



2021 ESG REPORT



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ABOUT THIS REPORT

This 2021 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, 2020 to September 30, 2021, unless otherwise noted. We align our data collection, measurement and reporting activities with industry-leading frameworks, including the United Nations Global Compact (UNGC), United Nations Sustainable Development Goals (UNSDGs), and the Sustainability Accounting Standards Board (SASB).

This ESG Report reports information as of September 30, 2021, 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, 2021, 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," "believe," "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.

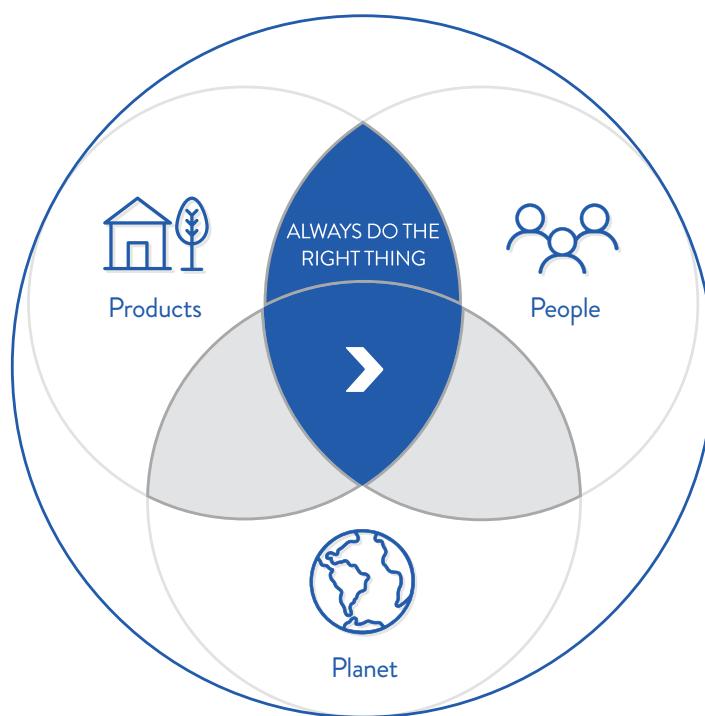


OUR PURPOSE:
REVOLUTIONIZE
OUTDOOR LIVING
TO CREATE A MORE
SUSTAINABLE FUTURE.



MOTHER EARTH COULD SURE USE A HAND RIGHT ABOUT NOW.

And that's why, at The AZEK Company, we've enlisted literally 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 into sustainably recycled 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 by the end of 2026 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.

Like leveraging our R&D strengths to introduce sustainable products.

Products that increasingly utilize recycled materials, reduce deforestation and are recyclable at the end of their useful lives. Increasing our use of recycled scrap and waste to approximately 500 million pounds in fiscal 2021 (up from approximately 400 million pounds in fiscal 2020). And continuously expanding our capabilities to use more recycled—and less virgin—content.

Like 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.

Like 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 environmental stewardship to help them lessen the overall supply chain environmental impact.

PRODUCTS. PEOPLE. PLANET.

These are the three critical waypoints along the arc of the circle. And they are the tentpoles of our sustainability measures—the pillars supporting a massive, yet necessary, undertaking.

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 & CEO

To Our Stakeholders:

Revolutionizing outdoor living to create a more sustainable future means we must look across the FULL-CIRCLE of our impact as a company—across the **products** and innovations we bring to market, the **people** we choose to hire, and the environmental initiatives that can materially make a difference for our **planet**. Within this FULL-CIRCLE ESG Report, you will see how we are raising the bar across our ESG initiatives and embracing our responsibility as a company as well as the progress we have made as a team in the last year.

PURPOSE-DRIVEN, VALUES-LED

At AZEK, our purpose-driven strategy is centered on creating shared value that positively impacts all of our stakeholders—Products. People. Planet. It is a strategy reinforced by a collective commitment to living our core values and always doing the right thing. We believe this the only way to do business and we are proud to be on this journey with you.

At AZEK, our purpose-driven strategy is centered on creating shared value that positively impacts all of our stakeholders—Products. People. Planet.

SUSTAINABILITY IS OUR BUSINESS STRATEGY

We see significant opportunity in using recycled materials to develop products that replace wood on the outside of homes and are sustainably engineered to last beautifully. Accelerating our use of recycled materials advances a virtuous cycle—one that does more than just advance the circular economy, which alone is notable. The more recycled material we use, the better for the environment, the lower our carbon footprint, the better for our profitability, the better for our brand reputation, the better for employee and customer engagement and the better for shareholders.

In February 2021, we announced our ambitious goal of using 1 billion pounds of recycled material annually by the end of 2026. During fiscal 2021, we are pleased to report that we used approximately 500 million pounds of waste and scrap, which drove a 15% improvement in our carbon intensity (measured in metric tons of CO₂e per \$1 million of net sales) year over year. This is notable progress, but we will not stop there. 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. In preparation for setting carbon reduction goals in alignment with climate science we also completed our most comprehensive Scope 3 emissions inventory to date. We are excited to use this data to develop a corporate-wide roadmap to advance a low-carbon future and further advance our ESG goals.

A team and a culture that embraces diversity in the workforce leads to better decision-making, more creativity and innovation and better results.

BRINGING FORWARD THE BEST OF AZEK

People are the cornerstone of AZEK's winning culture and the foundation of our company. In 2021, we formalized and launched a Diversity, Equity and Inclusion (DEI) 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. We believe that a company's DEI strategy is not about one hire—it is about an authentically personal commitment to building a company that reflects our increasingly diverse world. We have purposefully focused our director and executive recruitment efforts to help us build one of the most gender, ethnically, and cognitively diverse boards and leadership teams in our industry. We view this as a source of AZEK's competitive differentiation because a team and a culture that embraces diversity in the workforce leads to better decision-making, more creativity and innovation and better results.



A LETTER FROM OUR CHAIRMAN AND PRESIDENT & CEO

ENHANCING OUR GOVERNANCE MODEL

When it comes to governance, we are committed to continuously reviewing our governance profile against best practices and ensuring that we continue to be aligned with shareholder interests. We are also committed to frequent engagement with our shareholders to solicit input on these matters. As a result of these efforts, we are pleased to report that this past year our board of directors recommended, and our shareholders approved, amendments to our governing documents to phase out our classified board structure and to remove the supermajority vote required to approve certain amendments to our charter and bylaws. While these provisions provided certain advantages especially as we first transitioned to a publicly traded company in 2020, we recognized that these governance features are less common among more mature public companies and that we wished to be responsive to feedback from our shareholders that disfavored these governance features. We will continue to solicit feedback on other areas where we can improve.

BUILDING A GREAT COMPANY

In 2021, AZEK was named one of Inc. Magazine's Best-Led companies for creating a culture that fosters an entrepreneurial spirit to solve today and tomorrow's problems, demonstrating the company's dedication to operating with integrity, transparency and courage. We are honored and humbled by this recognition. We believe that companies like AZEK have a great responsibility and can make a difference in combating environmental and climate issues, that every employee deserves the opportunity to get ahead, to be better and to be treated with dignity and respect, that you can always be better today than yesterday and that innovation is the only way to ensure a bright future for The AZEK Company, its customers, its stakeholders and the planet. Our experience and results prove that sound corporate citizenship and environmental performance are fundamental to long-term sustainable growth. Today, we reflect on both our business and ESG achievements 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.

Our experience and results prove that sound corporate citizenship and environmental performance are fundamental to long-term sustainable growth.

As always, we remain committed to the continued growth of the business, demonstrated resilience, strong financial performance, transparency in reporting, leading by example and striving to make the world a better place. Thank you for your interest in The AZEK Company. We look forward to communicating our progress as we continue this journey in the months and years ahead.

Sincerely,




Gary Hendrickson

Chairman of the Board




Jesse Singh

Director, President and CEO

June 2022





WE LEVERAGE OUR MATERIAL SCIENCE TO CREATE PREMIUM-BRANDED, OUTDOOR LIVING PRODUCTS THAT ARE STYLISH, LONG-LASTING, LOW-MAINTENANCE AND SUSTAINABLE.



BEAUTIFULLY ENGINEERED TO LAST

Our strategy and ambitions for growth are driven by our purpose to revolutionize outdoor living to create a more sustainable future and are reinforced by a collective commitment to living our core values. Over our 30 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® decking, VERSATEX® and AZEK® Exterior brands and StruXure™ pergolas. 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 of products has 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 millions of pounds of waste 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.

★ HEADQUARTERED IN CHICAGO ★

12 U.S.-BASED MANUFACTURING AND RECYCLING FACILITIES* 

~2,000 EMPLOYEES | **4,200+** DEALERS

~55% LEADERSHIP TEAM GENDER/ETHNIC DIVERSITY*

~50% BOARD GENDER/ETHNIC DIVERSITY*

 **500 MILLION lbs**
OF SCRAP AND WASTE DIVERTED FROM LANDFILLS IN FISCAL 2021

\$1.2B
NET SALES

31% ↑
YOY NET SALES GROWTH

 **\$274mm**
ADJ. EBITDA

23.3%
ADJ. EBITDA MARGIN

Note: The information above represents a snapshot of certain financial metrics for our fiscal year ended September 30, 2021. 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. Adjusted EBITDA margin is equal to Adjusted EBITDA divided by net sales.

