaging components used to protect our decking and railing products during shipping, are made from recycled paper and polyethylene. Use of Cornerboards enables more pieces per pallet which reduces freight and storage costs. They are also recyclable and reclaimable at the end of use. In alignment with our commitment to continuous improvement, we continue to explore additional sustainable packaging options for products across the AZEK portfolio.



WE WOOD NEVER

We are committed to zero deforestation, which means no forest areas are cleared or converted for purposes of supplying raw material inputs to make our products. Rather, at AZEK, 100% of the wood used in AZEK's TimberTech Composite products are secondary materials—chips, sawdust and other wood products—left over from primary markets like

flooring, furniture and cabinet industries. All of AZEK's wood suppliers routinely certify that they purchase wood legally from domestic sources and follow state forestry guidelines or third-party forestry chain of custody certifications like Sustainable Forestry Initiative (SFI) to ensure product sustainability.

Over the last twenty years, **the equivalent of nearly three million trees has been saved** because customers chose TimberTech decking over wood.



100%

of the wood flour purchased from our suppliers is certified sustainable and reclaimed, meaning no single tree was cut down to make AZEK products.

YOU LIKE, WE PLANT.



We are committed to engaging and inspiring others to join us in our sustainability journey. Our 2022 Earth Day social media campaign, for example, engaged both internal and external stakeholders to like and share our Earth Day social media posts. As a result, we partnered with One Tree Planted to plant 7,952 trees—one for each like and share across our AZEK-branded social media platforms.

To tell a holistic sustainability story that is supported by verifiable metrics, in 2020 we engaged a third-party firm to conduct our first-ever greenhouse gas (GHG) inventory, assessing the emissions footprint across our operations and certain upstream categories of our value chain.

In 2021, we committed to set ambitious targets in alignment with climate science. In order to prepare for this target setting process, we first needed to complete a full inventory of our Scope 3 value chain emissions to include both upstream and downstream emissions sources. The fiscal 2021 footprint is AZEK's first complete Scopes 1, 2, & 3 carbon footprint. This comprehensive approach covers all categories deemed relevant to AZEK's business operations.

In fiscal 2022, we submitted our formal commitment to the Science-Based Targets Initiative with the intent to use fiscal 2021 as our baseline year. Now that we have two years of a complete carbon inventory (fiscal 2021 and fiscal 2022) to compare, the findings from our analysis, combined with the results of our product life cycle assessments, allow us to identify and prioritize actionable opportunities that can result in positive environmental outcomes and improved performance that will ultimately advance our GHG reduction goals.



In accordance with the internationally recognized GHG Protocol, we accounted for Scope 1, 2, and 3 emissions, as outlined below.

Scope 1 Direct emissions from sources owned or controlled by AZEK, with the main categories being fuel to power our vehicle fleet, heat our buildings and power our backup generators.

Scope 2 Indirect emissions sources generated off-site, but purchased by AZEK (i.e. purchased electricity).

A **location-based** method reflects the average emissions intensity of grids on which energy consumption occurs.

A **market-based** method reflects emissions from electricity that AZEK had purposefully chosen, which is certified 100% carbon-free for a majority of its facilities' energy purchases.

Scope 3 Indirect emissions from relevant upstream and downstream across AZEK's value chain.

Upstream emissions are indirect GHG emissions related to purchased or acquired goods and services, such as virgin and recycled raw materials. Like most manufacturing companies, raw material supply is the largest source of emissions as a percentage of our total footprint.

Downstream emissions are indirect GHG emissions related to sold goods and services, such as product distribution.

Climate and Energy: Our Impact, by the Numbers

Greenhouse Gas (GHG) Emissions

	FY22 Emissions (tCO ₂ e)	FY21 Emissions (tCO ₂ e)	FY20 Emissions (tCO ₂ e)
Total Scope 1 Emissions	14,406	11,549	8,978
Total Scope 2 Emissions - Market Based	32,943	38,523	N/I
Total Scope 2 Emissions - Location Based	91,032	86,378	76,802
Total Scope 3 Emissions	816,524	755,044	475,975
Purchased Goods & Services	565,264	557,761	460,378
Direct	548,305	543,227	459,750
Indirect	16,561	14,208	N/I
Water	398	326	628
Capital Goods	36,493	39,805	N/I
Upstream Fuel- and Energy-Related Activities (not included in Scope 1 or Scope 2)	22,097	20,057	6,124
Upstream Transportation & Distribution	12,466	10,147	4,371
Waste Generated in Operations	11,525	7,506	3,761
Business Travel	5,566	1,951	1,341
Employee Commuting	3,818	5,622	N/I
Downstream Transportation & Distribution	90,874	58,414	N/I
Processing of Sold Products	3,594	3,412	N/I
End-of-Life Treatment of Sold Products	64,532	50,003	N/I
Downstream Leased Assets	295	366	N/I
Total (Location-Based)	921,962	852,971	561,754
Total (Market-Based)	863,873	805,116	N/I

¹Fiscal 2021 emissions represent AZEK's first complete Scope 1, 2 + 3 carbon footprint inventory, which was calculated in anticipation of developing, validating and publishing a science-based target. For consistent year-over-year comparison and with fiscal 2021 the intended baseline for AZEK's science-based targets, fiscal 2021 emissions were re-calculated to include emissions from the companies acquired by AZEK after fiscal 2021 as if they were under AZEK's operational control during fiscal 2021.

N/I: Not included. This category is relevant to AZEK's business but has not been included in the footprint for fiscal 2019 or 2020.

Calculation Methodologies and Assumptions

The GHG accounting and reporting procedure is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition (GHG Protocol), the most widely used international accounting tool for government and business leaders to understand, quantify and manage greenhouse gas emissions. AZEK's GHG inventory is consolidated using the operational control approach to organizational boundaries.

The fiscal 2021 footprint is AZEK's first complete Scopes 1, 2, & 3 carbon footprint, which was calculated in anticipation of developing, validating and publishing a science-based target for long term emissions reduction. This comprehensive analysis covers all categories deemed relevant to AZEK's business operations. Fiscal 2021 emissions were re-calculated to include emissions from the companies acquired by AZEK after fiscal 2021 as if they were under AZEK's operational control during fiscal 2021.

Both a location-based and market-based method was used to measure the emissions from electricity use, by site, for fiscal 2021 and fiscal 2022. The location-based method reflects the average emissions intensity

of grids on which energy consumption occurs. The market-based method reflects emissions from electricity that The AZEK Company had purposefully chosen covering fiscal 2021 and fiscal 2022, which was certified 100% carbon-free for a majority of its facilities' energy purchases, significantly reducing their carbon impacts.

For the Scope 3 category of purchased goods and services (raw materials), emissions factors used in this analysis were based on industry or market averages. We intend to use supplier ESG surveys and scorecards in the future to better quantify the actual performance (vs. using industry or market averages) in AZEK's supply chain.



Using More Recycled Materials Lowers Our Carbon Footprint

Our commitment to revolutionizing outdoor living to create a more sustainable future is most clearly demonstrated and quantified by the increase in recycled materials we use each year. Today, our largest raw material input is recycled plastic, and for good reason.

Not only are we keeping hundreds of millions of pounds of waste and scrap out of landfills each year, the carbon footprint of recycled polyethylene and recycled PVC is approximately 75% to 80% less than their virgin material counterparts. The more recycled material (vs. virgin) we use, the lower the carbon footprint of the products we manufacture and the lower the carbon footprint of AZEK's total operations and value chain. Additionally, recycled materials typically cost less than virgin materials, so in addition to lowering our carbon footprint, we are saving up to 50% in raw material cost per pound (vs. virgin materials).

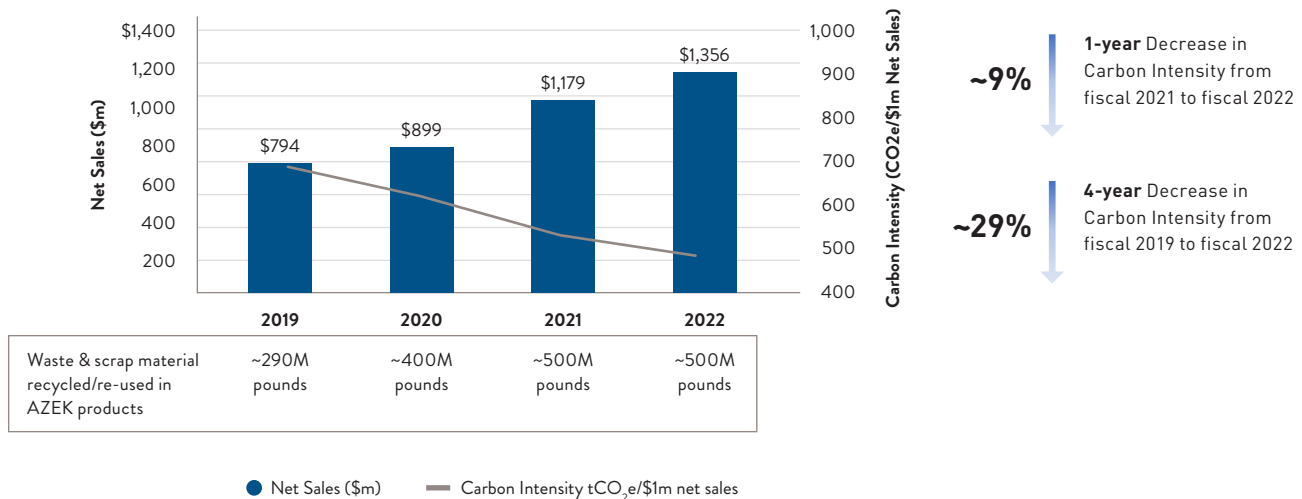
Between fiscal 2019 and fiscal 2022, The AZEK Company's annual net sales increased from approximately \$794 million in fiscal 2019

to approximately \$1.4 billion in fiscal 2022, or approximately 71%. During that same period, we increased the amount of recycled raw material inputs from approximately 290 million pounds in fiscal 2019 to approximately 500 million pounds in fiscal 2022. Primarily because of the increase in recycled materials used in fiscal 2019 vs. fiscal 2022, our Carbon Intensity (Tons of Carbon Emissions Equivalent per \$1M of Net Sales) decreased approximately 29%. In other words, we produced and sold more products, but emitted less carbon on an intensity basis over that time period. For equivalent year-over-year comparison, we have calculated Carbon Intensity to include Scope 1, Scope 2 and certain categories of Scope 3 emissions available since 2019.

