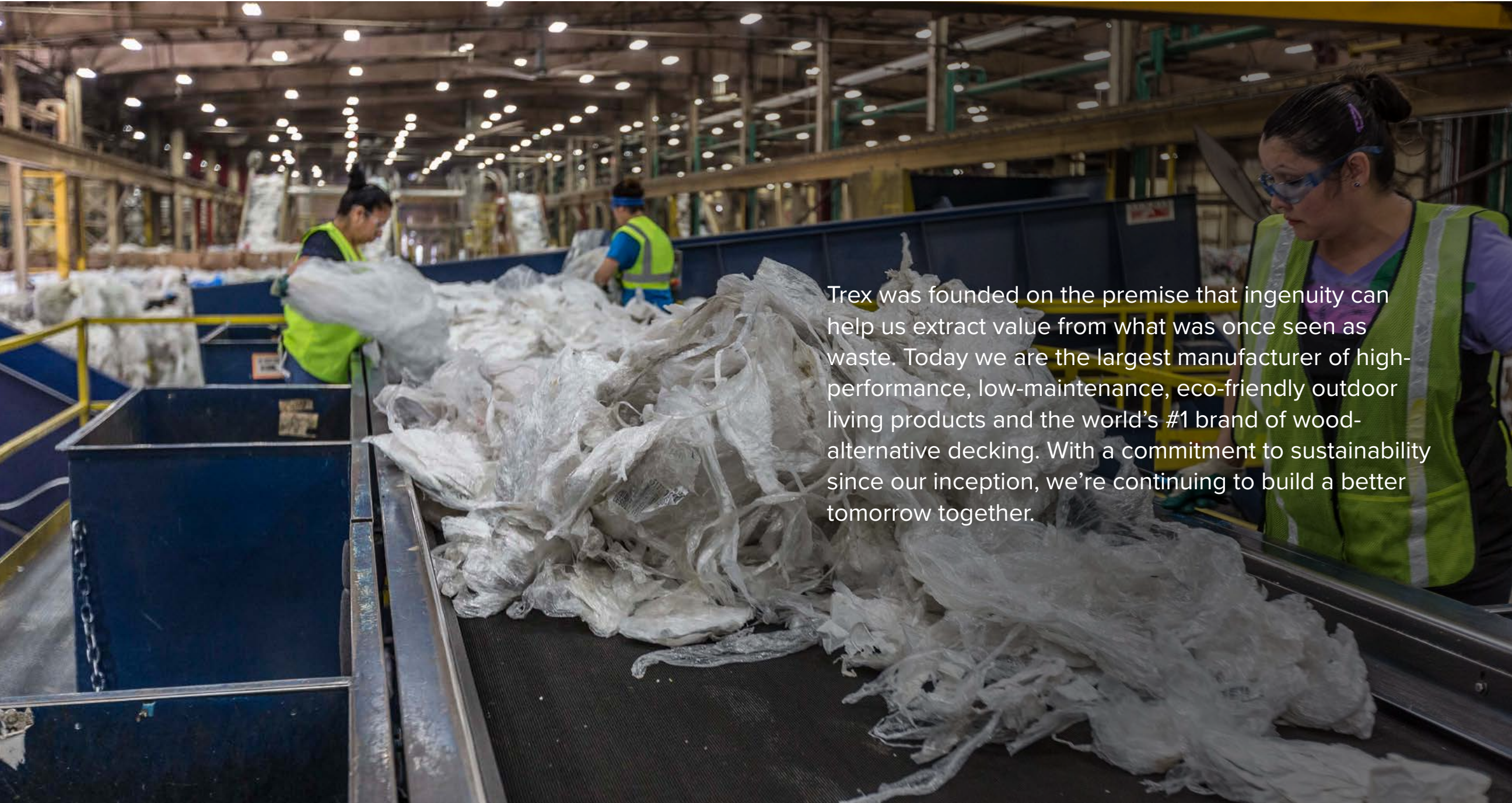


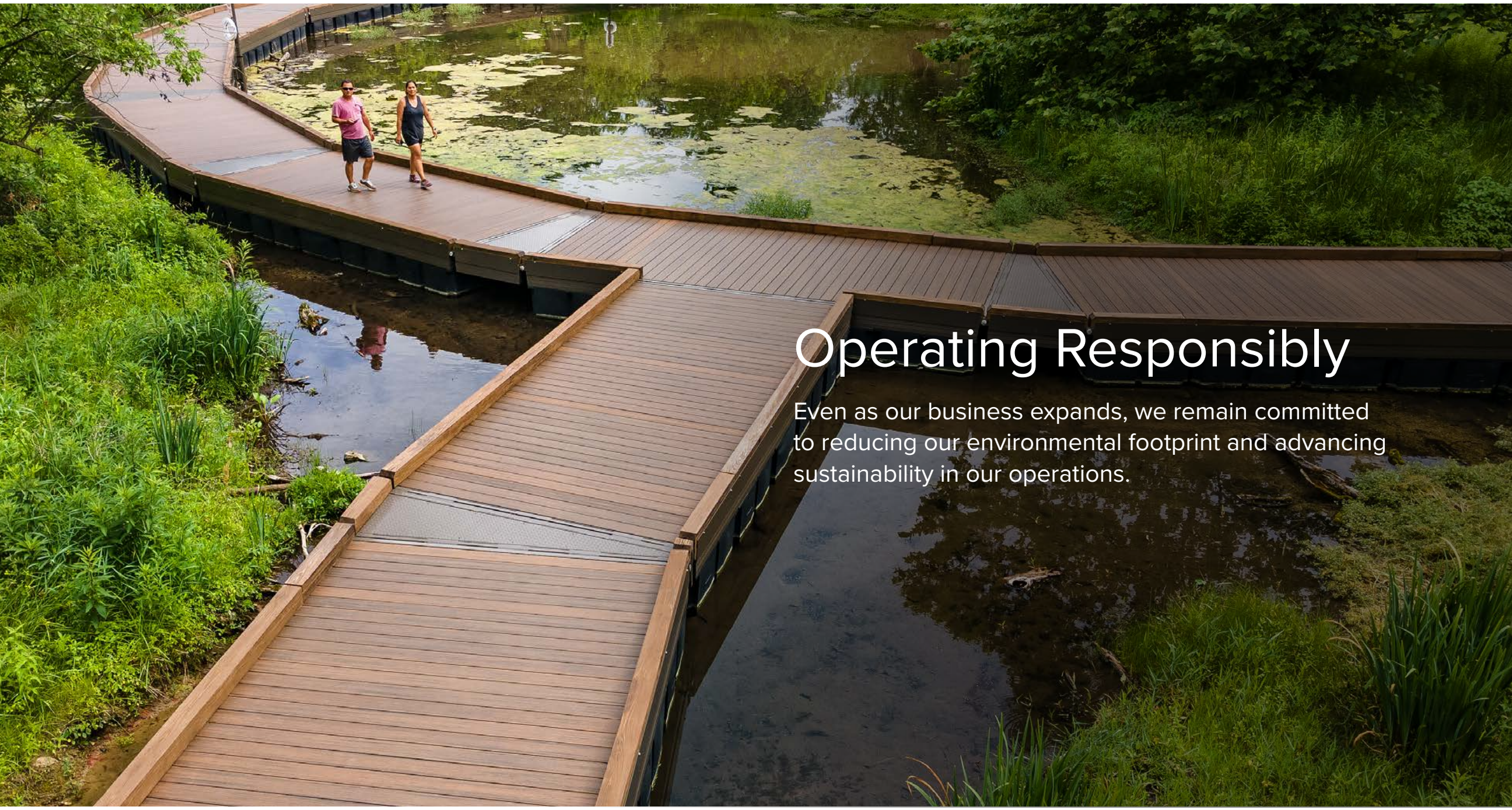


Building a Better Tomorrow Together

2022 Environmental, Social and Governance Report



Trex was founded on the premise that ingenuity can help us extract value from what was once seen as waste. Today we are the largest manufacturer of high-performance, low-maintenance, eco-friendly outdoor living products and the world's #1 brand of wood-alternative decking. With a commitment to sustainability since our inception, we're continuing to build a better tomorrow together.



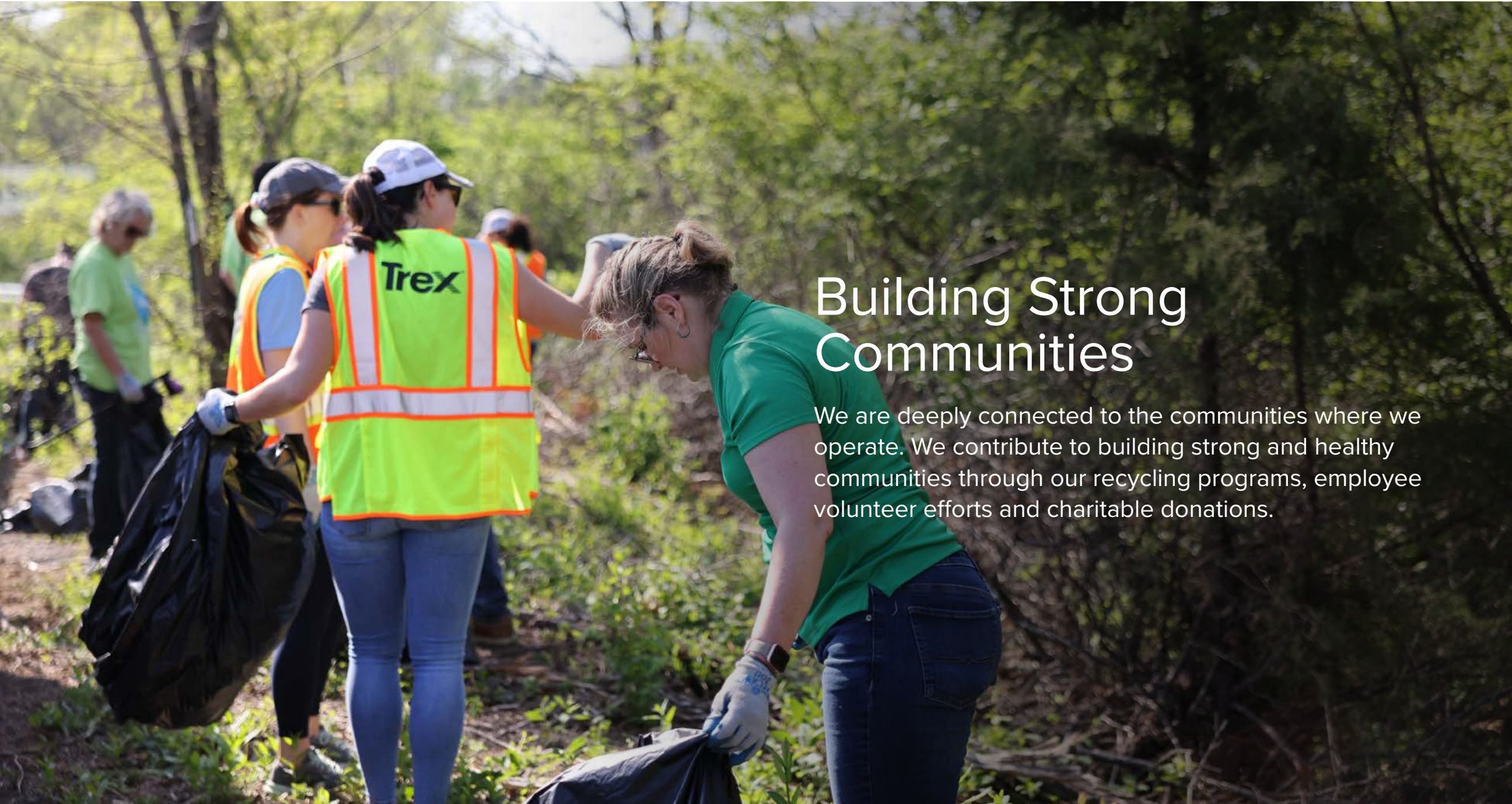
Operating Responsibly

Even as our business expands, we remain committed to reducing our environmental footprint and advancing sustainability in our operations.



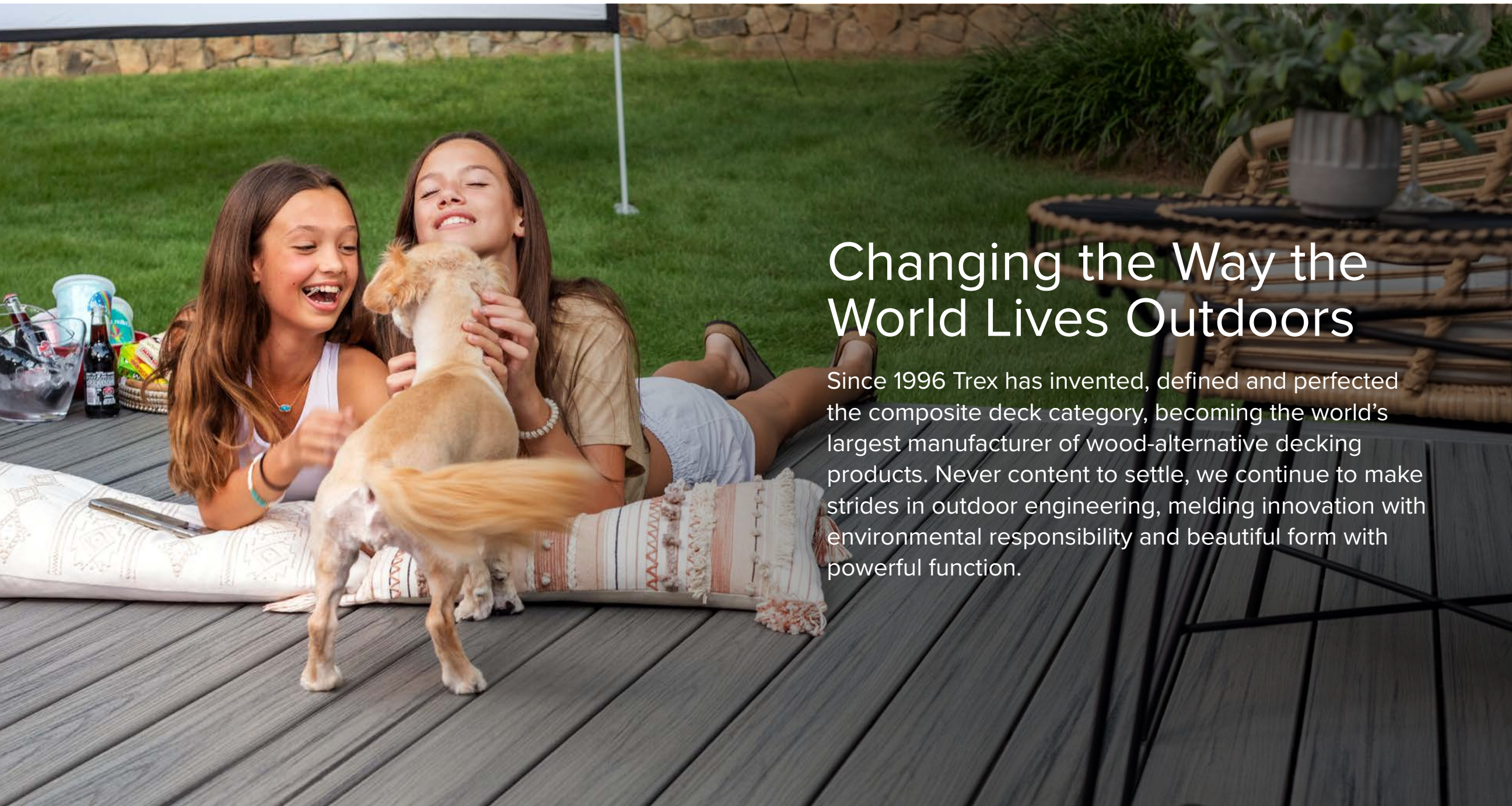
Empowering Our People

Trex is fueled by our employees' talent, motivation and innovation. Neither our products nor our environmental efforts would be possible without the energy and diligence of our people. We help them thrive through our commitment to safety and diversity, equity and inclusion along with our industry-leading compensation and career growth opportunities.



