ECOMATERIAL TECHNOLOGIES

LEADING DECARBONIZATION OF THE CEMENT INDUSTRY

2023 Sustainability Report

ecomaterial.com

ABOUT

Eco Material Technologies (Eco Material) is the leading provider of zero and near-zero carbon supplementary cementitious materials (SCMs) in North America. With over four decades of experience in marketing fly ash to the concrete industry, Eco Material is a pioneer in developing new construction material technologies. The company provides an environmentally friendly solution to conventional cementitious materials. Our products utilize resources that would otherwise be landfilled (e.g., fly ash), reducing the environmental impact of cement.

Ready-mix concrete producers and contractors benefit from Eco Material's reliable supply, technical expertise, sales, and service support. Additionally, Eco Material offers comprehensive on-site ash handling and management, and engineering services.

Eco Material's services extend to marketing fly ash and synthetic gypsum, significantly reducing the amount of coal combustion products (CCPs) that are landfilled. The company also harvests and beneficiates previously landfilled CCPs, enabling the clean reclamation of existing ash deposits. By supplying fly ash for concrete, synthetic gypsum for wallboard and agricultural uses, and various specialty products for construction materials, Eco Material optimizes the use of materials for their most effective applications. This beneficiation process not only broadens the use of these products in standard construction but also significantly decreases greenhouse gas (GHG) emissions by promoting more sustainable alternatives.

The contents of this report reflect the latest data and metrics covering the fiscal year 2023 (January 1-December 31, 2023). Unless otherwise noted, either specifically or by context, the narrative disclosures presented in this report are current as of December 31, 2023. The methodology by which the Company states its carbon avoidance and waste diversion metrics can be found in the appendix.

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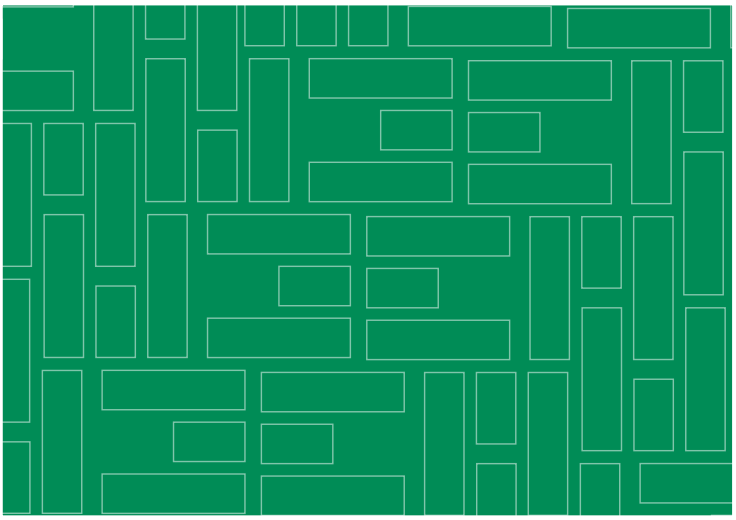


Mission

Building a greener world through innovation in construction materials.

Vision

Expand North American leadership position in low-carbon concrete products by doubling volumes to over 20 million tons by 2030.

ECOMATERIAL TECHNOLOGIES

MESSAGE FROM OUR CHIEF GROWTH OFFICER

Rob McNally

CGO & EVP

In our inaugural 2022 ESG report, we embarked on an exciting journey toward our mission of cutting emissions from concrete manufacturing to near-zero levels. Eco Material strives to push the industry to increase the uptake of low-carbon cement. We actively participated in the Working Group to help develop Climate Action Reserve's (CAR) new U.S. Low-Carbon Cement Protocol – and in connection with that protocol, Eco Material contributed to the build out of the carbon credit market.

In our inaugural 2022 ESG report, we embarked on an exciting journey toward our mission of cutting emissions from concrete manufacturing to near-zero levels.

A recent news article noted if the cement industry were a country, it would rank as the third-largest emitter of carbon dioxide (CO_2) globally, responsible for approximately 8% of worldwide CO_2 emissions.[1] These statistics not only highlight the scale of our challenge but also underscore the need for change within our sector. Eco Material Technologies leverages patented technologies to develop sustainable supplementary cementitious materials (SCMs) aimed at addressing this environmental challenge. Utilizing a wide range of resources, including fly ash currently produced, previously landfilled fly ash, and numerous natural pozzolans, and minerals available, Eco Material strives to displace cement in U.S. concrete manufacturing.

We are committed to expanding our sources of SCMs and building new near-zero-carbon product operations to meet our growth objectives and maintain our aim to significantly reduce the demand for ordinary portland cement (OPC). Our innovative solutions have already replaced 5% of U.S. cement consumption,[2] preventing over 5.9 million metric tons of CO_2 emissions annually. By 2030, we aim to double our impact in North America, leading the market in near-zero-carbon concrete products. This approach not only significantly reduces the industry's carbon footprint but also repurposes waste materials and provides near-zero products for use within the industry. Join us as we continue to innovate and lead in sustainable construction materials.

1. www.cbsnews.com/news/cement-industry-co2-emissions-climate-change-brimstone/
2. See Appendix: Cement Displacement, Waste and Carbon Avoidance Methodology

THE CONCRETE INDUSTRY

Fly Ash is Utilized as a Component of Concrete for Construction Applications

Concrete is used more than any other man-made material in the world, and is the second most-consumed substance in the world behind water

- Each year, ~30 billion tons of concrete are produced globally[3]

Concrete is a mixture of cement / supplementary cementitious materials (SCMs), aggregates (sand and rocks), water, and air

- SCMs act as replacements for cement in concrete mixtures and significantly improve concrete's performance, and provide environmental and economic benefits

SCMs include fly ash, natural pozzolans, and ground granulated blast furnace slag

How is Fly Ash Used in Concrete Production?

