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## Strategy and Analysis

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### G4-1 Statement from the most senior decision-maker of the organization:

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*Valmont's sustainability strategy is encapsulated in our Commitment to Corporate Sustainability, our Sustainability White Paper, and continuous input from our stakeholders. Our dedication to Corporate Responsibility is reflected in our company tagline of more than 20 years; Conserving Resources and Improving Life.*

*-Stephen G. Kaniewski, President and Chief Executive Officer*

Valmont's strategic priorities are presented below:

#### *Valmont's Sustainability Commitment:*

*Valmont Industries is committed to providing products and services that enhance the lives of our customers, employees and communities, and to do so in an increasingly efficient and environmentally friendly manner.*

*As part of this commitment we will provide products and services that support sustainable infrastructure development and the efficient use of water for agriculture.*

*We will work to improve our use of raw materials, energy and water in the manufacture of our products and provision of our services, and we will strive to reduce emissions, discharges and wastes that our operations generate.*

#### *Valmont's Commitment to Environmental Excellence:*

*Valmont Industries is committed to conserving resources and continuously improving our environmental performance and its impacts on our employees, customers and communities. To meet this challenge, we will strive to use the natural resources we consume including raw materials, energy and water as efficiently as possible with a commitment to continuous improvement. We will work to fully quantify and reduce the emissions, discharges and wastes our operations generate and will comply with all applicable environmental laws and regulations.*

*Valmont is aware of the growing challenges that global climate change presents. Our approach to this problem is consistent with our values and sustainability commitment. We will continue to support the world's need for food through the efficient use of water for agriculture. Our solar energy and infrastructure products and services will play an increasingly important role in the transition to a clean energy economy. Our sustainability initiative, which was launched in 2015, will continue to support the efficient use of energy and natural resources used in our manufacturing processes. As we move into this new decade we will assess the carbon intensity*

*of our manufacturing foot print and develop additional programs and goals to mitigate this impact.*

Broader trends affecting the organization and influencing sustainability priorities:

*The broader trends affecting Valmont are competitiveness in the global economy, meeting the demands of an evolving energy distribution and generation market, and the demand to provide food and sustainable infrastructure for a growing global population.*

Key Events and achievements during the reporting period:

- *Reviewed, refined and audited the data sets globally for electricity, natural gas, water, waste to landfill, hazardous waste, gasoline, diesel, propane and fuel oil.*
- *Evaluated senior leadership support for the publication of data and the setting of global sustainability goals.*
- *Enhanced Sustainability Report to include additional sustainability metrics.*
- *Established a Global Electricity reduction goal of 8% of kWh/\$MM revenue.*
- *Completed audit for Scope I emissions for 2018 baseline year.*
- *Reduced company fuel consumption by 2% from 2018 baseline.*
- *Reduced company water consumption by 24% from 2018 baseline.*
- *Using 2018 as baseline year, Valmont generated Scope I emissions of 127k metric tons of carbon from our manufacturing footprint.*

Views on performance with respect to targets:

*On track.*

Outlook on the organization's main challenges and targets for the next year and goals for the coming years:

*Upcoming goals that are to be fully implemented by the end of 2020 include:*

- *Update Sustainability report to include usage data for Scope 1 emissions and Valmont Global Carbon footprint.*
- *Implement Phase 1 Valley Electric Vehicle Project (Valley Campus)*
- *Implement Valley Solar Field Project consisting of a 1MW solar field*
- *Collect and audit Scope II Emissions Data*
- *Assess Global Combustion Fuel Goal*

**2021**

- *Conduct life-cycle assessments for center pivots and solar racking.*
- *Implement Phase 2 Valley Electric Vehicle Project (Valley Campus)*
- *Develop science-based carbon goals*

- *Establish revised Global Electricity Goal*
- *Develop Global Combustion Fuel Goal*
- *Implement 90/90 LED standard*
- *Assess alternative energy program for production and fleet vehicles*

2022

- *Evaluate the suitability of creating Environmental Product Declarations (EPD) for selected product lines.*
- *Set Carbon Reduction Goal.*
- *Report Scope I and II Carbon Footprint*

2023

- *Evaluate Sustainability Indexes*
- *Review progress on Carbon Reduction Goal*
- *Implement alternative energy program for production and fleet vehicles*

2024

- *Establish new facility green building standards for new building construction*
- *Implement Global Water Conservation Goal*
- *Implement Global Waste Conservation Goal*

2025

- *Assess formation of Sustainability Governance Committee at board level*
- *Evaluate suitability of Scope III emissions calculations*
- *Assess Energy Submetering*
- *Assess Carbon Goal*

