



2024

Corporate Social Responsibility Report

Simpson Manufacturing Co., Inc.



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Overview

For more than 68 years, Simpson Strong-Tie has dedicated itself to our company mission of helping people design and build safer, stronger structures.



Our Values



The Nine Principles of Doing Business, as described by our founder, Barclay Simpson, are our Company values, and we keep the Secret Sauce alive and well by living them every day.

Values/ESG Alignment

Nine Principles of Doing Business	E	S	G
<p>1. Relentless Customer Focus. The focus, the obsession, is on customers and users.</p>			
<p>2. Long-Range View. People never sacrifice tomorrow for the sake of today.</p>			
<p>3. High-Quality Products. The Company makes quality products that contribute to the quality of life in a significant way.</p>			
<p>4. Be the Leader. The Company is the leader in its core business.</p>			
<p>5. Everybody Matters. The Company dignifies the contribution of every individual employee at every level.</p>			
<p>6. Enable Growth. People are excited about their jobs and the possibilities for growth.</p>			
<p>7. Risk-Taking Innovation. Innovation and creativity are encouraged; success is seldom achieved without taking risks.</p>			
<p>8. Give Back. It is our responsibility to reach out, in whatever manner we can, to support others.</p>			
<p>9. Have Fun, Be Humble. The Company is a demanding but a fun place to work, where people take their responsibilities, but not themselves, seriously.</p>			

At Simpson Strong-Tie, we refer to our organizational culture as our Secret Sauce. This term expresses the idea that our Company culture is formed from the unique characteristics and talents every one of our employees contributes to our business. When our founder, Barc Simpson, started Simpson Strong-Tie, he outlined the essential ingredients for company and employee success. Those **Nine Principles of Doing Business**, as described by Barc, are our Company values, and we keep the Secret Sauce alive and well by living them every day.

For us, sustainability is nothing new. The Nine Principles of Doing Business have historically shaped our approach to business and are closely aligned with our Environmental, Social, and Governance practices. We view this publication as a valuable opportunity to reflect on our values and provide our shareholders, employees, customers and other partners with insight into the framework we've created for measuring our environmental and social impact.

Letter from Our CEO



To Our Valued Stakeholders,

It is my pleasure to share with you our 2024 CSR Report, an annual documentation of our commitment to helping build safer, stronger structures and communities. This commitment, along with our company vision, mission and values, thoroughly informs our business philosophy, which is dedicated to serving the good of our customers, employees, partners, and shareholders. We sincerely believe that, as a recognized leader of our industry, we have an enhanced corporate responsibility to uphold the highest possible standards of quality and conduct.

Our continuous development of new products and systems is rooted not only in our financial goals for the near future but also in our unwavering dedication to excellence and commitment to serving our customers and society. Our principles are best reflected in our Company Values, established by our founder, Barc Simpson, where “Risk-Taking Innovation” and “High-Quality Products” take their place alongside the values of “Relentless Customer Service,” “Long-Range View,” “Everybody Matters,” and “Give Back.” Adherence to these principles has sustained our exceptional business growth and success since 1956.

Contributing to the social and economic well-being of the communities that support us is the essence of “Give Back.” In addition to providing relief to victims of natural disasters through the American Red Cross, we prioritize recruiting new generations to the building trades. This long-range campaign simultaneously inspires young people to pursue rewarding career paths in construction, educates and develops a skilled workforce for an industry facing chronic labor shortages, and increases housing availability in a market where demand is only growing.

Internally, our belief that “Everybody Matters” drives our strategic efforts to foster a workplace of inclusion and belonging where diverse perspectives and talents can flourish and support each other, where everyone is treated fairly and with respect, and where all employee contributions are fully recognized.

Environmental stewardship is a central component of “Long-Range View.” We regularly refine our metrics for gauging and guiding energy and water conservation, waste reduction, and the elimination of toxic or nonrecyclable byproducts from our processes. We are devoted to the health and safety of our employees and to the long-term prosperity of our Company and the communities we serve.

Measuring and reporting our progress toward socially responsible and environmentally sustainable building is one way of holding ourselves accountable to our values. At Simpson Strong-Tie, everybody plays a critical role in bringing these values to life. Through our shared efforts, we’re not only contributing to building safer, stronger structures — we’re helping create a world of greater resilience and inclusive prosperity.

Sincerely,

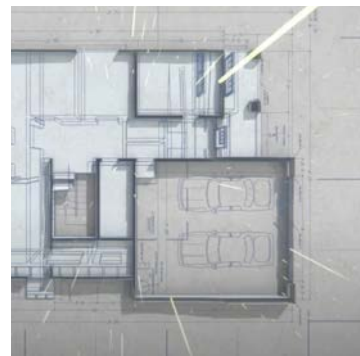
Mike Olosky
CEO, Simpson Strong-Tie



Through our shared efforts, we’re not only contributing to building safer, stronger structures — we’re helping create a world of greater resilience and inclusive prosperity.

Our Business

Simpson Strong-Tie is a world leader in structural solutions — products and technology that help people design and build safer, stronger homes, buildings, and communities.



As a pioneer in the building industry, we have an unmatched passion for problem-solving through skillful engineering and thoughtful innovation.

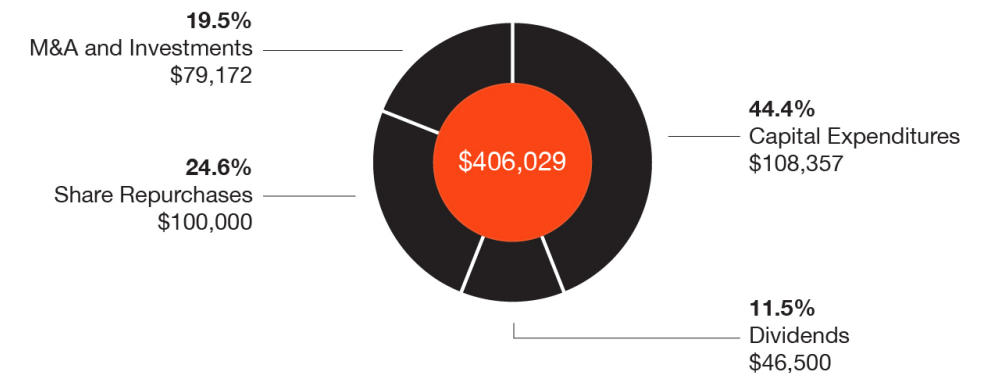
Our structural systems research and rigorous testing enable us to design code-listed, value-engineered solutions for a multitude of applications in wood, steel, and concrete structures.

Our dedication to pursuing ever-better construction products and technologies and to surrounding our customers with exceptional service and support has been core to our mission since 1956.

	2024	2023	% Change
Net Sales	\$2,232,139	\$2,213,803	0.8%
Income From Operations	\$429,975	\$475,149	(9.5)%
Net Income	\$322,224	\$353,987	(9.0)%
Diluted Earnings per Share	\$7.60	\$8.26	(8.0)%
Total Assets	\$2,736,168	\$2,704,724	1.2%
Stockholders' Equity	\$1,805,348	\$1,679,746	7.5%
Common Shares Outstanding	41,878	42,323	(1.1)%
Number of Employees	5,872	5,497	6.8%

2024 Capital Allocation

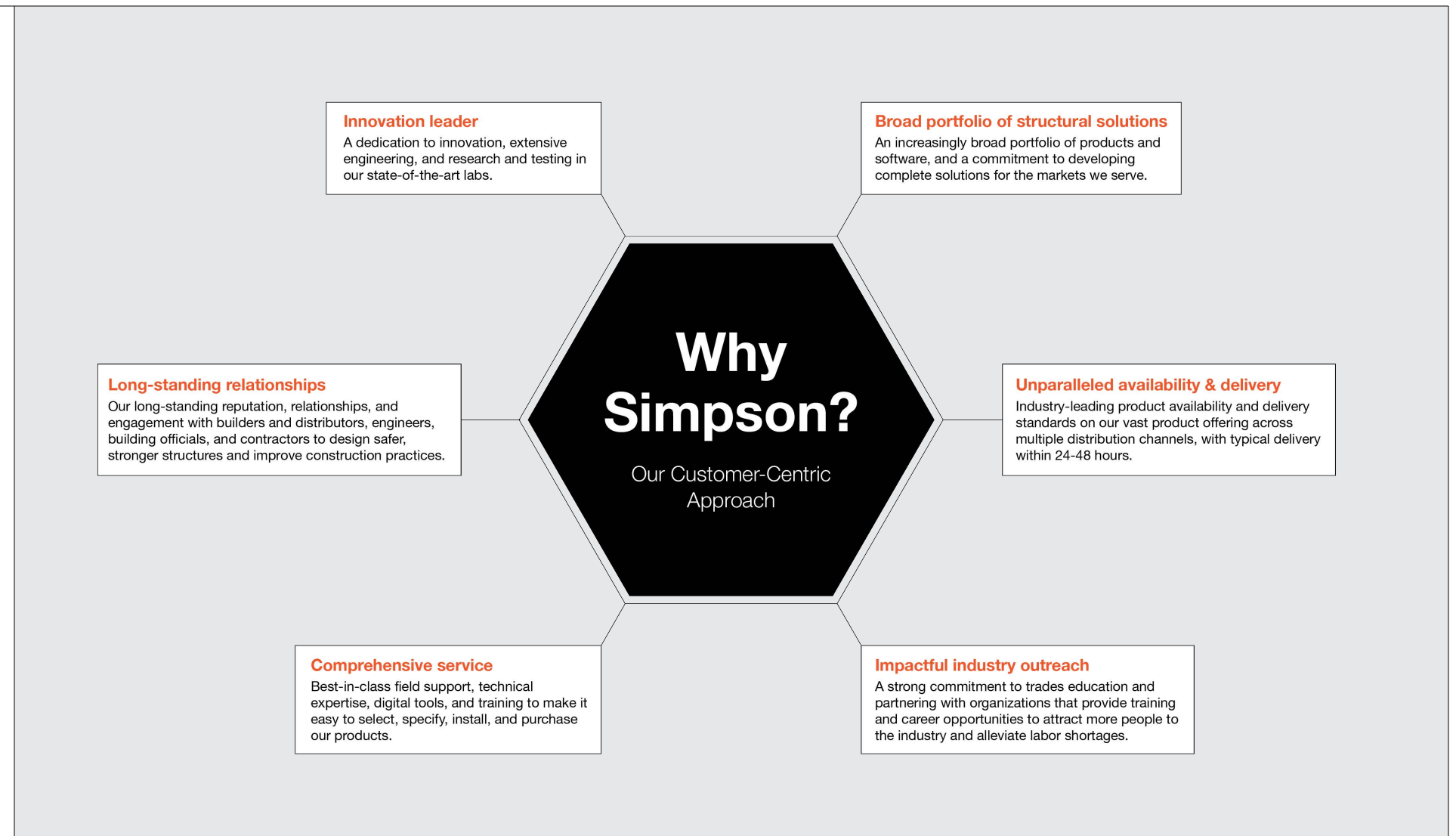
Dollars in thousands



Our Model

We provide our customers with a broad and deep product array, offering more than 18,000 standard and custom products for wood, concrete, and steel applications, as well as digital solutions making it easier for customers to specify and order our products.

We take a customer-centric approach, providing unparalleled availability and delivery of our products. In North America, we had a 96.64% product fill rate in 2024 and typically delivered our goods in 24 to 48 hours.



Determining Our Material Topics

To determine the issues most material to our business, we review external frameworks such as the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and the methodologies of leading ESG ratings services, including Institutional Shareholder Services and MSCI ESG Ratings.

We also evaluated how our business actions align with the UN Sustainable Development Goals (SDGs). This approach helps ensure we are directing our efforts where they are most impactful for both our business and our stakeholders.

Throughout the year, we engage with our stakeholders in various ways as detailed in the table.



Employees: Through town halls, engagement surveys, performance reviews, and other conversations, we engage our employees to understand how we can address their needs. And, when appropriate, we institute initiatives that will improve employee engagement and satisfaction.



Customers: We like to say that every member of Simpson Strong-Tie is in sales. We are a customer-centric organization, and each of us is responsible to the client. We constantly engage our customers, some of whom are internal, through dialogue and currently have more than 750 field sales reps and 20 training centers, and hold more than 900 training workshops per year.



Investors: In an effort to continuously improve our governance and compensation practices, our Board is firmly committed to constructive engagement with our stockholders and regularly reviews and responds to their expressed views. The Board places considerable weight on stockholder feedback in making decisions impacting our governance processes and compensation programs. Increased dialogue with our stockholders has led to meaningful changes in our corporate governance and our environmental, social, and executive compensation policies and practices.



Regulators: We continuously monitor our compliance with legal and regulatory requirements, including our compliance with the applicable reporting requirements established by the U.S. Securities and Exchange Commission (the "SEC") and the requirements of audit and financial reporting as established by the New York Stock Exchange (NYSE).



Suppliers: Simpson Strong-Tie maintains a strong connection with our key suppliers. These long-term relationships are a competitive advantage, often enabling us to procure materials in times of constraint.



Communities: We are deeply committed to the communities in which we operate and focus our efforts on four key areas: Construction & Building Repair, Disaster Relief, Disaster Preparedness & Resilience, and Construction Trades Education. To understand how we can have a positive impact, we maintain a dialogue with several nonprofits with whom we partner in these spaces.