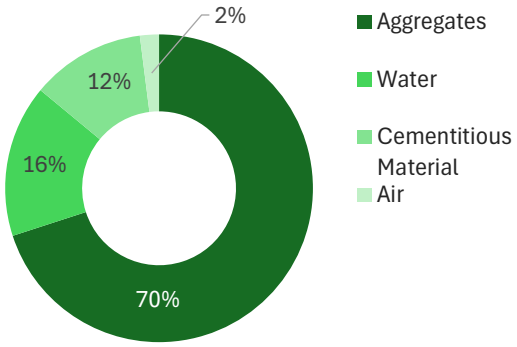
Fly ash is transported by a marketer to a ready-mix concrete production plant and is held in storage terminals at the site to be added into mixtures

- Typically, fly ash will be utilized within a few days of being delivered to the ready-mix concrete production site, requiring a steady cadence of deliveries to the producers' facility

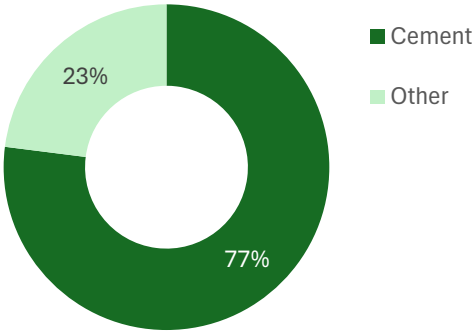
Once all the materials are added to the ready-mix truck, the mixing and production of ready-mix concrete occurs on the truck before the concrete is eventually utilized on the job site

3. www.nature.com/articles/d41586-021-02612-5
4. Management estimates based on generally accepted industry averages

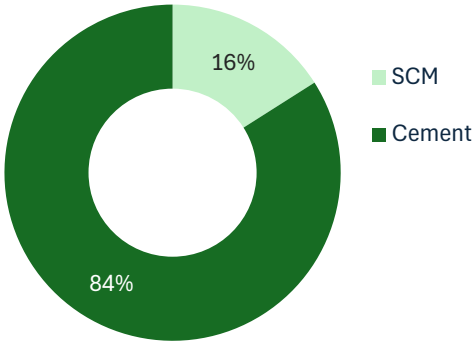
Composition of Concrete



Embedded CO_2 in Concrete



SCM Substitution In The U.S.



While Cement Represents ~12% of Concrete...

While cementitious material is 12% of concrete mixtures, it is the most valuable component of concrete

...it Represents ~80% of Embedded CO_2...

Reducing cement in concrete is the most practical and viable option to reduce concrete emissions

...and SCM Substitution in the U.S. is only ~16%.[4]

Expected long-term substitution for SCMs is 20%+, and can be as high as 100% with Eco Material's technology

Increased usage of SCMs in concrete is a key driver of decarbonization within the global construction industry

THE CONCRETE AND CEMENT MARKETS ARE IN TRANSITION

Concrete is the most used man-made material on earth. Low-carbon concrete innovation is vital to reduce emissions in the construction industry.

Pozzolonic Cement and Proto-Concrete

High Carbon Portland Concrete

300 BC Proto-concrete

Roman innovation:

No carbon emissions

Volcanic ash, lime, sea water, rock

Long cure and set times

Expensive to produce

1824 - 1980 Concrete 1.0

Invented by Joseph Aspdin (England) Ordinary Portland Cement (OPC):

High emissions ~1 ton CO_2: 1 ton of cement

Faster set and cure times, easier to mass produce

Zero Carbon SCM Blending

High Carbon Portland Concrete

Manufactured Concrete - Modified SCMs and Blending - PozzoSlag

High Carbon Portland Concrete

Manufactured Concrete: 100% Green-PozzoCem

1980 – 2020 Concrete 2.0

Addition of SCM's and Manufactured Cement:

Reduce costs/improve performance

Reduce CO_2 emissions through beneficial use of Coal Combustion Products (CCPs)

2020 - 2040 Concrete 3.0

Increase use of Manufactured Cement:

50%+ OPC replacement factor - emissions halved

Eco Material is enabling Concrete 3.0 and is driving to 4.0 (near zero emission)

2040 Concrete 4.0

Increase use of Manufactured Cement with improvement:

100% OPC replacement factor

Emissions near zero and driving to net-zero

ECO MATERIAL DISTRIBUTION FOOTPRINT

The number of sites increased from ~100 in 2021 to over 115 in 2023, with over 5,000 unique customer locations.

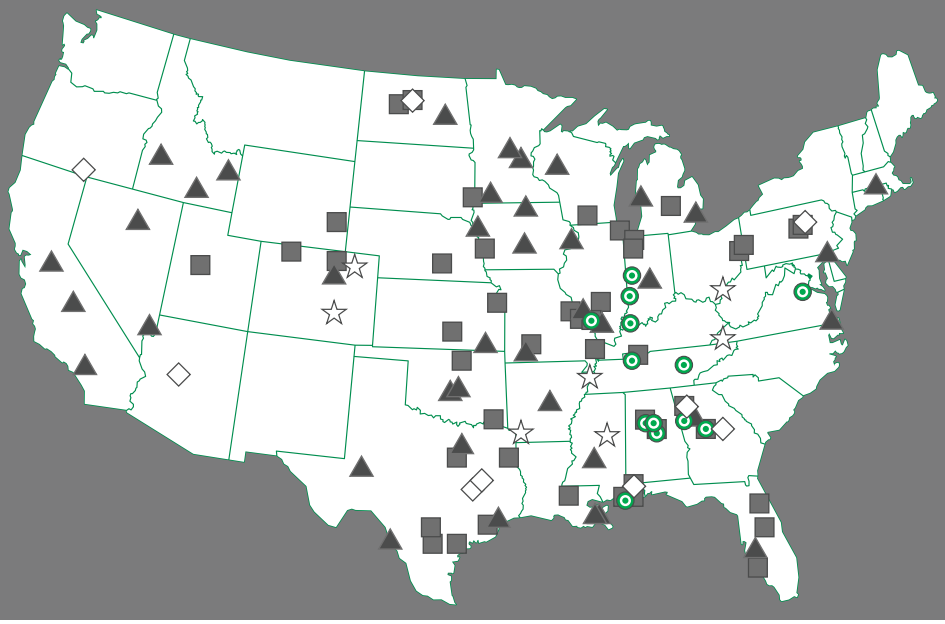
Eco Material Technologies' proprietary process technology aims to replace a significant portion of the United States' approximately 100 million metric tons per year (mmtpy) production of portland cement. Currently, Eco Material's products are replacing portland cement at rates of 20-100%, with plans to double current emissions savings from 6 million metric tons per year of greenhouse gases (GHG) to over 12 mmtpy by 2030 against a baseline of 2023 levels. Eco Material aims to help shift public awareness, regulatory focus, and support towards replacing Portland cement.