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## *Organizational Profile*

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**G4-3** Name of the organization:

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*Valmont Industries, Inc.*

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**G4-4** Primary brands, products, and services:

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*Across all four business segments, Valmont manufactures or enhances products that have long life cycles and are 100% recyclable.*

### *Irrigation*

*Valmont manufactures irrigation equipment and provides water management solutions for agriculture. The key impact of this equipment on society and the environment is the dramatic water savings that come with the use of this equipment. Mechanized irrigation equipment can save up to 70% of the water when compared to less efficient methods of irrigation. Additionally, the use of center pivot irrigations dramatically improves agricultural yields which since its start in the 1950s, has greatly reduced food scarcity globally. The adoption of integrated irrigation technology solutions delivers labor savings and increases the quality of life for growers.*

### *Engineered Support Structures*

*Valmont manufactures a variety of infrastructure products that improve the safety and efficiency of the world's transportation systems through better signage, safety barriers and lighting as poles to support wireless communications. Additionally, our building access systems and architectural products contribute to safer and more pleasing public buildings and other structures.*

### *Utility*

*Valmont's Utility Business supports the world's transition to distributed power generation through the manufacture and service of substations and steel and concrete electrical transmission poles. In the area of power generation Valmont provides wind turbine towers for the offshore wind market and provide solar tracking solutions for renewable energy markets.*

### *Coatings.*

*Valmont's hot-dip galvanizing services, anodizing, paint and powder coating services increases the useful life of a wide variety of products for transportation, infrastructure, and commercial and national defense markets*

### *Brands:*

*Valmont Structures, Ingal EPS, Valmont West Coast Engineering, Tehomet, Valmont Highway, Larson, Locker, Locker Architectural, Webforge, WP Walpar, Ingal Civil Products, Whatley, Shakespeare, Shakespeare Custom Composites, CMT, Carsonite, Convert, Industrial Galvanizers, Valmont Communication Structures, Site Pro 1, AgSense, CES (Cascade Earth Sciences), Irriger, Torrent Engineering & Equipment, Valley Irrigation, Valmont Tubing, Valmont Utility, Valmont SM, Valmont Coatings, Valmont Communication Structures*

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**G4-5** Valmont's headquarters location:

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*One Valmont Plaza*

*Omaha, NE 68154*

*Phone: +1.402.963.1000*

*[www.valmont.com](http://www.valmont.com)*

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**G4-6** The number of countries where Valmont operates, and the names of countries where either Valmont has significant operations or that specifically relevant to the sustainability topics covered in the report:

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*Currently Valmont operates in 22 countries: Argentina, Australia, Brazil, Canada, China, Denmark, Estonia, Finland, France, India, Indonesia, Malaysia, Mexico, New Zealand, Philippines, Poland, South Africa, Thailand, The Netherlands, U.A.E, United Kingdom, and USA.*

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**G4-7** Nature of ownership and legal form:

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*Valmont Industries, Inc. is a publicly-held corporation incorporated in the state of Delaware trading on the NYSE under the symbol VMI.*

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**G4-8** Valmont serves the markets listed below:

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*Infrastructure and Agriculture*

*In 2018, approximately 69% of Valmont's total revenue was generated from North America markets, and approximately 31% of total revenue was from markets outside of North America.*

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**G4-9** Scale of Organization (as of May 2019):

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*Total number of employees: 9,730*

*Total number of operations: 87*

*Net revenues: \$2.8 Billion (Fiscal Year 2019)*

*Quantity of products or services provided: Not Applicable*

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**G4-10** Total number of employees by employment contract and gender

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*Valmont has very few employee contracts. Amount is not significant.*

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**G4-10** Total number of permanent employees and supervised workers and by gender:

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*1432 female*

*8170 male—**add genders left blank***

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**G4-10** Total workforce by employees and supervised workers and by gender

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*Approximately 10% of Valmont's workforce are supervised workers.*

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**G4-10** Total work force by region:

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*Asia Pacific (APAC): 2073*

*Europe Middle East Africa (EMEA): 787*

*North America (NA): 6606*

*South America (SA): 264*

*Variations in employment are not significant.*

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**G4-11** Percentage of total employees covered by collective bargaining agreements:

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*15% of global employees.*

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**G4-12** Description of Valmont's supply chain:

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*Valmont's supply chain primarily consists of steel purchases (80%) and other supporting products and services. Valmont's supply chain is localized with each business having their own supply chain management organizations. Valmont sources its steel from suppliers located close to its manufacturing sites to reduce transportation impacts and support local economies. All Valmont supply chain management organizations are guided by Valmont's Global Purchasing Strategy, Purchasing Policies and Procedures, and the Code of Business Conduct. In 2019, 2,428 employees completed the Valmont's Code of Business Conduct training program.*

