

2023 SUSTAINABILITY REPORT

governance



social



environmental



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ABOUT MATRIX

Matrix Service Company (Nasdaq: MTRX) is a publicly traded company whose comprehensive understanding of our end-markets, together with our expertise and client-focused approach to project delivery, allows us to serve many of the most well-known energy and industrial companies in the world.

Headquartered in Tulsa, Oklahoma, we also maintain offices across the U.S. and Canada as well as in Sydney, Australia; Seoul, South Korea; and Dubai, UAE.

ABOUT THIS REPORT. This Report has been prepared as directed by our Board of Directors and executive leadership; summarizes the performance of Matrix Service Company and our subsidiaries — Matrix PDM Engineering, Matrix NAC, Matrix Service, Matrix Applied Technologies, and Matrix Project Services (collectively, “Matrix,” “the Company,” “We,” or “Our”); and includes our approach to sustainability. To ensure consistency and transparency in reporting, Matrix has aligned its ESG related disclosures with the International Sustainability Standards Board (ISSB) which incorporates the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) under the International Financial Reporting Standards (IFRS) Foundation.

REPORTING PERIOD AND DATA. Unless otherwise noted, all information in this Report is presented as of the fiscal year period from July 1, 2022 through June 30, 2023. Data is specific to Matrix and not its suppliers or clients. All currency amounts are in U.S. Dollars.

MATERIALITY. In this Report, materiality refers to the relative significance of Environmental, Social, and Governance (ESG) efforts

and their impacts. It does not refer to the overall impact on our financials, business, operations, or market value.

SAFE HARBOR. This Report contains certain forward-looking statements concerning Matrix Service Company’s operations, economic performance and management’s best judgment as to what may occur in the future. The actual results for the current and future periods and other corporate developments will depend upon a number of economic, competitive and other influences, many of which are beyond the control of the Company, and any one of which, or a combination of which, could materially affect the results of the Company’s operations. Such forward-looking statements are subject to a number of risks and uncertainties as identified in the Company’s most recent Annual Report on Form 10-K and in subsequent filings made by the Company with the SEC. To the extent the Company utilizes non-GAAP measures, reconciliations will be provided in various press releases and on the Company’s website.

PHOTOS AND TRADEMARKS. Photos in this Report may include client project sites, Matrix employees, and members of our Board of Directors. Trademarks and logos appearing in this Report related to Matrix are owned by Matrix Service Company. All other trademarks and logos are owned by third parties which do not necessarily share the opinions expressed in this Report.

FURTHER INFORMATION. Questions about this Sustainability Report should be directed to:

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OUR PURPOSE

To build a better future, improve quality of life, and create long-term value for our people, business partners, stockholders, and communities.

OUR VISION

To be the company of choice for engineering, constructing, and maintaining the energy and industrial infrastructure that people rely on around the world.

OUR CORE VALUES

Commitment To Safety
Integrity
Positive Relationships
Stewardship
Community Involvement
Deliver The Best



A MESSAGE FROM OUR PRESIDENT AND CEO

Fiscal 2023 was a year that saw the dedication and hard work of our teams over the last few years begin to come to fruition. We have transformed our organization to build a foundation of operational excellence that enables us to leverage our cost structure, improve our efficiency and competitiveness, and deliver best-in-class quality in everything we do.

We have laid a strong foundation for our future and made significant progress on our journey back to growth and profitability.

We focused our business on the core markets that best align with our skills, expertise, and strong brand.

We have begun an award cycle that we believe will be a multi-year backlog build supported by strong tailwinds including the Inflation Reduction Act and other key macroeconomic drivers. The reshaping of the global energy markets, the push towards lower carbon activity, and industrial reshoring all create long-term opportunities for our business.

We further strengthened our balance sheet and operating capabilities, focused on elevating our culture of quality, and continued to build deeper relationships with our clients, business partners, stockholders, and communities.

Finally, in addition to our focus on strengthening our operational excellence and financial performance, we continued to make advances in environmental stewardship as well as fine-tuning our already strong position in social responsibility, and strong governance.

I am pleased to report on the work we are doing to continue advancement of our sustainability strategy.

Building on our work in fiscal 2021 and 2022, including establishment of our ESG governance framework as well as alignment of our ESG-related disclosures with the ISSB under the IFRS Foundation, in fiscal 2023 we:

- Strengthened our focus on quality, health, and safety through additional communication and training, as well as ongoing implementation of our Integrated Management System (IMS) and related consolidation of best practices and procedures;
- Initiated and completed a third-party Greenhouse Gas (GHG) emissions assessment to ensure appropriate procedures for reporting and quantification of our environmental metrics were

OUR LONG-TERM SUSTAINABILITY STRATEGY



SUPPORT OUR CLIENTS' LOW CARBON OBJECTIVES

- Work with clients and partners to drive innovation in climate change adaptation and mitigation, sustainable design, and social value
- Ensure the work we do in partnership with our clients leaves a positive, lasting impact in the community and for our planet



EVALUATE OUR GREENHOUSE GAS (GHG) EMISSIONS AND CONTROLS TO PROVIDE A FOUNDATION FROM WHICH TO SET TARGETS AND TIME HORIZONS

- Perform an organizational assessment to identify additional Scope 1, Scope 2, and Scope 3 emissions considered material to our operations



IMPROVE SOCIAL OUTCOMES

- Achieve and maintain a zero incident safety culture
- Foster a culture of quality
- Ensure our project teams reflect the diversity of the clients and communities we serve
- Promote social equity, diversity, and inclusion across our supply chain
- Emphasize and continue to support training and development opportunities for our people



EMBED A CULTURE OF SUSTAINABILITY AND RESILIENCE ACROSS OUR ORGANIZATION

- Develop and implement an action plan for reducing the carbon impact in our corporate and regional offices as well as key project sites
- Embed ESG into our decision-making processes by elevating training and awareness about ESG and its importance
- Develop and improve our ESG processes and disclosures each year
- Continue to increase our bench strength in emerging energy markets
- Strengthen training and development opportunities in emerging energy markets and related technologies
- Promote diversity and inclusion to help drive innovation



CONTINUOUSLY EVALUATE AND IMPROVE OUR GOVERNANCE

- Maintain best-in-class corporate governance
- Develop an enterprise framework to assess ESG and climate-related risks in potential projects
- Track and report ESG performance in line with leading industry frameworks such as ISSB which incorporates the recommendations of the TCFD and SASB, and the GHG Protocol Corporate Standard

in place and best practices are documented and implemented;

- Formalized our [Diversity, Equity, and Inclusion \(DEI\) Policy](#), engaged in learning events sponsored by our Employee Resource Groups, and participated in third-party surveys such as Great Place to Work® and the Disabilities Equality Index to assist in the identification of areas for improvement;
- Identified current suppliers and subcontractors that meet supplier diversity requirements and are certified, implemented our [Supply Chain Diversity Policy](#), and began implementation of our supplier relationship management system; and
- Continued to give back to the communities in which we live and work through financial contributions, as well as the time and talent of our employees.

While we are proud of the progress made this fiscal year, there is still much to be done. As we move forward, we expect to:

- Enhance the work of our enterprise-wide ESG subcommittees in providing consultation, proposing actions, and monitoring results for each respective pillar.
- Identify and implement reporting tools to automate the collection of sustainability data, beginning with GHG emissions. Doing so will further ensure the completeness, accuracy, and consistency of these important metrics.
- Identify and implement actions to strengthen ESG awareness enterprise-wide and further embed ESG into our Company culture.
- Continue to identify top sustainability priorities, risks, and opportunities for our business, and further refine our sustainability strategy.

In closing, I am extremely proud of our employees for their dedication and resilience. I look forward to reporting on our ongoing achievements in future reports.

John R. Hewitt
President and Chief Executive Officer

GOVERNANCE

At Matrix, we believe that strong governance and active oversight by our Board of Directors is critical to creating sustainable stockholder value, strengthening enterprise-wide accountability, and building trust with all stakeholders.

Our Board of Directors sets high standards for themselves, our officers, and our employees. They bring diverse perspectives and significant experience in both the services we provide and end-markets we serve. They also bring expertise in other areas critical to our strategies and growth plans, including finance, risk management, business development, international operations, and ESG.

To fulfill their fiduciary responsibilities, the Matrix Service Company Board of Directors follows the

procedures and standards set forth in our [Code of Business Conduct and Ethics](#), [Corporate Governance Guidelines](#), and [Board Committee Charters](#).

These documents, as well as our Certificate of Incorporation, Bylaws and other Company policies are posted on our [Investor Relations website](#).

Our Corporate Governance Guidelines and Board Committee Charters are reviewed annually to ensure best-in-class governance practices.

Board structure and independence.