Building Strong Communities

We are deeply connected to the communities where we operate. We contribute to building strong and healthy communities through our recycling programs, employee volunteer efforts and charitable donations.



Changing the Way the World Lives Outdoors

Since 1996 Trex has invented, defined and perfected the composite deck category, becoming the world's largest manufacturer of wood-alternative decking products. Never content to settle, we continue to make strides in outdoor engineering, melding innovation with environmental responsibility and beautiful form with powerful function.



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A Message From Our President and CEO

I am proud to share with you Trex's 2022 Environmental, Social and Governance (ESG) report. 2022 was a dynamic year for Trex, in which we effectively navigated challenging market conditions and took decisive actions to align our cost structure amid an industry-wide channel inventory recalibration. While we were faced with these challenges, we upheld our commitment to long-term growth and sustainability, thanks to the dedication of our team and the quality of our products. Our focus on accelerating the consumer shift from traditional wood decking to Trex's 95% reclaimed and recycled product has solidified our leadership position in the outdoor living category.

Our success is not only driven by the quality and durability of our products, but also by their sustainability credentials. An increasing number of our customers care about sustainability and try to choose products with this in mind. Investors also recognize the importance of ESG issues and review our sustainability performance as part of the evaluation of our company, alongside traditional measures of business performance.





From the beginning, for more than 30 years now, Trex has been committed to upcycling waste materials and diverting them from landfills. Today, we continue to search for new sources of waste materials to maintain our fundamental sustainability principles. In 2022 alone, we recycled 337 million pounds of waste polyethylene (PE) film, making us one of the largest recyclers of PE film bags, wraps and packaging in North America. In total, Trex has diverted and recycled more than 5 billion pounds of recycled PE film since our founding.

As one of the first companies to focus on sustainable raw materials to support our outdoor living strategy and drive profitable growth, we have since expanded our sustainable thinking to all areas of our business. We are working to reduce our energy use and climate impact and are positioned to make further progress in 2023 by developing a target-setting strategy for increased energy efficiency and reductions in GHG emissions. Our new plant under construction in Arkansas will exemplify the latest technology and innovative thinking to minimize our carbon, waste and water footprints.

We are also proud to announce that in 2022 we initiated a program as the first step toward a whole-life strategy to divert construction offcuts and end-of-life Trex decking from landfills. While Trex decking from our earliest days is still in use across the country and the world, it is important that we support future generations who may desire to replace their existing composite deck with new Trex decking. Not only can we recycle Trex deck boards back into production, we can also use many competitor products as well.

Ensuring the safety and well-being of our people is of utmost importance to our ESG efforts. I am proud to share that we have successfully (and substantially) reduced accidents and injuries, and I fully expect that this is the start of a continued downward trend. Moreover, we are committed to investing in our employees' professional development, retention and overall welfare, including broadening our leadership course offerings.

Our company recognizes that promoting diversity, equity and inclusion (DE&I) is an integral part of supporting our workforce, and we are making progress toward further improving gender and racial diversity representation. We continually reinforce the importance of DE&I through annual training for all full-time employees.

We continue to invest in strengthening the communities where we operate. Our NexTrex® community outreach and recycling program has regained momentum post-pandemic, benefiting more than 3,300 community groups and schools. We increased our community investment in local charitable organizations as well as our long-term partnership with United Way. Together with our employees, we contributed more than \$400,000 in donations to community causes in 2022.

Sadly, we lost a member of the Trex family with the passing of Michael F. Golden, the company's Lead Independent Director, in June 2023. Named to the Trex Board in 2013, Mr. Golden served the company for more than a decade as a strong contributor and supporter of our growth through product launches, the expansion of the company's sales force, retail support and expanded market reach. He will be missed.

I am sincerely grateful to our employees and partners who have enthusiastically contributed to ensuring that Trex's success is founded on sustainable principles. Our sustainability journey is ongoing, and we are committed to finding new ways to improve our ESG performance in the years to come.

Thank you for your continued support.

Bryan Fairbanks
President and Chief Executive Officer



About Trex

About Trex

Trex Company, Inc., is the foremost producer worldwide of low-maintenance, high-performance composite decking and railing products that enrich outdoor living while also offering a more sustainable alternative to wood. With more than three decades of innovation, we stand for quality, aesthetic appeal and environmental leadership while also making a positive impact for our employees, shareholders and communities.



Vision

To enhance the lives of people by engineering what's next in outdoor living

Mission

Design and market high-performance outdoor living products that offer superior aesthetics and quality

Maximize opportunities that leverage our manufacturing expertise and are tied to our recycling heritage

Achieve this through human talent, world-class manufacturing innovation and our preeminent brand

Values

Do the Right Thing. We operate as a team, prioritizing the well-being of our employees and holding each other accountable to the highest levels of integrity.

Act with Boldness and Authenticity. We deliver results that exceed customer and employee expectations through decisive action, positive intent and respect.

Drive Sustainability. We ground ourselves in our recycling heritage and social responsibility while cultivating long-term business growth.

Innovate + Adapt. We actively listen to our customers and employees to continuously improve and invent creative solutions to tomorrow's problems.



Business Overview

Trex is the world's #1 brand of wood-alternative decking and railing. For more than 30 years, we have led our category by creating high-performance, low-maintenance, eco-friendly outdoor living products for the residential market. Following the December 2022 sale of Trex Commercial Products, we operate in one reportable segment: Trex Residential Products (Trex Residential).

Our decking combines the look of real wood with superior durability. It is composed of an innovative blend of 95% recycled polyethylene film and reclaimed wood, maximizing our sustainability credentials. Trex outdoor living products are marketed under the brand name Trex® and manufactured in the U.S. As of 2022, our residential products are stocked in more than 6,700 retail locations worldwide and sold to distributors and home centers for final resale primarily to the residential market.

Trex is headquartered in Virginia with additional manufacturing operations in Nevada. In addition, we are building a third manufacturing facility in Arkansas, with initial production output expected to begin in 2026.

During construction of our new corporate headquarters in Virginia, we have diverted more than 12,750 pounds of Trex scrap material from landfill to recycle into our manufacturing operations. The reclaimed material includes more than 8,500 pounds from cladding and more than 4,250 pounds from the front-facing deck of our headquarters.



2022 Financial Performance Highlights¹

\$1.1_B

Net sales

\$216_M

Cash provided by operating activities

\$1.80

Adjusted diluted EPS

\$62_M

Income tax expense

\$313_M

Adjusted EBITDA

\$176_M

Capital expenditures

\$201_M

Adjusted net income

28.3%

Adjusted EBITDA margin

\$395_M

Returned to shareholders through stock repurchases

¹Adjusted net income, adjusted earnings before interest, income taxes, depreciation and amortization (EBITDA), adjusted EBITDA margin and adjusted diluted EPS are considered non-GAAP measures. A reconciliation of non-GAAP measures to GAAP measures can be found in our [earnings press release](#) issued February 27, 2023, for the year ending December 31, 2022.

Strategic Focus

Buoyed by the ongoing consumer appeal of our environmentally friendly, high-performance, low-maintenance outdoor living products, we head into 2023 focused on our brand strength. Our strategy for growth encompasses product innovation, broader distribution, strategic talent management and production efficiency, each through the lens of sustainability and environmental stewardship.

Production Efficiency

Faced with increased channel inventories in the third quarter of 2022, we took action to align our cost structure with demand. This required reducing production levels, streamlining our employee base and focusing on cost efficiency programs. With the sale of Trex Commercial Products in December 2022, we are dedicating our resources to accelerating conversion of the decking market to composites from wood and further strengthening our leadership position in the outdoor living category.

Product Innovation

At Trex, innovation is a crucial factor in maintaining our competitive edge. In addition to introducing new products that serve the homeowner, this involves seeking out novel sources of single-use plastic waste to manufacture our expanding range of eco-friendly decking and outdoor products. Moreover, we are proactively exploring new techniques that enable us to incorporate more challenging-to-recycle waste materials into our raw material mix, ensuring a steady supply of plastic waste for our operations in the future.

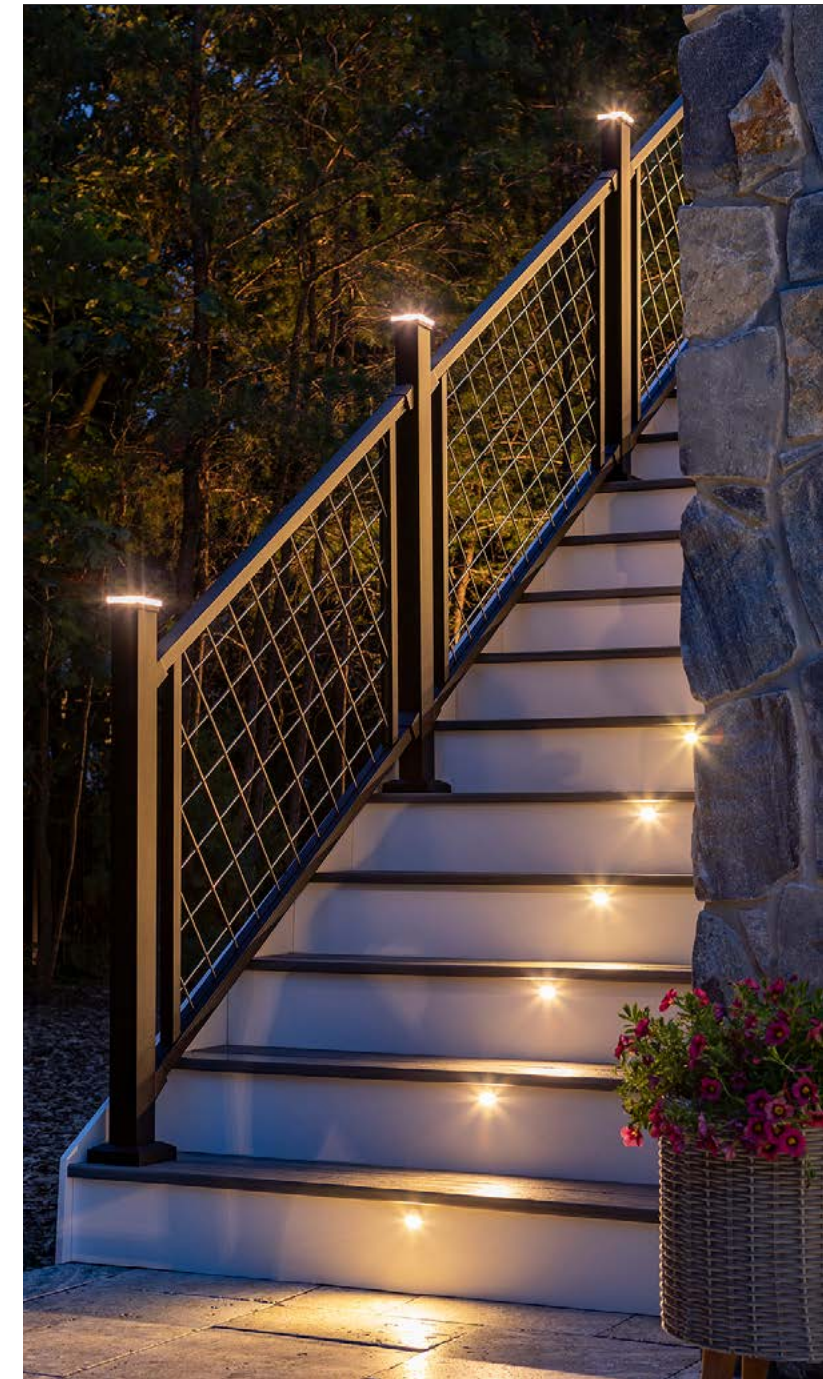
Environmental Stewardship

As we expand our manufacturing and distribution footprint into the southern U.S., we continue our association with the EPA's SmartWay® program, which supports companies in improving transportation efficiency. Also in 2022, we nearly doubled our use of rail transport as an alternative to trucks. Building a third manufacturing facility in Arkansas will afford Trex important strategic advantages — these include providing customers with better access to Trex products where and when they need them, enabling us to flex with demand and adding bandwidth to pursue new opportunities both domestically and internationally. In addition, this new facility will position us more closely to customers — helping to reduce greenhouse gas (GHG) emissions from truck transport.

On the manufacturing side, we are building sustainability into our Arkansas manufacturing facility from the ground up, including measures to protect and restore wildlife habitat, preserve water quality and minimize construction-related waste. We are also actively working with local utilities on clean energy options.

Strategic Talent Management

The skills and creative energy of our 1,600+ employees are critical to our company's long-term growth and success. To this end, we are committed to enhancing workplace safety and promoting employee well-being. We are also dedicated to building a more diverse and inclusive culture at Trex, which empowers our people to develop their professional skills and explore new career opportunities.





2022 ESG Highlights

We remain focused on creating positive change in the world by innovating to reduce our environmental impact, support our employees, strengthen our communities and govern our business with utmost integrity.

Environment

1B+

Pounds of reclaimed wood and recycled polyethylene film diverted from landfills for use in our products

3%

Reduction in our total energy use compared with 2021

~99%

Water recycled annually by closed-loop recirculation systems at our Virginia and Nevada manufacturing facilities

~2M

Pounds of plastic film diverted from landfills by school and community participants in NexTrex® Recycling Challenge

People and Communities

1,600+

Full-time employees as of December 31, 2022

30%

Women in management roles, compared with 26% in 2021

12%

Management roles filled by ethnically diverse employees, compared with 10% in 2021

40,000+

Hours of leadership, onboarding and professional development training completed by employees

3,300+

Community groups and schools participated in NexTrex® outreach and collection program

Governance

8

Independent Directors on our nine-member Board

3

Women on our Board — a third of all Directors

659,277

Shares of Trex stock owned and held by our Directors and Officers as of December 31, 2022, an amount significantly higher than the required minimum under Trex guidelines



ESG Recognition

Most Sustainable Decking Brand

For the 13th straight year, Trex was selected as the 2023 Sustainable Brand Leader in the decking category by Green Builder Media®.

America's Most Trusted Outdoor Decking Brand

We received this honor for the third straight year, based on a 2022 nationwide study by Lifestory® Research.¹

50 Best U.S. Manufacturers

In 2022, Trex ranked No. 6 on the Industry Week list — in our first year of eligibility.

Sustainable Product of the Year

The Trex AR Deck Visualizer was named the 2022 Sustainable Product of the Year, and our new decking line, Trex Transcend® Lineage™, was named the 2023 Sustainable Product of the Year by Green Builder Media®.

¹Trex received the highest numerical score in the proprietary Lifestory Research 2023 America's Most Trusted® Outdoor Decking study. Study results are based on experiences and perceptions of people surveyed. Your experiences may vary. Visit www.lifestoryresearch.com.

Material Issues

We refresh our assessment of material environmental, social and governance (ESG) topics through our corporate governance process, which includes gathering input from our leaders charged with ESG oversight as well as engaging in discussions with various investor groups that focus on ESG issues. The Trex Board of Directors and senior leadership team review our material issues annually. Learn more in Sustainability Governance on pages 50-52.

We evaluate our material topics against leading frameworks and standards, including the Sustainability Accounting Standards Board (SASB) Building Products & Furnishings standard and the Sustainable Development Goals (SDGs). A disclosure of our work aligned with the SDGs can be found in the ESG Supplement starting on page 56.

We also take into account topics of interest to leading ESG ratings providers, including MSCI ESG Research, Sustainalytics and Institutional Shareholder Services (ISS). This report outlines relevant business updates and considerations as well as our applicable corporate policies and positions on our material ESG topics.





Environmental



Sustainable by Design

Trex was founded with the belief that innovation can turn trash into treasure. For more than three decades, we have continued to derive value from discarded materials, diverting waste from landfills and waterways. Since our inception, Trex has diverted and recycled more than 5 billion pounds of recycled polyethylene (PE) film. Our composite decking products are made from a blend of 95% recycled and reclaimed content, primarily using PE film and wood dust. Once installed, Trex decks provide decades of enjoyment without warping, rotting, fading or needing to be resealed. We take pride in basing our business model on an economically efficient and environmentally responsible manufacturing process that reclaims factory waste and eliminates the use of harmful chemicals. By upcycling our raw materials, we contribute to a more circular economy and offer consumers a truly environmentally responsible choice.