Repurposing With a Purpose

Carbon Intensity*

Metric Tons of CO₂e per \$1m Net Sales



With a commitment to accelerate our use of recycled material, and further, our ambition to divert and utilize one billion pounds of—what otherwise would have been landfill bound—waste and scrap by the end

of 2026, we believe we are uniquely positioned to have a positive, lasting impact on the world and advance a more sustainable, circular future.

*For consistent comparison of fiscal 2019 to fiscal 2022 data, the calculation of Carbon Intensity (Metric Tons of CO₂e per \$1M net sales) includes Scope 1 and Scope 2 emissions, plus the following categories of Scope 3 emissions: Purchased goods and services, water supply and treatment, upstream fuel-and energy related emissions (not included in Scope 1 or Scope 2), upstream transportation and distribution, waste generated in operations and business travel. Future reporting will include Scope 1, Scope 2 and the full Scope 3 analysis.

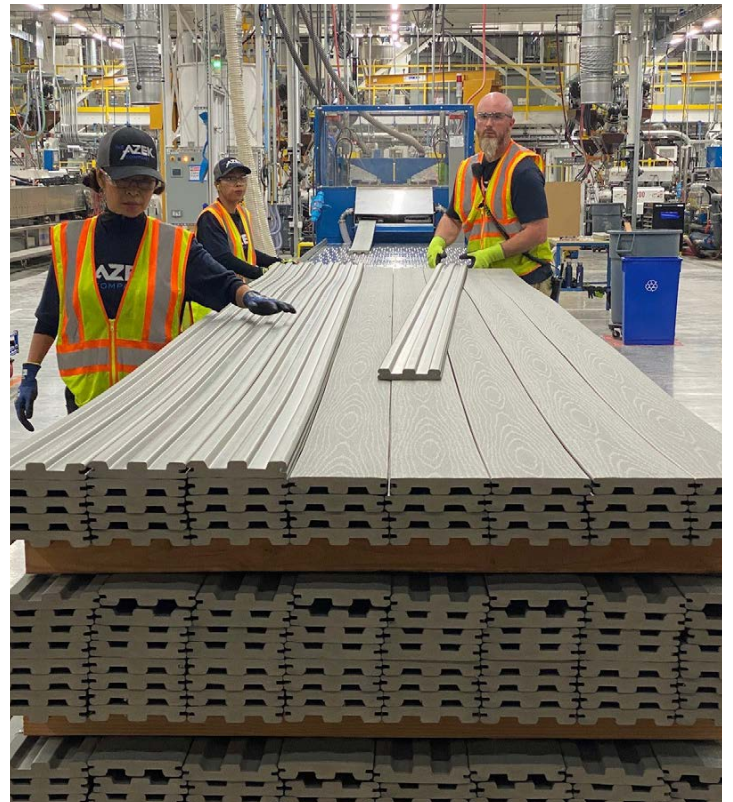
Climate Impact: Our Path Ahead

Climate change is a complex global challenge that impacts us all, but there are solutions— if we are bold and act fast.

Making “sustainability” sustainable means looking at every resource we use and rethinking how we can utilize it more efficiently. Due to their design, formulation and longevity, AZEK’s products inherently advance a more sustainable and circular future, but our aim is to be better, do better and create better. We also believe that our responsibility goes beyond just our manufacturing operations to include Scope 3, or value chain, emissions—both upstream and downstream—perhaps one of our biggest sustainability challenges and opportunities ahead. Now that we have several years of data to compare and analyze, we have a better understanding of where improvements can be made and what goals can be set.

SCIENCE-BASED NEAR TERM TARGETS—IN PROCESS

In 2022, we formally committed to set near term greenhouse gas emissions reduction targets that are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement—to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. We are currently conducting a feasibility analysis to identify and plan for the necessary actions AZEK will take to achieve near term reduction targets by 2030, using fiscal 2021 as the baseline year. Ultimately, the 2030 goals we will set to combat climate change will be submitted to the Science Based Targets initiative (SBTi) for validation in the upcoming months. SBTi is a collaboration between CDP, the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature. The initiative defines and promotes best practice in science-based target (SBT) setting and independently assesses and approves organizations’ targets. We look forward to updating you on our goals and action plans in the near future.



Doing More for Our Planet

Our team has made meaningful progress on several GHG reduction initiatives in the last two years, yet we know there is more to do. Our actions primarily focus on product innovation, recycling expansion, energy efficiency, energy procurement and supply chain engagement as outlined below.

Decarbonization Pathways	2022 Progress
Product Innovation	<ul style="list-style-type: none">• Increased the percentage of recycled content in TimberTech Composite decking to ~85%, up from ~80% in fiscal 2021• Increased the percentage of recycled content in TimberTech Advanced PVC decking to ~60%, up from ~50% in fiscal 2021• Increased the percentage of recycled content in AZEK Exteriors Trim to approximately 30%, up from ~20% in fiscal 2021
Recycling	<ul style="list-style-type: none">• Sourced and used approximately 500 million pounds of recycled waste and scrap• Expanded our FULL-CIRCLE Recycling program to collect construction and demolition PVC waste• A +30% increase in the number of FULL-CIRCLE bins across the U.S.
Vehicles	<ul style="list-style-type: none">• Began transitioning our sales vehicle fleet to hybrid vehicles• Installed electric vehicle charging stations at various facilities
Energy Efficiency	<ul style="list-style-type: none">• Retrofitted several manufacturing and recycling facilities with LED lighting
Renewable Energy and Emission Free Energy	<ul style="list-style-type: none">• Transitioned the energy contracts at our largest facilities to certified 100% carbon-free electricity• Expanded our use of renewable energy through our acquisition of Intex Millwork
Supply Chain Engagement	<ul style="list-style-type: none">• Formalized our Supply Chain ESG program for suppliers and conducted a survey to benchmark and better understand where they are on their ESG journeys



We look forward to updating you as we continue to make progress on these initiatives.

Zero Waste. Better Planet.

The TimberTech Championship Becomes the First Tournament in PGA TOUR Champions History Committed to Zero Waste to Landfill.

Our commitment to creating a more sustainable future extends beyond the walls of our organization, which is why we committed to make the TimberTech Championship a certified zero waste to landfill event—the first in PGA TOUR Champions History.

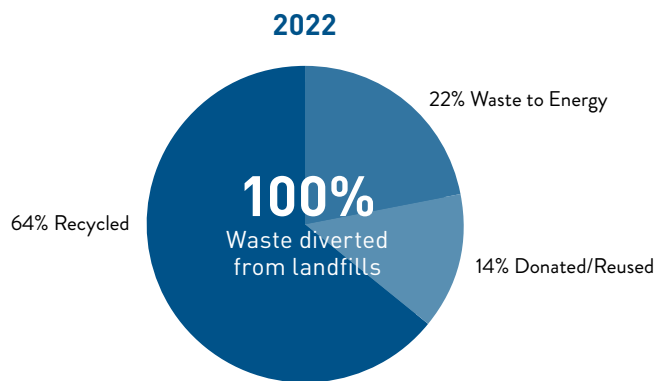
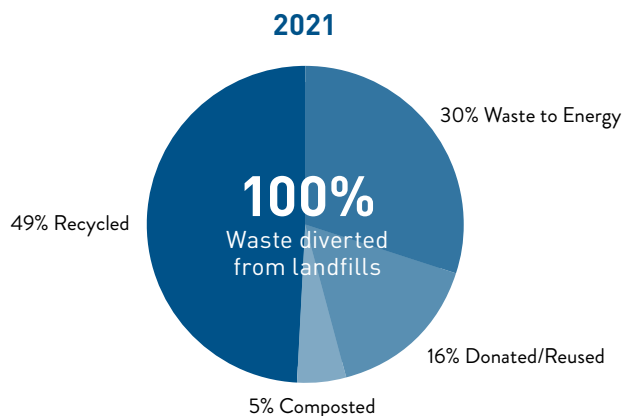
For both the 2021 and 2022 TimberTech Championships, our team developed and implemented a comprehensive event waste management plan identifying streams that can be repurposed, recycled, composted, donated and/or re-used, and working in partnership with the PGA TOUR Champions team, several local Boca Raton area partners as well as our FULL-CIRCLE Green Team of volunteers to help us achieve this goal.



FROM BAGS TO BEAUTY

Because we use recycled plastic bags to make some of our TimberTech decking collections, we asked tournament attendees to bring us their plastic grocery and shopping bags, which were later sent to our polyethylene recycling facility in Wilmington, Ohio and processed into TimberTech decking. With approximately 8,300 bags received during tournament week, we were thrilled to see such robust attendee engagement around this collection drive.

Waste, by the numbers



Social Impact >



Focused On What Matters

Bright minds, innovative thinkers and people dedicated to creating a more sustainable future—that is the face of AZEK.

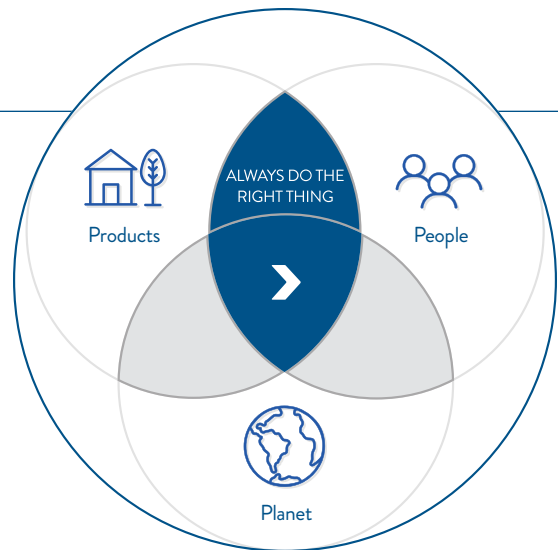
People are the cornerstone of our winning culture and the foundation of our company. Our success is fueled by the ideas and dedication of our team and we are committed to providing a diverse, equitable and inclusive environment where diversity of all kinds is sought out, valued, respected and appreciated. We have an unwavering customer-centric focus. Our responsibility is to understand customer expectations, then surpass them. We are also committed to working with business partners

and suppliers whose values and practices mirror our own. Through our philanthropy and volunteer activities, we seek to tangibly show our gratitude to the communities that have warmly welcomed us and support the charitable organizations that our employees care most about. To make a positive impact on our employees, customers and communities, we are focused on what matters.