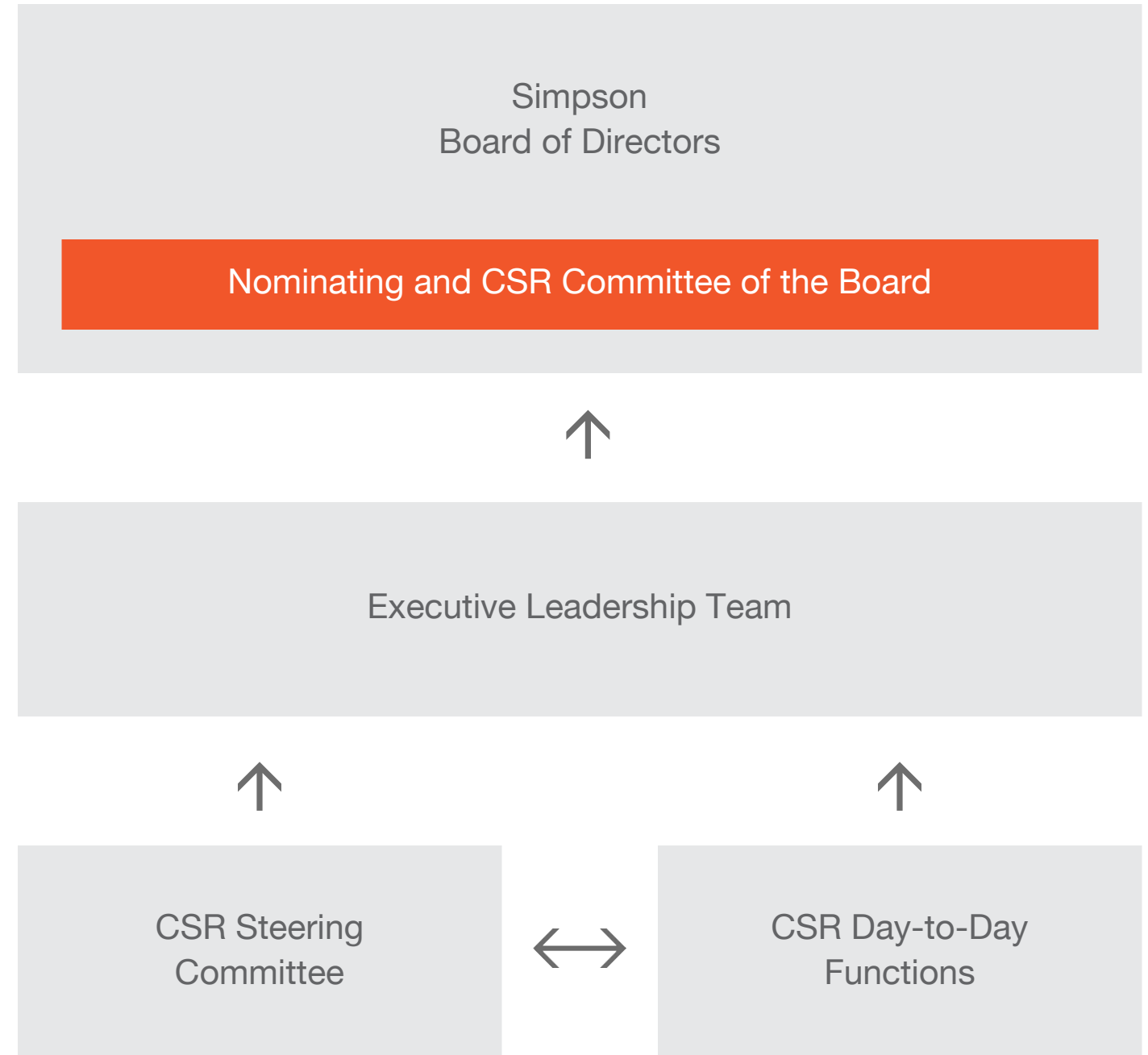
Sustainability Governance

Sustainability is everyone’s responsibility at Simpson, beginning with our Board of Directors.

At each regular meeting, management provides the Board with a CSR update. The Nominating and CSR Committee was, in part, formed to provide guidance on, and oversight of, the Company’s environmental and social ambitions. Among other duties, Directors on this Committee are responsible for reviewing and assessing the Company’s environmental and social policies, practices, and strategy.

At the management level, our CSR Steering Committee, composed of a cross-functional team that includes senior executives, assists in developing initiatives and overseeing communications. Our CSR Team, responsible for executing on our sustainability strategy and reporting on our progress, provides an update to the CSR Steering Committee on a periodic basis.

As we increasingly formalize CSR management, responsibility for sustainability initiatives is progressively undertaken by employees outside of our CSR Team. As we advance along our CSR journey, each person at Simpson Strong-Tie will have a role to play in evolving the sustainability profile of our Company.





Social

We seek out ways to positively influence the global community and strategically support those communities in which we operate and where our people live and work.



Social Impact

Highlights

We became a national sponsor of ACE Mentor, a nonprofit that focuses on bringing young people into the construction trades.

To support education in the trades, we extended our three-year partnership with Building Talent Foundation through 2025.

In 2024, we increased the number of our annual Strong-Tie Undergraduate Fellowship awards from 100 to 120 per year, and the scholarship amount from \$2,500 to \$3,000 per awardee.

We have made substantial monetary donations to help individuals and families get back on their feet after a disaster.

Give Back, Company Value No. 8, is ingrained in our culture. Barc Simpson, our founder, believed we have a responsibility to help others. This belief inspires our commitment to social impact and charitable giving. We seek out ways to positively influence the global community and strategically support those communities in which we operate and where our people live and work.

We align our giving priorities with our business. The four areas in which we focus our efforts are:

- **Home Building and Repair**
- **Disaster Relief**
- **Disaster Preparedness and Resilience**
- **Construction Trades Education**

In 2024, we expanded our work supporting the construction trades. In partnership with our customers and community benefit organizations, we promoted skilled trades training and other programs encouraging people to consider a career in the construction trades. We became a national sponsor of the ACE Mentor Program of America, which provides high school students with free workforce development programs in construction, further evolved our relationship with Building Talent Foundation, and provided our employees with volunteer opportunities to support our focus on education around the trades. By focusing on this area, we believe we can positively affect the building trades labor force by bringing in new, highly skilled talent, while developing awareness and affinity for the Simpson Strong-Tie brand.



ACE Mentor Program of America

ACE Mentor Program was founded in 1994 to prioritize workforce development for high school students by connecting them with experts from the design and construction industry. The ACE Mentor mission is “To engage, excite, and enlighten high school students to pursue careers in architecture, engineering, and construction through mentoring and continued support for their advancement into the industry.” This is done through volunteer board members, mentors, and leaders from local high schools.

In 2024 we became a national sponsor of the ACE Mentor Program by committing \$50,000 to support the program nationally and through scholarships available to all ACE Mentor student participants.



This year we hosted a Do What You Can Day at seven of our largest North American facilities. The signature activity for the day was assembling mentor kits for volunteers with the ACE Mentor Program.

We also hosted a Trades Day in October 2024 at multiple manufacturing facilities. At these events, the students and instructors were introduced to how our product line keeps homes and businesses safe and minimizes the damage to these structures from natural disasters such as earthquakes, tornadoes, and hurricanes. The students and instructors also were able to see and experience this directly through hands-on demonstrations and were treated to an open-forum question-and-answer session with Simpson employees.

Social Impact



Building Talent Foundation

Building Talent Foundation (BTF) is a nonprofit organization focused on connecting young and underserved people to skills, trades, training, and career opportunities. Its mission is to advance the education, training, and career progression of young people and people from underrepresented groups as skilled technical workers and business owners in residential construction.

In 2024, we held 11 events and engaged with 551 students. We have evolved our partnership to include trades education as a priority and extended our three-year partnership with BTF through 2025. In addition, Simpson Strong-Tie CEO Mike Olosky is a member of Building Talent Foundation's Board of Directors.

Strong-Tie Undergraduate Fellowship

As part of our Strong-Tie Undergraduate Fellowship program, we award scholarships to juniors and seniors from eligible colleges and universities who are majoring in architecture, civil/structural engineering, or construction management/technology.

In 2024, we increased the number of scholarships from 100 to 120 per year, and the scholarship amount from \$2,500 to \$3,000. We've also expanded our support of students pursuing education in these areas by creating grants for trade school students and stipends for master's students, along with expanding the program to students with these majors at Historically Black Colleges and Universities (HBCUs).

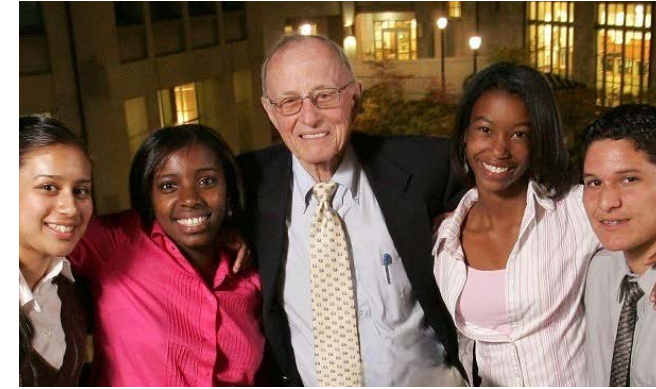
Habitat for Humanity International

Simpson Strong-Tie is one of Habitat for Humanity International's (HFHI's) Legacy Partners, steadfastly supporting their work for the past 17 years in various capacities, continuing to evolve in order to best advance their mission. Previously, we were a long-time supporter of and funded the Habitat Strong Program, HFHI's trades-based learning cohorts, where each year we sponsored a design contest, granting affiliates awards for innovative home designs. This not only supported the work of Habitat affiliates, but aided HFHI in building a design library of dynamic and diverse home plans, an incredible resource for all affiliates to access.

This year the partnership took a pioneering new direction, funding trades-based learning cohorts through multiple affiliate grants, prioritizing affiliates serving veterans and BIPOC communities. This program not only offers vulnerable individuals workforce development but will provide affiliates with organizational stability and financial resiliency through program participation in home construction and, ultimately, skilled labor, of which there is a continuing nationwide shortage.

In addition to this new initiative, we provide four affiliates annually with unrestricted funds to use where they're most needed. We also sponsored HFHI's signature annual event supporting the Carter Work Project, with dual support of funds and products, in addition to biannually sponsoring their affiliate conference. Lastly, we provide HFHI with more than \$125,000 each year in donated products, for the use of Habitat's hundreds of affiliates.

Social Impact



Disaster Relief, Preparedness, and Resilience

Because earthquakes, tornadoes, hurricanes, wildfires, and other disasters affect so many people around the globe, we support disaster relief and recovery efforts, primarily through the American Red Cross Disaster Relief Fund. We have made substantial monetary donations to help individuals and families get back on their feet after a disaster. In addition, our engineers often donate their time to assess structural damage in order to help increase building safety in the future.

Some of these donations were:

Typhoon Yagi Recovery	\$10,000
Hurricane Helene Recovery	\$25,000
Central & Southern US Tornado Recovery	\$50,000

Do What You Can Day

Do What You Can Day (DWYCD) is our national day of service. Each year, our employees take time to deliver on our Company Value No. 8 — Give Back. Hundreds of our employees in North America and Europe participate in our Do What You Can Day events to benefit the lives of others.

In 2024, many of our branches chose to support the ACE Mentor Program. Those that participated assembled mentor kits for ACE, which included several Simpson Strong-Tie products and materials, along with a dedicated resource page for ACE mentors on our website.

The ACE Mentor Program affiliates throughout the country, along with volunteers with the Construction Industry Education Foundation (CIEF), were enthusiastic about using the kits for presentations to high school students interested in the building industry.

We assembled nearly 850 kits and donated 845 volunteer hours in this effort, to a total value of \$28,300 contributed (at a national average volunteer rate of \$33.49 per hour).

Where ACE did not have a presence, we had employees participate in DWYCD in different ways, including raising money for local food banks and putting together back-to-school kits for kids in need.

Community Hero Award

We created the Barc Simpson Community Hero Award in 2015 to commemorate the life of our Company founder. The award recognizes outstanding volunteer contributions by Simpson Strong-Tie employees in their communities. Barc was a dedicated philanthropist, and this award recognizes employees who exemplify similar values through their dedication to community service.

Each year, several nominees receive the Barc Simpson Community Hero Award. The awardees receive a \$3,000 donation to the nonprofit organization of their choice. In 2024, organizations benefiting from the award included:

- Agape Therapeutic Riding Resources**
- Austin German Shepherd Rescue**
- Keeper of the Game Foundation**
- Skatepark Respect**
- The ALS Association of Orange County Chapter**

From inception through 2024, Simpson Strong-Tie has provided \$100,000 to North American nonprofit organizations on behalf of employees receiving this award.

Employee Giving and Volunteerism

At Simpson Strong-Tie, we're proud of the culture of giving back that defines our organization. Our Matching Gift program continues to make a powerful difference in the communities where we live and work.

Near the end of 2023, we increased our individual Matching Gift limit for employees from \$1,000 to \$5,000. Through the beginning of December 2024, we've achieved some remarkable milestones:

- Employee Donations reached \$202,953.
- With the company match, \$405,906 was donated to eligible nonprofit organizations—a 141% increase compared to the prior year.
- The average annual contribution per employee rose to \$1,419, a \$357 increase from 2023.
- 143 employees participated in the program, continuing the strong engagement of our team.

These numbers demonstrate the incredible impact we can have when we come together to support the causes we care about.

People

Highlights

More than half our open positions are filled by referrals and internal employees.

In 2024, we partnered with Gallup, a world-leading employee experience consulting company, to launch our Global Employee Engagement Survey.

Flexible scheduling was piloted at our McKinney, Texas, location to provide greater work-life balance for our employees. This will be expanded to more US locations in 2025.

In 2025, we will launch Early Wage Access, allowing our employees to access a portion of their earnings before payday, giving them the freedom to manage life's unexpected expenses.

Approach

We use our time, effort, products, expertise, and financial support to fulfill our commitment to create a positive impact in our communities. Community is built into our values. Starting within our own organization, respect for our fellow employees (Everybody Matters) is a company value that we champion.

We take action so that everyone at our Company feels included and empowered. We believe being heard and having meaningful opportunities to contribute are essential to a quality work life.

Culture

We're dedicated to strengthening our values-based culture. Our founder, Barc Simpson, outlined nine core values that have made our Company a unique and inspiring place to work. Simpson Strong-Tie's culture reflects strongly held values that continue to influence our approach to business and our interactions with each of our stakeholder groups.

Our initiatives center on empowering employees to prioritize their well-being and career development and equipping them with the tools necessary to achieve their professional aspirations. By offering meaningful opportunities for employees to contribute and apply their skills, we ensure a workplace environment where their growth and development are paramount.