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**G4-13** Report any significant changes during the reporting period regarding the Valmont's size, structure, ownership, or its supply chain:

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Changes in location of, or changes in, operations:

*Since our previous GRI report, Valmont made several acquisitions to expand our businesses. In January of 2019, Valmont acquired Larson Camouflage, reported in our ESS segment and in February 2019, Valmont acquired United Galvanizing, reported in our Coatings Segment.*

*Valmont's manufacturing locations are referenced on Page 16 of the 2019 Annual 10-K [Report](#).*

Changes in the share capital structure and other capital formation, maintenance, and alteration operations:

*No change.*

Changes in the location of suppliers, the structure of the supply chain, on in relationships with suppliers, including selection and termination:

*Valmont's supply chain is dynamic and is maintained as a localized structure. Changes in the number and type of suppliers are not reported to the corporate level.*

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**G4-14** The Precautionary Principle, referring to the approach taken to confront potential environmental impacts, is addressed by Valmont by the following:

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*Refer to our Sustainability White Paper and Commitment to Sustainability which are available on Valmont.com. Valmont has implemented an Environmental and Sustainability Playbook which serves as the management system our businesses use to address their environmental and sustainability challenges.*

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**G4-15** Externally developed environmental charters, principles, or other initiatives to which Valmont subscribes or which we endorse include:

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*None.*

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**G4-16** Listed below are the memberships of associations and national or international advocacy organizations in which Valmont holds a position, participates in projects or committees, provides a substantive funding beyond routine membership dues, or views membership as strategic.

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*Valmont executive personnel hold memberships and/or positions on the governance body of the following associations:*

- *The Robert B. Daugherty Global Water and Food Institute, founded in 2010 to address the global challenge of achieving food security with less stress on water resources through improved water management in agriculture and food systems*
- *Peter Kiewit Sons' Inc., an employee-owned construction and engineering organization*
- *Boys Town, a national organization committed to caring for children and families*
- *Omaha Zoological Society, a non-profit organization whom owns and maintains the zoo, as well as offers educational activities and programs, sports, amusement, clubs, and recreation services*
- *Nebraska Medicine, a health system focused on innovative research and patient care*
- *Chairman on the AIM Institute, a not-for-profit organization dedicated to promoting vibrant communities through technology*
- *United Way of the Midlands, an organization committed to community assistance and human services*
- *University of Nebraska Omaha's College of Business Administration Advisory Board, a college whose mission is to provide a balance of academic perspectives with practical applications*
- *Catholic Charities of Omaha, an organization that helps build strong communities through programs and services, advocacy, outreach, and education*

- *Boy Scouts of America, Mid-America Council, a nonprofit organization whose mission is to prepare young people to make ethical and moral choices over their lifetimes by instilling in them the values of the Scout oath and law*
- *University of Nebraska Omaha's Information Technology Advisory Board, a college whose mission is to deliver student-focused education and perform cutting-edge research, preparing professionals and solutions that benefit the world*
- *Nebraska Society of Certified Public Accountants, a professional organization whose mission is to enhance the professional success of the members, to encourage the maintenance of high professional standards, to promote the accounting profession and to act in a representative capacity for the profession*
- *Tax Executives Institute, a global association whose goal is to advance the profession by education, networking, and advocacy*
- *Omaha Chamber of Commerce, an organization dedicated to Greater Omaha, ensuring it has a thriving business community through visionary leadership and collaboration*
- *Lutheran Family Services of Nebraska, an organization dedicated to providing quality human care services that build and strengthen individual, family, and community life*
- *College World Series of Omaha, Inc., a local organizing committee and nonprofit organization whose mission is gathering community support for the College World Series from business, government, civic organizations and individuals*
- *American Welding Society, including B1B Sub Committee on Visual Examination of Welds, a non-profit organization whose mission is to advance the science, technology and application of welding*
- *National Association for Corrosion Engineers, a non-profit professional organization for the corrosion control industry whose mission is to protect people, assets and the environment from adverse effects of corrosion*
- *American Society of Nondestructive Testing, a technical society for nondestructive testing professionals*
- *American Institute of Steel Construction, a not-for-profit technical institute and trade association for the use of structural steel in the construction industry*
- *American Society of Civil Engineers, including standard 48 committees for the Design of Tubular Steel Transmission Structures and manual of practice 113 committee for Substation Structures Design Guide, a professional body that represents members of the civil engineering profession worldwide*
- *Nebraska Recycling Council, an organization which encourages the development and expansion of recycling for communities and businesses*

