Natural Capital

L.B. Foster Company's Environmental, Health, and Safety ("EHS") policy sets the expectations under which we manufacture, market, and distribute products in a manner that protects our employees, business, community, customers, and the environment.

Our physical manufacturing footprint, as well as sales, service, and delivery vehicles contribute to our environmental and carbon footprint, which is based on the following:

- Fuels we consume in production, heating our plants and buildings, and mobilizing our fleet of sales, delivery, and service vehicles;
- Electricity we draw from the local utility energy grid;
- Air emissions from our production facilities;
- Water we withdraw and discharge from facility operations; and
- Waste generated by and disposed from facility operations.

ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

Although not all environmental impacts are material to our organization, we are committed to using resources efficiently and reducing our footprint.

By implementing our corporate environmental management system ("EMS") across the organization, we aim for consistent execution of our EHS standards and strategies. Our EMS requires each location to conform not only to environmental regulatory requirements, but also to improve on our methods to minimize our footprint. Where applicable, we pursue ISO 14001 accreditation.

In 2023, the following businesses and administration centers were compliant with the ISO 14001:2015 standard for environmental management systems.

- Corporate Office – Pittsburgh PA
- Rail Technologies Office & Plant – Burnaby, BC, Canada
- Automation & Materials Handling – Nottingham, UK
- Control & Display – Nottingham, UK
- Telecoms – Nottingham, London & Essex, UK
- Precast Concrete Plant – Hillsboro, TX
- Rail Technologies – Sheffield & Nottingham, UK
- TEW Engineering Ltd – Nottingham, UK
- L.B. Foster GmbH – Herne, Germany

ENVIRONMENTAL DATA COLLECTION

We record our operations data to optimize production. The metrics we track include energy consumption and accompanying greenhouse gas emissions, water consumption, and waste generation. We expect that our recently conducted materiality assessment may evolve and influence our collection methods, reporting metrics, and targets. Our current method for collecting data is summarized as:

SOURCE:
Accounts payable, utility bills, vendor payments, plant managers, fleet management tools

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DATA COLLECTION:
All types of energy and fuel use, water consumption & reuse, and waste generation & recycling collected and consolidated

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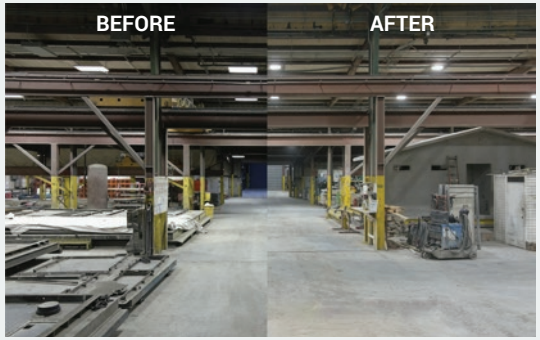
FOOTPRINT:
Third party consultant aggregates and converts data to environmental and carbon footprint in accordance with the Greenhouse Gas Protocol

We aim for continuing improvement in data collection, extrapolation, and auditing.

NATURAL CAPITAL

ENVIRONMENTAL IMPROVEMENT AND IMPACT REDUCTION STRATEGIES

To improve operational performance, we engage in various efficiency projects across energy, water, materials, and waste. Currently, we are formalizing a tracking process regarding development of quantitative improvement project measures. Below are examples of recent project success stories:



CXT Hillsboro LED Upgrade

CXT-Hillsboro collaborated with PEC Texas, a lighting engineering company, to upgrade lighting fixtures to accommodate a safe working environment and to reduce energy consumption. With current LED lighting technology, a lighting analysis identified that 27 fixtures could be eliminated while still producing a more illuminated workspace. Having fewer fixtures will require less maintenance with an additional benefit of reducing the plant's energy consumption and carbon footprint. Expected performance outcomes include $17,061 annual cost savings, 208,094 annual kWh savings, and 126.5 tons of CO_2 avoided as well as other air pollutants from the source of electricity generation.

Protective Coatings Material Optimization

The L.B. Foster pipe coating facility in Willis, TX identified an opportunity to make an economical and environmentally positive impact.

Prior to coating of metal products, the facility uses an abrasive material for surface preparation. Historically, the blast media was used once and then disposed even though the material could be reused multiple times. The Willis team developed and built a simple recovery system that was capable of screening and bagging the abrasive material for reuse.

Recycling the abrasive optimized its use and led to a reduction in material procurement costs of approximately $16,000 since mid-2022. The team was able to reduce over 100 tons of abrasives sent to landfills.

Water Conservation at Burnaby

The Burnaby facility started in May 2017 with the intention of capturing storm water to reduce municipal water usage by 75%. Hardware and valves were purchased and installed on existing building downpipes and gutters, and 3,000 L of storm water were collected. This meant that not only was the original target met, but dependence on municipal water was eliminated, allowing the plant to shut off municipal water supply and operate using storm water only. Since implementation of this initiative, the plant has saved over 15,000 L of processed municipal water.

In photo: Plant Supervisor, Friction Management