*As of the date of this report

ESG RATINGS



As of 2021, The AZEK Company received an MSCI ESG rating of 'A'.¹

MSCI ESG Research provides in-depth research, ratings and analysis of the ESG-related business practices of thousands of companies worldwide. MSCI's research is designed to provide critical insights that can help institutional investors identify risks and opportunities that traditional investment research may overlook.



In January 2022, The AZEK Company received an ESG Risk Rating of 15.7 and was assessed by Sustainalytics to be at LOW risk of experiencing material financial impacts from ESG factors.²

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an assessment of ESG risk, i.e. a total unmanaged ESG risk score or the ESG Risk Rating, that is comparable across all industries. Sustainalytics' ESG Risk Ratings provide a quantitative measure of unmanaged ESG risk and distinguish between five levels of risk: negligible, low, medium, high and severe.

¹ The use by The AZEK Company of any MSCI ESG Research LLC or its affiliates ("MSCI") Data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of The AZEK Company by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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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.

FISCAL 2021 ESG HIGHLIGHTS

RECYCLING

DIVERTED APPROXIMATELY

500 MILLION POUNDS

of scrap and waste from landfills
through our recycling programs

AN INCREASE OF ~100 MILLION POUNDS VS. FISCAL YEAR 2020



Launched AZEK's FULL-CIRCLE Recycling™ program to collect and repurpose construction site and remodeling scrap into our products; awarded one of Fast Company's World Changing Ideas in 2021



Increased the percentage of extruded materials manufactured from recycled materials to

↑ 56%

FROM 54%
IN FISCAL
2020



Our TimberTech AZEK® Landmark Collection™ decking received the inaugural Design for Reuse Award from the Vinyl Sustainability Institute

100%

of the wood fibers we source are reclaimed and certified sustainable

99%
OF SCRAP
GENERATED

at our Wilmington, OH and Scranton, PA manufacturing facilities is re-used

ENVIRONMENTAL

Our carbon intensity (tCO₂e per \$1 million net sales) decreased by

↓ 15%

FROM FISCAL 2020
TO FISCAL 2021



Completed a full Scope 3 (value chain) emissions inventory as preparation for setting science-based emissions reduction targets in the next year



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

As the innovative manufacturer of beautiful, low-maintenance and environmentally sustainable outdoor living products, **AZEK** is deeply committed to making a lasting impact on the world by accelerating the use of recycled materials.



FISCAL 2021 ESG HIGHLIGHTS

SOCIAL



in safety performance

YEAR OVER YEAR

Formalized and launched our **Diversity, Equity and Inclusion Framework**



~50%

Board gender and/or race/ethnic diversity*

UP FROM ~33%
IN FISCAL 2020

~55%

Executive team gender and/or race/ethnic diversity*

UP FROM ~50%
IN FISCAL 2020

Named one of
Chicago Tribune's
2021 Top Workplaces



Named one of
Inc.'s Best-Led
Companies of 2021



GOVERNANCE



Shareholders approved board recommendations to amend our certificate of incorporation to **remove supermajority voting requirements to amend our certificate of incorporation and bylaws and to declassify our board of directors and phase-in annual director elections**, as well as to implement our 2021 Employee Stock Purchase Plan.



Committed to being **aligned with investment community best practices**

ESG added as a component of individual performance under our 2021 management annual incentive plan



Released our inaugural **FULL-CIRCLE ESG Report** in 2021

PRODUCTS. PEOPLE. PLANET. 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

*As of the date of this report

AWARDS AND RECOGNITIONS

A better future is its own reward.

The AZEK Company is honored to have received positive recognition for our workplace culture, leadership, and product and sustainability-related innovations.



Our amazing colleagues continue to inspire and revolutionize our industry. And they're the foundation of an award-winning culture that's made us one of Chicago's Top Workplaces!



AZEK is recognized by Inc. as a company that is agile enough to maneuver and big enough to have a broad impact with a leadership team that is customer-centric, breaks through markets, creates value and drives results.



AZEK's FULL-CIRCLE Recycling™ program receives honorable mention on Fast Company's World Changing Ideas 2021 list.



Green Builder recognized AZEK's FULL-CIRCLE Recycling™ program for accelerating the use of recycled materials in construction and diverting waste from landfills.



Vycom was honored with the IAPD Marketing Gold Award and the inaugural Environmental Impact Award, acknowledging our innovative marketing initiatives and recycling programs.



AZEK was presented with The Vinyl Sustainability Council's inaugural Design for Reuse award for TimberTech AZEK's new Landmark Collection decking, which was designed with recycling at end of life in mind.



AZEK achieved +Vantage Vinyl verification in 2021, confirming we are honoring the initiative's guiding principles focused on resource recovery, emissions, health & safety, and fostering collaboration and open communication in alignment with the UN SDGs.

MEMBERSHIPS AND AFFILIATIONS

The company we keep.

The AZEK Company takes part in several membership 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
- Vinyl Sustainability Council
- The Association of Plastics Recyclers
- Health Product Declaration® Collaborative
- The Board Challenge Pledge Partner
- CEO Action for Diversity and Inclusion Signatory
- Women's Business Enterprise National Council
- Loyola University Chicago's Supply Chain and Sustainability Center

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**

STAKEHOLDER GROUP	EXAMPLES OF HOW WE ENGAGE
Employees	<ul style="list-style-type: none">Core Values, Code of ConductEngagement surveys conducted annuallyPerformance reviews and feedbackTown Hall meetingsLunch and LearnsTraining programsSafety policies, procedures, training and goalsAZEK 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 contractorsAZEK FULL-CIRCLE Recycling program education
Suppliers	<ul style="list-style-type: none">Supplier Code of Conduct, Position Statement on Human RightsEngagement on various ESG stewardship mattersAnnual review of suppliers
Investors	<ul style="list-style-type: none">Quarterly earnings callsAnnual and quarterly financial disclosuresKey industry conferences and eventsNon-deal roadshowsDirect interactions (meetings, phone, email)Annual ESG Report
Communities	<ul style="list-style-type: none">Strategic community involvement plansDonations and community outreachPartnerships and sponsorshipsThe AZEK CARES Foundation



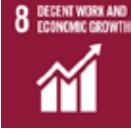
DOING THE WORLD A WORLD OF GOOD

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). In addition, the report constitutes AZEK's "Communication on Progress" (COP) under the UNGC.



SUSTAINABLE DEVELOPMENT GOALS	AZEK COMMENTARY
	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.
	Globally, more than 80% of water waste resulting from human activities is discharged into rivers or sea without any pollution removal. By contrast, our facilities in Wilmington, OH and Scranton, PA employ closed-loop water filtration systems that recycle approximately 96% of water used annually.
	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 May 2021, we committed to increase the minimum wage for hourly employees to \$15, which we achieved at the end of calendar 2021. In addition, new jobs will be created as we continue to execute on our capacity expansion plans, including our newly announced manufacturing facility in Boise, Idaho, which is expected to be fully operational in fiscal 2023.
	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 from traditional materials such as wood, to our types of sustainable, low-maintenance engineered outdoor living and building products. During fiscal 2021, we introduced several new products, including our TimberTech AZEK® Landmark Collection™ decking and AZEK® Shingle Siding with PaintPro® Technology, each of which further differentiates our product portfolio and creates additional growth platforms for our business. Both new product innovations were recently recognized with Golden Hammer Awards by HBSDealer for their value, innovation and shelf appeal. Our Landmark Collection of decking also received the inaugural Design for Reuse Award from the Vinyl Sustainability Institute.



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 that can facilitate LEED certification. 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 intend to pursue LEED certification for our new manufacturing facility in Boise, Idaho.



We have created an operating platform that is centered around sustainability where resources are not wasted and 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 2021, we diverted approximately 500 million pounds of scrap and waste from entering landfills, with an ambition to divert and utilize one billion pounds by the end of 2026. We strive to hold our suppliers to the same environmental and social standards we hold ourselves and are in the process of launching our 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.



In the U.S., the Industry sector accounts for 24% of total greenhouse gas emissions. 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 Ipe. Now that we have quantified our operational impact, we are formalizing our action plan to reduce the overall carbon footprint across The AZEK Company value chain and are committing to set ambitious greenhouse gas emissions reduction targets in alignment with climate science.



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, nearly three million trees have 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.





ENVIRONMENTAL SUSTAINABILITY



MAKING AN IMPACT

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. We believe that we can play a key role in revolutionizing outdoor living to build a more sustainable and circular future.

OUR FULL-CIRCLE AMBITIONS

PRODUCTS. PEOPLE. PLANET.