Made from Recycled and Reclaimed Raw Materials

After realizing the potential value of diverting materials that were destined for landfills, we developed a proprietary process to convert them into durable and visually appealing decking products, spawning a category that continues to grow decades later. While Trex remains one of the largest recyclers of waste PE film in North America, we are pleased that demand for waste PE and wood scraps by other industries has risen in recent years. To ensure a consistent supply and avoid reliance on virgin materials, we are constantly innovating to broaden our sources of recycled and reclaimed materials.

Amount of Recycled PE

(million pounds)

337¹ 2022

431 2021

345² 2020

¹The decrease in 2022 is due to factors that include changes in our production schedule and a focus on reclaimed consumption.

² 2020 data have been restated due to a difference in how we measure and report the recycled PE used in our products.

How We Source Recycled Plastic

Recently, as more and more companies seek to integrate recycled content into their packaging, the demand for recycled PE film has increased and more plastic recyclers are producing recycled PE pellets to support this demand. To compensate, Trex is employing a three-part strategy:

First, we adjusted our materials mix of waste PE and wood — maintaining our overall standard of 95% recycled and reclaimed content without impacting quality.

Second, we reached out to new commercial partners to offer cost-effective circular solutions for their plastic film waste. These retailers include Rent the Runway, L.L. Bean and Urban Outfitters. We continually seek new partners in industrial, consumer and agricultural sectors whose waste PE can be purchased and upcycled into our products.

Third, Trex invests in research and development to unlock value from waste plastic film that others cannot recycle due to moisture, dirt or other factors. This expands our supply and diverts material from landfills for which there is no other current recycling option.

In 2022, we redesigned our plastic film cleaning process to better prepare our raw material for decking manufacturing. This allowed us to begin using additional quantities of waste PE that would otherwise never be recycled, without compromising our product quality standards.

Additionally, we recycle nearly 100% of our internally generated scrap back into our manufacturing process.



Sources of Recycled Plastic Film

Post-retail sources include stores that use plastic bags or wrap in back-of-house operations before items reach the sales floor.

Post-industrial sources include manufacturing hubs and/or distribution centers that frequently use plastic film to wrap pallets for transport.

Post-consumer sources include used plastic bags, wrap, bubble mailers, dry cleaning bags and other packaging that end users deposit in our NexTrex® bins in retail stores. Read more in Social Impact in Our Communities on pages 42-45.



Sources of Reclaimed Wood

Lumberyards and sawmills supply wood dust, woodchips, wood slabs and logs.

Flooring and cabinetmakers supply wood dust and wood chips.

Trex internal operations.

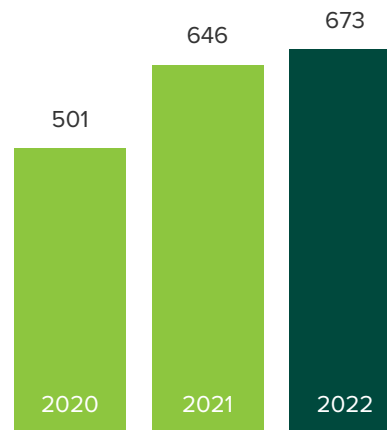
How We Source Reclaimed Wood

We capture wood fiber to use in our products from a variety of streams, including waste and co-products. We source a significant percentage of reclaimed wood fiber from suppliers whose wood products are certified by leading forestry management organizations. Most of our reclaimed wood supply originates in North America through partnerships with cabinet makers, wood flooring installers, sawmills, lumberyards and other entities that generate and collect wood byproducts in their operations.

We continue to expand our sources of reclaimed wood in regions near our eastern and western U.S. operations. This includes wood sourced from orchards that would otherwise be burned.

Amount of Reclaimed Wood¹

(million pounds)



¹2020 data was restated due to a change in how we measure and report the reclaimed wood used in our products.

Other Materials

In addition to composite decking and fencing, our product portfolio includes our high-performance composite and aluminum deck railing kits and systems that are sustainably manufactured and easy to install. Our aluminum products are made from approximately 40% recycled content.

Taking a Lifecycle Approach

In an ever-evolving marketplace, we continually seek ways to improve our products and processes, from raw material sourcing to product innovation to operational efficiency. As demand for our products grows, our investments to scale production provide opportunities to improve the efficiency of our manufacturing process, making our products more resource efficient.

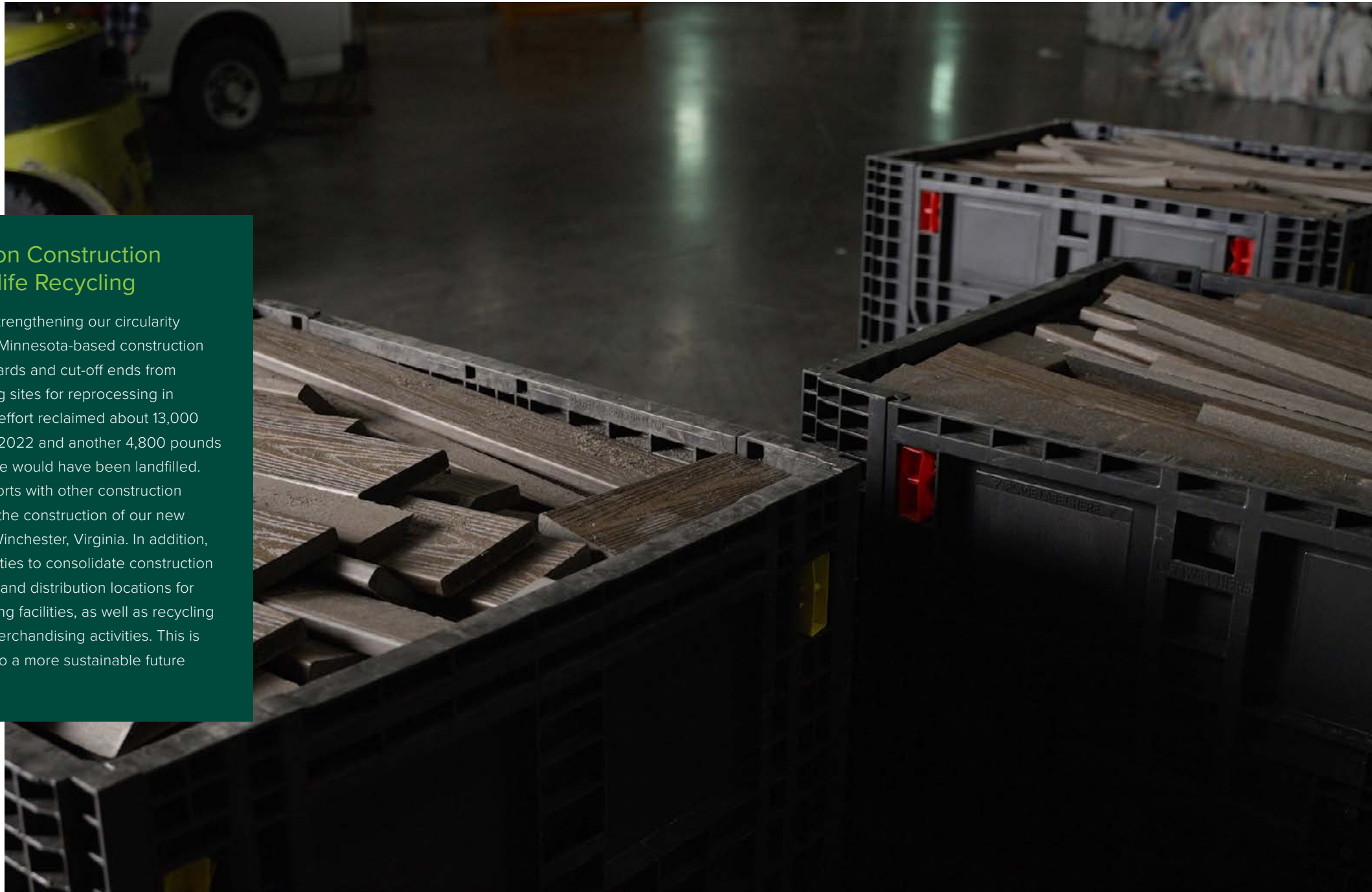
We have partnered with a third-party firm to conduct independent, peer-reviewed lifecycle assessments (LCAs) on our decking products to understand the full scope of their environmental impact. We plan to conduct an updated LCA after the opening of our new Arkansas facility, which is currently slated for 2026.

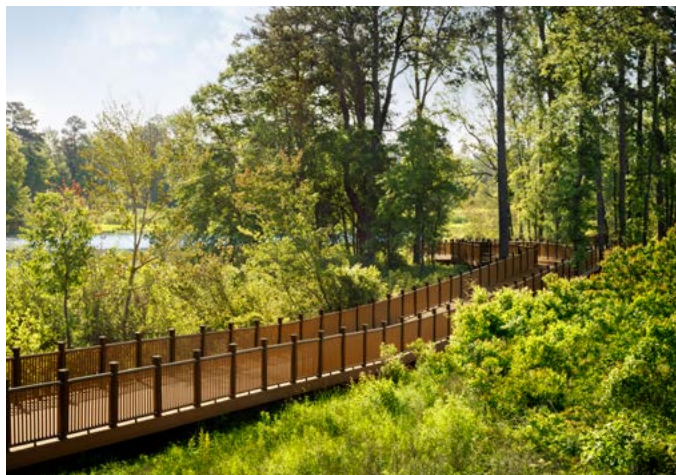




Closing the Loop on Construction Scrap and End-of-life Recycling

As part of developing and strengthening our circularity program, we worked with a Minnesota-based construction firm to collect scrap Trex boards and cut-off ends from one of its multifamily housing sites for reprocessing in our Virginia plant. This pilot effort reclaimed about 13,000 pounds of scrap material in 2022 and another 4,800 pounds in spring 2023 that otherwise would have been landfilled. We are launching similar efforts with other construction projects this year, including the construction of our new corporate headquarters in Winchester, Virginia. In addition, we are identifying opportunities to consolidate construction scrap at some of our dealer and distribution locations for recycling at our manufacturing facilities, as well as recycling scrap from our third-party merchandising activities. This is another way we contribute to a more sustainable future through a circular economy.





Reducing Paper Use and Packaging Materials

Our focus on conserving resources also extends to the materials used in our marketing brochures and our product packaging.

In 2022, our marketing team replaced an existing 60-page product brochure with a quad-fold mailer featuring digital QR codes that link to online content. This single change reduced our annual paper use by 475,000 pounds.

Working with one of our largest customers, we transitioned one of our products to a new packaging design that uses 27% less material. This change also will eliminate nearly 4,000 pounds of strapping and more than 640 pounds of labels per year.

Together, these small changes represent a mindset that flourishes within Trex — thoughtfully approaching opportunities to conserve resources, recycle and reduce waste.

Sustainability Certifications

The recycled and reclaimed materials used in our products make them the preferred choice for our customers who pursue Leadership in Energy and Environment Design (LEED) certification and ICC-ES (International Code Council Evaluation Service) validation. Our decking has been validated by ICC-ES as conforming to U.S. National Green Building Standards, LEED requirements and California Green Building Standards for each category assessed. Use of Trex decking can add up to five points to a project on LEED rating assessments.

About LEED and ICC-ES



LEED is a globally recognized green building point-based rating system that accredits building projects incorporating efficient, safe and eco-friendly products based on sustainability criteria.



ICC-ES is a subsidiary of the International Code Council (ICC) that evaluates building products, materials and systems and validates compliance with building codes and standards, including sustainable building standards.

Manufacturing Lower Impact

In 2022, our manufacturing team continued to pursue environmentally responsible practices with a focus on increasing the circularity of our production, maximizing recycling, reducing waste and protecting water resources. From our current production lines in Virginia and Nevada to our third facility under construction in Arkansas, we are committed to strengthening our environmental stewardship and improving efficiency.

Trex Manufacturing Facilities

Location	Square Footage	Owned/Leased	Purpose
Virginia, Nevada, Arkansas	1,734,589	Leased	Manufacturing, warehouse, research and development, storage, training
Virginia, Nevada, Arkansas	1,202,660	Owned	Manufacturing, storage, office space





Environmental Policy

Our company-wide [Environmental Policy](#) guides us in conducting business with utmost respect for stewardship of the environment. Key principles of our policy are:

- Incorporating recycled, reclaimed and other waste resources in our manufacturing process whenever possible
- Preventing pollution by maintaining environmental management as a core value
- Developing and adopting environmentally acceptable, safe and efficient production methods
- Identifying and complying with all legal and statutory requirements
- Reducing waste generated in our manufacturing and business operations

We apply our policy to the management and development of our existing manufacturing facilities and to the selection and development of new sites such as our Arkansas investment.

Energy and Climate Impact

We design Trex facilities to run efficiently, which includes installing the most energy-efficient equipment. In addition, we continually work to reduce our manufacturing- and transportation-related greenhouse gas (GHG) emissions intensity by embracing energy-smart practices.



Energy Efficiency

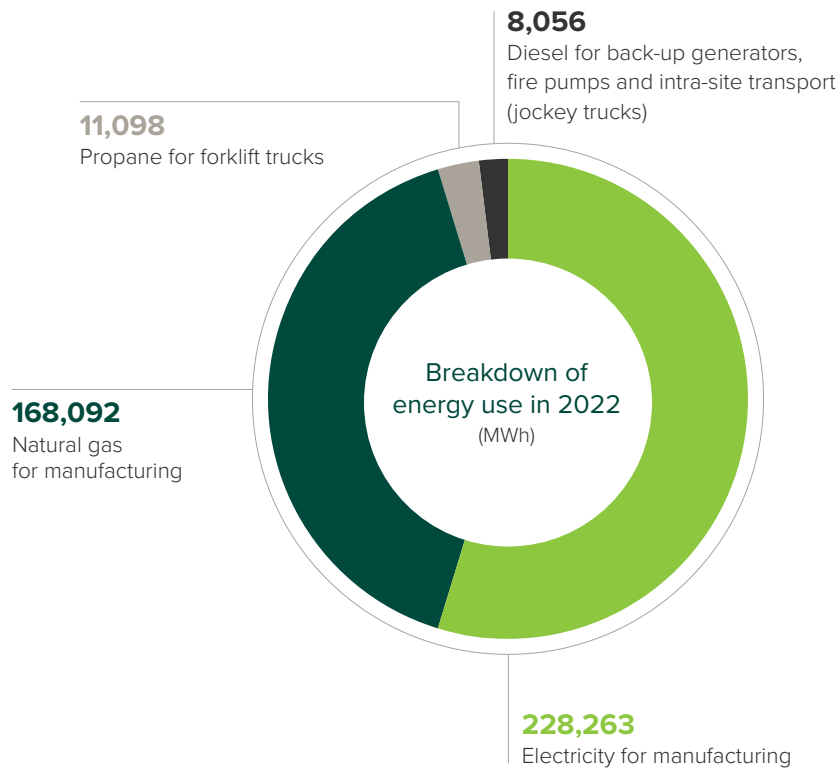
We work with electrical engineering firms and the utility companies that serve our manufacturing locations in Virginia and Nevada on strategies to increase our overall energy efficiency. We plan to develop initial recommendations and begin considering targeted infrastructure changes over the coming year.

In 2022, we completed a multi-year effort to install 100% energy-efficient LED lighting at all our manufacturing locations. With the replacement of our final fluorescent light fixtures, we are saving an additional 31,880 kilowatt-hours of electricity while also increasing total light output at our facilities.



Climate Impact

In 2022, our Scope 1 and 2 emissions totaled 132,772 metric tons of CO₂e, and our overall energy use decreased 3%. However, due to a 6% increase in the carbon intensity reported by our two electricity suppliers to the EPA's Emissions & Generation Resource Integrated Database (eGRID), our Scope 2 GHG emissions increased a marginal 1% compared with 2021. Electricity is our largest power source, accounting for 55% of all energy we use.