Except for the Company's President and Chief Executive Officer, who serves as a general member of the Board, our Board is comprised of independent directors, including our Board Chair. Our Board Committees include: Nominating and Corporate Governance; Audit; and Compensation.

Details about the responsibilities of each of these committees, as well as additional information about each of our Directors, can be found in our most recent Proxy.

BOARD EXPERTISE AND DEMOGRAPHICS

	JOSE BUSTAMANTE	MARTHA Z. CARNES	JOHN D. CHANDLER	CARLIN G. CONNER	JOHN R. HEWITT	LIANE K. HINRICHS	JAMES H. MILLER	JIM W. MOGG
EXPERTISE								
Public Company Board Experience	◆	◆	◆	◆	◆	◆	◆	◆
Strategic Leadership	◆	◆	◆	◆	◆	◆	◆	◆
Financial Expertise/Literacy	◆	◆	◆	◆	◆	◆	◆	◆
Industry Experience	◆	◆	◆	◆	◆	◆	◆	◆
Risk Management Oversight	◆	◆	◆	◆	◆	◆	◆	◆
Environmental, Social, and Governance	◆	◆	◆	◆	◆	◆	◆	◆
International Business	◆	◆		◆	◆	◆	◆	
Mergers and Acquisitions	◆	◆	◆	◆	◆	◆	◆	◆
DEMOGRAPHICS								
Board Tenure (Years)	1	6	6	3	12	5	9	10
Diverse Board Member	◆	◆				◆		



Jose Bustamante



Martha Z. Carnes



John D. Chandler



Carlin G. Conner



John R. Hewitt
President and Chief
Executive Officer



Liane K. Hinrichs



James H. Miller



Jim W. Mogg
Board Chair

BOARD COMMITTEES

	AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
Jose Bustamante	◆	◆	◆
Martha Z. Carnes	CHAIR	◆	◆
John D. Chandler	◆	CHAIR	◆
Carlin G. Conner	◆	◆	◆
John R. Hewitt			
Liane K. Hinrichs	◆	◆	CHAIR
James H. Miller	◆	◆	◆
Jim W. Mogg*			

*Retiring November 2023

NUMBER OF BOARD AND COMMITTEE MEETINGS HELD IN FISCAL 2023	PERCENTAGE OF ATTENDANCE AT BOARD AND COMMITTEE MEETINGS
31	99%

ESG oversight and frameworks.

Our governance framework for ESG and climate-related risks and opportunities is a collaborative effort of the Board of Directors, Executive Management, and leadership across the organization.

Our **Nominating and Corporate Governance Committee** holds overall responsibility for ESG oversight, particularly with respect to governance matters and monitoring the Company’s progress toward meeting ESG objectives. Annually and as needed, the Committee discusses with the Board the Company’s policies, processes, strategies, and initiatives to address ESG matters, including climate-related issues, risks, and opportunities.

Our **Compensation Committee** considers ESG concerns, such as human capital and health and safety, in designing executive compensation programs.

Our **Audit Committee** establishes and oversees controls and procedures with respect to ESG disclosures.

Each Committee reports its activities to the Board, which retains overall responsibility for incorporating ESG considerations into our strategic plans.

Our Board and committees will monitor climate-related risks and opportunities and implementation of ESG-related objectives, as well as our performance toward those objectives. As appropriate, they consider ESG concerns and climate-related risks during review of our strategy, business plans, risk management policies, annual budgets, capital expenditure budget, acquisitions, and divestitures.

In developing our strategy, the CEO, supported by the Executive ESG Committee, may recommend GHG emission reduction targets for the Board’s consideration.

Targets established by the Board may include a hierarchy of objectives, including long-term ambitions, to assist in the setting of the Company’s direction and strategy, as well as short- and medium-term targets on lowering GHG emissions.

All performance targets will be supported by our business units, which will enable the Company to achieve its enterprise-wide targets.

Our ESG oversight is further supported as we report according to ISSB which incorporates the recommendations of the TCFD and SASB.

ESG OVERSIGHT STRUCTURE



Executive compensation. Our executive compensation program has been designed to attract, motivate, and retain high-performing executives whose interests are aligned with the long-term interests of our stockholders and to reward officers who contribute to the Company’s sustained growth and successful execution of our strategy and operating plans.

Our program also supports pay-for-performance principles by placing a substantial amount of total executive compensation, including more than 50% of the Chief Executive Officer’s compensation “at risk,” based on the Company’s performance. Our pay-for-performance principles also help ensure alignment with the long-term financial interests of our stockholders.

Specifically, our program includes base salary and benefits, as well as annual and long-term incentive components, which create a strong link between compensation and Company performance.

The Compensation Committee regularly reviews the executive compensation program to ensure alignment with the Company’s business strategies, pay-for-performance principles, and general market practices.

Ethics and integrity. Our [Code of Business Conduct and Ethics](#) serves as our guiding document for responsible business practices. This Code is further supported by a strong Compliance Program comprised of policies and training that address:

- [Antitrust Policy](#)
- [Worldwide Anti-Corruption Compliance Policy](#)
- [Antiboycott Policy](#)
- Delegation of Authority
- [Supplier Code of Conduct Policy](#)
- [Human Rights Policy](#)
- [Environmental Policy Statement](#)
- [Export Compliance Policy](#)
- Data Security and Cybersecurity
- Business Travel and Entertainment

In fiscal 2023, completion rates for our Code of Business Conduct and Ethics and other compliance training were 96%. Processes and reporting channels for raising and resolving concerns include a confidential 365/24/7 hotline, email, and contact via standard mail sent directly to the Chair of the Audit Committee of the Board of Directors.

Risk management. Our Risk Management Committee (RMC) promotes open discussion about risks, integration of risk management into our overall strategy and objectives, and employee education

HUMAN RIGHTS

We conduct our business in a manner that protects human rights within our sphere of influence. Our [Human Rights Policy](#) underscores our affirmation to uphold the highest possible human rights standards. We believe in the “Protect, Respect and Remedy” framework established by the United Nations Guiding Principles on Business and Human Rights. We also promote the rights of women, minorities, and indigenous groups (including the guarantee of free, prior, and informed consent). We believe in paying a living wage to all employees and respect employee rights to freely associate and collectively bargain.

We expect the same commitment from those with whom we work, including suppliers, vendors, and clients.



FY 2023 DATA AND CYBERSECURITY

ZERO
DATA BREACHES

369K
MALICIOUS ACTIONS BLOCKED

Our **cybersecurity team** is focused on raising cybersecurity awareness; reducing digital security risks; strengthening the resilience of information and communication technologies; and combating cybercrime. We regularly educate our employees on topics such as password protection, social engineering, privacy, and compliance. We also test awareness through phishing campaigns.

Vendors and suppliers who have access to our systems or supply our IT equipment are governed by our IT Supplier Relationships Policy. In addition to specific requirements, this policy grants access only as required and rescinds it after work is performed. As we evaluate cybersecurity risks, we will continue to expand this governance to other vendors and suppliers based on risk and exposure.

We safeguard **stakeholder data and business assets** through comprehensive policies and

standards, supported by sophisticated technologies and tools. Among them are cloud backups, phishing assessments, endpoint detection and response, multi-factor authentication, firewalls, intrusion detection and prevention systems, and identity management systems.

Robust policies and procedures related to **personal information** that address notice, collection and use, disclosure, cross-border data transfer, retention and destruction, information quality and integrity, security, and continuous training and awareness have been implemented.

Cybersecurity reports are made by the Risk Management Committee to the Board of Directors twice a year. Matrix also self-assesses our policies and security controls using the [National Institute of Standards and Technology \(NIST\) Cybersecurity Framework](#).

about how to identify and help manage risks. The RMC regularly assesses and updates the Company's policies, procedures, and practices, as needed, to mitigate risks.

The Board of Directors reviews risk management quarterly and as-needed to discuss the key findings, activities, and actions of the RMC.

In addition, our Board's Audit Committee oversees our accounting and financial reporting processes and the audit of our financial statements. The Audit Committee relies on management for the preparation and accuracy of our financial statements. Additionally, they depend on management for establishing effective internal controls and

procedures to ensure we comply with applicable accounting standards, financial reporting procedures, laws, and regulations. Our internal auditors, who report to the Audit Committee, test the design and operating effectiveness of our internal controls and control environment. The Audit Committee also oversees the work of our external auditors, who audit our consolidated financial statements and the effectiveness of our internal controls.

Lobbying or political contributions.

Matrix does not engage in direct lobbying, maintain a Political Action Committee, or make political contributions. However, we do participate in organizations such as the Hydrogen Council, Construction Industry Institute, and other industry organizations.

ENVIRONMENTAL

From our offices to our client project sites, being good stewards of the environment is embedded in our core values. It is a promise we make to ourselves and to our stakeholders, and one we will uphold within our spheres of influence.