Be a world class leader in recycling, aspiring to use one billion pounds of recycled material annually by the end of 2026

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

2021 AWARDS



GREEN BUILDER MEDIA
2021 Green Innovation of the Year
AZEK's FULL-CIRCLE Recycling Program



FAST COMPANY
2021 World Changing Ideas
AZEK's FULL-CIRCLE Recycling Program



INTERNATIONAL ASSOCIATION OF PLASTICS DISTRIBUTION
2021 Environmental Impact Award



VINYL SUSTAINABILITY COUNCIL
2021 Design for Reuse Award
TimberTech AZEK® Landmark Collection™



WE LEAD THROUGH INNOVATION

We lead through innovation by investing in the art of the impossible. Over our more than 30-year history, 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 materials such as wood, to sustainable, low-maintenance engineered materials. On an ongoing basis, 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 the last five fiscal years, our team successfully led over 30 significant new product introductions. During fiscal 2021, we introduced several new products, including our TimberTech AZEK® Landmark Collection™ decking and AZEK® Shingle Siding with PaintPro® Technology, each of which further differentiates our product portfolio and creates additional growth platforms for our business. Both new product innovations were recently recognized with Golden Hammer Awards by HBSDealer for their value, innovation and shelf appeal. Our Landmark Collection of decking also received the inaugural Design for Reuse Award from the Vinyl Sustainability Institute because it was purposely designed to be made from approximately 50% recycled PVC and recyclable at the end of its useful life.

As of September 30, 2021, we had approximately 146 issued patents and patent pending 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 AZEK decking product line.



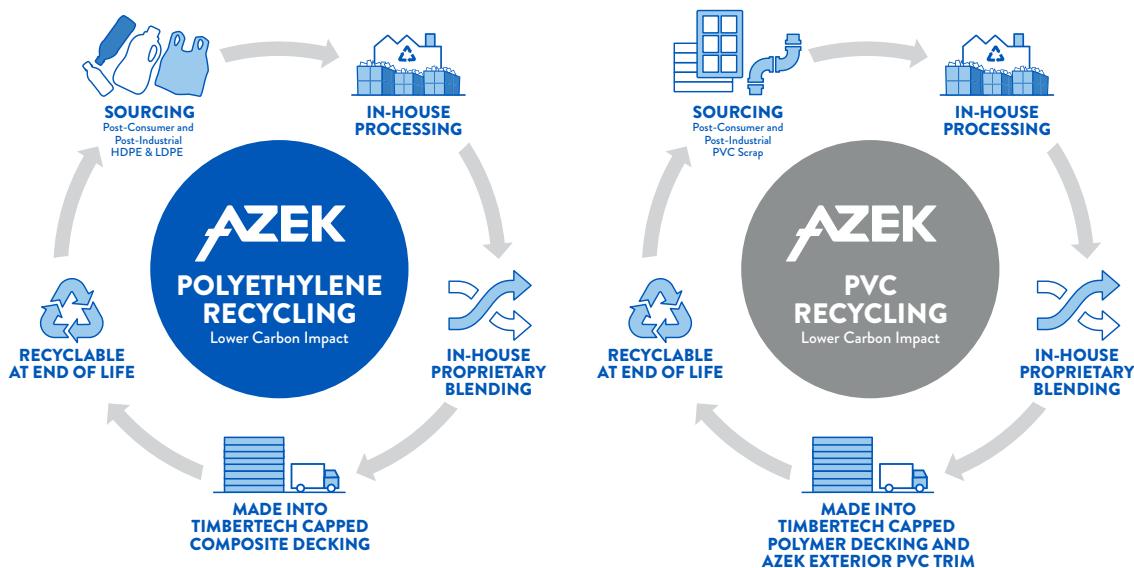
New in 2021:
American Walnut from the Landmark Collection™



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 U.S. Not only does recycled plastic 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 80% 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, 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 PROCESSES

In 2018, AZEK transformed its business strategy to incorporate the use of recycled materials in our products: changing operations, formulations of its products and the technology we used. Soon thereafter, 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 then leveraged by its TimberTech AZEK, 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.



From otherwise landfill-bound waste
In-house Polyethylene (PE) Recycling Facility, Wilmington, OH



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



To beautiful, low-maintenance and sustainable decking



~80% recycled content
TimberTech PRO

~50% recycled content
TimberTech AZEK

OUR DECKING IS RECYCLABLE AT THE END OF ITS USEFUL LIFE

In fiscal 2021, we incorporated approximately 500 million pounds of scrap and waste into our products, thereby diverting that material from landfills through our recycling programs, up from approximately 400 million pounds in fiscal 2020.

Approximately 56% of our extruded materials were made from recycled waste in 2021, up from approximately 54% in 2020.

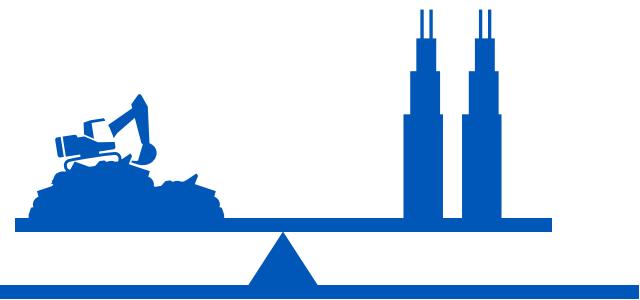


OUR GOAL: USE ONE BILLION POUNDS OF RECYCLED MATERIAL ANNUALLY BY THE END OF 2026

1 BILLION POUNDS IS EQUIVALENT TO:

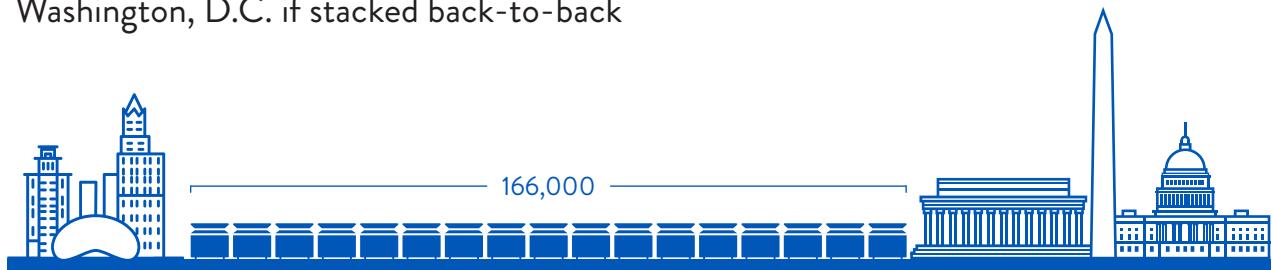
2X THE TOTAL WEIGHT

of the Willis Tower in Chicago



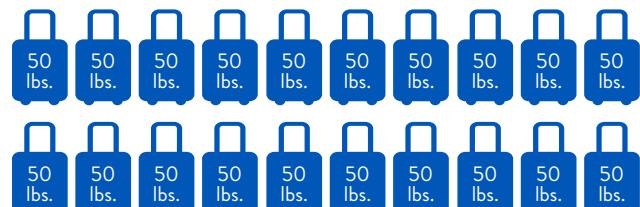
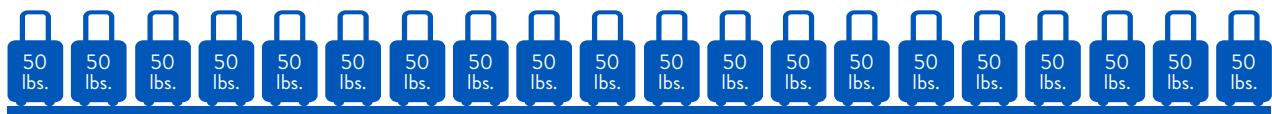
166 THOUSAND DUMPSTERS

that would span the distance between Chicago and Washington, D.C. if stacked back-to-back



20 MILLION SUITCASES

weighing 50 pounds each





ADVANCING THE CIRCULAR ECONOMY BY BRINGING IT FULL-CIRCLE

In 2020, we launched a beta version of a first of its kind PVC recycling program to further expand AZEK's recycling initiatives and divert recyclable material that would otherwise be disposed of in landfills. Although many consumers and builders are enthusiastic about the durability and paint-holding qualities of cellular PVC trim boards and moldings, one concern has always been the lack of proper disposal for scraps and cuts-offs. Anything as long lasting as PVC does not belong in a landfill. Now called the AZEK FULL-CIRCLE PVC RECYCLING™ Program, AZEK's on-site collection program for contractors, dealers and mill shops provides a real solution to PVC disposal concerns. Our partners deliver collapsible containers to job sites 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 it also enables us to collect end-of-life decking and trim.

The FULL-CIRCLE Recycling program continues to gain momentum and has been recognized by Fast Company as a 2021 World Changing Idea as well as by Green Builder as a Green Innovation of the Year.



900+ FULL-CIRCLE recycling bins in circulation throughout the U.S.