Social Impact

Our FULL-CIRCLE Ambitions

Positively impact our employees, customers and communities through purposeful and inclusive engagement



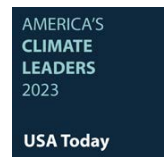
On Culture: We're All in This Together

AZEK's culture is driven by a shared passion for our values, mission and performance. It is a culture of amazing, innovative, growth-minded people from diverse backgrounds whose values include Always Doing the Right Thing, continuous improvement and solving problems for our customers and partners.

We are inclusive of all those we encounter and strive to truly understand our colleagues' everyday realities and empathize with their challenges and aspirations. We are dedicated to providing a safe work environment, excellent benefits and a rewarding, energetic experience leading to a long term career. We believe that having the best, most diverse team is a source of competitive differentiation. To that end, we hire and develop the most talented individuals, bringing diverse perspectives together in pursuit of a shared goal—so that the Best Team Wins!

In 2022, AZEK was named a **Top Workplace** by the **Chicago Tribune** (for the second consecutive year), one of **America's Most Trusted Companies** by **Newsweek**, and a **Gamechanger in ESG** by **Cohn Reznick**. These awards validate the company's dedication to operating with integrity, transparency and courage, leading through innovation, and always striving to be better today than yesterday. Thank you to our amazing team as they continue to inspire and revolutionize our industry.

What are we building? An award-winning workplace.



Many Players, One Team

At AZEK, our people are our strongest differentiator, which is why we recognize the importance of selecting the best talent, developing their skills and providing an inclusive culture where everyone feels engaged, safe, respected and supported with the necessary tools to be successful.

We believe that by Always Doing the Right Thing, fostering innovation and empowering all team members to take ownership of the company's success, every employee can maximize operational performance and grow both personally and professionally.

Always Doing the Right Thing



"When I joined AZEK, it was like finding a family I never knew I had. We work hard, celebrate, learn, and grow together. I'm proud to work for AZEK because of the sustainable products we make and the team behind it all. I finally get to do something I love at work!"

Ben Perschon

Blending Manager, Boise ID

THE **AZEK**[®]
COMPANY

At AZEK, we know our people are what make us successful, and we understand the importance of investing in our employees. We offer a comprehensive compensation and benefits total rewards package to attract and retain talent, including:

FINANCIAL WELLNESS

- 401k Matching
- Employee Stock Purchase Plan with Company Match
- Employee Product Purchase Program
- Employee Referral Bonuses

TIME OFF AND LEAVE

- Competitive Paid-Time Off
- Paid Military Leave
- Paid Parental Leave—NEW IN 2022

In January 2022, we formalized our Parental Leave Policy and benefits enabling all full-time employees welcoming a new child to receive four weeks paid time to bond with their child. The leave is for both mothers and fathers and includes new family additions through birth, adoption, foster care and surrogacy.

HEALTH AND WELLNESS

- Competitive Health Insurance
- Company-Paid Life and AD&D insurance
- Dental and Vision Plans
- Flexible Spending Accounts (FSA)
- Health Savings Accounts (HSA)
- Employee Assistance Program

LEARNING

- Professional Development Opportunities
- Tuition Reimbursement
- AZEK Learning Academy with 400+ courses



"AZEK gave me four weeks of parental leave that was influential in getting my son and his mother acclimated at home after his birth. It allowed me to be at home with them without worrying. It's an awesome benefit that really helped me and my family when we needed it. Thank you TimberTech."

Jeffrey Leftwich



Employee Engagement

OUR EMPLOYEE ENGAGEMENT APPROACH CENTERS ON TRANSPARENCY AND ACCOUNTABILITY

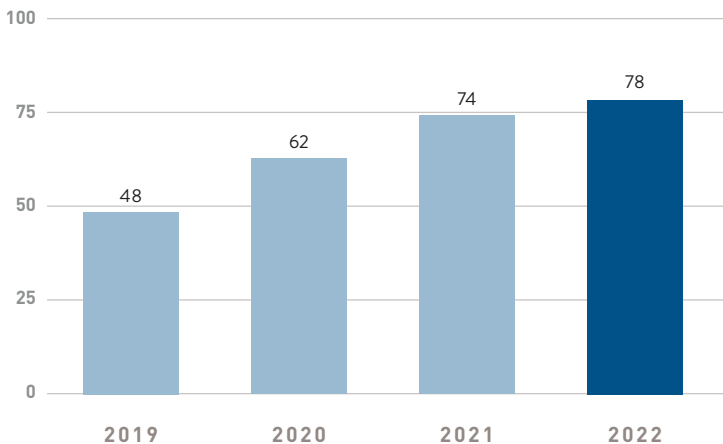
We use a variety of channels to facilitate open, direct and honest communication. We have open forums with executives through periodic town hall meetings and we foster continuous opportunities for discussion and feedback between employees and managers, including regular performance conversations and reviews aligned with career development.

We value honest and timely feedback. Annually, we engage a third-party firm to conduct anonymous employee-wide engagement surveys. The results of these surveys allow us to identify areas of strength and opportunities for improvement to ensure continued satisfaction and retention of our employees. Both organizational and management drivers of employee engagement are measured.

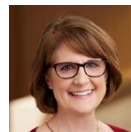
Our latest survey demonstrates that we have moved into the top quartile of company engagement scores, with an overall score of 78 (out of a possible score of 100). The continued improvement of our engagement scores year after year are a reflection of our commitments and actions to create a culture where our employees feel engaged, respected and valued. The survey also highlighted opportunities for improvement in several specific areas including communication, workplace resources and safety culture. As part of our commitment to be better today than yesterday, leaders (by site and business unit) have created and implemented action plans to address these areas of opportunity to ensure we appropriately and actively respond to employee feedback on these matters.



AZEK Employee Engagement Score



“When employees are engaged, they feel energized. They are devoted to their organization and passionate about their work. We continuously strive to create a culture where our employees feel like they are part of not only a great team, but a great company.”



Sandra Lamartine
Senior Vice President and
Chief Human Resources Officer

2022 Employee and Community: Engagement Highlights

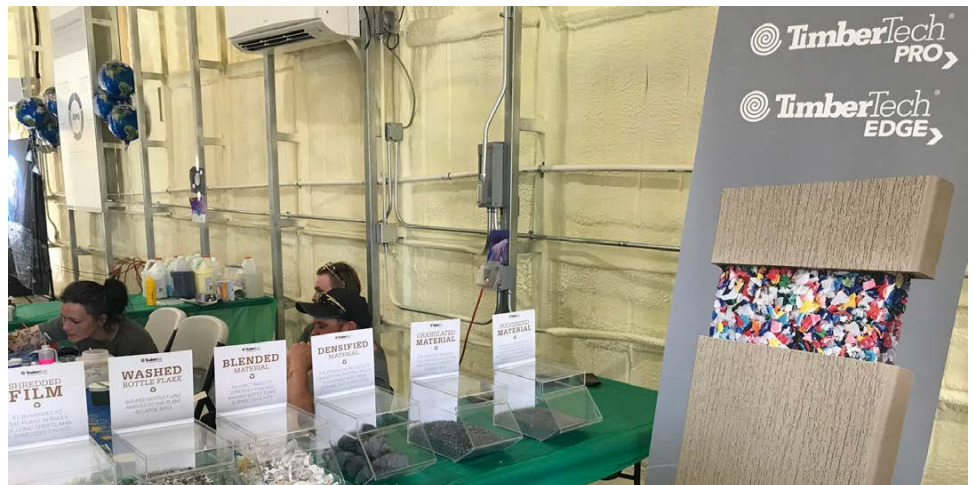
FULL-CIRCLE RECYCLING PROGRAM FOR EMPLOYEES IN CHICAGO

Part of our sustainability journey includes recycling everyday types of plastic material, like plastic shopping bags and grocery bags. Driven by our employees' interest to participate more directly in our recycling journey, we launched our FULL-CIRCLE Recycling program in our Chicago HQ, providing bins to collect plastic bags from our employees. Once the bins are full, the material is sent to our Wilmington recycling plant, where they are processed and ultimately turned into new TimberTech products. We estimate that our Chicago-based employees collected approximately 10,000 plastic bags in 2022. In 2023, we are excited to be expanding the program to other locations.



EARTH DAY EXPERIENCE IN WILMINGTON, OHIO

Our Wilmington team, in coordination with Main Street Wilmington, sponsored the community's 2022 Earth Day Experience, a day-long opportunity to re-think sustainability and recycling in a different way with hands-on demonstrations, science activities, music, art and fun for kids of all ages including a stop at the AZEK/TimberTech Demonstration Barn.



Workforce Diversity and Building a Culture of Belonging

AZEK is committed to attracting, developing and retaining a highly qualified, diverse and dedicated workforce where diversity of all kinds is valued and appreciated. We believe that cultivating a diverse and inclusive workplace provides for a broad array of viewpoints, talents and skills that can drive operational excellence and build a sustainable, more inclusive future.

OUR DIVERSITY, EQUITY AND INCLUSION (DEI) COMMITMENT STATEMENT

We are committed to providing a diverse, equitable and inclusive workplace where diversity of all kinds is sought out, valued, respected and appreciated. We are building and promoting a culture where everyone feels empowered to bring their full, authentic selves to work. It fuels our innovation, drives operational excellence and is a source of our competitive differentiation, while connecting us closer to our customers and the communities we serve.

Our commitment to DEI similarly extends to our supplier partners. We believe that partnering with suppliers who provide innovative ideas, flexibility, and new efficiencies—in addition to delivering excellent material goods and professional services—can yield differentiated competitive advantages for our company. As such, we are committed to building relationships with minority and veteran owned entrepreneurs as well as Woman-Owned Business Enterprises in communities across North America, providing them with relevant support, as and when necessary. In alignment with our core values, we believe that it is the right thing to do and that such engagement can further develop diverse businesses and provide localized economic growth.