Our GHG emissions. As part of our focus on continuous improvement and in accordance with our Internal Audit Plan, in fiscal 2023, we initiated and completed our first third-party GHG emissions assessment. The objectives were to ensure procedures for reporting and quantification of environmental metrics were in place and that best practices were being identified and implemented.

Accuracy, reliability, and adherence to GHG protocols and standards is paramount as we report emissions and establish future reduction targets.

In future periods, we further anticipate definitive rules on the disclosure of GHG emissions to be issued by the U.S. Securities and Exchange

Commission (SEC) which should bring even greater industry-wide standardization.

OUR METHODOLOGY. Our current calculation of GHG Scope 1 and Scope 2 emissions relies on operational control and is based on actual data whenever possible, normalized against total revenue. We believe this methodology, which is in alignment with the [GHG Protocol Corporate Standard](#), provides consistent, comparable, and meaningful data.

We disclose Scope 1 and Scope 2 GHG emissions for our corporate and regional offices, fabrication facilities, and warehouses. ***It is in these operational areas that we have the greatest control and believe we can make the greatest impact.***

SCOPE 1: DIRECT GHG EMISSIONS includes on-site combustion of natural gas for space and water heating (Stationary Combustion) as well as diesel and gasoline consumption in Company-owned fleet vehicles (Mobile Combustion). Matrix owns the majority of its fleet vehicles, and maintains strict maintenance protocols to ensure top running condition. Emissions for fiscal 2021 and fiscal 2022 have been restated. This restatement accounts

	FISCAL YEAR		
	2021	2022	2023
Revenue, M dollars (U.S.)	\$673,398	\$707,780	\$795,020
GHG Emissions Scope 1 (MTCO ₂)	2,846	6,188	5,550
GHG Emissions Scope 2 (location based) (MTCO ₂)	2,615	2,850	2,494
Total Scope 1 and 2 (MTCO₂)	5,461	9,038	8,043
GHG Emissions Intensity (based on revenue)	.008	.013	.010

for correction of fleet data in fiscal 2022, and calculation of GHG emissions based on gallons of gasoline versus mileage, which we believe more accurately reflects our emissions.

SCOPE 2: PURCHASED ELECTRICITY includes usage at each of our corporate and regional offices, fabrication facilities, and warehouses.

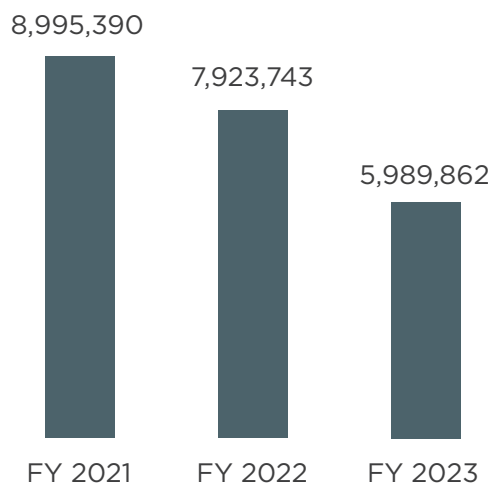
SETTING FUTURE GHG TARGETS. As we continue our journey, we expect to perform and report on a materiality assessment to identify potential Scope 3 emissions and will publish any such data once completed.

GHG EMISSIONS INTENSITY. Total revenue is provided for normalization purposes.

Water stewardship. Among the most precious shared resources in the world, water is essential to all life, and as such, water stewardship in our offices and on our project sites is of the utmost importance.

IN OUR OFFICES, we track actual water usage, where available, and use estimates where this data is not available. Reduction in water usage is primarily due to a decrease in overall office space, as well as use of actual water data for fiscal 2022 and 2023, rather than estimates.

GALLONS



ON OUR PROJECT SITES, our primary use of water is related to dust suppression, grading, and other activities such as hydrotesting of storage tanks and piping systems. Because potable water is not required for these construction activities, whenever possible, Matrix partners with local water suppliers who can provide non-potable, reclaimed, or recycled gray water. Acquiring water supplies for these activities near each project site also reduces emissions that would otherwise be generated by longer-haul transportation.

Waste management. Matrix has historically acted to reduce, reuse, and recycle items including paper, plastics, and electronic devices, and to act with integrity and responsibility when disposing of any waste that could be detrimental to the environment.

IN OUR OFFICES, we reduce our waste, enterprise-wide by:

- Using technology to reduce or eliminate the use of paper, copiers, and printers and minimize or eliminate the printing of business materials;
- Eliminating single-use plastics, Styrofoam, and paper products in our offices and installing in-line filtration systems to replace plastic water bottles; and
- Increasing the recycling of allowable items.

ON OUR PROJECT SITES, while we do not generate large amounts of regulated or hazardous waste, when we do, we employ best-in-class disposal procedures to ensure compliance with all governmental regulations. These procedures include proper management to prevent release of hazardous materials during accumulation, storage, transport, or disposal. Examples of hazardous waste our operations may generate include used oil, used antifreeze, paint waste, and batteries.

More significant waste such as steel, copper wire, or electronic equipment is recycled through established and thoroughly vetted third-parties.



PROTECTING BIODIVERSITY THROUGH OPERATIONAL PRACTICES

Integral to our project decision-making and planning is our commitment to ensuring that we comply with all environmental laws and regulations. This commitment is supported by both our [Code of Business Conduct and Ethics](#) and our [Environmental Policy Statement](#).

While our clients are generally responsible for performing environmental impact assessments ahead of engaging any contractor to perform requested work, as we perform our own pre-construction planning, Matrix considers any biodiversity impacts within those assessments, and

strives to minimize any operational or construction impacts.

Additionally, as requested by our clients, we will develop project-specific environmental plans to address the reduction of emissions where possible; source materials through Environmentally Preferable Purchasing (EPP); conserve energy and water; manage hazardous and non-hazardous materials; prevent stormwater, dust, and noise pollution; recycle scrap and other materials; and protect habitat and wildlife.

Supporting a low carbon economy.

As our clients' business objectives and infrastructure needs have evolved, Matrix, too, has evolved to ensure we provide innovative, leading solutions across the lifecycle of these infrastructure assets.

Today, we are an industry leader in the engineering, design, fabrication, and construction of infrastructure that crosses the energy and industrial markets.

Our opportunity pipeline and backlog reflect an increasing number of projects that support a lower carbon economy, including:

- Vital transition fuels such as LNG and natural gas;
- Clean energy such as hydrogen and renewables;
- Electrical infrastructure upgrades supporting the electrification of everything;
- Low carbon chemicals; and
- Infrastructure that supports metals and minerals such as copper, lithium, and boron.

As our clients execute their own low carbon strategies, we will support their objectives through:

- Application of existing skills and expertise;
- Acquisition of talent with expertise in new and emerging markets and technologies;
- Continuous enhancement and strengthening of our training programs to ensure our employees are well-equipped to provide best-in-class services;
- Continuous improvement in our processes and procedures for assessing, prioritizing, and mitigating climate-related risks in our operations; and
- Proactive integration of contingencies for climate-related risks into our operations and planning.



STORAGE AND TERMINAL SOLUTIONS

While demand for crude oil and other hydrocarbons such as ethane and ethylene continue to support quality of life, vital transition fuels such as natural gas offer lower carbon solutions, especially for transportation and other high horsepower applications.

Longer term, there is also significant global demand for hydrogen, ammonia, and other renewables as clean energy sources.

OUR EXPERTISE

STORAGE TANKS AND TERMINALS:

- SPECIALTY VESSELS INCLUDING COMPLEX CRYOGENIC INFRASTRUCTURE
- ATMOSPHERIC STORAGE TANKS (FLAT BOTTOM TANKS)
- MAINTENANCE AND UPGRADES

SPECIALTY TANK PRODUCTS



UTILITY AND POWER INFRASTRUCTURE

Extreme temperatures, natural gas constraints, and swings in market pricing, as well as remote power needs, are key drivers for utilities to store natural gas as LNG to meet peak electrical demand.

The interconnected world of electrical and renewable generation, along with aging and outdated infrastructure, is also driving public and private utilities, as well as industrial facilities to install or upgrade substations, transmission and distribution, relay systems, renewable interconnects, and fiber.

OUR EXPERTISE

LNG PEAK SHAVING STORAGE FACILITIES

TRADITIONAL ELECTRICAL:

- SUBSTATIONS
- TRANSMISSION & DISTRIBUTION
- STORM REPAIRS
- FACILITY ELECTRICAL & INSTRUMENTATION

PROCESS AND INDUSTRIAL FACILITIES

Demand for refined hydrocarbon products to support traditional energy needs requires investments in ongoing refinery services. At the same time, some refineries are also retrofitting and upgrading facilities to process renewable fuels.