The proprietary technology creates a superior product that provides greater longevity and strength, requiring less removal and replacement of concrete. Eco Material's existing distribution network can create widespread opportunities to disrupt the cement industry in the near term. The Company's patented production process results in a more cost-efficient, stronger, and more durable cement alternative that fits within normal industry practices.

Key Product Stats

- Doubling CCP Volumes: Increasing output to 20 mmtpy by 2030 and avoiding an additional 6 million metric tons of CO_2e, versus 2023 levels
- Cement Replacement: 20-100% current replacement rates
- Capacity Expansion: Several facilities currently under construction to significantly increase available material

- Fly Ash Terminals
- Sources & Storage
- Services Sites
- SynMat Operations
- Processing Facilities



Eco Material benefits from a strong national presence and a robust logistics network. This enables the company to reduce emissions associated with its supply chain and utilize low-carbon methods of transportation (i.e. railcars).

MATERIALITY ASSESSMENT

In 2022, Eco Material conducted a materiality assessment to identify the ESG topics that are most significant to the business.

1. Employee Health & Safety
2. Beneficial Use of Recovered Material
3. Greenhouse Gas Emissions
4. Air Quality
5. Employee Engagement
6. Community Engagement
7. Employee DEI
8. Management of Legal & Regulatory Environment
9. Product Quality & Safety
10. Water Management
11. Ecological Impacts
12. Energy Management
13. Supply Chain Management/ Logistics
14. Business Ethics
15. Climate Change Risk Management
16. Customer Satisfaction
17. Labor Practices
18. Risk Management
19. Data Privacy & Security

Sustainability Strategy

Sustainable Products

Delivering innovative near-zero-carbon construction materials that help our customers meet their business and environmental goals

Thriving Communities

Investing in our employees and communities, which are key contributors to the success of our business

Responsible Operations

Managing all of our business dealings with integrity and in an efficient and environmentally responsible manner

In 2022, Eco Material partnered with a third-party consultant to conduct a materiality assessment designed to identify those environmental, social, and governance (ESG) topics that were most significant to our business and support the development of a sustainability strategy.

The evaluation consisted of peer benchmarking, interviews with both internal teams and partners, customers, and trade associations.

The materiality matrix on page 12 reflects the outcome of this process. While Eco Material considers all ESG issues important, the items located in the upper right hand quadrant reflect the most relevant issues to both Eco Material and our external partners. The materiality assessment also aided in the development of a sustainability strategy that focuses on sustainable products, thriving communities, and responsible operations.

SUSTAINABLE PRODUCTS[5]

Fresh Fly Ash and Bottom Ash

By partnering with leaders in the energy sector, Eco Material is strategically positioned to acquire fresh fly ash and bottom ash before it reaches the landfill, beneficially using it in the concrete industry and significantly reducing the carbon footprint of concrete.

6.5 million short tons of fresh fly ash and bottom ash, diverted from landfills, in 2023.

Natural Pozzolans

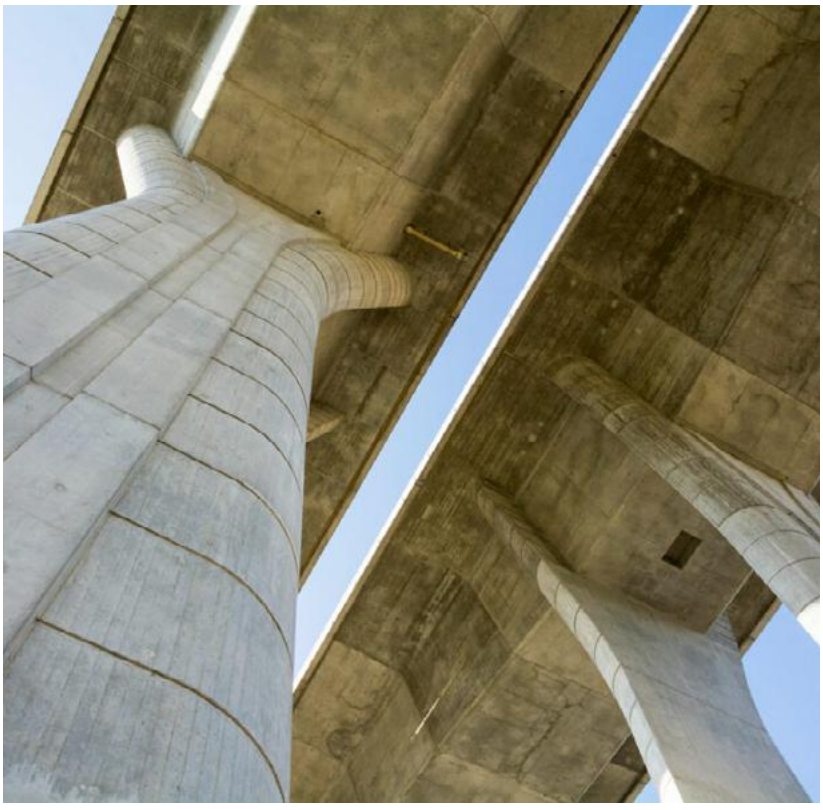
Eco Material processes pozzolans, natural materials with cementitious properties, as an alternative to other carbon-intensive cementitious materials currently used in concrete. Natural pozzolan processing generates far less carbon emissions than manufacturing OPC. When natural pozzolans are used in concrete, it creates longer-lasting concrete structures that require fewer repairs and have a lower life-cycle cost.

85,000 tons of natural pozzolan sold and 67,600 metric tons of CO_2 avoided, in 2023.

Fly Ash Harvesting and Beneficiation

In addition to fresh fly ash and bottom ash, Eco Material can harvest previously disposed of fly ash and bottom ash to create SCMs to displace portland cement in concrete. New plants in Texas and Georgia started operations in 2023 and early 2024, respectively.

355,000 tons of material harvested for beneficial use and 278,600 metric tons of CO_2 avoided, in 2023.



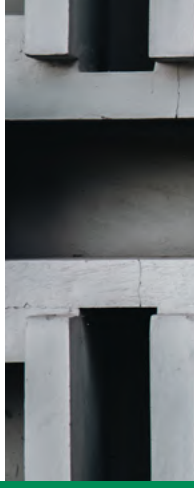
Green Cement

Eco Material's reengineered cement can replace a significant portion of OPC by utilizing SCMs rather than processing virgin limestone into OPC. Eco Material's PozzoSlag® can be made at room temperature, making it a near-zero-carbon cement.