Our Employee Engagement Survey: Make Your Voice Heard helps us measure success by asking employees to rate how well they feel their experiences substantiate Company Value No. 5 — Everybody Matters. We want all of our employees to feel that their experience substantiates this value.



“

Strive to have a positive effect upon those lives touched by your own.”

– Barc Simpson

People



Everybody Matters

We view inclusion and belonging through the lens of our Company Value No. 5 — Everybody Matters. We link our Company values, mission, and vision to one another. They dictate a duty to support the community at large.

We foster diversity in our workforce and maintain representation of differing genders, ages, races, ethnicities, and abilities, enabling us to attract qualified talent who can provide diverse perspectives on our challenges.

In 2020 we formed our “Everybody Matters” Steering Committee to help guide our efforts and measure our progress.

To increase the diversity of our candidate pool for open positions, we collaborate with DiversityJobs. This partnership helps us advertise and promote our job postings with thousands of diversity-focused organizations such as HBCUs.

In the U.S., we have historically used technology to reduce bias in the hiring process. Recently, we began deploying these methods in our international locations. To track our progress, we actively review the gender and ethnic makeup of our applicant pool.

Our YouTube series, Makers of Simpson Strong-Tie, features diverse employees discussing their opportunities at Simpson Strong-Tie and the welcoming environment and development they’ve received.

Through the work of our Onboarding Committee, we ensure every new employee gets a Strong Start here at Simpson. Our Buddy Program provides support and guidance by pairing new hires with seasoned culture ambassadors, and our 30/60/90 Roadmap ensures that everyone has the tools, resources, and knowledge they need to be successful in their position from day one.

We understand needs and perspectives differ for each person in our organization and aim to achieve what is right for all. Evaluating employee input, the diversity metrics of our U.S. workforce, and our policies and guidelines that impact inclusion and belonging form the pillars of our approach.

In 2025 we will focus on realizing a year-over-year increase in candidate pool diversity. We strive to achieve equitable metrics in gender, race, and ethnicity in promotions and retention in comparison to our current population and equitable metrics in gender, race, and ethnicity in our Employee Engagement Survey.

Also in 2025, we are evaluating how we can implement additional employee programs and deploy additional resources.

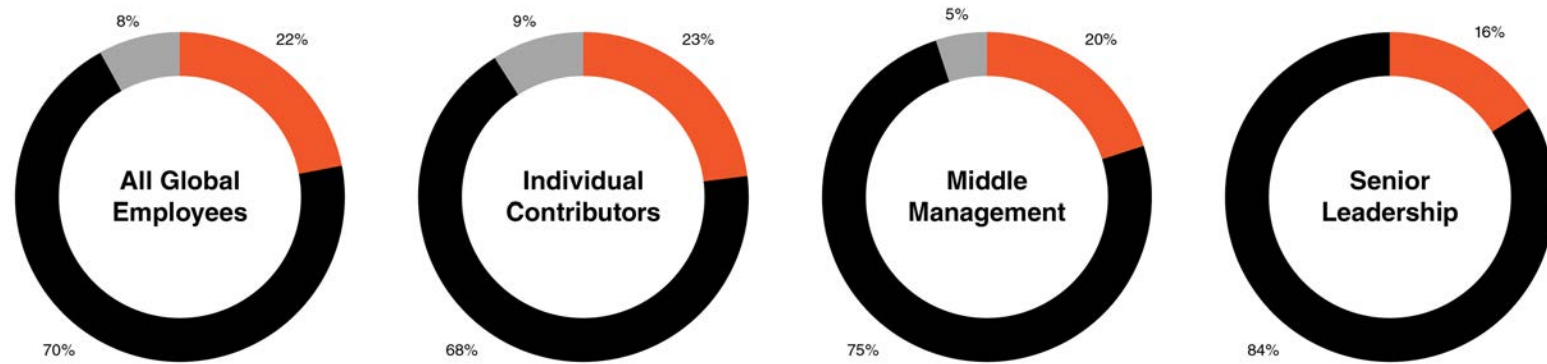
These efforts will help us clarify our present objectives of inclusion and belonging in the workforce, and provide opportunities to improve and innovate our programs.

People

Leadership Diversity

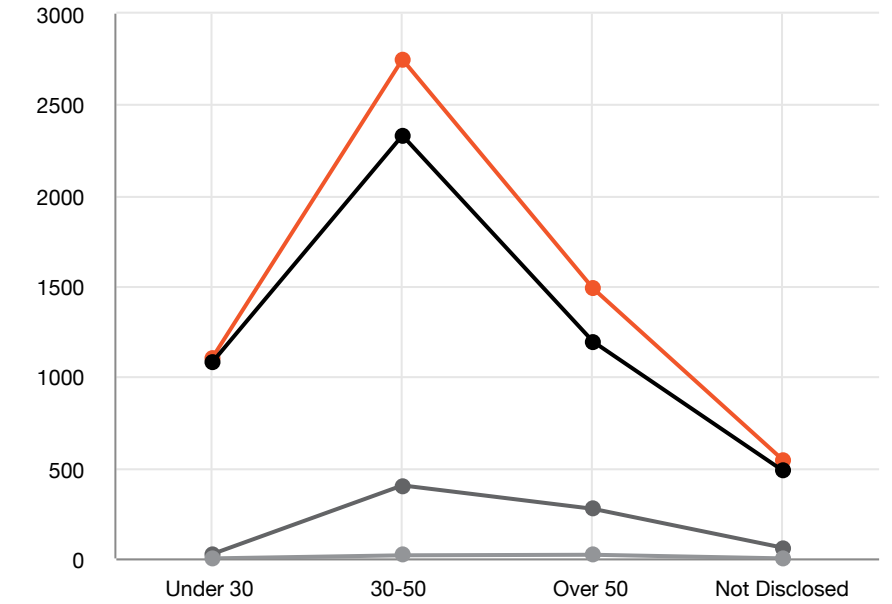
Global Gender Demographics

Female Male Not Declared



Global Age Demographics

All Global Employees Individual Contributors
Middle Management Senior Leadership



U.S. Diversity Distribution by Level

American Indian or Alaska Native Asian Black or African American Hispanic or Latino Native Hawaiian or Other Pacific Islander Two or More Races White Not Disclosed

Individual Contributors



Middle Management



Senior Leadership



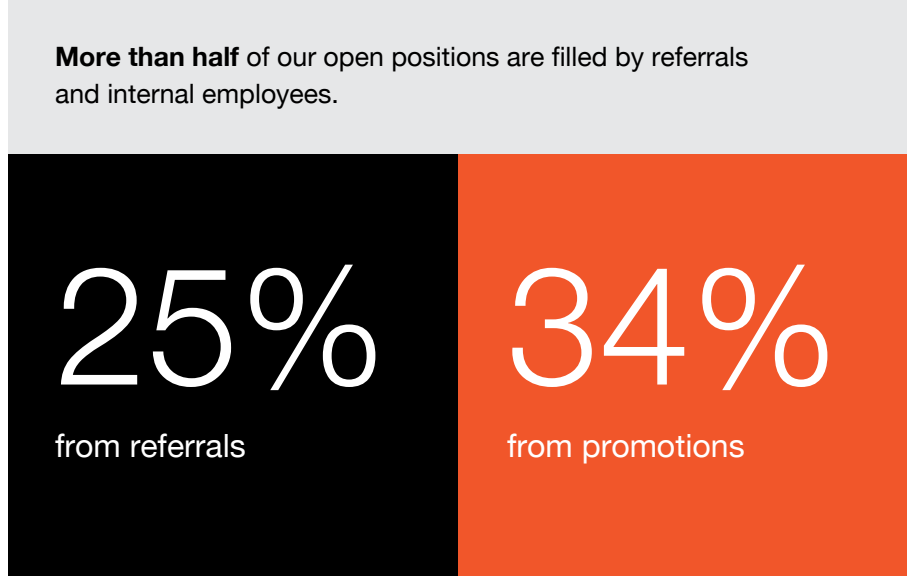
People

Equal Pay

Our compensation philosophy is to attract, retain, motivate, and differentiate employees through our rewards programs. We believe people should be paid for what they do and how they do it, regardless of their gender, race, ethnicity, or other personal characteristics. Therefore, we're committed to achieving and maintaining internal pay equity across our organization.

Our Board of Directors, through its Compensation and Leadership Development Committee, monitors the relationship between the pay received by our executive officers, and Human Resources evaluates the compensation program for executive officers.

Our Human Resources department, along with senior management, evaluates the compensation received by all other employees. Our compensation philosophy and strategy are strongly aligned with the Company's strategic priorities and our vision for stockholder value creation.



Hiring

More than half our open positions are filled by referrals and internal employees. As our top two U.S. hiring sources, referrals account for 25% of our hires and internal transfers/promotions account for 34%. These numbers reflect our commitment to enabling growth and our belief that everybody matters. Employees trust us to provide rewarding career opportunities and a positive work environment for themselves and those they recommend. They also show that our investment in developing talent empowers individuals to grow, take on new challenges, and advance into more rewarding roles within the organization.

Employee Engagement

In 2024, we partnered with Gallup to conduct our annual global Employee Engagement Survey. Conducted over a three-week period, the survey encouraged our employees to Make Your Voice Heard and provided valuable insight into our employees' experience through the lens of our Company's culture and values.

The data gathered during the survey provides us with a deeper understanding of the current state of our culture, and will be used to guide the development of programs and initiatives to foster a more inclusive, supportive, and engaging workplace.

Employee Development

Our people are our greatest asset. By investing in their continuous development, we create a culture where every employee can thrive and grow. We provide the tools, resources, and opportunities that empower our team to expand their skills, embrace new challenges, and drive our organization's success.

In 2024, through a special grant funded by the U.S. Department of Labor, we offered data skills training programs to our employees. In 2025, we will launch LinkedIn Learning, providing access to more than 6,000 online courses in a wide range of technical, business, software, and creative topics.

We also expanded our employee development resources by developing new tools, including:

- Conversation Guides to support meaningful goal setting, end-of-year, and career growth discussions.
- Translated resources to support our global workforce.
- Giving and Receiving and Feedback Guides to drive positive, growth-oriented conversations.
- SMART goals workshops to help employees develop effective goals that will drive results.

Performance Management

Our Performance Management program fosters meaningful, values-driven conversations between employees and managers. These conversations ensure every contribution is recognized while providing the support and feedback needed to thrive in current or future roles. It's all part of our commitment to enabling growth and prioritizing long-term career success.

Leadership

At Simpson, strong leadership is the cornerstone of our success. From our First-Time Manager program, designed to support first-time managers, to our Top Talent programs for high-potential leaders, we offer comprehensive leadership development that helps our leaders excel in their current roles and prepare for future opportunities.

Our new Leadership Expectations framework focuses on three critical areas: engagement, results, and values. These foundational elements are essential to creating an environment where teams thrive, and meaningful progress is achieved. Through our global programs, we provide leaders with the training, tools, and experiences necessary to develop their full leadership potential.

By developing hundreds of leaders each year, we demonstrate our long-term investment in building a strong and diverse leadership pipeline.

People

Well-Being and Benefits

In 2024, we significantly enhanced our benefits packages to support the total health and well-being of our employees. Recognizing that pets are family to many, we added dedicated pet insurance. We expanded ID theft coverage to include parents and grandparents, because we understand that our employees are often caretakers for extended family. To help employees build financial security, we implemented auto-enrollment in 401(k) and introduced a plan for certain union employees.

Looking ahead to 2025, we're pioneering progressive benefits that demonstrate our commitment to inclusion and belonging. We're exploring out-of-network mental health coverage, expanding medical care support to include doula services, and removing IVF treatment barriers for same-sex couples.

Benefits.strongtie.com makes understanding and accessing these benefits easy for current and potential employees by making this information available anytime, anywhere, from any device. The site includes ALEX, a virtual benefits counselor, designed to assist our employees in making informed benefits decisions based on their personal needs and preferences.

Well-Being Programs

In 2024, we transformed our wellness newsletter into a comprehensive resource hub, expanding our content to include monthly topics spanning wellness, financial planning, and learning and development. Our goal is to provide our employees with the tools and knowledge needed to thrive personally and professionally. By offering insights that help navigate life's challenges, adopt healthy habits, and achieve work-life balance, we're cultivating a more engaged and connected workforce.

We continue to support our employees' well-being through initiatives like our Employee Assistance Program, which offers free access to professional support with legal, financial, and personal challenges. Omada Hypertension Management provides counseling and monitoring equipment for managing hypertension, while Active & Fit Direct provides employees and their partner or spouse access to over 12,000 fitness centers and 1:1 well-being coaching for just \$28 per month. In recognition of World Suicide Prevention Day, we conduct webinars to raise awareness, encourage open conversations, and cultivate a community of support for our employees.

Through our annual Happy or Not survey, we solicit feedback from our U.S. employees to better understand how they view their benefits packages and help guide our continuous improvement. From the insights gathered, we create actionable plans to ensure that we do not just meet the needs of our diverse teams, we exceed them.

In 2025, our Strong for Life program will expand significantly, offering support for more than 24 health conditions, along with comprehensive nutritional and sleep support, further demonstrating our dedication to helping our employees not just succeed, but truly thrive.

Financial Well-Being

We offer our employees a comprehensive total rewards compensation package that includes base pay, a performance-based quarterly bonus, healthcare, and retirement benefits (in our U.S. operations), paid time off, and a stock purchasing plan. Additionally, select employees are entered into the Long-Term Incentive (LTI) stock program in recognition of outstanding performance and contributions. Stock shares are awarded to employees for every 10 years of tenure, including those participating in the LTI program. To support employees in their pursuit of higher education, we provide tuition assistance for both undergraduate and graduate programs. The Company pays 100% of allowable expenses, up to a maximum of \$5,250 per calendar year.

Through our partnership with Origin, we provide a financial platform designed to provide our employees with all the tools they need for their financial well-being. Employees enjoy access to free certified financial planners, tools, and resources to track everything from spending to investing, and Sidekick, an Artificial intelligence (AI) guided chat that provides real-time, personalized financial guidance. In 2024, benefits were expanded to include free tax preparation, including access to tax advisors, and free estate and will planning services. Access to Origin's new high-yield savings account, with no minimum balance and easy access to funds, enables our employees to create a secure financial future.