FULL-CIRCLE RECYCLING IN ACTION

"Cape Cod Lumber is a strong supporter of the AZEK recycling program for many reasons. Above all, it reduces the amount of waste that ends up in landfills. This has a positive impact on the planet, the environment and our local community. Our contractor customers love the recycling bins as well. When they have a job where they will be installing a large amount of AZEK trim, we drop off a recycling bin at the job site. All their cut-offs and scraps go into that bin, and this reduces the amount of material that gets thrown into a dumpster. The less material that goes into the dumpster, the less they pay in disposal fees. We even use these recycling bins in our own custom millwork shop."

"Traditionally, when a piece of decking is trimmed off or siding is cut to fit, the scraps are thrown away. These days, thanks to AZEK's FULL-CIRCLE PVC RECYCLING™ program, we can reduce the environmental impact on our planet by recycling job site scraps! We're proud to collaborate with the industry's leading building materials manufacturers, and this type of innovation is exactly why. We've got bins set up on our job sites across New England that are routinely emptied by AZEK. The collected scraps are reprocessed and turned into brand new decking, siding, cladding and trim."





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.



100% of the wood flour purchased from our suppliers is certified sustainable.



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 PRO and TimberTech EDGE 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.

You Like, We Plant.

We are committed to engaging and inspiring others to join us in our sustainability journey. Our 2021 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 4,778 trees—one for each like and share across our AZEK-branded social media platforms. Not only are we saving trees, we're planting them too!



PRODUCT LIFE CYCLES: 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.

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. 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.



BETTER TECH. BETTER DECK. BETTER PLANET.



TimberTech®

Everything Wood Should Be.™

vs. **ACQ Treated Pine** vs. **Brazilian Tropical Ipe**

To better understand the environmental impacts of our composite decking and conventional treated wood decking, in 2020, AZEK commissioned the first ever peer-reviewed comparative Life Cycle Assessment (LCA) of these materials. 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.

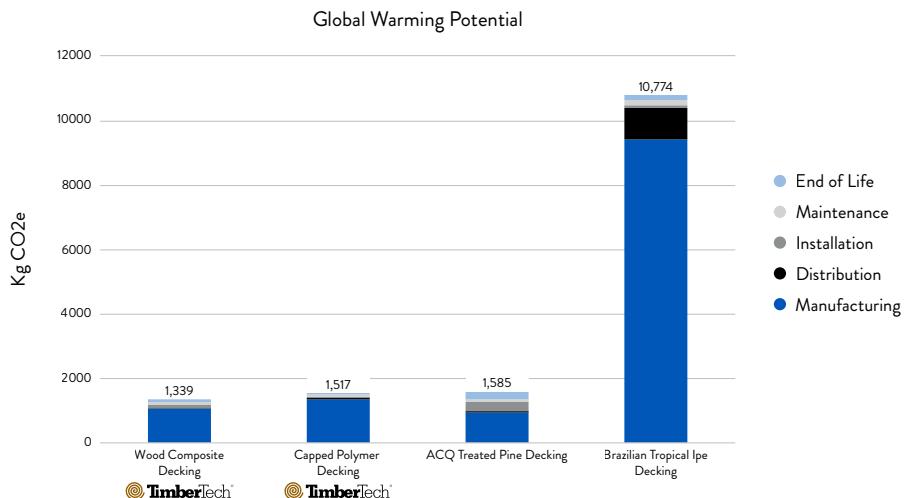




TIMBERTECH>WOOD

Life Cycle Assessment (LCA) Results

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.*



~16% Lower
Global Warming Potential
vs. ACQ Treated Pine Decking

~88% Lower
Global Warming Potential
vs. Brazilian Tropical Ipe Decking



~4% Lower
Global Warming Potential
vs. ACQ Treated Pine Decking

~86% Lower
Global Warming Potential
vs. Brazilian Tropical Ipe 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.

In other words, 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

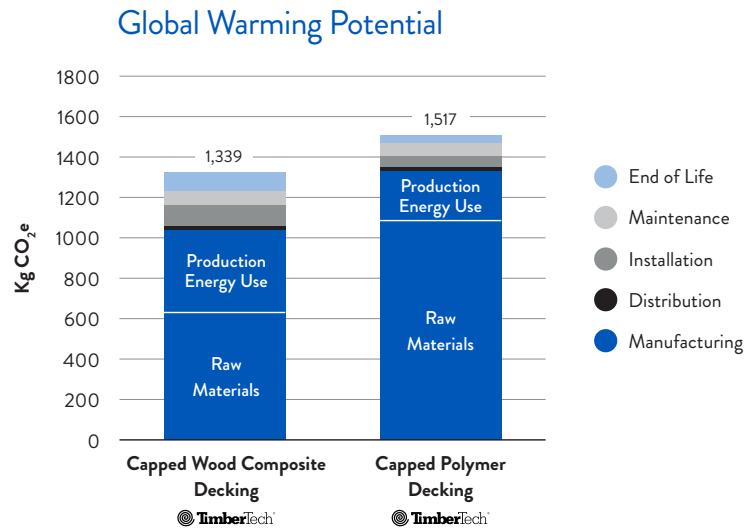
*The LCA studies assume a net area of 1,000 ft², a 50-year lifetime for TimberTech capped polymer decking, an average 27.8-year lifetime for TimberTech wood composite decking, a 25-year lifetime for Ipe decking and a 10-year lifetime for pine decking. The LCA study on IPE decking assumes a base case 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 wood 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 capped polymer 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.

This LCA study was based on 2019 formulations with approximately 40% recycled PVC used in our TimberTech capped polymer decking. Today, we use approximately 50% recycled PVC, which further lowers the GWP of that product. We estimate that the GWP of TimberTech capped polymer decking is roughly equal to TimberTech capped wood composite. In the future, as we use more recycled PVC, this will further reduce the GWP.



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.



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 which are used indoors, including 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.





LEED PLAYBOOK



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

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.





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

ENVIRONMENTAL TRAINING AND AWARENESS

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.

“ ”
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





OUR TURF, OUR TERMS



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). The 20,000 square foot office features an open, functional design that is conducive to collaboration, environmentally friendly and also features a 2,200 square-foot training and event center.





SUSTAINABLE MANUFACTURING OPERATIONS

Our facilities in Wilmington, OH and Scranton, PA employ a closed-loop water filtration system that reuses and recycles millions of gallons of water every day, constituting approximately 96% 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 2021, we announced that our newest manufacturing facility would be located in Boise, Idaho. 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 are pursuing 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. The facility is expected to be fully operational during AZEK's fiscal 2023.

96%
of water reused
annually

“ ”

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**



Rendering of the entrance to AZEK's new facility in Boise



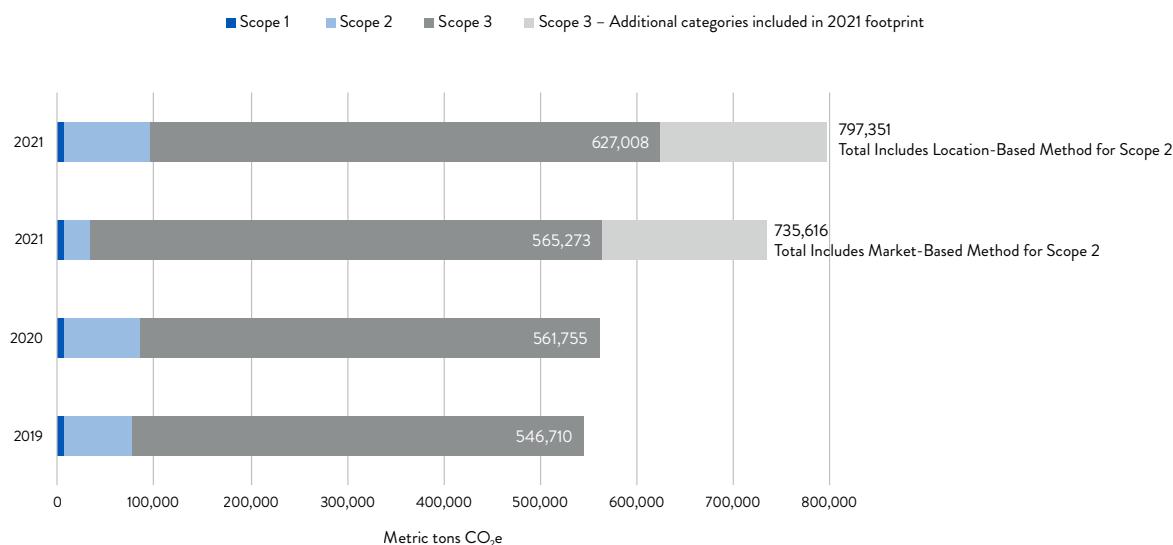
CLIMATE AND ENERGY: WHERE WE ARE NOW

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 during fiscal 2019 and 2020.