Increasing investments are being made in greenfield and existing natural gas infrastructure to meet growing demand for energy efficiency and lower carbon fuels.

Investments are also being made in infrastructure that supports metals and minerals used in renewable power applications, battery storage, computer chips, and electrical solutions.

OUR EXPERTISE

REFINERY MAINTENANCE, REPAIR, AND TURNAROUNDS

UPGRADES AND RETROFITS FOR RENEWABLE FUELS

NATURAL GAS FACILITIES

THERMAL VACUUM CHAMBERS

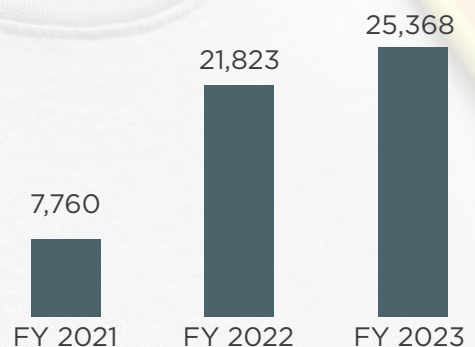
MINING AND MINERALS INFRASTRUCTURE



SAFETY

PERFORMANCE	2021	2022	2023
TOTAL RECORDABLE INCIDENT RATE (TRIR)	0.28	0.51	0.73
DAYS AWAY, RESTRICTED OR TRANSFERRED (DART)	0.06	0.14	0.20
OTHER			
LESSONS LEARNED ALERTS ¹	—	49	48

OBSERVATIONS ²



¹In fiscal 2022, Matrix began proactively reporting enterprise-wide Lessons Learned to help mitigate potential incidents.

²Increasing Observations is a measure of improving Safety awareness, and helps us proactively mitigate and prevent workplace incidents.



7 CONSECUTIVE YEARS

In fiscal 2023, Matrix was certified for the seventh consecutive year as a Great Place To Work® — a designation that is reflective of our culture and our commitment to ensuring our employees and potential employees always consider Matrix an employer of choice. We are one of only three companies in our peer group to receive this designation.

The feedback we receive through this survey, as well as other employee channels, highlights areas where we do well and helps identify areas where we can improve.

We value this input and look forward to continuous improvement as a **Great Place To Work®**.

The success of our operations and strength of our brand depends on our people — our leadership and employees — as well as our subcontractors and suppliers. It is the quality of this collective team that ensures Matrix provides exceptional service to our clients and, in doing so, achieves long-term sustainability.

To attract and retain world-class talent, our focus goes beyond competitive benefits and includes:

- Relentless attention to safety;
- Pursuit of quality in everything we do;
- Promotion of continuous learning and career development;
- An environment committed to Diversity, Equity, and Inclusion (DEI); and
- Giving back to our communities.

Matrix is also committed to enhancing economic and social well-being in the communities where we live and work.

Safety, Health, and Well-Being.

At Matrix, we continuously strive to raise safety awareness and improve our performance. We do so through safety demonstrations and knowledge checks; Supervisory Training in Accountability and Recognition Techniques (S.T.A.R.T.); and daily safety meetings, toolbox talks, and stand-downs on our project sites. Our Observation Program allows employees to record and submit both positive and negative safety observations regarding behaviors, activities, risks, or other situations they encounter in the field or in our offices. This increased visibility helps us proactively mitigate and prevent workplace incidents from happening in the first place. All of these efforts are further supported by:

- Life Saving Rules to provide uncompromising accountability;
- TapRoot® investigations to uncover and correct the underlying root cause of an incident;
- Confidential reporting channels to report ethical or safety concerns; and
- Inclusion of both leading and lagging HSE metrics as a key performance metric in our incentive compensation plan.

Matrix leadership teams also perform site safety audits to reaffirm alignment on safety performance and other operational priorities as well as identify and prioritize areas for improvement.

When incidents do happen, our Quality, Health, Safety & Environment (QHSE) teams investigate to determine potential severity and report out the root cause(s) and corrective actions.

With an industry-wide suicide rate four times higher than the U.S. average, we are committed to supporting the mental health and well-being of our employees. As such, we are proud participants in the Construction Industry Institute's and Construction Safety Research Alliance's ongoing joint research to better understand mental health issues and provide research-based solutions.

Beginning in fiscal 2024 we are launching our own enterprise-wide Mental Health Team, Matrix C.A.R.E.S. This team will use available research to better understand the mental health issues facing the construction industry and what employees need; provide ongoing access to education and awareness; raise awareness about existing resources focused on employee health and well-being; and drive a comprehensive plan to keep mental health and well-being front and center.

Quality in everything we do. In fiscal 2023, through our newly formed center of excellence known as Matrix Project Services, our Quality team implemented and provided more

than 2,500 hours of ongoing employee training for our Integrated Management System (IMS). The IMS provides a single source for policies, processes, standards, and tools. It is designed to help ensure efficiency, consistency, and quality in everything we do, and drive continuous improvement through planning, execution, and feedback.

Our Global Procurement team also advanced important initiatives to strengthen our procurement policies and processes through:

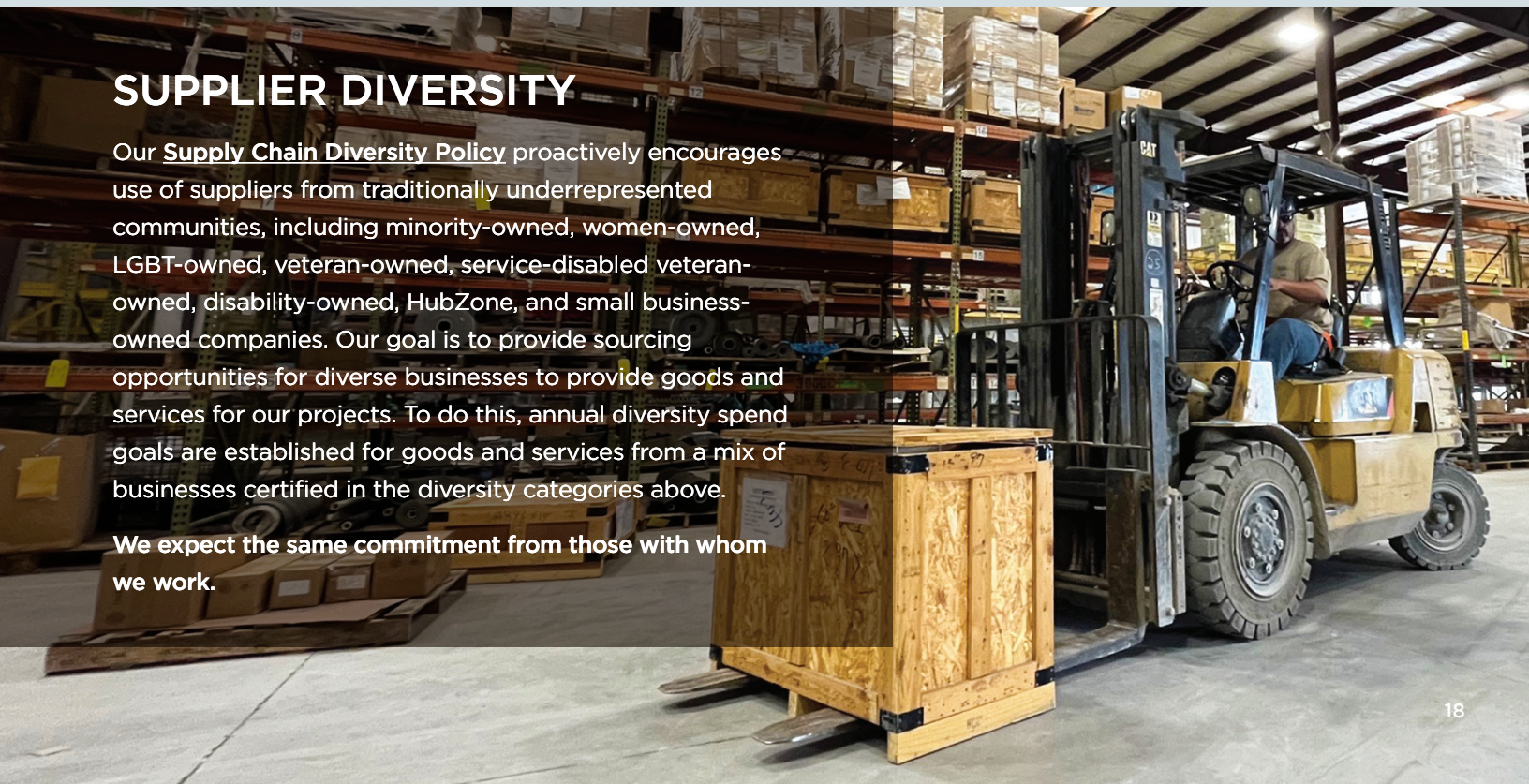
- Ongoing communication with suppliers and subcontractors about adherence to our [Supplier Code of Conduct](#);
- Identification of current suppliers and subcontractors that meet diversity requirements, including those who are certified; and
- Establishment of our [Supply Chain Diversity Policy](#).