69,000 tons of green cement produced and over 50,000 metric tons of CO_2 avoided by utilizing green cement, in 2023.

5. See Appendix - Cement Displacement, Waste and Carbon Avoidance Methodology

PRODUCT CASE STUDIES



- Zero product quality or safety issues warranting internal escalation
- 40% decrease in energy usage[6]
- 50% waste reduction through recycling[6]
- Net-zero carbon emissions target by 2030

Product Quality and Customer Satisfaction

Eco Material's team of specialized engineers uphold stringent standards and requirements established by the American Society for Testing and Materials (ASTM), Environmental Protection Agency (EPA), and other stakeholders.

PozzoSlag® has proven to not only be a more durable and safer cement compared to OPC, but it also uses significantly less water to produce. As such, concrete produced using PozzoSlag® is less susceptible to microcracks that would allow water to permeate through the concrete.

Case Studies

3D Printed Home Utilizing SCM from Eco Material

In 2023, Eco Material teamed with home builder Hive3D to produce 3D printed homes using a mortar-like ink that replaces 50% to 100% of OPC with Eco Material's PozzoSlag® and PozzoCEM Vite® products.

By incorporating locally sourced aggregates, Eco Material and Hive3D have optimized the home-building process by making building materials and processes cost-effective with a greatly reduced carbon footprint.

The partnership aims to further transition the construction industry away from

30% CO_2 reduction in manufacturing processes[6]

materials responsible for large quantities of carbon emissions. Models using these innovative construction methods were unveiled in Round Top, Texas, demonstrating the impact cement replacement products can have on local communities. The collaboration sets a precedent for affordable and sustainable homes in the housing space nationwide.

Coal Creek Station Partnership

Eco Material announced an expanded partnership with Rainbow Energy Center for harvesting and beneficiation of SCMs at Coal Creek Station, the largest power plant in North Dakota.

By implementing the beneficiation process, the plants will become the first of their kind in North Dakota. The beneficiation process will transform bottom ash from solid-form byproducts of energy production into high-quality SCM for use in concrete production. Additionally, calcium sulfite will be transformed into synthetic gypsum and marketed to the wallboard industry. The project plans to provide an additional 400,000 tons of SCMs annually over the next 25 years, as well as 150,000 tons of calcium sulfite for use in products that will service growing markets in North Dakota, Wisconsin, and Minnesota.

CO_2 Reduction

Over **50%** reduction in emissions, using significantly less water

3D Printing

50% to **100%** OPC replacement, utilizing PozzoSlag® and PozzoCEM®

Carbon Footprint

Reduced carbon footprint with a cost-effective building process

6. Hive 3D estimates

PRODUCT CASE STUDIES

Beneficial Use of Recovered Material

Beneficial use of CCPs allows Eco Material to divert materials from landfills and harvest reusable materials to develop valuable products.

Goals

Eco Material aims to increase the volume of SCMs that it markets to 20 million tons by 2030, versus 2023 volume of 10 million tons.

Planned or under construction projects are expected to add over 4 million tons over the next three years.

Over 10.2 million tons

of fresh and harvested material in 2023

Near-Zero-Carbon Products

OPC accounts for 8% of global CO_2 emissions annually.

Eco Material's PozzoSlag® and PozzoCEM® are produced using fly ash and other materials that allow for near-zero-carbon emissions and 50% to 100% replacement of OPC in concrete production. Replacement of OCP with more sustainable options helps transition away from materials that can negatively impact our environment.

5.9 Million metric tonnes of CO_2 emissions avoided from products[7]

Equivalent to powering over **769,000 homes** for one full year[8]

Active participant in the development of the **U.S. Low-Carbon Cement Protocol**[9]

Landfill Diversion

Over **10.2 million tons** of material diverted

SCM Goals

20 million tons marketed by 2030

Carbon Impact

Equivalent to removing **1.4 million cars** annually[10]

7. See Appendix - Cement Displacement, Waste and Carbon Avoidance Methodology
8. www.epa.gov/energy/greenhouse-gas-equivalencies-calculator
9. www.climateactionreserve.org/how/protocols/industrial/low-carbon-cement/dev/
10. www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

SUSTAINABILITY LEADERSHIP & PARTNERSHIPS

Green Bonds

In February 2022, Eco Material was formed by acquiring Boral assets and merging with Green Cement. The merger was partially funded by the issuance of $525 million in Senior Secured Green Notes (Green Bonds).

As part of the structuring process for the Green Bond, Eco Material created a Green Bond (Framework) aligned with the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2021 to aid in determining the eligible project and Use of Proceeds criteria. Eco Material retained Sustainable Fitch and S&P Global to provide Second Party Opinions (SPOs) on the Framework's alignment with ICMA's principles.

In January 2024, Eco Material successfully completed a $125 million tap of the previously announced Senior Secured Green Notes (Tap). An amount equivalent to the net proceeds from the Green Bonds and Tap will be allocated in-line with Eco Material's Green Bond Framework.

The following table highlights projects which Eco Material has allocated net proceeds from its Green Bonds. Eco Material plans to publish allocations and relevant impact metrics from the Tap in future Sustainability Reports.

ICMA The Green Bond Principles

Green Bond Project Update

Project	Proceeds Allocated (MM USD)	CO_2e Avoided (MT)	SCMs Diverted from Landfill (tons)	SCMs Harvested from Landfill (tons)	Water Saved (gallons)[E]	Notes
2022 Acquisition of Boral Assets	500	5,374,500	10,147,000 in 2023	370,000 in 2023	1.66 billion	2023 production
Kirkland[A]	10	67,900		85,000 in 2023	42 million	2023 production
Texas Utility Bottom Ash Processing[B]	11	220,300	258,000 in 2023 600,000 annually (capacity)	3,000,000 total		Operations began in 2023
Fly Ash Harvesting Studies	2	37,527,500[D]		47,000,000 total		Planned operations to start in 2025
Oregon Natural Mineral Byproduct Engineering Study[C]	2	1,324,500[D]	200,000 annually	4,000,000 total		Planned operations to start in 2025

A Natural pozzolan's are extracted at the Kirkland facility. No fly ash is harvested.
B At the Texas Utility Processing location, Eco Material started precessing harvested and fresh bottom ash into SCMs in 2023.
C Eco Material finished the investigation at the Imerys Perlite USA (Imerys) Oregon mine and now is constructing a Green Cement plant to collect the natural mineral materials not utilized by Imerys. Eco Material is on track to finish construction and commence operations at the plant in early 2025.
D Avoided emissions are total emissions avoided for the total lifespan of the facility.
E Water saved as a result of using fresh and harvested fly ash instead of OPC.
* In 2023, the mine produced approximately 85,300 short tons of pozzolan and achieved +30% production capacity.