Workload/Life Balance

As part of our ongoing commitment to attract, retain, and inspire our workforce in the United States, we provide remote and flexible work options for positions that support this approach.

In 2024, we piloted a flexible scheduling program for select employee groups in Texas, which was well-received by our teams and demonstrated significant success. In 2025, we plan to expand this program to additional locations.



Health and Safety



Highlights

We further integrated the TapRoot® Root Cause Analysis method into our operations.

We set the goal to reduce our Total Recordable Incident Rate (TRIR) to below 1.0 by the end of 2024.

We maintained our performance and had zero fatalities as a result of work-related injuries or work-related illness.

Simpson Strong-Tie is committed to providing a safe working environment for every team member making contributions to our operations at every level. Particularly within our manufacturing facilities, we are committed to creating a healthy working environment and providing the highest standard of safety, which minimizes accidents and injuries, enhances our reputation as an employer of choice, ensures productivity, and reaffirms Company Value No. 5 — Everybody Matters.

Approach

Our Environmental, Health and Safety (EHS) Management Policy guides our approach, ensuring our commitment to designing, managing, operating, and improving our facilities to maximize safety for all. Our EHS program is rooted in education, prevention, compliance, and action. Through training and awareness campaigns, we are developing a zero-incident culture.

By regularly informing employees about the risks associated with our manufacturing processes and working to correct risky behaviors, we are increasingly preventing potential incidents. Additionally, we began using the TapRoot® Root Cause Analysis method in 2024 to enhance our workplace safety and promote well-being. This method focuses on identifying root causes of health and safety incidents to prevent future occurrences, rather than merely addressing symptoms or apparent causes. To ensure the effectiveness of our EHS personnel, we provide best-in-class health and safety training taught by safety professionals.

Goal: Reduce our global TRIR to below 1.0 by 2025.

In 2024, we set the goal to reduce our Total Recordable Incident Rate (TRIR) to 1.0, with each branch implementing a tactical EHS plan tailored to meet its specific needs and challenges.

This ensures a structured and effective approach to mitigating risks, promotes a safe work environment, and fosters a culture of EHS at all levels. Central to our health and safety initiative is our innovative Safety Incentive Program, which involves 100% of our operations employees. The program provides meaningful ways for each employee to participate in and proactively contribute to safety practices. By incentivizing employees to engage in preventive measures and demonstrate safety-conscious behaviors, we enhance well-being, reinforce our commitment to creating a safer, more responsible workplace, and set new standards in global-class EHS leadership.

- Training leadership on performing effective Job Behavior Observations (JBOs)
- Leading Job Hazard Analyses (JHAs) with affected teams
- Ensuring employee involvement in, and success of, their employee safety committee.

Other methods to improve the safety of our operations include 2024-enacted programs ensuring every branch has an effective method and means for “Good Catch” and “Near Miss” reporting (GCNM):

Good Catch = A hazardous condition that was discovered, corrected and reported, thereby preventing an incident proactively. An example would be the prevention of a slip, trip, or fall by recognizing the hazard and correcting it.

Near Miss = An incident that resulted from someone not recognizing a hazardous condition, but in which the employee was not injured. An example would be a slip, trip, or fall.

Giving our employees the ability to electronically record any incident they encounter lets us identify areas where a safety incident is most likely to occur and proactively take measures to prevent those incidents.

Performance

We had zero fatalities in 2024, continuing our decades-long safety record. While any safety incident is considered unacceptable, we reduced our Total Recordable Incident Rate (TRIR) to 0.99 in 2024, exceeding our 2025 goal ahead of schedule. We have increased our emphasis on identifying and communicating Good Catches, recording a total of 11,882 in 2024. Because this represents a drastic increase in reporting from prior years, we changed our metric to Good Catches Per Person (GCPP), ending the year with a GCPP of 4.75, which represents a 10-fold increase over 2023.

While it is our aim to always comply with all applicable laws, we go above and beyond, setting our own standards; our health and safety policies often exceed governmental regulations and requirements. Additionally, we have two facilities certified as ISO 45001, reflecting an internationally applied standard for occupational health and safety management systems.

Health and Safety



100%

of our operations employees are actively involved in our innovative Safety Incentive Program



Case Study:

Going Digital: Reducing Administrative Burden and Paper Waste in McKinney, Texas

In 2023, operational growth and customer demand spurred the need to redesign elements of the EHS program to scale with growth, beginning with a move away from paper forms as we converted our GCNM and JBO reporting forms to electronic versions.

In 2024, we tested several versions of these forms through Smartsheet and have seen unanticipated success, not just in reducing waste and administrative burden, but also in a marked correlation between increased access/participation and reductions in recordable injury rates.



Quality

Highlights

We proudly uphold ISO 9001 certification across 35 sites, demonstrating our commitment to quality.

Our Quality Management System adheres to stringent international standards, ensuring excellence.

Each product consistently meets its defined factors of safety for performance—this standard is unwavering.

We rigorously test our products against recognized standards to guarantee suitability for their intended applications.

Our products deliver reliability through specification assurance, meeting the highest benchmarks.

We design and test our products to the highest standards, ensuring optimal performance and reliability. Through our rigorous manufacturing and quality processes, we provide structural system solutions that are cost-effective and easy to install, delivering lasting value to our customers.



We implement comprehensive policies and procedures to guide the development and manufacturing of our products, ensuring consistency and excellence. These policies and procedures, including our companywide quality manual, quality policy, and operational procedures, are regularly reviewed to maintain their relevance and effectiveness. To support implementation, we provide detailed work instructions, process workflows, and process maps that outline clear, actionable steps for our teams. These tools empower our employees with the knowledge and guidance needed to perform critical activities, such as equipment operation and product inspection, with precision and confidence.

Quality Management System

As part of our Quality Management System, we conduct internal and external audits to ensure compliance with policies and procedures at our plants. Guided by the ISO 9001 standard, we drive continuous improvement and innovative problem-solving to meet customer needs while ensuring product conformity. We deliver cost-effective, innovative solutions that help build safer, stronger structures. Our industry-leading products, software, and services exceed customer expectations and meet regulatory requirements.

By measuring and analyzing product performance, we make informed improvements to our processes, maintaining high customer satisfaction and contributing to ongoing business success.



“At Simpson Strong-Tie, everyone is responsible for Quality and committed to ensuring the ongoing effectiveness and continual improvement of our Quality Management System.”



Environment

At Simpson Strong-Tie, we operate in a safe and environmentally responsible manner to benefit society, the economy, and the environment.

Photo: University of Washington's mass timber structure that uses Simpson Strong-Tie components



Environment

Highlights

In 2024, we calculated our Scope 1 and 2 emissions.

We commit to continuously improving on our energy, water, and waste resource usage.

We have four ISO 14001-certified facilities.

Our Approach

At Simpson Strong-Tie, our commitment to responsible and sustainable practices is deeply ingrained in our operations as we strive to contribute positively to society, the economy, and the environment. Continual enhancement of resource efficiency is at the core of our efforts, aiming to minimize our footprint. Recognizing our role in environmental conservation, we are dedicated to crafting and producing products with eco-conscious designs, ensuring long-term financial gains through proactive management of our environmental impact and the reduction of risks associated with environmental degradation.

Climate

The dynamics of climate change present both challenges and opportunities to our business. Weather fluctuations directly affect our clientele in the construction industry, influencing the installation timelines of our products and subsequently affecting revenue. The locations of our manufacturing facilities, situated in regions prone to disasters like floods and hurricanes, also pose potential disruptions to our operations.

Yet, our product line is well-positioned to contribute to both climate change mitigation and adaptation. As construction practices evolve to withstand more

intense storms, we anticipate increased demand for our high-quality materials. Our range of solutions, from moment frames and shearwalls to structural connectors and anchors, reinforce structures, making them more resilient. The H1A hurricane tie, developed specifically for high-wind areas, is only one example of our commitment to strengthening homes against natural forces.

Through value-driven engineering, we collaborate with customers to design structures that use fewer resources, curbing costs and reducing environmental impact. Additionally, our products enhance home energy efficiency, aligning with the global shift toward sustainability.

Greenhouse Gas Emissions

In our pursuit of sustainability, reducing greenhouse gas emissions is a key focus. In 2024, our Scope 1 emissions stood at 3,692 tCO₂e, and Scope 2 emissions at 19,681 tCO₂e.

Manufacturing Excellence

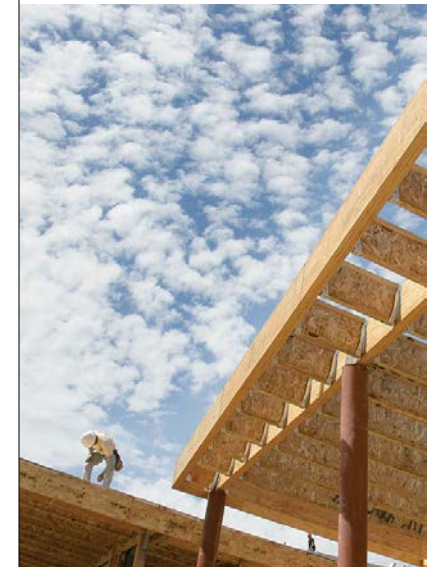
Within our operations, manufacturing facilities hold the potential for environmental impact reduction. While four facilities have been ISO 14001 certified, we are currently exploring the certification of more sites. Our commitment extends to ongoing analysis and improvement of energy, water, and waste consumption efficiency.

3,692
tCO₂e

Scope 1 emissions

19,681
tCO₂e

Scope 2 emissions



Good business leaders focus on the long-term outcomes, not short-term gains.”

– Barc Simpson

Environment



Our facilities in Stockton, California, and Seewen, Switzerland, partially run on solar power.

Energy Efficiency

Although we don't operate the mills in which our steel is forged, the energy used in shaping steel is a vital consideration. Our facilities in Stockton, California, and Seewen, Switzerland, partially run on solar power. We continually assess opportunities to install solar energy at other locations and are making preparations for potential future installations.

Energy conservation is a priority: LED retrofits, fixing compressed air leaks, and innovative heating solutions are some of the ways we have taken action to improve energy efficiency throughout our operational facilities. Additionally, where it makes sense, we procure renewable energy. For example, our Boulstrup, Denmark facility is powered mainly by green energy sources.

Water Consumption

While our production involves water usage for cleaning, most of our water consumption occurs in non-production areas. We're actively exploring solutions to reduce water usage, particularly in water-stressed regions.

Waste Minimization

Managing waste is integral to our manufacturing processes. We design tools and production dies to minimize material waste, with unused materials either sold or recycled. Waste sorting and recycling processes are implemented across our facilities in the U.S. and Europe.

In certain markets, such as France and New Zealand, customers have stated their preference for sustainable packaging materials. To accommodate their requests, we developed packaging that substitutes recyclable cardboard for plastic.

Product Life Cycle Impact

Our products, made predominantly from steel, have a negligible impact during use. Environmental life cycle assessments guide us in understanding and minimizing the environmental impact during creation and disposal. Inventory forecasting helps manage unsold goods, reducing waste and environmental impact.

Case Study:

Upgraded Ventilation System in Orneta, Poland

Our Simpson Strong-Tie team in Orneta, Poland, upgraded its ventilation system for its automatic painting department. Installed in 2024, the new system ensures fresh, clean air for employees and reduces the amount of thermal energy needed to heat its facility.

Previously, exhaust fans alone were used to remove contaminated air. The new system not only ensures better air quality by facilitating four air changes per hour but also allows the radiant heat from that air to be used to heat new, clean air, which is then supplied back to the facility. Orneta employees have observed significant improvements in their air quality, and the plant is realizing savings by relying less on thermal energy resources.



Environment

Contributions to LEED®

Our products can earn credits under LEED® for New Construction and LEED® for Homes rating systems, fostering sustainable building practices. Embracing advanced framing techniques, our solutions aid in achieving the Energy Star label, material efficiency, and enhanced insulation.

End-of-Life Considerations

While we lack significant control over product disposal, our focus on the in-use phase involves designing products to last for decades. We direct our environmental efforts to the stages of the product life cycle within our control.

Chemicals

Several Simpson Strong-Tie product lines require the use of chemicals, some of which are classified as environmentally hazardous. Most of our chemical manufacturing takes place in our West Chicago, Illinois, plant and our European S&P locations, which focus on production of chemical anchors in our concrete product line. Our objective is to make our products as safe as possible for our employees, our customers, and the environment, while ensuring their integrity and performance.

Throughout our global operations, our products are subject to compliance with the strictest locally relevant regulations. We adhere to the Global Harmonized System for our classification and labeling. In some countries, regulations differ slightly. In these instances, we apply the stricter standard. For example, at our European production sites, the Hazard Communication Standard varies, so different procedures are in place to comply with the local governing entity. Our R&D Team continually evaluates alternative, nontoxic materials while maintaining our high performance standards and competitive costs. The team regularly reviews current products to determine whether it is possible to decrease the environmental impact while maintaining or improving performance and price.

When testing chemicals, our R&D Team examines the associated hazards throughout their life cycle.

Safety Data Sheets detailing environmental impact are available internally and on our website. We also provide physical copies of product Safety Data Sheets when shipping products that contain hazardous chemicals.



Environment



Labor, Health, and Safety Practices

Our business partners are responsible for providing employees with a healthy and safe workplace. We expect them to meet or exceed all general workplace standards, including health and safety, environmental, and labor standards complying with local and national regulations and consistent with International Labor Organization Guidelines.

They should respect employees' rights to Freedom of Association and Collective Bargaining, and we expect them to commit to employment that is free from forced labor or discrimination.

The Environment

As a Company, we seek to reduce our negative effect on the environment. We expect our business partners to do the same. They should follow all local environmental laws, strive to improve their own environmental performance, and consider air emission control, hazardous substance management and training, pollution prevention, resource reduction, and wastewater and solid waste emissions control to reduce their environmental impact.

Ethics

We hold all our business partners to a high ethical standard. Businesses should not engage in bribery, embezzlement, extortion, or other corrupt practices. Business partners must never, even through third parties, accept or offer bribes or kickbacks to obtain or gain an unfair business advantage and must remain in compliance with foreign and domestic anti-corruption laws, including the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Acts.