Our Supplier-based data will improve over time with the implementation of our Supplier Relationship Management software, including ESG and diversity aspects. Additionally, we are in the process of expanding our Supplier Diversity Council enterprise-wide. This Council includes representation from our global procurement, estimating, operations, business development, legal, and human resources functions.

SUPPLIER DIVERSITY

Our [Supply Chain Diversity Policy](#) proactively encourages use of suppliers from traditionally underrepresented communities, including minority-owned, women-owned, LGBT-owned, veteran-owned, service-disabled veteran-owned, disability-owned, HubZone, and small business-owned companies. Our goal is to provide sourcing opportunities for diverse businesses to provide goods and services for our projects. To do this, annual diversity spend goals are established for goods and services from a mix of businesses certified in the diversity categories above.

We expect the same commitment from those with whom we work.





A LEARNING CULTURE

Every year, our employees participate in training on topics including compliance, safety, DEI, and more.

Administrative employees also develop Targeted Training Plans designed to enhance employee skills and value in their current position while mapping learning and development opportunities to prepare them to take on more advanced roles.

Matrix University, our internal training and development program, also provides employees access to a catalog of resources. Among them:

- Training focused on emerging energy markets.

- A multi-tier leadership development program to help employees continue to improve their skill sets and abilities.
- An ever-increasing number of on-line learning modules and support tools.
- DEI-focused training on topics such as unconscious bias, inclusive leadership, and more.

Employees also benefit from corporate sponsorships in external leadership training as well as tuition assistance to help employees reach their educational goals by reimbursing them for tuition and books for relevant undergraduate and graduate coursework.



Diversity, Equity, and Inclusion

Our Employee Resource Groups

Asian

BRIDGE (Black Relevance In Diverse Group Environments)

Foundation of Pride (LGBTQ+)

MatrixABLE (Disabilities)

NexGen (Young Professionals)

We Got Your Six (Veterans)

Women In Search of Excellence (WISE)

Women in Construction

Working Parents

Each of our ERGs are employee-led and backed by an executive sponsor to help guide and champion their work.

In fiscal 2023, Matrix was selected as a **Veteran Employer Champion** for our commitment to recruiting, hiring, and developing veterans in the workplace and welcoming them home with life-changing career opportunities.

Matrix was also named a **VETS Indexes Recognized Employer** for our commitment to recruiting, hiring, retaining, developing, and supporting veterans and the military-connected community.

We recognize and value the discipline, technical, and soft skills our military veterans bring to the workplace, and are proud to have distinguished ourselves among veteran employers.



DISABILITIES EQUALITY INDEX

In fiscal 2023, Matrix also participated in our first **Disabilities Equality Index** — a joint initiative of Disability:IN and APPD2 — with the foundational objective of benchmarking and developing a blueprint for measurable, tangible actions to achieve disability inclusion and equality.

OUR DEI POLICY

Our employees are our most valuable resource, and the collective sum of their individual differences, life experiences, knowledge, innovation, self-expression, unique capabilities, and talent represents a significant part of our culture, our reputation, and our achievements. At Matrix, we believe DEI is everyone's responsibility, and we each have an obligation to treat others with dignity and respect.

Our [Diversity, Equity, and Inclusion Policy](#), formalized in fiscal 2023, applies to all employees whether during work, at work functions, or at Company-sponsored and participative events.





Building a diverse, equitable, and inclusive culture. Recognizing that we work in an industry historically known for gender disparity, we know that building a strong DEI culture is a journey that must be led from the top. We are intentional in our actions to attract, develop, and retain an increasingly diverse workforce, and provide our employees with the opportunities and resources they need for growth and development.

Through our Diversity, Equity, and Inclusion (DEI) Steering Committee and our Employee Resource Groups (ERGs), we:

- Provide significant DEI training with a strong focus on unconscious bias and inclusive leadership;

- Host enterprise-wide events like *#Embracing Equity*, sponsored in fiscal 2023 by our WISE ERG;
- Regularly promote educational stories developed by our ERGs across our internal websites; and
- Offer an increasingly robust catalog of DEI-related content through Matrix University.

ATTRACTING, DEVELOPING, AND RETAINING DIVERSE EMPLOYEES. DEI is not only foundational to our core values; for Matrix it is a business imperative to ensure ongoing innovation and continuous improvement, and to address industry-wide labor shortages.

As such, we take specific actions to attract employees from historically underrepresented groups.

For example:

- We post employment opportunities with community agencies that support veterans, minorities, people with disabilities, women, and other underrepresented groups;
- Our human resources professionals are directly involved in the hiring process and coach hiring managers on the importance of considering diverse candidates when filling positions;
- We focus on indigenous workforce development initiatives including:
 - Outreach to Tribal Employment Rights Offices (TERO) in the Pacific Northwest for both the Lummi and Swinomish tribes, which are focused on employment and training opportunities for the local Native American workforce;
 - Sponsorship of try-a-trade job fairs; and
 - Project site field trips to educate participants about opportunities offered by Matrix;
- We sponsor events hosted by community service organizations that are focused specifically on underrepresented groups such as women and veterans;
- We promote engineering and construction to future workforce candidates through S.T.E.M. events and other programs like Junior Achievement's *JA Inspire*, which exposes 8th graders of all backgrounds to the wide range of career opportunities available in our industry;
- We participate in local high school career events to promote careers in construction;
- We participate in client-sponsored hiring events and job fairs;
- We work with local technical schools to promote career opportunities and provide input on curriculum; and

- We host our own welding and pipe fitting schools where we provide the space, materials, and instructors and individuals 18 years or older can attend multi-week courses to learn a new skill or trade.

We are also intentional in our approach to leadership development and succession planning by:

- Offering our **Leadership Development Program** through Matrix University, focused on new-, mid- and senior-level tracks; and
- During annual executive-level succession planning, identifying diverse candidates to ensure they are an intentional focus of our discussion about future leadership roles across the organization.

In fiscal 2023, employees also participated in the Matrix University **Leadership Development Program**, and of those, 20% were women and 17% were ethnically-diverse.

ENSURING PAY EQUITY. Matrix is committed to ensuring fair and equitable compensation practices and maintaining competitive salaries.

An annual review of pay equity and market comparison is conducted to address unjustified gaps in pay or other issues that may impact our ability to recruit and/or retain top talent.

All pay decisions across the organization, including employment offers extended to external candidates, require the completion of an internal equity analysis as part of the approval process to ensure we are compensating our employees fairly and consistently, regardless of gender, race, ethnicity, or other aspects of an individual's identity.



OUR COMPREHENSIVE DIVERSITY DEMOGRAPHICS

NOTE: Due to varying legal reporting standards in countries outside of the U.S., ethnic diversity is reported for U.S. workforce only.

WORKFORCE STATISTICS (WORLDWIDE)	FY 2021		FY 2022		FY 2023	
Total full- and part-time office-based employees	689		677		621	
Total field/craft employees	2,028		2,133		1,924	
WORKFORCE DEMOGRAPHICS	FIELD			OFFICE		
ETHNIC DIVERSITY AS A PERCENT OF WORKFORCE (U.S. ONLY)	FY 2021	FY 2022	FY 2023	FY 2021	FY 2022	FY 2023
• White	52.1%	59.3%	61.0%	83.2%	77.5%	75.5%
• Hispanic/Latinx	28.6%	26.5%	25.1%	6.0%	7.5%	7.7%
• Black/African American	6.5%	4.7%	5.1%	2.3%	4.0%	4.4%
• Asian	1.6%	1.4%	1.4%	3.4%	4.4%	5.5%
• American Indian/Alaska Native	8.7%	5.0%	3.8%	2.5%	3.2%	3.4%
• Native Hawaiian/Other Pacific Islander	0.8%	0.9%	0.6%	0.4%	0.4%	0.6%
• Two or More Races (not Hispanic or Latino)	1.7%	2.2%	3.0%	2.2%	3.0%	3.0%
FEMALES OR RACIALLY/ETHNICALLY DIVERSE AS A PERCENT OF WORKFORCE AND MANAGEMENT	FY 2021	FY 2022	FY 2023	FY 2021	FY 2022	FY 2023
• Females as a percent of workforce (Worldwide)	6.0%	6.0%	5.2%	28.0%	29.2%	29.4%
• Females as a percent of management (Worldwide)	1.0%	0.7%	1.5%	18.0%	19.5%	17.6%
• Racially/Ethnically Diverse as a percent of workforce (U.S. only)	47.9%	40.7%	39.0%	16.9%	22.5%	24.5%
• Racially/Ethnically Diverse as a percent of management (U.S. only)	15.3%	11.8%	9.8%	13.2%	18.2%	18.6%

<p>MULTI-GENERATIONAL DIVERSITY (WORLDWIDE).</p> <p>At the crossroads of diverse perspectives lives innovation: endless ideas that stem from individual experiences and imagination, historical knowledge, and infinite possibilities. At Matrix, we value the diverse perspectives of our multi-generational workforce.</p>	<p>14.8% Baby Boomers — Born between 1946 and 1964</p> <p>42.4% Generation X — Born between 1965 and 1981</p> <p>34.5% Millennials — Born between 1982 and 1995</p> <p>8.3% Generation Z — Born between 1996 and 2015</p>
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Our [EEO-1 Report](#) is posted on the Matrix Service Company website.