A History of Action and Partnership

2022

Issued inaugural $525mm Green Bond

Eco Material's agreement with Georgia Power, a Southern Company subsidiary, to harvest landfilled ash from Plant Bowen

2023

Published Eco Materials Inaugural ESG Report

Eco Material announced expanded partnership with Rainbow Energy Center to jointly invest in beneficiation and harvesting plants at the Coal Creek Station

Eco Material partners with ClimeCo and others to lead the development of Climate Action Reserve's new U.S. Low-Carbon Cement Protocol

2024

Eco Material partners with Alabama Power, representing 3rd harvesting plant project with Southern Company

Case Study: Eco Material Assists In Development of First-Ever Low-Carbon Cement Protocol

Eco Material, along with ClimeCo and other industry stakeholders, collaborated to develop the process for the Climate Action Reserve's (CAR) new U.S. Low Carbon Cement Protocol. The protocol establishes a first-of-its-kind pathway to generate voluntary carbon credits from the production of novel and underutilized alternative cementitious materials (ACMs) and supplementary cementitious materials (SCMs). Funds generated by these credits will be used to incentivize the production and scaled use of innovative, less carbon-intensive materials to meet growing demand, reduce emissions, and help enable exponential positive change.

The new protocol was created to address a pressing emissions crisis in the cement industry. Concrete is the second-most-used material by mass, behind only potable water. As the key binding ingredient in concrete, cement production accounts for about 8% of global carbon dioxide (CO_2) emissions, largely due to the creation of an intermediary product called clinker, which can be avoided by using less polluting SCMs.

THRIVING COMMUNITIES

At Eco Material, inclusivity is more than a policy—it's a core value that guides our actions and decisions. We are committed to building a workplace where every individual, regardless of age, race, ethnicity, or gender, can contribute to their fullest potential. Our efforts include regular training, equitable hiring practices, and supportive policies that promote a respectful and inclusive environment for all employees.

By embracing and promoting diversity, we not only enhance our organizational culture but also drive sustainable growth and innovation, ensuring that Eco Material remains a leader in the industry and a model of social sustainability.

Age Diversity

Our workforce is composed of individuals across various age groups, reflecting a rich mix of experiences and perspectives.

This age diversity ensures that we benefit from a blend of youthful innovation and seasoned expertise, fostering a dynamic and collaborative workplace.

Gender Diversity

The construction industry traditionally has a male workforce. Despite these headwinds, we continue to strive for greater gender balance and aim to create opportunities for women to advance and thrive in their careers at Eco Material.

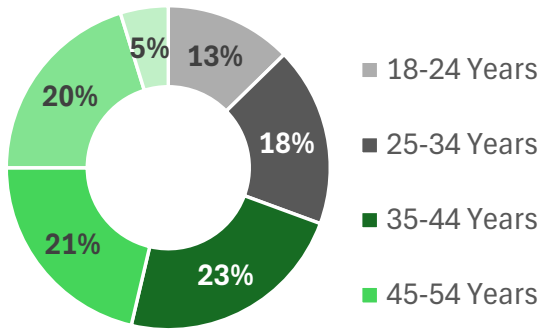
Females represent 13% of Eco Materials workforce, which is consistent with the industry average[11]

Racial and Ethnic Diversity

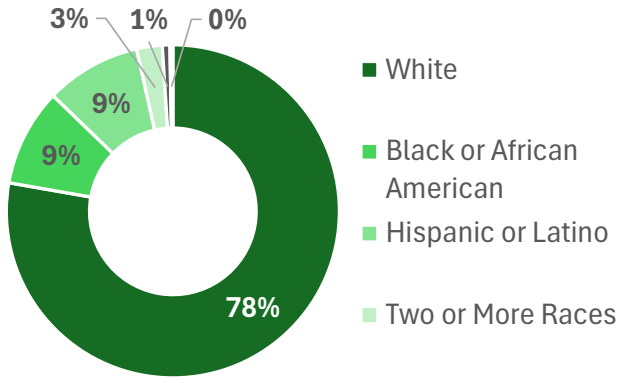
Eco Material values racial and ethnic diversity as a part of our inclusive culture. Our commitment to diversity is demonstrated by the composition of our workforce, which includes a range of racial and ethnic backgrounds.

We are dedicated to maintaining and enhancing varied perspectives to drive innovation and better decision-making.

Age Diversity



Racial and Ethnic Diversity

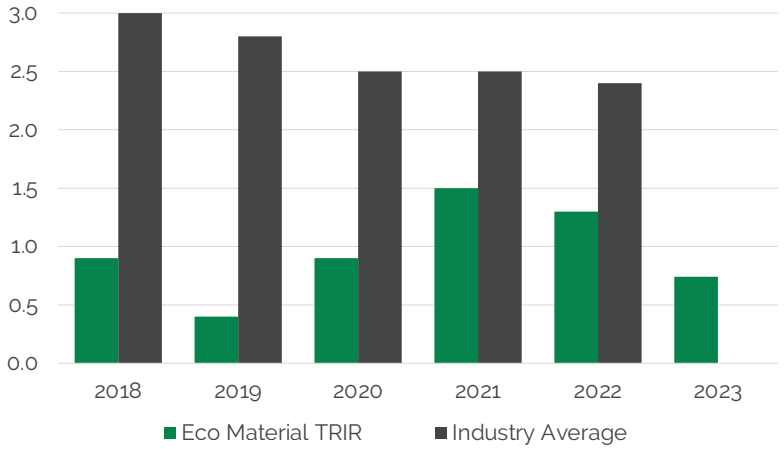


Employee Health and Safety

Eco Material is committed to operating safely, with a goal of zero fatalities and striving to maintain a total recordable incident rate (TRIR) below 1.0 year-over-year. Eco Material outperforms the industry average TRIR for construction.[12]

Eco Material has a dedicated Health and Safety Team that provides resources to site managers, training to employees, and investigation of occupational incidents to implement corrective actions.