We provide a confidential hotline for anyone to report violations to our Supplier Code of Conduct. Should a supplier violate our Supplier Code, we will evaluate the extent of the violation. When possible, we seek to work with suppliers to elevate their practices; however, we reserve the right to cease doing business with suppliers who violate our Supplier Code.

Compliance With Our Supplier Code of Conduct

Suppliers, vendors, consultants, agents, contractors and their subcontractors, and other third parties must follow our Supplier Code and observe the same high standards to which we hold ourselves.

Violations to our Supplier Code, our policies, or the law can result in corrective action, up to and including termination of the business relationship. Under certain circumstances, our Compliance or Purchasing departments may be compelled to take measures they deem necessary to ensure full compliance with the Supplier Code, most notably by requesting responses to questionnaires or conducting (by an internal team or third party) specific audits at a business partner's and their subcontractors' premises.

If it is determined that a business partner is not in compliance with our Supplier Code, the business partner will be expected to promptly correct its actions to become compliant. Simpson Strong-Tie reserves the right to cease doing business with any business partner that does not follow our Supplier Code of Conduct.

As a Company, we seek to reduce our negative effect on the environment. We expect our business partners to do the same.



Innovation

With hundreds of engineers on staff and multiple accredited test facilities, we continually innovate, enhance structural performance, advance design technology, and improve building safety.



Value #7: Risk-Taking Innovation

Risk-Taking Innovation is our Company Value No. 7 and is pivotal to our mission of facilitating the design and construction of safer, more robust structures. Our focus remains on the evolving needs of customers and technological advancements. To consistently fulfill our mission, we adopt a methodical approach to innovation, emphasizing significant investments in research and development. This strategy ensures that our product solutions undergo rigorous testing in our laboratories, enhancing their quality and alignment with addressing customer challenges, and refining our business processes to support safe and efficient construction practices. Innovation is at the heart of our Company's ethos.

Highlights

In 2024, we successfully developed 65 new products.

Twenty of our new products have earned the industry's prestigious Golden Hammer Award from HBSDealer.

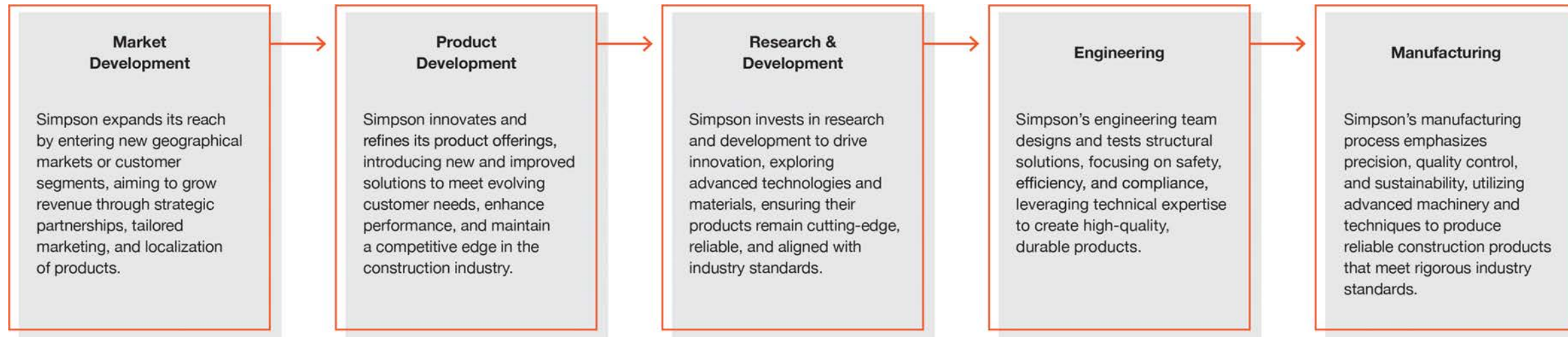
We currently own 508 patents and 1,761 trademarks worldwide.

We won three Innovation awards in 2024.

We continue to demonstrate an unwavering commitment to advancing the science of building resilience and integrating our learnings to improve building code practices.

We now have six accredited testing laboratories

Insights into Our Innovation Process



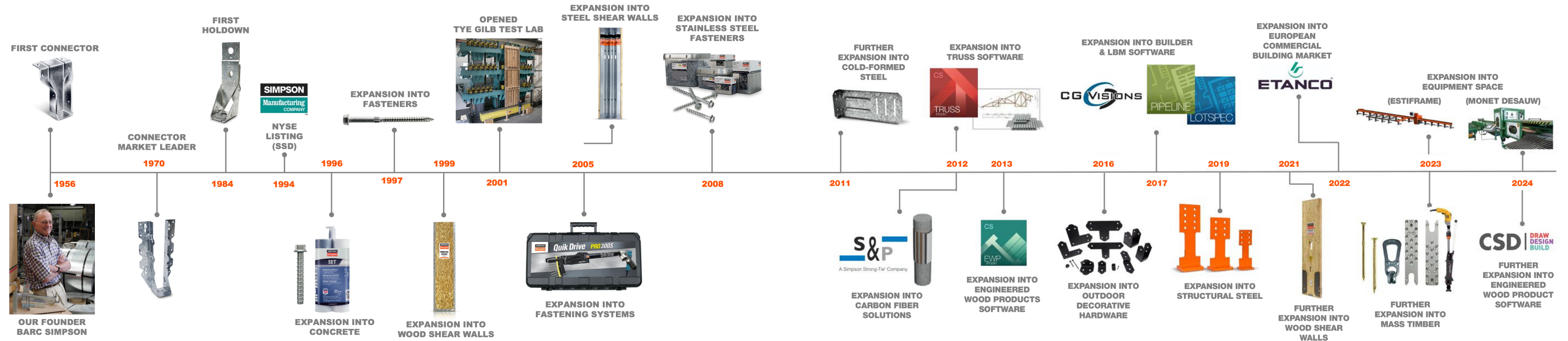
Great companies are built on creative ideas from talented people – you have to take risks. Sure, we all make mistakes along the way. I certainly have, and if you're really going to be innovative, you're going to make mistakes. Don't become stagnant in your job; be curious. Don't play it safe; take risks. Be creative, and you'll inspire yourself and others to try something new."

– Barc Simpson

Value #7: Risk-Taking Innovation

Simpson is a pioneer of construction solutions and the industry standard for structural connectors.

Simpson is an innovation leader in fasteners, concrete repair, lateral systems, construction software, and structural steel solutions.



A Track Record of Success

Since its founding, Simpson Strong-Tie has been at the forefront of engineered structural connector design. Our commitment to research and innovation is unwavering, supported by hundreds of engineers, ensuring the continuation of our legacy in innovative product development.

We prioritize innovation across our entire range of products, enhancing our structural connector solutions, leading the way in engineered load-rated fastening and anchoring systems, and broadening our software offerings.

We believe in fostering a culture of innovation that permeates every level of our organization, from the sales team to the manufacturing floor, and we encourage all Simpson employees to engage in our innovation process, allowing them to contribute ideas for new products via our intranet site.

Our engineers often say that one test is worth a thousand expert opinions. Our six accredited laboratories are the proving grounds for our concepts, where they undergo rigorous testing. Having the ability to see how a product performs as part of a structural system provides us with

deep understanding and knowledge that sets us apart from the competition. This process leads to the development of validated solutions, advanced productivity tools, intelligent design software, and strategic service improvements.

These initiatives not only provide solutions for our customers but also drive our Company's growth and development.

Value #7: Risk-Taking Innovation

Strengthening Structures for a Sustainable Future

At Simpson Strong-Tie, we help extend the life of concrete and masonry structures, resulting in reduced waste and lower carbon emissions.

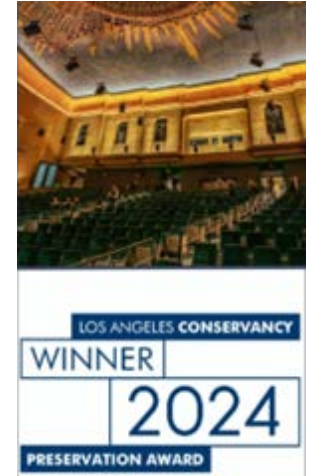
Our composite strengthening systems not only retrofit, repair, and reinforce existing buildings and infrastructure, but also support adaptive reuse by enabling spaces to evolve for new functions. Our fiber-reinforced polymer (FRP) and fabric-reinforced cementitious matrix (FRCM) solutions provide lightweight, high-strength reinforcements that install faster and with less disruption than traditional methods.

These advantages make them ideal for seismic retrofits, structural repairs, renovations, and durability improvements, as well as adaptive reuse projects, such as converting commercial buildings into residential spaces.

Through our solutions for repair, retrofit, and adaptive reuse, we help maintain structural integrity while meeting evolving usage demands. Working closely with engineers, architects, building owners, and contractors, our team delivers efficient, code-compliant solutions for a wide range of projects — from buildings to infrastructure.

Through this focus on repair, retrofitting, and reuse, we help minimize construction waste, lower carbon footprints, and create a stronger, more adaptable built environment for future generations.

FRP played a crucial role in the seismic retrofit of Hollywood's historic Egyptian Theatre, particularly in strengthening the existing concrete diaphragms, shear walls, and structural elements.



By integrating FRP with other structural upgrades, the retrofit successfully met modern seismic standards while preserving the architectural integrity of this landmark movie palace. [See the Netflix short on the restoration.](#)

Value #7: Risk-Taking Innovation

Alternative Building Materials

To mitigate climate change, it's necessary for builders to embrace innovative construction techniques and materials. Replacing traditional materials like concrete and steel with engineered wood can significantly decrease the carbon footprint of construction projects. Engineered wood construction typically produces lower greenhouse gas emissions than building with mineral-based materials. While the overall environmental impact of mass timber structures depends on the origin and sustainable management of the lumber used, mass timber constructions are generally more carbon-efficient. Simpson Strong-Tie offers an array of connectors and fasteners specifically designed for mass timber construction.

Innovating to Reduce Waste

While hardware remains our primary revenue source, software presents a significant growth opportunity for us. We offer a range of digital tools that assist builders in the design, engineering, and production of structures.

Our Integrated Components Services (ICS) solutions exemplify our commitment to innovation, enabling customers to save costs, minimize waste, and expedite processes. Our software empowers residential homebuilders to optimize lumber cuts efficiently for truss applications, thanks to an algorithm that takes the entire project into account. This ensures material optimization in truss construction. Given the high cost of lumber, minimizing cuts not only reduces physical waste on jobsites but also leads to substantial cost savings.

Addressing Energy Efficiency

Many of our products provide environmental solutions. We offer a range of solutions aimed at lessening the environmental footprint of buildings and, in 2022, the acquisition of ETANCO enhanced our portfolio of sustainable products.

ETANCO's innovative technology allows for the installation of façades on new or existing buildings, adding insulation that can cut energy consumption by up to 50%. Considering that about 75% of the building stock in the EU is currently not energy-efficient, we recognize a significant market opportunity for our products. This not only represents a business prospect for us but also offers consumers a way to lower emissions using our environmentally friendly product offerings. Through ETANCO, we will continue to innovate to address the market's need for energy-saving solutions.



Case Study:

New Factory in Horsens, Denmark

In the summer of 2024, Simpson Strong-Tie began occupying a newly-built facility manufacturing connectors in Horsens, Denmark. The new production facility replaced 17 older buildings and is positioned closer to major highways, significantly reducing the time and fuel needed to transport raw materials and finished goods.

Energy consumption has also decreased by transitioning from gas heating to electricity to warm the factory. Additionally, the plant began sorting waste, separating organic material from other recyclables like aluminum and paper, and now compresses cardboard and plastic to further reduce waste handling and transportation needs.





Corporate Governance

Corporate governance is crucial for Simpson, ensuring accountability, transparency, and ethical conduct. By upholding strong governance practices, we build investor trust, enhance long-term value, and mitigate risks effectively.



Corporate Governance

Highlights

Our 2024 net sales of \$2.2 billion increased 0.8% over 2023.

Our 2024 net income per diluted share was \$7.60.

We have a 5.6-year average Non-Employee Director tenure, as of the date of our 2025 Annual Stockholders' Meeting.

We have a Compensation Recovery Policy.

Since its establishment in 1956, our Company has thrived by steadfastly adhering to our principles, which prioritize ethical conduct, integrity, trust, and respect. We have developed policies, protocols, and leadership guidance that foster responsible governance and ethical operations. Our commitment to these values underpins our approach to comprehensive risk management and ensures adherence to legal standards.



Directors are currently serving on our Board.

Board of Directors

Upholding sound corporate governance practices is a top priority for our Company's Board of Directors. Our Corporate Governance Guidelines cover the roles and responsibilities of the Board of Directors, criteria for Board membership, Board structure and committees, director independence, and oversight of the Company's management and strategic direction. These Guidelines aim to promote transparency, accountability, and ethical business practices, aligning with regulatory requirements and protecting the interests of shareholders and other stakeholders.

Our Board of Directors represent stockholders' interests and set the standard for our strong ethical culture. Stockholders elect all Directors on an annual basis and a majority vote standard is applied. The Board ensures alignment between the interests of stockholders and the Company's operations.

As of our 2025 Annual Stockholders' Meeting on May 6, 2025, the Board consists of eight Directors, 88% independent, and each of our Audit and Finance, Compensation and Leadership Development, and Nominating and CSR Committees is composed entirely of independent Directors.

Our Corporate Governance Guidelines reflect the Board's commitment to monitor the effectiveness of policy-making and decision-making and provide a framework for the governance of the Company. The Board maintains four committees:

- Audit and Finance
- Compensation and Leadership Development
- Nominating and CSR
- Corporate Strategy and Acquisitions

We provide the charter for each committee on the [Governance Documents](#) page of our website. The first three committees consist entirely of independent Directors, and we maintain a split Chair/CEO leadership structure. Our independent Chair of the Board participates in setting the agenda for Board and Committee meetings and leads the Board's self-evaluation process.

The Board has a regular practice of assessing its own effectiveness as well as the diversity of skill sets of its members, the alignment of its areas of expertise with the Company's strategy and priorities, and its stewardship of company performance.