Giving Back to Our Communities.

Through a combination of financial and volunteer support, Matrix and our employees are helping to build healthier, stronger communities.

Together, our Company and our employees continue their support of nonprofits focused on health and well-being and community development. We also support our industry through participation in S.T.E.M.-focused events, donations of equipment to trade schools, and participation in other educational events.

In fiscal 2023, in our first Earth Day event, employees from our corporate and regional offices also came together to plant 200 trees.

We empower our employees to give back through Company-led initiatives, employee matching, and paid volunteer time off.

In addition to financial support provided through third-party donations, corporate, and employee giving, our employees give thousands of hours in time and talent to build better, healthier communities, and help educate and inspire future generations.

APPENDIX A | SASB AND TCFD AS GOVERNED BY THE ISSB OF THE IFRS FOUNDATION

SASB DISCLOSURES

TOPIC	METRIC	CODE	FY 2023 RESPONSE
Environmental Impacts of Project Development	Number of incidents of non-compliance with environmental permits, standards, and regulations	IF-EN-160a.1	Zero
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	IF-EN-160a.2	See “Risk management” on page 9, “Water stewardship” and “Waste management” on page 12, and “Protecting biodiversity through operational practices” on page 13.
Structural, Integrity, & Safety	Amount of defect- and safety-related rework costs	IF-EN-250a.1	Not included in our Sustainability Report.
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	IF-EN-250a.2	Not included in our Sustainability Report.
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) (2) Fatality rate for (a) direct employees and (b) contract employees	IF-EN-320a.1	(1) TRIR: 0.73 (2)(a) Zero; 2(b) Zero See additional information under “Safety” on page 16 and “Safety, Health, and Well-Being” on page 17.
Lifecycle Impacts of Buildings & Infrastructure	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	IF-EN-410a.1	Certification as described is determined by our client and Matrix is not always made aware of such certification. As such we are not able to provide the data requested.
	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	IF-EN-410a.2	Not included in our Sustainability Report.
Climate Impacts of Business Mix	Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	IF-EN-410b.1	(1) Hydrocarbon-related: \$398.2 million (2) Renewable energy: \$15.6 million; percentage of hydrocarbon projects attributable to renewable energy was 58.6%
	Amount of backlog cancellations associated with hydrocarbon-related projects	IF-EN-410b.2	Zero. There were no material cancellations associated with hydrocarbon-related projects
	Amount of backlog for non-energy projects associated with climate change mitigation	IF-EN-410b.3	Zero
Business Ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index	IF-EN-510a.1	(1) Zero (2) Zero
	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices	IF-EN-510a.2	(1) \$0.00 (2) \$0.00
	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding practices	IF-EN-510a.3	Matrix maintains separate Anti-Corruption and Antitrust policies which are posted on our internal website and on our Investor Relations Website . All office-based employees are required to complete annual Code of Conduct Training, including anti-corruption. We also recently provided live and virtual Ethics and Compliance training. Further, employees engaged in and supporting our sales efforts are required to complete on-line anti-corruption training. Business development employees also are provided anti-corruption and antitrust (competitive bidding guidelines to prevent antitrust matters) training. See “Ethics and integrity” on page 9 and Key Governance Documents and Company Policies under Governance on our Investor Relations Website .
No. of Active Projects		IF-EN-000.A	2,599
No. of Commissioned Projects		IF-EN-000.B	We completed 1,476 projects in fiscal year 2023. These are not necessarily “commissioned” projects. Completed projects are where Matrix completes their scope of work and includes repairs and maintenance projects
Total Backlog		IF-EN-000.C	\$1.1 billion

TCFD

PILLAR	RECOMMENDATION	DISCLOSURE	RESPONSE LOCATION
Governance	Board Oversight: Describe the Board's oversight of climate-related risks and opportunities	Processes and frequency by which the Board and/or Board committees (e.g., audit, risk, or other committees) are informed about climate-related issues.	See page 8, "ESG oversight and frameworks"
		Whether the Board and/or Board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures.	See page 8, "ESG oversight and frameworks"
		How the Board monitors and oversees progress against goals and targets for addressing climate-related issues.	See page 8, "ESG oversight and frameworks"
	Management: Describe management's role in assessing and managing climate-related risks and opportunities	Whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues.	See page 8, "ESG oversight and frameworks"
		A description of the associated organizational structure(s).	See page 8, "ESG oversight and frameworks" and "ESG oversight structure"
		Processes by which management is informed about climate-related issues.	See page 8, "ESG oversight and frameworks"
		How management (through specific positions and/or management committees) monitors climate-related issues.	See page 8, "ESG oversight and frameworks"
Strategy	Identified Climate-related Risks and Opportunities: Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term	A description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organization's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms	See "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
		A description of the specific climate-related issues potentially arising in each time horizon (short, medium, and long term) that could have a material financial impact on the organization.	See "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
		A description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organization.	See "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
	Impact of Risks and Opportunities: Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Organizations should consider including the impact on their businesses, strategy, and financial planning in the following areas: <ul style="list-style-type: none"> • Products and services • Supply chain and/or value chain • Adaptation and mitigation activities • Investment in research and development • Operations (including types of operations and location of facilities) • Acquisitions or divestments • Access to capital 	See "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
		Organizations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how these risks and opportunities are prioritized. Organizations' disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time.	See "Our long-term sustainability strategy" on page 5, as well as "ESG oversight and frameworks" on page 8, and "Appendix B - Climate strategy, risks and opportunities" on See "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
		Organizations should describe the impact of climate-related issues on their financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities). If climate-related scenarios were used to inform the organization's strategy and financial planning, such scenarios should be described.	See "Our long-term sustainability strategy" on page 5, as well as "ESG oversight and frameworks" on page 8, and "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34

PILLAR	RECOMMENDATION	DISCLOSURE	RESPONSE LOCATION
Strategy (Con't)		Organizations that have made GHG emissions reduction commitments, operate in jurisdictions that have made such commitments, or have agreed to meet investor expectations regarding GHG emissions reductions should describe their plans for transitioning to a low-carbon economy, which could include GHG emissions targets and specific activities intended to reduce GHG emissions in their operations and value chain or to otherwise support the transition.	Not included in our fiscal year 2023 Sustainability Report
	Resilience of Strategy: Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a low-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks.	See "Protecting our operations against climate-related acute and physical risks" in Appendix C, page 34 .
		Organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a low-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks. Organizations should consider discussing: <ul style="list-style-type: none"> • Where they believe their strategies may be affected by climate-related risks and opportunities. • How their strategies might change to address such potential risks and opportunities. • The potential impact of climate-related issues on financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities). • The climate-related scenarios and associated time horizon(s) considered. Refer to Section D in the Task Force's report for information on applying scenarios to forward-looking analysis. 	See "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
Risk Management	Processes for Identifying and Assessing Climate-related Risks: Describe the organization's processes for identifying and assessing climate-related risks	An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks. Organizations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.	See "Our long-term sustainability strategy" on page 5 , as well as "ESG oversight and frameworks" on page 8 , and "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
		Organizations should also consider disclosing the following: <ul style="list-style-type: none"> • Processes for assessing the potential size and scope of identified climate-related risks. • Definitions of risk terminology used or references to existing risk classification frameworks used. 	Not included in our fiscal year 2023 Sustainability Report
	Processes for Managing Climate-related Risks: Describe the organization's processes for managing climate-related risks	Organizations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept, or control those risks.	See "Our long-term sustainability strategy" on page 5 , "ESG oversight and frameworks" on page 8 , "Protecting biodiversity through operational practices" on page 13 , and "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34
		In addition, organizations should describe their processes for prioritizing climate-related risks, including how materiality determinations are made within their organizations.	Not included in our fiscal year 2023 Sustainability Report
	Integrating into Overall Risk Management: Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Organizations should describe how their processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management.	See "Our long-term sustainability strategy" on page 5 , "ESG oversight and frameworks" on page 8 , "Protecting biodiversity through operational practices" on page 13 , and "Appendix B - Climate strategy, risks and opportunities" on pages 29 through 34