Diversity Across The AZEK Company

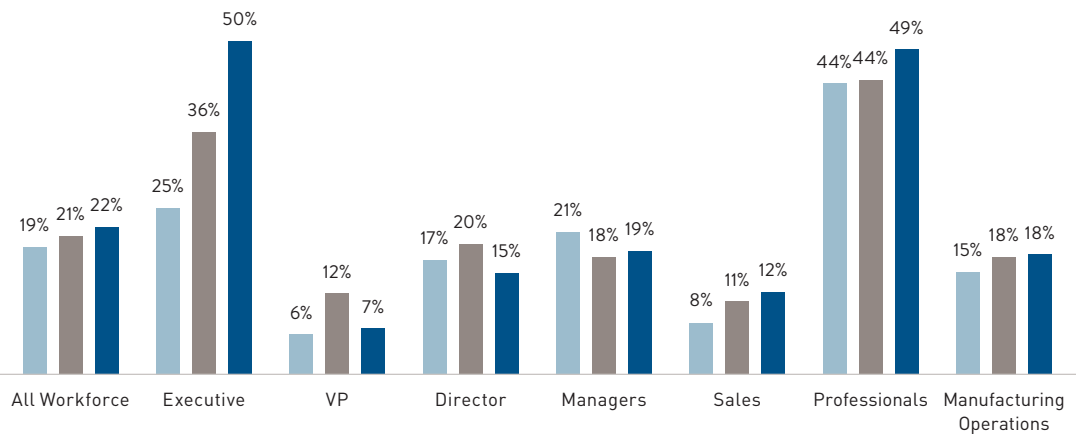
AZEK follows equal employment opportunities principles and complies with the letter and spirit of the laws regarding fair employment practices and non-discrimination. Please visit our [website](#) to view our latest EEO-1 report.

AZEK does not tolerate discrimination, harassment, violence or threatening behavior of any kind. Our policy of non-discrimination applies to all aspects of employment, including hiring, salary, advancement, benefits, discipline, termination or retirement, on the basis of gender,

race, religion, age, nationality, mental or physical disability, sexual orientation, gender identity, marital status, pregnancy, veteran status, political opinion, social or ethnic origin or any other characteristic protected by applicable law.

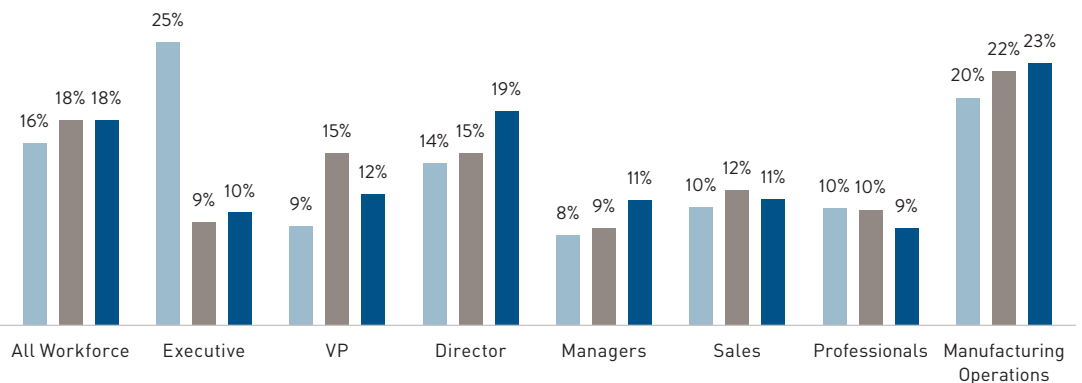
Female Representation

■ 2020 ■ 2021 ■ 2022



Ethnic Diversity

■ 2020 ■ 2021 ■ 2022



Note: There may be differences in the data displayed above as compared to prior ESG Reports published by AZEK as well as our EEO-1 reported data, primarily because reporting is captured as of a certain date and 'Managers' are defined differently for federal EEO-1 purposes. Data displayed above is as of September 30, 2022 for all categories except 'Executive' which is reported as of the date of this ESG Report's publication. Within the context of this ESG Report, AZEK defines 'Managers' as: (1) employees with at least one direct report and/or (2) employees with 'manager' in their job title.

Our DEI Journey

We believe that DEI should be integrated into all aspects of the organization and that our commitment to DEI is critical to supporting our people and communities.

In 2020, we enlisted McKinsey & Company to perform an assessment on the maturity of AZEK's approach to DEI. Through this assessment, we found that although there was a defined strategy, the company had been reactive in several areas and DEI was not formally integrated into business priorities. Additionally, the survey measured our culture of inclusion, and while the company scored high in this component, gaps were identified in our talent pipeline, which revealed that People of Color were underrepresented.

Following the DEI assessment, AZEK's CEO, Jesse Singh, engaged executive leadership to establish a DEI commitment statement and strategy. Mr. Singh publicly reinforced DEI as an organizational priority by joining the CEO Action for Diversity & Inclusion, the largest CEO-driven business commitment to advance DEI in the workplace. We have also hired a dedicated resource responsible for developing, implementing and managing our DEI initiatives.



We are proud to have one of the most diverse boards and management teams in the industry.

Our DEI Roadmap

We have made notable progress in our DEI journey since 2020. Recognizing we will always have room for improvement, we have developed a DEI Roadmap focused on the following categories:

WORKFORCE DIVERSITY



- Increasing diverse representation throughout our organization
- Implementing recruiting tools that enhance sourcing of diverse candidates
- Promoting equal opportunity in recruitment, hiring, training, development and advancement

CULTURE AND WORKPLACE EQUITY & INCLUSION



- Cultivating an environment where every employee feels included and valued for who they are
- Expanding Employee Resource Groups
- Expanding quarterly DEI engagement events and educational programming

TALENT DEVELOPMENT AND TOTAL REWARDS



- Expanding inclusive leadership and frontline manager training programs
- Conducting manager assimilations
- Ensuring equity and inclusivity in pay, benefits and total rewards programs

SUPPLIER, CUSTOMER AND COMMUNITY IMPACT



- Increasing spend with diverse suppliers
- Establishing community involvement plans for underrepresented populations
- Ensuring inclusivity in marketing and promotional materials

DEI Progress in 2022

WORKFORCE DIVERSITY

To enact real and lasting change, we needed to bring in team members and leaders that would provide diverse thought partnership and give them a voice in the workplace. With this, we sought to increase gender and racial diversity among the manager and director populations. We established new recruiting tactics that aimed to increase the number of candidates with diverse backgrounds and set benchmarks recommended by McKinsey & Company.

As a result of these efforts, we successfully exceeded our 15% benchmark of ethnically diverse employees at the Director level and achieved 19% as of the end of fiscal 2022.



While we made significant progress for the Director and Manager populations, we continue to work towards our industry benchmarks. At the end of fiscal 2022, 15% of our Directors were females, with a goal to increase that number to 20%. Additionally, 19% of our Manager population was female and we seek to increase that number to 22%. We also aim to increase the number of ethnically diverse Managers within the organization to 15% from 11% as of the end of fiscal 2022.

SUPPLIER, CUSTOMER AND COMMUNITY IMPACT

We strive to engage a diverse supplier base reflecting the communities where we live, work and serve. As part of our Supply Chain ESG program, AZEK is actively seeking to provide business opportunities to diverse-owned businesses that include small, veteran-owned, disabled-owned, minority-owned, women-owned and historically underutilized business zone suppliers.



- FY 2022 GOAL: 17% Increase In Diverse Supplier Spend in Fiscal 2022
- ACHIEVED: 27.5% Increase In Diverse Supplier Spend in Fiscal 2022, or ~160% of our goal
- FY 2023 GOAL: 17% Increase In Diverse Supplier Spend in Fiscal 2023

To enhance our impact in our local communities, we launched an Employee Charitable Match Program that matches employee donations to eligible charitable organizations dollar-for-dollar, up to \$25,000 annually. In just six months after launch, employees and company donations amounted to over \$10,000.

CULTURE AND WORKPLACE EQUITY AND INCLUSION

Bringing Forward the Best of AZEK is a culture campaign, which was launched in 2022 as a result of feedback we received in the 2021 Employee Engagement Survey. At the core of the campaign, we commit to prioritize a culture that's engineered for our employees and contains three major pillars: (1) Reinforcing our foundational values, (2) Prioritizing inclusion and belonging in everything that we do, and (3) Developing leaders that drive a strong culture and place employee needs at the forefront.

Creating and maintaining a sense of belonging is essential to advancing our journey towards lasting inclusion at The AZEK Company. We seek to create programming that encourages a sense of belonging among our team members, but also focuses on structural changes that make a lasting impact on the community we are creating within our workforce. In fiscal year 2022, we did this by:

- Becoming a signatory of CEO Action for Diversity & Inclusion, publicly pledging to cultivate environments that support open dialogue, implement unconscious bias education, share DEI programs and initiatives, and engage our board of directors when developing and evaluating DEI strategies.
- Introducing Unconscious Bias training for every employee in the organization and achieved a 92% completion rate.
- Launching Veterans and Women's Employee Resource Groups (ERGs) that provide resources to our team members and support veterans and women within our local communities.
- Developing eight educational campaigns and five company-wide events that brought various cultural experiences and perspectives to our team members. As a part of these campaigns, we hosted a Women's History Month speaker event that featured two of our female board members, Fumbi Chima and Natasha Li. Additionally, employees were featured in events for Hispanic Heritage Month and Veterans Day that provided opportunities for our team to hear directly from other employees about their unique experiences while navigating their daily lives.



Safety Absolutes

OUR COMMITMENT TO SAFETY

The AZEK Company has made safety a top priority, with oversight by the Board of Directors.

The company is dedicated to maintaining a strong safety culture that goes above and beyond industry standards, and continually works towards improving safety performance. This is achieved through the leadership of a dedicated environmental, health and safety team, led by the Vice President of QESH (Quality, ESH), who is responsible for managing, auditing, and executing unified safety and compliance programs company-wide. The VP of QESH reports directly to the Senior Vice President of Operations and provides monthly updates to the CEO.

In addition to these efforts, The AZEK Company has established a set of non-negotiable safety values known as the "AZEK Company Safety Absolutes". These values are deeply ingrained in all aspects of the organization, ensuring that safety is taken seriously at every level, and all employees understand the importance of maintaining a safe working environment.

Overall, The AZEK Company is committed to creating a culture of safety, with a focus on exceeding industry standards and continuous improvement. Our dedication to safety is reflected in company-wide programs, leadership structure and commitment to "The AZEK Company Safety Absolutes".