To ensure diversity in the opinions and experiences at the Board level, we seek directors from a variety of backgrounds and with expertise in a variety of industries. Of all Directors, 50% are women and 37.5% are ethnically diverse.

The Board is committed to holding itself to the highest ethical standard. It has adopted and oversees the enforcement of our [Code of Business Conduct and Ethics](#), which governs the conduct of our business and affairs and requires strict compliance with applicable laws by all employees and management, including members of the Board. Simpson Strong-Tie management is responsible for, and the Board is committed to, ensuring that the Company and its employees operate in a legal and ethically responsible manner and in conformity with the Code of Business Conduct and Ethics.

Board Refreshment

As of our 2025 Annual Stockholders' Meeting, average Non-Employee Director tenure was 5.6 years, a decline from 7.1 years at our 2024 Annual Stockholders' Meeting.

While we do not have a formal policy with regard to diversity in identifying Director nominees, the Board believes that the backgrounds and qualifications of Directors, considered as a group, should provide a significant composite mix of experience, knowledge, and abilities that will allow the Board to fulfill its responsibilities. Both gender and ethnic diversity are qualities that the Nominating and CSR Committee considers in its search for Director candidates.

The Board performs both an internal and external assessment that is overseen by the Nominating and CSR Committee. In addition, each committee of the Board completes an annual self-assessment of its performance and reviews a report on the self-assessment with the full Board.

In 2024, the Nominating and CSR Committee engaged Heidrick & Struggles to refresh its method of reviewing and evaluating Board skills in an effort to develop a more robust skills matrix that reflects each individual's strengths and expertise and to better communicate to stockholders the key qualifications that each Director nominee brings to the Board.

Corporate Governance

Compensation Philosophy

Simpson's executive compensation philosophy emphasizes pay-for-performance. Our philosophy is to provide executive compensation opportunities that are competitively positioned in light of appropriate comparative market data for companies similar to us in terms of revenue size and industry.

CSR Governance

Addressing issues of sustainability and environmental and social responsibility is an important component of our business strategy. Our Board of Directors plays an essential role in overseeing our sustainability strategy and progress.

Effective January 1, 2023, the Nominating and CSR Committee charter was revised to broaden the scope of the Committee's responsibilities to include oversight with respect to the Company's policies and programs that concern important environmental and social matters such as environmental sustainability, climate change, social justice, and diversity, equity, and inclusion.

Since 2019, our legal team has provided regular updates on sustainability performance to the Board. Sustainability performance is managed by our legal team.

Throughout the year, we engage with our stakeholders on topics important to them. In 2024, select members of our Board and management teams regularly engaged with stakeholders to discuss a variety of issues, including CSR. In addition, management regularly holds meetings with employees to discuss their concerns and the Company's strategic direction.

Moreover, our Enterprise Risk Management (ERM) framework encompasses Corporate Social Responsibility (CSR) concerns, with a particular focus on managing risks associated with climate change as an integral component of our ERM strategy.

Political Contributions

It is against our policy to use corporate funds for political purposes. In 2024, the Company did not give money to any political candidates. This stance is set out in our [Political Spending Lobbying Policy](#).



Conflict Minerals

Simpson does not directly buy Designated Minerals from smelters or refineries. Instead, these minerals come through intermediaries and are only needed for a small number of our several thousand products. We have made a good faith effort to trace the origin of these minerals, ensuring they don't come from certain high-risk areas. This process involves checking with the staff who know the materials used in our products and is backed by training programs implemented in 2013 to spot these minerals in the supply chain.

Starting in September 2012, we began internal checks to see if these minerals were essential for our products. We then traced the minerals back to our suppliers and got those suppliers to verify where the minerals came from, specifically for minerals occurring in products made after January 31, 2013. Following this thorough process, we found no evidence that the minerals necessary for our products came from the high-risk areas.

Data Privacy

At Simpson, we understand that protecting our customers' private data is not just a legal obligation but a fundamental aspect of maintaining trust and integrity in our business. As we build out our digital offerings, to include novel uses of AI in our field serving customers across the building industry and develop software and services to provide complete solutions, data privacy will only become more critical moving forward.

To further this commitment, we are pleased to announce the hiring of a dedicated EU Data Privacy Manager in Q4 2024. This role is crucial in ensuring our compliance with the General Data Protection Regulation (GDPR) across Europe as well as privacy operations globally.

Our approach to data privacy includes:

- **Transparency:** We are committed to being transparent about how we collect, use, and protect personal data. Our customers have the right to know what data we collect and how it is used.
- **Data Protection:** We employ advanced security measures to protect personal data from unauthorized access, disclosure, alteration, and destruction. This includes regular security audits and updates to our systems.

- **Compliance:** We adhere to all relevant data protection laws and regulations, including the CCPA/CPRA, PIPIDA, and GDPR. In this pursuit, we use the high watermark of existing legislation as our guidepost in our global operations.
- **Customer Rights:** We respect and uphold the rights of our customers regarding their personal data. This includes the right to access, correct, and delete their data, as well as the right to restrict or object to certain processing activities.

By prioritizing data privacy, we aim to build and maintain the trust of our customers and employees, ensuring their personal information is always processed fairly. We believe that a strong commitment to data privacy is essential for the long-term success of our business and the satisfaction of our customers.

Cybersecurity

As our business increasingly relies on digital systems, the threat of cyberattacks grows, Simpson continues to also grow and enhance our cybersecurity posture. Our Board of Directors oversees cybersecurity, and any incidents are reviewed at regular meetings, which are held at least four times per year. In recent years, we have expanded our team of cybersecurity

professionals, and we continue to purchase cybersecurity insurance to mitigate the impact of cybersecurity risks. Simpson utilizes the NIST Cyber Security Framework (CSF v2.0). Our framework also covers risk management and mitigation, AI governance, and data compliance responsibilities, including Payment Card Industry (PCI), Health Insurance Portability and Accountability Act (HIPAA), General Data Protection Regulation (GDPR), and California Consumer Privacy Act (CCPA). To understand and manage these risks to our environment, we collaborate with a third party to conduct annual penetration testing and annual controls risk assessments.

As our business evolves into a leading provider of software services to our market, we continue to provide best-in-class security scans of our solutions and third-party APIs and consistently scan our infrastructure technologies to ensure they are secure for our employees and customers. We continue to take actions to educate our workforce on the importance of data security, data privacy, and cyber risk management.

We will continue to comply with all cybersecurity and data privacy regulations in the regions in which we operate and to grow our program to meet the changing demands of the business landscape.

Value Chain

Manufacturing high-quality products requires an ethical and resilient supply chain. We view our supplier relationships as a key competitive advantage. To deliver for our customers, we seek to develop long-term supplier relationships. Staying in frequent communication with our suppliers maintains trust and effective collaboration and promotes sustainable business practices in our upstream value chain.

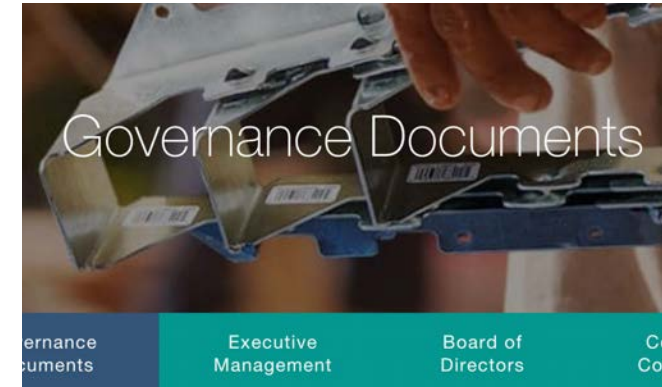
Our Approach

As a North American- and European-manufacturing leader, we monitor risks throughout our supply chain. While we purchase a wider range of materials and services, steel and freight are our highest expenses.

The steel production industry is a significant producer of carbon dioxide, contributing to 7–9% of global carbon emissions as estimated by the World Steel Association. Upstream operations, involving the extraction and processing of raw materials, significantly impact the environmental footprint of our products. However, our steel sourcing methods have helped reduce the emissions intensity of these products.

We predominantly acquire steel from mini-mills that utilize electric arc furnace (EAF) technology, which generates fewer emissions than traditional blast furnace methods.

Furthermore, these mini-mills predominantly use recycled materials, often up to 85%, in their production processes. In our U.S. operations, procuring steel from mini-mills allows us to source materials domestically, thereby reducing the transportation distance to our plants. This not only lessens emissions and freight-related expenses but also enables the use of rail transport, which is our preferred logistics method. Additionally, sourcing from US-based mini-mills strengthens our relationships with suppliers, providing benefits that extend beyond environmental impact reduction.

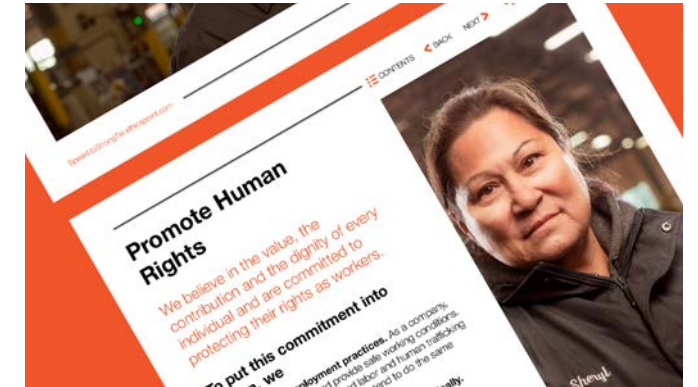


Our Policies

Every supplier doing business with Simpson Strong-Tie should be committed to providing a healthy and safe working environment. We seek a supply chain where workers are free from discrimination and where human rights and the environment are respected.

Our [Supplier Code of Business Conduct and Ethics](#) (“Supplier Code”) outlines the standard we expect from our business partners, including maintaining compliance with applicable laws. Our Supplier Code contains principles to promote ethical conduct in the workplace, safe working conditions, the protection of sensitive information, the treatment of workers with respect and dignity, and responsible sourcing and manufacturing practices.

To ensure the materials we produce are compliant with our Supplier Code, we expect all business partners to be able to demonstrate compliance with these requirements upon request.



Position on Human Rights

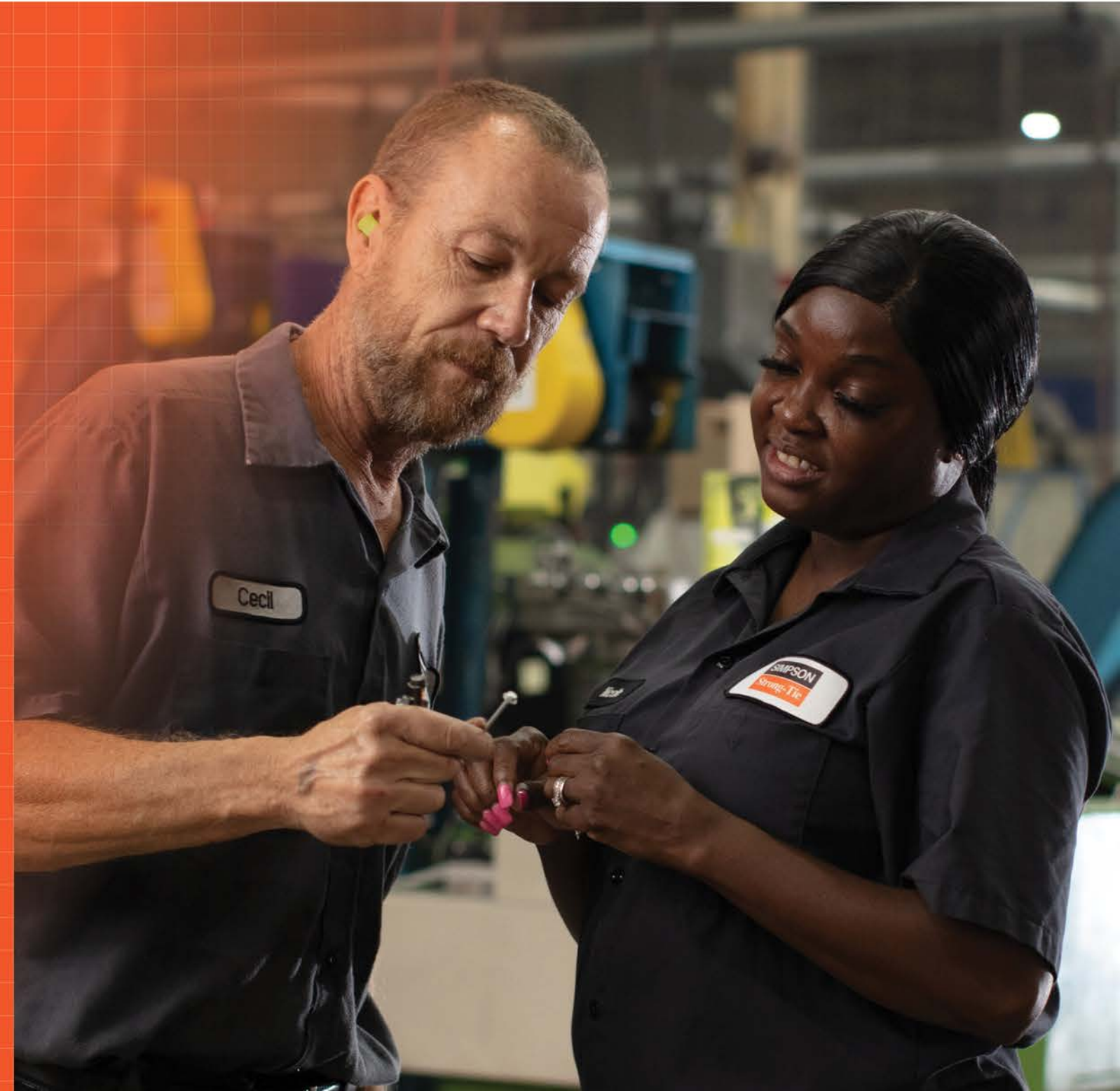
To protect human rights within our sphere of influence, we encourage and support our suppliers and other business partners to act in accordance with internationally recognized standards. The principles set forth in U.S. Human Rights laws, the United Nations’ Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the Ten Principles of the UN Global Compact guide our commitment.