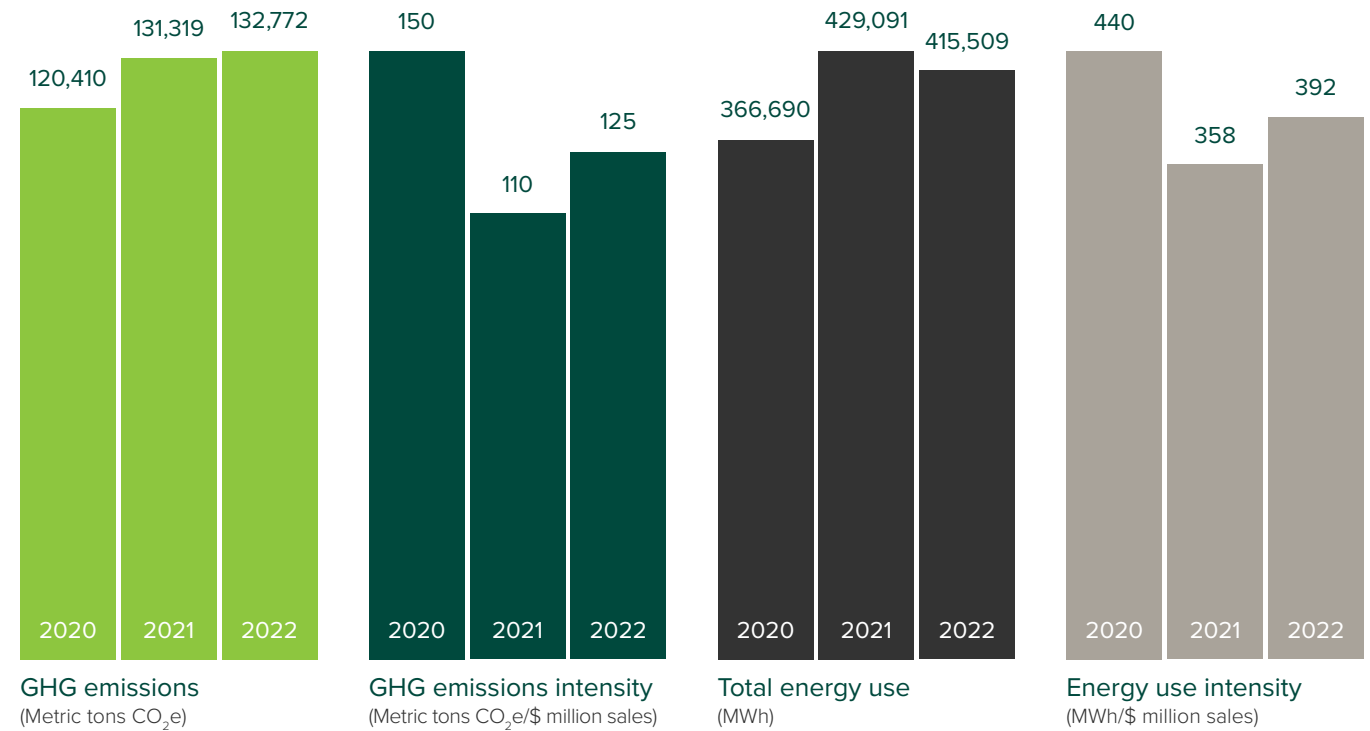


Energy Use and Scope 1 & 2 GHG Emissions

	Units	2020	2021 ¹	2022
■ GHG emissions ²	Metric tons CO ₂ e	120,410	131,319	132,772
■ GHG emissions intensity	Metric tons CO ₂ e/\$ million sales	150	110	125
■ Total energy use (electricity, natural gas and fuels)	MWh	366,690	429,091	415,509
■ Energy use intensity	MWh/\$ million sales	440	358	392

¹2021 data restated due to improvements in data capture.

²Location-based GHG Protocol Corporate Accounting and Reporting Standard.



Transportation

Transportation into and out of our manufacturing plants is undertaken predominantly by third-party road haulers and rail operators. The GHG emissions resulting from their fuel use are classified as our Scope 3 emissions, which we anticipate calculating for 2024. Even though most raw material and finished product transport is not under our direct control, we take steps to reduce fuel consumption and resulting GHG emissions. For example, we seek out freight carriers that are certified through the Environmental Protection Agency (EPA) SmartWay® program, which supports companies in improving transportation efficiency. In 2022, SmartWay® carriers transported 15-20% of our outbound decking loads, approximately 45% of railing loads and about 40% of our inbound shipments of recycled PE film.

Also, we nearly doubled our use of rail transport as an alternative to trucks in 2022. This transition is reducing GHG emissions from diesel fuel consumption while also enabling us to maximize the weight and volume of outbound shipments.

At our Virginia plant, we have greatly reduced the time that outbound truck drivers spend idling while they wait for a shipment to be loaded. Instead, carriers have the option to drop off their empty flatbed when they arrive and later pick up a preloaded shipment of Trex products. This change reduces idling by two hours per load on average. We completed 546 drop-off loads in 2022, avoiding an estimated 19,600 pounds of CO₂e emissions¹.

¹U.S. Energy Information Administration. CO₂ emissions calculation is based on estimated diesel fuel consumption at idle of 0.8 gallons per hour.

Waste Diversion from Landfill

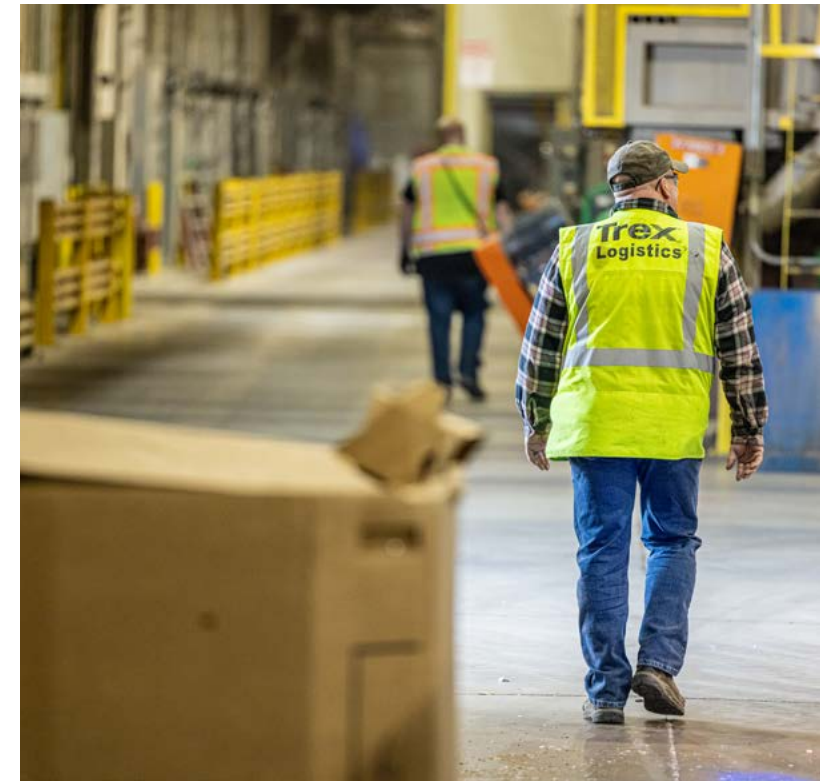
Our manufacturing process is designed to generate minimal waste and divert material away from landfills.

Nearly all of our factory scrap and plastic packaging is recycled back into our production line. In 2023, we are exploring options to use recycled material rather than virgin wood as cushioning between bundles of outbound Trex boards. Read more about our factory scrap recycling and reuse efforts in Sustainable by Design on pages 18-22.

In 2022, our total non-hazardous waste disposed was reduced by 27% to 18,440 tons. In the same period, we increased recycling of non-hazardous waste by 48% to 3,864 tons.

All Trex locations sort universal waste — a subset of hazardous waste that includes mercury relays, fluorescent light tubes and batteries — to be sent to off-site recycling facilities. We also do this with scrap paper, cardboard, metals and plastic strapping from Trex operations. In 2022, we were able to recycle all but a half ton of our approximately 37 tons of hazardous waste.

We ensure all other types of hazardous waste from our operations are disposed of safely and in compliance with regulations.



Waste Disposed and Recycled

	Unit	2021 ¹	2022
Non-hazardous waste disposed	Tons	25,174	18,440
Non-hazardous waste recycled (including energy recovery)	Tons	2,610	3,864
Hazardous waste disposed	Tons	1.7	0.5
Hazardous waste recycled (including universal waste)	Tons	45	36

¹2021 data restated based on new information not available for the 2021 ESG Report.

Water Use and Recycling

Trex manufacturing facilities aim for high standards of water stewardship, both in the amount we use and the quality of any effluent or runoff leaving our facilities. We comply with all applicable water permits issued by state and municipal wastewater treatment authorities where we operate. We strive to go beyond compliance by managing stormwater runoff from our operations.

Minimizing Water Use

Closed-loop recirculation systems at our Virginia and Nevada manufacturing facilities run water through multiple cycles of use in our production process before returning it to the municipal wastewater stream. An estimated 99% of the water used at these sites is recycled. In addition, we are installing these systems at our new Arkansas facility.

In 2022, our manufacturing operations used 197 million gallons of water from the public supply and 14.1 billion gallons of recycled water, compared with 233 million gallons and 16.7 billion gallons, respectively, in 2021.



~99%

Water recycled annually by closed-loop recirculation systems at our Virginia and Nevada manufacturing facilities.

Mitigating Runoff

Each of our manufacturing sites is equipped with water collection and filtration systems to control the runoff of phosphorus, nitrogen and other particulates from our sites. Our systems also protect the environment in the event of an accidental spill or leakage.

In 2022, we launched a study of our Virginia campus to better understand the sources and directional flows of our water runoff. Using the results of this study, we plan to further improve our methods of removing particulates and explore ways to use stormwater runoff in our manufacturing operations.

Water Use

	Unit	2020	2021	2022
Water from public supply	Million gals	178	233	197
Water recycled	Million gals	12,724	16,659	14,085

Biodiversity

As part of our sustainability efforts, we safeguard biodiversity when constructing new Trex facilities. When appropriate we hire independent consultants to conduct environmental assessments that span geotechnical engineering, wetlands delineation and protected species habitat. We followed this process prior to breaking ground for our Virginia headquarters and in the planning of our new Arkansas facility.

For example, we have minimized impact to wetlands at our Arkansas facility and are maintaining in perpetuity 12 acres of wetlands within our approximately 300-acre footprint.



Environmental Compliance

As the starting point for environmental stewardship, we aim to surpass the minimum environmental requirements at each of our locations. We ensure that all Trex manufacturing operations fully comply with applicable municipal, state and federal regulations. In 2022, Trex was not subject to any fines related to noncompliance with environmental laws or regulations.

Chemicals Management

Our manufacturing process uses heat to combine our wood and plastic materials and only requires a small proportion of chemical additives in our product mix. Chemicals are used at levels well below the established thresholds for worker safety and environmental health.

A licensed and certified waste management company handles the recycling and disposal of materials containing potentially hazardous chemicals from all Trex manufacturing operations. We store and handle ancillary chemicals in accordance with permit requirements and our stringent internal safety standards.

Clean Air Technologies

Trex manufacturing processes do not generate any appreciable emissions that would negatively affect air quality. We control emissions of particulates, volatile organic compounds (VOCs) and other air toxins at levels well below federal and state standards.

At our new Arkansas plant, we are installing state-of-the-art regenerative thermal oxidation (RTO) equipment that destroys at least 95% of VOC emissions. These RTO units, which are also in use at our Virginia manufacturing facility, reduce VOCs, particulates and other airborne pollutants without using chemicals to treat the air stream.

In 2022, we replaced all of the airlocks on our wood processing facility in Nevada to reduce wood dust emissions. The same airlocks are also installed in our Virginia operations and will be included in the design of our new Arkansas facility.

Environmental Compliance Data

	Unit	2020	2021	2022
Environmental compliance (waste, water, chemicals, air emissions)	Fines	None	None	None

Looking Ahead

Our focus in 2023 and beyond is on optimizing Trex manufacturing operations to further reduce energy and climate impact. We continue to implement lean manufacturing and continuous improvement processes across environmental, safety and quality performance. For example, we are developing a strategic plan with targets for advancing environmental sustainability in our manufacturing operations.

Further, we have initiated a five-year plan to enhance our manufacturing operations by implementing established methodologies that streamline our processes and minimize repetitive manual labor through increased automation. This initiative will also lead to reduced waste and better working conditions for employees in our manufacturing facilities.



Social

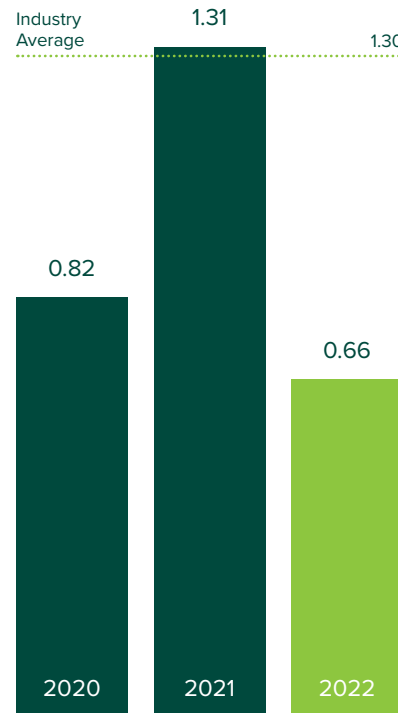
Prioritizing Health and Safety

We are dedicated to keeping our people safe at work and fostering their overall health as part of the core values that define our business. This means reducing workplace hazards, providing employees with the necessary equipment and training, and offering resources and incentives to support overall well-being.

Over the past year, our focus on improving health and safety delivered a 50% decrease in our lost-time incident rate (LTIR) compared with 2021. Additionally, our 2022 LTIR is approximately 50% below the industry average as reported by the Bureau of Labor Statistics.

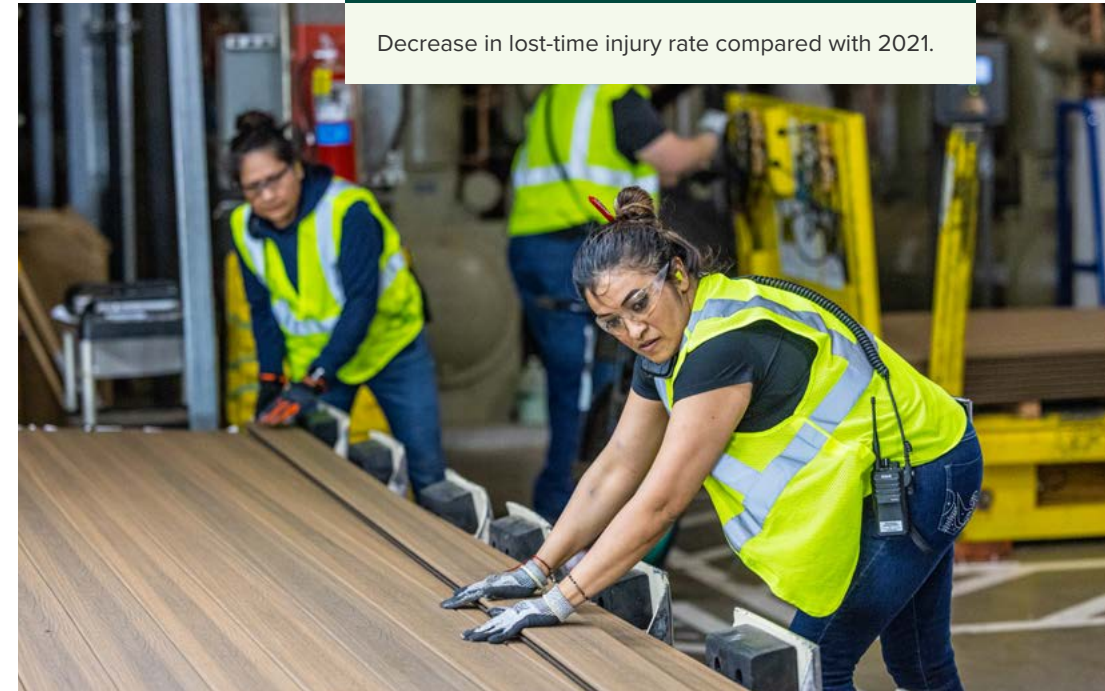
However, our health and safety work is never done, and we remain focused on eliminating the root causes of accidents and injuries in our manufacturing operations. Our Health and Safety strategy is constantly being refined to meet the evolving needs of our organization and our employees.