We prioritize the execution of our safety commitments and begin each safety meeting with a thorough review and discussion of our Safety Absolutes. These values are deeply ingrained in our organization and ensure that every aspect of our operations prioritize safety. Moreover,

we are committed to ensuring that our manufacturing facilities are constructed, maintained, and operated in accordance with applicable local, state, and federal environmental, health, and safety regulations, as well as AZEK policies and standards.

Our Environmental, Health, and Safety (EHS) Policy outlines our management programs and expectations throughout our operations and businesses. We continuously assess and manage operational hazards and risks to provide safe and healthy workplaces for our employees, visitors, contractors, customers, and the communities in which we operate.

At The AZEK Company, we prioritize employee training to equip them with the awareness, knowledge, and skills necessary to work in a safe and environmentally responsible manner. Our commitment to safety is reflected in our ongoing training, objectives, and management systems, which are continually reviewed and improved to ensure we meet and exceed industry standards.

Overall, our dedication to safety is a top priority at The AZEK Company, and we are committed to creating a culture of safety that permeates every aspect of our operations. By prioritizing safety, we can provide safe and healthy workplaces for our employees and ensure that we continue to exceed industry standards in every aspect of our business.



Plant the SEED for Safety



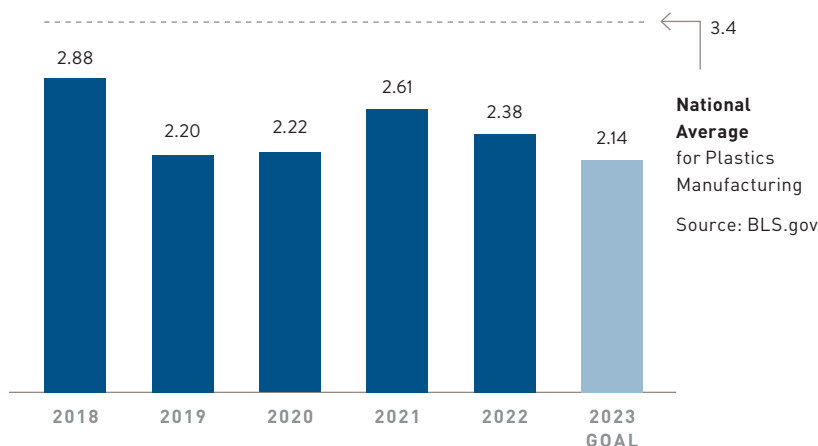
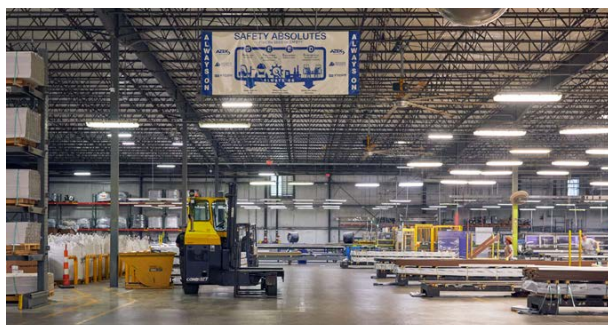
AZEK is a member of the following organizations:

- National Safety Council
- National Fire Protection Association
- American Society of Safety Professionals

In 2019, we rolled out a corporate-wide Behavior-Based Safety program designed to influence employee actions toward safer outcomes, ideally by preventing an accident or injury before it occurs. This program, combined with ongoing improvements, our Safety Absolutes, formalized Safety Committees and periodic safety audits have enabled us to improve safety performance by approximately 10% in fiscal 2022 vs. fiscal 2021*

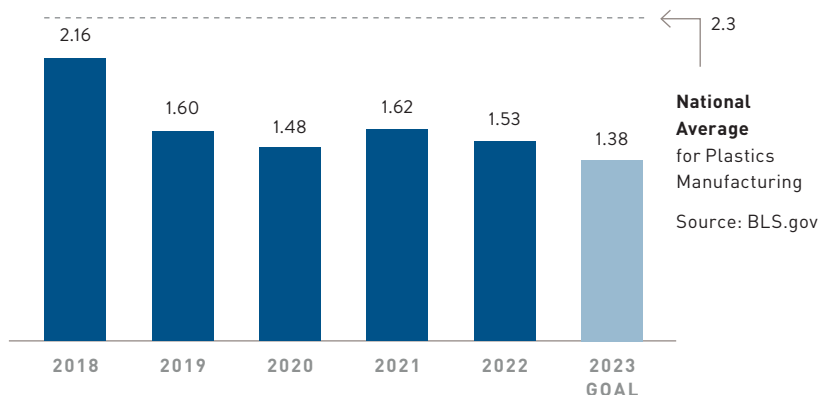
Total Recordable Incident Rate (TRIR)

Total Recordable Incident Rate (TRIR) is used by the Occupational Safety and Health Administration (OSHA) to track and report work-related injuries and illnesses. According to published U.S. Bureau of Labor Statistics (BLS) data, **AZEK has outperformed our industry on TRIR.**



Days Away, Restricted or Transferred (DART)

OSHA uses Days Away, Restricted or Transferred (DART) rates to track and report work-related injuries and illnesses that result in lost time, restricted duty or transfer to another work function. **AZEK outperforms our industry on DART and this metric has decreased over the last several years.**



*There is a difference (an increase) in 2021 TRIR and DART rates compared to what was previously reported. This difference was a result of incorrect categorization of safety incidents. These have since been corrected and corrective actions have been implemented to prevent recurrence of this error in the future.

Quality Absolutes

AZEK IS COMMITTED TO MEETING AND EXCEEDING EXPECTATIONS FOR PRODUCT QUALITY.

Our extensive material science expertise, distinguished R&D capabilities, and unwavering commitment to quality have enabled us to produce award-winning products and offer some of the industry’s longest warranties. For instance, our TimberTech Advanced PVC decking product line comes with a 50-year fade & stain warranty.

As part of our commitment to quality, we have established The AZEK Company Quality Absolutes, which are a set of quality values that helps our sites ensure process discipline, identify risks and opportunities, take necessary actions, quickly address issues and achieve efficiency and effectiveness.

At various intervals throughout the manufacturing process, AZEK products are tested—both by our internal teams and external firms—to ensure they meet the highest standards of quality and safety, including through the use of real-time monitoring and laser dimensional controls. Products are tested, in some instances, for wind uplift resistance, strength, stiffness, structural performance, durability, fire safety and/or other measurements of quality.

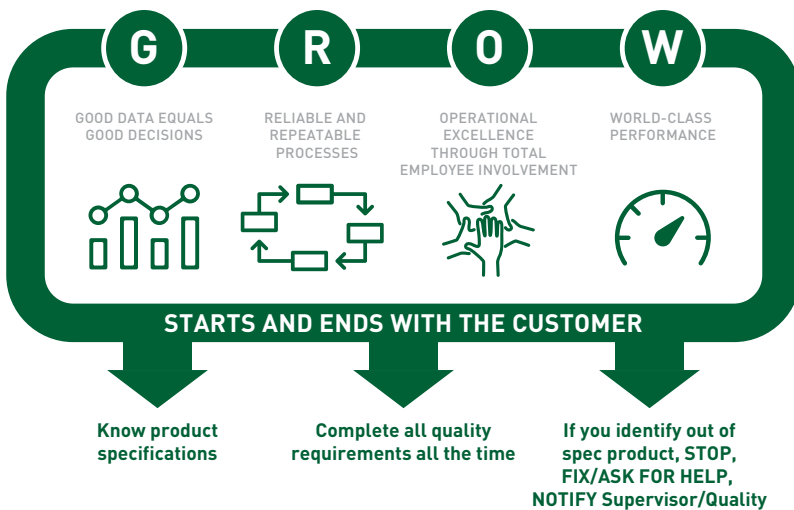
From our smallest fasteners to our largest deck boards, every product undergoes stringent evaluations before making its way to our customers.

Quality Management Systems are implemented across product portfolios and are audited and/ or certified by external organizations such as Intertek, NSF International, FM Global and Underwriters Laboratories (UL). For example, our decking, porch boards, cladding and handrail products receive at least annual external assurance from Intertek, certifying we meet or exceed ICC-ES AC174 (deck and handrail quality) requirements as specified by the International Code Council (ICC), the International Building Code (IBC) and/or the International Residential Code (IRC).

In addition, at our polyethylene recycling facility in Wilmington, OH, the manufacturing line turns recycled material into a raw material that is then extruded into a composite. Throughout the manufacturing process, sampling stations have been positioned at critical locations to ensure quality requirements remain intact. Technicians collect these samples and test for quality utilizing our state-of-the-art analytical lab to ensure all material standards are maintained.



GROW with Quality



It Starts and Ends With The Customer

We have an extensive network of contractors, dealers and distributors serving as AZEK brand advocates.

Throughout our history, we have developed an extensive network of loyal contractors, dealers and distributors, many of whom are brand advocates for our products. Our extensive network consists of more than 5,000 dealers, over 150 distributor branch locations and thousands of contractors throughout the United States and Canada. We believe

our strong relationships with dealers and contractors are driven by the trust and reliability that we have generated through product innovation, superior quality and performance, and the continuing service and support that we offer.

LEGACY DECKS

Legacy Decks of Greenville, South Carolina, was founded by Chris Breen and his wife, Amy, in 2016. Chris had been in construction all his career and saw the need in his market for a builder of once-in-a-lifetime decks and outdoor living spaces. The name of the company reflects the nature of their builds: their projects are designed and built to last—a legacy for future generations.

"The durability and longevity of [TimberTech] products is outstanding, and my clients love how beautiful the finished product is. My experience working with TimberTech is much more than just a business transaction. They truly care about me and my company, they take the time to understand my specific needs and challenges as an entrepreneur and work hard to help structure a contractor program to support us."



Chris Breen
Owner
Legacy Decks
TimberTech Pro Platinum Contractor
Greenville, SC



J&L BUILDING MATERIALS

J&L Building Materials is a family-owned independent distributor that has been serving professional contractors and builders since 1958.

"We are always looking to align ourselves with manufacturers that offer both high quality products and superior customer service, and that is exactly what we get with AZEK. We have nothing but confidence in the AZEK materials that we stock within our company, and we value that our AZEK partners are always available to assist with anything we need. J&L has had a long and successful relationship with AZEK, and we are excited to continue it for many more years."