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## *Identified Material Aspects and Boundaries*

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**G4-17** All entities included in Valmont’s consolidated financial statements or equivalent documents include:

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*Please refer to the 2019 Annual 10-K [Report](#).*

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**G4-18** Explain the process for defining the report content and the Aspect Boundaries:

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*The process for defining our report content relies on cost, impact on emissions and discharges, and benefit to our customers and communities.*

Explain how the organization has implemented the Reporting Principles for Defining Report Content:

*Please refer to our Sustainability Whitepaper and Sustainability Report found on <http://www.valmont.com/about-us/sustainability>.*

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**G4-19** List all material Aspects:

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- *Electricity*
  - *Combustion Fuel*
  - *Water*
  - *Waste to Landfill*
  - *Hazardous Waste*
- 

**G4-20** For each material Aspect, report the Aspect Boundary within the organization:

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*The Aspect Boundaries are the manufacture and provision of our services.*

Report whether the Aspect is material within the organization:

*All Aspects are material within organization.*

If Aspect is not material for all entities within the organization, select one of the following two approaches and report either:

-The list of entities or groups of entities included in G4-17 for which the Aspect is not a material or

-The list of entities or groups of entities included in G4-17 for which the Aspects is material

*N/A*

Report any specific limitation regarding the Aspect Boundary within the organization:

*N/A*

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**G4-21** For each material Aspect, report the Aspect Boundary outside the organization:

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Report whether the Aspect is material outside of the organization:

*All Aspects are material outside the organization.*

If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material:

*The groups of entities for which the Aspects are material are customers, communities, and the world population served by our products.*

Report any specific limitation regarding the Aspect Boundary outside of the organization:

N/A

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**G4-22** Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements:

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*No restatements.*

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**G4-23** Report significant changes from previous reporting periods in the Scope and Aspect boundaries:

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*None.*

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## *Stakeholder Engagement*

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**G4-24** List of stakeholders:

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- *Shareholders*
- *Board of Directors*
- *Employees*
- *Customers*
- *Suppliers*
- *Communities where Valmont conducts business*

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**G4-25** Basis for identification and selection of stakeholders:

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*According to GRI, stakeholders are defined as “entities or individuals that can be reasonably affected by the organization’s activities, products, and services; and whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives.”*

*From this definition, Valmont products and services and the aspects involved in their manufacture and provision impact our customers, Board of Directors, employees, shareholders, suppliers and the communities in which we do business. As a result, we have selected these groups as our stakeholders.*

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**G4-26** Valmont's Approach to Stakeholder Engagement:

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*Valmont takes a proactive approach to stakeholder engagement. We utilize our external website, [www.valmont.com](http://www.valmont.com), as a primary means of stakeholder communication, as it provides access for a broad audience of current and prospective shareholders and employees, customers, suppliers and key business partners.*

*Examples of how we are leveraging our website:*

- *Valmont's most recent Sustainability Report, Sustainability Annex, Sustainability Whitepaper and GRI report can be viewed on the Sustainability page of our website*
- *Valmont Sustainability Award recognitions*
- *Continue to showcase our products and services which have a profound contribution to economic, environmental and social conditions around the world*

*Valmont has on going calls with investors and the financial community to update on our sustainability efforts.*

*Valmont also utilizes internal communication tools including Valmont Online, an online communication portal, and email distribution, as the two primary means of communicating with employees.*

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**G4-27** Key topics and concerns that have been raised through stakeholder engagement and how Valmont has responded to those key topics and concerns:

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*Valmont receives occasional correspondence from our shareholders, inquiring about actions we are taking to enhance our commitment to environmental and social governance efforts. In addition to responding to individual requests, we are actively working with third parties to validate, confirm and improve our commitment to environmental, social and governance responsibility.*

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## Report Profile

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**G4-28** Reporting Period:

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*Financial data is as of Fiscal Year-end 30 December, 2019*

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**G4-29** Date of Most Recent Previous Report:

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*April 25, 2019*

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**G4-30** Reporting Cycle:

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*Annual*

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**G4-31** Contact Point for Questions Regarding the Report or Its Contents:

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*Renee L. Campbell*

*VP, Investor Relations & Corporate Communications*

*402-963-1057*

*renee.campbell@valmont.com*

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**G4-32** The 'in accordance' option Valmont has chosen:

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*This report is 'In accordance' with the Core requirements of the G4 guidelines published in 2016, formed by the GRI.*

Content index for chosen 'in accordance' option:

*Please refer to page 23 of this report.*

Reference to the External Assurance Report:

*N/A*

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**G4-33** Valmont's policy and current practice with regard to seeking external assurance for the report:

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*Valmont began preparations for assurance on our 2018 baseline Scope 1 emission data.*

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## *Governance*

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**G4-34** Valmont's governance structure:

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*Valmont is governed by a Board of Directors. The board's leadership structure consists of a Chairman and a Lead Director. All directors are independent, other than our current Chief Executive Officer and our former Chief Executive Officer.*

*The following committees are established at the Board level:*

*Audit Committee*

*Human Resources Committee*

*Governance and Nominating Committee*

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## *Ethics and Integrity*

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### **G4-56** Valmont's values, principles, standards:

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*The board has adopted corporate governance principles and the following documents are posted on [www.valmont.com](http://www.valmont.com).*

*Corporate Governance Principles*

*Code of Business Conduct*

*Corporate Social Responsibility*

*Conduct Code of Ethics for Senior Officers*

*Audit Committee Charter*

*Human Resources Committee Charter*

*Governance and Nominating Committee Charter*

*Conflict Minerals Reporting Statement*

*Procedures for bringing concerns or complaints can be directed to the Lead Director or the Audit committee. A "whistle-blower" mechanism has been implemented for all global employees.*

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## *Category: ENVIRONMENTAL*

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### **G4-DMA** Generic disclosures on management approach:

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*Valmont is dedicated to providing products and services that enhance the lives of our customers, employees, and communities, while at the same time maintaining and preserving natural resources for future generations. In order to do this, Valmont has established a Sustainability Initiative that is being implemented worldwide. The Sustainability Initiative is a grass roots effort led by Green Teams. These flexible site-based teams evaluate pertinent metrics and implement best management practices to help their facilities reduce costs and more efficiently use energy, water, and reduce waste sent to landfill.*

*In order to manage our material aspects, Valmont launched its first phase of the Sustainability Initiative by:*

- *Supporting the formation of Green Teams*
- *Providing the tools and training necessary for Green Teams to measure and report the improved use of:*
  - *Electricity*
  - *Natural Gas*
  - *Water*
  - *Waste to Landfill*
  - *Other Combustion Fuels*
- *Creation of a Valmont Sustainability Award to recognize and encourage exceptional sustainability performance*

*Valmont launched its first Global Electricity Goal which targets an 8% reduction in consumption by the end of 2021 from 2018 baseline.*

*Valmont will continue to evaluate the expansion of its Sustainability Initiative to include metrics reflecting environmental including natural resources, safety, and stakeholders and society.*

Report why the Aspect(s) is material and impacts that make this Aspect(s) material:

*Please refer to our Sustainability Whitepaper and Sustainability Report.*

Report how the organization manages the material Aspects or its impacts:

*Please refer to our Sustainability White Paper.*

Report the evaluation of the management approach, including:

Mechanisms for evaluating the effectiveness of the management approach:

*Valmont has begun collecting preliminary data on resource usage costs for electricity, natural gas, and water while also tracking emissions compliance to calculate a carbon footprint on natural gas use.*

Results of the evaluation of the management approach:

*N/A*

Any related adjustments to the management approach:

*No.*

## ASPECT: ENERGY

**Aspect-specific G4-DMA** Listed below are the country regulations and policies that Valmont is subject to and follows regarding energy:

*Australia: National Greenhouse and Energy Reporting Act 2007 (the NGER Act)*

*China: Energy Conservation Law*

*Denmark: Act No. 636 of 19 June 2012*

*Finland: Energy Efficiency Act, Land Use and Building Act*

*France: Environment Code Regulation, Decree 2000-877 of 7 September 2000*

*India: Energy Conservation Building Code Rules 2018*

*Indonesia: Mineral Regulation of the Ministry of Energy and Mineral Resources*

*Malaysia: Efficient Management of Electrical Energy Regulations 2008*

*New Zealand: Climate Change Response Act 2002, Building Code: Clause H1*

*Poland: Construction Act of 7 June 1994, The Act on Energy 10 April 1997, Act of 29 August 2014, Act of 20 May 2016*

*South Africa: Regulations on the Allowance for Energy Efficiency Savings*

*Thailand: Ministerial Regulation on the Requirement to Implement Energy Conservation Goals and Energy Conservation Plan for Designated Factories and Designed Buildings of 2004, Energy Conservation Promotion Act*

*U.A.E.: EHS Green Building Regulations*

*UK: The Building Regulations 2010, The Energy Performance of Buildings (England and Wales) Regulations 2012, The Energy Savings Opportunity Scheme Regulations 2014*

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**G4-EN3** Energy consumption within Valmont:

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*Some of the largest costs for operations are energy. By implementing best management practices and reviewing usage, our sites can identify strategies to reduce this cost. For example, Valmont saw a 7.9% reduction in electrical usage from 2018 through the end of 2019. The electrical consumption reduced from over 62 megawatt hours/million dollars revenue in FY2018 to 57 megawatt hours/million dollars revenue in 2019.*

Report the total fuel consumption from non-renewable sources in joules or multiples, including fuel types used:

2,326,200 mmBtu

Report in joules, watt-hours or multiples, the total:

Electricity Consumption:

*Approximate Total Usage (kWh)*

159,500,000
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Heating Consumption (Natural Gas):

*Approximate Total  
Usage (MMBtu)*

2,010,000
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*Metrics are all measured as normalized usage against global corporate revenue*

Cooling Consumption:

*Cooling consumption is included in electricity consumption.*

Steam Consumption:

*Single site utilizes steam. Its volume is insignificant.*

Report in joules, watt-hours or multiples, the total:

Electricity sold:

N/A

Heating sold:

N/A

Cooling sold:

N/A

Steam sold:

N/A

Total energy consumption in joules or multiples:

*Please refer to electricity and heating consumption.*

Report standards, methodologies, and assumptions used:

*Electricity and Natural Gas: A vendor collects all natural gas and electricity invoices and reports results to Valmont staff. They enter all the invoice data (cost and usage) into their data interface. No assumptions are involved in reporting electricity. The data interface performs the conversions to MMBtu if needed.*

Report the source of the conversion factors used:

*If a conversion factor is required, it is supplied and performed by the data interface.*



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Aspect: WATER

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**G4-DMA** Generic disclosures on management approach:

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Report why the Aspect(s) is material and impacts that make this Aspect(s) material:

*Reference page 13 of this report.*

Report how the organization manages the material Aspects or its impacts:

*Reference page 14 of this report.*

Report the evaluation of the management approach, including:

Mechanisms for evaluating the effectiveness of the management approach:

*Reference page 14 of this report.*

Results of the evaluation of the management approach:

N/A

Any related adjustments to the management approach:

No.

*Green Teams are encouraged to track their water usage, review their billings for errors and develop water conservation measures.*

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**G4-EN9** Total water withdrawal by source:

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*Total Water Usage*

*Approximate Total Usage (L)*

526,000,000
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Report standards, methodologies, and assumptions used:

*Water use is taken from utility invoices or on-site well water meters, and is entered into our Intalex sustainability metrics reporting site. Water can be reported in a variety of Units of Measure. Conversions to Liters are based on conversion factors published in the CRC Handbook of Chemistry and Physics, 58<sup>th</sup> Edition, 1977.*

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Aspect: EMISSIONS

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**G4-DMA** Generic disclosures on management approach:

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Report why the Aspect(s) is material and impacts that make this Aspect(s) material:

*Reference page 13 of this report.*

Report how the organization manages the material Aspects or its impacts:

*Reference page 14 of this report.*

Report the evaluation of the management approach, including:

Mechanisms for evaluating the effectiveness of the management approach:

*Reference page 14 of this report.*

Results of the evaluation of the management approach:

*N/A*

Any related adjustments to the management approach:

*No.*

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**Aspect-specific G4-DMA-b** Valmont is subject to and follows the following country regulations and policies regarding emissions:

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*Argentina: Law 208284 Atmospheric Pollution*

*Australia: NGER Act 2007, Carbon Credits (Carbon Farming Initiatives) Act 2011, Protection of the Environment Operations Act 1997, Environmental Protection Act 1970, Environmental Protection Act 1986, Environmental Protection Act 1994, National Environment and Protection Measure for Ambient Air Quality, Environmental Protection (Unauthorized Discharges) Regulations 2004*

*Brazil: CONAMA Resolution 237/97 of 19 December 1997, CONAMA Resolution 8/90 of 6 December 1990, IBAMA Ordinance 85/96*

*Canada: Clean Air Regulation (Quebec only), Environment Quality Act (Quebec only)*

*China: Air Pollution Prevention and Control Law, Clean Production Promotion Law*

*Denmark: Statutory Order No. 725 of 6 June 2017*

*Finland: The Emissions Trading Act, Environmental Protection Act*

*France: Order of 2 February 1998, Order of 7 July 2009*

*India: Air (Prevention and Control of Pollution) Act 1981*

*Indonesia: Government Regulation No. 41 of 1999, Decision of Minister of Environment No. 13 of 1995, Regulation of the State Minister of Environment No. 7 of 2007*

*Malaysia: Environmental Quality (Clean Air) Regulations 2014, Environmental Quality Act 1974*

*New Zealand: Resource Management Act 1991, Resource Management (National Environmental Standards for Air Quality) Regulations 2004, Health Act 1956, Climate Change Response Act 2002*