Consistent with International Labour Standards, we expect our business partners to follow all working age laws in their country of operation. They should comply with all local legal requirements for the work of authorized young workers, particularly those pertaining to hours of work, wages, and working conditions. To ensure compliance, we expect them to keep a record of their employees’ ages, among other data. We outline these standards in our [Position on Human Rights](#).



Appendix

To inform our actions and provide transparency to our stakeholders, we report on our TCFD framework, the UN SDGs, and our applicable SASB metrics.



SASB Index 2024

Industry Machinery & Goods		
SASB Goods	Metric	Response
RT-IG-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable.	In 2024, our total energy consumed was 292,165 GJ, and the percentage of electricity procured from the grid was 75.7%.
RT-IG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) Good Catches Per Person (GCPP).	In 2024, our Total Recordable Incident Rate (TRIR) was 0.99, we had zero fatalities, and our Good Catches Per Person (GCPP) was 4.75.
RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles.	Most products we produce do not consume energy while in use. While we do have product lines, such as EstiFrame and Quik Drive®, that are powered by energy during their use, this is a small portion of our revenue. We do not manufacture medium- or heavy-duty vehicles.
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials.	<p>Our products require many raw materials. Each is critical to the manufacturing process. Therefore, a restriction in supply of any individual input can halt production.</p> <p>However, most critical materials we source, including steel, are commodities. Thus, we seldom face limits on availability, though we may encounter rising costs. We operate in a competitive environment and, should commodity prices increase, our industry peers will face similar market conditions. As a result, we will not be at a competitive disadvantage.</p> <p>In certain instances, we engage in hedging activities to guard against the fluctuation of commodity prices.</p> <p>To reduce the risk of short-term supply restrictions, we keep inventory of raw materials upon which we can draw. In addition, if the supply of a material becomes restricted, we prioritize the SKUs that are most important to our customers and business.</p> <p>Lastly, wherever possible and particularly with a single-sourced critical material, we will diversify the vendor base for that material.</p>
RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services.	Five of our products are CDPH Standard Method Certified: our SET-3G®, ET-3G™, SET-XP®, AT-3G™, and AT-XP® anchoring adhesives. In 2024, these products represented 2.3% of Simpson Strong-Tie's total revenue.

SASB Index 2024

Building Products & Furnishings		
SASB Goods	Metric	Response
CG-BF-250a.1.1	Discussion of the business and operational processes it employs to assess and manage potential risks and hazards associated with the use of materials, chemicals, and substances (hereafter “chemicals”).	<p>For chemicals that may be detected at certain levels in the company’s finished products, we have set company processes and procedures to adhere to proper communication of hazards. We base this communication on the Globally Harmonized System of Classification and Labeling of Chemicals. Product information is communicated to employees and customers through Safety Data Sheets (SDSs). SDSs discuss composition, hazards, first aid, handling and storage instructions, and additional national standard classifications. All product SDSs are available on our website.</p> <p>We pay close attention to chemicals used in the manufacturing process. Our safety procedures apply to chemicals that are used for facility maintenance and to chemicals used in our finished goods. We use SDSs to determine appropriate handling, storage, and PPE needed to keep employees and equipment safe.</p>
CG-BF-250a.1.2	Description whether its approach to chemicals management is characterized by a hazard-based, risk-based, or other approach.	Our chemical management processes use both a hazard- and a risk-based approach. Hazard-based aspects are used when taking information from the SDS about human health and environmental toxicological information. We pay close attention to exposure rates and levels to ensure we are well within safety parameters. We use a risk-based approach when assessing the impact of prolonged exposure to a chemical and how to either prevent exposure or change procedure, use PPE, or substitute chemicals to lessen hazards. We will never use any chemical or material that is considered extremely hazardous to human health or the environment, and we continually look for less hazardous chemicals as substitutes.
CG-BF-250a.1.3	Operational processes employed for chemicals management.	<p>To maintain safe working conditions for our employees, we have safeguards in place to reduce the use of chemical materials and ensure that the chemical materials used are handled safely. We take a holistic approach to hazardous substance management and address challenges through the full life cycle of a product. Our R&D Team ensures that certain environmental or health hazardous chemicals are omitted from our product formulas. Beginning in the research and development phase, we consult with our Environmental, Health, and Safety (EHS) Team to understand the impact of a chemical and whether it is suitable for our product. Only when materials have been cleared by the EHS Team do we procure.</p> <p>Throughout the process, our Product Management Team works with our EHS Team to ensure correct labeling and marketing of our products. When the bill of materials and formulations are finalized, we communicate known hazards and obtain the correct PPE for our employees.</p>
CG-BF-250a.1.4	Approach to chemicals management in the context of each stage in its products’ life cycles.	<p>From procurement to finished goods, we follow our raw materials through their life cycle. When R&D tests for chemicals, they examine the associated chemical hazards. After consulting the Safety Team and going through the testing process for chemical performance, we then move to procuring raw materials in bulk. Once raw materials are obtained, they are properly labeled, hazards are communicated to production employees, and steps for correct handling are provided, if needed. Storage is based on SDS and raw material manufacturer recommendations. While production begins for finished goods, SDSs are created and published, and the EHS Team works with the Marketing department to ensure hazards and any additional required HAZMAT information are communicated on labels and packaging.</p> <p>While we do not use any specific assessment tool to track hazards, our R&D department assesses the environmental and physical hazards associated with any new chemical products. We also periodically reevaluate chemicals and will never source a more hazardous substance if a material is in short supply.</p>
CG-BF-250a.1.5	Description of chemical prioritization for reduction and/or elimination from its products.	See chemicals section.
CG-BF-250a.1.6	Third-party verification of chemical content.	Testing is performed on each batch of every product. Exact testing is product-dependent and can include: FTIR, gel time, viscosity, density, and adhesive pull-off strength. FTIR is the most rigorous of these for chemical composition -- spectra are evaluated from 4000-cm to 650-cm measured every 4-cm; the criterion for passing is a correlation coefficient of 0.999 or better, which represents a consistent chemical content greater than 99% of all batches of that product. NSF audits our quality records and tests our listed products annually. UL, ICC-ES, or IAPMO audits our quality records semi-annually. Some products are audited by multiple agencies. For products that are code listed, the agency or agencies that audit and test our materials are listed online and in our product catalogs.

SASB Index 2024

Building Products & Furnishings Continued		
SASB Goods	Metric	Response
CG-BF-250a.1.7	Chemicals management policies and practices by geographic region.	Throughout our operations, our products are subject to regulatory compliance, which leads to many similarities globally. We adhere to GHS for our classification and labeling, but our procedures differ slightly in different regions. At our European production sites, Hazard Communication varies. We set different rules according to those set by additional governing entities. Our concrete business unit requires the greatest attention to chemical hazards. Other business segments use chemicals for maintenance and coatings.
CG-BF-250a.1.8	Identified chemicals for reduction or elimination.	We currently do not have any chemicals that we have actively identified for change. Simpson is working on establishing a procedure to identify and document chemical changes to our products. We currently have no specific products that require this. We pay close attention to IARC Monographs/Annex XVII for listed chemicals and do not use these substances.
CG-BF-250a.2	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards.	Simpson follows CDPH Standard Method v1.2 Compliance Certified by UL for five of our products: our SET-3G®, ET-3G™, SET-XP®, AT-3G™, and AT-XP® anchoring adhesives.
CG-BF-410a.1	Description of efforts to manage product life cycle impacts and meet demand for sustainable products.	Simpson is currently working with a third party to conduct life cycle assessments for several product lines.
CG-BF-410a.2	(1) Weight of end-of-life material recovered, (2) percentage of recovered materials recycled.	We do not systematically recover our materials at the end of their useful life.

UN Sustainable Development Goals

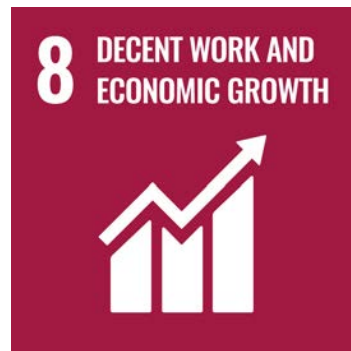
Simpson Strong-Tie supports the UN Sustainable Development Goals (UN SDGs).

Our business is well suited to make a positive impact on four of the 17 goals. Our ESG work aligns with UN SDGs #8 (Decent Work and Economic Growth), #9 (Industry, Innovation, and Infrastructure), #11 (Sustainable Cities and Communities), and #12 (Responsible Consumption and Production).

We will continue to evaluate our impact on these four UN SDGs, as well as the extent to which we can positively affect any other UN SDGs.

Our progress on the four SDGs where we believe we have the most direct impact is outlined below.

Goal #8: Decent Work and Economic Growth



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

As of December 31, 2024, we employed 5,872 people compared to 5,497 on December 31, 2023. This represents a 6.8% year-over-year increase in headcount. Our approach to decent work is driven by our belief that Everybody Matters (#5 among our nine Company Values). Our Health & Safety Team works diligently to promote a safe working culture and environment. We have programs to train and educate our workforce and have initiatives to provide skills for people living in the communities in which we operate. To protect human rights within our sphere of influence, we encourage and support our suppliers and other business partners (collectively “business partners”) to act in accordance with internationally recognized standards. Finally, we are taking action to decouple economic growth from environmental degradation through energy, water, and waste reduction projects.

UN SDG Targets Impacted		Source
8.2	Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high-value added and labour-intensive sectors.	• 2024 CSR Report: Innovation Pillar
8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.	• 2024 CSR Report: Environmental Pillar
8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	• 2024 CSR Report: Value No. 5: Everybody Matters • 2024 CSR Report: Equal Pay
8.6	By 2020, substantially reduce the proportion of youth not in employment, education, or training.	• 2024 CSR Report: Social Impact • 2024 CSR Report: Determining our Material Topics
8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	• 2024 CSR Report: Position on Human Rights • 2024 CSR Report: Health & Safety

Sustainable Development Goals

Goal #9: Industry, Innovation, and Infrastructure



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

Our mission is to provide solutions that help people design and build safer, stronger structures. Our solutions improve the resiliency of structures and communities around the world, addressing the rise in extreme weather events and the occurrence of other disasters like earthquakes. Further, we produce retrofitting solutions that improve the longevity of current structures. Most of our products are developed through an internal research and development program. Our Engineering, Sales, Product Management, and Marketing teams work together with architects, engineers, building inspectors, code officials, builders, and customers in the new product development process. Since at least 2006, we have generally developed 45 to 75 new products every year. In 2024, through our research and development efforts, we developed over 65 new products, expanding our product offerings.

UN SDG Targets Impacted		Source
9.1	Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.	<ul style="list-style-type: none"> 2024 CSR Report: Climate 2024 CSR Report: Innovation System for Reinforcement on strongtie.com
9.2	Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.	<ul style="list-style-type: none"> 2024 CSR Report: Our Business
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.	<ul style="list-style-type: none"> 2024 CSR Report: Innovation
9.5	Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.	<ul style="list-style-type: none"> 2024 CSR Report: Chemicals 2024 Annual Report: New Products

Goal #11: Sustainable Cities and Communities



Make cities and human settlements inclusive, safe, resilient, and sustainable.

Our products are installed in infrastructure projects around the world. We design and manufacture products including moment frames, shearwalls, structural connectors, anchors, fasteners, and fiber-reinforced polymers to keep structures safe and strong. Our products help ensure that structures remain intact and usable after certain disasters, mitigating economic, environmental, and community impact. With our use of the Carbophalt™ and Glasphalt™ asphalt reinforcement grids, our European Union customers can build roads that are stronger and more economical. Further, our solutions are proven to extend the service life of roads, highways, and other heavy-use areas.

UN SDG Targets Impacted		Source
11.2	By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities, and older persons.	<ul style="list-style-type: none"> Carbophalt on https://www.sp-reinforcement.eu/en-EU/systems/sp-asphalt-reinforcement
11.5	By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.	<ul style="list-style-type: none"> 2024 CSR Report: Innovation Pillar

Sustainable Development Goals

Goal #12: Responsible Consumption and Production



Ensure sustainable consumption and production patterns.

At Simpson Strong-Tie, we operate in a safe and environmentally responsible manner to benefit society, the economy, and the environment. We're committed to continually improving the efficiency of our resource use to lessen our environmental impact. We recognize the important role we play in safeguarding our natural environment and are committed to designing and manufacturing products with environmental conservation in mind. Within our operations, we're taking action to reduce the consumption of natural resources and to increase our rate of recycling. To evaluate the life cycle impact of our products, we are currently conducting Environmental Product Declarations on several of our product lines. Through Safety Data Sheets, we provide information as to how our products can be safely handled, stored, and disposed of.

UN SDG Targets Impacted		Source
12.2	By 2030, achieve the sustainable management and efficient use of natural resources.	<ul style="list-style-type: none"> 2024 CSR Report: Environment Pillar
12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water, and soil in order to minimize their adverse impacts on human health and the environment.	<ul style="list-style-type: none"> 2024 CSR Report: Chemicals
12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	<ul style="list-style-type: none"> 2024 CSR Report: Waste
12.7	Promote public procurement practices that are sustainable, in accordance with national policies and priorities.	<ul style="list-style-type: none"> 2024 CSR Report: Position on Human Rights 2024 CSR Report: Labor, Health, and Safety Practices 2024 CSR Report: Compliance With Our Supplier Code of Conduct
12.8	By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.	<ul style="list-style-type: none"> 2024 CSR Report: Chemicals 2024 CSR Report: Innovation Pillar

TCFD Report

Message from the Nominating and CSR Committee Chair

We are pleased to present our inaugural Task Force on Climate-related Financial Disclosures (TCFD) Report. This report offers insights into our approach to identifying and evaluating climate-related risks and opportunities. Through this analysis, we aim to demonstrate how these insights are woven into our business considerations, positioning us to effectively navigate the evolving landscape of climate change.

Simpson Strong-Tie operates within the built environment, a sector significantly impacting greenhouse gas emissions. To address this, we bring innovative products and services to market, many of which mitigate both embodied and operational carbon in structures.