PILLAR	RECOMMENDATION	DISCLOSURE	RESPONSE LOCATION
Metrics & Targets	Climate-related Metrics: Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Organizations should provide the key metrics used to measure and manage climate-related risks and opportunities.	See page 11, “Our GHG emissions”
		Organizations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable.	See pages 12, “Water stewardship” and “Waste management,” and 13, “Protecting biodiversity through operational practices”
		Where climate-related issues are material, organizations should consider describing whether and how related performance metrics are incorporated into remuneration policies.	Not included in our fiscal year 2023 Sustainability Report
		Where relevant, organizations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a low-carbon economy.	Not included in our fiscal year 2023 Sustainability Report
		Metrics should be provided for historical periods to allow for trend analysis. Where appropriate, organizations should consider providing forward-looking metrics for the cross-industry.	Not included in our fiscal year 2023 Sustainability Report
		In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate climate-related metrics.	See page 11, “Our methodology,” and page 12, “GHG emissions intensity,” “Water stewardship” and “waste management”
	Greenhouse Gas Emissions: Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Organizations should provide their Scope 1 and Scope 2 GHG emissions independent of a materiality assessment, and, if appropriate, Scope 3 GHG emissions and the related risks.	See page 11, “Our GHG emissions”
		All organizations should consider disclosing Scope 3 GHG emissions. GHG emissions should be calculated in line with the GHG Protocol methodology to allow for aggregation and comparability across organizations and jurisdictions.	Not included in our fiscal year 2023 Sustainability Report
		As appropriate, organizations should consider providing related, generally accepted industry specific GHG efficiency ratios.	Not included in our fiscal year 2023 Sustainability Report
		GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate the metrics.	See page 11, “Our GHG emissions” and “Our methodology”
	Targets: Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Organizations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with the cross-industry and in line with anticipated regulatory requirements or market constraints or other goals.	Not included in our fiscal year 2023 Sustainability Report
		Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a low-carbon economy.	Not included in our fiscal year 2023 Sustainability Report
		In describing their targets, organizations should consider including the following: <ul style="list-style-type: none"> • Whether the target is absolute, or intensity based • Time frames over which the target applies • Base year from which progress is measured • Key performance indicators used to assess progress against targets 	Not included in our fiscal year 2023 Sustainability Report
		Organizations disclosing medium-term or long-term targets should also disclose associated interim targets in aggregate or by business line, where available.	Not included in our fiscal year 2023 Sustainability Report

APPENDIX B | CLIMATE STRATEGY, RISKS AND OPPORTUNITIES

Responding to changing and emerging markets is an inherent part of our history and our long-term strategy for our sustainability. Our expertise in engineering, procurement, construction, and technology integration for highly complex energy and industrial infrastructure projects supports this transition as our clients implement their own low carbon strategies.

In fiscal year 2022, as part of our TCFD recommendations implementation, we conducted peer research on the time horizons typical for our industry and aligned them with timing related to our own strategic planning. Accordingly, we have chosen to align our climate-relevant time horizons as follows:

- Short-term: Less than one year
- Medium-term: One to six years
- Long-term: Greater than six years

Within these time frames, potential changes in revenue (both positive and negative) may exist, specifically in the medium- and long-term, as it relates to climate change and the global transition to a low carbon economy.

The potential climate-related impacts to each of our three reporting segments, which may vary by segment, is described below. As reported in our fiscal 2023 sustainability report, we have used a qualitative approach and, as such, have not yet set financial materiality thresholds. We expect to do so in future reports.

Across each of our reporting segments, the services we provide support the clean energy transition and energy security in the end-markets we serve.

STORAGE AND TERMINAL SOLUTIONS.

Matrix is considered an industry leader in all forms of aboveground and specialized storage tanks and terminals. This reporting segment presents opportunity across all time frames, although, with the exception of maintenance and repair, longer-term

demand for services supporting crude oil may decline.

As vital transition fuels to clean energy, growing demand for Liquid Natural Gas (LNG) and natural gas infrastructure may benefit Matrix in the short- and medium-term. For example, our project pipeline includes projects for the engineering and construction of LNG bunkering terminals, driven in part by the International Maritime Organization's strategy on GHG emissions reduction, as well as replacement of diesel in other high horsepower applications.

Finally, the world's focus on hydrogen as a clean energy source, coupled with our extensive expertise in cryogenic storage and liquefaction, provides significant long-term opportunity for Matrix.

UTILITY AND POWER INFRASTRUCTURE.

Extreme temperatures across North America, natural gas supply and demand constraints, and swings in market pricing are key drivers for utility clients to store natural gas as a liquid to meet peak electrical demand for consumers, power generation, and industrial applications. This demand creates significant short- and medium-term opportunity for small- to mid-size LNG facilities, an area of expertise in which Matrix enjoys a strong reputation.

Additionally, the interconnected world of electrical and renewable generation, along with aging and outdated infrastructure, creates medium- and long-term growth opportunities for our electrical division for greenfield substations and rebuilds, transmission and distribution, relay upgrades, renewable interconnects, and fiber installation services.

PROCESS AND INDUSTRIAL FACILITIES. The demand for greater energy efficiency and lower carbon systems has positioned natural gas as a leading transition fuel, which is expected to drive short- and medium-term capital investments in infrastructure to support both domestic and international needs. In this same time frame, many midstream gas gatherers and processors are planning capital projects to minimize their carbon footprint while increasing capacity.

Currently, traditional energy companies are also retrofitting and upgrading facilities to process lower carbon and renewable fuels, a trend we expect to benefit from over both the short- and medium-term. Longer term, certain project work may be negatively impacted by potential reductions in spending related to crude oil refining.

The increasing need for metals and minerals that support renewable power facilities, battery storage, computer chips, and electrical infrastructure is among the drivers supporting capital spending and

maintenance in the mining and minerals market. With specialized expertise, this is a medium- to long-term growth area for Matrix.

Finally, the use of satellites for monitoring and tracking climate change and its effects is one of the reasons for increased spending on new and existing thermal vacuum chambers, a market sector in which Matrix is considered the industry leader, with a long-standing reputation for excellence. Against this backdrop, we expect Matrix to benefit in the medium- and long-term.

NOTE: The following tables were developed based on current policy scenarios; no in-depth analysis has yet been performed. As such, while we have taken a qualitative approach to identifying the potential strategic impact of risks and opportunities, we have not yet set financial materiality thresholds.

Climate-related risks.

Risk Type		Potential Strategic Impact	Short	Medium	Long	Mitigation Strategy
Transition Risks	Policy and Legal	<p>Limitation of GHG emissions through legislation or regulations could increase the need for infrastructure supporting transition fuels and low- or no-carbon energy sources, driving up demand for our services and related revenue, should we bid and win those projects.</p> <p>At the same time, current geopolitical events have increased global and domestic need for fossil fuels, making short-term regulations on GHG emissions not likely to negatively impact our revenue or operations.</p>				<ul style="list-style-type: none"> Continue to monitor climate change legislation. Work with our clients to understand their environmental objectives. Continue to promote our expertise in infrastructure for transition fuels and low- or no-carbon fuels. Partner with technology providers that support emerging energy markets. In the medium- or long-term, as appropriate, make energy efficient capital investments in our own operations such as transitioning to electric fleet or renewable energy sources.
	Technology	The timing related to adoption and use of technologies supporting a low carbon economy in our clients' operations and in our own industry could present risk to the services we provide and the manner in which we do so.				<ul style="list-style-type: none"> Continue to build partnership agreements with technology providers whose solutions support low carbon infrastructure. Continue to build enterprise-wide bench strength in the engineering and integration of low carbon technologies. Monitor the use of robotics and Artificial Intelligence in the services we provide and develop, and implement related strategies, accordingly.
	Market	Pricing volatility for crude oil, natural gas, and other commodities can affect client creditworthiness and related payment of amounts owed.				Continue to strengthen existing and new client relationships to stay abreast of any potential financial issues and monitor capital spending plans to understand their long-term strategic objectives toward adoption of low carbon solutions.
		Phasing out of fossil fuels such as crude oil and coal could result in a decline in demand for our refinery and crude oil storage and terminal solutions.				Many of the skills and expertise we have transfer to other end-markets, providing the capabilities our long-standing customers need as they transition their assets to clean energy. Additionally, we continue to build engineering and operational bench strength in emerging energies.

POTENTIAL IMPACT: LOW MIDDLE HIGH

TIMELINE: Short-term: Less than one year
 Medium-term: One to six years
 Long-term: Greater than six years

Climate-related risks. (continued).