*Philippines: DENR Administrative Order No. 81 of 2000, DOH Administrative Order No. 14, Republic Act No. 8749 of 1999- the Philippine Clean Air Act*

*Poland: The Environment Protection Act of 27 April 2001, Act of 17 July 2009 of on the Management of Greenhouse Emissions and Other Substances*

*South Africa: Air Quality Act 2004*

*Thailand: Enhancement and Conservation of National Environmental Quality Act of 29 March, Factory Act, Notification of Ministry of Natural Resources and Environment on the Air Emission Standard of Industrial Facilities 2006*

*U.A.E: Decree of the Council of Ministers No. 12 of 2006 on Code for Protection of Air from Pollution, Federal Law No. 24*

*UK: The Clean Air Act 1993, Environmental Permitting (England and Wales) Regulations 2016*

*US: The Clean Air Act and various state air pollution control laws and ordinances.*

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**G4-EN15** Direct greenhouse gas (GHG) emissions (Scope 1)

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*Valmont is in the process of tracking carbon emissions only from natural gas and other combustion fuels. Our 2019 GHG emissions CO<sub>2</sub>e was approximately 75 MTCO<sub>2</sub>e/\$M*

Report gross direct (Scope 1) GHG emissions:

*127,187 metric tons*

Report gases included in the calculation:

*Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous Oxide (N<sub>2</sub>O)*

Report biogenic CO<sub>2</sub> emissions:

*613 metric tons*

Report chosen base year, the rationale for choosing the base year, emissions in the base year, and the context for any significant changes in emissions that triggered recalculations for base year emissions:

*Valmont is using 2018 as the base year with Scope 1 and Scope 2 emissions equaling 215,399 metric tons of CO<sub>2</sub>e. Valmont emitted 207,529 metric tons CO<sub>2</sub>e in 2019, with the 8% global electricity reduction being the main reason for decrease.*

Report standards, methodologies, and assumptions used:

*Total MMBTU x 117 lb CO<sub>2</sub>/MMBTU x 1 Metric ton/2205 lb = Metric Ton CO<sub>2</sub>*

*Total MMBTU x 117.12 lb CO2-e/MMBTU x 1 Metric Ton/2205 lb = Metric Ton CO2-e*

Report source of the emission factors used and the global warming potential (GWP) rates used or a reference to the GWP source:

*CFR 98 (Code of Federal Regulations) Table C-1, Subpart C “Default CO2 Emission Factors and High Heat Values for Various Types of Fuel”*

Report the chosen consolidation approach for emissions (equity share, financial control, operational control):

*Operational control.*

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## Aspect: EFFLUENTS AND WASTE

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**G4-DMA** Generic disclosures on management approach:

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Report why the Aspect(s) is material and impacts that make this Aspect(s) material:

*Reference page 13 of this report.*

Report how the organization manages the material Aspects or its impacts:

*Reference page 14 of this report.*

*Currently, Green Teams evaluate their building’s current performance through a Building and Site Analysis and Solid Waste Audit. The Solid Waste Audit provides a snapshot of the composition of a site’s wastes sent to landfills.*

Report the evaluation of the management approach, including:

Mechanisms for evaluating the effectiveness of the management approach:

*Reference page 14 of this report.*

*Information from the Building and Site Analysis and Solid Waste Audit helps identify current waste practices and opportunities for improvement such as developing a plan for reducing waste and increasing the recycling efforts.*

Results of the evaluation of the management approach:

*N/A*

Any related adjustments to the management approach:

*No.*

*2019 Wins for the Green Teams*

- Valmont India reduced wasteful machine idling by replacing chain grips used to move product through their presses, reducing energy consumption by 30% and saving 200 kWh/day.
- Valmont’s El Dorado site reduced water by 160,000 gallons using an air downdraft plasma table. El Dorado also decreased their electricity by approximately 235,000 kilowatt hours by replacing 51 floor fans with high volume low-speed ceiling equivalents.
- Valmont’s North American Poles Operation introduced LED lighting installations and best management program implementation, saving over \$450K in electricity and decreasing electricity consumption by 9%.