Our commitment to occupational health and safety has the potential to make a real impact on the lives of our employees and the communities we serve. We believe that a safe and healthy workplace is essential, and we will continue to prioritize this in all our operations.



LTIR

50%
Decrease in lost-time injury rate compared with 2021.



Employee Safety Incidents

	2020	2021	2022	Bureau of Labor Statistics Industry Average ²
Lost-Time Incident Rate ¹	0.82	1.31	0.66	1.30

¹Data shows Trex's LTIR, defined by the Occupational Safety and Health Administration, as the number of incidents that result in time away from work, divided by the total number of hours that employees worked during a given time period.

² Industry average relates to North American Industry Classification System (NAICS) code 321999 for the most recent reported year: 2021.

Policy and Strategic Framework

Our [Occupational Health and Safety Policy](#) sets out Trex's commitment to plan and perform all operations, at all facilities, in a manner that is safe for our employees. We believe all accidents are preventable and every job, no matter how important or urgent, should be done safely. Health and safety are shared responsibilities between our Board of Directors, management and employees.

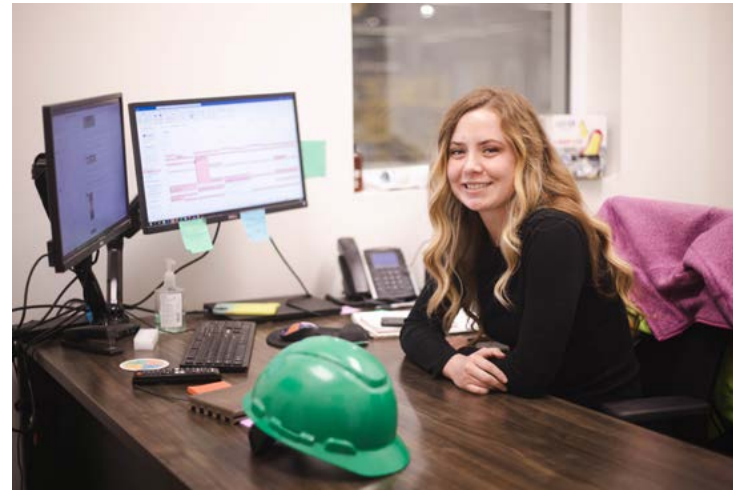
Our Environmental, Health and Safety (EH&S) framework provides objectives, strategies and benchmarks for measuring improvement across five core areas:

- Reducing the risk of serious injuries and fatalities
- Analyzing and eliminating hazards
- Improving incident response
- Maintaining clean and organized sites
- Ensuring safety is part of the daily conversation

In 2022, we also implemented an EH&S Achievement Program that will establish specific performance benchmarks and measure progress against our targets at each production site.

Reducing the Risk of Serious Injuries and Fatalities

Trex strives to achieve its ultimate objective of zero accidents and injuries. Our main focus is to prevent catastrophic incidents, such as motor vehicle accidents, falls from a height, fires and explosions and being hit by heavy objects or equipment, which could pose a significant risk to human life. To achieve this, we thoroughly investigate all incidents and near-misses that occur at Trex facilities. Additionally, all new hires — including temporary workers — undergo comprehensive training on how to prevent catastrophic incidents. We also send daily safety reminders to emphasize the avoidance of serious injuries and fatalities.



Analyzing and Eliminating Hazards

To ensure a safe workplace, a proactive approach is necessary that engages both production workers and EH&S specialists to eliminate potential dangers before they cause accidents or injuries. In 2022, we built upon our “Find It, Fix It” hazard reporting program for employees, with the introduction of a more comprehensive and systematic analysis framework. Our EH&S teams conducted a thorough review of each work environment and task at our facilities to identify potential hazards. This analysis will help us to implement new and improved safety controls to address the key issues at each facility.

Employees are encouraged to report any hazards or safety concerns to their Plant Safety Manager or a representative from the Plant Safety Committee. They can communicate these concerns through in-person discussions or via our online reporting system.

Improving Incident Response

Our pursuit of continuous improvement includes stringently reviewing all safety-related incidents and near-misses within our operations. Representatives from our EH&S, plant maintenance and training and quality assurance teams at each manufacturing location meet weekly to examine the root cause of a given incident, assess whether appropriate corrective actions were taken, recommend additional steps, verify that they are completed, and communicate the outcomes to Trex leadership. This fast-response process is helping us to address incidents more consistently across our sites and prevent recurrences.

Maintaining Clean and Organized Sites

We take a proactive approach to keeping our facilities free of clutter, spills and other potential safety impediments. Our actions in 2022 included expanding the responsibilities and resources of our dedicated production housekeeping staff. In addition, we continued to ensure that safety equipment, safety zones, exit routes and aisleways are clearly marked within each facility.

Ensuring Safety is Part of the Daily Conversation

Communication plays an important role in workplace safety. For this reason, we implemented a daily safety communication program to ensure that our manufacturing and warehouse crews are well informed about potential hazards and best practices to prevent accidents and injuries on the job. At the start of each shift, supervisors present the highlighted topic for that week and lead a team discussion. Among the focal points are “hot work” — welding, soldering, cutting, grinding and other activities that could start a fire — safe ladder use, personal protective equipment and the essentials of a strong safety culture. We also distribute a weekly safety-themed email to our production workers.



Safety Staffing

Each of our manufacturing sites has a dedicated EH&S Manager and Site Safety Committee tasked with ensuring that safety is emphasized in our manufacturing operations every day. Employee representatives on the Site Safety Committee meet monthly to collect, discuss and act upon safety feedback from their colleagues.

Safety Training for Employees

All Trex production line workers receive regular health and safety training. We continually seek to make both our in-person and online training modules even more interactive and dynamic.

Onboarding for new employees includes three days of training that spans topics such as fire safety, hearing-loss prevention, hazards in confined spaces and proper use of personal protective equipment. Since 2020, employees have also completed our annual training module on COVID-19 prevention in the workplace.

Employee Health and Safety Training

	2020	2021	2022
Number of Trex employees who completed training	1,093	1,782	1,833

Bilingual Support

All employees at our Virginia and Nevada locations can choose to receive 100% of their training and testing in Spanish. We translate all our safety communications and signage into Spanish at both locations.

Memberships and Certifications

We stay current on the latest health and safety guidance through multiple sources, including our memberships in the Voluntary Protection Programs Participants' Association, the National Safety Council and the National Fire Protection Association. Members of our plant Site Safety Committees received additional training through state occupational safety and health programs in 2022. In addition, Trex supports Plant Safety Managers in becoming Certified Occupational Safety Specialists and obtaining the Certificate for Occupational Safety Managers through programs offered by the federal Occupational Health and Safety Administration.

Employee Wellness

In addition to prioritizing employees' on-the-job safety, we also nurture their overall physical, emotional and mental health. For example, our company-sponsored health insurance coverage provides a variety of wellness-oriented benefits, such as biometric health screenings and preventative medical checkups.

In 2022, we remained focused on ensuring that all employees and their families had easy access to free COVID-19 vaccinations and testing. Employees who chose to take advantage of those resources were eligible for a reduced out-of-pocket premium on their health insurance.

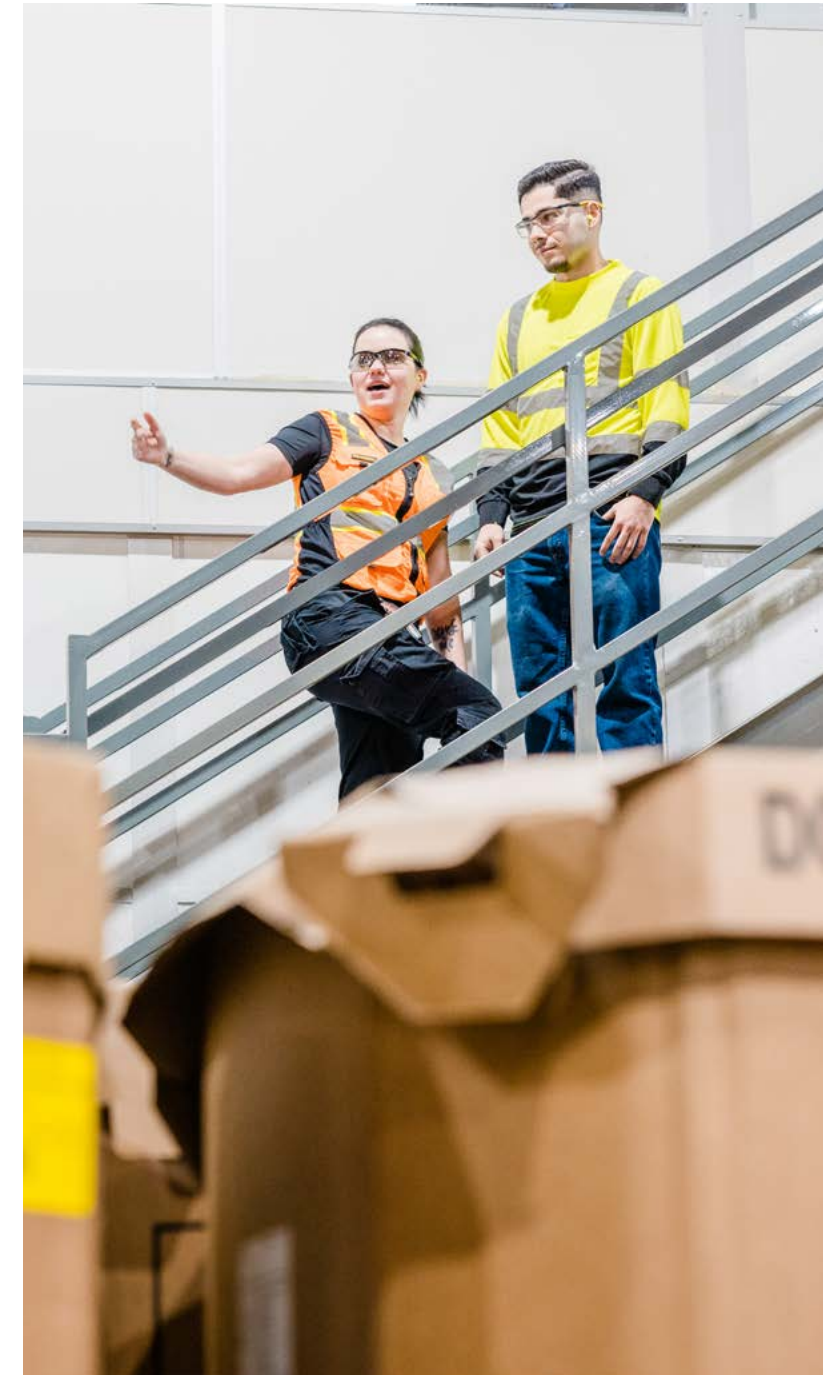
In addition, we continued to follow COVID-19 safety measures based on guidance from the Centers for Disease Control and Prevention and state and local protocols.

Biometric Screenings

Each year, we hold biometric screenings to give employees a snapshot of their overall health and alert them to any issues. We encourage employees to visit a primary care physician for a preventative health check-up, including age-appropriate health screenings, and we offer free flu shots.

Looking Ahead

With an EH&S achievement program now in place, we are conducting comprehensive safety audits at all Trex locations. In 2023, we plan to issue our first set of awards to locations that achieve their EH&S performance targets. Our longer-range goals include earning third-party validation of our EH&S practices and performance, such as Voluntary Protection Program certification through the U.S. Occupational Health and Safety Administration. In addition, we are committed to further reducing our LTIR and taking other steps that help ensure Trex remains a safe and healthy work environment for every employee.



Promoting Diversity, Equity and Inclusion

Our aim is to create a welcoming, respectful and fulfilling environment at Trex, where individuals from diverse backgrounds can thrive and feel appreciated for their contributions. Through our efforts to attract diverse talent, uphold equity among all team members and build an inclusive culture, we foster an environment of creativity and innovative thinking that strengthens our business and fuels our long-term value creation.

DE&I Strategic Framework

We seek to enhance diversity, equity and inclusion (DE&I) among our employees through continuous improvement guided by a three-pronged strategy:

- **Recruitment** that expands our ability to connect with the most talented candidates representing a broad spectrum of backgrounds
- **Training** that builds awareness, communication and support of DE&I as a fundamental value at all levels of our company
- **Assessment** that illuminates our DE&I strengths and weaknesses, with an emphasis on understanding the experiences of all employees

We believe that diversity at Trex flourishes when there is an equitable and inclusive culture, which in turn creates opportunities for all employees to reach their full potential and make significant contributions to our company. We intensified our efforts to enhance diversity, equity and inclusion, in 2022, by implementing targeted recruiting, training and engagement programs.

Inclusive Recruitment

To maintain our competitive edge in our industry and meet the diverse needs of all our customers, it is imperative that we hire exceptional candidates who bring a wealth of unique perspectives, experiences and ideas. To achieve this goal, in 2022, we extended our overall recruiting efforts and launched targeted campaigns to attract a more diverse pool of candidates for specific roles and in certain geographic regions.

Our [Trex Careers](#) website and other recruitment channels increasingly reflect the ethnic and gender diversity which continues to grow across our team. We actively recruit on websites that reach diverse audiences, as well as in prominent business publications to reach the broadest possible pool of candidates.

For example, in 2022, we ran extensive online and print ads in Forbes magazine that were geared toward recruiting women for scientific, engineering and technology positions at Trex. This campaign drove more than 42,000 new users to the Trex Careers website and — for the first time since monthly tracking began — resulted in most of the website traffic coming from women.

We work closely with universities and high schools in the communities in which we operate to build interest in careers with our company among diverse groups of students. Trex representatives participate in many job fairs, classroom visits and other opportunities to connect with future graduates who are underrepresented in the manufacturing industry.

For instance, we have established enduring partnerships with Virginia Tech and the Council for the Advancement of Minority Engineering Organizations. Additionally, we frequently advertise our job openings at historically Black colleges and universities, such as Howard University, Norfolk State University and Fayetteville State University. Furthermore, in 2022, our recruiters made visits to various university campuses with





diverse student bodies. Learn more about our recruitment efforts in Investing in Our People on pages 38-41.

In addition, we actively recruit current and former members of the military. Trex is certified as a preferred employer by the Virginia Values Veterans program, which focuses on educating the business community about the value of bringing military veterans into their workforce.

In addition to our proactive inclusive recruitment strategies, we seek to eliminate the potential for unconscious bias in our hiring practices. Our HR team reviews all Trex job descriptions to ensure we use clear and inclusive language. In addition, we ensure that our hiring panels include diverse ethnic and gender representation.

In 2022, we removed a requirement that employees in our manufacturing plants have either a high school diploma or equivalent credential in order to be promoted from Utility Technician to Process Technician. Eliminating this barrier, which disproportionately affected candidates from underrepresented ethnic groups, enabled an initial class of 10 experienced and motivated employees to advance their careers at Trex.

DE&I Training

We recognize that each person at Trex plays a crucial role in adopting practices that align with our DE&I objectives and helping eliminate behaviors that may conflict with those objectives. To help build awareness and understanding, we offer a growing library of courses that reinforce the company's DE&I values. Focal points include the value of diverse perspectives to our business, respecting individual differences, communicating inclusively, recognizing unconscious bias and eliminating harassment or other behaviors that create a hostile work environment.



Inclusive Leadership Lessons

In 2022, nearly 50 Trex managers and senior leaders — roughly a third of our leadership group — attended “Leading an Inclusive Workforce.” We built this new course using insights from our 2021 assessment of how employees experience DE&I at Trex. The one-day session focused on practices that build greater inclusivity across hiring, team conversations and more. We plan to host more sessions of this popular training in the future.