Emma Moretzsohn
President
J&L Building Materials
AZEK Dealer Partner
Frazer, PA



Image courtesy of Hoffer Photography



AZEK University

A TRAINING PROGRAM DESIGNED FOR DISTRIBUTORS, DEALERS, ARCHITECTS AND CONTRACTORS.

In 2010, we launched AZEK University, a two-day training program consisting of product knowledge sessions, hands-on workshops, plant tours and relationship-building—all designed to help AZEK’s distributor, dealer, architect and contractor partners build their businesses and

educate their customers on AZEK’s industry-leading product lines, including TimberTech decking and railing, AZEK Exteriors products and more. We’ve had over 8,500 AZEK University training and plant tour attendees since 2015.



Two-day training program

— ESTABLISHED —
2010



Supply Chain Management

In alignment with our core value of 'Always Do the Right Thing', we partner with our suppliers to further develop the sustainability performance of the entire supply chain.

At AZEK, we care about creating a sustainable and ethically managed supply chain to make the world a better place for all. We continue to pursue sustainable supply chain management practices as a key element of our sustainability strategy, mitigating risk and reducing adverse impacts across the value chain. In addition to the sustainability advantages and cost benefits of our vertically integrated in-house manufacturing operations, our supplier base is located primarily in the United States, making us less susceptible to trade disruptions or supply chain dislocations than other companies with more globalized supply chains.

In alignment with our core value of 'Always Do the Right Thing,' we want to partner with our suppliers to further develop their sustainability performance in our supply chain. Further, we seek to contribute to the economic growth of a diverse business community by developing relationships with qualified, diverse businesses that meet our high standards for quality and cost effectiveness. Our Supplier Code of Conduct outlines the expectation of our suppliers with respect to ethical business and labor practices, freedom of association, regulatory compliance and ESG standards, among other topics.

In 2022, we formalized our Supply Chain ESG program and as a first step, we surveyed our supplier partners to better benchmark and better understand where they are on their ESG journeys. As expected, the maturity of ESG initiatives across our supply chain partners varies. However, over 80% of the supplier responses indicated a moderate to high interest in ESG initiatives, including emissions reductions, waste reduction, packaging optimization and more. As we seek to further engage our value chain partners on the topic of sustainability, we will be launching a supplier ESG scorecard to better track and measure actual performance of our suppliers' sustainability and environmental impacts. In the future, this will enable us to obtain actual data for the calculation of our carbon footprint (specifically, Scope 3 value chain emissions) versus using industry averages.

DIVERSE SUPPLIER SPEND

FY 2022 GOAL

17%

Increase in Diverse Supplier Spend in Fiscal 2022

ACHIEVED

27.5%

Increase in Diverse Supplier Spend in Fiscal 2022, or ~160% of our goal

FY 2023 GOAL

17%

Increase in Diverse Supplier Spend in Fiscal 2023



We also strive to engage a diverse supply base reflecting the communities where we live, work and serve. As part of our Supply Chain ESG program, AZEK is actively seeking to provide business opportunities to businesses that include small, veteran-owned, disabled-owned, minority-owned, women-owned and historically underutilized business zone suppliers.

STATEMENT ON HUMAN RIGHTS

The AZEK Company is committed to protecting and advancing human rights in accordance with the UN Guiding Principles on Business and Human Rights, the United Nations Universal Declaration of Human Rights and the International Labor Organization's Fundamental Conventions. At AZEK, we recognize that companies have an important role to play in promoting human rights and urge our suppliers to uphold these same principles within their own organizations. We contribute to the fulfillment of human rights through compliance with laws and regulations wherever we operate, as well as through our policies and programs. Our position on human rights is reinforced in our employment, ethics and procurement policies, which are designed to promote, protect and respect human rights within AZEK and our suppliers. Additionally, our commitment to comply with all human rights laws is also captured in our Code of Business Conduct and Ethics, which should be read in conjunction with our position on human rights.

Our position on human rights is reinforced in our employment, ethics and procurement policies, which are designed to promote, protect and respect human rights within AZEK and our suppliers.

At The AZEK Company, we are committed to being responsible and respected citizens in the communities in which we live and work and partnering with organizations whose values match our own. We are actively working to develop an even more robust community engagement and corporate giving strategy to further amplify our impact in the communities we serve.

NEW IN 2022—EMPLOYEE CHARITABLE MATCHING AND VOLUNTEER HOURS PROGRAM



In 2022, we launched a new program to support the charitable efforts of our employees and the difference they personally make in their communities. As part of the program, each year, AZEK will match financial donations made by our employees up to \$500 in total donations, per employee, per calendar year up to a maximum of \$25,000, and for every 8 hours of personal time that an employee spends volunteering for a registered charity, AZEK will donate \$100 to said charity. The program has been well received by our employees, with employee and company donations totaling over \$10,000 in the first few months that the program was in place.



7,952 TREES PLANTED ACROSS THE U.S. IN 2022



As a result of our 2022 Earth Day Social Media Engagement Campaign, we made a \$7,952 donation to One Tree Planted. In partnership with this organization, for every \$1 donated, 1 tree is planted. In 2022, our donation will result in trees planted specifically in Idaho, Illinois and Georgia—the locations where reforestation projects are closest to our operations.

CHIPPING FOR CHARITY



During the 2022 TimberTech Championship, we held our 2nd Annual “Chipping for Charity” challenge for PGA TOUR Champions players in the tournament. Winners received a \$5,000 donation from The AZEK Cares Foundation to the charity of their choice. Congrats to our 2022 winners, PGA TOUR Pros Billy Andrade, Tim Petrovic and Rocco Mediate.

5,376 MEALS PROVIDED TO THOSE IN NEED



Through its catered meals with Cater2.me, The AZEK Company team helped provide 5,376 meals to people facing hunger across the country during 2022.

For further information about the Cater2.me partnership with Feeding America, see <https://cater2.me/feeding-america>.



Volunteerism

As our company continues to grow, we recognize and take pride in our efforts to support the communities that help us grow.

Our teams volunteer their time and expertise to support their communities in many ways. We are thankful to our team members who make a difference in our community, further standing by our core value to Always Do The Right Thing, whether it's related to our customers, community, coworkers or the world around us.

2022 Volunteerism Highlights

THE WILD MILE IN CHICAGO WITH URBAN RIVERS

The Wild Mile is a floating eco-park that is creating a new environment for habitat, recreation, and education along the North Branch Canal of the Chicago River. Several members of our team participated in trash cleanup by kayak, filling mussel bunkers with sand and dispersing seed bombs to grow more native plants.



PAINT THE TOWN IN NORTHEASTERN PENNSYLVANIA

In the fall of 2022, our Scranton-based team was thrilled to once again take part in the NeighborWorks event, Paint The Town, a program that provides volunteers the opportunity to assist older adults in Northeastern Pennsylvania to be able to continue residing in their homes and communities safely and with dignity. AZEK volunteers provided 210 hours of service through the participation of 27 volunteer employees, with over \$6,000 worth of volunteer labor performed. AZEK provided all the exterior materials, including TimberTech decking, which decreases the need for upkeep and maintenance and in some cases, improves deck and porch safety.



DOGS FOR OUR BRAVE

In 2022, we launched the Veterans@AZEK, an Employee Resource Group supporting veterans in our company as well as organizations that support veterans in our communities. As part of our 2022 Veterans day campaign, we partnered with Dogs for Our Brave, an organization that trains service dogs to support wounded service members at no cost to them. These dogs assist veterans in navigating their daily lives, providing lasting companionship and friendship for our veterans.

After assessing the needs of the dog training regimen, we had an opportunity to upgrade the training equipment. Our Scranton team custom designed and fabricated brand new training equipment. The final product perfectly fit Dogs for Our Brave's needs in a durable, high-performance material.



Corporate Governance



Operating with Integrity and Accountability

Ethics and integrity are the bedrock of all that we do. And, we strive to maintain a transparent work environment. Our corporate governance policies set clear expectations and responsibilities for our leaders, employees and business partners to ensure we conduct our operations in a manner that is consistent with the highest standards of business ethics and accountability.



BOARD OF DIRECTORS

Our Board of Directors is collectively responsible for overseeing the leadership, management and long-term success of the company. Meetings are held regularly throughout the year to review our operations and discuss our business plans and strategies.

Our Board of Directors has three standing committees:

- Audit Committee
- Compensation Committee
- Nominating and Corporate Governance Committee

CODE OF CONDUCT AND ETHICS

Our Code of Conduct and Ethics details the standards of ethics and professional behavior expected of directors, officers and employees. The Code covers topics such as ethical risk, provides guidance on recognizing and dealing with ethical issues, including the ethical handling of conflicts of interest, and provides mechanisms to report unethical conduct. It is meant to foster a culture of honesty and accountability, deter unethical behavior, promote compliance with applicable laws and governmental rules and regulations, ensure the protection of AZEK's legitimate business interests, including corporate opportunities, assets and confidential information and promote fair and accurate disclosure and financial reporting.

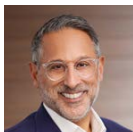
ETHICS AND COMPLIANCE TRAINING

Our employees receive ongoing training on our ethics and compliance practices and policies on at least an annual basis.

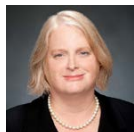
OUR BOARD OF DIRECTORS



Gary Hendrickson
Chairman of the Board of Directors



Jesse Singh
Director, President and CEO



Sallie Bailey
Director



Brian Spaly
Director

~50%
Gender and ethnic diversity



Fumbi Chima
Director



Howard Heckes
Director



Natasha Li
Director



Vernon J. Nagel
Director



Ashfaq Qadri
Director



Bennett Rosenthal
Director

OUR LEADERSHIP TEAM



Jesse Singh
Director, President and CEO



Peter Clifford
Senior Vice President and CFO

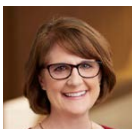


Jon Skelly
President Residential Segment



Scott Van Winter
President Commercial Segment

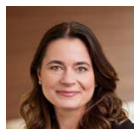
~60%
Gender and ethnic diversity



Sandra Lamartine
Senior Vice President and Chief Human Resources Officer



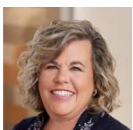
Chris Latkovic
Senior Vice President of Operations



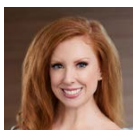
Morgan Walbridge
Senior Vice President and Chief Legal Officer



Samara Toole
Senior Vice President and Chief Marketing Officer



Michelle Kasson
Vice President and Chief Information Officer



Amanda Cimaglia
Vice President, ESG and Corporate Affairs

BOARD DIVERSITY

Our board believes that it should possess a combination of skills, professional experience and diversity of viewpoints necessary to oversee our business. Our board also believes in the importance of diversity and inclusion and maintains a policy of ensuring a pool of diverse director candidates are interviewed for any open director position, whether such position will be filled by a board appointment for a current vacancy or by a stockholder vote.