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. The findings from this 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 our fiscal 2021 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 The AZEK Company had purposefully chosen covering fiscal 2021, which was 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 polymer supply. 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

	2019 EMISSIONS (tCO ₂ e)	2020 EMISSIONS (tCO ₂ e)	2021 EMISSIONS (tCO ₂ e) ¹
Total Scope 1 Emissions	9,132	8,978	9,099
Total Scope 2 Emissions — Location Based	68,544	76,802	88,512
Total Scope 2 Emissions — Market Based	N/I	N/I	26,777
Total Scope 3 Emissions	469,034	475,975	699,740
Purchased goods and services — direct spend	450,875	459,750	506,487
Purchased goods and services — indirect spend	N/I	N/I	14,208
Capital Goods	N/I	N/I	39,805
Water supply and treatment	639	628	326
Upstream fuel- and energy-related emissions (not included in Scope 1 or Scope 2)	5,690	6,124	7,595
Upstream transportation and distribution	5,562	4,371	5,532
Waste generated in operations	3,872	3,761	7,506
Business travel	2,397	1,341	1,952
Employee Commuting	N/I	N/I	4,618
Downstream Transportation	N/I	N/I	57,930
Processing of Sold Products	N/I	N/I	3,412
End-of-Life Treatment of Sold Products	N/I	N/I	50,003
Downstream Leased Assets	N/I	N/I	366
TOTAL GHG EMISSIONS	546,710	561,754	735,616

¹ 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.

² Market-based total for fiscal 2021 GHG emissions.

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.



GHG 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.

The location-based method was used to measure the emissions from electricity use, by site, for fiscal 2019, 2020 and 2021. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs. Both a location-based and market-based method was used to measure the emissions from electricity use, by site, for fiscal 2021. The market-based method reflects emissions from electricity that The AZEK Company had purposefully chosen covering fiscal 2021, which was certified 100% carbon-free for a majority of its facilities' energy purchases, significantly reducing their carbon impacts.

The AZEK Company acquired Return Polymers in fiscal 2020. Total GHG emissions for fiscal 2019, 2020 and 2021 were calculated to include Return Polymers, as if it were part of The AZEK Company's carbon footprint in all three reporting years. This enables us to compare GHG emissions more accurately on a year-over-year basis.

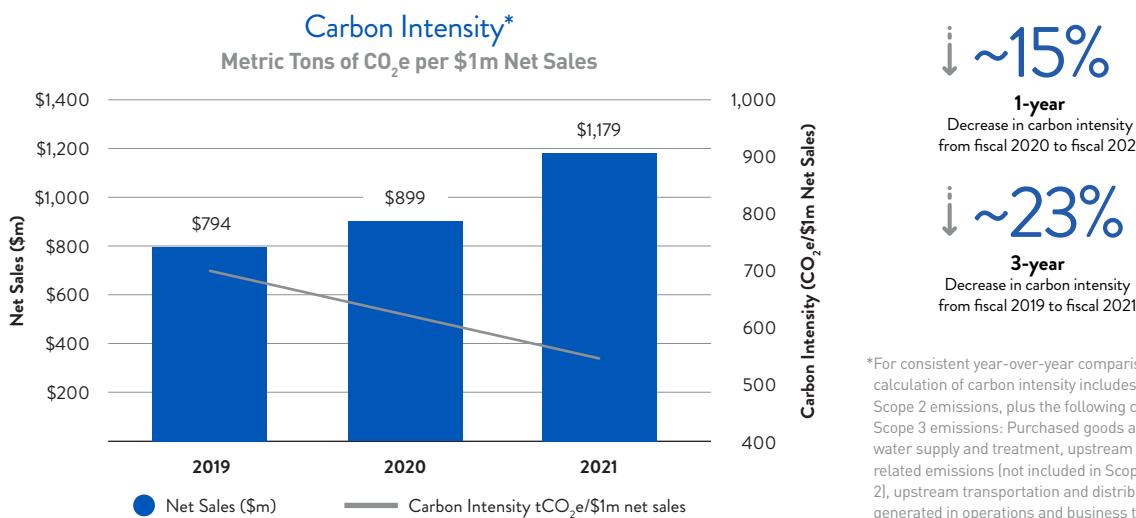
For the Scope 3 category of purchased goods and services (raw materials), emissions factors used in this analysis were based on industry or market averages. We intend to use supplier ESG surveys and scorecards in the future to better quantify the actual performance (vs. using industry or market averages)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





REPURPOSING WITH A PURPOSE: USING MORE RECYCLED MATERIALS LOWERS OUR CARBON FOOTPRINT

Over the last year, The AZEK Company's net sales increased approximately 31% and our carbon emissions per million dollars of net sales decreased approximately 15%. In other words, we produced and sold more products, but emitted less carbon year-over-year on an intensity basis. Including the combined Scope 1, Scope 2 and relevant upstream Scope 3 emissions in this calculation enables us to capture the positive impact of using more recycled raw material inputs and less virgin raw material inputs, which are accounted for in the Scope 3 category of purchased goods and services. To put this in context, the carbon footprint of recycled high-density polyethylene (HDPE) and recycled PVC, for example, is approximately 75% to 80% less than their virgin material counterparts. In fiscal 2021, we sourced and used approximately 500 million pounds of recycled waste and scrap, including recycled HDPE, recycled LCPE, recycled PVC and other recycled materials, up from approximately 400 million pounds in fiscal 2020. Thus, the net effect of using more recycled raw material inputs lowers our total carbon footprint, which is captured in the Scope 3 category, and lowers our carbon intensity year-over-year.



Similarly, if we isolate and assess our Scope 3 category of purchased goods and services (raw materials) carbon intensity on a year-over-year basis, we sourced 35% more raw material in terms of pounds sourced, but in using more recycled material with lower carbon footprints and less virgin material with higher carbon footprints, by weight, our carbon intensity was approximately 18% lower on a year-over-year basis.

↓ 18%
Carbon Intensity Decrease Year-Over-Year in Scope 3 – Purchased Goods and Services
(tCO₂e per 1 million pounds purchased)

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



CLIMATE AND ENERGY: 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 completed our three annual GHG inventories, we have a better understanding of where improvements can be made in the near, medium and long-terms.

In 2021, we completed our most comprehensive Scope 3 inventory to include both upstream and downstream emissions—a critical step in setting quantitative GHG reduction goals across the entirety of our value chain in alignment with climate science, a process which is underway. This means that we intend to set targets in line with the level of decarbonization required 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 will then submit these targets to the Science Based Targets initiative (SBTi) for independent validation to ensure conformance with SBTi criteria. 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 emissions reductions and net-zero targets in line with climate science.

From Ambition to Action in 2021

Our team has made meaningful progress on several GHG reduction initiatives in the last year. In doing so, our FULL-CIRCLE actions primarily focus on product innovation, recycling, energy efficiency, energy procurement and supply chain engagement as outlined below.

- **Product Innovation:** Launched several new products, including our TimberTech AZEK Landmark Collection decking, which was purposefully designed to incorporate more than 50% recycled content and to be recyclable at the end of life
- **Recycling:** Sourced and used approximately 500 million pounds of recycled waste and scrap, an increase of 100 million pounds vs fiscal 2020; Launched our FULL-CIRCLE Recycling program to collect waste and scrap PVC generated at job sites; the program now has approximately 900 FULL-CIRCLE collection bins at locations across the United States
- **Vehicles:** Began transitioning our sales vehicle fleet to hybrid vehicles; installed electric vehicle charging stations at various facilities
- **Energy Efficiency:** Installed energy conservation measures at our new Boise, ID facility as part of the building’s retrofit
- **Energy Procurement:** Transitioned the energy contracts at our largest facilities to certified 100% carbon-free electricity
- **Supply Chain Engagement:** Formalized our ESG engagement plan for suppliers

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





ZERO WASTE. BETTER PLANET.

The 2021 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 2021 TimberTech Championship a certified zero waste to landfill event—the first in PGA Tour Champions History.

Our team—in partnership with Sustainable Solutions Corporation—developed a comprehensive event waste management plan identifying streams that could be repurposed, recycled, composted, donated and/or re-used, and working with local Boca Raton partners such as the Solid Waste Authority, Coastal Waste and Recycling and 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 5,000 bags received during tournament week, we were thrilled to see such robust attendee engagement around this collection drive.

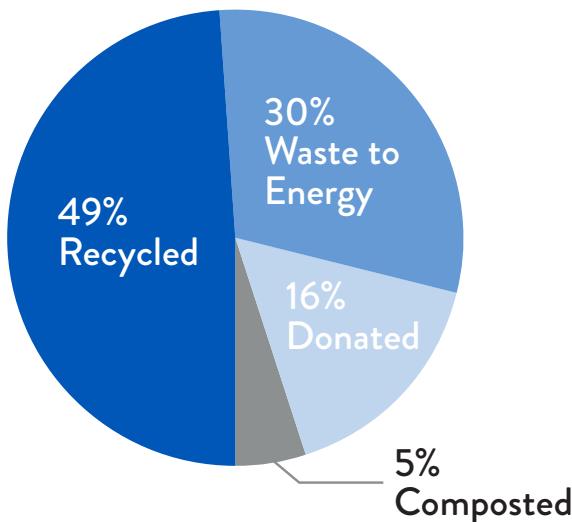


From Bite to Bin

The 2021 TimberTech Championship was held in Boca Raton, Florida at the Broken Sound Club, an industry leader on sustainability initiatives and home to Florida's first industrial composting program. Because we had access to a food digester on-site, we sourced plant-based, compostable cutlery and had composting bins throughout the course to eliminate food waste. By using event compost, The Broken Sound Club was able to return organic matter and nutrients to the soil and grow wildflowers around the 22 beehives around the course.