Total Recordable Incident Rate (TRIR)



NOTE: The construction industry average TRIR is published on a delay. As such, 2023 industry averages were not available at the time of publication

Employee Engagement

Eco Material understands the importance of fostering a diverse workforce that values and respects all employees.

In 2023, Eco Material continued to partner with an outside consultant to conduct training for all employees during onboarding and an annual refresher.

Additional engagement activities include:

- Conducting annual employee satisfaction surveys to identify areas of improvement within the company and work towards increasing employee engagement and reducing turnover.
- Focusing on filling positions internally before hiring outside of the business to help promote career development within the company.

11. https://www.commerce.gov/bureaus-and-offices/ousea/spotlight-women-construction-industry
12. https://www.construction-institute.org/2023-safety-summary

RESPONSIBLE OPERATIONS

Resource Conservation in the Concrete Industry

In the concrete industry, resource conservation is paramount for achieving sustainability goals. Managing energy, water, and waste efficiently not only reduces operational costs but also minimizes environmental impact, contributing to a more sustainable future.

Energy Management

Concrete production is energy-intensive, involving significant electricity and fuel consumption. By adopting innovative technologies and optimizing processes, companies can reduce their energy usage.

As the only SCM marketer with a national presence, the company enjoys advantages in both logistics and sales. Due to the volumes of material that the company moves, Eco Material is efficient with both rail and truck transportation methods.

Water Conservation

Water is a critical component in concrete production, used in mixing, curing, and cleaning processes. Efficient water management practices, such as recycling water and using alternative water sources, can significantly reduce freshwater consumption. This not only conserves a vital resource but also lessens the environmental footprint of concrete manufacturing.

Waste Management

Effective waste management strategies are essential for reducing the volume of waste generated during concrete production. Utilizing waste materials, such as Coal Combustion Products, as supplementary cementitious materials helps divert waste from landfills to repurpose it into valuable products. Eco Material's initiative to increase SCM volume to 20 million tons by 2030 exemplifies the industry's move towards waste reduction and resource recovery.

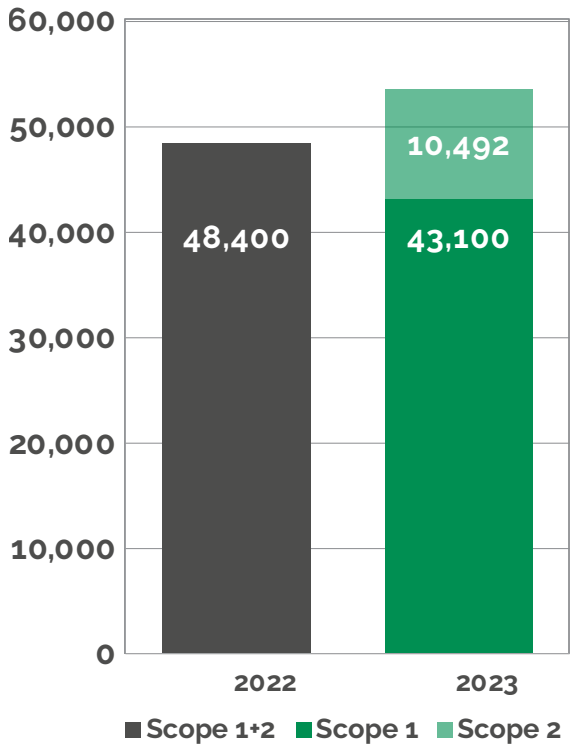
Greenhouse Gas Emissions Management

Eco Material's efforts in managing greenhouse gas emissions are centered on accurately calculating and reducing Scope 1 and Scope 2 emissions. These emissions were measured using the GHG Protocol, incorporating data from natural gas, propane, electricity, and fuel consumption.

In 2023, the increase in emissions compared to 2022 was primarily due to the start of operations at the Oak Grove bottom ash grinding facility. As Eco Material continues to gather consistent and comprehensive data, it will enhance its ability to track trends and implement more effective emission reduction strategies.

Total Scope 1 & 2 Emissions

(metric tons of CO_2e)



CORPORATE GOVERNANCE

By managing all business dealings with integrity and in an efficient, environmentally responsible manner, Eco Material maintains operations and production at the highest standard.

Data Privacy and Security

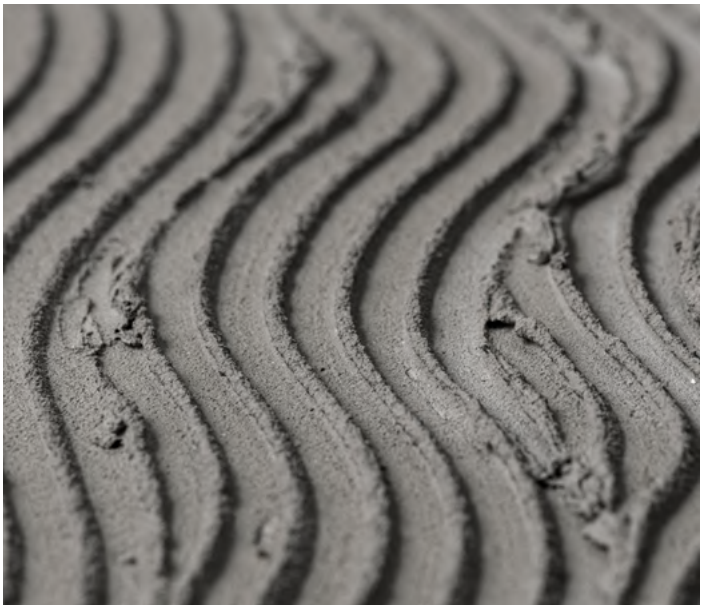
Eco Material's Information Security Policy provides the necessary guidelines to protect the company's data for employees and customers. We conduct annual vulnerability and penetration tests to ensure no data is compromised. In 2023, Eco Material had one minor information security case that was resolved promptly, demonstrating our commitment to data privacy and security.

Business Ethics

Eco Material prioritizes business ethics to maintain integrity across the business while protecting its reputation. Our commitment includes rigorous ethics training for all employees, adherence to the company's Code of Conduct, and an anonymous hotline for reporting potential issues.

Risk Management

Eco Material has established a Risk Severity Guide to evaluate and mitigate business risks relative to the company's risk tolerance. Once a risk is identified and evaluated, the company analyzes the cause and implements preventive measures based on this guide. This systematic approach ensures we effectively manage and mitigate potential risks.