DE&I Assessment and Outreach

To stay attuned to our employees' perspectives on DE&I, we regularly conduct surveys, focus groups and informal discussions. This open and honest feedback helps us prioritize the most critical aspects of DE&I in our culture and take meaningful and effective actions.

Our most recent company-wide employee engagement survey in March 2023 included several questions related to inclusivity and equitable opportunity. We are using these and other insights to further refine our recruitment, training and assessment approaches.

More details about our employee engagement efforts can be found under Investing in Our People on pages 38-41.

Diversity in Our Company

We are pleased that our concerted efforts to promote DE&I at Trex are making a noticeable impact. At the end of 2022, women comprised 26% of our workforce, up from 25% in 2021. Female representation in management roles rose to 30% in 2022, up from 26% in 2021. In addition, women held three of the nine positions on our Board of Directors in 2022, and we added a fourth female board member in April 2023.

The representation of ethnically diverse employees in our company grew to 25% last year, up from 20% in 2021. In addition, 12% of managerial roles were held by ethnically diverse employees in 2022, double the percentage of those roles held in 2020.

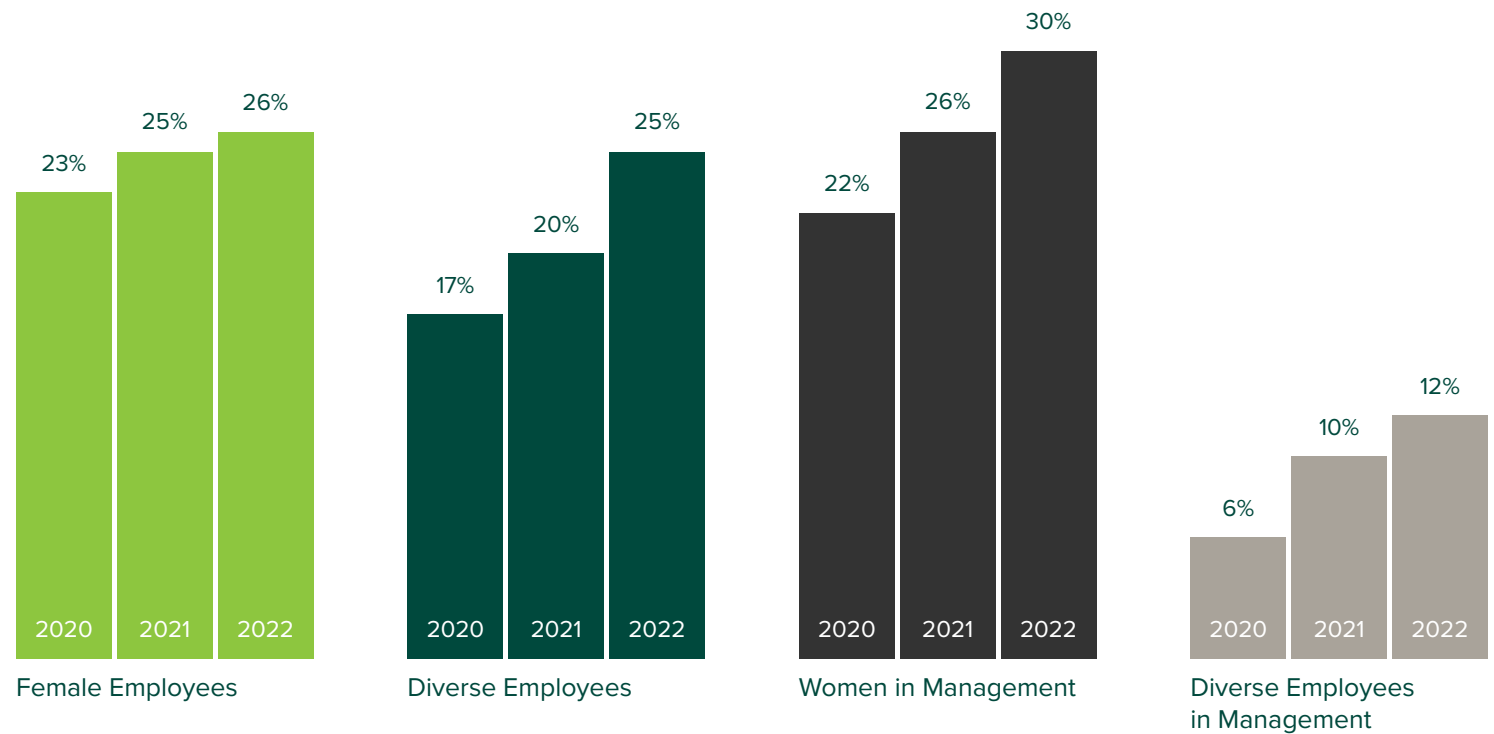
While proud of the progress we have made thus far, we are also determined to go further in promoting DE&I throughout Trex.

Female and Diverse Employees

	2020	2021	2022
Female employees ¹	23%	25%	26%
Diverse employees ¹	17%	20%	25%
Women in management ²	22%	26%	30%
Diverse employees in management ²	6%	10%	12%

¹Based on employees who have self-identified their gender and ethnicity.

² "Management" is defined as employees who have direct reports and select executive leaders who may not have direct reports.





Fair and Equitable Pay

Recognizing that our people are fundamental to Trex's success, we are dedicated to providing fair and equitable pay for all employees and strive to be a leader in overall compensation.

We apply a compensation grade structure to set the pay range for each position before considering applicants to fill that role. This ensures that the pay range for a role is determined independently of the candidate applying for the position. For specific positions, we conduct additional market studies to ensure we offer a highly competitive compensation package.

We also conduct external competitive analyses to ensure our pay ranges are in line with industry standards. Based on these analyses, we update our compensation structure periodically to ensure we maintain a highly competitive position within the market overall. Within Trex, we regularly compare salaries across roles and benchmark hourly wages in each local market on a quarterly basis. Recent assessments confirmed that we offer market-leading compensation, with a pay mix weighted toward variable incentives.

Trex is committed to remaining highly competitive as well as consistently fair in how we reward our valued employees for their work.

Pay Equity by Gender and Ethnicity

To maintain equitable pay, we regularly review our compensation structures for any disparities based on gender or ethnicity. Since hourly wages in our manufacturing operations are standardized by position, we primarily focus on identifying any issues in salaried positions.

Based on the insights from previous pay equity analyses, we promptly addressed gaps that were identified in fewer than 2% of our salaried positions that fell outside acceptable ranges. When disparities are identified through our gap analysis, they are quickly rectified. This approach to pay equity is ongoing as we continue analyzing pay equity across our job classifications as well as monitoring the external market.



Investing in Our People

Our business thrives on the energy, talent and innovative thinking that employees bring to work each day. We honor their role in driving Trex's long-term success by creating valuable opportunities for employees to grow professionally and make their voices heard in conversations about how our company can continue to improve.

Training and Professional Development

Starting from their first day at Trex, we support our people in building new skills, growing as leaders and achieving their career goals. In 2022, our employees completed more than 40,000 hours of leadership, onboarding and professional development training. Our extensive training and professional development programs also help us attract highly engaged and diverse employees — enabling Trex to deliver better products and greater satisfaction for our customers. In addition, we conduct annual performance reviews with 100% of our salaried employees.



Onboarding Employees

In 2022, we refreshed our onboarding process with a greater focus on immersing new Trex employees in our culture, core values and business approach. Launched in the fall of 2022, we restructured our Corporate Onboarding Day activities to include a welcome presentation, messages from Trex senior leaders, an overview of our product line, a get-acquainted lunch with Trex team members and a tour of our production facilities. Newly hired sales professionals attend a second day of onboarding that delves further into the unique qualities that distinguish Trex products in our markets.

Also in 2022, we transitioned our employee onboarding process to a 100% digital system. Along with the environmental and cost benefits of consuming less paper, our online platform also gives new employees the option to complete their documents in either English or Spanish. This added flexibility is part of our larger efforts to foster an inclusive and welcoming culture across Trex. Learn more in Promoting Diversity, Equity and Inclusion on pages 34-36.

We continue to prioritize health and safety best practices throughout our orientation programs. Following their initial Corporate Onboarding Day, newly hired engineering employees assigned to our manufacturing plants attend general and role-specific safety training. Safety training is also required for newly hired Trex engineers who will regularly visit our plant locations as part of their work. Learn more about our commitment to Prioritizing Health and Safety on pages 30-33.



LinkedIn Learning

Employees in all Trex offices and manufacturing sites receive free access to LinkedIn Learning, which offers more than 16,000 online courses in English, Spanish and several other languages. In 2022, approximately 280 employees viewed more than 1,300 hours of LinkedIn Learning content. The most popular subjects included Leading Without Formal Authority, Excel Essentials and Teamwork Foundations. Other courses help employees earn certifications from the Society for Human Resource Management, Project Management Institute and other professional organizations.

Several of our business groups have organized quarterly LinkedIn Learning sessions to help team members develop skills that target their current roles as well as their career objectives. In addition, we offer a company-wide LinkedIn Learning Challenge that encourages employees to take courses on a specific theme each month. After viewing the course, participants can answer questions to become eligible for monthly prizes.

100%

Reimbursement of permanent full-time employees' tuition and book expenses for continuing education courses in programs related to our business. Trex also offers a tuition reimbursement program for permanent full-time employees pursuing associate's, bachelor's and master's degrees. In 2022, 14 employees benefited from tuition reimbursement.

Micro Workshops

To help nurture the skills of our manufacturing employees, we launched a series of Micro Workshops focused on product quality, occupational safety and other key opportunities for continuous improvement. Approximately 250 employees attended these sessions featuring live presentations, videos, testing and hands-on practice in new skill areas. In addition, we presented a Critical Selling Skills course for 14 employees and a Travel Safety course for 18 employees in our sourcing group.

Internships

Trex offers internship opportunities each year for current college students in engineering, information technology and other professional fields. In 2022, we hosted 13 interns who began their experience by participating in our new day-long orientation. Designed to provide a consistent and welcoming overview of Trex, this session also gives our interns a smoother transition into the department where they will spend most of their time.

Spanish Classes

Along with providing courses in English as a second language to interested employees, we also offer a Spanish language course for workers in Trex manufacturing operations. In 2022, approximately a dozen employees attended bilingual courses, through which we aim to foster improved teamwork and a more collaborative environment at our plants.

Trex Earns Best Employee Learning and Development Honor



WE MAKE CONTACT CENTERS BETTER

Our training curriculum for Trex Customer Experience Center employees earned the 2022 Best Learning and Development Program award from the International Customer Management Institute. The award recognizes one organization each year for efforts to support better onboarding, improve agent performance and deliver ongoing coaching and development.



Leadership Development

We aim to achieve long-term benefits by offering opportunities for employees at all levels to develop leadership skills that support their professional growth. This approach fosters highly engaged employees who contribute to improving our product and delivering greater customer satisfaction. In 2022, more than 180 employees completed at least one leadership development course.

Our leadership programs emphasize critical skills such as effective communication, performance assessment, adaptability to change and other essential qualities of successful business leaders.

Available courses include:

- Business Acumen
- Priority Setting and Organization & Communication
- Coaching and Delivering Effective Feedback
- Teamwork, Managing Differences and Collaborative Work Culture
- Problem-Solving and Decision-Making
- Management Essentials

In 2022, we partnered with Blue Ridge Community and Technical College in Martinsburg, West Virginia, to develop a new leadership development offering exclusively for Trex employees. The instructional series is geared toward current and future leaders in our manufacturing operations — with courses that span motivational skills, coaching, delegation and team recognition. We had 11 employees in the inaugural session and expect this program to grow rapidly.

Another new course, Jon Harrison VIP Leadership, is designed to enhance workplace culture and reinforce organizational values among organizational leaders and employees. Participants also build inclusive decision-making skills and learn new approaches to strengthening their team members' abilities.

Mentorships

The Trex Mentor Program continued to expand, providing newer leaders with the opportunity to receive personalized support and guidance from experienced managers throughout the company. The program not only supports the personal and professional development of individual employees, but also aims to foster increased cross-functional knowledge-sharing within Trex. Six new mentorships were established in 2022, and we plan to build upon the mentorship program in 2023 as part of a broader focus on strategic talent management across the organization.

Employee Recognition

When our employees go above and beyond in creating value for our business, we make sure their exceptional work gets celebrated.

Now in its fourth year, the President's Award for Teamwork honors high-performing teams that exemplify cross-functional collaboration. Our 2022 awards recognized 31 employees across eight departments for their work on developing a Trex proprietary material formulation for our composite railing products.

We also presented our annual Distinguished Performance Awards, which recognize above-and-beyond contributions made by some of Trex's highest performers. In 2022, 61 team members received this award.

Employee Engagement

Every new team member brings unique experiences and perspectives to our workplace. To better comprehend the evolution of our workplace culture along with other aspects of our business, we encourage open and honest communication with our employees through various channels.

Executive Communications

Our leadership team holds plant communication meetings monthly to share information and gather input and feedback from employees. Additionally, the executives hold all-hands meetings each quarter to update employees on business results and field questions from team members. During the first half of 2022, CEO Bryan Fairbanks conducted roundtable meetings with cross-functional groups of employees in each of our locations to hear from team members and field questions. During the second half of 2022, as the business responded to market adjustments, we redoubled our communication efforts. Our managers and senior leaders communicated regularly with their teams to keep people informed and engaged.

Engagement Survey

Historically, Trex has conducted an employee engagement survey approximately every 18 months, with the most recent in mid-2021. During 2022, engagement survey results drove efforts to invest in strategic priorities such as training, communication, pay and benefits. In 2023, we will be changing our approach to employee engagement, prioritizing the frequency of staff surveys and manager training to create a more effective cycle of timely information which translates into action.

Turnover in our Workforce

In late June, we noticed a decline in demand from our distribution partners. They were concerned about a possible decrease in consumer demand because of increasing interest rates, decreasing consumer confidence and expectations of an economic slowdown. Therefore, we had to make a tough call and reduce our employee count to match the reduced demand. This decision had an impact on our annual involuntary turnover rate.

Employee Turnover

	2022
Voluntary turnover rate among hourly workers with > 1 year of service	17%
Involuntary turnover rate among hourly workers with > 1 year of service ¹	16%
Voluntary turnover rate among all employees	21%
Involuntary turnover rate among all employees ¹	15%
Total turnover rate among all employees	36%

¹Involuntary turnover rate was significantly affected by a reduction in force that occurred in August 2022.



Social Impact in Our Communities

Trex is committed to making a positive impact in the communities where we operate and serve our customers. Our deep connection to these communities fuels our desire to give back in a meaningful way. We support thriving and healthy communities through impactful initiatives, including our PE film recycling programs, employee volunteer efforts and charitable donations.

Environmental Outreach through NexTrex®

As one of the largest recyclers of PE film bags, wraps and packaging in North America, we focus a significant portion of our environmental outreach on engaging communities on the importance of recycling.

NexTrex® is our outreach and collection program with local communities to promote environmental awareness and especially the importance of recycling PE film. Our informational campaigns encourage people to remove this material from the waste stream and recycle it. The collected film is then processed and used in our products.

Our NexTrex® recycling partners include schools, civic and non-profit organizations, retailers and other businesses throughout the continental U.S. and Alaska. We collect the recycled film through a network of more than 32,000 NexTrex® stations. In 2022, our school and community recycling participants helped divert nearly 2 million pounds of plastic film away from landfills, setting a new record for our program.