BY THE NUMBERS

100%
Diverted
from landfills





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. To make a positive impact on our employees, customers and communities, we are focused on what matters.

OUR FULL-CIRCLE AMBITIONS

PRODUCTS. PEOPLE. PLANET.

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

From Ambition to Action

- Formalized and launched a Diversity, Equity and Inclusion (DEI) Framework to achieve a diverse workforce that represents the communities in which we live and work
- Improved our safety performance
- Increased the minimum wage for hourly employees to \$15
- Continued to strive to meet and exceed customer expectations on experience, service and quality
- Tied executive compensation awards to elements of our FULL-CIRCLE ESG goals
- Focused on creating more vibrant and sustainable communities through outreach and philanthropic activities



OUR CULTURE: WE'RE ALL IN THIS TOGETHER

What are we building? An award-winning workplace.

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!

2021 Awards

Named a Top Workplace by the Chicago Tribune, Best Places to Work in Northeastern Pennsylvania by Times Leader Media, and listed in Inc. Magazine's first-annual Best-Led Companies in 2021, AZEK was honored for creating a culture that fosters an entrepreneurial spirit to solve today and tomorrow's problems. 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.





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.



“ ”

I just want to say how impressed I am with AZEK and how involved everybody is with employees. It's a breath of fresh air working for such a great company! I can't wait to see what the future at AZEK holds

**CAYLA BOEZI
QC TECHNICIAN**



TOTAL REWARDS

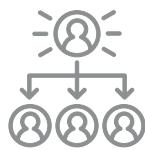
At AZEK, we know our people are what make us successful, and we understand the importance of investing in our employees. We offer a comprehensive compensation and benefits total rewards package to attract and retain talent that includes health insurance, basic life and AD&D insurance, a 401(k) Savings Plan with a company match feature, vacation and paid holidays, tuition reimbursement, parental leave, service awards, employee referral bonuses, employee discount programs, meeting-free Friday afternoons and more.

In 2021, we permanently increased the minimum wage of our hourly employees to \$15.



SUPPORTING WORK-LIFE BALANCE

Through our Employee Assistance Program, AZEK employees have access to resources for professional support. From everyday issues like job pressures, relationships and retirement planning to highly impactful issues like grief, loss or a disability, our employees and their families have access to professional counseling sessions at any time.



LEADERSHIP TRAINING PROGRAMS FOR FIRST-TIME MANAGERS

Our leadership training programs develop and cultivate the essential skills needed for first-time managers to build positive relationships with team members, inspire engagement and drive productivity.



EMPLOYEE STOCK OWNERSHIP

We strongly believe that all employees should make good decisions, Always Do the Right Thing and act like owners. That's why we granted our employees celebratory IPO shares in The AZEK Company. Additionally, in 2022, our shareholders approved an Employee Stock Purchase Plan (ESPP), which allows employees to use after-tax payroll deductions to purchase shares of AZEK stock and those who participate in the ESPP will receive a 10% company-match, up to \$2,500 per year.



PARENTAL LEAVE/PARENTAL BONDING LEAVE

Effective 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.



CATERED LUNCHES BENEFIT HUNGER-RELIEF ORGANIZATION

Through its catered meals with Cater2.me between June 1, 2021, and December 10, 2021, The AZEK Company team helped provide 2,611 meals* to people facing hunger across the country.

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



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.



EMPLOYEE ENGAGEMENT SURVEYS

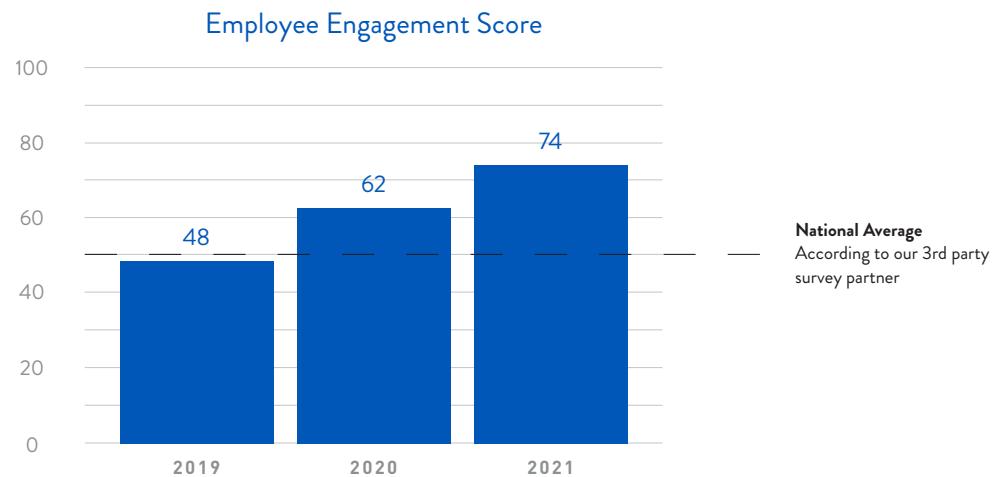
We value honest and timely feedback. Annually, we engage a third-party firm to conduct anonymous employee-wide engagement surveys. The results of these surveys allow us to identify areas of strength and opportunities for improvement to ensure continued satisfaction and retention of our employees. Both organizational and management drivers of employee engagement are measured. Our latest survey identified that we have created a culture where our employees feel engaged, respected and valued, improving our overall engagement score from 62 in 2020 to 74 in 2021. It also highlighted an opportunity for improvement in several specific areas including career development, leadership training, expectation setting, rewards and recognitions, volume and pace of work, and our safety culture. In alignment with our core value of Better Today Than Yesterday, cross-functional teams were created for each improvement area and each team was then responsible for developing and recommending an action plan to be implemented company-wide. Progress has been made across several of these areas as we continue to pursue actions reflective of our commitment to continuous improvement.

“ ”

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**





DIVERSITY, EQUITY AND INCLUSION

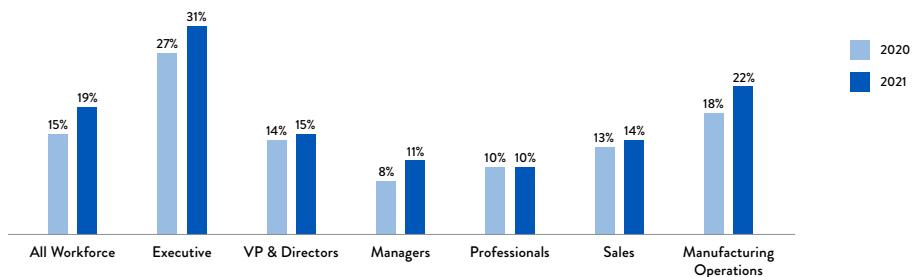
AZEK is committed to attracting, developing and retaining a highly qualified, diverse and dedicated workforce where diversity of all kinds is valued and appreciated. We believe that cultivating a diverse and inclusive workplace provides for a broad array of viewpoints, talents and skills that can drive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

AZEK follows equal employment opportunities principles and complies with the letter and spirit of the laws regarding fair employment practices and non-discrimination. 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.

Diversity Across The AZEK Company



Ethnic Diversity*



Female Representation*



*As of September 30, 2020 and September 30, 2021



BRINGING FORWARD THE BEST OF AZEK: OUR DEI FRAMEWORK

A culture that fosters diversity, inclusion, belonging and wellbeing drives a healthy and high-performing workforce. We have a long-standing commitment to creating welcoming, supportive environments where everyone can thrive, yet we recognized that we could further strengthen this commitment by formalizing a DEI strategy to be implemented across The AZEK Company. As a first step, in 2021, we established and communicated our 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.

In support of this commitment statement, we are currently working on strategies and actions in four key areas:

Workforce Diversity

Workplace Inclusion

Community Impact

Supplier and Commercial Impact

Our DEI strategy touches all aspects of our business—how we ensure the relevance of our brand to diverse customers and prospects, strengthen our culture of belonging, hire and develop diverse colleagues, serve our customers, engage suppliers and support communities where we live and work.

2021 HIGHLIGHTS

Diverse Hiring Practices: We formally implemented DEI Guidance in our hiring practices, which requires teams to interview gender or ethnic-minority candidates when hiring for a new salaried position. We also launched initiatives to improve how we find diverse talent and educate leaders about inclusive hiring practices.

Hispanic Heritage Month: We held various virtual and in-person educational sessions to empower cultural awareness of our Hispanic and Latino employees.

Pride Month: Employees across the organization convened for a conversation to honor human worth in support of LGBTQIA+ talent in the workplace.

Baselining Diverse Supplier Spend: For the first time, our team measured the number of diverse suppliers that the company contracts with and how much the company is spending with diverse suppliers. The results were then used to set our goal of 17% improvement year-over-year. AZEK is now a member of Women's Business Enterprise National Council and is committed to support women-owned and minority businesses.