~50%
Gender and
ethnic diversity



In celebration of Women's History Month in 2022, Fumbi Chima and Natasha Li, two of our women of color directors, joined us for an internal discussion on "Authenticity: Bringing Your Full Self". Hosted by Amanda Cimaglia, our Vice President of ESG and Corporate Affairs, this virtual session covered topics such as impostor syndrome, empowerment, and mentorship, among other themes, and was broadcast live and made available on-demand for employees across The AZEK Company.

THE BOARD CHALLENGE

"We have long been committed to cultivating a diverse and inclusive culture across the AZEK organization, and it starts at the highest level of the organization, AZEK's Board of Directors. Companies like AZEK have an important role to play in advancing a more diverse, inclusive, just and sustainable future. We hope that others are similarly inspired to take action."



Jesse Singh
CEO, President and
Director on joining
The Board Challenge

ESG GOVERNANCE

AZEK’s Board of Directors oversees the management of the company and its business. The Board’s responsibility in discharging its duties is to consider the effects of its actions on the Company’s shareholders, employees, suppliers and customers, the communities in which the Company has operations, the environment and any other factors that the Board considers pertinent. As it relates to ESG governance, the Board has responsibility for reviewing the company’s strategy on corporate responsibility and sustainability, overseeing the management of the company’s risks and overseeing the company’s strategies and policies related to human capital management, including with respect to topics such as workplace culture, talent management and succession planning, diversity, equity and inclusion, and employee engagement. The Board of Directors delegates certain ESG-related oversight responsibilities to each of its committees based upon functional expertise. Additionally, we have established an internal ESG Steering Committee—a multi-disciplinary committee consisting of leaders from across the organization that meets at least monthly and reports directly to our CEO. This team helps drive our long-term ESG strategy. This includes identifying risks and opportunities and advising on long-term goals and metrics. In 2021, we formalized our ESG strategy, which we call our FULL-CIRCLE ESG strategy and regularly engage with stakeholders across our value chain on various ESG initiatives. Further, we formalized and included ESG diligence as part of our overall diligence process used when evaluating potential acquisition targets. We believe it is necessary to include this as part of the diligence process to ensure our corporate and ESG values aligned as well as identify potential ESG risks and/or opportunities. These steps reflect the importance of ESG integration across our business and our commitment from the highest levels of our company.



STOCKHOLDER ENGAGEMENT

We maintain a robust year-round stockholder engagement program to properly understand stockholder interests, and our senior management and investor relations team routinely communicate with our stockholders to solicit their views with respect to key corporate matters, such as corporate strategy, corporate governance, risk oversight, ESG matters and human capital deployment. In fiscal year 2022, we interacted with stockholders who owned shares of common

stock representing approximately 77% of the outstanding shares of our common stock as of September 30, 2022, and engaged with all stockholders who contacted us to discuss corporate governance, executive compensation and ESG matters. We believe our proactive engagement approach has resulted in constructive feedback and input from stockholders and we intend to continue these efforts.



RISK OVERSIGHT

Our board of directors takes an active role in the oversight of risk management, while management is responsible for addressing the day-to-day risks facing our Company. While our board of directors has primary responsibility for overseeing risk management, our board of directors also delegates certain oversight responsibilities to its committees. For example, our audit committee oversees management of financial risks, including those related to our internal control over financial reporting and disclosure controls and procedures, audit and auditor matters and other accounting matters. With the assistance of our independent compensation consultant, our compensation committee regularly considers and evaluates risks related to our

cash and equity-based compensation programs and practices as well as evaluates whether our compensation plans encourage participants to take excessive risks that are reasonably likely to have a material adverse effect on us. Our nominating and corporate governance committee oversees management of risks associated with director independence, conflicts of interest, composition and organization of our board of directors, director succession planning and corporate governance. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, our full board of directors keeps itself regularly informed regarding such risks through committee reports and otherwise.

CYBERSECURITY

Cybersecurity has become a particularly acute area of risk for companies of all sizes and in all industries, including us. While management is responsible for our cybersecurity program and managing our cybersecurity risks, including our procedures and day-to-day operations, our audit committee oversees our enterprise risk assessment and management program, which includes oversight of cybersecurity risks. In performing its oversight responsibilities, our audit committee receives regular reports from, and meets with, our Chief Information Officer and Chief Information Security Officer not less frequently than twice annually to review our information technology and cybersecurity risk profile and to discuss our activities to manage those risks. We use a variety of security products and vendors to protect our information technology infrastructure and data. Our programs continue to adapt and mature as threats continue

to evolve. We maintain data encryption, monitoring, loss prevention, data storage, identity / authentication controls, including two-factor authentication tools, and anti-malware and anti-virus solutions. We perform penetration tests and cyber simulations to practice our incident response procedures. Our cybersecurity plans are reviewed on an annual basis, and we prioritize new and updated programs as needed to respond to the cybersecurity risks we face. We train employees on cybersecurity risks semi-annually and generate internal phishing campaigns to assess the effectiveness of the training. We actively monitor and respond to security events. Cyber insurance is evaluated and renewed annually to address the latest offerings. We also regularly review our privacy policies to ensure compliance with all applicable data privacy regulations. We update our privacy policies on our website following such updates.

WHISTLEBLOWER POLICY

We have an independent third-party hotline available for 24/7 anonymous reporting of any ethical violations or concerns. All reports are taken seriously. We do not tolerate acts of retaliation against any director, officer or employee who makes a good faith report of known or suspected acts of misconduct or other violations.



At The AZEK Company, one might say that a relentless commitment to recycling and sustainability is ingrained within the very DNA of our corporate ethos.

By transforming the outdoor living and building products industry to be more sustainable and innovative, it allows us to transform lives, communities and the health and well-being of the entire planet.

It's why we will never waste an opportunity to repurpose waste into useful, sustainable and, yes, beautiful products.

Leading the revolution by example.

Reinventing recycling in imaginative and dynamic ways.

Providing inspiration to cohorts and competitors alike—because, we're all in this together.

And by assembling the right team. Devising the right tactics.

Pursuing the right goals. And doing the right thing.

Always.



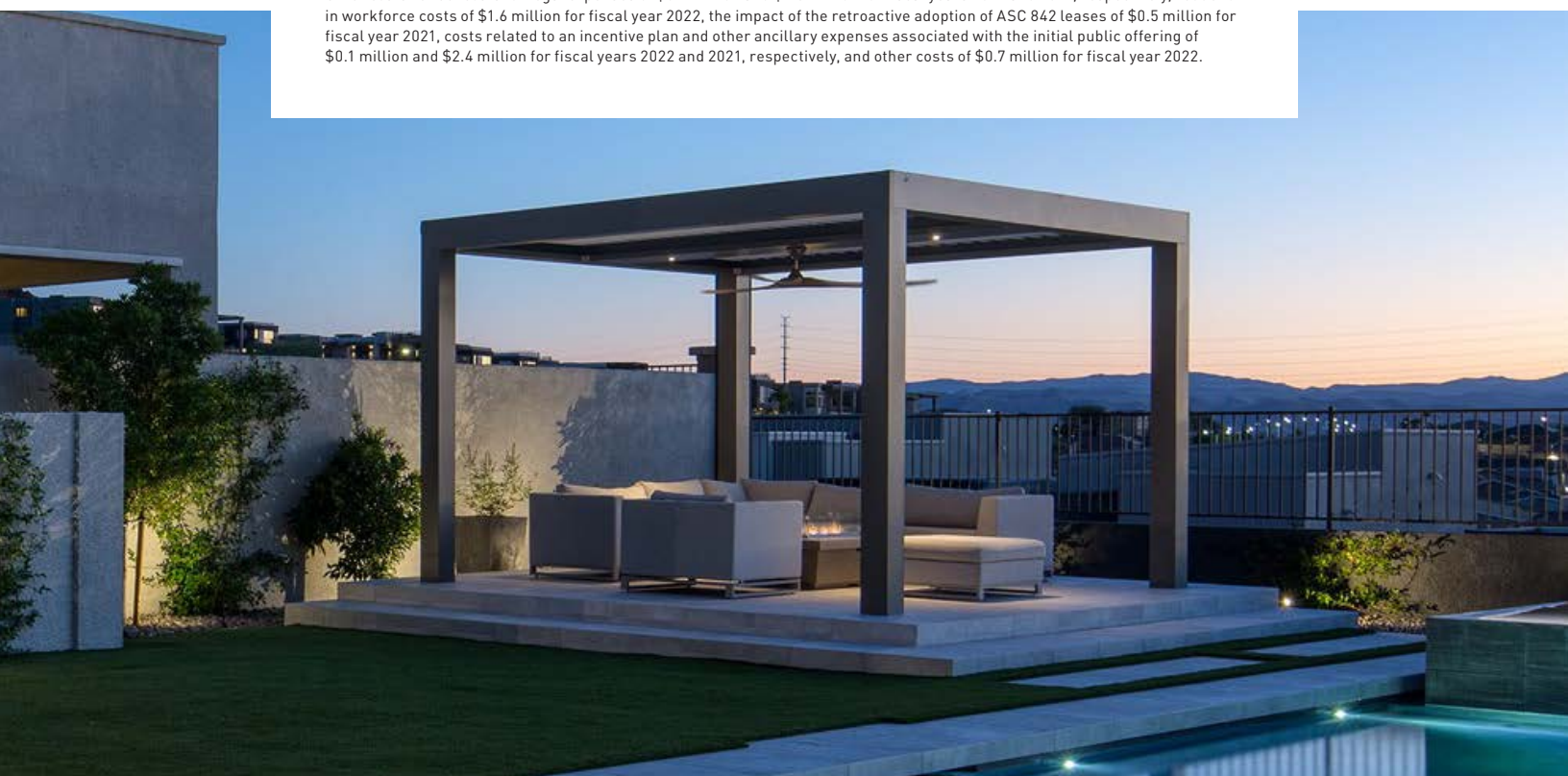
Adjusted EBITDA Reconciliation

(In thousands)	Years ended September 30,	
	2022	2021
Net income (loss)	\$ 75,225	\$ 93,150
Interest expense	24,956	20,311
Depreciation and amortization	118,533	101,604
Tax expense (benefit)	28,754	28,668
Stock-based compensation	18,105	22,670
Acquisition costs ¹	12,851	—
Initial public offering and secondary offering costs	—	2,592
Inventories ²	19,927	—
Other costs ³	3,319	5,192
Total adjustments	225,815	181,037
Adjusted EBITDA	\$ 301,040	\$ 274,187

¹ Acquisition costs reflect costs directly related to completed acquisitions of \$11.5 million and inventory step-up adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition of \$1.4 million for fiscal year 2022.