NexTrex® Grassroots Movement

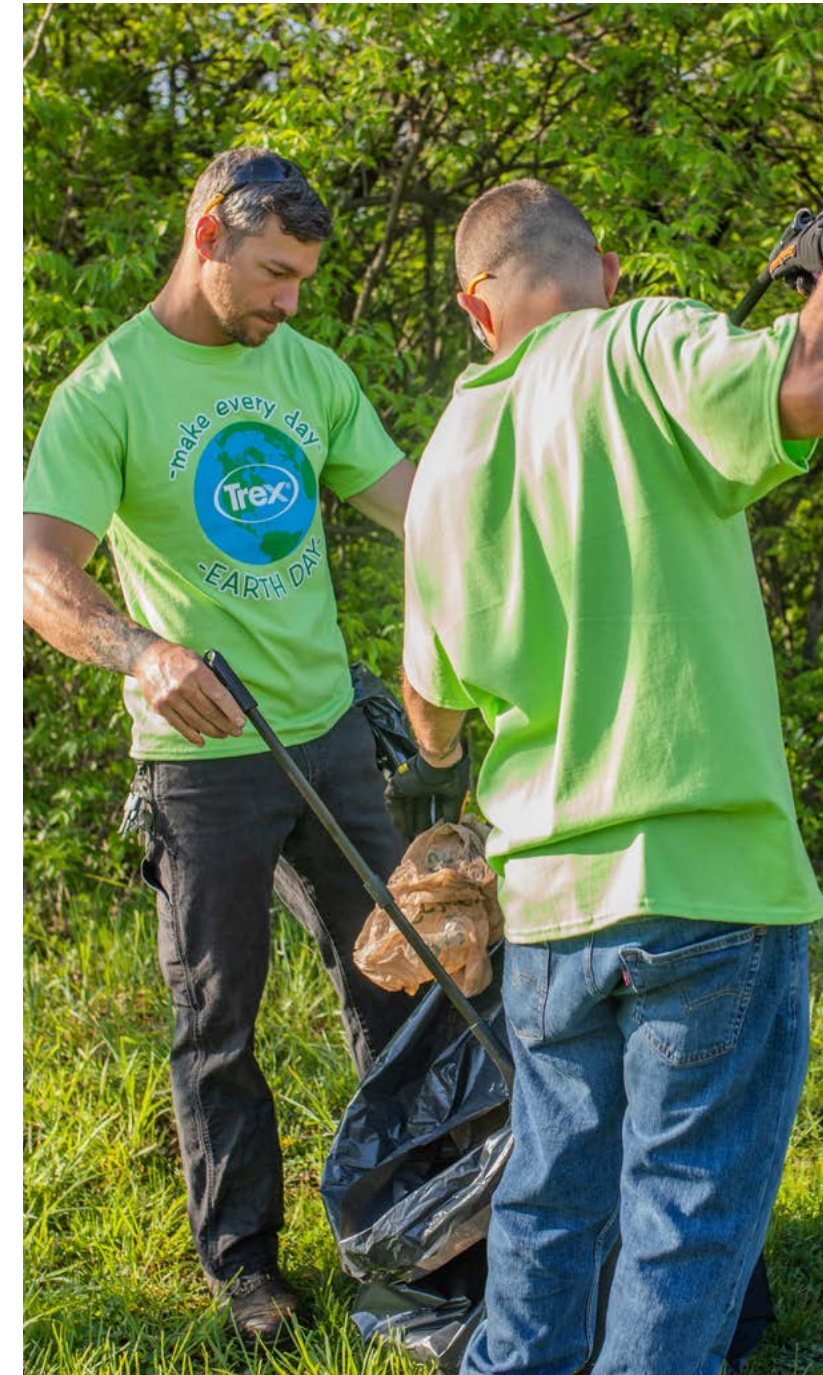
In our ongoing effort to remove obstacles that may keep more people and businesses from recycling plastic film, we further expanded our reach in 2022. The newly launched NexTrex® Grassroots Movement program provides a turnkey framework for municipalities, universities, non-profits and other qualifying businesses to serve as centralized drop-off locations for recycling PE film. This program extends the benefits of NexTrex® to organizations that may not meet the volume criteria for our commercial recycling program.

We help Grassroots partners to acquire baling equipment, storage space and other equipment needed to collect recycled plastic material. After 20-40 bales are compiled — the equivalent of 20,000-40,000 pounds of recycled plastic film — we transport the material to our manufacturing facilities in Virginia or Nevada. We then provide a rebate to the partner, making NexTrex® Grassroots a viable source of funding for businesses or community initiatives. In 2022, we added more than 20 drop-off locations to our network, including many that are close to our production facilities, through NexTrex® Grassroots Movement. New partners included NW Works in Winchester, Virginia, as well as three Goodwill chapters — Delaware, Chesapeake (serving Washington, DC, Maryland and Northern Virginia) and Delaware County, Pennsylvania. We expect to grow the Grassroots program significantly in 2023.

“Our partnership with NexTrex® has been crucial in keeping polyethylene film and bags in the recycling stream and out of landfills.”

— **Lindsey Walker**

Market Development and Commercial Accounts Manager
at Emmet County Recycling in Michigan





School and Community Outreach

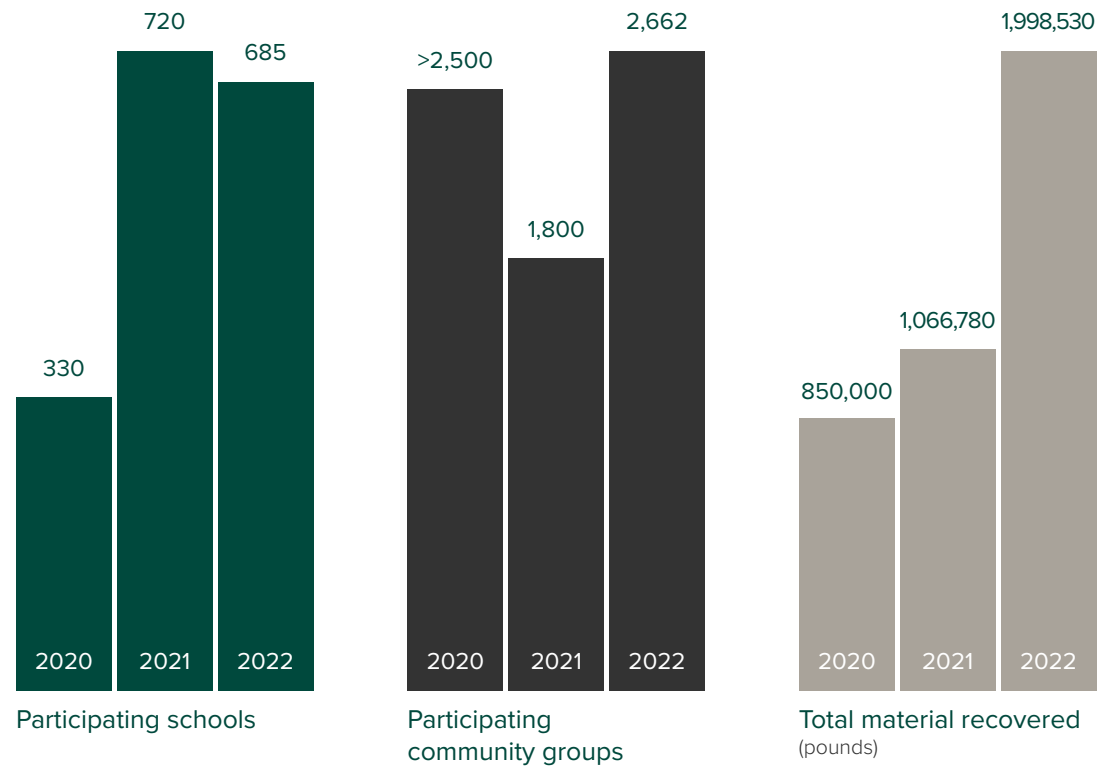
We also spur greater community action through the annual Trex Plastic Recycling Challenge, held between America Recycles Day (November 15) and Earth Day (April 22). Participating schools and community groups compete for prizes by gathering as much polyethylene film as possible.

Together with our partner, Charter Next Generation, we present cash awards and other prizes to the top-performing schools and community groups. First-place winners in 2022 included Moscow Charter School in Moscow, Idaho, which recycled more than 7,700 pounds of plastic film, and the City of Eagle River, Wisconsin, which recycled 8,199 pounds.

In 2022, school and community recycling participants helped divert nearly 2 million pounds of plastic film from landfills.

NexTrex® Collection Programs

	2020	2021	2022
Community drop-off locations	>32,000	>32,000	>32,000
Participating schools	330	720	685
Participating community groups	>2,500	1,800	2,662
Total material recovered (pounds)	850,000	1,066,780	1,998,530



NexTrex® Retail Packaging Label

We work with plastic film packaging designers and manufacturers, as well as retail brands that use this type of packaging for their products, to certify that the materials are recyclable through our NexTrex® programs. Participating companies simply submit a packaged product sample for us to test. We generate a report assessing three criteria: recyclability, risk of product contamination and risk of non-recyclable “look-alike” package contamination. Using this assessment, packaging providers can adjust as needed to meet Trex recyclability standards. Once validated, the participating company can add the NexTrex® label to its packaging to help consumers more easily recognize that they can recycle it at a NexTrex® location.

Community Philanthropy

Trex supports many charitable organizations through donations and the volunteer efforts of our employees. We direct our corporate donations toward non-profits that cater to the most pressing needs of the communities in which we operate, with a focus on advancing educational and environmental initiatives as well as improving the lives of children.

Together with our employees, we contributed more than \$400,000 to community causes in 2022. This included giving to several local youth sport leagues and schools, as well as community-based organizations that provide everything from hospice care and family counseling to emergency response and workforce training.

Employee Volunteering

We encourage employees to volunteer in their communities. To celebrate Earth Day in April 2022, Trex employees volunteered their time to assist with the inaugural Earth Day Clean-Up Event organized by the Virginia plant’s Environmental Health and Safety Team. Also, many of our Virginia-based employees participated in our annual



Day of Caring volunteer event to benefit the [United Way of Northern Shenandoah Valley](#). Another group of employees in Virginia helped Blue Ridge Wildlife Center with maintenance projects to support the center’s mission of caring for injured, sick or orphaned animals. In addition, several Trex employees serve on the boards of non-profit organizations, such as [Keep Virginia Beautiful](#).

United Way

We seek to improve people’s lives in the communities in which we work through our long-time partnership with the United Way. We are proud to support United Way chapters in Virginia and Nevada in advancing education, employment, financial stability, health and other critical needs.

For our annual United Way fundraising campaign, we match employees’ donations to benefit the United Way of Northern Shenandoah Valley. In 2022, we also awarded an additional day of paid vacation to 67 employees who donated an amount equal to one hour of their pay in each pay period.

In addition, we partnered with United Way of Northern Shenandoah Valley to help sponsor Project Connect in June 2022. This free event featured more than 70 local organizations offering medical exams, housing assistance, educational opportunities and other services to the community.

The United Way of Northern Shenandoah Valley recognized Trex for conducting the most successful employee-led fundraising campaign in 2022 — our 14th consecutive year receiving this honor.



Supporting Jobs for Adults with Special Needs

Since 2020, we have partnered with non-profit NW Works to employ adults with disabilities and individuals with barriers to employment at our railing warehouse in Virginia. NW Works job coaches help supervise these paid employees, some of whom have been with us for nearly three years.

Community Investment

	2020	2021 ²	2022
Total community investment	\$512,000	\$284,000	\$402,000
Corporate donations ¹	\$416,000	\$219,000	\$308,000
Employee cash donations	\$96,000	\$65,000	\$94,000

¹Includes corporate in-kind donations.

²Our total contributions declined between 2020 and 2021 largely due to the exceptional contributions made in 2020 in response to the COVID-19 pandemic.



The Yellow Ribbon Fund

Through our partnership with the Yellow Ribbon Fund, we donated \$120,000 between 2020 and 2022 to support programs for military veterans and their families. In addition, we matched employees' donations dollar-for-dollar. The Yellow Ribbon Fund provides housing, transportation and family support to severely wounded, ill and injured service members.



Governance

Corporate Governance

Principled and transparent leadership is essential to Trex’s success. Our corporate governance practices enable us to manage risks, ensure our actions align with our values and foster a culture of integrity.

Board and Executive Leadership

Trex’s Board of Directors and senior management team are collectively responsible for the leadership, control, development and long-term success of our company. Annually, senior management presents a multi-year strategic plan, including goals, to the Board. Progress toward the goals is assessed by the Board and senior management quarterly.

Our Board is led by James E. Cline, the non-executive Chairman, and has three standing committees:



The Audit Committee

Oversees matters related to the company’s accounting, auditing and compliance with legal and regulatory requirements



The Compensation Committee

Reviews, determines and approves compensation and benefits of the company’s officers



The Nominating/Corporate Governance Committee

Recommends candidates for election to the Board and its committees; oversees matters related to environmental, social and governance (ESG) initiatives; succession planning; and nonemployee director compensation



An independent director chairs each committee as a vital element of the Board’s governance and leadership. Read more about each Committee’s [charter](#).

We have ingrained a strategic focus on environmental, social and governance (ESG) initiatives into our executive and Board leadership. Leslie Adkins, Vice President of Marketing and ESG Development, oversees ESG at the executive level. At the Board level, our Nominating/Corporate Governance Committee oversees ESG matters that are significant to Trex; reviews our ESG strategy, initiatives and policies; and receives updates from management on significant ESG activities. Read more in Sustainability Governance on pages 50-52.

CEO Compensation

	2020	2021	2022
CEO-to-employee pay ratio	Trex 39.8 : 1.0	Trex 64.3 : 1.0	Trex 53.2 : 1.0
National average ¹	307.3 : 1.0	399.0 : 1.0	Not available at time of publication

¹Source: Economic Policy Institute.

Board Independence and Diversity

Our Board provides diverse, independent and experienced oversight to our business. We are committed to selecting Board members who bring diverse viewpoints and backgrounds, as reflected in our Director Nominations Policy criteria.

Other than Bryan Fairbanks, our current President and Chief Executive Officer, all Board members are considered independent under applicable legal and stock exchange standards. More detail on our Board is available in our [Proxy Statement](#).

Read more about our Corporate Governance Principles and our Board members on our [website](#).

Trex Board Diversity¹

	2020	2021	2022
Number of women	2	3	3
% of women	22%	30%	33%
Number who identify as ethnically diverse	—	1	1
% who identify as ethnically diverse	—	10%	11%

¹Data as of December 31, 2022.



Stock Ownership

Our Stock Ownership Guidelines ensure that our Directors' and Officers' interests align with those of our shareholders. The guidelines require Trex's CEO to hold shares in Trex that equal at least three times his or her base salary (based on the market value of our common stock). For our other Officers, the requirement ranges from 1 to 1.5 times their base salary. Our outside Directors are required to hold at least three times their annual cash retainer in shares. New Officers and Directors have five years to comply. As of December 31, 2022, all Officers and Directors were in compliance with our guidelines.