Risk Type		Potential Strategic Impact	Short	Medium	Long	Mitigation Strategy
Transition Risks (Con't)	Reputation	Some of our clients may expect Matrix to take climate-related action due to pressures being put on the energy and industrial markets. Satisfying these expectations may require an increase in operating expenses.				We actively participate in events that help promote our position in supporting the transition to a low carbon economy. Further, adoption of TCFD and the related production of this report are ways in which we are actively working to provide transparency in our business.
		Environmental activism may be directed at Matrix as a contractor on project sites the activists deem to be harmful. Such events may cause delays in project starts or on-site work, which could result in reduced revenue and negative public relations.				We work closely with our clients to support community relations and outreach when requested. We have also established protocols for our office and field employees related to communications and community interaction to assist in mitigating any potentially negative encounters that may arise on or near the project sites where we work.
Physical Risks	Acute Physical	Heat waves, storms, wildfires, and other severe weather events can interrupt our operations in certain markets from time to time.				As a normal course of business, since our inception in 1984, we have integrated potential acute physical risks and impacts into our operations planning using a robust framework that helps us assess, prioritize, and mitigate potential impacts. For those regions susceptible to acute physical risks, such as the U.S. Gulf Coast, we proactively integrate contingencies into our project site operations and planning.
		Severe weather events can drive demand for our storm response and storm damage repair services.				<ul style="list-style-type: none"> • Continue to promote our expertise in electrical infrastructure storm response. • Continue to promote our expertise in maintenance and repair services for storage tanks and terminals.
		Grid interruptions, technology systems interruptions, supply chain interruptions, and an inability to meet equipment or materials delivery dates are the ways in which acute physical climate change events can impact our operations.				When extreme weather events interrupt our operations, if necessary, we implement our Business Continuity Plan. We also implement our "Lessons Learned" framework, integrating safety mechanisms developed from prior experiences, and documenting others for potential use during future events.
	Chronic Physical	Warming of average air temperatures may decrease our productivity. Should air temperatures increase significantly or for longer periods of time, there may be a greater impact on productivity.				To date, implementation of Occupational Safety and Health Administration (OSHA) heat protocols on each of our project sites has resulted in minimal impact on our ability to complete projects on time. Additionally, we are committed to following future protocols or other climate-related mandates as they evolve.

POTENTIAL IMPACT:  LOW  MIDDLE  HIGH

TIMELINE: Short-term: Less than one year
Medium-term: One to six years
Long-term: Greater than six years

Climate-related opportunities.

Risk Type	Potential Strategic Impact	Short	Medium	Long	Mitigation Strategy
Market	The global energy mix transition benefits Matrix as traditional energy clients upgrade or retrofit existing assets to accommodate renewable fuels. Additionally, physical impacts of climate change such as grid interruptions are creating demand for LNG peak shaving and other infrastructure and may increase demand for our storm response and repair services, all of which can result in increased revenue.				<ul style="list-style-type: none"> Leverage existing expertise and skill sets to support conversion of fossil fuel facilities to renewable fuels such as biodiesel and biojet fuel. Leverage our industry-leading expertise in LNG storage tanks and terminals, as well as integration of liquefaction technology to support peak shaving and other infrastructure. Continue to promote our expertise in electrical infrastructure storm response. Continue to promote our expertise in maintenance and repair services for storage tanks and terminals.
	Regardless of energy mix, we expect growing demand for construction and maintenance of North America's electrical infrastructure.				Continue to promote our expertise in greenfield substations and rebuilds, transmission and distribution, relay upgrades, and fiber installation services.
Products and Services	The global transition to a low carbon economy and renewable energy sources creates significant opportunity for Matrix, specifically in transition fuels, hydrogen and other renewable energy, green ammonia, mining and minerals, electrical grid support, and general industry.				<ul style="list-style-type: none"> Develop and deploy standardized hydrogen solutions for liquefaction plants, marine bunkering, fueling stations, plant and storage expansions, spaceship fueling, and other hydrogen-related facilities. Promote our expertise in mining and minerals with a focus on metals such as copper, lithium, nickel, and cobalt, all needed to support the growing demand for storage batteries and renewable power. Continue to build engineering, construction, and operational bench strength in emerging low carbon energy markets. Identify and penetrate new end-markets that can benefit from our skills and expertise, many of which are transferable. Consider strategic acquisitions to enhance capabilities, expand geographic reach, and increase market share supporting the transition to clean energy.
Energy Sources	Electrical services needed for new onshore energy sources such as solar and wind are within the skills and expertise Matrix possesses. Incorporation of these types of energy sources into the grid provide opportunity in the medium- and long-term for projects and related revenue.				Continue to identify and build strong relationships with industry partners and clients in this market space.

POTENTIAL IMPACT: LOW MIDDLE HIGH

TIMELINE: Short-term: Less than one year
Medium-term: One to six years
Long-term: Greater than six years

Climate-related opportunities (continued).

Opportunity Type	Potential Strategic Impact	Short	Medium	Long	Realization Strategy
Resource Efficiency	Matrix is not a significant user of energy, water, or other resources on our project sites. That said, our focus on ensuring minimal energy use, driving down water usage, and recycling water where possible are an inherent part of our project planning to minimize operating costs and increase competitiveness.				<p>We encourage our clients to provide on-site electrical power to minimize the use of diesel-fueled tools and equipment.</p> <p>As further described in the “Environmental Management and Protection” section of this report, environmental stewardship, as well as resource efficiency including water and waste management, are an integral part of planning and decision-making related on our project sites.</p>
Resilience	Many of our clients are implementing solutions to increase their own resilience, whether it be upgrading or retrofitting their facilities to withstand potential impacts of climate change such as storms and floods. Their need to do so provides increased revenue opportunity for Matrix in the short-, medium-, and long-term.				<p>We recognize the importance of building resiliency into the infrastructure our clients entrust to us, to support more sustainable operations. Accordingly, we will continue to promote our products and services directed at improved resiliency.</p> <p>In addition to leveraging existing client relationships, and industry-focused marketing, our employees also do so through industry-wide presentations.</p> <p>We build resilience into our own organization by adapting to changing circumstances and focusing on continuous improvement.</p>
	Matrix recognizes the potential impact of climate change and increased frequency of extreme weather events can have on its operations.				<p>We engaged third-party experts to assess physical risks that might impact operations at our Corporate and regional offices, taking into consideration different climate-related scenarios as described on page 23. Enterprise-wide, our Business Continuity Plan framework provides guidance for the mitigation, preparation, warning, and responses necessary in the event of a disaster that may greatly impact one or more of our operating locations.</p> <p>On our project sites, since our inception in 1984, we have integrated potential acute physical risks and impacts into our operations planning using a robust framework that helps us assess, prioritize, and mitigate potential impacts.</p>

POTENTIAL IMPACT: LOW MIDDLE HIGH

TIMELINE: Short-term: Less than one year
 Medium-term: One to six years
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Protecting our operations against climate-related acute and chronic physical risks.

Recognizing the increased frequency of extreme weather events, in fiscal 2022, Matrix engaged third-party experts to assess the potential physical risks that might impact operations at our Corporate and regional offices. In doing so, the following Representative Concentration Pathways (RCP) scenarios of global warming by 2050, as defined by the Intergovernmental Panel on Climate Change (IPCC) were considered:

High Climate Change Scenario (RCP 8.5)	Continuation of business as usual with emissions at current rates. This scenario is expected to result in warming in excess of 4 degrees Celsius by 2100.
Moderate Climate Change Scenario (RCP 4.5)	Strong mitigation actions to reduce emissions to half of current levels by 2080. This scenario is more likely than not to result in warming in excess of 2 degrees Celsius by 2100.
Low Climate Change Scenario (RCP 2.6)	Aggressive mitigation actions to halve emissions.

The assessment, which continues to be applicable to fiscal 2023, took into account our 29 locations across four countries. The analysis included:

- Mapping climate change hazards including water stress, flood, heatwaves, coldwaves, hurricanes, wildfire, and rises in sea level;
- Quantifying exposure; and
- Adjusting for risk sensitivity and materiality.

MODERATE PHYSICAL RISK

Our physical risk levels are broadly consistent across all scenarios.

Generally, the majority of our locations are located in areas facing a moderate physical risk with greatest exposure to the following climate change hazards:

- Coldwave
- Water stress
- Wildfire
- Heatwave

MITIGATING THE RISK. Enterprise-wide, our Business Continuity Plan framework provides guidance for the mitigation, preparation, warning, and responses necessary in the event of a disaster that may greatly impact one or more of our operating locations during or outside of working hours.

It also defines the roles and responsibilities of the Response Teams, establishes the implementation strategy, and provides for consistent policy and procedures review, training, and testing guidelines.



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