² During the fourth quarter of fiscal year 2022, we updated the process by which we estimate the value of our inventory. This included updating the assumptions that are used in determining and treating certain capitalized costs, primarily by incorporating the impacts of changes in the amount of recycled content introduced into our products.

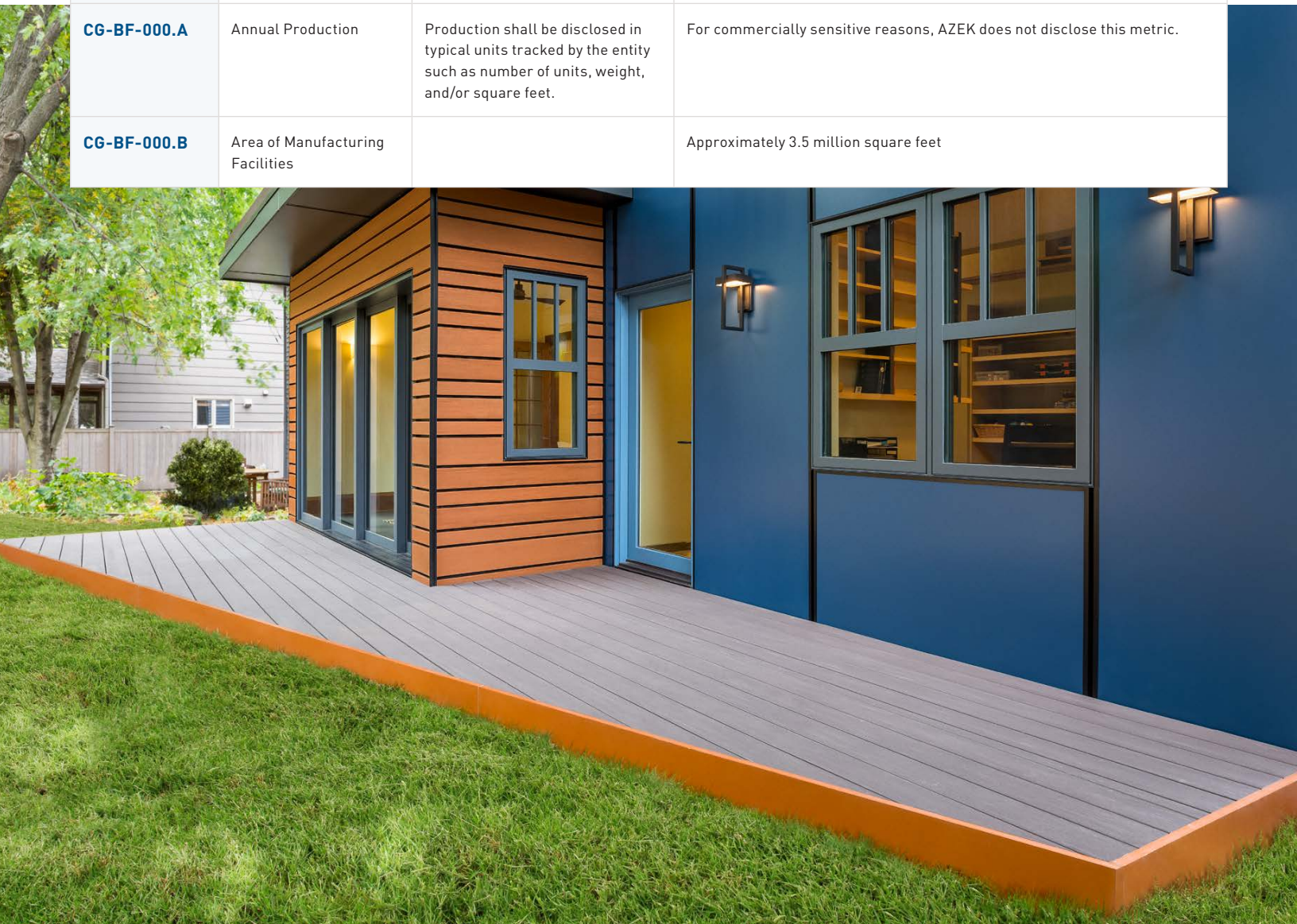
³ Other costs reflect costs for legal expenses of \$0.9 million and \$2.3 million for fiscal years 2022 and 2021, respectively, reduction in workforce costs of \$1.6 million for fiscal year 2022, the impact of the retroactive adoption of ASC 842 leases of \$0.5 million for fiscal year 2021, costs related to an incentive plan and other ancillary expenses associated with the initial public offering of \$0.1 million and \$2.4 million for fiscal years 2022 and 2021, respectively, and other costs of \$0.7 million for fiscal year 2022.



SASB Index Disclosure Number	Topic	Accounting Metric	Response
CG-BF-130a.1	Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	In fiscal 2022, AZEK's total energy consumption was 971,893 gigajoules, including stationary combustion and purchased electricity. 100% of the electricity purchased was supplied from grid electricity. We are currently exploring opportunities to further improve our energy efficiency, reduce consumption and increase our use of renewable electricity. We will report our progress on this initiative in future reports.
CG-BF-250a.1	Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals	In the manufacturing of our products, we use only small amounts of chemical additives, amounts of which are well below the thresholds for a safe and healthy work environment. We conduct health and safety assessments for any new chemicals, materials or equipment that will be introduced in our company. Material safety data sheets and/or health product declarations are available for products in our portfolio. See page 32 of this ESG Report for more detail.
CG-BF-250a.2	Management of Chemicals in Products	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	100% of our eligible products meet VOC emissions and content standards. While the majority of our products are used outdoors, all AZEK products used indoors (100%) meet indoor air quality standards for low VOC emissions. For example, all Scranton Products brands are GREENGUARD Gold Certified, meaning they meet strict chemical emissions limits. See page 32 of this ESG Report for more detail. Additionally, we are associate members of the Health Product Declaration Collaborative, a group of leading manufacturers that seek to improve material health in buildings and the environment.
CG-BF-410a.1	Product Lifecycle Environmental Impacts	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products	We operate our business in a manner that is centered on sustainability and promotes environmental stewardship across our value chain from product design to raw material sourcing and manufacturing and we utilize plastic waste, recycled wood and scrap in our products. Several of the products in our portfolio are recyclable at the end of their useful lives. As part of the building materials industry, we believe that we can play a role in advancing the circular economy to create a more sustainable future by increasing the recycling of wood, plastic and water, monitoring our product life cycle, reducing our carbon footprint and encouraging those in our supply chain to do the same. To demonstrate our commitment to sustainability, some of our actions include investing in a state-of-the-art recycling facility, increasing the amount of recycled content in our products, repurposing the scraps from our board-making process back into production, and deliberately sourcing and reusing hard-to-recycle materials that would traditionally end up in landfills. Additionally, in fiscal 2020, we commissioned a first-in-the-industry ISO 14044 Life Cycle Analysis comparing PVC, composite decking and wood alternatives. Please see pages 27–30 for more details.

SASB Index (continued)

SASB Index Disclosure Number	Topic	Accounting Metric	Response
CG-BF-410a.2	Product Lifecycle Environmental Impacts	Weight of end-of-life material recovered	In fiscal 2022, we diverted approximately 500 million pounds of scrap and waste from landfills through our recycle programs. See pages 22–26 of this ESG Report for more detail.
CG-BF-410a.2	Product Lifecycle Environmental Impacts	Percentage of recovered materials recycled	Virtually 100% of the scrap PVC material, less contamination, that was recovered by AZEK during fiscal 2022 was recycled and diverted from landfills. Approximately 99% of the scrap internally generated by AZEK is reused.
CG-BF-430a.1	Wood Supply Chain Management	1) Total weight of wood fiber materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fiber standards, (5) percentage by standard	In fiscal 2022, AZEK purchased approximately 150 million pounds of wood fiber. All of AZEK's wood suppliers purchase wood legally from domestic sources and follow state forestry guidelines or third-party forestry chain of custody certifications including the Sustainable Forestry Initiative (SFI) to ensure product sustainability.
CG-BF-000.A	Annual Production	Production shall be disclosed in typical units tracked by the entity such as number of units, weight, and/or square feet.	For commercially sensitive reasons, AZEK does not disclose this metric.
CG-BF-000.B	Area of Manufacturing Facilities		Approximately 3.5 million square feet



FOR YOUR REFERENCE

The AZEK Company has published the following materials relevant to our ESG initiatives, which serve as additional background on our ESG-related policies, strategies and communications. Please visit www.azekco.com for more detail.

- 2022 Form 10-K
- Corporate Governance Guidelines
- Related Party Transaction Policy
- Environmental, Health & Safety Policy
- Code Of Conduct And Ethics
- Anti-Bribery Policy
- Supplier Code Of Conduct
- Position Statement On Human Rights

Corporate Headquarters

THE AZEK COMPANY
1330 W Fulton Street
Suite 350
Chicago, IL 60607

Investor Relations

312-809-1093
ir@azekco.com

Stock Listing

The AZEK Company's Class A common stock is listed on the New York Stock Exchange under the symbol "AZEK."



AZEK
FULL-CIRCLE™
PRODUCTS. PEOPLE. PLANET.


TimberTech®

AZEK®
EXTERIORS

STRUXURE

VERSATEX®

 **INTEX®**
MILLWORK SOLUTIONS

 **ULTRALOX®**
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