Our management evaluates risk in our business and our company to ensure that plans and policies are in place to minimize and manage risks to our employees, our customers, and the communities we serve. We expect all directors, leadership, and team members to exercise the highest degree of professional business ethics in all actions they under take on behalf of Eco Material and in accordance with our governing policies. These policies include, but are not limited to:

- ANTI-CORRUPTION & BRIBERY
- CODE OF BUSINESS CONDUCT
- CONFLICTS OF INTEREST
- COMPREHENSIVE SAFETY HANDBOOK
- CYBER SECURITY TRAINING
- SUBSTANCE ABUSE PREVENTION POLICY
- DATA SECURITY POLICY
- STOP WORK AUTHORITY
- JOURNEY MANAGEMENT, DOT REGULATION
- ETHICAL & LEGAL CONDUCT POLICY
- HAZARDOUS MATERIALS SECURITY PLAN
- HUMAN RIGHTS POLICIES

Sustainability Leadership

Eco Material's sustainability program is led by a cross-functional team including members from executive leadership, operations, planning, EH&S, and human resources. The team works in close coordination with our Executive Leadership Team to ensure that the Company is operating in a manner that promotes environmental stewardship, while protecting our employees and the communities in which we operate. The team leverages internal and external experts to stay informed on the industry trends and align with global ESG standards.

The company recently partnered with a third-party advisory firm to enhance and codify its sustainability efforts and policies, as we believe that sustainability is a core part of the firm's culture and integral to its long-term success.

APPENDIX

Industry Participation

Selected Industry Associations:

American Coal Ash Association (ACAA)

World of Coal Ash (WOCA)

Utility Solid Waste Activities Group (USWAG)

ASTM International

ACI (American Concrete Institute)

National Pozzolan Association (NPA)

A Few Examples Of Participation In State Concrete Associations

Tennessee Concrete Association

Texas Aggregates & Concrete Association

Florida Concrete & Paving Association

The United Nations Sustainable Development Goals

Eco Material recognizes the importance of the United Nations Sustainable Development Goals and works closely to align its sustainability strategy with the SDG's. Our firm is committed to driving progress on SDG 9 and SDG 12, as we believe these 2 goals are where we can have the most impact. This includes diversion of waste from landfills, avoidance of greenhouse gas (GHG) emissions in construction materials, and the beneficial use of residual products.

Global Reporting Initiative Index

The Global Reporting Initiative ("GRI") is an international standards organization that helps businesses communicate and disclose their sustainability impact across a common reporting framework.

GRI	Metric / Discussion Item	Disclosure
Organizational Profile		
102-1	Organizational Details	Eco Material Technologies Inc. South Jordan, UT USA
102-3	Reporting period, frequency and contact point: Specify the reporting period for its financial reporting, if it does not align with the period explain reason and add a point of contact	Annually This Sustainability Report reflects the latest data and metrics covering the fiscal year 2023 (January 1-December 31, 2023)
102-4	Restatements of information: Reason and effect of restatements, restatement of information when it has been learned that the previously reported information needs to be revised.	Restatements are noted as footnotes in the Appendix.
102-6	Markets Served	Pages 11, 17, 18
102-7	Scale of the Organization	1,088 employees as of December 31, 2023
102-8	Information on Employees and Other Workers	941 male / 146 female / 1 non-binary employees as of December 31, 2023. Most Eco Material organizational activities are performed by full-time employees rather than contractors. Page 22
102-9	Supply Chain	Eco Material maintained a diverse vendor network of ~2,500 unique suppliers in 2023.
Strategy		
102-14	Statement from Senior Decision Maker	Page 4; Letter from Chief Growth Officer
Ethics & Integrity		
102-16	Values, Principles, Standards, and Norms of Behavior	Eco Material's mission is to build more sustainable world through innovation in construction materials. Eco has a vision of doubling its low-carbon concrete product volumes to over 20 million short tons by 2030 – and our employees play an integral role in helping Eco realize this vision. Employees are expected to abide by rules of conduct based on honesty, common sense and fairness while weaving in Eco's core values of zero harm, innovation, environment, integrity, service and excellence. Eco's Code of Conduct defines standards for appropriate employee conduct within Eco Material and with existing or potential business partners.
102-17	Mechanisms for Advice and Concerns about Ethics	Page 26
Governance		
102-18	Governance Structure	Page 27
102-20	Executive-level Responsibility for Economic, Environmental and Social Topics	Chief Growth Officer - Rob McNally; more details on page 27
102-26	Role of Highest Governance Body in Setting Purpose, Values, and Strategy	The Executive Management Team, led by CEO Grant Quasha & CGO Rob McNally, set the firm's strategy, which considers the environmental, social and economic goals and objectives of the firm. The Executive Management Team, regularly updates the Board of Directors which provides guidance and oversight of the management team considering macro-industry trends and company-specific risks and opportunities, both short and long-term to ensure the overall prosperity of the company.
102-28	Identifying and Managing Economic, Environmental, and Social Impacts	Eco Material is committed to providing products and services for our clients and communities that create a positive environmental and social impact. Our strategy focuses on integrating stakeholder priorities to establish a pragmatic, transparent, and actionable ESG strategy.
Reporting Practice		
102-46	Defining Report Content and Topic Boundaries	Reported data throughout this report is in accordance with the guidelines of the Global Reporting Initiative (GRI).

GRI	Metric / Discussion Item	Disclosure
102-47	List of Material Topics	Eco Material conducted a Materiality Assessment to guide our sustainability strategy and better understand the diverse range of perspectives across multiple stakeholders on several ESG topics. The most material issues to both internal and external stakeholders are employee health & safety, beneficial use of revered materials, GHG emissions, Customer Satisfaction, supply change management & logistics and product quality & safety
102-51	Date of Most Recent Report	Sustainability Report published in September, 2024