In 2022, our team continues to cascade various DEI initiatives across the organization, including unconscious bias training, launching Employee Resource Groups and committing to increase our spend with diverse suppliers by 17% year-over-year. Additionally, we recently joined the CEO Action for Diversity & Inclusion initiative, pledging to address honestly and head-on the concerns and needs of our diverse employees and increase equity for all, including Blacks, Latinos, Asians, Native Americans, LGBTQ, disabled, veterans and women. Collectively as business leaders we agree that we must do more. For us, this means committing to specific goals we believe will catalyze further conversations and actions around diversity and inclusion within the workplace and foster collaboration among our peer organizations. We look forward to communicating our progress on these important initiatives in the future.

The AZEK Company celebrates Hispanic Heritage Month!



**CEO ACTION
FOR DIVERSITY
& INCLUSION**



EMPLOYEE SPOTLIGHT

A Spotlight on Matt Lawrence

Matt began his career at AZEK in July 2017 as a Production Assistant. In a conversation with Matt shortly after he came on board, his energy and drive were obvious and he wanted to grow with the company. He knew he wanted to expand his capabilities, and needed some additional skill sets to achieve his goals. We talked about various paths he could take and what a growth plan might look like. His excitement and dedication prompted him to enroll in the Electrical Maintenance and Construction program at Johnson College. Now holding the role of Maintenance Technician 1, I am incredibly pleased to share that in May 2021, Matt graduated from Johnson College with his Associate Degree in Applied Science: Electrical Construction & Maintenance Technology!

I couldn't be prouder of Matt and his dedication and drive to complete this journey, all while taking classes during the day and working at night. He is a shining example of being Better Today Than Yesterday and it's an honor and privilege to have him on our team.

I'm excited to see what the future holds for Matt at The AZEK Company.

— Scott Van Winter, President,
Commercial Segment





OUR COMMITMENT TO SAFETY

Safety is a top priority at AZEK and overseen by the highest level of the organization, our Board of Directors. We are committed to a strong safety culture that exceeds industry standards and continuously improves safety performance. We employ an environmental, health and safety director whose responsibilities include managing, auditing and executing unified, company-wide safety and compliance programs. The environmental, health and safety director reports directly to the Senior Vice President of Operations and also provides monthly updates to the Chief Executive Officer.

As part of our commitment to safety, we have established The AZEK Company Safety Absolutes, which are a set of non-negotiable safety values ingrained in all aspects of the organization.

Safety Absolutes

PLANT THE **SEED** FOR SAFETY



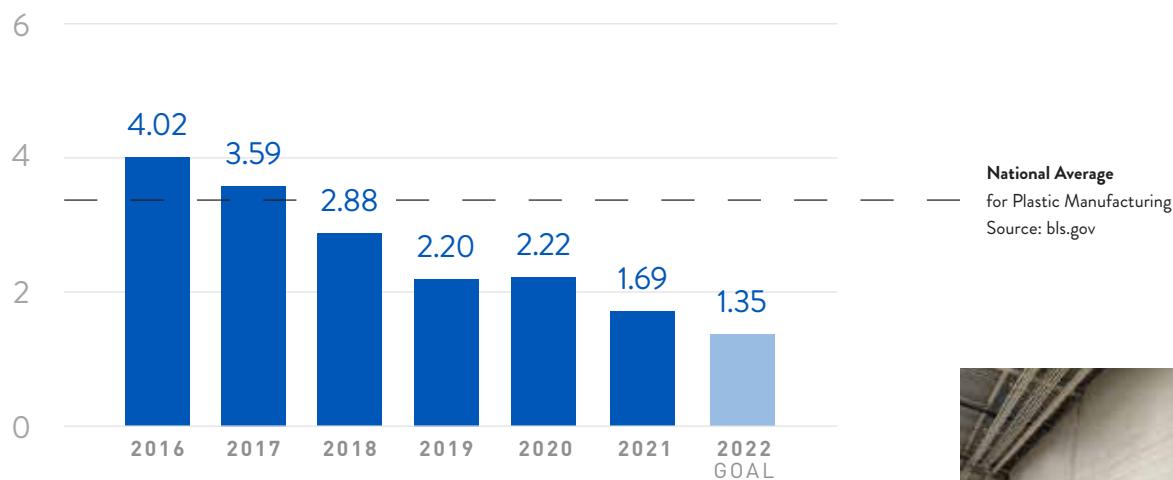
To execute on our safety commitments, we start each safety meeting by reviewing and discussing our Safety Absolutes and ensure that our manufacturing facilities are constructed, maintained and operated in compliance with applicable local, state and federal environmental, health and safety regulations as well as in conformance with AZEK policies and standards.

Our Environmental, Health and Safety (EHS) Policy outlines our management programs and expectations throughout our operations and businesses. We manage operational hazards and risks to provide workplaces that are safe and healthy for our employees, visitors, contractors, customers and the communities in which we operate. 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 Environmental, Health & Safety performance through ongoing training, objectives and management systems.



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 24% in fiscal 2021 vs. fiscal 2020.

Total Recordable Incident Rate



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.



365 Days Without a Recordable Incident:
Our Scranton-based manufacturing team
celebrates a safety milestone in 2021.

Days Away, Restricted or Transferred



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 continued to decrease over the last several years.

AZEK is a member of the National Safety Council, the National Fire Protection Association and American Society of Safety Professionals.



NOT JUST COMMITTED TO QUALITY—DEFINED BY IT

AZEK is committed to meeting and exceeding expectations for product quality.

Our material science expertise, differentiated R&D capabilities and commitment to quality 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 AZEK decking product line.

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 deck 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.



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

Throughout our history, we have developed an extensive network in the United States and Canada of loyal contractors, dealers and distributors, many of whom are brand advocates for our products. Our extensive network consists of more than 4,200 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.



KELLY WYSIENSKI
ELITE EXTERIORS, LLC
MYRTLE BEACH, SC

“ ”

We believe in advocacy with manufacturers who not only produce quality and innovative products, but who also believe in the strength of building relationships and creating reliability from manufacturer down thru the pipeline, directly to the contractor and homeowner. AZEK/Timbertech's dedication to servicing their customers exceeds standard practices in this industry. Not only do they produce products that create an unsurpassed "wow" factor, their involvement from purchase to production and install is at a level that is remarkably unheard of.

As a contractor, this customer service is extremely valued.



PAT NOONAN
OWNER OF DECK AND
BASEMENT COMPANY,
RICHFIELD, MN

“ ”

We felt it became a disservice to our clients to continue to install wood decking, with the composite technology advances and declining lifespan of wood decking—not to mention the cost of maintenance or replacement. Knowing I have a partner in a manufacturer that has my back—if ever needed—has been unbelievable. I've been installing AZEK®/TimberTech® since it launched. In fact, we installed one of the first TimberTech AZEK decks in Minnesota and it has been our main synthetic product line since.



AMY WARREN
DIRECTOR OF BUSINESS
PROCESS AND
DEVELOPMENT FOR
WEYERHAEUSER
DISTRIBUTION

“ ”

Our relationship with AZEK is based on shared values of quality, sustainability and innovation. These mutual commitments will serve and bring added value to our customers.



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, workshops, plant tours and relationship-building—all designed to help AZEK partners sell the product lines, including trim, moldings, deck, porch and rail. We've had over 8,000 AZEK University training and plant tour attendees since 2015. In 2020, our team was able to convert AZEK University to a digital, virtual format, enabling broader participation and more engagement with our distributor, dealer, architect and contractor partners. In 2021, we returned to live sessions. We have also planned to incorporate a dedicated classroom for AZEK University at our new Boise facility, where we will offer training incorporating various elements of our sustainability journey that our contractors can put to work in their own businesses, thus, further extending our impact.



AZEK U attendees from Canes Exterior Transformation.



SUPPLY CHAIN MANAGEMENT

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. 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.

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 strategy, 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 with a goal to increase spend with diverse suppliers by 17% in fiscal 2022.

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



STATEMENT ON HUMAN RIGHTS

The AZEK Company Inc. 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.



GIVING BACK WITH THE AZEK COMPANY



The AZEK Cares Foundation

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.



10,100 Trees planted Across the U.S. in 2021

We held several engagement campaigns during 2021 that resulted in a total \$10,100 donation to One Tree Planted. In partnership with this organization, for every \$1 donated, 1 tree is planted.



2021 Sponsorship Benefiting The Walker Art Center

As a sponsor of Party In/The Garden, we are supporting the Walker Art Center's award-winning artistic and educational programs, including an increasing focus on diversity, equity, inclusion and accessibility (DEIA) within museum collection holdings.



Chipping for Charity

During the 2021 TimberTech Championship, we launched our inaugural "Chipping for Charity" challenge. Winners received a \$5,000 donation from The AZEK Cares Foundation to the charity of their choice. Congrats to our 2021 winners, Vijay Singh and Jim Furyk!





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.