Stock Holdings¹

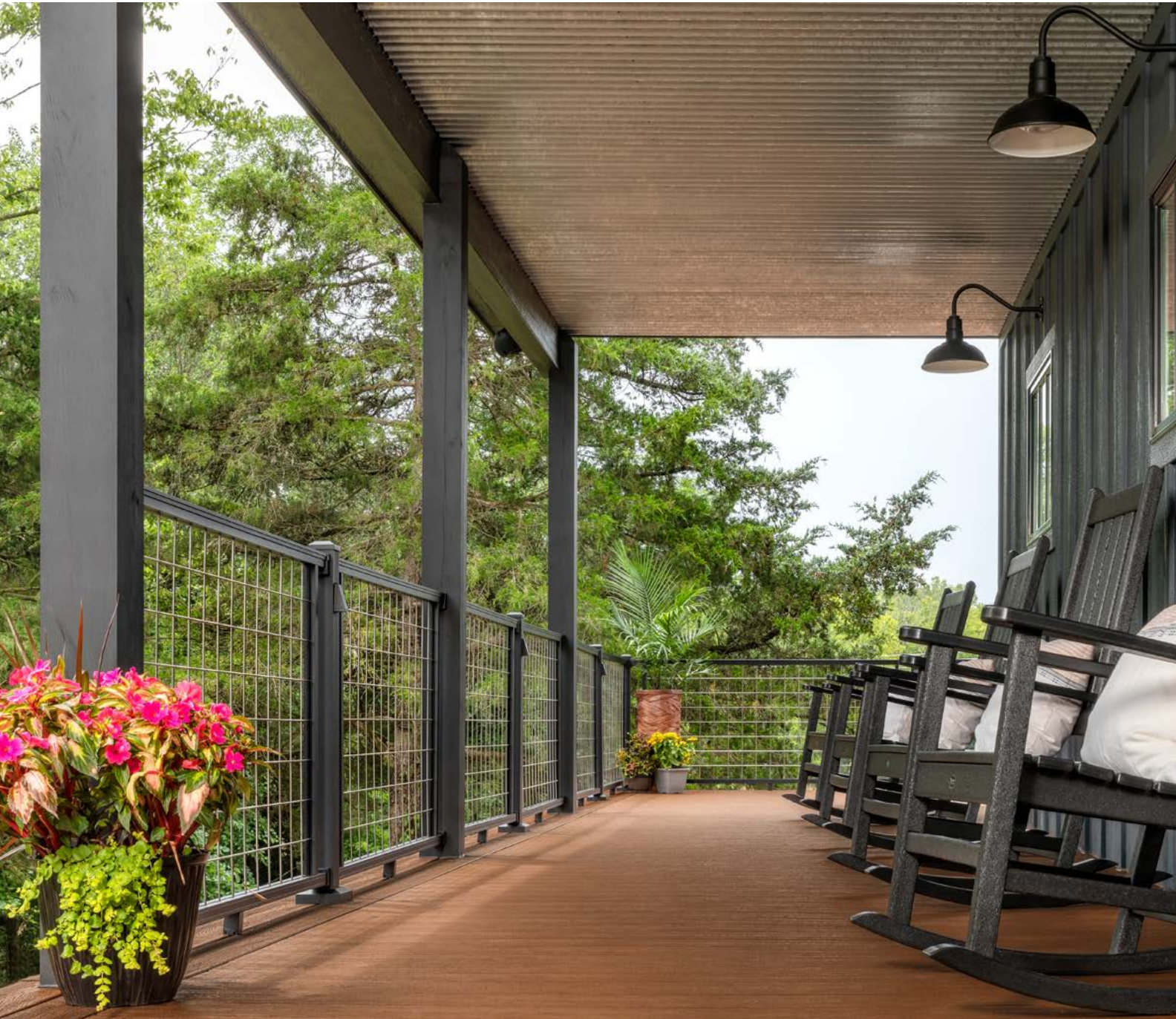
	Officers			Outside Directors		
	2020	2021	2022	2020	2021	2022
Required shares	59,359	44,175	153,000	23,919	21,318	55,985
Shares owned and held	467,532	421,419	467,193	173,698	178,236	192,084
Multiple of requirement held	7.88	9.54	3.05	7.26	8.36	3.43

¹Data is presented as an aggregate number of shares held by Officers and Directors, respectively. Data as of December 31, 2022.

Political Contributions

In accordance with federal law and our [Code of Conduct and Ethics](#), Trex donated no corporate funds for political advocacy or other political purposes during 2022.





Sustainability Governance

Trex's core values emphasize environmental and social stewardship as an expression of our deep connections to local communities and to our customers, business partners and employees. Our sustainability governance practices ensure we uphold these commitments.

Board and Committee Oversight

The Nominating/Corporate Governance Committee of our Board oversees environmental, social and governance (ESG) matters, and our executive management team is responsible for acting upon these matters. Our Vice President of Marketing and ESG Development oversees ESG at the executive level and reports to the Nominating/Corporate Governance Committee. Additionally, the President and Chief Executive Officer, Chief Financial Officer, and Vice President, General Counsel and Secretary contribute to sustainability governance through their involvement in Board and committee discussions.

We regularly review sustainability issues that are most [material to our business](#) to ensure we remain focused on current and upcoming topics of concern. We engage our stakeholders on sustainability issues through various channels, including our investor presentations and conferences, reports, website and periodic news articles. Our CEO and other senior executives also hold informal discussions with stakeholders to gather input.



Policies

Our commitment to conduct business in an environmentally, socially and ethically responsible manner is anchored by the expectations in our sustainability governance policies, which include:

Environmental Policy

[Read the Policy](#)



Use recycled and reclaimed raw materials and internally produced waste in our manufacturing process



Recycle packaging materials



Prevent pollution by maintaining environmental management as a core value



Lead environmental performance through management example, employee involvement and employee empowerment



Develop and utilize environmentally acceptable, safe and efficient production methods



Evaluate progress to enable continuous improvement

Human Rights Policy

[Read the Policy](#)



Promote diversity, equity and inclusion



Protect against child and forced labor



Provide safe and secure working conditions



Safeguard employee privacy



Require ethical and responsible business practices among sources in our supply chain

Occupational Health and Safety Policy

[Read the Policy](#)



Comprehensively understand worker expectations and requirements



Prioritize safety in the design of all facilities, equipment, processes, work methods and products



Demonstrate leadership on employee safety in all our processes while striving for world class performance



Pursue continual safety improvements through analysis, audits and target-setting



Cyber Risk

We recognize the risk that our IT networks and infrastructure may be vulnerable to unpermitted access caused by hackers, unintentional breaches, employee error or other incidents. We diligently guard against any compromise of our data security and our customers' confidential information. In addition, our [Privacy Policy](#) describes how we collect and use customers' personal information and specifies their data privacy rights.

Our actions to reduce the risk of a cybersecurity incident include:

- Partnering with an enterprise-grade security solutions integrator to help build and run holistic cybersecurity programs as well as perform regular audits to evaluate our current security posture and prioritize our improvement plans
- Training our employees on information security best practices and compliance requirements
- Maintaining cybersecurity insurance to protect against risks related to cyberattacks and other security breaches

Read more about our proactive measures that reduce the risk of a cybersecurity incident in our [Form 10-K](#).

Supply Chain

We work closely with our suppliers to reduce environmental impacts across our supply chain. In 2022, our actions included adding two new packaging suppliers with a strong focus on environmental sustainability and working with our freight carriers on initiatives to reduce transportation-related environmental impacts.

We expect business partners to comply with all applicable environmental laws and regulations. We also encourage our suppliers to minimize their use of natural resources while reducing the environmental impact of their operations. Our [Vendor and Customer Code of Conduct and Ethics](#) outlines our expectations for suppliers and customers. Suppliers must adhere to these standards to work with us.

We purchase approximately 95% of our raw materials (in dollar value) from suppliers located in the U.S. and Canada. As a result, we have low exposure to the risks faced by companies with global supply chains. We conduct risk assessments to determine whether vendors meet our social and quality standards. Where necessary, we require new vendors to complete a virtual self-assessment of their compliance with our standards. These assessments cover supplier quality, labor practices, safety and compliance with government regulations. We also conduct operating facility tours and on-site social and quality audits.

Ethics

Our values are reflected in the way we interact with our employees, customers, suppliers and communities. In all our engagements, we foster a culture of integrity, respect, fairness and continuous improvement.

To help maintain these high standards, our [Code of Conduct and Ethics](#) outlines for all employees the principles and expectations for ethical behavior. We communicate this code to all employees and include it in our employee handbook. Additionally, we provide online ethics training annually to all office-based and field sales employees and are proud to have achieved a 100% completion rate in 2022. For employees at our manufacturing plants, we introduced annual in-person ethics training offered in both English and Spanish. Our objective for 2023 is to extend the online ethics training to all employees across the company.

Our values also extend to those with whom we do business. We expect our vendors and customers to uphold our high standards of ethical behavior, adhere to applicable laws and regulations, and meet the standards set out in our [Vendor and Customer Code of Conduct and Ethics](#).

100%

Completion of ethics training in 2022 by office-based Trex employees.



We are deeply committed to respecting and upholding the rights of our employees, business partners, customers and communities. Our [Human Rights Policy](#) underscores this commitment and details our approach to human rights issues such as working hours, discrimination, and child and forced labor. The policy requires us to comply with all applicable national laws and international treaties concerning human rights, social rights and labor rights, and is consistent with the principles of the United Nations Universal Declaration of Human Rights.

Reporting Concerns

We encourage employees to report suspected violations of our Code of Conduct and Ethics or applicable laws. Employees can raise concerns directly through their supervisor, Employee Relations Manager, the Vice President of Human Resources or the General Counsel. Anyone, including third parties, can raise a concern

anonymously through our toll-free [Corporate Governance Hotline](#) available 24 hours a day, 365 days a year. Investors and other interested parties can contact the Board via the hotline or in writing.

An independent third party maintains the Corporate Governance Hotline. All calls are immediately directed to the attention of the General Counsel and the Senior Vice President and Chief Financial Officer, who are responsible for investigating any reports. If a violation is confirmed, we identify and implement corrective measures to prevent a recurrence.



About this Report

The content of this report is informed by our most recent materiality analysis as well as the reporting requirements of the [Sustainability Accounting Standards Board \(SASB\)](#) standard for Building Products and Furnishings. Now part of the [International Financial Reporting Standards Foundation](#), SASB sets industry-specific sustainability disclosure standards focused on matters judged to be financially material to the company and relevant to investors.

The report also highlights our performance and commitment to other environmental, social and governance areas important to a broader range of stakeholders, including our investors, employees and customers.

Scope

Unless otherwise stated, all performance reporting covers our fiscal year 2022, from January 1 to December 31, 2022, and includes data for Trex Company, Inc.

Forward-Looking Statements

Certain disclosures in this report may be considered “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The cautionary statement at the start of the “Management Discussion and Analysis of Financial Condition and Results of Operations” section of our most recent [Annual Report](#) on Form 10-K should be read in conjunction with such statements.





ESG Supplement

Sustainable Development Goals



At the core of our environmental, social and governance (ESG) approach is an aim to have a positive impact on people and the planet. This includes contributing to the Sustainable Development Goals (SDGs). Here, we summarize our contribution to the SDG targets where we can make the greatest impact.

SDG Indicator

Relevant Targets

Trex Contribution

3. Ensure healthy lives and promote well-being for all at all ages



3.8 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all

Wellness Program

2022 proof points:

- 43% of Trex employees participated in our Wellness Program and as a result received a reduced out-of-pocket premium on their health insurance.
- Each year, we hold biometric screenings to give employees a snapshot of their overall health and alert them to any issues.
- Ensured that all employees and their families had easy access to free COVID-19 vaccinations and testing.

3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination

Environmental Policy

2022 proof points:

- Each of our manufacturing sites is equipped with water collection and filtration systems to mitigate runoff of phosphorus, nitrogen and other particulates from our operations.
- Our manufacturing process requires only a small amount of chemical additives. A licensed and certified waste management company handles the recycling and disposal of materials containing potentially hazardous chemicals from all Trex manufacturing operations.

4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

DE&I Program

2022 proof points:

- We increased our Spanish-language learning materials.
- Employees in all Trex offices and manufacturing sites receive free access to LinkedIn Learning, which offers more than 16,000 online courses in English, Spanish and several other languages. About 18% of Trex employees used LinkedIn Learning last year and completed more than 1,300 hours of learning videos.

SDG Indicator

Relevant Targets

Trex Contribution

5. Achieve gender equality and empower all women and girls



5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

DE&I Program

2022 proof points:

- Women comprise 33% of Trex’s Board of Directors.
- Women in management increased by 3.6% compared to 2021.

6. Ensure availability and sustainable management of water and sanitation for all



6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

Environmental Policy

2022 proof points:

- 14.1 billion gallons of water was recycled in our manufacturing operations.
- 99% of process water at our Virginia and Nevada facilities is recycled.

6.4 By 2030, substantially increase water use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

7. Ensure access to affordable, reliable, sustainable and modern energy for all



7.3 By 2030, double the global rate of improvement in energy efficiency

Environmental Policy

2022 proof points:

- 3% reduction in overall energy usage.
- We completed a multi-year effort to install 100% energy-efficient LED lighting at all our manufacturing locations.

SDG Indicator

8. Promote sustainable and inclusive economic growth, full and productive employment, and decent work for all



Relevant Targets

8.4 Improve progressively through 2030 global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value

8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Trex Contribution

Environmental Policy

Our products are made from 95% recycled content and are inherently resource-efficient by turning waste into high-performance, eco-friendly outdoor living products.

DE&I Program

Learning and Development Program

2022 proof points:

- We conduct ongoing monitoring of pay equity in our workforce based on industry standards for evaluating compensation levels.
- 40,000+ hours of training completed by Trex employees.

Occupational Health and Safety Policy

Human Rights Policy

2022 proof points:

- Our EH&S strategy includes building upon our hazard reporting program for employees with more comprehensive and systematic analysis.
- Nearly 90% of employees participated in safety training.

9. Build resilient infrastructure, promote sustainable industrialization and foster innovation



9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Trex offers customers a comprehensive set of eco-friendly outdoor living products, such as decking made from 95% recycled content and energy-efficient outdoor lighting.



SDG Indicator

10. Reduce inequality within and among countries



Relevant Targets

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status

10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

Trex Contribution

DE&I Program

Human Rights Policy

2022 proof points:

- We increased women and ethnically diverse talent in our workforce by 0.6% and 5%, respectively, compared to 2021.
- We increased women and ethnically diverse talent in management by 3.6% and 2.1%, respectively, compared to 2021.

DE&I Program

2022 proof point:

- We conducted ongoing monitoring of pay equity in our workforce based on industry standards of evaluating compensation levels.



SDG Indicator

12. Ensure sustainable consumption and production patterns



Relevant Targets

12.2 By 2030, achieve the sustainable management and efficient use of natural resources

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Trex Contribution

Environmental Policy

Our products are made from 95% recycled content and are inherently resource-efficient by turning waste into high-performance, eco-friendly outdoor living products.

2022 proof points:

- Our overall energy usage, primarily electricity, dropped 3%.
- In 2022, our Scope 1 and 2 emissions rose a marginal 1%, due to the carbon intensity reported by our two electricity suppliers.

Environmental Policy

Since inception, Trex has diverted and recycled more than 5 billion pounds of recycled polyethylene (PE) film.

2022 proof points:

- More than 1 billion pounds of reclaimed wood and recycled PE film was used in our products in 2022.
- We recycled more than 3,860 tons of non-hazardous waste materials.

We report our environmental performance and progress annually through our ESG Report.

13. Take urgent action to combat climate change and its impacts



13.2 Integrate climate change measures into national policies, strategies and planning

Environmental Policy

2022 proof points:

- Our overall energy usage, primarily electricity, dropped 3%.
- In 2022, our Scope 1 and 2 emissions rose a marginal 1%, due to the carbon intensity reported by our two electricity suppliers.



Sustainability Accounting Standards Board (SASB) Index

Building Products and Furnishings Standard

Trex is the foremost producer worldwide of low-maintenance, high-performance composite decking and railing products that enrich outdoor living while offering a more sustainable alternative to wood. Our SASB Index is aligned with the Building Products and Furnishings Standard.

SASB Code	Metric	Response For 2022
Energy Management in Manufacturing		
CG-BF-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	See page 25 of our 2022 ESG Report.
Management of Chemicals in Products		
CG-BF-250a.1	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	See page 28 of our 2022 ESG Report.
CG-BF-250a.2	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards	Not applicable. Trex end-user products do not emit any appreciable VOCs.
Product Lifecycle Environmental Impacts		
CG-BF-410a.1	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products	See pages 20-21 of our 2022 ESG Report.
CG-BF-410a.2	(1) Weight of end-of-life material recovered, (2) percentage of recovered materials recycled	In 2022, Trex upcycled more than 1 billion pounds of waste PE film and reclaimed wood. Find details on pages 18-22 and 43 of our 2022 ESG Report.

**SASB Code****Metric****Response For 2022****Wood Supply Chain Management**

CG-BF-430a.1

(1) Total weight of wood fiber materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, (4) percentage certified to other wood fiber standards, (5) percentage by standard

In 2022, Trex used more than 673 million pounds of reclaimed wood fiber. See page 20 of our 2022 ESG Report for details on how Trex sources reclaimed wood.

Activity Metric

CG-BF-000.A

Annual production

Not disclosed for commercially confidential reasons.

CG-BF-000.B

Area of manufacturing facilities

See page 23 of our 2022 ESG Report.



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We appreciate feedback. If you have questions, need help locating information or want to find the latest on our work, please contact: ESG@Trex.com.