By leveraging our expertise, we are committed to helping create a more sustainable future through the reduction of carbon footprints in the construction manufacturing industry.

Looking ahead, we envision a future where demand for safer, stronger, and more sustainable structures drives greater demand for our offerings. To capitalize on our opportunities, we will collaborate closely with our customers, suppliers, and employees to tackle the challenges and harness the opportunities presented by climate change. Through these efforts, we aim to enhance shareholder value while contributing positively to climate solutions.

Sincerely,



Chau Banks
Chair of the Nominating and CSR Committee



We aim to enhance shareholder value while contributing positively to climate solutions.”

TCFD Report

Introduction

Simpson Strong-Tie designs, engineers, and is a leading manufacturer of structural solutions for wood, concrete, and steel connections. These solutions help customers design and build safer and stronger structures. We see that the impacts of climate change on humans and natural systems are clear and accelerating. Simpson Strong-Tie remains committed to mitigating climate-related risks and maximizing opportunities to protect human health and strengthen our business resiliency.

In 2024, we began our TCFD journey by assessing our climate-related risks and opportunities. In alignment with the recommendations developed by the TCFD, this report shares our climate governance, strategy, risk management, and metrics.



TCFD Report

Governance

We recognize the importance of incorporating sustainable environmental and social responsibility into our business strategy. Both our Board and our management team are dedicated to identifying, understanding, and addressing climate-related risks and opportunities.

Our Board of Directors oversees our sustainability strategy and progress. The Board's Nominating and CSR Committee examines the Company's policies and programs pertaining to critical environmental and social issues such as environmental sustainability and climate change. Further details can be found in our Nominating and CSR Committee's Charter and in our Corporate Social Responsibility (CSR) Report.

Since 2019, our legal team has furnished updates on sustainability performance to the Board on a quarterly basis. Sustainability performance is overseen by our legal department.

And, within the legal department, we have a dedicated team of enterprise CSR professionals who work across the organization to address both environmental and social issues within the Company. The CSR team also collaborates with our ERM (Enterprise Risk Management) team to identify environmental and social risks and develop strategic approaches to managing them. Further, the CSR team engages with our EHS (Environmental, Health & Safety) personnel at each plant to execute our climate initiatives.

Select members of our management team consistently interact with stakeholders to discuss a myriad of issues, including those considered to be CSR-related. Additionally, management convenes regular meetings with employees to address their concerns and discuss the Company's strategic direction.



TCFD Report

Strategy

In 2024, Simpson evaluated the potential business impact of climate-related physical risks as well as the risks associated with a transition to a low-carbon economy. To inform our analysis, our CSR team conducted interviews with members of our ELT (Executive Leadership Team) and SMEs (subject matter experts) across the organization to identify and assess climate-related risks and opportunities we may face over the short term, medium term, and long term. We will continue to conduct this review annually and will also analyze the likelihood, impact, and velocity of identified risks.

Because our mission is to help customers design and build safer, stronger structures, we believe we can play a vital role in climate adaptation solutions. As climate change increases the severity of storms, we anticipate a growing demand for products that make structures more resilient.

In addition to adaptation solutions, we design and manufacture products whose use in the built environment can help to reduce carbon released into the atmosphere. Our 2023 CSR Report outlines our efforts to promote engineering solutions that support mass timber construction.



After Hurricane Michael struck the Florida Panhandle, the “Sand Palace” remained mostly unscathed, showcasing the resilience of its robust construction, fortified with Simpson Strong-Tie components, against one of the fiercest storms in recent history.

TCFD Report

Climate-Related Financial Risk

Physical	Climate's Impact on Housing Starts	Climate change could exacerbate weather events. Hot, cold, or wet conditions can impact housing starts, materially affecting our sales and stock price. Climate change, drought, storm activity, and other weather conditions could have a materially adverse impact on our results of operations.
	Supply Chain Disruptions	Fast delivery is a key service we provide to our customers. Climate change could exacerbate weather events leading to delivery delays.
	Increased Insurance Premiums	Climate change-induced storms could increase insurance premiums or reduce coverage at certain at-risk locations.
	Natural Weather Events	Climate change-induced natural disasters (fires, floods, high-wind events) could put our physical assets at risk.
Transition	Product Mix	Our growth may depend on our ability to develop new products and services and penetrate new markets, which could reduce our profitability. If the market demands climate solutions we do not produce, our revenue may be negatively impacted.
	Operational Costs	Pressures to decarbonize manufacturing could increase Simpson's operational costs. Increased capital expenditures may be needed to comply with new regulations. The cost of manufacturing our products is also sensitive to the price of energy. If the cost of energy increases, this may reduce our profitability.
	Climate and Emissions Policy	Mandatory and/or more rigorous reporting requirements related to climate change and emissions management mandated by policymakers may entail higher expenses.
	Building Regulation	Increased climate-related regulation could increase complexity and cost of building, reducing housing starts and demand for our products.
	Product Labeling	Several customers have requested Environmental Product Declarations (EPDs). Inability to produce these could jeopardize some client relationships.
	Import Tariffs	We are subject to a number of import tariffs. Under the European Union's Cross-Border Adjustment Mechanism (CBAM), we may be subject to paying additional import tariffs.
	Fines	If we are unable to comply with climate-related regulations, we may be subject to fines.
	Resource Availability	Inability to procure energy due to lack of availability may disrupt our operations.
	Brand Equity	The perceived lack of action to address climate change could impair Simpson's ability to attract employee talent or otherwise tarnish our brand for some stakeholders.

TCFD Report

Risk Management

Risk management at Simpson is overseen by the Audit & Finance Committee of the Board of Directors, which is responsible for setting our risk tolerance. The committee meets at least quarterly throughout the year to ensure a robust and continuous evaluation process. We assess both existing and emerging risks, categorizing them into short, medium, or long term. Short-term risks are those expected to materialize within one to three years, medium-term risks within four to 10 years, and long-term risks beyond 10 years.

In our risk evaluation process, we consider both the severity and the likelihood of climate-related risks. This comprehensive approach allows us to prioritize and manage risks more effectively. Looking forward, we also plan to assess the velocity of risks, which is defined as the time that elapses between the occurrence of an event and the point at which the Company feels its effect. This will help us better understand and respond to the dynamic nature of climate-related risks.

To inform our analysis, the CSR and ERM team actively engages with internal leaders who are well-positioned to identify and assess risks. This collaboration ensures that our risk management strategy is grounded in a deep understanding of our business operations and the broader environmental context.

By continually refining our risk management practices, we aim to enhance our resilience and sustain our commitment to creating long-term shareholder value while addressing the challenges posed by climate change.

Simpson Strong-Tie also engages with a wide range of external stakeholders on climate-related issues, including community partners, industry peers, suppliers, and government agencies. We engage with the investor community to confirm our understanding of, and resilience to, potential climate-related risks to our value chain and our business.

The CSR team, in conjunction with our ELT, will conduct an annual review of climate-related risks, informed by discussions with our individual manufacturing facilities in North America and Europe. The ERM team also identifies climate-related risks and integrates them into a comprehensive list that is presented to the CSR Steering Committee for thorough review, discussion, and implementation.

After internal discussions used to identify climate-risks, our ELT reviews the likelihood, impact, and velocity of risks. Based on these discussions, we prioritize risks identified. From this prioritized list, we formulate activities, initiatives, and capital projects.

The ERM team that reports directly to the Audit & Finance Committee of the Board also identifies climate-related risks and collaborates with the ELT and the CSR team to address those risks. Finally, our CSR Steering Committee is charged with operationalizing the prioritized list of climate-related risks. They help with the design and execution of risk-mitigating programs.

The ERM team engages in regular conversations with leaders throughout the Company to understand a broad range of risks they consider pertinent. This collaborative approach ensures a comprehensive understanding of the risk landscape, incorporating diverse perspectives from various departments.

Additionally, the ERM team educates leaders on the evolving risk landscape, including substantial risks identified by other companies in our industry. These educational efforts are crucial in keeping our leadership informed and prepared for emerging threats.

Through these discussions, the ERM team occasionally includes external insights and benchmarks, enriching our internal risk assessment with broader industry knowledge and best practices. This proactive approach helps us stay ahead of potential challenges and reinforces our commitment to resilient and sustainable business operations.

TCFD Report

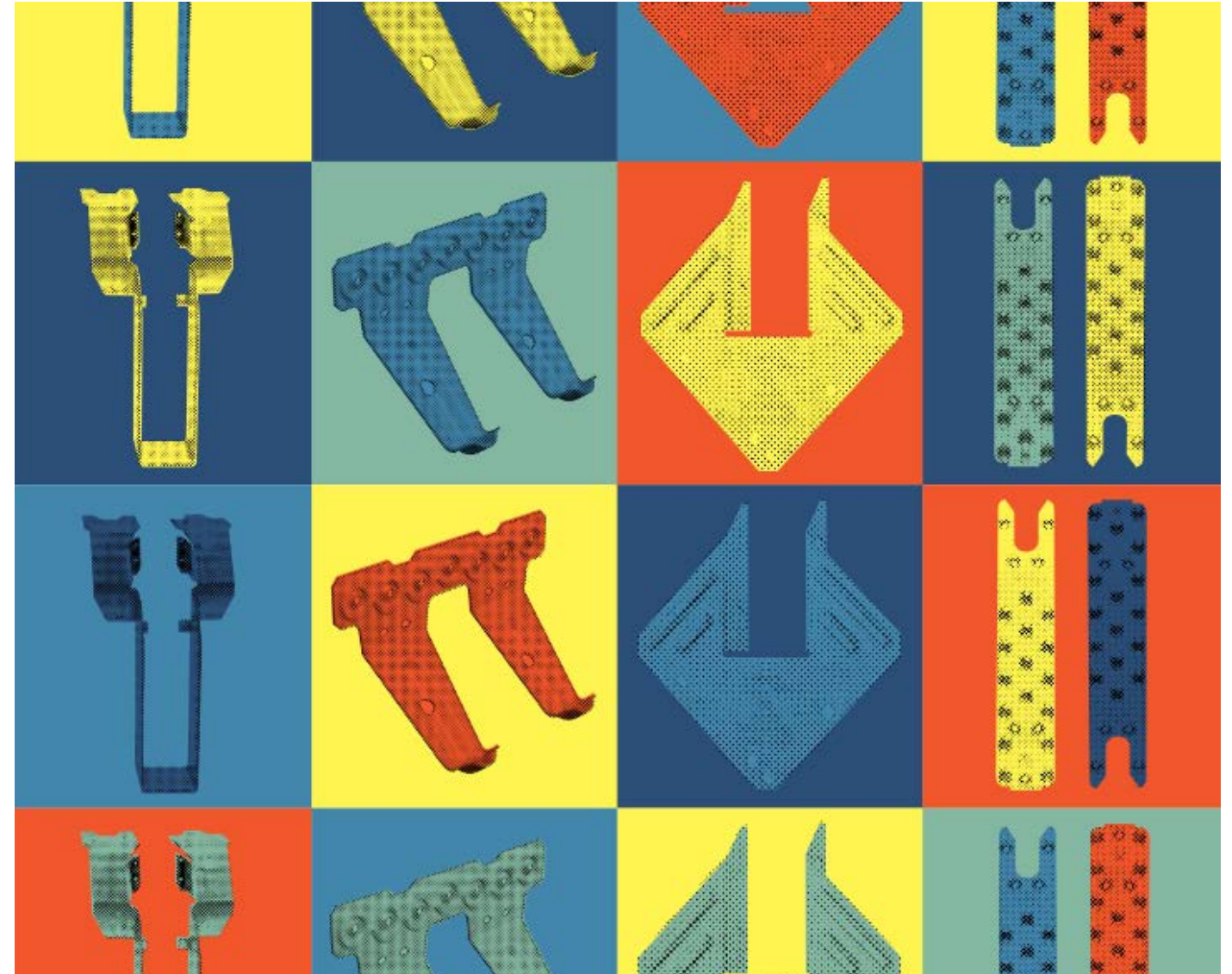
Metrics

We have been deliberate in selecting metrics that best reflect our climate performance. In choosing these metrics, we review common benchmarks in the peer landscape and regulatory requirements. We also consider the ease and accuracy of tracking the data internally.

To understand our performance regarding climate-related risks and opportunities, we internally review a variety of both nominal and intensity-based metrics. To evaluate our readiness to operate in a carbon-constrained economy, we gauge our total energy consumption and monitor our efficiency, measured by our carbon-to-production ratio. Additionally, we calculate both our Scope 1 and Scope 2 GHG emissions. Currently, we aim at continuous improvement in our performance across a range of environmental criteria.

Looking Forward

Our 2024 analysis was an important step in our climate journey and we intend to advance our climate-related strategy and efforts. We will continue to execute on our enterprise-wide assessment to better understand our carbon footprint and continuously improve our performance. Going forward, we will continue to assess and report our climate-related risks and opportunities and, where appropriate, further refine our action plans and strategies.



TCFD Report

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Governance

Disclose the organization’s governance around climate-related risks and opportunities.

a) Describe the board’s oversight of climate-related risks and opportunities.

• 2024 CSR Report: Sustainability Governance

b) Describe management’s role in assessing and managing climate-related risks and opportunities.

• 2024 CSR Report: Sustainability Governance

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is available and material.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long terms.

• TCFD Report: Strategy
• Annual Report: Pages 12–25

b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

• TCFD Report: Strategy
• 2024 CSR Report: Innovation

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

a) Describe the organization’s processes for identifying and assessing climate-related risks.

• TCFD Report: Risk Management

b) Describe the organization’s processes for managing climate-related risks.

• TCFD Report: Risk Management

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management approach.

• TCFD Report: Risk Management

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

• TCFD Report: Metrics

b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

• 2024 CSR Report: Environment

c) Describe the targets used by the organization to manage climate-related risks and opportunities and its performance against those targets.

• TCFD Report: Metrics



Simpson Manufacturing Co., Inc.
5956 W. Las Positas Boulevard
Pleasanton, CA 94588
Tel: (800) 925-5099
Fax: (925) 847-1608
simpsonmfg.com