Emissions		
305-1	Direct (Scope 1) GHG Emissions	10,492 $mtCO_2^e$
305-2	Indirect (Scope 2) GHG Emissions	43,100 $mtCO_2^e$ (location-based method)
305-4	GHG Emissions Intensity	49.3 $mtCO_2^e$ (Scope 1 & Scope 2) emissions per employee
Occupational Health & Safety		
403-1	Occupational Health and Safety Management System	Pages 23
403-2	Hazard Identification, Risk Assessment, and Incident Investigation	All accidents and near misses are evaluated at the site level through the manager, site safety committee members, EHS professionals and other expertise as needed. Investigations focus on root cause(s) analysis and the implementation of corrective actions to prevent further occurrence. Additionally, Safety Alerts are used to share information, evaluate similar potential and implement proactive corrective measures.
403-4	Worker Participation, Consultation, and Communication on Occupational Health & Safety	**The EMT Safety Process** is based on 9 unchanging principles in the pursuit of ZERO Harm to our employees, environment, contractors, and visitors. Those principles include: 1. **Leadership expectation and communication** – Establish a Zero loss and value driven vision 2. **Measurement and Review** – Personal, Site, and Company performance 3. **Organizational Structure** – Ensure every employee in 100% involved and engaged 4. **Reporting and Review** - Sustaining Improvement in areas we measure 5. **Standardization** – Standardization strengthens improvements and sharing of information 6. **Time and Dollar Commitment** – An investment in prevention is more valuable than an investment in reaction 7. **Education and Training** – Providing high quality training and comprehensive workplace evaluations. 8. **Care Management of Employees** – Demonstrates the core value of employee importance 9. **Awareness** – Making employees aware of existing and potential hazards in the workplace
403-9	Work-Related Injuries	Fatalities: 0 Recordable Incidents: 5 Total Hours Worked: 2,419,997 Total Recordable Incident Rate (TRIR): 0.74 Lost Time Incident Rate (LTIR): 0.41

Disclaimer

The contents of this Sustainability Report are the property of Eco Material. The information contained herein is confidential and is being provided to you at your request for informational purposes only and is not and may not be relied on in any manner as, legal, tax or investment advice or as an offer to sell or a solicitation of an offer to buy an interest in the Company.

Cement Displacement, Waste and Carbon Avoidance Methodology

Fly ash's role in reducing the carbon footprint of concrete production has been widely recognized for decades. Functioning as a Supplementary Cementitious Material, one ton of fly ash generally replaces one ton of portland cement in a concrete mixture. By eliminating the need to manufacture a ton of cement, approximately one ton of carbon dioxide emissions are avoided.

The CO_2 emissions reduction is attributable to several factors. Cement manufacturing produces large volumes of greenhouse gases both from the direct release of carbon during the calcination of limestone and from the consumption of fossil fuels used to generate high heat necessary for the calcination process.[13] Additional carbon savings are attributable to fly ash's role in creating a more durable finished concrete product – significantly increasing concrete's life cycle and reducing the need for future cement manufacturing[14].

Cement consumption in 2023 is estimated to be 120 million metric tons.[15]

Eco Material's SCM sales volumes in 2023 were approximately 6 million metric tons, displacing approximately 5% of US cement consumption.

In 2023, Eco Material diverted over 10 million short tons of material otherwise destined for landfills.

13. U.S. Cement Industry Carbon Intensities (2019) (epa.gov)
14. 2011FlyAshStudy_lowres-FINAL.pdf (acaa-usa.org)
15. Mineral Commodity Summaries 2024 (usgs.gov)

Disclaimer and Forward-Looking Statements

This report contains statements related to our future business and financial performance and future events or developments involving Eco Material that may constitute forward-looking statements. Forward-looking statements, as defined by applicable law, are made throughout this report, including statements regarding the effect of the COVID-19 pandemic on our business, our continuing response to the COVID-19 pandemic and our commentary regarding our outlook. These forward-looking statements are sometimes identified from the use of forward-looking words such as "believe," "should," "could," "potential," "continue," "expect," "project," "estimate," "predict," "anticipate," "aim," "intend," "plan," "forecast," "target," "is likely," "will," "can," "may" or "would" or the negative of these terms or similar expressions elsewhere in this report. Our financial condition, results of operations and cash flows may differ materially from those in the forward-looking statements. Such statements are based on management's current views and assumptions and involve risks and uncertainties that could affect expected results. Those risks and uncertainties include, but are not limited to, the following:

- Changes in general economic and business conditions, including changes in consumer demand, preferences and confidence levels, the availability and cost of credit in a rising interest rate environment, supplier pricing, levels of discretionary personal income and interest rates;
- Changes in foreign currency exchange rates and limitations on the convertibility of foreign currencies;
- The occurrence of natural disasters and other business continuity hazards;
- Our ability to access external financing necessary to fund our growth and meet competitive challenges;
- The seasonality of buying patterns of our customers;
- The concentration of sales to large customers;
- Changes in the combined company's gross margin and/or product mix;
- The dependence upon and trends in capital spending budgets in the industries in which we operate;
- Our ability to comply with federal, state and local laws and regulations including those related to tax, environmental, health and safety matters;
- Compliance with and changes in governmental regulations or enforcement practices, especially with respect to environmental, health and safety matters;
- Changes in laws and regulations governing our operations, including trade restrictions, consumer protections, accounting standards and taxation requirements;
- Our ability to attract, retain and grow an effective management team or changes in the cost, availability or turnover rate of a suitable workforce to manage and support our operating strategies;
- Our ability to maintain secure and reliable information systems to conduct our business, including the integrity and security of customer and employee information;
- The occurrence of uninsured liabilities arising from operating hazards, cybersecurity breaches or other incidents involving our assets or operations;
- The decrease in supply of fresh fly ash due to the phase out of coal as a source of power generation over time;
- A substantial portion of our business relies on coal power plants as source of fly ash, some of which may retire;
- Other unforeseen matters; and
- Other factors referenced under the caption "risk factors" in this report.

The foregoing list of factors that could affect future performance and the accuracy of forward-looking statements is not exhaustive. You should not rely upon forward-looking statements as predictions of future events. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, we undertake no obligation to update publicly any forward-looking statements included in this report, for any reason after the date of this report to conform these statements to actual results or to changes in our expectations.

Neither Eco Material nor any of its representatives or advisors assumes any responsibility for, and makes no representation or warranty (express or implied) as to, the reasonableness, completeness, accuracy or reliability of the forward-looking statements and other information contained herein, which speak only as of the date identified on cover page of this report. Eco Material and its representatives and advisors expressly disclaim any and all liability based, in whole or in part, on such information, errors therein or omissions therefrom.

ECOMATERIAL
TECHNOLOGIES

Eco Material Technologies
10701 S. River Front Parkway
Suite 300
South Jordan, UT 84095
801-984-9400
ecomaterial.com