

Our Approach to Climate Change

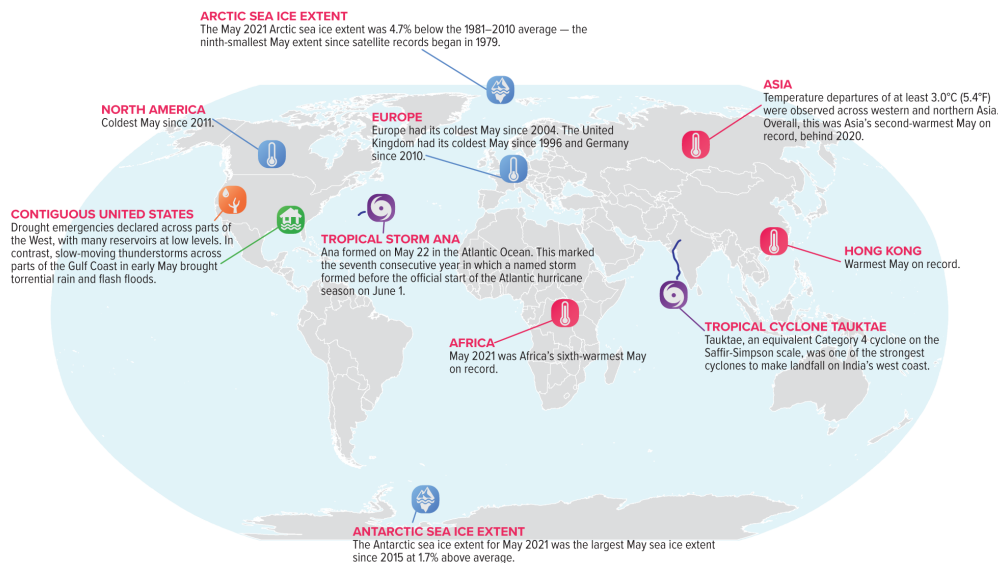
Our Sustainability Initiative is now part of Valmont's broader ESG framework which has been elevated as a strategic priority across the company. A critical next step for Valmont is to leverage our talent and intellect to deliver products and services that help our customers adapt to the effects of climate change while simultaneously reducing the carbon intensity of our operations.

Climate is defined as weather measured over a long period of time. Since 1880 the earth's land and oceans have warmed consistently each decade with 2020 being close to the previous warmest annual temperature recorded in 2016. In 2020, the Northern Hemisphere average land and ocean temperature was a record 1.28C above the 20th century average.

Selected Significant Climate Anomalies and Events: May 2021

GLOBAL AVERAGE TEMPERATURE

May 2021 average global surface temperature tied with 2018 as the sixth highest for May since global records began in 1880.



Please note: Material provided in this map was compiled from NOAA's State of the Climate Reports. For more information please visit: <http://www.ncdc.noaa.gov/sotc>

US, European and Asian government scientific agencies (i.e. NASA, NOAA) have concluded that the increase of temperatures is caused by Green House Gas (GHG) emissions.

NASA predicts that climate change related warming is leading to an average 13% reduction in arctic sea ice each decade. Likewise, melting sea ice has caused a 20cm increase in global sea level since 1880 and is annually rising by an average of 3.3mm. Weather patterns are also expected to change, which will affect growing seasons and shift agricultural hardiness zones farther north.

World government organizations are supporting voluntary greenhouse gas limits. The Paris Climate Accord is a global government agreement that sets targets for lowering Green House Gas emissions. Accordingly, we expect an increase in climate reporting and disclosures associated with reducing GHG emissions.

Investors increasingly use climate change as a differentiator when selecting investments. To meet this increased interest, the World Business Council for Sustainable Development, World Bank and various market indexes, and corporate governance ratings agencies are building frameworks for measuring businesses commitment and actions in addressing climate change.

Noted water policy expert and advisor to the World Bank, John Briscoe, has indicated that 80% of the adaptations driven by climate change will relate to water issues. This creates an opportunity for Valmont to leverage its expertise to help farmers, communities and countries adapt to the worst climate impacts through the development of more robust coastal infrastructure, better water management and increasingly efficient agricultural irrigation.

For these and other important reasons, Valmont's Environmental Responsibility and Sustainability Support Team proposes that Valmont make a Statement on Climate Change.

The following is a proposed Corporate Statement on Climate Change. It is our road map for the next stage of Valmont's Sustainability Initiative.

I. Valmont's Corporate Statement on Climate Change

Valmont Industries recognizes that greenhouse (GHG) emissions impacts our climate. We believe that Climate Change is a serious issue that will require shared effort between government, business and the global community to address.

The needs of our customers to adapt to the effects of climate change and mitigate their carbon emissions will make the products and services that we provide increasingly important.

We will work to measure, report and cost effectively reduce the carbon intensity of our manufacturing operations and ensure our facilities are prepared to manage climate related risks.

Our approach to climate change is reflected in five guiding principles:

- We believe that robust economic growth and prosperity, particularly in the developing world, is essential to mitigating and adapting to the effects of climate change.
- We believe that climate proofing through the development of better and more resilient infrastructure should be the corner stone of climate adaptation strategy.
- We believe that technical innovation is critical to transitioning the world to lower carbon emitting sources of energy and ensuring that it is affordable, reliable and increasingly available across the globe. To this end, our solar tracking systems are helping to generate over 2.2 GW of solar energy worldwide.
- We believe that the efficient use of large-scale mechanized irrigation is absolutely essential to feeding a growing global population and is a critical tool farmers need to adapt to changing weather, growing seasons and to protect sensitive aquifers through greater water efficiency.
- Addressing Climate Change is a strategic priority across our business. This is not only correlated to the elevation of our ESG commitments but also because it's the right thing to do.

The Valmont.com webpage would be updated to include the Valmont's Corporate Statement on Climate Change.

II. The Next Phase of Valmont's Approach to Climate Change

Our approach to climate will involve increased measurement and disclosure of our carbon emissions and the implementation of enterprise wide goals and supporting programs to reduce the carbon intensity of our operations. Our Green Teams will continue to innovate and implement resource optimization initiatives that will improve the efficient use of energy and resources.

We will differentiate our products and services by highlighting how they help the world's communities adapt to the challenges caused by the effects of climate change. For example, our irrigations systems use 50-75% less water than traditional methods which allows for the production of food in areas of greater water scarcity.

We will look to develop new products and services that will help our customers prepare and address climate change.

The steps to implement our climate initiative will be:

- The Environmental Responsibility and Sustainability Support Team will develop a climate risk and opportunity assessment. This process will guide strategic initiatives addressing climate change and will be updated and enhanced periodically.
- We will establish a carbon intensity goal for scope I/II emissions and publish the results
- We will develop selected life cycle assessments to measure the carbon impacts and potential benefits for center pivots and solar tracking technology.
- We will explore new services and products that help our customers to reduce or off set their carbon impacts.

III. Additional Phases of Valmont's Climate Initiative

Following the successful implementation of this next phase, Valmont will develop the programs, goals and tools that may include:

- Assessing our scope III Carbon Emissions.
- Adopt a supplier climate plan to ascertain opportunities to mitigate carbon from our supply chain.
- Implement additional alternative energy projects where financially justifiable.
- Assessing the potential to participate in the regulated and/or unregulated carbon market.
- Evaluate our impacts and opportunities as they relate to addressing UN Sustainable Development Goals.
- Benchmark our carbon intensity against IPCC scientifically based goals.