2021 Volunteerism Highlights

Nearly 100 leaders from across the organization spent an afternoon at Heartland Alliance Chicago FarmWorks weeding, building picnic tables made out of our engineered materials, and helping to prepare plants for the Fall. The 2.6 acre urban farm in Chicago's East Garfield Park neighborhood supplies local produce of the highest quality to those who need it most, while also supporting people overcoming multiple barriers to employment to secure full-time, permanent, viable jobs. Our team will never pass an opportunity to enjoy the great outdoors and it was even more meaningful to help advance FarmWorks' mission.

In the summer of 2021, our Scranton-based team was thrilled to take part in the Northeastern PA's NeighborWorks event, 'Paint The Town.' We had 31 volunteers from across the company come out and spend over 350 hours collectively in six different homes supporting senior residents in the local Scranton, PA community.

Project highlights included replacing a small wood deck with TimberTech decking, repainting a 2-story porch, building a new shed, clearing overgrown landscaping, spackling and painting interior rooms, repairing a deck stair and front gate and sealing a foundation.





CORPORATE GOVERNANCE



OPERATING WITH INTEGRITY AND ACCOUNTABILITY

INTEGRITY IS INTEGRAL

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 & 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

Approximately 50% gender/ethnic diversity



Gary Hendrickson
Chairman of the Board of Directors



Jesse Singh
Director, President and CEO



Sallie Bailey
Director



Fumbi Chima
Director



Howard Heckes
Director



Vernon J. Nagel
Director



Natasha Li
Director



Ashfaq Qadri
Director



Bennett Rosenthal
Director



Brian Spaly
Director

Our Leadership Team

Approximately 55% gender/ethnic diversity



Jesse Singh
Director, President and CEO



Peter Clifford
Senior Vice President and CFO



Jonathan Skelly
President, Residential Segment



Scott Van Winter
President, Commercial Segment



Sandra Lamartine
Senior Vice President and
Chief Human Resources Officer



Chris Latkovic
Senior Vice President of Operations



Morgan Walbridge
Senior Vice President,
Chief Legal Officer and Secretary



Samara Tool
Senior Vice President and
Chief Marketing Officer



Michelle Kasson
Chief Information Officer



Gregory Jorgensen
Vice President,
Chief Accounting Officer and Treasurer



Amanda Cimiglia
Vice President,
ESG and Corporate Affairs



GOVERNANCE UPDATES IN 2022

When it comes to governance, we are committed to being aligned with investment community best practices. As we continue to mature as a public company, we recognize the importance of improving and/or changing some of our governance features to be more aligned with shareholder interests. This is also the result of several conversations we had with our shareholders throughout the year. Specifically, some of the feedback we received from our shareholders covered topics such as supermajority voting and classified board structures. We are pleased to report that our shareholders have approved board recommendations to amend our certificate of incorporation to remove supermajority voting requirements to amend our certificate of incorporation and bylaws and to declassify our board of directors and phase-in annual director elections, as well as to implement the 2021 Employee Stock Purchase Plan, in each case as put forth as proposals during our 2022 Annual Meeting in March 2022. Moving forward, we are committed to continuously soliciting feedback from our shareholders as we strive to reflect best in class governance practices.

BOARD DIVERSITY

50%
Gender / Ethnic
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.

“ ”

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, DIRECTOR, PRESIDENT AND CEO
ON JOINING

THE BOARD CHALLENGE





ESG GOVERNANCE

In conjunction with The AZEK Company's 2020 Initial Public Offering, the Nominating and Corporate Governance Committee of the Board of Directors was given formal responsibility for AZEK's corporate social responsibility and sustainability policies, strategies and communications. Additionally, we established an 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.

During 2021, we issued our first ESG report, which outlined many of the sustainability and impact-focused initiatives we have undertaken and laid out our commitment to continue to reduce the carbon footprint of our products and our operations as well as other environmental and social initiatives that positively impact our employees, customers, communities and the planet.

STOCKHOLDER ENGAGEMENT

Throughout the year, we regularly engage with our investors on strategic, financial and ESG performance. We believe that our approach of year-round open engagements drives increased corporate accountability, facilitates increased transparency, enables improved decision-making and ultimately creates long-term shareholder value.





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 compensation committee believes that our compensation programs appropriately incentivize our executive officers to take prudent risks and are focused on both the short-term and the long-term interests of our stockholders, which is reflected by the fact that our executive officers receive a balanced mix of short-term and long-term, performance-based, variable compensation, as well as fixed salary compensation and long-term, service-based compensation. Our compensation committee also believes that excessive risk taking is mitigated by compensation policies we maintain, including our executive officer stock ownership policy, our hedging and pledging prohibitions and our clawback policy. 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 primarily 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 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 quarterly and generate internal phishing campaigns to assess the effectiveness of the training. As of January 2022, we also hired a Chief Information Security Officer to supplement and develop our security posture as we grow. 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.



BUILDING A
BETTER TOMORROW.
TODAY.

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. And they would not be wrong. Because 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, hey, 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.



APPENDIX

NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin Reconciliation

	TWELVE MONTHS ENDED SEPTEMBER 30,			TWELVE MONTHS ENDED SEPTEMBER 30,	
	2021	2020		2021	2020
U.S. Dollars (In thousands)					
Net income (loss)	\$ 93,150	(122,233)	Net margin	% 7.9	(13.6)
Interest expense	20,311	71,179	Interest expense	1.7	7.9
Depreciation and amortization	101,604	99,781	Depreciation and amortization	8.6	11.1
Tax expense (benefit)	28,668	(8,278)	Tax expense (benefit)	2.5	(0.9)
Stock-based compensation costs	22,670	120,517	Stock-based compensation costs	1.9	13.4
Business transformation costs (1)	—	594	Business transformation costs	—	0.1
Acquisition costs (2)	—	1,596	Acquisition costs	—	0.2
Initial public offering and Secondary offering costs (3)	2,592	8,616	Initial public offering and Secondary offering costs	0.2	0.9
Other costs (4)	5,192	4,154	Other costs	0.5	0.4
Capital structure transaction costs (5)	—	37,587	Capital structure transaction costs	—	4.2
Total adjustments	\$ 181,037	335,746	Total adjustments	% 15.4	37.3
Adjusted EBITDA	\$ 274,187	213,513	Adjusted EBITDA Margin	% 23.3	23.7

1. Business transformation costs reflect compensation costs related to the transformation of the senior management team of \$0.6 million for fiscal year 2020.
2. Acquisition costs reflect costs directly related to completed acquisitions of \$0.9 million for fiscal year 2020 and inventory step-up adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition of \$0.7 million for fiscal year 2020.
3. Initial public offering and secondary offering costs includes \$1.4 million in fees related to the Secondary offering of our Class A common stock completed in fiscal year 2020.
4. Other costs reflect costs for legal expenses of \$2.3 million and \$0.9 million for the fiscal years 2021 and 2020, respectively, impact of the retroactive adoption of ASC 842 leases of \$0.5 million for fiscal year 2021, reduction in workforce costs of \$0.4 million for fiscal year 2020, and costs related to an incentive plan and other ancillary expenses associated with the initial public offering of \$2.4 million and \$2.9 million for the fiscal years 2021 and 2020, respectively.
5. Capital structure transaction costs include loss on extinguishment of \$1.9 million for the 2021 Senior Notes and \$35.7 million for the 2025 Senior Notes for fiscal year 2020.

SASB INDEX

The Sustainability Accounting Standards Board (SASB) is a nonprofit focused on helping companies identify and publicly disclose the financially material sustainability topics that matter most to their investors. SASB has developed industry-specific reporting recommendations, including accounting and activity metrics, to guide businesses' public reporting.

This Appendix includes references to SASB's reporting recommendations for Building Products & Furnishings, The AZEK Company's industry classification according to SASB's Sustainable Industry Classification System®. As we are currently in the process of developing more robust sustainability disclosure processes, some metrics are not available for disclosure this year. We look forward to providing additional reporting in subsequent disclosures.

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 2021, AZEK's total energy consumption was 862,169 gigajoules, including fuel 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 [28] 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 [28] 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 Life Cycle Environmental Impacts	Description of efforts to manage product life cycle 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 [20-28] for more details.

SASB INDEX DISCLOSURE NUMBER	TOPIC	ACCOUNTING METRIC	RESPONSE
CG-BF-410a.2	Product Life Cycle Environmental Impacts	Weight of end-of-life material recovered	In fiscal 2021, we diverted approximately 500 million pounds of scrap and waste from landfills through our recycle programs. See page [20] of this ESG Report for more detail.
CG-BF-410a.2	Product Life Cycle Environmental Impacts	Percentage of recovered materials recycled	100% of the scrap material that was recovered by AZEK during fiscal 2021 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 2021, AZEK purchased approximately 170 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.

SASB INDEX DISCLOSURE NUMBER	TOPIC	ACTIVITY METRIC	RESPONSE
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.	In fiscal 2021, AZEK produced approximately 902 million pounds of finished product.
CG-BF-000.B	Area of Manufacturing Facilities		2,428,217 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.

- 2021 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 INFORMATION

Corporate Headquarters

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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."