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**G4-EN23** Total weight of waste by type and disposal method:

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Reuse:

N/A

Recycling:

N/A

Recovery, including energy recovery:

N/A

Incineration:

N/A

Deep well injection:

*Approximate Total Waste (lbs)*

3,132,300
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Tons to landfill:

*Approximate Total Waste (MT)*

15,479
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On-site storage

N/A

Report how the waste disposal method has been determined:

*Metric Tons of waste disposed in a landfill is determined by 2 possible means:*

- a. *Actual weight of waste disposed, with weight supplied by either the waste disposal company or by on-site employees who weigh individual waste containers prior to off-site shipment.*
- b. *Estimated weight based on volume of waste shipped off-site. A spreadsheet is used to estimate the volume of waste containers onsite multiplied by the number of times per month each container is emptied. This estimates the total volume of waste disposed. Volume is converted to weight using a conversion factor of 400 pounds/cubic yard.*

*Source of the conversion factor: Mississippi Department of Environmental Quality Material Density and Volume Conversion; National Recycling Coalition Measurement Standards and Reporting Guidelines; EPA; FEECO and CIWMB 2006.*

GENERAL STANDARD DISCLOSURES					
General Standard Disclosures	Page Number (or Link)	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.			External Assurance
					Indicate if the Standard Disclosure has been externally assured.  If yes, include the page reference for the External Assurance Statement in the report.
<b>STRATEGY AND ANALYSIS</b>					
<a href="#">G4-1</a>	Page 1-2				
<b>ORGANIZATIONAL PROFILE</b>					
<a href="#">G4-3</a>	Page 3				
<a href="#">G4-4</a>	Page 3				
<a href="#">G4-5</a>	Page 4				
<a href="#">G4-6</a>	Page 4				
<a href="#">G4-7</a>	Page 4				
<a href="#">G4-8</a>	Page 4				
<a href="#">G4-9</a>	Page 4				
<a href="#">G4-10</a>	Page 5				
<a href="#">G4-11</a>	Page 5				
<a href="#">G4-12</a>	Page 5				
<a href="#">G4-13</a>	Page 5-6				
<a href="#">G4-14</a>	Page 6				
<a href="#">G4-15</a>	Page 6				
<a href="#">G4-16</a>	Page 6-8				
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>					
<a href="#">G4-17</a>	Page 8, 2018 Annual 10-K Report <a href="http://www.valmont.com/financia-information/annual-reports">http://www.valmont.com/financia-information/annual-reports</a>				
<a href="#">G4-18</a>	Page 8				
<a href="#">G4-19</a>	Page 8				
<a href="#">G4-20</a>	Page 8-9				
<a href="#">G4-21</a>	Page 9				
<a href="#">G4-22</a>	Page 9				
<a href="#">G4-23</a>	Page 9				
<b>STAKEHOLDER ENGAGEMENT</b>					
<a href="#">G4-24</a>	Page 9-10				
<a href="#">G4-25</a>	Page 10				
<a href="#">G4-26</a>	Page 10				
<a href="#">G4-27</a>	Page 10-11				
<b>REPORT PROFILE</b>					
<a href="#">G4-28</a>	Page 11				
<a href="#">G4-29</a>	Page 11				
<a href="#">G4-30</a>	Page 11				
<a href="#">G4-31</a>	Page 11				
<a href="#">G4-32</a>	Page 11				
<a href="#">G4-33</a>	Page 11				
<b>GOVERNANCE</b>					
<a href="#">G4-34</a>	Page 12				
<b>ETHICS AND INTEGRITY</b>					
<a href="#">G4-56</a>	Page 12				
<b>SPECIFIC STANDARD DISCLOSURES</b>					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
		Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	In exceptional cases, if it is not possible to disclose certain required information, explain the reasons why the information has been omitted.	Indicate if the Standard Disclosure has been externally assured.  If yes, include the page reference for the External Assurance Statement in the report.
<b>CATEGORY: ENVIRONMENTAL</b>					
<b>MATERIAL ASPECT: ENERGY</b>					
<a href="#">G4-DMA</a>	Page 13-14, Page 14-15				
<a href="#">G4-EN3</a>	Page 15-16				
<b>MATERIAL ASPECT: WATER</b>					
<a href="#">G4-DMA</a>	Page 13-14				
<a href="#">G4-EN9</a>	Page 17	Sources of water usage are not tracked.	The information is currently unavailable.	Valmont currently only tracks total water usage.	
<b>MATERIAL ASPECT: EMISSIONS</b>					
<a href="#">G4-DMA</a>	Page 13-14, Page 18				
<a href="#">G4-EN15</a>	Page 19	Carbon emissions are currently only from natural gas and other combustion fuels.	The information is currently unavailable.	Valmont's goal is to quantify full scope 1 emissions and report total GHG emissions along with Valmont's Global Carbon footprint.	
<b>MATERIAL ASPECT: EFFLUENTS AND WASTE</b>					
<a href="#">G4-DMA</a>	Page 13-14				
<a href="#">G4-EN23</a>	Page 20-21	Total waste only includes non-hazardous waste.	The information is currently unavailable.		